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BANGLADESH - ACTION PLAN

1987

BEST AVAILABLE

USAID BANGLADESH FY 1987 ACTION PLAN

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Table of Contents

	<u>Page</u>
Part I : Introductory Overview	1
Part II : Performance and Plans	5
A. Sector Narratives	5
B. Program Objectives and Benchmarks	17
C. Policy/Implementation Actions	27
D. New Project Descriptions	30
1. PVO Co-Financing (388-0072)	30
2. Family Planning Services (388-0050)	33
E. Education Strategy	36
Part III : Special Considerations	40
A. Mortgage/Pipeline Issues	40
1. Obligation Schedule by Month	42
2. FY 86-87 Program Budget Summary Table	43
B. Evaluation Program	44
C. PL 480 Narrative	49
1. Title III	49
2. Title II	51
D. Workforce Issues	54
E. Gray Amendment Contracting	59

Part I: Introductory Overview

The USAID/Bangladesh program is distinguished by its consistency and stability. The program objectives of reduced fertility, increased agricultural productivity, and expanded employment opportunities continue to address the country's most critical development needs, and are thoroughly consonant with Bangladesh Government (BDG) priorities as embodied in the new Third Five Year Plan. The programs and projects that constitute our strategy have endured for a number of years. We have long been working in the same program and policy areas and have established a credibility in those areas. Our family planning, food and agricultural, and rural infrastructure programs have met with measurable success, although much remains to be accomplished. USAID has decided to continue our programs to both sustain our achievements and produce a clear and measurable impact. We will persist in our policy efforts to increase the reliance on market forces in the economy, specifically in the areas involving fertilizer, foodgrains, finance, and small, labor-intensive enterprises.

-- In the family planning area, we are currently evaluating the achievements of the Family Planning Services (FPS) project. While national population program performance during the past year was disappointing, initial indications from the 1985 Contraceptive Prevalence Survey indicate a marked increase in contraceptive prevalence since 1983. We will design an amendment to the FPS project that will emphasize improvements in EDG and Social Marketing Project (SMP) management and performance, extend services through the EDG, SMP and non-governmental organizations (NGOs), strengthen activities to stimulate demand, and

initiate new Child Survival and Maternal and Child Health (MCH) activities that can be implemented effectively by NGOs and the BDG.

-- In the food and agriculture program, we will continue our agricultural research activities with a project paper supplement. The policy direction of the new multi-year PL 480 Title III program that will begin next fiscal year is currently being developed. It will address the effective demand constraint to increased agricultural production. Our food and agricultural programs will place greater emphasis on crop diversification and non-crop agriculture, e.g. horticulture, livestock, fisheries and homestead agroforestry. Our programs will continue to support the development of market-oriented input systems and effective public foodgrains distribution systems. Negotiations for the FY 1986 obligation of Fertilizer Distribution Improvement II (FDI-II) will begin this spring.

-- In employment and enterprise development, we began to pursue our strategy approved last year. Planning for the economic census and technical assistance to the Planning Commission for policy studies has proceeded well. Our rural infrastructure program will continue with a new Rural Electrification agreement, an amendment to our Feeder (Zilla) Roads project, and the continuation of our food for work activities with CARE. We will continue our efforts to assist in the establishment of new, innovative and labor-intensive enterprises.

-- In FY 1986 we also initiated several studies to assist USAID in better integrating the concerns and needs of women into the program. We sponsored a review of the existing literature and a "Profile of Women in Bangladesh." We are sponsoring a survey of women's activities in Bangladesh in cooperation with Canadian CIDA.

-- In response to both the needs of the education sector and BDG requests for assistance to meet its education objectives, we have included in the Action Plan a human resource strategy that will help address these objectives with the resources we have available.

-- We continue to explore ways to assist the BDG's privatization efforts, e.g. studies on the divestiture of nationalized firms, and to explore opportunities for promoting private sector development through existing FRE programs.

A number of constraints may influence our ability to achieve our benchmarks this coming year, and possibly beyond. First, while we acknowledge that our program levels have thus far been protected from mandated budget cuts, further reductions will severely limit our program flexibility, especially in designing new projects that address our third program objective of stimulating employment. This problem is exacerbated by a large program mortgage. The funding constraint is not only a factor of our total budget levels, but also the trade-off between population/health and other funding. As the increasingly large share of population/health to total D.A. funding, currently at 40%, is sustained, we may be forced to diminish our efforts to implement other essential elements of our strategy. To a large extent, the availability of Population and Child Survival funds, rather than USAID's judgment of sector needs and absorptive capacity, increasingly is driving our strategy.

Other constraints are exogenous. The Like-Minded Group of donors (Scandinavians, Netherlands and Canada) commissioned a report on "Rural Poverty in Bangladesh." The report argues that the situation of the rural poor has deteriorated appreciably since the 1960s. What USAID

finds most disturbing about the report is the strong suggestion that broadly based subsidy programs are an effective channel to reach the country's poorest groups. Most of the Like-Minded donors are now supporting the continuation of subsidies on such agricultural inputs as fertilizer, irrigation equipment, and agricultural credit. USAID, along with the IBRD and the ADB, does not believe that subsidies should be reinstated or increased. We strongly support efforts to reduce existing subsidies. The Like-Minded thesis has garnered support in some EDG circles, and the debate it has engendered may complicate our policy negotiations.

Another factor is the Martial Law Administration's call for parliamentary elections in early May with presidential elections to follow later in the year. We fully support the return to representative political institutions. We also recognize that the EDG's policy actions are receiving closer public scrutiny and that the government is now especially sensitive to public criticism. Although hard to predict, we believe the current political uncertainty is unlikely to subside after the May elections.

Part II: Performance and Plans

A. Sector Narratives

1. Decreasing Human Fertility

In last year's Action Plan, we noted the dramatic increases in growth rates for contraceptive services by both the government and NGOs. This strong performance was not sustained during the past year. Voluntary sterilizations (VS) declined in 1985 by over 50% from the previous year. Condom sales and distribution fell by 19%. The high level of IUD insertions achieved in 1984 was sustained. Distribution of pills through the SMP and NGOs increased. NGOs assisted by USAID performed well. However, their successes could not offset the overall decline in nation-wide performance.

While precise reasons for the decline in performance are being explored, a number of variables appear to have contributed. Management problems resulting from functional integration of family planning and health services may have temporarily disrupted the EDG service delivery system. It is also possible that, as a result of very high levels of VS performance in the past few years, the "easy" acceptor may have been reached in some areas, and hence, additional demand creation activities may be required. Price increases in 1984 for condoms sold by the SMP, a large pipeline of condoms at warehouses and distributors and a reduction in credit flows by SMP to wholesalers contributed to the decline in SMP sales in 1985.

Although Child Survival Funds were provided to SMP last year to introduce Oral Rehydration Solution (ORS) into its product line, promotion and distribution of ORS has proceeded very slowly. We are confident that careful planning for ORS marketing performed during the

past year will now accelerate the implementation of the program.

We are encouraged by a number of positive developments.

-- Several evaluations of USAID-assisted NGOs were undertaken in 1985-86. Almost uniformly, NGOs continued their strong performance in family planning and met among themselves and with Government to strengthen collaboration in particular geographical areas and to improve training and quality of services.

-- USAID initiated the 1985 Contraceptive Prevalence Survey (CPS) and a Pill and Condom Use-Effectiveness Survey in 1985-86 among other research. Very preliminary results of the 1985 CPS indicate that a nation-wide rate of 28% (modern methods) by 1987, a major objective of the FP Services Project, may be achievable.

-- USAID has worked with the EDG, NGOs, SMP and other donors in 1985 to improve the quality of all family planning services, to monitor performance and to analyze systemic constraints. For example, worker manuals for sterilization and IUD clinical services were developed and distributed. Several methodologically-sound analyses of sterilization services reassured Government and AID of the voluntary nature of the program.

-- In response to a commodity logistics problem area identified in last year's Action Plan, the first national physical inventory of contraceptives was carried out with USAID assistance in 1985-86, and will be repeated in 1986-87; a supply manual was developed, followed by design of training in use of the manual. Storekeeper and supervisory level training will start in 1986-87. Storage facilities at lower levels of the distribution system will also be improved as a result of USAID technical assistance and funding. Distribution data will be computerized

in 1986-87 to initiate a more efficient Government Logistics Management Information System which will improve allocation and control of contraceptives procured by AID and other donors.

-- A number of studies have been performed to explain the reasons for the "condom gap", i.e., the difference between SMP condom distribution and condom use as measured by the CPS. Several variables contribute to the data discrepancy, including a pipeline effect in SMP distribution, under-reporting of condom use, and extra-marital use.

-- USAID has been successful in its efforts to encourage the BDG to increase the density of fieldworkers. The ICDDR,B Maternal and Child Health and Family Planning Extension Project, working intensively in two upazillas (sub-districts) within the government system, has effectively demonstrated that the addition of female fieldworkers to the existing government system - with their presence made more apparent to the community through greater frequency of home visiting - will lead to higher prevalence of contraceptive use of all methods. Through intensive discussions between project and government staff, the BDG has begun to appreciate the significance of this and other practical findings on management of MCH interventions in the field.

This will be a year of transition for the Family Planning Services project. An evaluation of each project component has been performed and a team recently completed the fieldwork for the overall evaluation of the FPS project. Based on the recommendations of the evaluation, USAID will begin design of a 5-year amendment to FPS, for FY 1987 authorization.

In addition, utilizing Child Survival and Health account funds, USAID will begin funding Operational Program Grants (OPGs) to support (1) an Urban Primary Health Care Volunteers Program with ICDDR,B and (2) the

addition of other child survival interventions to the Bangladesh Association for Voluntary Sterilization (BAVS) family planning clinic-based NGO project.

To meet latent or unmet demand for family planning services, a renewed effort may be required to inform, educate and counsel more effectively on appropriate, available contraceptive methods for couples in different age groups and with different numbers of children. USAID will continue assistance to strengthen clinical and community-based family planning services through government and NGO fieldworkers and facilities, and through SMP sales outlets. SMP promotional, advertising and distribution strategies will be revised and management and marketing will be strengthened.

To promote an increase in the adoption and use of family planning services, USAID will place greater emphasis on demand creation activities including the use of mass media to encourage delayed child-bearing and spacing, programs to increase enrollment and retention of females in secondary school, and strengthening of MCH services. For example, SMP will be encouraged to expand its promotional campaign and modify its message to encourage a smaller family norm and increasingly incorporate a female target for its campaign. An evaluation of the Female Scholarship program recommended an expansion of the successful pilot project. We are currently designing a follow-on project and have identified a number of design issues affecting the broad replicability of the program before a decision is made to significantly expand the program (see p. 38). Other activities that encourage women's acceptance of family planning services will be considered.

Finally, to the extent we will continue to receive health and child

survival funds as a Child Survival Priority Country, and recognizing that family planning is but one, albeit critical, component of mother and child survival objectives, we will be exploring opportunities to ensure the quality of MCH services as they are more fully integrated into the service delivery system. The introduction of MCH services is a new element of our USAID strategy. We will submit in the ABS a detailed Plan of Action in response to the forthcoming guidance on AID's Child Survival Action Plan (CSAP).

2. Increasing Agricultural Productivity

We have reached a crossroad in the USAID food and agriculture program, and we have decided that continuity, rather than broad program changes, better serve the country's needs.

An external evaluation of the Agricultural Research project II (ARP II) performed last spring recommended a large number of actions that will be pursued to improve the country's agricultural research capability. The evaluation confirmed our belief that continuation and refinement of our current project was a more appropriate course of action than any major change in direction. The effort to build a viable agricultural research coordination institution requires a long-term commitment. The ARP II supplement extending the project five years will be submitted to AID/W for approval this spring. We will focus our efforts at assisting the Bangladesh Agricultural Research Council (BARC) to carry out its mandate to establish the nation's research priorities and, ultimately, to meet the country's crop diversification and demand generation objectives. Negotiations with the EDG to approve the Homestead Agro-Forestry project have recently resumed after a ten month hiatus. Although it has been difficult for the EDG to reach a consensus on the

issues of institutional responsibilities and division of labor, there was no disagreement over the urgent need for on-farm agro-forestry research. We are confident that the remaining issues will be resolved to permit an initial obligation this fiscal year.

Although the project agreement for Fertilizer Distribution Improvement II (FDI-II) was signed in August, 1984, the BDG was unable to meet the initial Conditions Precedent. An alternate set of policy conditions was re-negotiated during a 15-month period and an amendment was signed last November. We are sanguine that these modified conditions will achieve the project's ultimate objectives, and will be implemented by the BDG.

Since the USAID-funded fertilizer program began in 1978, most of the funds have been used for urea imports. With the increase in domestic urea production and availability of substantial stocks, FY 86 funds will be disbursed for short-term credit to private wholesalers and retailers.

We are fully aware that difficult negotiations, occasioned by a changed political climate, lie ahead. A number of factors will influence the outcome of the second tranche negotiations that will begin in April. First, despite a year of unprecedented foodgrain production, fertilizer offtakes have declined. While the lack of growth in sales is the result of a number of factors including reduction in agricultural credit for fertilizer purchases, reduced sales of irrigation equipment, increased electrical load-shedding, poor government foodgrain procurement performance, and a year of unusually dry weather, many BDG officials cite the reduction in subsidies (and consequent increases in the fertilizer price) as the primary reason for reduced offtakes. This perception, while incorrect, may influence negotiations. A report on "Rural Poverty

in Bangladesh", prepared by the North-South Institute and commissioned by a group of Like-Minded donors (Scandinavians, Netherlands and Canada) suggested that privatization of fertilizer marketing has resulted in inequitable access to agricultural inputs. Our evidence, based on International Fertilizer Development Center (IFDC), International Food Policy Research Institute (IFPRI), IBRD and other studies, suggests that our program has probably improved small farmer access to supplies. We will continue to study fertilizer use and distribution to confirm the equitable benefits of the fertilizer policies USAID and other donors have been supporting.

Each annual tranche of FDI-II funds will be tied to BDG approval of a number of sensitive policy issues including the further reduction of BDG fertilizer sales outlets, increased private sector access to factories and ports, and private sector importation of fertilizer. These negotiations will be conducted against a backdrop of democratization, a return to open politics, and parliamentary elections scheduled for May following four years of Martial Law Government.

The current political climate and our own budget constraints may also affect the direction of our PL 480 Title III program. Several new policies that emerge may be politically difficult for the BDG; if projected FY 1987 PL 480 levels are further reduced, the negotiations of these reforms could be compromised. Our last amendment to the 1982 Title III agreement, adding \$70 million, was signed in October. Since then, USAID has embarked in a major exercise to define policy and program directions for the new multi-year agreement. A team of consultants has helped the USAID identify broad policy directions, and will continue to collaborate in the design of a program document for submission to AID/W

this summer. A number of studies are currently being drafted, including: (1) crop diversification policies; (2) employment and demand creation; (3) food sector policy and management; (4) restructuring the ration system to target on the nutritionally most vulnerable; and (5) programming of local proceeds, and (6) analysis of production disincentive effects of food aid. As suggested by this list, the focus of the multi-year agreement will be on policies that diversify crop production, increase effective demand for food, strengthen the EDG's foodgrain procurement system, reduce consumption subsidies and more tightly program local proceeds.

3. Expanding Employment Opportunities

The USAID's Employment and Small Enterprise Strategy was formally approved at last year's Program Week. Briefly, the strategy addresses key constraints to the growth of small enterprises; USAID will do this indirectly by (1) helping create a healthy policy and institutional environment; (2) creating a reliable physical infrastructure that can stimulate growth, incomes and employment; and (3) building the capacity of public and private organizations to increase the pool of skilled entrepreneurs, managers and administrators. Directly, USAID will promote specific labor-intensive enterprises that introduce either innovative technologies or non-traditional exports. While admittedly we are at the formative stage in the implementation of our strategy, we have made a good start. However, limited availability of funds may become a constraint.

Preparations for census of non-agricultural economic activities under the Enterprise Policy Studies project have proceeded well. A PASA agreement was signed with the U.S. Census Bureau (BUCEN) last year and an

expatriate advisor is collaborating with the Bangladesh Bureau of Statistics (BBS). Most of the commodities for the census have arrived. One disappointment has been the need, as a result of the scheduling of parliamentary elections, to postpone the census from the planned date in March, 1986 to the fall, following the monsoon season. A team from the S&T Bureau and the Harvard Institute of International Development (HIID) was in country in January to draft a proposal for technical assistance (TA) to the BDG Planning Commission to conduct policy studies. A team leader from HIID has been identified and we expect the TA program to begin this summer.

The programs that most directly address rural infrastructure needs--Feeder (formerly Zilla) Roads and Rural Electrification--will continue as follow-on activities. Food for Work rural roads activity will continue under the CARE FFW III project. A Feeder Roads PP supplement will soon be authorized to expand the LOP funding and extend the project for an additional three years. The amendment is required to achieve the project's original purpose of improving road maintenance. The importance of this project is evidenced by the number of donors, including the ADB, IERD and SIDA, that are examining BDG performance before making major funding commitments to feeder road development. Donors have held extensive discussions on a number of key issues. These include (1) the appropriate locus of responsibility for feeder road improvement and maintenance, resulting from the government's tentative decision to decentralize development administration and possibly place maintenance responsibilities at the upazila level, despite the fact that these roads traverse upazila boundaries; (2) inadequate progress in adopting an annual routine maintenance program; and (3) funding the

recurrent costs of road maintenance. A discussion of FFW is included in the PL 480 narrative.

The Project Paper for Rural Electrification III (RE III) is being drafted for submission to AID/W this spring with initial obligation in late FY 86. An assessment of the RE program, including the economic and social impact of rural electrification, was conducted last fall by a team organized by the Oak Ridge National Laboratory. The assessment offered a number of recommendations to improve management and implementation, and identified a number of pricing and financial issues that affect the system's viability. The RE III project will increase the density of service within each AID-financed rural electrification cooperative (PBS), rather than expand the system to new geographic areas. This will expand the revenue base and help the PBSs achieve financial viability. The emphasis on directly productive rather than household use will continue. To move the RE system closer to financial viability, the RE III project will focus on phased reduction and eventual elimination of current price subsidies and increased revenue generation to cover operating maintenance and new investment costs.

The IBRD is funding a Power Sector Tariff Study, as a condition of its credit to the Bangladesh Power Development Board (BPDB). The study will recommend tariff structures that closely reflect the demand for electricity from REB consumers and analyze the long-run marginal cost of generating, transmitting and distributing electricity at various places, times and voltage levels for a variety of consumers served by both PDB and the PBSs. USAID will review reports, analyses and recommendations and support policy measures that lead to orderly reduction of subsidies, timely achievement of PBS financial and administrative autonomy, and

continued expansion of rural electrification.

Although the bulk of Rural Finance project funds were disbursed during FY 83-85, the work of the R.R. Nathan team and Ohio State University (OSU) consultants, continues. R.R. Nathan is currently conducting a comprehensive Rural Branch and Bank User Survey (RBBUS) to collect information on the rural banking system and the behavior of bank customers, with emphasis on savings and loan repayment. The results of the survey will provide information required to formulate policy recommendations that will improve the rural financial system. In order to permit the consultants to finish essential studies and formulate appropriate recommendations (on loan recoveries, reduction of transaction costs, new savings mobilizations programs, interest rate adjustment policies, and reforms in accounting and management information systems), we will proceed with a no-cost extension of the R.R. Nathan contract to continue TA activities through December, 1987.

During the past year, MIDAS, the NGO established by USAID under the Rural Industries project, has become increasingly aggressive and successful in identifying innovative, labor-intensive, export-oriented businesses. We believe that MIDAS is becoming an effective credit and technical assistance institution. An evaluation of the MIDAS project is being conducted, and the Enterprise Development project, which will expand MIDAS' program, will be approved and authorized this summer.

The International Center for Research on Women (ICRW) evaluated the Women's Entrepreneurship Development Program (WEDP) last summer. The evaluation offered useful recommendations to strengthen the program, which is a component of the Rural Industries project; USAID has decided to continue the WEDP to examine further the project's income generating

impact.

The PID for the Development and Management Training project will be ready for approval in early April. The training program will fund participant training in the U.S. in business, public administration and economics, and will strengthen local management institutes' ability to provide quality training for larger numbers of managers and entrepreneurs. We were forced by budget considerations to defer a planned initial FY 1986 obligation until next fiscal year.

B. Program Objectives and Benchmarks

Long-term Goals and Quantifiable Objectives

Goal: Decreased Fertility

Objectives:

1. Increased contraceptive prevalence

By December 1990, modern method CPR of 35% thereby reducing average family size to 4 children per family by 1990 from 5.6 children in 1983.

2. Increased demand for contraceptives

a.1. F.P. message recognition by 80% of rural males by 1987 due to mass media campaign.

a.2. By 1988, F.P. message recognition by 90% of rural males and 50% of rural females due to mass media motivational campaign.

FY 85-86 Benchmark Achievement

Prior Benchmarks

New Benchmarks

Modern method CPR of 25% by December 1986.

1985 CPS results due summer 1986

Modern method CPR of 28% by December 1987.

F.P. message recognition by 60% of rural males by July 1985, up from 47% in September 1984.

Second motivational campaign survey due May 1986.

Changed objective to A.2.

New objective.

New objective.

F.P. message recognition by 75% of rural males and 25% of rural females by December 1987.

Long-term Goals and Quantifiable Objectives

Prior Benchmarks

FY 85-86 Benchmark Achievement

New Benchmarks

b. Increased F.P. awareness and smaller desired family size by 75% of girls in pilot projects who have finished secondary education.

(quantification of objective to be determined during design stage (now indicated in objective B).

Of married graduates: 100% are aware of F.P. methods and 95% desire 3 or less children. Of married non-graduates (control group) 59% are aware of F.P. methods while 37% desired 3 or less children.

Maintain 95% awareness of I and desire for three or less children among program graduates.

3. Deferred age of marriage

By 1990, 90% of Female Scholarship Project graduates delayed marriage until, at a minimum, 16 years.

Quantification of objective to be determined during design stage (now indicated in objective).

November 1985 survey showed 70% of scholarship recipients remained unmarried as against only 30% of the non-scholarship students in the same area. (Included 100% of students graduated and those who dropped out: 441). By end of 1987, 80% of graduates will be delaying marriage until, at a minimum 16 years.

4. To assure an adequate supply of commodities

a. By end of FY 88, 3 month stock level maintained at the sub district upazila, district, and regional storerooms and a six month level maintained at the central warehouse.

Same as quantifiable objective. To be measured in FY 86 against baseline data collected early 1985.

Reporting procedures implemented permitting monitoring of stock levels and storerooms. Only 1-2 month supply being maintained at all levels.

By 1987 2-3 month supply of commodities will be maintained at all levels except the central level where a four month supply will be in stock at all times.

Long-term Goals and Quantifiable Objectives

- b. By end of FY 87, 1100 trained personnel in population logistics system.

5. Decreased infant mortality

- a. By 1988, SMP will have met 10% of the total estimated unmet demand for ORS (6 million ORS packets sold annually).

- b. By 1991, child survival interventions in the urban slum areas of Dhaka, Chittagong and Khulna will lead to a 15% reduction in infant and child mortality.

- a. Note: Achievement of family planning and child survival intervention objectives will contribute to a reduction in the current national rates of infant and child mortality of 133 and 22 respectively in 1986 to the MDG Third Five Year Plan goal of 100 and 12 respectively by 1990.

FY 85-86 Benchmark Achievement

New objective.

1100 personnel trained resulting in inventory levels of key commodities matched with consumption patterns.

New Benchmarks

Late start; delayed distribution; beginning sales level insignificant at this stage.

By end of 1986, will have annual sales level of 5 million ORS packets.

By December 1987, SMP will have annual sales level of 4 million ORS packets and will meet 7 percent of current unmet demand.

New objective.

New objective.

By 1987, infant and child mortality will be reduced to 3 percent in the urban slums of Dhaka.

<u>Long-term Goals and Quantifiable Objectives</u>	<u>Prior Benchmarks</u>	<u>FY 85-86 Benchmark Achievement</u>	<u>New Benchmarks</u>
<p>Goal: Increased Agricultural Productivity</p> <p>Objectives:</p> <ol style="list-style-type: none"> 1. Increased crop yields and land use intensity <ol style="list-style-type: none"> a. By 1990, percent of rice acreage in high yielding varieties will increase from 20% to 35%. b. By 1990 national fertilizer sales will reach 1.7 million metric tons. 	<p>1985/86 HYV rice acreage estimated to be 22%. Expected 1983/84 increases were not forthcoming due to HYV's inability to perform well under severe adverse conditions.</p>	<p>Bangladesh Bureau of Statistics has estimated 27% HYV-rice in 1984-85. Expected HYV-rice in 1985-86 is 30%.</p>	<p>1986/87 HYV rice acreage estimated to be 32%. HYV rice acreage has been increasing every year in the absence of severe adverse conditions.</p>
<ol style="list-style-type: none"> 2. Increased crop diversification <ol style="list-style-type: none"> a. By 1990 acreage planted in non-cereal crops will increase from 1983 level of 5.3 million acres to 7 million acres. 	<p>By 1985 sales have reached 1.3 million MT.</p>	<p>In 1985 sales reached 1.26 million MT.</p>	<p>By 1987 sales have reached 1.5 million MT.</p>
<ol style="list-style-type: none"> 2. Increased crop diversification <ol style="list-style-type: none"> a. By 1990 acreage planted in non-cereal crops will increase from 1983 level of 5.3 million acres to 7 million acres. 	<p>Non-cereal acreage estimated to be 6.5 million acres by 1985-86.</p>	<p>Non-cereal acreage was estimated to be increased from 5.3 million acres in 1983 to 5.8 million acres in 1984-85. Estimated 6.5 million acres in 1985-86 may be achieved.</p>	<p>Non-cereal acreage estimated to be 7 million acres in 1986-87.</p>

<u>Long-term Goals and Quantifiable Objectives</u>	<u>Prior Benchmarks</u>	<u>FY 85-86 Benchmark Achievement</u>	<u>New Benchmarks</u>
<p>b. By 1988, fuelwood research components will be at 12 farming system sites.</p> <p>a. By 1990, adoption of new agro-forestry technologies and management techniques by rural households outside farming system research sites.</p>	<p>By 1986 research initiated at 4 sites.</p> <p>Adoption will begin in 1986/87 planning period.</p>	<p>Fuelwood research component at 4 farming system research sites will start by late 1986.</p> <p>Homestead Agro-forestry project has not yet started but expected to start by the end of 1986. Adoption of new agro-forestry technologies and management techniques by rural households may start before 1990.</p>	<p>Fuelwood research will continue at 4 farming system research sites in 1986-87.</p> <p>Homestead Agro-forestry research will start in 1986-87. Adoption of new technologies and management may begin in 1988-89.</p>
<p>3. Decentralization of agricultural research</p> <p>By 1990, 40% of research planned at field stations rather than 1983/1984 level of 5%.</p>	<p>Estimated to be 15% in 1984/85.</p>	<p>Field station research has increased significantly and is expected to be 18% in 1985-86.</p>	<p>Estimated to be 20% in 1986-87.</p>
<p>4. Improved food and fertilizer policies</p> <p>a. By 1990, Total restructuring of the Public Food Distribution System (PFDS) with the aim of eliminating subsidies for privileged</p>	<p>Offtakes in SR will constitute less than 10% (down from 29% in FY 74 and 14% in FY 84) of total public food distribution</p>	<p>During the first half of BDG FY 86, SR sales constituted 12% of total distribution through the PFDS, slightly up from the 10% record in</p>	<p>FY 86 offtakes in SR as well as in other priorities (OP) and large employers (LE) will be at least 25% less than FY 85 offtakes allowing</p>

Long-term Goals and Quantifiable Objectives

groups and ensuring that whatever subsidy remains in the system goes to the deserving sections of the population mostly based in rural areas.

Prior Benchmarks

system in FY 86. Ration price for both wheat and rice should be at or above 90% of market price for a substantial part of each year.

FY 85-86 Benchmark Achievement

FY 1985*. Average ration prices for rice and wheat during the first six months of FY 1986 were respectively 103% and 98% of market prices, up from 90% and 97% in FY 1985.

New Benchmarks

greater distribution to poorer segments of the population. Ration prices for both wheat and rice should be at or above 90% of market prices for a substantial part of the year. Announcement of a specific time frame and plan for removing subsidized grain from the SR, OP and LE offtake channels of the PFDS will be made.

b. By 1989 Government will modify its procurement and marketing policies and practices to ensure they meet Government's price stabilization goals.

c. By 1989, twenty large private wholesale fertilizer companies distributing fertilizer regionally.

New objective.

By 1986, five regional private distributors in operations.

New objective.

five regional BADC quantity discount centers, in operation since November 1985, have fostered the growth of many large scale wholesalers.

Market price of grain will not fluctuate by more than 20% above the OMS price and 15% below the procurement price.

By 1987 the regional discount centers will help create large scale regional distributors. Restrictions on private sector importation and factory off-takes will be removed.

* (However, in absolute terms SR offtakes were 43% lower in the first half of BDG FY 86 than in the corresponding period of FY 85)

Long-term Goals and Quantifiable Objectives

Goal: Employment Expansion

Objectives:

1. Improved Small Scale Enterprise (SSE) Policy Environment.

By 1990, policy reforms necessary for encouraging the growth of SSE's will be subject to sustained policy dialogue with the HDG.

2. Increased growth of Small Scale Enterprise.

a. By 1990, MIDAS will assist in establishing 200 risk taking innovative, labor intensive businesses that produce non-traditional exports will facilitate establishment of 500 other businesses, and will explore business opportunities with at least 60 potential female entrepreneurs.

FY 85-86 Benchmark Achievement

Prior Benchmarks

New Benchmarks

Design authorization and implementation of the Enterprise Policy Reform Project.

Project has been authorized and implementation has begun. Specific research tasks are being identified.

By 1987, several studies, which examine the impact of government policy and practice (in banking, exports, taxation, licensing, etc.) will be conducted.

By FY 86, MIDAS assisted in the establishment of 50 innovative businesses and facilitated establishment of 200 other businesses all of which averaged a minimum of 5 employees.

By mid-FY 86 MIDAS has assisted in establishment or expansion of 30 businesses. Spread effects and forward and backward linkages are difficult to measure.

15% of businesses will be owned or run by women.

Approximately 10% of businesses identified for possible support by MIDAS are owned and managed by women.

MIDAS assisted in the establishment of 60 innovative businesses and facilitated establishment of 200 other businesses all of which averaged a minimum of 20 employees. Of these businesses, MIDAS will have worked with at least 10 potential female entrepreneurs.

Long-term Goals and Quantifiable Objectives

b. By 1990, WEDP will expand from about 5,000 loans in 1986 to 15,000 loans to rural women to participate in and own local businesses.

3. Rational, financially viable banking system established

a. By 1988, rural banks will charge sufficient interest on loans to cover costs of funds, administrative costs, bad debts and to allow reasonable profits.

b. By 1988, interest rate structure will encourage banks to rely more heavily on savings mobilization as a source of loan funds.

c. By 1987, uniform and acceptable accounting procedures will be used in all rural banking institutions.

Prior Benchmarks

New objective.

Data collection and analysis of bank transaction costs, bad debt experience and cost of funds completed.

A MIS will be in place to measure percent use of refinancing and percent growth in deposit base to total assets.

Accounting procedures are formulated and being implemented.

FY 85-86 Benchmark Achievement

New objective.

Ohio State University has carried out several studies and sponsored seminars to impart knowledge and enable banks to initiate transaction and analysis. But some studies have not been completed.

A formal circular establishing the MIS has been distributed to all NCBs and BKB, and about 45% of all branches are reporting information, in the required format.

Some standardized procedures e.g., those for loan classification, have been introduced into all NCBs and BKB.

New Benchmarks

Total number of loans will expand to 9,000 rural women.

Total recoveries to total disbursement will increase from 12/31/85 of 56% to 60% by 12/31/86.

Initially MIS will be in place to measure percent use of refinancing and percent growth in deposit base to total assets, and will be used by all branches of public sector banks.

Accounting procedures are formulated and operational in all banks.

<u>Long-term Goals and Quantifiable Objectives</u>	<u>Prior Benchmarks</u>	<u>FY 85-86 Benchmark Achievement</u>	<u>New Benchmarks</u>
<p>Rural infrastructure development</p>	<p>a. By 1990, 180,000 productive (as opposed to household) users; 20% irrigation, industrial and 80% commercial.</p>	<p>By 1985, 23,200 productive users of which 80% industrial and commercial and 20% irrigation.</p>	<p>At the end of FY 85, there are 28,016 productive users of which 930 (3.3%) irrigation users.</p>
<p>b. By 1995, 12 financially self sufficient and institutionally viable rural electrical coops</p>	<p>By 1986, 6 PBSS will be achieving positive cash flows at subsidized loan rates.</p>	<p>November 1985, evaluation clearly demonstrates that these goals are optimistic. At present Dhaka I PBS is moderately close to achieving positive cash flow.</p>	<p>By end of 1986, 1 PBS will be achieving positive cash flows at subsidized loan rates.</p>
<p>c. By 1990 sufficient BDC financing allocated annually to maintain support to Feeder Roads Project district level road maintenance.</p>	<p>Increased BDC contribution to road maintenance fund increased from 30% in FY 84 to 50% by FY 86.</p>	<p>BDC contribution to the road maintenance fund in FY 86 will be 25%.</p>	<p>BDC contribution to road maintenance fund will reach 35%.</p>
<p>d. By 1990, percentage of roads maintained after road rehabilitation increased to 100 percent in districts served by Zilla Road Project (about 70 to 80 miles).</p>	<p>Pilot maintenance program tested and being expanded in rest of project area. Each district (old) will be maintaining 40 to 60 miles</p>	<p>By end of 1985, length of road maintenance in each district was: Rangpur, 12 miles, Faridpur 22 miles, and Sylhet 34 miles.</p>	<p>By end of FY 87, length of road maintained in each district will be Rangpur 25 miles, Faridpur 35 miles, and Sylhet 50 miles.</p>

Long-term Goals and Quantifiable Objectives

5. Improved farm-to-market infrastructure

a. Each year, up to 6,000 miles of roads will be constructed or improved by FFV program.

b. Annually, create up to 24.2 million person-days of fully paid labor.

Prior Benchmarks

In FY 1985, 1,200 road projects and 735 bridges and culverts projects have been approved for a minimum of 5760 miles of road improvement.

24 million person-days of work performed.

FY 85-86 Benchmark Achievement

6,213 miles of road have been reconstructed in '84-'85.

18,478 million person days of fully paid employment were generated.

New Benchmarks

6,000 miles accepted for implementation.

24.2 million person-days of work (fully paid) to be performed.

C. Major Implementation/Policy Actions

Codes: Technology Transfer (TT); Institution Building (IB); Private Sector (PS); Policy Dialogue (PD).

1. Decreasing Human Fertility

- Evaluations of Family Planning Services Project (0050), will be completed, recommendations will be reviewed, and project amendment will be designed leading to AID/W authorization in FY 87.
- Studies exploring reasons for decline in government family planning performance, and the effect of integration of FP/MCH activities at field level will be completed by the end of FY 86. (PD)
- Quarterly Evaluations of BDG's Voluntary Sterilization program and Annual Evaluation of IUD program will continue.
- University Research Corporation (URC) Operational Research Project Office will be established and studies begun. (IB; TT)
- 1985 Contraceptive Prevalence Survey will be analyzed and results disseminated. (TT)
- Pill and Condom Use Effectiveness Study will be completed.
- ICDDR/B MCH/FP Extension Project will conduct a study of alternative strategies for EPI delivery. (TT, IB)
- PSI/SMP preparation of strategy paper (revised strategies for promotion, advertising, marketing, distribution), revised marketing plan for 1986 to 1988 and revised implementation schedule (workplan) will be completed. (IB)
- To improve contraceptive logistics and supplies, a number of actions will be taken, including: performing a physical inventory, training of logistics personnel, and computerization of supply data. (TT)

- Child Survival activities will begin through OPGs with ICDDR/B for the expansion of the Urban Volunteers program and with BAVS for the introduction of MCH services at BAVS clinics. (TT; PS)

2. Increasing Agricultural Productivity

- Agricultural Research II supplement will be submitted this spring to AID/W for approval. (TT; IB)
- Policy reforms under Fertilizer Distribution Improvement II will be negotiated with the EDG prior to obligation of FY 86 funds. Policy issues will include further reduction of EDG fertilizer sales outlets; greater private sector access to ports and factories; and greater reliance on private sector imports. (PD; PS) (see p.10 for further discussion of policy issues).
- Negotiations will continue with the EDG leading to the approval (and initial obligation) of Homestead Agro-Forestry Research and Extension project. (IB; TT)
- Studies on policy issues that will be incorporated in new multi-year PL 480 Title III agreement will be completed and PP - like document will be submitted for AID/W approval. Negotiations with EDG will be conducted and Title III agreement signed in early FY 1987. (PD) (see p. 11)
- PL 480 Title II Food for Work impact evaluation will be completed. First supplemental allocations of Title II food will be made to Upazilas based on prior year's performance. (IB)

3. Expanding Employment Opportunities

- Rural Electrification III PP will be submitted to AID/W for authorization (IB). USAID will discuss with IBRD and EDG the

analysis and recommendations on tariff structures that are offered in the IBRD - funded Power Sector Tariff Study. As part of RE III implementation, USAID will adopt policy measures to reduce subsidies. (PD) (see p. 14)

- USAID will approve PP supplement for Feeder Roads Maintenance and Improvement project and request competitive waiver for Technical Assistance from A/AID. Discussions with other donors and the BDG on salient policy issues (see p. 13) will continue. (IB; PD)
- Enterprise Development project paper expanding MIDAS' program, providing credit and TA to small labor-intensive enterprises. will be approved and authorized by USAID. (PS; IB)
- National non-agriculture economic census will be conducted in fall, 1986. (PS; TT)
- Technical Assistance by HIID to BDG Planning Commission for policy studies for enterprise development and employment will begin. (PD; PS)
- Consultants (R.R. Nathan, OSU) funded by Rural Finance project will finish Rural Branch and Bank User Survey, and develop recommendations on improving loan recoveries, reduction of transaction costs, mobilizing savings, and adjusting interest rate policies, that will improve the performance of the rural financial system (PD; IB)
- USAID will develop PP for Development and Management Training project for initial obligation in FY 87. U.S.-based and in-country training will support management and administrative skills. (IB; PS)
- USAID will develop PID for PVO Co-Financing project.

D. New Project Narratives:

Title: PVO Co-Financing

Number: 388-0072

Funding Source: Grant Only--ARDN \$ 3.5 m SDA \$ 1.5 m EHR \$ 1.0 m

Proposed Obligation: FY 87, \$ 1.3 million; LOP, \$ 6 million.

Completion Date of Project: FY 93

Purpose: To strengthen the capacity of private voluntary organizations (PVOs) in Bangladesh to, in turn, support and strengthen local groups and institutions and to test cost-effective, replicable methods of local development and service delivery.

Project Description: The Bangladesh Government (BDG) is severely limited in its ability to reach all of its people with a modicum of services. PVOs have become increasingly involved in the delivery of a broad range of services, e.g., health, family planning, agricultural research, credit, primary education, adult literacy training, and marketing services, in a large number of rural and urban areas.

Indigenous and international NGOs are presently reaching 10-15% of the rural poor in Bangladesh. The reputation and quality of these NGOs, over 6000 in all, vary immensely. However, their unique ability to reach poorer, physically isolated target groups; to keep operating costs low; to encourage beneficiary participation in program design, implementation and evaluation; and to respond promptly and appropriately to new situations, are widely recognized by the BDG and the donor community. In addition, donors often look to NGOs for initial, small-scale innovations in appropriate technology, service delivery, and the development of community management skills.

This project will permit A.I.D. to respond to requests for funds from international and indigenous NGOs working in Bangladesh to finance sub-projects designed to strengthen private service delivery institutions in sectors where innovation and support at the grassroots level by the BDG is limited. In some cases, project resources will support PVO efforts to work in cooperation with local government (at the upazila and union level). Most of these projects are expected to fall in sectors that directly advance the USAID development strategy, e.g., employment generation, social forestry, human resource and private entrepreneurship development. However, some sub-projects may fund activities in sectors where USAID/Dhaka is exploring new approaches for longer term funding. In addition, the project will provide a limited amount of technical assistance to PVOs to strengthen their project management skills.

Relationship of Project to A.I.D. Country Strategy: Encouraging the private sector to take a more active role in development is an important element of A.I.D.'s strategy. USAID-supported PVOs in Bangladesh have already demonstrated a unique capability to provide family planning services effectively at low cost. At the same time, these PVOs have succeeded in including women, as both beneficiaries and managers, to an extent no other organizations in Bangladesh can equal. Project funds will permit PVOs working directly with rural people, including the most disadvantaged groups, to test innovative ways to increase agricultural productivity, create new employment opportunities, implement basic education and literacy programs, and improve and manage local resources --irrigation schemes, community woodlots, credit societies, etc..

Host Country and Other Donors: The funds provided through the project will cover from 50% to 75% of the cost of each sub-project. The balance will be provided from a variety of sources including the beneficiaries, private business and philanthropic concerns, other bilateral and multilateral organizations, and private individuals. USAID/Dhaka will continue to work closely with the World Bank Local Consultative Group Subcommittee on NGOs in Rural Development, particularly in streamlining project approval and monitoring procedures.

Beneficiaries: As a result of this project, A.I.D. expects to strengthen the PVOs and, through them, to be able to provide the poor with access to a broader range of services.

Alternative Approaches: Many of the more successful PVOs in Bangladesh are small, indigenous groups not eligible for support under centrally-funded AID grants. At present, requests for assistance from local PVOs are often rejected because the mission lacks a mechanism to provide small, timely grants to small, non-governmental organizations. These groups can only absorb small grants and could easily be overwhelmed by reporting requirements if special support arrangements are not provided as part of those grants. The design of this project will therefore attempt to incorporate streamlined project management and reporting requirements.

Design Considerations: The mission has developed some expertise in PVO Co-Financing through earlier "umbrella"-type projects. In addition, the ongoing Family Planning Services Project is currently providing small grants to more than 56 indigenous NGOs working in more than 300 communities. USAID/Dhaka has a community management specialist on its USDH staff.

As part of the pre-PID design work, in the fall of 1985 the mission funded a survey of PVOs working in high priority USAID sectors. This spring, a community management specialist will visit the mission for several days of consultations. A follow-up survey, requiring six weeks of expatriate consulting efforts, is planned for the summer of 1986. PD&S funds have been set aside for a handful of shorter studies--for example, a survey of the PVOs active in a particular sector, such as adult literacy, not covered under the original pre-PID survey-- to be identified at the PID stage.

Monitoring Progress and Impact: A management information system will be selected at the PP stage to monitor ongoing subprojects. A simple, appropriate data-gathering plan will be incorporated into all sub-project proposals, to ensure that potentially replicable activities and "lessons learned" are well-documented. The results of this data-gathering will be shared periodically with USAID staff and other interested donors in relevant technical fields.

2. Project Title: Family Planning Services Project Amendment (388-0050)

LOP Cost: \$160 million Pop (Health/CSF to be determined).

Proposed Obligation: FY 1987, \$29 million

Development Problems

Bangladesh is the world's most densely populated agrarian country. At the currently estimated population growth rate of 2.7%, the population will double in 25 years. Recognizing that this rapid growth vitiates gains in agricultural production, attempts at providing employment opportunities, as well as provision of basic social services, the Government of Bangladesh and AID accord highest priority to the goal of reducing fertility. The Family Planning Services Project (388-0050) has supported the fertility reduction goal both by meeting existing demand for family planning services and stimulating and sustaining greater demand. Provision of family planning information, education and services is a powerful maternal health and child survival intervention as well as a means to achieve demographic change. The USAID Country Development Strategy Statement also emphasizes the role of fertility reduction as a potent means of liberating Bangladesh women from traditional social roles and expanding their opportunities for participating in the mainstream of the national economy.

Other Donor Activities

The IBRD's Third Population Project, 1986-91, financed by a consortium of bilateral donors and I.D.A. funds, UNFPA and the Asian Development Bank, support family planning activities. USAID participated in the 1984 IBRD appraisal mission which developed Population III and regularly meets with bilateral and multilateral donors in Bangladesh through a local consultative group sponsored by the IBRD. The group discusses family planning program priorities and strategies, and full utilization of donor assistance to the National Population Program, and attempts to prevent duplication of effort. Donors to the Bangladesh National Population Program variously finance infrastructure, training, contraceptives and technical assistance.

Background

USAID's Family Planning Services Project (388-0050), a five-year project ending in FY 86, addressed the Bangladesh Government's highest development priority by providing grants to Government and Non-government Organizations (NGO's) for family planning activities. Grants funded, inter alia, contraceptives and technical assistance in distribution; demographic research, maternal and child health and family planning; community-based distribution of condoms and pills and referral services for clinical methods of contraception; local cost financing of the IUD and voluntary sterilization services; and promotion, marketing and retail sales of condoms and pills through the Social Marketing Project (SMP). In 1985-86 a series of component evaluations, which led to an overall evaluation of the Family Planning Services Project, were carried out. The results of the evaluations will feed into a design exercise in mid-1986 for the Family Planning Services Project Amendment.

The Amended Project

The ongoing Family Planning Services Project (FPSP) has demonstrated

the effectiveness of (1) home-based services, in addition to contraceptive distribution and sales through readily accessible clinics and retail shops; (2) in the case of community-based service delivery, a high ratio of female field workers in relation to the target population; and (3) provision of a wide choice of contraceptive methods utilizing Government, NGO and SMP delivery systems. This Amendment will build on the experience of the ongoing project and, with some adjustment based on 1985/86 evaluation findings, continue and expand upon the ongoing project's strategy.

USAID will continue to support the ICDDR,B MCH/FP Extension Project component under the FPSP Amendment. This sub-project, in an operational research framework, works with Government to strengthen the service delivery system. Funds will be made available for more aggressive promotion of successful Extension Project service delivery approaches, with the intention of encouraging both Government and NGOs to implement service innovations beyond existing field research upazillas. Technical assistance and funding may be appropriate for training of NGO project staff by Extension Project personnel.

USAID will make available selected local cost funding to supplement Government's own limited budget resources. The Government lacks resources for supply of fieldworker-held client record books, field checklists and manuals for supervisors and fieldworkers, and simple information and education materials which can be provided under this Amendment.

Assistance to the Government's information, education and demand creation effort is planned as an expanded FPSP Amendment activity. A major objective of USAID assistance will be the development of a national population communications strategy with systematic analysis of various segments of the population and appropriate messages for subgroups.

The Social Marketing Project will also emphasize segmentation of the market and targetting of messages to consumers more precisely and appropriately. Promotional and marketing strategies will be designed to reach females and males with "birth-spacing for health" and other suitable messages to encourage use of contraceptives. SMP mobile vans may be expanded in number to pay more visits to villages and remain longer.

The FPSP Amendment will continue to provide contraceptives, equipment and supplies to Government, NGOs and the SMP. Technical assistance for distribution and monitoring of commodities at each level of the system, refresher training for storekeepers and other Government and NGO personnel responsible for handling supplies, and construction or renovation of appropriate storage facilities at upazilla level and below will receive increased attention.

The FPSP Amendment will continue to reimburse selected costs of sterilization and IUD insertions through MOHPC and NGO facilities. USAID's monitoring system will continue to ensure compliance with Agency policies and guidelines and the system will be periodically reviewed and strengthened. The Voluntary Sterilization Surveillance Team, established with IBRD and SIDA assistance, may require funds to extend its monitoring effort and establish a survey design capability. Refresher training in

clinical family planning methods - voluntary sterilization techniques, new IUDs and NORPLANT as and when Government introduces this newly - developed contraceptive into the family planning program - is planned under the Amendment to improve quality of services.

Support to NGOs, both international and local, to provide the full range of community - and clinic - based services and for promoting demand creation activities will be expanded. NGOs will increase their efforts in certain urban areas of Bangladesh and will expand gradually into selected, underserved rural areas. The FPSP Amendment will provide funds for service improvements at the upazilla and union administrative levels, and will urge local government officials and NGOs to plan and implement localized improvements in the quality and coverage of family planning service delivery.

Under the Amendment, USAID will continue funding research and evaluation: a periodic national motivational campaign study, periodic evaluations of clinical services, contraceptive use studies, physical inventories of commodities and cost-effectiveness studies. Beyond what is already being done, the Amendment will make available funds for strengthening the Government's Management Information System and for in-country training in population surveys and other research techniques and analysis for Government, NGO, SMP, university and research institute staff. The Government would like to establish four positions of Divisional Supervisors to strengthen program supervision and USAID may help to provide transport and technical assistance to establish capacity at that level to carry out sample surveys on worker performance and client response.

With continuation under this Amendment of the oral rehydration therapy social marketing effort which began in FY 86, promotion of and education about oral rehydration therapy and marketing of oral rehydration salts (ORS) through the SMP wholesale/stockist/retail distribution system is expected to improve nationwide access to ORS at an affordable price and to encourage sustained use. Use of volunteers to provide simple but effective primary health care services-including family planning - in Bangladesh municipal areas, and a project to offer basic health services to family planning clinic clients, will strengthen maternal and child health and contribute to child survival. In addition, under this Amendment, through selected NGO and Government service areas, different "packages" of MCH services delivered by male and female fieldworkers and volunteers will be pilot tested at the union and upazilla levels to ensure that each intervention is delivered with maximum effect and that fieldworkers are not overburdened by the combined workload. An MCH needs assessment will be performed this summer and will lead to recommendations for the effective use of health and child survival funds by both the BDG and NGOs.

The FPSP Amendment will continue to provide access for females to secondary education in order to affect women's attitudes toward family planning, to encourage women to defer age of marriage and to postpone child-bearing. After 1-2 years of continued and somewhat expanded assistance, pilot Female Secondary Education Scholarship Projects will be re-evaluated for sustained educational and population impact, and further expansion will be considered at the end of that period utilizing USAID or other donor funding.

E. Education Strategy

The USAID CDSS, drafted in 1984, recognized that "[t]he ultimate end of any country's development program is to improve its human resource base." A weak human resource base, evidenced by extremely low levels of education, was perceived as a serious constraint to increased productivity and incomes.

The basic literacy rate in Bangladesh is only 26%. There are large disparities in access to education. The rural population has far less access than its urban counterpart, and female enrollment, while increasing at faster rates than males', is still significantly lower. Only about half of the eligible primary school population has access to education facilities and the drop-out rate is extremely high. A quick survey of the education sector reveals that the Bangladesh primary school system suffers from poorly constructed and deteriorated physical plant, lack of learning materials, frequent absences of poorly paid and trained teachers, and underutilization of existing facilities. Retention rates are very low.

USAID has not established greater access to education services or increased literacy as one of its program objectives for a number of reasons. First, while the Agency in its Strategic Plan ("Blueprint for Development") attaches great importance to increased access to basic education and literacy, the budget resources available to address these problems are relatively small. The Agency's emphasis is not on expanding availability of services, but rather on improving the utilization of existing services. Second, AID has not demonstrated a clear capability to address structural problems affecting the education sector in LDCs. Third, and most important, any attempt to assist host governments make a

concerted and coherent effort to expand access to education and promote literacy requires a strong commitment by the host government, indicated, inter alia, by a commensurate allocation of investment resources. Increased donor flows to education cannot solve sector inefficiencies unless the host government has a comprehensive plan for addressing the problems that are endemic to the education sector.

The Bangladesh Third Five-Year Plan (TFYP) posits universal primary education and human resource development as the third of nine major objectives, after reduction of population growth and expansion of productive employment. The BDG's ambitious objective is to enroll 70% of the primary school population by 1990. The needs of the education sector are vast. Yet the current and planned levels of BDG investment in education--at 1.7% of GNP and 4% of the development budget (assuming greater donor commitment of funds)--are thoroughly inadequate to meet the sector's critical needs. Moreover, the TFYP does not articulate a comprehensive strategy for the sector. Several donors, (e.g., UNICEF, SIDA, NCRAD, DANIDA), have funded small projects in vocational training, provision of text books, etc. The major donor is the IBRD, which has recently signed a \$78 million Second Primary Education project. The bulk of IDA's credit will finance basic infrastructure.

While the supply of education facilities is being partially met, the demand for education services remains low, and current physical capacity is underutilized. The need to increase demand through a number of interventions has been insufficiently understood by the BDG. These include such incentives as reducing the opportunity costs of sending children to school; reducing real costs of education, e.g. books, clothing, especially by the rural poor; increasing the perceived and real

relevance of education; and involving the local community in school management.

USAID does not propose to make a major investment in education, despite the sector's needs. However, we are prepared to make selective interventions in education. We will respond to targets of opportunity as our resources permit.

First, we will explore the possibility of expanding our pilot Female Scholarship project which has provided small stipends to girls to increase their access to secondary education. The objectives of the project are to increase demand for family planning services, defer age of marriage and increase women's effective access to productive employment. A team of consultants recently completed an evaluation of the program, and concluded that "the effect of female education on fertility is one of the strongest and most consistently noted relations in the analysis of the determinants of fertility." The project, managed by the Asia Foundation, was considered to be a successful pilot effort, and its expansion was recommended. We are currently designing a follow-on project, and have identified a number of issues affecting the replicability of the program that must be resolved prior to approval. These include: (1) reducing costs per unit to permit the program to achieve universal coverage required to fulfill the project's ultimate objectives; (2) determining the proper scale, cost and speed of expansion; (3) adopting a "means-test" and other appropriate selection criteria to reach those girls who most require assistance; and (4) involving other donors to share the costs of the program.

•Second, the USAID will soon begin design of a PVO Co-Financing project. A number of international and indigenous NGOs are supporting

projects in primary education and literacy. Some are testing innovative, cost-effective approaches to the delivery of basic education services, and mobilizing community support to achieve greater demand for education. For example, both the Bangladesh Association for Community Education (BACE) and the Bangladesh Rural Advancement Committee (BRAC) collaborate with communities to support construction of pre-primary and primary schools, train teachers, design curricula, and retain students in school. The PVO Co-Financing project is a useful vehicle to fund NGO proposals that demonstrate prospects for making longer-term policy, institutional and technological change.

Our Technical Resources project funds technical assistance and studies in development problems of special relevance to Bangladesh. While requests must emanate from the government, there is no dearth of issues that should be explored to improve the quality and efficiency of the education system. Foremost is a comprehensive sector plan that provides a clear analysis of sector constraints, establishes unambiguous and realistic priorities, and formulates a strategy for achieving sector objectives. Education policy and planning requires assistance, as do local resource mobilization and utilization issues. Studies could be performed to explore factors that affect the demand for basic education services.

Part III: Special Considerations

A. Mortgage/Pipeline Issues

By the end of FY 1987 the Mission's mortgage will be \$243.9 million or 325% of our FY 1987 obligation level. The bulk of the mortgage, \$ 216.5 million, can be attributed to six new projects or project extensions in FY 1986. More than half of that amount will be the result of a \$ 160 million amendment of the Family Planning Services Project authorized in FY 1987. Approximately one quarter of it will be due to the new Rural Electrification Project to be authorized and obligated in FY 1986. The two new FY 1987 activities -- Development and Management Training, and PVO Co-Financing -- will absorb relatively small amounts of funds, and will not appreciably affect the program mortgage. The mortgage level by the end of FY 1987 will be unusually high, but will begin to decline very rapidly thereafter because of the fast disbursing nature of the more heavily funded projects.

The pipeline as of December 31, 1985 amounted to a total of \$ 107.2 million or 18.5 percent of accumulated obligations as of end FY 1985. Nearly half (\$ 47.0 million) of the pipeline is in the population account (including \$ 10.0 million in centrally procured commodities), and reflects the Mission's decision to forward fund the Family Planning Services Project by 18 months. The remaining amount resides primarily with only two large projects, Fertilizer Distribution Improvement (FDI) II and the Rural Electrification II projects. The FDI II loan of \$ 13.0 million is being processed now for disbursement to initiate the credit program for fertilizer dealers. The \$ 19.8 million pipeline of the Rural

Electrification II project is budgeted for commodities and technical assistance and will soon be disbursed. In summary, no project is experiencing implementation delays that are affecting project expenditures. The pipeline is at no risk of growing over the planning period.

FY 86-87 OBLIGATION SCHEDULE BY MONTH

<u>Project Title & Number</u>	<u>FY 86</u>		<u>FY 87</u>	
	<u>OYB</u>	<u>Month of Oblig.</u>	<u>Planned Oblig.</u>	<u>Month of Oblig.</u>
<u>ARDN Account</u>				
Technical Resources (388-0027)	2,300,000	April	1,500,000	March
Agro-Climatic Environmental Monitoring (388-0046)	1,500,000	April	-	-
Agricultural Research II (388-0051)	4,400,000	April	3,000,000	February
Feeder Roads Maintenance and Improvement (388-0056)	5,000,000	May	6,000,000	February
Fertilizer Dist. Imp. II (388-0060)	15,000,000	June	12,000,000	March
Food For Work III (388-0061)	1,100,000	March	1,500,000	January
	400,000	April	-	-
Homestead Agro-Forestry (388-0062)	3,000,000	July	3,000,000	-
Enterprise Policy Reform (388-0067)	1,500,000	March	-	-
Rural Electrification III (388-0070)	6,500,000	June	10,200,000	-
PVO Co-Financing III (388-0072)	-	-	800,000	-
Sub Total	40,700,000		40,000,000	
<u>PI Account</u>				
Family Planning Services (388-0050)	5,982,000	March		
	4,333,000	April		
	12,200,000	May		
	6,175,000	June		
	290,000	July		
Population & Family Planning (388-0071)	-	-	29,000,000	March-June
Sub-Total:	29,000,000		29,000,000	
<u>UE Account</u>				
Urban Volunteer Program (388-0073)	1,000,000	April	-	-
DAVS MCH Services (388-0074)	1,000,000	May	-	-
<u>Child Survival Fund</u>				
Urban Volunteer Program (388-0073)	2,000,000	April	2,500,000	March
<u>EHR Account</u>				
Technical Resources (388-0027)	300,000	April	-	-
Development Management Trng. (388-0068)	-	-	2,000,000	January
<u>SBA Account</u>				
Enterprise Development (388-0066)	1,000,000	August	1,000,000	April
PVO Co-Financing (388-0072)	-	-	500,000	March
Total	75,000,000		75,000,000	

FY 86-87 PROGRAM SUMMARY TABLE

Agency/Account	Grant/1986	LOP Funding	FY of Initial Obligation	FY of Final Obligation	PACP	Pipelining on 12/31/85	FY 86 OVB		FY 87 Obligation	Project Mortgage	Comments
							Amount of Obligation	Priority Review			
WISCONSIN & MINNESOTA											
ARIZONA											
Rural Electrification (388-0021)	L	34000	78	80	12/15/84	284	-	-	-	-	-
Fertilizer Dist. Improvement (388-0024)	B	193210	82	82	7/28/86	4887	-	-	-	-	-
Technical Resources (388-0027)	L	32000	78	82	7/28/86	1645	-	-	-	-	-
Rural Finance (388-0037)	B	9450	79	88	7/6/89	4251	2300	4/86	1500	2000	-
Rural Industries (388-0042)	B	75000	83	85	6/30/88	2102	-	-	-	-	-
PVQ Co-Financing II (388-0045)	B	5000	81	85	4/30/87	2649	-	-	-	-	-
Agro-Climatic Environ. Monitoring (388-0046)	B	3179	80	85	9/30/87	148	-	-	-	-	-
Agricultural Research II (388-0051)	B	7400	81	86	11/30/87	236	1500	4/86	5000	14500	-
Food For Work II (388-0052)	B	46500	81	91	6/30/87	4727	4100	4/86	-	-	-
Rural Electrification II (388-0054)	B	3175	81	85	5/31/86	70	-	-	-	-	-
Feeder Roads Maint. & Improvement (388-0056)	B	50000	81	85	12/31/87	19815	5000	5/86	6000	-	-
Fertilizer Dist. Improvement II (388-0060)	B	9200	81	89	9/30/86	2127	15000	6/86	12000	24000	-
Food For Work III (388-0061)	L	13000	84	89	9/30/89	13000	-	-	-	-	-
Forestry Research & Extension (388-0062)	B	9400	85	89	6/30/90	747	1500	4/86	1500	5355	-
Enterprise Policy Reform (388-0067)	B	13000	86	90	-	-	3000	7/86	3000	7000	-
Rural Electrification III (388-0070)	B	3000	85	86	6/30/90	1462	1500	4/86	10200	41300	-
PVQ Co-Financing (388-0072)	B	58000	86	90	-	-	6500	6/86	800	2700	-
Sub Total		536004	632401			59150	40700		40000	96855	
PH ARIZONA											
Family Planning Services (388-0050)	B	153336	81	86	9/30/88	47061	29000	4-7/86	-	-	-
Family Planning Services Amendment (388-0071)	B	-	87	92	-	-	-	-	29000	131000	-
Sub Total		153336	304784			47061	29000		29000	131000	
NE ARIZONA											
PVQ Co-Financing II (388-0045)	B	950	80	85	9/30/87	70	-	-	-	-	-
Family Planning Services (388-0050)	B	1530	81	86	9/30/88	238	-	-	-	-	-
Urban Volunteer Program (388-0073)	B	1000	86	86	-	-	1000	4/86	-	-	-
DAVS NCH Services (388-0074)	B	1000	86	86	-	-	1000	5/86	-	-	-
Sub Total		2480	4029			328	2000		-	-	-
CHILD SURVIVAL FUND											
Urban Volunteer Program (388-0073)	B	2000	86	87	-	-	2000	4/86	2500	-	-
EMR ACCOUNT											
Technical Resources (388-0027)	B	1350	79	88	2/6/89	554	300	4/86	-	8000	-
Development Management Training (388-0068)	B	10000	87	91	-	-	-	-	2000	1000	-
PVQ Co-Financing (388-0072)	B	1000	87	91	-	-	-	-	-	-	-
Sub Total		1350	12350			554	300		2000	9000	
SDA ACCOUNT											
Carapholif Third Unit (388-0018)	B	700	76	81	5/27/86	198	-	-	-	6000	-
Enterprise Development (388-0064)	B	8000	86	90	-	-	1000	8/86	1000	1000	-
PVQ Co-Financing (388-0072)	B	1500	87	89	-	-	-	-	-	-	-
Sub Total		10200	10200			198	-		1500	7000	
Total		968264	102721			102721	75000		75000	443855	

B. Evaluation Program

In FY 1985 the Mission conducted one external project evaluation and one project assessment. The Agricultural Research II project was evaluated partly as a preliminary step to designing the project supplement scheduled for authorization in FY 86. Implementation of the 36 action decisions resulting from the evaluation, as well as the new data collection, monitoring and evaluation plan prepared for the supplement, will be a major focus of the Agricultural Research Project in FY 1986 and FY 1987.

Also in FY 1985 the Women's Entrepreneurial Development Program (WEDP), a component of the Rural Industries Project, was assessed by the International Center for Research on Women (ICRW). The findings of the evaluation are now being used to refocus the project and improve performance.

In FY 1986, the Mission has undertaken an ambitious evaluation program. Two project assessments and twelve evaluations, five of which are in population, will be completed and require action decisions follow-up in FY 87 and beyond. One of the assessments and seven of the evaluations were performed to assist in designing project amendments and supplements. In addition, project amendments and supplements and new projects will all incorporate comprehensive data collection, monitoring and evaluation plans to be implemented in FY 1987. Data collection and monitoring systems will be particularly relevant for the mature, on-going projects which are likely to receive continued support for sometime in the future such as the Agricultural Research II, Feeder Roads Improvement and Maintenance, and Rural Electrification II and III projects.

LIST OF PLANNED EVALUATIONS
 FY 1986 - FY 1987
 USAID/BANGLADESH

Project List (Project No. & Title)	Last Eval Completed (No./Yr.)	FY 1986		FY 1987		Reasons/Issues	Funding Source (\$000)	USAID Person Days	Collateral Assistance
		Start AID/W (Qtr)	To AID/W (Qtr)	Start AID/W (Qtr)	To AID/W (Qtr)				
<u>Population/Health</u>									
a. Family Planning Services Project Evaluations (4)		II	IV			Four comprehensive evaluations of the Project conducted prior to design of FY 87 amendment.	Project \$ 300	30	1QC.
b. Quarterly surveillance of Voluntary Sterilization (VS) program	FY 85	I-IV	I-IV	I-IV	I-IV	To monitor VS program to verify number of operations performed, ensure adequacy of services and compliance to USAID regulations.	Project 200	120	
c. Annual evaluation of IUD Program.	11/84	II	IV	II	IV	Monitor program to verify number of IUD's inserted and adequacy of services.	Project 100	30	
d. Pilot female Scholarship, sub-project of 388-0050	10/84	I	III			Assess effectiveness of program prior to design of an expanded program.	PD&S 35	20	
<u>Food Agriculture</u>									
Agricultural Research II (388-0051)	5/85	III	IV			Regularly scheduled internal evaluation to learn if recommendations from 5/85 have been implemented.	Project	30	

Project List (Project No. & Title)	Last Eval Completed (Mo./Yr.)	FY 1986		FY 1987		Reasons/Issues	Funding		USAID Person Days	Collateral Assistance
		Start (Qtr)	To AID/W (Qtr)	Start (Qtr)	To AID/W (Qtr)		Source	Project		
		III	IV	III	IV	Regularly scheduled external evaluation to learn if purpose and goal have been achieved and sub-project activities have been met.	50	Project	30	
Fertilizer Distribution Improvement II (388-0060)		II	III			External evaluation prior to FY 87 Disbursement.	50	PIMS	30	
Food For Work III (388-0061)	11/83	III	IV			Assess socio-economic impact to determine if project is achieving its goals.	95	Project	0	FVA Evaluation Officer 10 working days. 1986.
		III	IV			Assess if a change in allocation is required because of road saturation in selected Upazilas.	15	CAME	0	
		III	IV			Assess the institutional capacity of the Upazila as presently constituted to implement the FFW program.	30	Project	10	

Project List (Project No. & Title)	Last Eval Completed (Mo./Yr.)	FY 1986		FY 1987		Reasons/Issues	Funding		USAID Person Days	Collateral Assistance
		Start (Qtr)	To AID/W (Qtr)	Start (Qtr)	To AID/W (Qtr)		Source	(\$000)		
PL 480 Title III	10/86	IV	IV	IV	IV	Regular annual evaluation of program performances.	PD&S	FY 86 20	FY 86 20	1 AID/W TDY for 3 weeks. 1 USDA TDY for 3 weeks.
Rural Electrification I & II (J88-0021) and (J88-0054)		I	III	II	III	86 - Interim assessment. 87 - Major assessment of economic and social impacts of rural electrification.	PD&S Project	FY 87 25	FY 87 20	1 AID/W TDY for 3 weeks. 1 USDA TDY for 3 weeks.
Zila Roads (J88-0056)		I	N/A	I	III	86 - Interim assessment of implementation issues. 87 - External - project accomplishments to date. Assessment of appropriateness of technical standards.	In-house Project	0	20	Representation from S&T/EY or ANE/TR/EPE.
ACEIP (J88-0046)		I	III			External - Assessment of implementation progress and definition of problems to be solved during project extension.	Project	90	15	

Project List (Project No. & Title)	Last Eval Completed (Mo./Yr.)	FY 1986		FY 1987		Reasons/Issues	Funding Source	USAID Person Days	Collateral Assistance
		Start (Qtr)	To AID/W (Qtr)	Start (Qtr)	To AID/W (Qtr)				
Rural Industries (388-0042) HIDAS component	6/83	II	III			External - Assessment of project implementation and impacts prior to design of follow-on project.	PDAS	20	Team members located by SAT/MD-assisted ARIES Project, and MID-assisted ICRW.
Rural Finance (388-0037)		III	IV			External - Impact of policy changes made under the project.	PDAS	30	
Technical Resources (388-0027)		I	III			External evaluation of the Women's Management Training Program.	PDAS	5	

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2. PL 480 Activities

A. Food Aids

The PL 480 Title III program, which accounts for nearly half of the total SAID program in Bangladesh, has significantly advanced the Mission's agricultural production and productivity objectives by improving the country's foodgrain pricing and marketing policies. The policies we have supported in the current multi-year agreement, (which ends this fiscal year), and the use of local proceeds for irrigation and other agricultural projects, have contributed to achievement recently of foodgrain production growth rates exceeding the population growth rate. As Bangladesh reaches aggregate foodgrain self-sufficiency within the next decade, the Title III program will increasingly support the objective of agricultural expansion, to increase rural incomes and the productivity of the land, as well as the objective of crop

The Title III program will also consolidate our efforts to strengthen the domestic foodgrain procurement system, ensure a fair price to producers, and restructure the ration system to target consumer subsidies on the nutritionally most vulnerable groups.

Current local foodgrain production levels reach about 16 million metric tons (MT) annually. Food aid provides about 1.5 to 2.0 million MT while commercial imports of foodgrains contribute about 200,000 MT in a disaster-free year. Foreign exchange shortages severely limit the country's ability to increase commercial imports. Food policy reforms under the existing agreement have resulted in revision, when necessary, of the public food distribution system (PFDS) foodgrain prices to keep prices above domestic procurement prices. The EDG has also placed special emphasis on open market sales (OMS) as the preferred means of

and curbing rises in retail prices of foodgrains. These initiatives have considerably reduced per unit as well as overall levels of subsidies directed towards the privileged segments of the population. In addition, in FY 1985 the BDG allowed the private sector to import foodgrains for the first time.

USAID is now in the process of designing a new Title III program to begin in FY 1987. A November 1985 consultancy recommended continued emphasis on stabilization of producer and consumer prices of foodgrains, reform of the rationing system, and increased agricultural productivity, with the ultimate aim being the attainment of overall food security for the population of Bangladesh. Based on these recommendations, the Mission has initiated six in-depth studies intended to yield specific policy initiatives for the new Title III Project Paper-like document which will be submitted to AID/W in June, 1986. (see p.12)

The 480,000 MT grains are to be used for the consumer foodgrain price stabilization program (OMS) or to be distributed through any other programs directed towards improving the nutrition level of low income, malnourished people living primarily in rural areas. Local currency generated will be used for alleviating rural poverty through development of rural infrastructure and generation of farm and off-farm employment in rural areas.

Existing warehouse space of over 1.9 million MT provides the Bangladesh Government a safe cushion for maintaining a reasonable level of security stocks throughout the year. A 1.25 million MT level is recommended by the World Bank.

Title III imports will not create a disincentive to domestic production as long as (1) domestic production plus imports do not exceed

the country's domestic consumption requirements, and the BDG (2) maintains the ration prices for the farmers, (3) constantly maintains the ration prices at an appropriate level over the procurement price, and (4) directs subsidized foodgrains toward the rural poor who lack purchasing power.

PL 480 Title I/III Requirements
(Dollars in Millions, Tonnage in Thousands)

<u>Commodities</u>	<u>Actual</u>		<u>Projected</u>	
	<u>FY 1986</u>		<u>FY 1987</u>	
	\$	MT	\$	MT
<u>Title I/III</u>				
Wheat	40.0	308.0	40.0	308.0
Rice	10.0	35.0	5.0	18.0
Vegetable Oil (COSO)	10.0	16.0	10.0	17.0
Cotton	10.0	33.3(bales)	9.0	31.5(bales)
Grains	10.0		64.0	

Comment: The Title I and commodity-wise dollar values of the 1986 program are final. The level of shipment for each commodity is an estimate. The actual level will depend on the export price of the commodity at the time of purchase.

2. Title II:

FFW addresses all major USAID program objectives by promoting increases in agricultural productivity, improving access to family planning services, and generating immediate employment; it also expands future productive employment opportunities by stimulating the emergence of rural enterprises. By improving rural farm-to-market roads, rural communities have access to markets, agricultural inputs, credit, and agricultural extension, education, health and family planning services.

The program addresses an institution building objective at the sub-district (upazilla and union) level by providing (1) training in

Food-for-Work (FFW) project design and execution for sub-district officials and (2) incentives for good project management. In addition, local contractors and sub-district officials are receiving training in contracting, tendering and construction techniques from CARE officers.

The program also addresses an immediate employment problem. Up to 120,000 MTs of PL 480 wheat are made available through FFW each year to improve about 6,000 miles of roads. At the prevailing wage rate, this amount of wheat is sufficient to employ approximately 833,000 workers for six weeks. Assuming each worker supports a family of five, up to 5 million people received supplementary food during the 1985 dry season (January to May). Allocations are targetted to areas most affected by natural disasters (droughts or floods) and most prone to famine. Recent studies have shown that FFW is reaching the target group: landless laborers and marginal farmers.

Since 1985 supplemental grants of Title II and Title III wheat have been monetized to use for investments in the construction of bridges and culverts. The number of rivers and canals in Bangladesh that bisect rural roads requires substantial recurring investments in bridges and culverts. The fiscal requirements are growing and are expected, by 1988, to reach approximately eight million dollars of local funds per year.

The program is a joint endeavor of USAID, BDG and CARE. While AID is the major funding source for both food and administrative costs, the BDG is responsible for implementation using the sub-district technical staff and township councils. CARE works with the local councils to design projects and maintains an independent staff of more than 300 local employees to assure accountability and sub-project economic feasibility.

An evaluation of the social and economic impact of the FFW program

on the communities it serves is currently being conducted by an Abt Associates team. Baseline data from a previous assessment performed in 1983 will help determine the magnitude of the impact.

D. Workforce Issues

The Mission will be able to accommodate its FTE level of 32 USDHs by the end of FY 1987, as the workforce table illustrates, by eliminating the assistant engineer and assistant program economist positions, and transferring a PD&E position to Program to absorb our IDI. In fact, this reflects a real reduction of three positions as our three IDIs currently on-board are absorbed into regular positions this and next FY. It must, however, be recognized that this USAID has one of the lowest ratios of USDH staff to program budget of any Mission in the Agency, and any further reduction will inevitably affect the management of our portfolio. The problem is exacerbated by the absence of any flexibility in the next few years to reallocate positions within the Mission to reflect real staffing needs. This is due, in large measure, to last year's adoption of the two-tour mandatory rule.

We have begun to rely increasingly on project-funded PSCs to augment USDH staff in the implementation of our family planning and human resources activities. A new PSC will assist the USAID to monitor population activities to ensure that quality standards are maintained and compliance with Agency policy is assured. We are particularly concerned with the management of new child survival and MCH activities, and we may respond positively to AID/W's offer of short or long-term technical assistance. While the hiring of PSCs somewhat mitigates our staffing constraints, consultants cannot perform USDH staff functions, nor is the EDG's continued acquiescence in the use of project funds for USAID-based PSCs completely assured.

FY 86 AND FY 87 WORK FORCE

Office and Position	USDH		FSN		PASA		TCN		PSC	
	86	87	86	87	86	87	86	87	86	87
Director's Office:										
Mission Director	X	X								
Dep. Mission Director	X	X								
Secretary	X	X								
Legal Officer	X	X								
Program Economist	X	X								
Program Economist	X									
Program Specialist			X	X						
Legal Assistant			X	X						
Census Bureau Advisor					X	X				
Secretary (FSN)									X	X
Sub Total:	6	5	2	2	1	1			1	1
Program Office:										
Sup. Program	X	X								
Sup. Program	X	X								
Asst. Program		X								
IDI	X									
Program Splst.			X	X						
Secretary			X	X						
Training Advisor										X
Participant Trng. Splst.			X	X						
Participant Trng. Assist.			X							
Training Assist.			X	X						
Secretary			X	X						
Sub Total:	3	3	6	5						1
Project Development and Engineering Office:										
Sup. Project Dvl. Off.	X	X								
Sup. Project Dvl. Off.	X	X								
Project Dvl. Officer	X	X								
Project Dvl. Officer	X	X								
Project Dvl. Officer	X	X (to be filled by IDI second half 1986)								
Special Projects Off.	X	X (position to move to PRO Office for IDI second half 1987)								
Sup. Engineering Officer	X	X								
Engineering Officer	X									
IDI (Project Dvl.)	X									
Program Asst. (Cap Dvl.)			X	X						
Secretary			X	X						

Office and Position	USDH		FSN		PASA		TCN		PSC	
	86	87	86	87	86	87	86	87	86	87
Clerk-Typist			X	X						
Engineer (General)			X	X						
Program Splst (Proj. Dvl.)			X	X						
Secretary			X	X						
Civil Engineer							X	X		
Engineer Electrical/ Mechanical							X	X		
Civil Engineer (FSN)									X	X
Civil Engineer (FSN)									X	X
Secretary (FSN)									X	X
Civil Engineering (FSN)									X	X
Clerk-Typist (FSN)									X	X
Engineer (US)									X	X
Sub Total:	9	6	6	6			2	2	6	6

Food and Agriculture Office:

Sup. Agri. Dvl. Officer	X	X								
Agri. Econ. Officer	X	X								
Agri. Econ. Officer	X	X								
Sup. Agri. Dvl. Officer	X	X								
Agri. Dvl. Officer	X	X								
Food for Peace Officer	X	X								
Food for Peace Officer	X	X								
Agri. Dvl. Officer	X	X								
IDI (Food for Peace)	X									
Program Splst. (Agrl.)			X	X						
Program Splst. (Agrl.)			X	X						
Secretary			X	X						
Secretary			X	X						
Program Assistant			X	X						
Shipment Assistant			X	X						
Program Assistant			X	X						
Program Specialist (Nut.)			X	X						
Program Splst. (Agrl.)			X	X						
Program Assistant (Nut.)			X	X						
Secretary			X	X						
Secretary			X	X						
Program Assistant (FSN)									X	X
Secretary (FSN)									X	X
Economist/Programmer									X	X
Sub Total:	9	8	12	12					3	3

Office and Position	USDH		FSN		PASA		TCN		PSC	
	86	87	86	87	86	87	86	87	86	87

Population, Health and
Women's Programs Office:

Sup. Hlth/Pop. Dvl. Off.	X	X								
Sup. Population Dvl. Off.	X	X								
Population Dvl. Officer	X	X								
Population Dvl. Officer	X	X								
Population Dvl. Officer	X	X								
Program Specialist (Pop.)			X	X						
Program Specialist			X	X						
Program Specialist (Pop.)			X	X						
Program Specialist (Gen.)			X	X						
Secretary			X	X						
Secretary			X	X						
Secretary (FSN)									X	X
Secretary (FSN)									X	X
Program Specialist (Pop.)									X	X
Logistic Mgt. Adv., (US)									X	X
VSP Monitor (US)									X	X
MCO Monitor (FSN)									X	X
Clerk (FSN)									X	X
Sub Total:	5	5	6	6					7	7

Controller's Office:

Controller	X	X								
Sup. Final Mgt. Officer	X	X								
Finl Mgt. Off. Final An.	X	X								
Financial Analyst			X	X						
Chief Account			X	X						
Proj. Asst. Tech.			X	X						
Accounting Tech.			X	X						
Cashier			X	X						
Secretary			X	X						
Secretary			X	X						
Finl. Anlst./Vou. Exam.			X	X						
Asst. Tech.			X	X						
Voucher Examiner			X	X						
Finl. Anlst./Vou. Exam.			X	X						
Vou. Exam.			X	X						
Asst. Tech.			X	X						
Budget Analyst			X	X						

Office and Position	USDH		FSN		PASA		TCN		PSC	
	86	87	86	87	86	87	86	87	86	87
Project Agent. (FSN)									X	X
Clerk-Typist (FSN)									X	X
Project Agent. (FSN)									X	X
Systems Analyst (US)									X	X
Sub Total:	3	3	14	14					4	4
Management Office:										
Sup. Executive Officer	X	X								
Contract Officer	X	X								
Personnel Assistant			X	X						
Secretary			X	X						
Comm. & Records Sup.			X	X						
Comm. & Records Clerk			X	X						
Office Machine Repairman			X	X						
Telephone Operator			X	X						
Duplicating Equip. Operator			X	X						
Mail Clerk			X	X						
Travel Assistant			X	X						
Travel Assistant			X	X						
Receptionist			X	X						
Receptionist			X	X						
Librarian (FSN)									X	X
Driver (10 persons) (FSN)									X	X
Sub Total:	2	2	12	12					11	11
Total:	37	32	58	57			2	2	32	33

E. Gray Amendment Contracting

During FY 1985, USAID signed contracts with Gray Amendment qualified organizations totalling \$ 1,597,265 and continued funding of an 8(a) subcontractor, SSAI, under the Agro-Climatic Environmental Monitoring Project (388-0046) at an annual rate of approximately \$ 500,000. Total FY 1985 Gray Amendment activity was, therefore, approximately \$ 2.1 million of a DA OYB of \$ 85 million or about 2.5 percent of the OYB.

USAID/Dhaka plans to increase minority firm contracting during FY 1986 to approximately \$ 3.6 million on a reduced OYB of \$ 75 million or about 5 percent of the OYB. This represents a 100 percent increase in percentage of OYB allocated to Gray Amendment contracting. Minority firms continue to win small and medium - sized commodity contracts under the Rural Electrification II Project (388-0054) and will continue to do so under the Rural Electrification III Project (388-0070).

Because the Mission's portfolio is a mature one with very few new projects and most projects are in Phase II and III of implementation, the opportunity for additional minority firm contracting is limited at this time. As new programming occurs the Mission will seek to use 8(a) contracting and subcontracting opportunities as often as is appropriate and feasible.

Projected USAID/Bangladesh 1986 Gray Amendment Contracts

<u>Project</u>	<u>Type of Contract</u>	<u>Amount (\$ Million)</u>
Technical Resources (388-0027)	Several contracts including 8(a) IQC, Women-owned firms	.4
Agro-Climatic Environmental Monitoring (388-0046)	8(a) Direct Contract	1.0
Family Planning Services (388-0050)	8(a) IQC for Evaluations	.3
Rural Electrification II (388-0054)	Host Country Contract	.4
Fertilizer Distribution Improvement II (388-0060)	Technical Assistance subcontract	.2
Enterprise Development (388-0066)	Women-owned T.A. contract	.1
Enterprise Policy Reform (388-0067)	8(a) PSA for commodities	.1
Rural Electrification III (388-0070)	Technical Assistance subcontract	.3
Rural Electrification III (388-0070)	8(a) PSA	.3
Rural Electrification III (388-0070)	HCC for commodities	.3
	Total	\$ <u>3.4</u>