

U N C L A S S I F I E D

AGENCY FOR INTERNATIONAL DEVELOPMENT

Washington, D. C. 20523

PROJECT PAPER

PAKISTAN: Development Support
Training (391-0474)

March 28, 1988

U N C L A S S I F I E D

AGENCY FOR INTERNATIONAL DEVELOPMENT PROJECT DATA SHEET	1. TRANSACTION CODE <input type="checkbox"/> A = Add <input type="checkbox"/> C = Change <input type="checkbox"/> D = Delete	Amendment Number _____ DOCUMENT CODE 3
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2. COUNTRY/ENTITY PAKISTAN	5. PROJECT NUMBER 391-0474
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4. BUREAU/OFFICE ASIA & NEAR EAST	5. PROJECT TITLE (maximum 40 characters) Development Support Training
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6. PROJECT ASSISTANCE COMPLETION DATE (PACD) MM DD YY 1 2 3 1 9 0	7. ESTIMATED DATE OF OBLIGATION (Under 'B.' below, enter 1, 2, 3, or 4) A. Initial FY 8 3 B. Quarter 2 C. Final FY 8 9
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8. COSTS (\$000 OR EQUIVALENT \$1 = RS. 12.65)						
A. FUNDING SOURCE	FIRST FY 83			LIFE OF PROJECT		
	B. FX	C. L/C	D. Total	E. FX	F. L/C	G. Total
AID Appropriated Total	3,900	100	4,000	42,250	22,750	65,000
(Grant)	(3,900)	(100)	(4,000)	(42,250)	(22,750)	(65,000)
(Loan)	(-)	(-)	(-)	(-)	(-)	(-)
Other U.S.						
1. Mondale Rupee Cost	-	880	880	-	5,217	5,217
2						
Host Country	-	80	80	-	7,300	7,300
Other Donor(s)	-	-	-	-	-	-
TOTALS	3,900	1,060	4,960	42,250	35,267	77,517

9. SCHEDULE OF AID FUNDING (\$000)									
A. APPROPRIATION	B. PRIMARY PURPOSE CODE	C. PRIMARY TECH CODE		D. OBLIGATIONS TO DATE		E. AMOUNT APPROVED THIS ACTION		F. LIFE OF PROJECT	
		1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan
(1) ESF	663	720	-	40,000	-	25,000	-	65,000	-
(2)									
(3)									
(4)									
TOTALS				40,000	-	25,000	-	65,000	-

10. SECONDARY TECHNICAL CODES (maximum 6 codes of 3 positions each) 710 720 760	11. SECONDARY PURPOSE CODE 669
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12. SPECIAL CONCERNS CODES (maximum 7 codes of 4 positions each) A. Code TNG B. Amount 48,000	
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13. PROJECT PURPOSE (maximum 480 characters)

To upgrade the managerial and technical expertise of Pakistanis in the public and private sectors who are involved in the planning, development and implementation of Pakistan's priority social and economic development programs.

14. SCHEDULED EVALUATIONS Interim MM YY MM YY Final MM YY 0 7 8 5 1 0 8 8 1 0 9 0	15. SOURCE/ORIGIN OF GOODS AND SERVICES <input checked="" type="checkbox"/> 000 <input type="checkbox"/> 941 <input checked="" type="checkbox"/> Local <input checked="" type="checkbox"/> Other (Specify) 901
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16. AMENDMENTS/NATURE OF CHANGE PROPOSED (This is page 1 of a 2 page PP Amendment)

To increase LOP funding from \$40 million to \$65 million in order to continue ongoing activities for the extended life of project.

17. APPROVED BY	Signature <i>Eugene S. Staples</i> Eugene S. Staples Title Director, USAID/Pakistan	Date Signed MM DD YY 0 3 28 88	18. DATE DOCUMENT RECEIVED IN AID/W, OR FOR AID/W DOCUMENTS, DATE OF DISTRIBUTION MM DD YY
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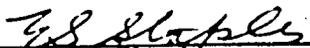
Project Authorization Amendment

Name of Country: Pakistan
Name of Project: Development Support Training
Project No.: 391-0474

1. The Development Support Training Project (DSTP) for Pakistan was authorized by the USAID/Pakistan Mission Director on March 15, 1983 with LOP funding of not to exceed \$10.0 million in ESF grant funds and a PACD of March 31, 1988. On April 22, 1986, an additional \$15.0 million in ESF grant funds was added for a new LOP funding of not to exceed \$25.0 million, and the PACD was extended to March 31, 1990. On December 9, 1986, the Project Authorization was further amended to allow for Development Assistance funding. On June 16, 1987, an additional \$5.0 million in ESF grant funds was added for a new LOP funding of not to exceed \$30.0 million. On September 20, 1987, an additional \$10.0 million in ESF grant funds was added for a LOP funding of not to exceed \$40.0 million.
2. Pursuant to Section 531 and 106 of the Foreign Assistance Act, as amended, the original Project Authorization is hereby amended as follows:

I hereby authorize additional planned obligations not to exceed Twenty Five Million United States Dollars (\$25,000,000) in ESF grant funds, subject to the availability of funds in accordance with the A.I.D. OYB/allotment process, to assist in financing foreign exchange costs and local currency costs for this Project. The total planned obligations for this Project shall not exceed Sixty Five Million United States Dollars (\$65,000,000) in ESF grant funds.
3. I further authorize extension of the Project Assistance Completion Date (PACD) by an additional period of nine months, i.e. from March 31, 1990 to December 31, 1990.
4. All other provisions of the Original Project Authorization and Amendments thereto shall remain in full force and effect except as hereby amended.

Approved Disapproved


Eugene S. Staples
Mission Director
USAID/Pakistan

3/28/88
Date

Clearance:

HRT: JAGant:
PDM: RWNachtrieb:
PRO: PDavis:
FM: ADPratt:
DD: JPGuedet:

Handwritten signatures and initials:
HRT: *JAGant*
PDM: *RWNachtrieb*
PRO: *PDavis*
FM: *ADPratt*
DD: *JPGuedet*

RLA: *SJS* *man*:KFMKass *kad*:3/20/88
1356R

-12

ACTION MEMORANDUM FOR THE MISSION DIRECTOR, USAID/PAKISTAN

Thru : J. Paul Cusick, Deputy Director
From : *Paul Cusick* J. Paul Cusick, HRD
Subject : Development Support Training Project (DSTP)
(391-0474) - Authorization Amendment - PP Supplement

I. Problem: You are requested to authorize an increase in life of the project (LOP) funding for the Development Support Training Project (DSTP) by \$25 million, from \$40 million to \$65 million.

II. Background: The project was authorized by the USAID/Pakistan Mission Director on March 15, 1983 with LOP ESF Grant funding of \$10 million and a Project Assistance Completion Date (PACD) of March 31, 1988. On April 22, 1986 the LOP ESF Grant funding was raised by \$15 million to \$25 million, and the PACD extended to March 31, 1990. On June 16, 1987 the LOP ESF funding Grant funding was further increased by \$5 million to \$30 million. On September 20, 1987, the LOP ESF Grant funding was further increased by \$10 million to its current level of \$40 million.

The DSTP has as its primary goal and purpose the upgrading of management and technical expertise in the Federal and Provincial Governments as well as in the private sector of Pakistanis who are involved in the planning, development and implementation of Pakistan's priority social and economic development programs.

The Project has four major components: (1) participant placement/training for all USAID projects in which participants are sent for long and short-term training in the U.S. and in third countries; (2) strengthening of local public and private sector management training institutions and increasing their capacity to undertake management training; (3) management and technical training in priority target areas including private sector management, management training for women, and vocational/technical training and institutional development in Baluchistan and NWFP; and, (4) training in English as a second language (ESL) to increase priority candidates' English capacity to facilitate U.S. institutional placement and training.

A complete project evaluation, conducted in late 1985 and its report issued in April 1986, determined progress was satisfactory or better for all DSTP components. The principal project evaluation recommendation was that all activities should be continued past the original LOP and additional funds provided. Project implementation reviews carried out every six months by Mission management, and one specifically in November 1987 for the period ending September 1987, also indicated that the project was substantially meeting all objectives and in some areas exceeding project targets.

Since the beginning of DSTP in 1983, over 3,500 public and private sector

Action Memo for the Mission Director

Page 2

participants have been processed for third country or U.S. technical and long-term training programs. The GOP, through the Ministries of Science and Technology and Education, is financing over 300 M.S. and Ph.D scholarships to the U.S. with administrative support provided by the DSTP participant training subcontractor. More than 450 individuals have participated in in-country management training programs to upgrade the training and administrative capabilities of 17 GOP and private sector training institutes.

The GOP continues to take positive steps to streamline the participant nomination process. In addition, the GOP is considering additional training needs assessments for key elements of the civil service and Federal and Provincial ministries. USAID places high priority on the development of a national training strategy to respond to identified training needs assessments that build upon available training capabilities. It is anticipated that once these assessments have been completed, the demand for training in both the public and private sectors will increase. The Mission believes there are no significant limitations to the absorptive capacity of Pakistan's professional level administrative and technical personnel echelons in the areas of institutional strengthening, public and private sector management and technical training. The private sector response to training opportunities has been exceptionally strong and receives increasing support from the GOP. In short, all components of the DSTP require additional resources.

Of \$40 million currently authorized LOP funding, \$38.6 million were programmed and earmarked as of December 31, 1987. Actual obligations, earmarkings and expenditures from the commencement of the project thru December 31, 1987 are:

-	Obligations	Earmarkings	Expenditures
-	(In Thousand Dollars)		
FY 83	4,000	3,568	197
FY 84	6,000	2,826	858
FY 85	-	1,975	2,631
FY 86	8,500	3,947	4,664
FY 87	21,500	10,671	9,480
FY 88 (3 months)	<u>-</u>	<u>15,652</u>	<u>3,245</u>
Total:	40,000	38,639	21,075

Originally the Mission intended to increase the LOP funding by \$100 million and to extend the PACD to January 31, 1993, Cable 87 ISLAMABAD 26281 (Annex 1) was sent to AID/W giving justifications for this increased funding. The request was reviewed by the Asia and Near East Project Advisory Committee (ANPAC) and their concerns were transmitted by

Action Memo for the Mission Director

Page 3

Cable STATE 038991 (Annex 2) suggesting a two-phase amendment: The first phase to add funds necessary to continue existing training activities at current levels for one year and the second phase to be a full PP amendment which provides analytical justification for the enlarged scope of activities.

Agreeing to AID/W's suggestion, the Mission now intends to add only \$25 million as required for one year's activities at current levels. The request for the extension of the PACD is to enable the Mission to solicit an RFP for Technical Assistance for a period of two years from the termination of the present TA contract with AED (December 31, 1988.).

The Mission conveyed the revised request to AID/W by cable ISLAMABAD 04133 (Annex 3) addressing ANPAC concerns. AID/W concurred by Cable 62372 (Annex 4) to Mission plans for "Dols 25 million add-on to LOP and PACD extension to December 31, 1990 to cover immediate training needs."

III. ANPAC Concerns: AID/W cable STATE 038991 (Annex 2) transmitted ANPAC concerns to be addressed during the preparation of the expanded PP amendment for the second phase. Preliminary comments include:

A. Experience to date: ANPAC's concern was the extent to which the 1985 evaluation findings have been addressed. These findings can be more appropriately addressed in a new evaluation to be carried out in the first quarter of FY 1989. Training levels have risen dramatically since 1985, and DSTP has taken on new initiatives to become one of the most successful projects in our portfolio. Training envisaged for FY 88 and outyears of the post 87 period represents not an expansion beyond current levels, but merely continuation of the present pace of project activities.

Although some of the constraints referenced in the 1985 evaluation still exist, the evaluation findings have been and continue to be pursued with the GOP and the contractor, i.e.:

1. The Mission management has judiciously allowed participant training staff to expand;
2. The Mission continues a dialogue with the GOP at all levels and the GOP has appropriately and adequately worked to streamline the nomination process;
3. USAID and the GOP collaboratively develop yearly training plans based on project development priorities focusing on project and institutional requirements;
4. The GOP recently (October 1987) raised the issue of a training needs assessment to the National Commission level, and,
5. The Mission continues to identify cost efficiencies in its participant training activities.

B. Training Strategy: The GOP (EAD) has agreed that a national training strategy is needed, and we intend to offer assistance to develop one under DSTP. Work is expected to begin this year.

C. Country Training Plan: A training plan will flow from the GOP's training strategy.

D. Monitoring and Evaluation: The following actions have been taken: (a) contractor debriefs departing participants when practical; (b) a full time coordinator has been hired (July 1987) to follow up on returning participants and the first questionnaire will be mailed shortly; (c) a computerized system - Participant Training Monitoring System (PTMS) is being introduced; (d) also, a review and screening procedure has been put into place to identify training proposals in prohibited or sensitive subjects--although in operation only two months, it appears to be functioning effectively and satisfactorily.

E. Inclusion of LUMS in DSTP: A grant to the Lahore University of Management Sciences (LUMS) has been excluded from the first-phase amendment. We share the concerns raised by ANPAC and have undertaken considerable work over the past several months to identify the constraints LUMS faces, its role and potential in Pakistan's education system, its administrative strengths and weaknesses, and Section 611/FAA issues. If satisfactorily resolved, this component will be included in the second phase of the PP amendment with full discussion.

F. Vocational Education: Over the past year or so, USAID reviewed Mission documents, and HRD staff undertook field trips including interviews with Makran District representatives (BALAD Project) and provincial officials up to the level of Governor and Chief Secretary, regarding technical labor skill requirements in both public and private sectors. Baluchistan provincial officials then and now have employment opportunities for which participants may be trained.

G. ESL Training: The size of the entire Mission participant training program is such that ESL is and will be a major concern in meeting projected levels of M.S. and Ph.D. placements. The GOP is also concerned with this issue. Our latest English language training assessment (final report, January 1987, page 52) stated that USAID's ESL program (CIELS) is "deemed to be highly professional, cost effective and a creative solution to the issues at hand". USAID/USIS programs do not overlap but rather complement each other.

IV. Description of Project Amendment: This amendment requests an increase in the LOP ESF Grant funding of \$25 million from \$40 million to \$65 million. The additional funds are needed to support continuation of project training, technical assistance, commodities, and other costs and to fund the technical assistance for one year beyond the termination of the present TA contract on December 31, 1988. The Amendment will also authorize extension of the PACD to December 31, 1990.

A. Project Goal and Purposes: The project goal and purpose remain the same as for the original DSTP project, i.e. upgrading management and technical expertise of Pakistanis in Government and in the private sector involved in Pakistan's social and economic development.

B. Justification for Increased Funding: This request for an increase in project funding will permit USAID to: (i) provide additional technical and administrative services to increase management and technical training to public and private sector professionals in Pakistan with an emphasis on new in-country courses for women and small business entrepreneurs; (ii) continue the expanded number of U.S. short and long-term training opportunities for both males and females with an emphasis on the relatively less developed areas of Pakistan; (iii) continue supporting the centers providing quality ESL training; and, (iv) provide technical assistance together with required commodities for various DSTP sub-projects. Summarized below are reasons for the requested increase in LOP funding.

1. The Technical Assistance contract with AED will complete five years on December 31, 1988 and cannot be extended beyond that date without a new solicitation. The contract will have to be rebid and a new RFP issued. In order to provide enough leadtime for issuance of an RFP, solicitation, evaluation and negotiation of a new contract, the PIO/T should be issued immediately for which no funds are presently available. The present PACD is March 31, 1990. In order to solicit an RFP for a two year contract, the PACD should be extended to December 31, 1990 and sufficient funds earmarked by a PIO/T. Two years' estimated costs for TA are approximately \$13 million. The PIO/T will be issued with initial funding of \$6.7 million, covering approximately the first 12 months of the new contract.
2. According to FY 88 training plans already prepared and cleared with GOP/EAD, we expect to fund 160 long-term participants: 100 from the public sector, 35 from the private sector and 25 from Baluchistan. Funds to be earmarked for 160 long-term participants are approximately \$8.7 million.
3. The Mission also plans to process 505 short-term participants for training during FY 1988: 300 from the public sector, 175 from the private sector and 30 from Baluchistan. For this number of participants, earmarking of approximately \$7.6 million is required.
4. We expect comparable numbers to be trained in FY 1989. Funds to be obligated this FY will carry training activities through approximately 12 calendar months, i.e., into the second quarter of FY 89. All PIO/PS will be fully funded, so we need to obligate and earmark sufficient money for the full program of all participants sent off during this period.
5. The balance of \$2.0 million will be used for other costs including \$200,000 for evaluation.

C. Project Funding

It is planned to increase the LOP funding by elements as follows:

<u>Element</u>	<u>Original per PP (\$000)</u>	<u>Current Amended (\$000)</u>	<u>Proposed Increase (\$000)</u>	<u>Revised Total (\$000)</u>
Technical Assistance (U.S. Long-Term & Short-Term)	3,934	11,225	6,700	17,925
Training (In-country, 3rd Country and U.S.)	4,832	27,225	16,300	43,525
Commodities (Instructional Material, Equip and Vehicles)	160	1,450	0	1,450
Other Costs and Evaluation	203	100	2,000	2,100
Contingency	871	0	0	0
Total:	10,000	40,000	25,000	65,000

D. Major Outputs

It is anticipated that this project amendment will increase the major outputs of the project as follows:

<u>Category</u>	<u>Original Estimates per PP</u>	<u>Current Estimates Per Amdt</u>	<u>Revised Estimates Now Proposed</u>
Individuals trained in Pakistan	1,622	3,000	4,000
Individuals trained in 3rd Countries	88	778	1,200
Individuals trained in the U.S.A.	140	6,500 <u>1/</u>	7,200 <u>1/</u>
Intensive English Language courses	3	26	32
Strengthened Training Institutions	4	17	20
Students Earning 500+ TOEFL Scores	0	1,000	1,300 <u>2/</u>

1/ Total Mission Participant Training Program

2/ Includes Asia Foundation courses

E. Need for Requested Increase: Authorization of the \$25 million increase in the LOP funding is requested in order to obligate and earmark more funds for ongoing and planned activities. A delay in authorization will have an adverse effect on the implementation actions of the project, particularly in expanding training in the private sector, and for females and individuals from less developed areas of the country.

V. Authority: By Cable STATE 038991 dated February 9, 1988 and STATE 62372 dated March 1, 1988, you have been delegated adhoc authority by AID/W to authorize an increase in the LOP funding by U.S. \$25 million for a new total of U.S. \$65 million and to extend the Project Assistance Completion Date (PACD) to December 31, 1990.

VI. PP Amendment: This Action Memorandum supplements the PP. All other aspects of the PP remain in full force except for the following:

A. Evaluation: While the focus of evaluation for the project will remain unchanged, a mid-term evaluation will be held in the first quarter of FY 1989 before preparing the second phase amendment of the Project.

B. Certification and Waivers: The substantive circumstances surrounding this project have not changed. It is accordingly appropriate to reaffirm the following certifications and waivers:

1. Waiver for A.I.D. payment of International Participant Travel Costs;
2. Source/Origin and Nationality Waiver for Vehicles

In addition, FAA Section 612(b) certification is attached herewith (Annex 5).

C. Gray Amendment Discussion: Currently, the Mission intends to compete the requirements for technical assistance through full and open competition. However, the Mission has requested the ANE Minority Business Officer to screen and provide a short list of 8 (a) firms and their corporate capability statements that may be qualified to carry out the prime contract.

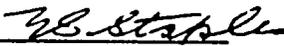
VII. Congressional Notification: A Congressional Notification for obligation of \$15,500,000 from OYB 1988 ESF funds was sent to the Congress on February 9, 1988 (Cable STATE 44642) and approved (Cable STATE 75296). A CN/TN will be sent to Congress prior to obligation of the remaining \$9,500,000.

VIII. Recommendation: That; by signing the attached project authorization, you authorize an increase in the LOP funding by \$25

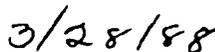
Action Memo for the Mission Director
Page 8

million to \$65 million, and extend the PACD to December 31, 1990 and, by your signature below, also reaffirm the waiver and certifications cited above as provided in the original project paper.

Approved Disapproved



Eugene S. Staples
Mission Director
USAID/Pakistan



Date

Clearance:

PDM - RWNachtrieb	draft
HRD - FFairchild	draft
HRD - JGant	draft
RLA - BQadir	draft
PRO - PDavis	draft
FM - DPratt	draft
RLA - SSpielman	draft

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ISLAMABAD 026221/01

ANNEX 1

Page 1

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 UNCLAS SECTION 21 OF 05 ISLAMABAD 26231

CLASS: UNCLASSIFIED
 CHANGE: AID 12/17/87
 APPROV: DIR: SSTAPLES
 DAFTD: FLM: SKRAN: MA:
 CLEAR: 1. HRT 2. RLA
 3. PAC 4. FM
 DISTR: AID AME DCM
 ECO:

AIDAC

FOR ANE/PD, PAT MATEESON

E.O.12356: N/A
 SUBJECT: DEVELOPMENT SUPPORT TRAINING PROJECT
 (391-0474) - PROJECT PAPER AMENDMENT

REF: (A) ISLAMABAD 20675 (B) STATE 284371

1.0 SUMMARY: THIS CABLE IS TO NOTIFY AID/W OF MISSION'S INTENT, AS REQUIRED BY HANDBOOK 3, CHAPTER 13, SECTION 13D.1.A, TO AMEND THE DEVELOPMENT SUPPORT TRAINING PROJECT (DSTP). THIS CABLE SERVES AS AN ABBREVIATED PID. WE REQUEST DELEGATION OF AUTHORITY FOR MISSION DIRECTOR TO AUTHORIZE PP SUPPLEMENT TO INCREASE LOP FUNDING FROM DOLS 40 MILLION TO DOLS 140 MILLION AND EXTEND PACD BY THREE YEARS FROM MARCH 31, 1990 TO JANUARY 31, 1993, WITHOUT CHANGING THE BASIC GOAL AND OBJECTIVES OF THE ORIGINAL PROJECT. URGENCY STEMS FROM THE NEED TO SUSTAIN AND ACCELERATE THE PACE OF THIS HIGHLY SUCCESSFUL AND HIGHLY VISIBLE TRAINING PROGRAM. END SUMMARY.

2.0 BACKGROUND: THE PROJECT WAS AUTHORIZED BY THE USAID/PAKISTAN MISSION DIRECTOR ON MARCH 15, 1983 WITH LOP FUNDING OF DOLS 10 MILLION AND A PACD OF MARCH 31, 1988. IN 1986 THE LOP FUNDING WAS RAISED TO DOLS 25 MILLION, THE PACD EXTENDED TO MARCH 31, 1990, AND THE PROJECT AUTHORIZATION WAS FURTHER AMENDED ALLOWING FOR DEVELOPMENT ASSISTANCE FUNDING. ON JUNE 16, 1987 THE LOP WAS FURTHER RAISED BY DOLS 5 MILLION TO PROVIDE FOR THE MISSION'S PRIVATE SECTOR AND MAKRAN VOCATIONAL AND TECHNICAL (VO-TECH) SCHOLARSHIP PROGRAMS PLUS ADDITIONAL TECHNICAL ASSISTANCE AND COMMODITIES. ON SEPTEMBER 20, 1987, THE LOP WAS FURTHER RAISED BY DOLS 10 MILLION TO DOLS 40 MILLION.

2.1 THE DSTP HAS AS ITS PRIMARY GOAL AND PURPOSE, THE UPGRADING OF MANAGEMENT AND TECHNICAL EXPERTISE OF PAKISTANIS IN THE FEDERAL AND PROVINCIAL GOVERNMENTS AS WELL AS IN THE PRIVATE SECTOR WHO ARE INVOLVED IN THE PLANNING, DEVELOPMENT AND IMPLEMENTATION OF PAKISTAN'S PRIORITY SOCIAL AND ECONOMIC DEVELOPMENT PROGRAMS.

2.2 THERE ARE FOUR MAJOR COMPONENTS OF THE PROJECT. THESE INCLUDE: (1) PARTICIPANT PLACEMENT/TRAINING FOR

SPECIAL FILE	ACTION	OFFICER	DATE
		B	12/17/87
		DD	
		PRO	
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ALL USAID PROJECTS IN WHICH PARTICIPANTS ARE SENT FOR LONG AND SHORT-TERM TRAINING IN THE U.S. AND IN THIRD COUNTRIES; (2) STRENGTHENING OF LOCAL PUBLIC AND PRIVATE SECTOR MANAGEMENT TRAINING INSTITUTIONS AND INCREASING THEIR CAPACITY TO UNDERTAKE MANAGEMENT TRAINING; (3) EMPHASIZING MANAGEMENT AND TECHNICAL TRAINING IN SPECIAL TARGET AREAS INCLUDING PRIVATE SECTOR MANAGEMENT, MANAGEMENT TRAINING FOR WOMEN, AND VOCATIONAL/TECHNICAL TRAINING AND INSTITUTIONAL DEVELOPMENT IN BALUCHISTAN AND NWFP; AND, (4) TRAINING IN ENGLISH AS A SECOND LANGUAGE (ESL) TO INCREASE PRIORITY CANDIDATES' ENGLISH CAPACITY TO FACILITATE U.S. INSTITUTIONAL PLACEMENT AND TRAINING.

2.3 A COMPLETE PROJECT EVALUATION, IMPLEMENTED IN LATE 1985 AND THE REPORT ISSUED IN APRIL 1986, DETERMINED PROGRESS WAS SATISFACTORY OR BETTER FOR ALL DSIP COMPONENTS. PRIMARY RECOMMENDATION WAS THAT ALL ACTIVITIES SHOULD BE CONTINUED PAST THE ORIGINAL LOP AND ADDITIONAL FUNDS PROVIDED. PROJECT IMPLEMENTATION REVIEWS CARRIED OUT EVERY SIX MONTHS BY THE MISSION MANAGEMENT AND THE ONE SPECIFICALLY CARRIED OUT IN NOVEMBER 1987 FOR THE PERIOD ENDING SEPTEMBER 1987 ALSO INDICATE THAT THE PROJECT IS SUBSTANTIALLY MEETING OBJECTIVES: IN SOME AREAS IT IS EXCEEDING PROJECT TARGETS.

2.4 OVER 3,500 PUBLIC AND PRIVATE SECTOR PERSONNEL HAVE BEEN PROCESSED FOR THIRD COUNTRY OR U.S. TECHNICAL AND LONG-TERM TRAINING PROGRAMS. THE GOP THROUGH THE MINISTRIES OF SCIENCE AND TECHNOLOGY AND EDUCATION IS PRESENTLY FINANCING OVER 300 M.S. AND PH.D SCHOLARSHIPS TO THE U.S. WITH ADMINISTRATIVE SUPPORT PROVIDED BY THE DSTP. MORE THAN 450 INDIVIDUALS HAVE PARTICIPATED IN IN-COUNTRY MANAGEMENT TRAINING PROGRAMS DURING THE PROCESS OF UP-GRADING THE TRAINING AND ADMINISTRATIVE CAPABILITIES OF 17 GOP AND PRIVATE SECTOR TRAINING INSTITUTES.

2.5 THE GOP CONTINUES TO TAKE POSITIVE STEPS TO

BT

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STREAMLINE AND BETTER MANAGE THE ENTIRE NOMINATION PROCESS. IN ADDITION, THE GOP IS CONSIDERING THE NEED TO CARRY OUT FURTHER TRAINING NEEDS ASSESSMENTS FOR KEY ELEMENTS OF ITS CIVIL SERVICE, AND FEDERAL AND PROVINCIAL MINISTRIES, BY APPOINTING A HIGH LEVEL COMMISSION. USAID CONTINUES TO PROMOTE THE DEVELOPMENT OF A NATIONAL TRAINING STRATEGY, WHICH RESPONDS TO TRAINING NEEDS ASSESSMENTS AND BUILDS UPON AVAILABLE TRAINING CAPABILITIES. ONCE THESE ASSESSMENTS HAVE BEEN CARRIED OUT, THE DEMAND FOR TRAINING IN THE PUBLIC SECTOR AND IN THE PRIVATE SECTOR WILL INCREASE. THE MISSION CONTINUES TO BELIEVE THAT THERE ARE NO MAJOR LIMITATIONS TO THE ABSORPTIVE CAPACITY OF THE GOP'S UPPER LEVEL ADMINISTRATIVE AND TECHNICAL PERSONNEL ECHELONS IN THE AREAS OF INSTITUTIONAL STRENGTHENING, PUBLIC AND PRIVATE SECTOR MANAGEMENT AND TECHNICAL TRAINING. THE RESPONSE FROM THE PRIVATE SECTOR TO TRAINING OPPORTUNITIES HAS BEEN EXCEPTIONALLY STRONG AND RECEIVES INCREASING SUPPORT FROM THE GOP. IN SHORT, ALL COMPONENTS OF THE DSTP REQUIRE ADDITIONAL RESOURCES.

2.6 OF DOLS 40 MILLION CURRENTLY AUTHORIZED LOP FUNDING, DOLS 38.6 WERE PROGRAMMED AND EARMARKED AS OF NOVEMBER 30, 1997. ACTUAL OBLIGATIONS, EARMARKINGS AND EXPENDITURES FROM THE COMMENCEMENT OF THE PROJECT TO DATE ARE:

	OBLIGATIONS	EARMARKINGS	EXPENDITURES
	(IN THOUSAND DOLLARS)		
FY 83	4,000	3,568	197
FY 84	6,000	2,826	858
FY 85	-	1,975	2,631
FY 86	8,500	3,947	4,664
FY 87	21,500	10,671	9,480
FY 88 (2 MONTHS)	-	15,655	207

2.7 PROJECTED OBLIGATIONS, EARMARKINGS AND EXPENDITURES FOR THE AMENDED PROJECT ARE:

	OBLIGATIONS	EARMARKINGS	EXPENDITURES
	(IN THOUSAND DOLLARS)		
FY 1988 (10 MONTHS)	25,200	17,358	14,793
FY 1989	21,000	23,000	20,000
FY 1990	7,000	17,000	20,000
FY 1991	10,000	10,000	20,000
FY 1992	12,000	12,000	22,000
FY 1993	25,000	25,000	25,170

3. DESCRIPTION OF PROJECT AMENDMENT: THIS AMENDMENT REQUESTS AN INCREASE IN THE LOP FUNDING OF DOLS 120 MILLION FROM DOLS 40 MILLION TO DOLS 140 MILLION. THE ADDITIONAL FUNDS ARE NEEDED TO SUPPORT AN INCREASE IN PROJECT TRAINING, TECHNICAL ASSISTANCE, COMMODITIES AND OTHER COSTS AND TO FUND USAID'S PARTICIPANT PROGRAMS

THROUGH DURING THE VFW 1988-93 PROGRAM.

A. PROJECT GOAL AND PURPOSE: THE PROJECT GOALS AND PURPOSES REMAIN THE SAME AS FOR THE ORIGINAL DSTP PROJECT, I.E. UPGRADING MANAGEMENT AND TECHNICAL EXPERTISE OF PAKISTANIS IN GOVERNMENT AND IN THE PRIVATE SECTOR INVOLVED IN PAKISTAN'S SOCIAL AND ECONOMIC DEVELOPMENT.

B. JUSTIFICATION FOR INCREASED FUNDING: THIS REQUEST FOR AN INCREASE IN PROJECT FUNDING WILL PERMIT USAID TO: (I) PROVIDE ADDITIONAL TECHNICAL AND ADMINISTRATIVE SERVICES TO INCREASE MANAGEMENT AND TECHNICAL TRAINING TO PUBLIC AND PRIVATE SECTOR PROFESSIONALS IN PAKISTAN WITH AN EMPHASIS ON NEW IN-COUNTRY COURSES FOR WOMEN AND SMALL BUSINESS ENTREPRENEURS; (II) EXPAND THE NUMBER OF U.S. SHORT AND LONG-TERM TRAINING OPPORTUNITIES FOR BOTH MALES AND FEMALES WITH AN EMPHASIS ON THE RELATIVELY LESS DEVELOPED AREAS OF PAKISTAN; (III) INCREASE THE NUMBER OF CENTERS PROVIDING QUALITY ESL TRAINING; AND, (IV) PROVIDE
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TECHNICAL ASSISTANCE TOGETHER WITH REQUIRED COMMODITIES TO VARIOUS DSTP SUB-PROJECTS. SUMMARIZED BELOW ARE REASONS FOR THE REQUESTED INCREASE IN LOP FUNDING.

(1) IMPLEMENTATION OF APPROXIMATELY DOLS. 65 MILLION OF THE DOLS 120 AMENDMENT WILL BE IDENTICAL TO THAT IN THE ORIGINAL PROJECT. ADDITIONAL ACTIVITIES WHICH MAKE UP THE DOLS 35 MILLION COMPLEMENT AND JUSTIFY THE REQUESTED INCREASE IN LOP FUNDING ARE AS FOLLOWS:

(2) USAID AND THE GOP HAVE RECENTLY AGREED TO A SECOND SIX-YEAR AID PACKAGE PREDICATED UPON THE GOP'S ACHIEVEMENTS OVER THE PAST SIX YEARS NEW INITIATIVES, AND GOALS STATED IN THE GOP'S SEVENTH FIVE YEAR PLAN. THE GOP HAS REQUESTED THAT ADDITIONAL RESOURCES BE PROVIDED TO STRENGTHEN THE ROLE OF THE PRIVATE SECTOR IN DEVELOPMENT, E.G. MANAGEMENT TRAINING FOR PRIVATE SECTOR ENTREPRENEURS, ESPECIALLY FOR FEMALES AND PAKISTANIS LIVING IN LESS DEVELOPED AREAS. THIS INCREASE IN FUNDS WILL ALSO SUPPORT A SERIES OF PRIVATE SECTOR SCHOLARSHIP PROGRAMS FOR BOTH MEN AND WOMEN. =

(3) ADDITIONAL OPPORTUNITIES PRESENT THEMSELVES FOR IN-COUNTRY COURSES FOR WOMEN AND SMALL BUSINESS ENTREPRENEURS, TRAINING GOP TECHNICIANS RECENTLY HIRED TO SUPPORT THE GROWTH AND DEVELOPMENT OF SMALL BUSINESSES THROUGHOUT THE COUNTRY, AS WELL AS UPGRADING BOTH PUBLIC AND PRIVATE SECTOR PROFESSIONAL TRAINERS IN MODERN MANAGEMENT TECHNIQUES AND SKILLS, I.E. FINANCIAL FORECASTING MODELS, STRATEGIC PLANNING, ETC.

(4) FREQUENTLY HELD PROJECT IMPLEMENTATION MEETINGS WITH OFFICIALS OF GOP ECONOMIC AFFAIRS DIVISION (EAD) HAVE PRODUCED ENCOURAGING RESULTS. THE GOVERNMENT IS SERIOUSLY CONSIDERING AN UPDATED TRAINING NEEDS ASSESSMENT FOR KEY ELEMENTS OF ITS CIVIL SERVICE AND FEDERAL AND PROVINCIAL MINISTRIES THROUGH A PROFESSIONAL HIGH LEVEL COMMISSION. WHEN THESE ASSESSMENTS HAVE BEEN COMPLETED, THE DEMAND FOR TRAINING IN THE PUBLIC SECTOR IS PROJECTED TO INCREASE SUBSTANTIALLY, PARTICULARLY THAT FOR IN-COUNTRY TRAINING.

(5) MINISTRY OF EDUCATION (MOE) AND FEDERAL PLANNING MINISTRY HAVE PUBLICLY STATED THAT MAJOR DIFFICULTIES IN CARRYING OUT BASIC EXPANSION AND QUALITATIVE IMPROVEMENTS IN THE EDUCATION SECTOR DURING THE GOP'S FIFTH AND SIXTH FIVE YEAR PLANS, TO A LARGE EXTENT, HAVE BEEN DUE TO INSUFFICIENT, INCORRECT, AND INADEQUATELY UNDERSTOOD SECTOR DATA. THIS AMENDMENT WILL ALLOW USAID TO CONTINUE TO RESPOND TO THE URGENT NEED TO TRAIN GOP TECHNICIANS AT THE FEDERAL AND PROVINCIAL LEVELS TO IMPROVE DATA COLLECTION AND ANALYSIS CAPABILITY. A DIRECT PRODUCT WILL BE WELL DEVELOPED AND ARTICULATED DECISION ALTERNATIVES FOR GOP TECHNOCRATS AND POLITICIANS ALIKE.

(6) A RECENT EVALUATION OF ESL TRAINING IN PAKISTAN

CONCLUDED THAT THE QUALITY OF ENGLISH LANGUAGE USAGE (BOTH ORAL AND WRITTEN) IS DETERIORATING. THE STUDY ALSO STATED THAT IT WILL BE MORE DIFFICULT IN THE COMING YEARS TO FILL PARTICIPANT TRAINING SLOTS WHICH REQUIRE ENGLISH LANGUAGE FLUENCY. THE AMENDMENT WILL:

- (A) FUND ESL TRAINING FOR AN ADDITIONAL 1,500 PAKISTANIS AT THE USAID CONTRACTOR CENTER FOR INTENSIVE ENGLISH LANGUAGE STUDY (CIELS);
- (B) FUND A GRANT TO THE ASIA FOUNDATION TO PROVIDE ESL TRAINING AT FIVE ESL CENTERS THROUGHOUT THE COUNTRY; AND,
- (C) SUPPORT GOP EFFORTS TO IMPROVE ESL TEACHING AT OTHER SELECTED TRAINING CENTERS OVER THE LCP.

(7) PROVINCIAL AUTHORITIES IN BALUCHISTAN HAVE ASKED THAT USAID EXPAND THE MAFKAN VOCATIONAL TECHNICAL (VO-TECH) TRAINING CONCEPT BY DESIGNING AND IMPLEMENTING A PROVINCE-WIDE TRAINING PROGRAM. THIS AMENDMENT WILL PROVIDE THE NEEDED FUNDING COSTS FOR THIS FOUR YEAR SUB-UNIT OF DSTP. ADDITIONAL EXPERIENCE WILL ENHANCE THE DESIGN OF A SIMILAR PROGRAM IN THE NWFP.

(8) AS MENTIONED IN REF (A), USAID EXPECTS TO RECEIVE

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A REQUEST FOR GRANT UP TO DOLS 10 MILLION FROM THE PRIVATE SECTOR SPONSORED LAHORE UNIVERSITY OF MANAGEMENT SCIENCES (LUMS) TO ASSIST ITS ALREADY EXCELLENT BASE OF OPERATIONS. GRANT WOULD BE USED PRIMARILY FOR CONSTRUCTION OF NEW FACILITIES. LUMS EXPECTS TO GENERATE A MATCHING ENDOWMENT FUND TO SUPPORT FUTURE SCHOLARSHIPS AND INCREASED FACULTY.

(9) THE TA CONTRACT MUST BE RE-BID. HRD IS DEVELOPING A PIC/T FOR ISSUANCE OF RFP DURING THE 2ND QUARTER OF FY 88. THIS AMENDMENT WILL PROVIDE ADDITIONAL COSTS REQUIRED FOR TECHNICAL ASSISTANCE TO IMPLEMENT THE EXTENDED AND EXPANDED PROJECT TO THE NEW PACD.

C. PROJECT FUNDING:

IT IS PLANNED TO INCREASE THE LCP FUNDING BY ELEMENTS AS FOLLOWS:

ELEMENT	ORIGINAL PER PP	CURRENT AMENDED (IN THOUSAND DOLLARS)	PROPOSED INCREASE	REVISED TOTAL
T.A. (U.S. LT AND ST)	3,934	11,225	13,775	25,000
TRAINING (IN-COUNTRY, 3RD COUNTRY AND US)	4,832	27,225	65,775	93,000
COMMODITIES (INSTRUC. MATERIAL, EQUIP AND VEHICLES)	160	1,450	4,550	6,000
CONSTRUCTION	0	0	10,000	10,000
OTHER COSTS AND EVALUATION	203	100	900	1,000
CONTINGENCY	871	0	5,000	5,000
TOTAL:	10,000	40,000	100,000	140,000

D. MAJOR OUTPUTS

IT IS ANTICIPATED THAT THIS PROJECT AMENDMENT WILL INCREASE THE MAJOR OUTPUTS OF THE PROJECT AS FOLLOWS:

CATEGORY	ORIGINAL ESTIMATES PER PP	CURRENT ESTIMATES PER AMDT	REVISED ESTIMATES NOW PROPOSED
INDIVID. TRAINED IN PAKISTAN	1,622	3,000	6,000
INDIVID. TRAINED IN THIRD COUNTRIES	26	778	2,500
INDIVID. TRAINED IN			

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U.S. 140 6,500 5,000

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INTENSIVE ENGLISH LANGUAGE COURSES 3 25 50

STRENGTHENED TRAINING INSTITUTIONS 4 17 25

STUDENTS EARNING 500 PLUS TOEFL SCORES 0 1000 2,000

FACILITIES CONSTRUCTED FOR LUMS 0 0 UNDETERMINED

E. NEED FOR REQUESTED INCREASE: AUTHORIZATION OF THE DOLS 100 MILLION INCREASE IN THE LCP FUNDING IS REQUESTED IN ORDER TO OBLIGATE AND EARMARK MORE FUNDS FOR ONGOING AND PLANNED ACTIVITIES. IT IS ANTICIPATED THAT A DELAY IN AUTHORIZATION WILL HAVE AN ADVERSE EFFECT ON THE IMPLEMENTATION ACTIONS OF THE PROJECT, PARTICULARLY IN EXPANDING TRAINING IN PRIVATE SECTOR, AND FOR FEMALES AND INDIVIDUALS FROM LESS DEVELOPED AREAS.

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4. PP AMENDMENT: A DETAILED ACTION MEMORANDUM WILL SERVE THE PURPOSE OF PP SUPPLEMENT. ALL OTHER ASPECTS OF THE PP WILL REMAIN IN FULL FORCE AND EFFECT.

5. CONGRESSIONAL NOTIFICATION: LANGUAGE FOR CONGRESSIONAL NOTIFICATION WILL BE TRANSMITTED BY CABLE TO AID/W AS SOON AS ACTION MEMORANDUM HAS BEEN PREPARED.

6. GRAY AMENDMENT DISCUSSION: CURRENTLY THE MISSION INTENDS TO MEET THE REQUIREMENTS FOR TECHNICAL ASSISTANCE THROUGH FULL AND OPEN COMPETITION. HOWEVER, THE MISSION REQUESTS A MINORITY BUSINESS OFFICER, AT THIS TIME, TO SCREEN FOR THE BEST AND PROVIDE A SHORT LIST OF (A) FIRMS AND THEIR CORPORATE CAPABILITY STATEMENTS THAT MAY BE QUALIFIED TO CARRY OUT THE PRIME CONTRACT. IN CONDUCTING THE SEARCH FOR SUCH A FIRM, IT SHOULD BE BORNE IN MIND THAT THE CAPABILITIES OF THE QUALIFYING FIRM MUST INCLUDE, AMONG OTHERS, THE FOLLOWING: (I) ABILITY TO FIELD A LONG TERM STAFF OF UPTO FOUR U.S. AND SIX PAKISTANI ADVISORS AND SPECIALISTS IN PAKISTAN AND APPROXIMATELY 30 SUPPORT PERSONNEL IN THE U.S; (II) ABILITY TO FIELD FROM 150 TO 300 PERSON MONTHS OF U.S. SHORT-TERM CONSULTANTS AND 150 TO 300 PERSON MONTHS OF PAKISTANI SHORT TERM CONSULTANTS; (III) ABILITY TO PLACE MINIMUM OF 1300 LONG AND SHORT TERM PARTICIPANTS PER YEAR IN AMERICAN PUBLIC/PRIVATE SECTOR TRAINING INSTITUTIONS AND THIRD COUNTRY; (IV) ABILITY TO MONITOR/BACKSTOP PARTICIPANT FLOW OF 800 LONG-TERM TRAINEES; AND, (V) DEMONSTRATED FINANCIAL CAPABILITY COMMENSURATE WITH THIS LEVEL OF SUPPORT.

7. SCHEDULE FOR PP AMENDMENT: MISSION HAS IN MIND THE FOLLOWING SCHEDULE FOR ACTIVITIES RELATED TO THIS PP AMENDMENT:

AID/W APPROVAL OF THIS ABBREVIATED PID CABLE AND APPROVAL FOR USAID/PAKISTAN MISSION DIRECTOR TO AUTHORIZE PP AMENDMENT: MID JANUARY, 1988

MISSION DIRECTOR AUTHORIZATION OF PP AMENDMENT AND OBLIGATION: END JANUARY 1988

ISSUANCE OF PIO/T AND RFP: END FEBRUARY 1988

TA CONTRACT SIGNED: MID AUGUST 1988

8. TO SUMMARIZE, THE AMOUNT OF MONEY INVOLVED WITH THIS AMENDMENT—DOLS 100 MILLION—IS VERY LARGE. HOWEVER, IT WILL BE USED IN WAYS WHICH HAVE BEEN PROVEN HIGHLY SUCCESSFUL DURING THE ORIGINAL DST PROJECT AND AMENDMENTS. THE MISSION OVER THE PAST FIVE YEARS, HAS INCREASED THE DEVELOPMENT SUPPORT TRAINING PROGRAM UP TO OPTIMUM PACE OF ROUGHLY 1300 TO 1400 PARTICIPANT PLACEMENTS PER YEAR. ALL THE MECHANISMS ARE IN PLACE, ON BOTH OUR SIDE AND THAT OF THE GOP, TO SELECT AND PROCESS THIS NUMBER OF TRAINEES. THE PROJECT HAS BEEN EVALUATED AS A SUCCESS. THE PRINCIPAL EFFECT OF THE PROPOSED AMENDMENT WILL BE TO CARRY THIS SUCCESSFUL

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PROGRAM, NOW OPERATING AT OPTIMUM SPEED, INTO THE POST
87 PROGRAM PERIOD. THE ORIGINAL PROJECT LEVEL ANALYSIS
REMAIN VALID. IF THE DELEGATION OF AUTHORITY IS
GRANTED, THE PP SUPPLEMENT WILL BE COMPLETED INHOUSE BY
THOSE PRESENTLY ENGAGED IN THE MANAGEMENT OF DSTP, IN A
MATTER OF WEEKS. IT IS NOT NECESSARY TO DEVOTE ANY
ADDITIONAL RESOURCES TO THE PROJECT DEVELOPMENT PROCESS
FOR THIS PROVEN, CONCEPTUALLY SIMPLE, BUT HIGHLY
EFFECTIVE ACTIVITY.

MOREOVER, BECAUSE THE EXISTING PROJECT IS NOW EXPENDING
FUNDS SO RAPIDLY, WE NEED TO MOVE QUICKLY TO PUT THE
PROPOSED AMENDMENT INTO PLACE IN ORDER TO MAINTAIN THE
PRESENT PACE OF TRAINING. VIRTUALLY ALL OF THE FUNDS
UNDER THE EXISTING PROJECT AS PRESENTLY AMENDED ARE
PROGRAMMED. A JANUARY OBLIGATION IS OPTIMAL TO
MAINTAIN THE PLACEMENT OF TRAINEES AND TO BEGIN
REBIDDING OF THE TA CONTRACT TO REPLACE OR CONTINUE THE
EXISTING CONTRACTOR BY DECEMBER, 1988.

ALL OF THESE FACTORS--THE CONCEPTUAL SIMPLICITY AND
SOUNDNESS OF THE PROPOSED AMENDMENT AND THE URGENCY OF
PROVIDING NEW FUNDS--ARGUE FOR DELEGATION OF AUTHORITY
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TO THE MISSION TO AUTHORIZE THIS HIGHLY SUCCESSFUL AND
NONCONTROVERSIAL PROJECT, AND TO DO SO VERY QUICKLY
AFTER THE FIRST OF THE YEAR.

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9. ACTIONS REQUESTED OF AID/W: (A) APPROVAL OF THIS
PII CABLE TO ADD DOLS 100 MILLION TO AMENDED
DEVELOPMENT SUPPORT TRAINING PROJECT (DSTP) AND TO
EXTEND PACD TO JANUARY 31, 1993; AND, (B) DELEGATION OF
AUTHORITY TO USAID/PAKISTAN MISSION DIRECTOR TO
AUTHORIZE INCREASE IN LOP FUNDING AND EXTENSION IN
PACD. RAPHEL

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ACTION AID INFO AMF DCM ECON AR-P

VZCZC1LC749
PP RUTRIL
DI RUEHC #0391/21 047075F
ZNR UUUUU ZZH
P 090352Z FEB 88
FM SECSTATE WASHDC
TO AMEMBASSY ISLAMABAD PRIORITY 6229
BT
UNCLAS SECTION 31 OF 33 STATE 035991

09-FEB-88

TO: 24:39
FM: 09-12
INFO: AID
DIS: AID
ALD:

AIDAC

F.C. 12356: N/A
TAGS: N/A

SUBJECT: PAKISTAN: ANPAC REVIEW, DEVELOPMENT SUPPORT
TRAINING PROPOSED AMENDMENT - 391-0474

REF: ISLAMABAD

1. SUMMARY: ANPAC REVIEWED REF REQUEST FOR DELEGATION OF AUTHORITY TO AMEND DST PROJECT, ADDING DOLS 100 MILLION AND EXTENDING PACD TO JAN. 31, 1993. ANPAC FELT THAT REQUEST PRESENTED SOMEWHAT OF A DILEMMA IN THAT NO SUBSTANTIAL ANALYTICAL WORK (I.E., PP AMENDMENT) WAS PROPOSED TO UNDERWRITE A MAJOR INCREASE IN THE PROJECT; YET IT WAS RECOGNIZED THAT IT IS IMPORTANT NOT TO DISRUPT THE PACE OF CURRENT SUCCESSFUL TRAINING ACTIVITIES.

OFFICIAL FILE	ACTION-OFFICE	INIT.
	IN	
	MA	
	SEC	
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	PHOC	
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	ADP	

DECISION WAS TO TAKE A TWO-PHASE APPROACH. MISSION MAY AMEND PROJECT, ADDING FUNDS NECESSARY TO CONTINUE EXISTING TRAINING ACTIVITIES AT CURRENT LEVELS OVER THE NEXT YEAR'S CYCLE. BEFORE EITHER A SIGNIFICANT EXPANSION OF CURRENT TRAINING LEVELS OR ADDITION OF NEW COMPONENTS, HOWEVER, MISSION IS REQUESTED TO DEVELOP A PP AMENDMENT WHICH DESCRIBES, PROVIDES ANALYTICAL JUSTIFICATION FOR, AND LAYS OUT OBJECTIVES FOR A PROJECT

OF THE PROPOSED MAGNITUDE AND SCOPE. IF MISSION FINDS THAT ONE OR MORE SPECIFIC NEW COMPONENTS CAN BE FULLY DEVELOPED, WITH ALL APPROPRIATE ANALYSES, BEFORE THE FULL PROJECT AMENDMENT CAN BE DEVELOPED, AND THERE IS URGENCY IN INITIATING IT, THAT PIECE COULD BE CONSIDERED AS A SEPARATE PROJECT AMENDMENT. MISSION IS AUTHORIZED TO APPROVE THE PP AMENDMENT IN THE FIELD WHEN READY, BUT WE WISH TO CONSULT WITH MISSION ON AN APPROPRIATE FUNDING LEVEL FOR THE SHORT-TERM AMENDMENT, I.E., WHAT IS MINIMAL REQUIREMENT TO CARRY THE EXISTING PROGRAM DURING THE PERIOD THAT A MORE EXTENSIVE AMENDMENT IS BEING DEVELOPED? END SUMMARY. DISCUSSION POINTS AND GUIDANCE FOLLOW.

2. REQUIREMENT FOR PP ANALYSIS: THE CURRENT PP DESCRIBES A FIVE YEAR OLD PROGRAM OF 10 MILLION DOLS. WHILE PROJECT HAS BEEN EXPANDED SINCE 1980, WE HAVE NO



ANALYTICAL BASIS FOR A LEVEL OF 140 MILLION DOLS (INCLUDING ADDITIONAL RESOURCES OF 140 MILLION DOLS), PARTICULARLY GIVEN THAT 40 MILLION DOLS COVERED ALL MISSION TRAINING NEEDS IN THE 1983-87 PROGRAMMING PERIOD. THE BUDGET LEVEL SHOULD FLOW FROM AN ASSESSMENT OF NEEDS, GOP/PRIVATE SECTOR ABSORPTIVE CAPACITY, AND AID'S ABILITY TO SUPPORT THE PROJECT ADMINISTRATIVELY. PP AMENDMENT SHOULD INCLUDE TECHNICAL, ECONOMIC, FINANCIAL AND ADMINISTRATIVE ANALYSIS, AND FOR CONSTRUCTION COMPONENT, ENGINEERING ANALYSIS AND PRELIMINARY PLANNING NECESSARY TO DEVELOP REASONABLE COST ESTIMATES AND MEET THE REQUIREMENTS OF FAA SECTION 611. A BUDGET RELATED TO PROJECT COMPONENTS SHOULD BE DEVELOPED.

3. EXPERIENCE TO DATE: THE PROJECT EVALUATION, WHICH WAS GENERALLY FAVORABLE, WAS CONDUCTED IN LATE 1985, WHEN ACTUAL IMPLEMENTATION EXPERIENCE WAS RELATIVELY LIMITED, AND IT EXAMINED EXPERIENCE FOR A PROJECT MAGNITUDE OF ONLY 10 MILLION DOLS. EVEN SO IT IDENTIFIED CONSTRAINTS TO GREATER SUCCESS SUCH AS: INADEQUATE STAFFING FOR THE EXISTING LEVEL OF EFFORT; POLICY, JURISDICTIONAL AND PROCEDURAL PROBLEMS WITHIN THE GOP; LACK OF A COMPREHENSIVE HUMAN RESOURCES DEVELOPMENT PLANNING PROCESS OR NEEDS ASSESSMENT; VAGUENESS OF PRIVATE SECTOR OBJECTIVES; AND THE NEED TO FOCUS TRAINING ON AID'S PRIORITY SECTORS AND INVOLVE AID'S TECHNICAL DIVISIONS MORE IN TRAINING PLANNING. WE ARE UNAWARE OF HOW THE PROJECT HAS SUBSEQUENTLY ADDRESSED THESE FINDINGS, OR THE EXTENT TO WHICH THESE OR OTHER CONSTRAINTS MAY STILL NEED TO BE ADDRESSED IN AN EXPANDED PROJECT. A "LESSONS LEARNED" SECTION SHOULD DESCRIBE EXPERIENCE TO DATE AND

EXPLICITLY ADDRESS THE MISSION'S RESPONSE TO PROBLEMS AND CONSTRAINTS IDENTIFIED IN THE EVALUATION (OR SUBSEQUENTLY), AND PROGRESS MADE IN RESOLVING THEM.

4. TRAINING STRATEGY: PARA. 2.5 REF TEL ACKNOWLEDGES NEED FOR AND INDICATES THAT STEPS ARE BEING TAKEN BY GOP TO ASSESS NEEDS, DEVELOP NATIONAL TRAINING STRATEGY AND STREAMLINE PROCEDURES. 1985 DSTP EVALUATION RECOMMENDED THAT COVENANT BE INCLUDED IN FUTURE AMENDMENTS TO ENSURE THESE STEPS ARE TAKEN. ALTHOUGH THE PROJECT WAS SUBSEQUENTLY AMENDED TO INCREASE LCP FUNDING TO DOLS 40 MILLION, SUCH A COVENANT APPARENTLY WAS NOT INCLUDED. SPECIFIC RECOMMENDATIONS IN THE 1985 EVALUATION INCLUDED: (A) DEVELOPMENT OF A COUNTRY TRAINING PLAN WITHIN THE CONTEXT OF GOP DEVELOPMENT PLANS AND WITH AN ASSESSMENT OF TRAINING REQUIREMENTS BASED ON THE NEED TO UPGRADE CURRENT STAFF AS WELL AS ANTICIPATED NEW POSITIONS; (B) BROADENING OF REQUESTS FOR NOMINATIONS TO INCLUDE MIDDLE LEVEL OFFICIALS AND TO EMPHASIZE

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SPECIFICALLY FEMALE PARTICIPATION; (C) DEVELOPING A MONITORING SYSTEM TO DETERMINE IF AND WHERE NOMINATIONS ARE BEING DELAYED; (D) COORDINATING ACTIONS OF GOP, USAID AND THE CONTRACTOR COVERING ALL COMPONENTS OF THE NOMINATION PROCESS TO ENSURE THAT INFORMATION NEEDED BY NOMINEES IS RECEIVED IN A TIMELY MANNER AND THAT ALL PRE-DEPARTURE ACTIVITIES, E.G., TESTING, LANGUAGE TRAINING AND ORIENTATION, ARE FULFILLED IN PROPER SEQUENCE; AND (E) DESIGNING A SYSTEM OF FOLLOW-UP FOR RETURNED PARTICIPANTS.

5. ANPAC DISCUSSED AT LENGTH THE NEED FOR A PRACTICAL APPROACH TO DEVELOPE STRATEGIC PRIORITIES FOR THE TRAINING PROGRAM. GIVEN THE SIZE AND COMPLEXITY OF THE PROGRAM PROPOSED UNDER THIS NEW DSTP AMENDMENT, ANPAC BELIEVES THAT ALL OF THE ABOVE EVALUATION RECOMMENDATIONS ARE STILL VALID AND SHOULD BE ADDRESSED; YET WE RECOGNIZE THAT A NATIONAL EFFORT TO DEVELOP DETAILED DATA ON ALL TRAINING NEEDS COULD BE A LONG-TERM EFFORT. ANPAC FELT THAT AN ANALYTICAL BASIS FOR STRATEGIC DECISION ON ALLOCATION OF AID'S RESOURCES IS ESSENTIAL. TO THE EXTENT THAT THIS BASIS CAN BE DEVELOPED TOGETHER WITH GOP, THIS WOULD BE PREFERABLE; BUT AT A MINIMUM, USAID NEEDS TO DEVELOP ITS OWN COUNTRY TRAINING PLAN WHICH WOULD INCLUDE TRAINING NEEDS BY USAID'S PRIORITY SECTORS, AN ANALYSIS OF THE GOP'S TRAINING POLICY AND SYSTEMS, CONSTRAINTS TO TRAINING, TRAINING RESOURCES (BOTH IN-COUNTRY AND OTHER DONORS) THE CURRENT USAID TRAINING PROGRAM, THE MISSION'S FIVE-YEAR TRAINING PLAN AND STRATEGY, INCLUDING NEW OR

SPECIAL PROGRAMS, AND THE MANAGEMENT AND ADMINISTRATION OF THE PROGRAM. THIS COUNTRY TRAINING PLAN SHOULD BE INCLUDED IN THE PP AMENDMENT. TO ASSIST IN THIS EFFORT, ANE/TR IS SENDING YOU COPIES OF RECENT COUNTRY TRAINING PLAN FROM YEMEN AND THE EARLIER CTP FROM USAID/PERU. THE MISSION SHOULD ALSO SEEK WAYS TO ASSIST THE GOP WITH DEVELOPING TRAINING PLANS AT FEDERAL AND PROVINCIAL LEVELS, DIAGNOSING AND IMPROVING PROCEDURES FOR NOMINATING AND APPROVING PARTICIPANTS, AND INSTALLING A FOLLOW-UP SYSTEM.

6. MONITORING AND EVALUATION: SUCH A MASSIVE TRAINING EFFORT DEMANDS AN INNOVATIVE APPROACH TO MONITORING AND EVALUATION, INCLUDING LONG-TERM PARTICIPANT FOLLOW-UP TO DETERMINE IMPACT. THE PROJECT SHOULD INCLUDE A MONITORING AND EVALUATION UNIT TO ADDRESS THIS CONCERN SYSTEMATICALLY, AND THE PP AMENDMENT SHOULD INCLUDE AN M AND E PLAN. THE M AND E UNIT SHOULD ALSO DEVELOP A TRACKING SYSTEM TO FOLLOW THE PROGRESS OF TRAINEES SENT ABROAD. SOME POSSIBLE APPROACHES TO ENSURE CONTINUING LINKAGE TO RETURNED PARTICIPANTS MIGHT INCLUDE LIFE MEMBERSHIPS IN PROFESSIONAL SOCIETIES FOR ALL RETURNING PARTICIPANTS; DEVELOPMENT OF AN ALL-PAKISTAN RETURNED PARTICIPANT SOCIETY; AN EMPLOYMENT NETWORK; OR A TRADE AND INVESTMENT ORIENTED NETWORK. MISSION MAY WANT TO CONSIDER CASE STUDIES TO SUPPLEMENT OTHER APPROACHES FOR MEASURING PROJECT IMPACT.

7. FOCUS ON PRIVATE SECTOR AND WOMEN TRAINEES: REPT11 INDICATES AN INTENTION TO FOCUS HEAVILY ON PRIVATE SECTOR AND WOMAN TRAINEES. GIVEN EXPERIENCE TO DATE, PI AMENDMENT SHOULD DISCUSS PROJECT STRATEGY FOR ENSURING THAT ADEQUATE NOMINATIONS ARE RECEIVED FROM THESE GROUPS. WITH SUCH A MAJOR TRAINING LEVEL PLANNED, A SERIOUS POLICY ISSUE WOULD ARISE IF WE WERE NOT ABLE TO ASSURE A SIGNIFICANT LEVEL OF PARTICIPATION BY WOMEN. THIS WOULD ALSO APPLY TO ASSISTANCE TO LUMS; PROJECTED ENROLLMENT OF WOMEN SHOULD BE MORE THAN A TOKEN LEVEL IF SIGNIFICANT SUPPORT IS TO BE PROVIDED.

8. INCLUSION OF LUMS IN DSTF: PROPOSAL TO SUPPORT LUMS DEVELOPMENT HAS BEEN PREVIOUSLY PROPOSED AS A POTENTIAL COMPONENT OF THE INSTITUTIONAL EXCELLENCE PROJECT (IEP). IN SOME RESPECTS THE ANPAC FELT THERE MIGHT BE A BETTER FIT WITHIN THE IEP, SINCE THAT PROJECT WILL ADDRESS INSTITUTIONAL DEVELOPMENT NEEDS OF CENTERS OF EXCELLENCE. WE DEFER TO MISSION'S JUDGMENT ON PLACEMENT OF THIS COMPONENT, BUT IN EITHER CASE A CLEAR ARTICULATION IS NEEDED OF THE INSTITUTIONAL CONSTRAINTS

FACED BY LUMS, PROJECT'S STRATEGY FOR ADDRESSING THEM, AND HOW IT FITS INTO MISSION'S BROADER TRAINING STRATEGY. SUPPORT FOR LUMS SHOULD BE PLACED IN ONE OF THE TWO PROJECTS, BUT NOT BOTH. ON CONSTRUCTION ELEMENT, WE ARE UNAWARE OF EXTENT TO WHICH MISSION HAS ALREADY PREPARED PRELIMINARY PLANS AND COST ESTIMATES, BUT REQUIREMENTS OF FAA SECTION 611 WILL HAVE TO BE MET PRIOR TO OBLIGATION OF FUNDS.

9. VOCATIONAL EDUCATION: THERE WAS SOME CONCERN REGARDING THE PROPOSED SIGNIFICANT EXPANSION OF VOCATIONAL TRAINING. WE ARE AWARE OF THE POLITICAL DEMAND FOR SUCH TRAINING, BUT THE AGENCY'S EXPERIENCE INDICATES THAT TO BE EFFECTIVE, VOCATIONAL ED. SHOULD BE UNDERTAKEN ONLY FOR IDENTIFIABLE JOBS IN CONJUNCTION

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WITH PROSPECTIVE EMPLOYERS TO ASSURE THAT TRAINEES WILL BE PLACED. PP AMENDMENT SHOULD INDICATE PROJECT'S STRATEGY FOR DETERMINING POTENTIAL DEMAND FOR THESE SKILLS AND ASSURING EFFECTIVE UTILIZATION OF TRAINEES.

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12. ESL TRAINING: IT APPEARS THAT EMPHASIS ON ENGLISH LANGUAGE TRAINING GOES BEYOND NEED FOR LANGUAGE-QUALIFIED TRAINEES, AND SEEMS TO ADDRESS GENERAL LEVEL OF ENGLISH CAPABILITY IN COUNTRY. PP AMENDMENT SHOULD EXAMINE THE IMPLICATIONS OF ENTERING INTO A MAJOR ENTERPRISE OF THIS NATURE, INCLUDING HOW THIS MESHES WITH THE ROLE OF USIA. IT SHOULD ALSO MEASURE COST-EFFECTIVENESS OF LANGUAGE TRAINING CENTERS, INCLUDING COMPARISON OF THIS EFFORT AND ESL EFFORTS PROPOSED UNDER IEP.

11. RELATIONSHIP TO OTHER PROJECTS: PP AMENDMENT SHOULD DISCUSS RELATIONSHIP TO IEP AND ASSURE THERE IS NO DUPLICATION OF EFFORT. IN THE AREA OF DATA COLLECTION, REFTEL (PARA 3.P.(5)) INDICATES PLANS TO DEVELOP DATA COLLECTION CAPABILITIES FOR THE EDUCATION SECTOR. SINCE BOTH THE PROPOSED PRIMARY EDUCATION PROJECT AND S AND T/BRIDGES PROJECT HAVE DATA COLLECTION COMPONENTS, THE PP AMENDMENT SHOULD CLARIFY THE RELATIONSHIP AMONG THESE EFFORTS AND ASSURE THAT THERE IS NO DUPLICATION.

12. TIMING: MISSION SHOULD JUDGE THE TIME REQUIRED TO DEVELOP THE PP AMENDMENT AND ADVISE AID/W OF FUNDING WHICH WILL BE REQUIRED TO CARRY PROJECT AT CURRENT MAGNITUDE IN THE INTERIM. WE FEEL IT WOULD BE USEFUL TO HAVE A DISCUSSION DURING PROGRAM WEEK ON THE EDUCATION/HUMAN RESOURCES SECTOR, TO GET A BETTER UNDERSTANDING OF MISSION'S OVERALL STRATEGY AND PROJECT

DEVELOPMENT PLANS. WE PLAN TO SCHEDULE A SPECIFIC MEETING ON THIS SUBJECT. SHULTZ

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STATE 23E991/P3

ORIGIN AID INFO AME DCM ECON AREP

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FM AMEMBASSY ISLAMABAD

TO SECSTATE WASHDC PRIORITY 8984

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UNCLAS SECTION 01 OF 03 ISLAMABAD 04133

CLASS: UNCLASSIFIED
CHRG: AID 02/24/88
APPRV: D:ESSTAPLES
DRFTD: PDM:SKFAN:MAK:SP
CLEAR: 1.HRD 2.PRO 3.PM
4.DD
DISTR: AID AME DCM
ECON 4

AIDAC

FOR ANE/PD PAT MATHESON

E.O. 12356: N/A

SUBJECT: DEVELOPMENT SUPPORT TRAINING PROJECT
(391-0474) - PROJECT PAPER AMENDMENT

REF: (A) STATE 038991 (B) STATE 040395
(C) 87 ISLAMABAD 26653 (D) 87 ISLAMABAD 26281
(E) ISLAMABAD 3771

1. MISSION APPRECIATES THE THOROUGH DELIBERATIONS AND WORK REFLECTED REF (A) AND AGREES TO THE PROPOSED TWO-PHASE APPROACH FOR AMENDMENT OF THE SUBJECT PROJECT.

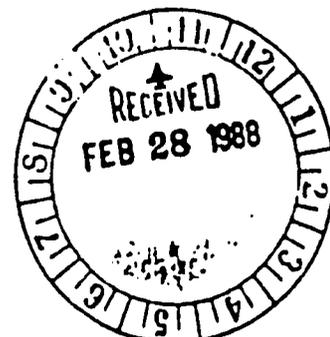
2. - IN THE FIRST PHASE, MISSION PROPOSES TO ADD UP TO DOLS 25 MILLION TO LOP FUNDING IN FY 88, WITH AN IMMEDIATE OBLIGATION OF DOLS 15.5 MILLION, AND TO EXTEND PACD BY NINE MONTHS TO DECEMBER 31, 1990, WHICH IS NECESSARY TO CONTINUE EXISTING TRAINING LEVELS. A NEW EVALUATION OF THE PROJECT WILL BE UNDERTAKEN BEFORE THE SECOND PHASE PROJECT AMENDMENT.

3. JUSTIFICATIONS FOR FIRST PHASE AMENDMENTS (TOTAL LOP FUNDING INCREASE BY DOLS. 25 MILLION AND EXTENSION OF PACD BY NINE MONTHS) ARE AS FOLLOWS.

4. THE TA CONTRACT WITH AED WILL COMPLETE FIVE YEARS ON DECEMBER 31, 1988 AND CANNOT BE EXTENDED BEYOND THAT DATE WITHOUT A NEW SOLICITATION. THE CONTRACT WILL HAVE TO BE REBID AND A NEW RFP ISSUED. IN ORDER TO PROVIDE ENOUGH LEADTIME FOR ISSUANCE OF RFP, SOLICITATION, EVALUATION AND NEGOTIATION OF A NEW CONTRACT, PIO/T SHOULD BE ISSUED IMMEDIATELY FOR WHICH NO FUNDS ARE PRESENTLY AVAILABLE.

5. PRESENT PACD IS MARCH 31, 1990. IN ORDER TO SOLICIT RFP FOR A TWO YEAR CONTRACT, PACD SHOULD BE EXTENDED TO DECEMBER 31, 1990 AND SUFFICIENT FUNDS EARMARKED BY A PIO/T. TWO YEARS' ESTIMATED COST FOR TA ARE APPROXIMATELY DOLS 13 MILLION. PIO/T WILL BE ISSUED WITH INITIAL FUNDING OF DOLS. 6.7 MILLION, COVERING APPROXIMATELY FIRST 12 MONTHS OF NEW

OFFICIAL FILE	ACTION	OFFICE	DATE
		D	
		DD	
		PRO	
		RLA	
		C&C	
		PDM	
		ELE	
		ENG	
		HPN	
		HRT	
		ARD	
		OFM	
		EXO	
		GSO	
		PER	
		PRC	
		BMS	
		ADP	



CONTRACT.

ANNEX 3
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6. ACCORDING TO FY88 TRAINING PLANS ALREADY PREPARED AND CLEARED WITH GOP (ECONOMIC AFFAIRS DIVISION), WE EXPECT TO FUND 100 LONG-TERM PARTICIPANTS - 100 FROM PUBLIC SECTOR, 35 FROM PRIVATE SECTOR AND 25 FROM PALUCHISTAN. FUNDS TO BE EARMARKED FOR 100 LONG-TERM PARTICIPANTS ARE APPROXIMATELY DOLS. 8.7 MILLION.

7. THE MISSION ALSO PLANS TO PROCESS 505 SHORT-TERM PARTICIPANTS FOR TRAINING DURING FY 1988 - 300 FROM PUBLIC SECTOR, 175 FROM PRIVATE SECTOR AND 30 FROM PALUCHISTAN. FOR THIS NUMBER OF PARTICIPANTS, EARMARKING OF APPROXIMATELY DOLS. 7.6 MILLION IS REQUIRED.

8. WE EXPECT COMPARABLE NUMBERS TO BE TRAINED IN FY 1989.

9. FUNDS TO BE OBLIGATED THIS FY WILL CARRY TRAINING ACTIVITIES THROUGH APPROXIMATELY 12 CALENDAR MONTHS, I.E., INTO SECOND QUARTER OF FY 89.

10. ALL PIO/PS WILL BE FULLY FUNDED, SO WE NEED TO OBLIGATE AND EARMARK SUFFICIENT MONEY FOR THE FULL PROGRAM OF ALL PARTICIPANTS SENT OFF DURING THIS PERIOD.

11. THE BALANCE OF DOLS 2.0 MILLION WILL BE USED FOR OTHER COSTS INCLUDING DOLS. 200,000 FOR EVALUATION.

12. ANPAC CONCERNS MENTIONED IN REF (A) PARA 2 THRU 11 WILL BE ADDRESSED IN FULL DURING THE PREPARATION OF THE EXPANDED PP AMENDMENT FOR THE SECOND PHASE. HOWEVER, GIVEN BELOW ARE COMMENTS ON SOME OF THEM:

~~A. PARA 3~~ EXPERIENCE TO DATE: ANPAC INTEREST IN EXTEN TO WHICH 1985 EVALUATION FINDINGS WERE ADDRESSED IN 1986 AND ONWARDS IS APPRECIATED AND CAN BE MORE APPROPRIATELY ADDRESSED IN THE NEW EVALUATION TO BE CARRIED OUT IN THE FIRST QUARTER OF FY 1989. THE FACT IS TRAINING LEVELS HAVE RISEN DRAMATICALLY SINCE 1985, AND DSTP HAS TAKEN ON NEW INITIATIVES TO BECOME ONE OF THE MOST SUCCESSFUL PROJECTS IN OUR
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FOR ANE/PD PAT MATEESON

ANNEX 3
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E.O. 12356: N/A
SUBJECT: DEVELOPMENT SUPPORT TRAINING PROJECT
(391-0474) - PROJECT PAPER AMENDMENT

REF: (A) STATE 038991 (E) STATE 040395
PORTFOLIO. TRAINING ENVISAGED FOR FY 88 AND OUTYEARS
OF THE POST-87 PERIOD REPRESENT NOT AN EXPANSION
BEYOND CURRENT LEVELS, BUT MERELY CONTINUATION OF
PRESENT PACE OF PROJECT ACTIVITIES. CONTINUATION OF
PRESENT LEVEL OF TRAINING, ACHIEVED OVER SEVERAL
YEARS THROUGH HARD WORK, IS A MUST. LOSS OF MOMENTUM
WOULD BE MOST UNFORTUNATE.

ALTHOUGH MANY OF THE CONSTRAINTS REPEATED REF (A)
PARA 3 REMAIN, 1985 EVALUATION FINDINGS HAVE BEEN AND
CONTINUE TO BE PURSUED WITH GOP AND THE CONTRACTOR,
I.E.:

- (1) MISSION MANAGEMENT HAS JUDICIOUSLY ALLOWED
PARTICIPANT TRAINING STAFF TO EXPAND;
- (2) MISSION CONTINUES DIALOGUE WITH GOP AT ALL
LEVELS AND THE GOP HAS APPROPRIATELY AND ADEQUATELY
STREAMLINED NOMINATION PROCESS;
- (3) USAID AND GOP COLLABORATIVELY DEVELOP
YEARLY TRAINING PLANS BASED ON PROJECT DEVELOPMENT
PRIORITIES FOCUSING ON PROJECT AND INSTITUTIONAL
REQUIREMENTS;
- (4) GOP RECENTLY (OCTOBER, 1987) RAISED TRAINING
~~NEEDS ASSESSMENT TO NATIONAL COMMISSION LEVEL;~~
- (5) MISSION CONTINUES TO IDENTIFY COST
EFFICIENCIES IN ITS PARTICIPANTS TRAINING ACTIVITIES.

B. PARA 4 - TRAINING STRATEGY: 1985 EVALUATION
RECOMMENDATIONS AS WELL AS THOSE THAT ARISE IN NEW
EVALUATION WILL BE BROUGHT TO GOP ATTENTION AS
NATIONAL TRAINING STRATEGY IS PUT TOGETHER.

C. PARA 5 - CONCUR.

D. PARA 6 - MONITORING AND EVALUATION: FOLLOWING
ACTIONS HAVE BEEN TAKEN: (1) CONTRACTOR DEBRIEFS
DEPARTING PARTICIPANTS WHEN PRACTICAL; (2) A FULL
TIME COORDINATOR HAS BEEN HIRED (JULY, 1987) TO FOLLOW
UP ON RETURNING PARTICIPANTS - FIRST QUESTIONNAIRE TO
BE MAILED SHORTLY; (3) A COMPUTERIZED SYSTEM -
PARTICIPANT TRAINING MONITORING SYSTEM (PTMS) IS
BEING INTRODUCED; (4) ALSO, A REVIEW AND SCREENING
PROCEDURE HAS BEEN PUT INTO PLACE TO IDENTIFY
TRAINING PROPOSALS IN PROHIBITED OR SENSITIVE

SUEJECTS - ALTHOUGH IN OPERATION ONLY TWO MONTHS, IT APPEARS TO BE FUNCTIONING EFFECTIVELY AND SATISFACTORILY.

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E. PARA 8 - GRANT TO LUMS HAS BEEN, FOR THE TIME BEING, EXCLUDED FROM THIS FIRST-PHASE AMENDMENT. WE SHARE CONCERNS RAISED, AND HAVE UNDERTAKEN CONSIDERABLE WORK OVER PAST SEVERAL MONTHS TO IDENTIFY CONSTRAINTS LUMS FACES, ITS ROLE AND POTENTIAL IN PAKISTAN'S EDUCATION SYSTEM, ITS ADMINISTRATIVE STRENGTHS AND WEAKNESSES, AND 611 ISSUES. IF SATISFACTORILY RESOLVED, THIS COMPONENT WILL BE INCLUDED IN PP AMENDMENT WITH FULL DISCUSSION.

F. PARA 9 - VOCATIONAL EDUCATION: USAID REVIEWED EXISTING MISSION DOCUMENTS AND HRD STAFF UNDERTOOK FIELD TRIPS INCLUDING INTERVIEWS WITH MAKHRAN DISTRICT REPRESENTATIVES (BALACH PROJECT) AND PROVINCIAL OFFICIALS UP TO THE LEVEL OF GOVERNOR AND CHIEF SECRETARY REGARDING TECHNICAL LABOR SKILL REQUIREMENTS IN BOTH PUBLIC AND PRIVATE SECTORS. BALUCHISTAN PROVINCIAL OFFICIALS THEN AND NOW HAVE EMPLOYMENT POSITIONS AGAINST WHICH PARTICIPANTS MAY BE TRAINED.

G. PARA 10 - ESL TRAINING: SIZE OF ENTIRE MISSION PARTICIPANT TRAINING PROGRAM IS SUCH THAT ESL IS AND WILL BE MAJOR CONCERN IN MEETING PROJECTED LEVELS OF M.S. AND PH.D. PLACEMENTS. GOP IS ALSO CONCERNED WITH THIS ISSUE. ENGLISH LANGUAGE TRAINING ASSESSMENT (FINAL REPORT, JANUARY 1987, PAGE 52) STATED THAT USAID ORIENTED ESL SPECIFIC PROGRAM (CIELS) QUOTE DEEMED TO BE HIGHLY PROFESSIONAL, COST EFFECTIVE AND A CREATIVE SOLUTION TO THE ISSUES AT HAND END QUOTE. USAID/USIS PROGRAMS DO NOT OVERLAP
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ANNEX 3

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FOR ANE/PD PAT MATEESON

E.O. 12356: N/A
SUBJECT: DEVELOPMENT SUPPORT TRAINING PROJECT
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REF: (A) STATE 038991 (P) STATE 040395
BUT COMPLEMENT EACH OTHER AND BOTH UNITS EMPHASIZE
WITH GOP THE URGENCY OF SITUATION. INSTITUTIONAL
EXCELLENCE PROJECT IS EXPECTED TO EASE DSTP'S BURDEN
AND FOCUS ON ADDRESSING GENERAL LEVEL OF APPLIED
ENGLISH LANGUAGE TEACHING CAPABILITIES.

13. IN RESPONSE TO REF (B) REGARDING MINORITY
BUSINESS CAPABILITY, MISSION BY SEPTEL REF (E) HAS
REQUESTED RELEVANT SA COOPERATE CAPABILITY
STATEMENT(S) BASED UPON CRITERIA OUTLINED IN REF
(D). FROM STATEMENTS AND FURTHER REVIEW OF PROGRAM
REQUIREMENTS THE MISSION WILL MAKE A DETERMINATION IF
SA IS APPROPRIATE CONTRACT MODE BEFORE RFP IS ISSUED
HERE.

14. PROJECT FUNDING: PROJECT FUNDING FOR THE FIRST
PHASE IS AS FOLLOWS:

ELEMENT	ORIGINAL PER PP	CURRENT AMENDED (IN THOUSAND DOLLARS)	FIRST PHASE INCREASE	REVISED TOTAL
T.A. (U.S. LT AND ST)	3,934	11,225	6,700	17,925
TRAINING (IN-COUNTRY, 3RD, COUNTRY AND US)	4,832	27,225	16,300	43,525
COMMODITIES (INSTRUC. MATERIAL, EQUIP AND VEHICLES)	160	1,450	0	1,450
OTHER COSTS AND EVALUATION	203	100	2,000	2,100
CONTINGENCY	871	0	0	0
TOTAL:	10,000	40,000	25,000	65,000

15. SCHEDULE FOR PP AMENDMENT: MISSION ANTICIPATED
FOLLOWING SCHEDULE FOR THE FIRST PHASE AMENDMENT OF THE
PROJECT:

MISSION DIRECTOR AUTHORIZATION
OF PP AMENDMENT AND OBLIGATION
OF DOLS 15.5 MILLION:
ISSUANCE OF PIO/T AND RFP:

MID MARCE 1988
MID MARCH 1988

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RECEIPT OF PROPOSALS:

END MAY 1988

ANNEX 3

OBLIGATION OF DOLS 9.5 MILLION,
DEPENDING ON AVAILABILITY:

JULY 1988

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TA CONTRACT SIGNED:

END AUGUST 1989

1G. BASED ON AID/W AUTHORIZATION IN REF (A), WE ARE
PREPARING AUTHORIZATION AMENDMENT AND THE MISSION
DIRECTOR WILL SIGN THE SAME AS SOON AS WE GET YOUR
CONCURRENCE. RAPHEL

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ISLAMABAD 004133/03



UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT
MISSION TO PAKISTAN

Cable: USAIDPAK

HEADQUARTERS OFFICE
ISLAMABAD

THE DIRECTOR

DEVELOPMENT SUPPORT TRAINING PROJECT (391-0474)
FAA SECTION 612(b) CERTIFICATION

A major purpose of the economic assistance program negotiated between the governments of the U.S. and Pakistan, acknowledged by both governments and a primary reason for both governments having decided to develop an economic assistance package, is to provide balance of payments assistance to Pakistan.

I have carefully reviewed the advisability of disbursing U.S. dollars in lieu of U.S.-owned excess foreign currency to pay for local costs of projects being implemented in Pakistan. In light of the U.S. Government's objectives concerning the program, I have determined that it would be prejudicial to U.S. interests and goals to pay for all local currency costs with U.S.-owned rupees. Such a procedure would prevent the U.S. from providing the maximum amount of balance of payments support under the economic assistance package, and consequently would undercut one of the basic objectives of the program. The objective of providing balance of payments assistance to Pakistan can best be achieved by disbursing U.S. dollars to pay for local costs of the program. Section 612(b) of the Foreign Assistance Act of 1961, as amended, authorizes the administrative official approving the voucher to determine that local costs will be funded with direct payment of dollars for the program. Pursuant to this provision, Handbook 19 requires that the Mission Director (or his designee) make a determination as to the reason in any instance where U.S. dollars are used (disbursed) when U.S.-owned foreign currency is available. Where dollars are used for local cost financing, therefore, USAID/Pakistan will make disbursements to the GOP in U.S. currency.

In addition to disbursing dollars for local costs, USAID/Pakistan plans to use the U.S.-owned excess rupees, known as "Mondale rupees," which are available under the provisions of Section 104 of the Agricultural Trade Development and Assistance Act of 1954, as amended, to finance some of the local costs associated with U.S. dollar-financed activities, thereby increasing the overall development impact of the economic assistance program.

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FAA Section 612(b) Certification (Continued)

In view of the above rationale, I, Eugene S. Staples, principal officer of the Agency for International Development in Pakistan, pursuant to Section 612(b) of the Foreign Assistance Act of 1961, as amended, do hereby certify the need to disburse dollars to cover local currency costs in lieu of using U.S.-owned excess rupees under the Project Design Fund.


Eugene S. Staples
Director
USAID/Pakistan

3/28/88
Date