

**AGENCY FOR
INTERNATIONAL
DEVELOPMENT**



ANNUAL BUDGET SUBMISSION

FY 1980

YEMEN

BEST AVAILABLE

**DEPARTMENT
OF
STATE**

JUNE 1978



FY 1980 ANNUAL BUDGET SUBMISSION
USAID/YEMEN

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TABLE 1 - LONG RANGE PLAN
(\$ millions)

	DECISION UNIT: USAID/YEMEN									
	FY 1978		FY 1979		FY 1980			PLANNING PERIOD		
	Estimate	Request	Minimum	Mark	Proposed	FY 81	FY 82	FY 83	FY 84	
Food & Nutrition Grants:	2.7 2.7	7.1 7.1	1.5 1.5	8.4 8.4	9.5 9.5	18.8 18.8	17.0 17.0	15.0 15.0	13.0 13.0	
Population:	-0-	-0-	-0-	-0-	-0-					
Health Grants:	1.6 1.6	2.3 2.3	0.6 0.6	0.9 0.9	1.1 1.1	1.8 1.8	1.7 1.7	1.4 1.4	4.0 4.0	
Education Grants:	2.6 2.6	6.1 6.1	2.5 2.5	4.4 4.4	4.4 4.4	8.2 8.2	8.0 8.0	7.0 7.0	6.0 6.0	
Selected Development Grants:	0.5 0.5	4.1 4.1	-0- -0-	1.3 1.3	5.8 5.8	1.2 1.2	3.0 3.0	3.2 3.2	1.0 1.0	
Total Functional Accounts and Program Grants:	7.4 7.4	19.8 19.8	4.6 4.6	15.0 15.0	20.8 20.8	30.0 30.0	29.7 29.7	26.6 26.6	24.0 24.0	
PL-480 (non-add)	(0.4)	(0.5)	-0-	-0-	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	
Title II	(0.4)	(0.5)	-0-	-0-	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	
Personnel (workyears)	28.5	34.2	30.3	35.2	36.4	35.0	35.0	34.0	33.0	
Mission - U.S.	34.4	61.0	20.0	61.0	61.0	61.0	61.0	61.0	61.0	
- F.N.	0.1	.4	1.7	2.9	3.1	1.3	3.0	2.2	2.2	
TDY - USDH	92.2	60.0	10.0	60.0	60.0	49.0	39.0	39.0	34.0	
Contract, Other										
Operating Expenses	3.7	5.7	3.4	6.6	6.6	5.0	5.8	6.6	7.6	

DECISION UNIT: USAID/Yemen

DECISION UNIT OVERVIEW

A. Background Summary

As a development challenge the Yemen Arab Republic is an enigma. It has distinct and unique characteristics which must be taken into consideration by any donor planning to assist the country in its development efforts. The three most striking are the following:

1. In terms of physical quality of life indicators, Yemen is a serious contender for the dubious distinction of being the world's least developed nation; yet in GNP terms it is nearly a middle income country. The well known reason for this is labor remittances from the oil states. The YARG's inability to capitalize on the remittances allows the money to flow directly to the private sector and has created a remarkably equitable degree of income distribution. Yet, the cut-off is dramatic; the areas and families who do not have direct or indirect access to remittances live in a different and vastly inferior economic world from those who do.

2. Yemen does not have a tradition of a central government as known in most of the developed and developing world for the past few centuries. The primarily religious oriented governments of the Imams were characterized by a high degree of self-sufficiency and independence at the local level; the political system was remarkably similar to the feudalistic period in Europe and was reinforced and maintained by a virtually complete isolation from the rest of the world which did not end until 1962. This aspect of Yemen is of vital significance to a prospective partner in Yemen's development efforts. As A.I.D. begins to expand its development program in Yemen it is working in a country which, in terms of administrative and human resource infrastructure, is perhaps a century behind the ex-colonial countries in which A.I.D. began programs 15 to 20 years ago. Because of the civil strife which accompanied the end of its isolation, Yemen is only now beginning the task of not only developing but even of creating the public and private administrative and human resources infrastructure required for economic and social development. Making this task more difficult is the fact that as a result of external employment, Yemen is left with a labor short economy.

3. Labor remittances and the huge financial inputs from Yemen's oil-rich neighbors provide the fuel for development; they do not provide the engine--that has yet to be built. This highly visible problem of directing Yemen's financial bonanza into development has tended to obscure the more basic problems mentioned above, which lie behind the financial problems.

It is the second characteristic of Yemen outlined above that USAID/Yemen sees as the key to the enigma and to resolution of the problems contained in the first and third. In implementing its Country Development Strategy

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USAID/Yemen will put particular emphasis on full exploitation of the potential for locally initiated, administered and financed development efforts that exists due to Yemeni tradition. Further, in our institution building efforts we will work towards the development of institutional support of local initiatives and will emphasize institutions whose objectives are to develop Yemen's human resource potential. In doing so, we believe the United States can make a significant contribution to meeting the aspirations of the YARG and the people of Yemen for broad based, equitable social and economic development

B. Long-Range Goal

The Yemen Country Development Strategy is based on four mutually supportive Sector Goals:

1. Equitable and expanded access to economic opportunities and the fullest possible use of resulting resources to fulfill basic human needs.
2. Increase and restore the productivity of national resources.
3. Expansion of our understanding of human needs and of local institutions through research and pilot programs and development of institutions which can increase the availability of and equitable access to needed services.
4. Development of the policy making capacity and expansion of capability to plan and manage an accelerated flow of foreign and domestic resources into development programs and projects, with an emphasis on areas having impact on basic human needs.

C. Major Objectives

The major objectives listed below are those which USAID/Yemen believes will result in a program over the next 5 to 10 years that will best serve the achievement of our goals. They are based on our projections of the financial resources available for A.I.D. programs in Yemen, the comparative advantages of A.I.D. as one donor among many, the anticipated activities of other donors and the role of A.I.D. as currently envisaged by the YARG. For the next four to five years the list of objectives is considered almost complete. For the balance of the 10 years required to achieve some of the longer term objectives, we expect that additional objectives will be added as some of the shorter range ones are achieved and our knowledge of the development challenge in Yemen improves.

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1. Institutional development of the basic education system (primary, secondary and non-formal) required for acquisition of the skills needed for achievement of basic human needs and productive utilization of vastly increased personal income.
2. Establishment of a broad-based nationally coordinated program of integrated agricultural development.
3. Development of the potential for increased local level involvement in national development and development of public and private sector institutions required in support of local level initiatives.
4. Introduction and development of productive appropriate technologies in the rural and agricultural sectors.
5. Expansion of our economic and social analysis of the development challenge in Yemen, primarily in the rural and agricultural sectors.
6. Inventory and analysis of the natural resource base to the extent required for development planning and resource allocation policy making.
7. Improvement of the capacity of the YARG to financially and administratively manage its development programs and maximize the productivity of development resources available to it.

D. Alternatives

The alternative ways to accomplish our program objectives are contained in the program levels included in this ABS. The minimum level represents the simplest and most obvious alternative--out-of-country training of the critical human resources required for development. This alternative does not require much overhead and avoids the problems, frustration and costs associated with the others. It is a real alternative in that in the long run it could result in achievement of most of our objectives; but with the time-frame lengthened by a quantum amount. In the event of a dramatic change in the political situation it could become the most desirable alternative.

The second alternative is represented at the Mark level. It entails a reduction in funds allocated to participant training which would be more than offset by the introduction of technical assistance projects related to the major objectives. These projects, by enabling USAID/Yemen to interact directly with the rural sector oriented institutions for which

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most of the participants in the first alternative would be trained and the rural population which they would be expected to serve, would greatly accelerate the achievement of our objectives. They would increase the chances that the institutions which emerge would be relevant to the needs of the population and that the target population would indeed receive the intended benefits.

The third alternative is represented by the inclusion of Projects 056 (Feasibility Studies) and 063 (Development Administration) in the proposed level. It encompasses the second alternative but adds, at a step removed from a program more directly focusing on the needs of the poor population, an element which is addressed at the requirements of the central government in its effort to be more responsive to the aspirations of the people. By enabling the central government to more effectively manage the development process and by increasing its ability to harness potential financial resources, it would serve to further accelerate the achievement of our objectives and increase the magnitude of their impact.

As evidenced by our setting the proposed level above the established Mark, USAID/Yemen has chosen the third alternative. We believe that it represents a well balanced program characterized by an efficient allocation of resources at a level which will maximize the rate of return on our investment and result in achievement of our objectives in a reasonable period of time.

On the assumption that available funds will at least reach the Mark level, we have rejected the first alternative as at that level of funding it would be an inefficient way of achieving our objectives and would introduce an undue degree of risk given the level of investment. We have not selected the second alternative as it would result in a less well balanced (and hence less efficient) program. In developing our decision packages USAID/Yemen explored the possibility of implementing the third alternative at the Mark level and concluded that the opportunity costs were too high. In other words (although our deliberative process was not as quantified at this may sound) the estimated marginal rate of return associated with the funding increase required for the proposed level was considered sufficiently high for us to propose the funding level contained in this ABS.

E. Accomplishments

From the re-opening of the A.I.D. program in Yemen in 1973 thru 1976, the Mission's major goals were agriculture research and extension, provision of potable water in rural and urban areas and participant training for a wide spectrum of Yemeni development activities. Most of these past

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activities have led to new projects. For example, during that time A.I.D. rehabilitated the Taiz water system and completed the Sana emergency water supply program both of which have laid the groundwork for our current involvement in institution building at the National Water and Sewerage Authority. The previous Rural Water Supply project which involved extensive A.I.D. support of well drilling has led to our current Small Rural Water project which relies heavily on local contribution and local participation in smaller scale rural water projects and concentrates institution building in the Rural Water Division of Public Works.

The completed sorghum project which tested 5,000 varieties has led directly to the Agriculture Development and Research project (Sorghum and Millet) which is extending better sorghum and millet varieties. Finally, our successful Training for YAR Development project has led to the Training for Development II project which will place more emphasis on human resources planning at the central government level.

The FY 79 ABS marked the beginning of a new approach to the development of Yemen by USAID. The emphasis has changed from completing projects for the Yemenis to involving them more directly in implementation, thus hopefully building indigenous capacity to carry on. In addition, emphasis is now being placed on women and the rural population and meeting their basic human needs through rural development, broad-based basic education, and building of institutions at the local and central government levels which address themselves to providing basic human needs. This approach has been articulated in the current CDSS. All current and future projects are being designed around this strategy. Close attention is being given, for example, to staffing and organization patterns, well-planned training programs, departmental budgets and other aspects of institution building. At present, final project designs are being completed for a small rural water project and an integrated rural development project. Numerous projects have been identified in the agriculture and education sectors which will directly address basic human needs.

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ATTACHMENT #1

Commentary on Personnel and Operating Expenses

A. Host Country Support

At this point in time the ability of the YARG to support A.I.D. programs and projects (as well as those of any other donor) is marginal. Its human and financial resources and its organizational capacity are weak in the extreme and are stretched to the utmost (and in some areas perhaps a bit beyond) in its attempts to absorb the large amounts of donor assistance being offered. As the program proposed in this ABS calls for a major change in program emphasis and, as a result of the kinds of inputs to be provided, will require a substantial increase in demonstrated YARG commitment, the coming year will provide an acid test of the YARG's willingness to support A.I.D. programs. Our considered opinion is that this commitment will be made in sufficient magnitude to permit the implementation of the proposed program.

B. Operating Expense Personnel as Related to Host Country Support

The ability of the YARG to support A.I.D. projects heavily influenced both the types of projects proposed in this ABS, e.g., the projects aimed at central government operations, as well as the way in which we propose to implement them. To date, weaknesses in YARG support ability has caused us to become heavily involved in project implementation with a resultant impact on operating expenses and personnel levels in relation to program levels. In the two major program areas proposed, Basic Education and Agricultural Development, we have designed projects which will be implemented through the use of "collaborative style" arrangements which call for increased project management responsibilities on the part of contractors. In short, we are attempting to change from a project type approach to an approach characterized by integrated and coordinated sector programs designed to have a profound effect on basic systems. In implementation of other projects we intend to assign management responsibilities to the contractors to the maximum extent possible. Given the concerns of Congress with regard to the overhead associated with A.I.D. programs and the high cost of maintaining a Mission in Yemen, we believe this is the appropriate course of action. At the same time, we expect YARG support capabilities to increase gradually over the next few years, partially due to our intensive training efforts and our technical assistance to key institutions in the areas of budget management, organization and methods, and civil service administration. Also, we will continually seek to insure that YARG support of activities is maximized by insisting that the YARG pick up an increasing portion of the financing of other cost components of project budgets during

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Commentary on Personnel and Operating Expenses

project life. As a result, we are confident that our Program Budget/ Operating Expense Budget ratio will improve considerably, as is reflected in this ABS.

C. Relationships Between Decision Package Levels and Personnel Levels

1. Minimum Level: Management of a program at the minimum level would be accomplished in an entirely different style than programs at the other two levels. As soon as the decision were made to implement the program alternative associated with this level for an indefinite period, USAID/Yemen would begin the process of dismantling the Mission. By FY 81 the A.I.D. program would be managed by an A.I.D. section in the Embassy with a staff of 3 USDH and 3 FNDH. All administrative support would be provided by the Embassy under FAAS arrangements. We anticipate that the dismantling process (including the phase-out of on-going activities) would take until the end of FY 80. For financial planning purposes, the Operating Expense portion of the ABS assumes that all excess U.S. personnel whose tours would have extended beyond the end of FY 80 would continue to be funded under USAID/Yemen appropriations until the end of FY 80 even if they actually departed earlier.

2. Mark Level: The personnel requirements projected at the Mark level represent what USAID/Yemen considers to be the minimum level of personnel, consonant with sound management practices, required to staff a full fledged Mission of the type required for the program envisaged at this level. While at first glance it may appear that the personnel increase from FY 78 to FY 79 is not in line with the program increase, this is not the case. The bulk of the work-years available to the Mission in FY 78 are being used for the preliminary development of the program to be implemented in FY 79. Most of the PIDs and some of the Project Papers for activities to be implemented in FY 79 have been completed. Others are in an advanced state of preparation. Also, the implementation level in FY 78 exceeds the obligation level due to forward funding in prior years. Finally, as mentioned earlier, the implementation style we are proposing is aimed at minimizing workforce requirements. For example, the five Title XII projects in the Mark level are expected to be implemented by one institutional contractor to be substantially involved in project management and support. The modest increase in workforce levels between FY 78 and FY 80 reflects the increase in program design and implementation requirements and the

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Commentary on Personnel and Operating Expenses

conversion of IDIs to regular positions.^{1/} We expect workforce levels to stabilize after FY 80 as increased program levels are offset by termination of on-going activities with high intensity management requirements. Workforce requirements should drop off slightly in later years as the "collaborative arrangement" style of implementation takes hold and YARG involvement in project support increases.

There is a potential for decreasing projected workforce levels in regard to secretarial services. As the Mission has been totally unable to acquire FN staff with requisite secretarial skills, we have projected significant numbers of USDH secretaries. We will continue our efforts to locate local secretaries and, if successful, will be able to eliminate some of the USDH positions. We do not expect that this could be done prior to FY 80 at the earliest.

3. Proposed Level: We have not projected an increase in workforce levels between the Mark and the Proposed levels. The projects added at the Proposed level, although significant in financial amounts, do not require a large increase in work-years. Furthermore, the work-years required are spread over a number of individuals, and when the workforce analysis for the ABS was done in terms of specific positions we were unable to determine any differences in "whole body" requirements between the two levels. In a sense, what we are saying here is that while the ZBB system as used in the ABS guidance is a useful tool, it is not perfect.

^{1/} Due to the cost of maintaining personnel in Yemen, the Mission believes that IDIs should be more productively utilized than is normally the case, and our workforce levels reflect this conviction. In assigning IDIs to USAID/Yemen, we request that AID/W make every effort to select mature IDIs with considerable relevant experience prior to A.I.D. employment.

TABLE III - SUMMARY OF RESOURCES - BY ACTIVITY
(FUNDING IN \$ '000 AND OPERATING EXPENSES-FUNDED PERSONNEL IN WORKYEARS (XX.X))

ACTIVITY	CY: 79						CY: 80						DECISION UNIT					
	FY: 78		CY: 79		CY: 80		MINIMUM		EXPANSION		PROPOSED		279 - Yemen Arab Republic		PAGE 1 OF 2			
	FUNDING	PERSONNEL	FUNDING	PERSONNEL	FUNDING	PERSONNEL	FUNDING	PERSONNEL	FUNDING	PERSONNEL	FUNDING	PERSONNEL	FUNDING	PERSONNEL	FUNDING	PERSONNEL		
FOOD AND NUTRITION:																		
042 Land Classification	(2590)	(4.4)	(7255)	(6.6)	(8425)	(6.9)	(1490)	(1.0)	-	-	-	(9545)	(7.4)	-	-	-		
019 Poultry Development	495	0.5	-	0.3	-	0.1	-	0.1	-	-	-	-	0.1	-	-	-		
030 Agric. Dev. & Res. (Sorghum)	315	0.7	240	0.4	-	0.1	-	0.1	-	-	-	-	0.1	-	-	-		
024 Horticulture	450	0.6	500	0.4	680	0.4	680	0.4	-	-	-	680	0.4	-	-	-		
052 Agric. Dev. & Support	580	0.8	1000	0.9	810	0.4	810	0.4	-	-	-	810	0.4	-	-	-		
045 Local Resources for Develop.	-	0.8	2060	1.1	1860	2.0	-	-	-	-	-	1600	2.0	-	-	-		
046 Approp. Village Tech.	-	-	955	0.9	575	0.8	-	-	-	-	-	1860	1.0	-	-	-		
059 Ibb Ag. Training Center	-	-	1500	0.7	1350	0.6	-	-	-	-	-	575	0.8	-	-	-		
060 Seed Multiplication	-	-	550	0.9	550	0.5	-	-	-	-	-	1350	0.6	-	-	-		
061 Soil Fertility	-	-	-	-	525	0.5	-	-	-	-	-	550	0.5	-	-	-		
062 On-Farm Water Management	-	-	-	-	475	0.5	-	-	-	-	-	475	0.5	-	-	-		
055 Community Based RD-Phase II	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
031 Community Based RD-Phase I	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
HEALTH:																		
022 Rural Water Supply	(1623)	(4.3)	(2270)	(3.2)	(885)	(3.0)	(635)	(2.7)	-	-	-	(1135)	(3.1)	-	-	-		
035 Applied Health/Nutrition	210	1.0	-	0.1	-	-	-	-	-	-	-	-	-	-	-	-		
028 Water Supply Systems Mgmt.	188	0.1	-	0.3	-	0.3	-	-	-	-	-	250	0.3	-	-	-		
044 Small Rural Water	1225	0.5	200	0.7	635	0.6	635	0.6	-	-	-	635	0.6	-	-	-		
051 Health/Training Outreach-Hodeid	-	0.6	2070	1.2	-	1.0	-	1.0	-	-	-	-	1.0	-	-	-		
039 Taiz Water & Sewerage Const.	-	-	-	0.6	-	0.9	-	0.9	-	-	-	250	0.1	-	-	-		
027 Taiz Tariff Study	-	0.4	-	-	-	-	-	-	-	-	-	-	0.9	-	-	-		
021 Sana Emergency	-	0.7	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
001 Taiz W & S Design (Loan)	-	0.5	-	0.3	-	0.2	-	0.2	-	-	-	-	0.2	-	-	-		
EDUCATION:																		
040 Development Training II	(2599)	(1.2)	(6170)	(3.2)	(4330)	(3.2)	(8500)	(1.2)	-	-	-	(4330)	(3.2)	-	-	-		
053 Basic Education '1 Development	2599	0.9	2130	1.2	2500	1.2	2500	(1.2)	-	-	-	2500	1.2	-	-	-		
058 Education Outreach	-	-	3415	1.0	1385	1.3	-	-	-	-	-	1385	1.3	-	-	-		
020 Training for YAR Development	-	0.3	625	1.0	475	0.7	-	-	-	-	-	475	0.7	-	-	-		

ACTIVITY	TABLE III - SUMMARY OF RESOURCES - BY ACTIVITY (FUNDING IN \$ 000 AND OPERATING EXPENSES-FUNDED PERSONNEL IN WORKYEARS (XK.X))												DECISION UNIT		PAGE 2 OF 2					
	CY: 79				MARK				MINIMUM				EXPANSION				PROPOSED			
	PERSONNEL		FUNDING		PERSONNEL		FUNDING		PERSONNEL		FUNDING		PERSONNEL		FUNDING		PERSONNEL		FUNDING	
	US	FN	US	FN	US	FN	US	FN	US	FN	US	FN	US	FN	US	FN	US	FN	US	FN
SELECTED DEVELOPMENT ACTIVITIES:																				
025 Water Survey	(500)	(0.8)	(4085)	(2.4)	(1330)	(1.3)	-	-	-	-	-	-	-	-	-	-	-	(5775)	(1.8)	-
043 Water Resources Planning	500	0.3	-	0.2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
064 Project Support	-	0.3	935	0.5	630	0.4	-	-	-	-	-	-	-	-	-	-	-	630	0.4	-
057 Yemen Develop. Research	-	-	2750	0.8	500	0.4	-	-	-	-	-	-	-	-	-	-	-	1500	0.4	-
056 Feasibility Studies	-	-	400	0.9	200	0.5	-	-	-	-	-	-	-	-	-	-	-	200	0.5	-
063 Development Administration	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2645	0.2	-
033 Special Develop. Fund	-	0.2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	800	0.3	-
TOTAL PROGRAM FUNDING	7412	10.7	19780	15.4	15000	14.4	-	4625	4.9	-	-	-	-	-	-	-	-	20815	15.5	-
PL-480 Title II:	400	0.1	465	0.1	-	-	-	-	-	-	-	-	-	-	-	-	-	500	0.1	-
NON-PROGRAM ACTIVITIES																				
Policy Direction and Mgmt	7.0	1.4	7.4	4.0	8.2	4.0	-	7.0	2.0	-	-	-	-	-	-	-	-	8.2	5.0	-
Financial Management	4.0	16.0	4.0	16.0	4.4	16.0	-	4.0	8.0	-	-	-	-	-	-	-	-	4.4	16.0	-
Mission Support	5.0	107.2	5.1	101.0	5.2	101.0	-	5.0	20.0	-	-	-	-	-	-	-	-	5.2	101.0	-
IDIs	1.7	-	2.2	-	3.0	-	-	1.0	-	-	-	-	-	-	-	-	-	3.0	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Operating Expenses	(3651)	-	(5732)	-	(6545)	-	-	(3401)	-	-	-	-	-	-	-	-	-	(6545)	-	-
Personnel	2341	-	2760	-	2954	-	-	2125	-	-	-	-	-	-	-	-	-	2954	-	-
Housing	547	-	1785	-	2771	-	-	818	-	-	-	-	-	-	-	-	-	2771	-	-
Office Operations	763	-	1187	-	820	-	-	458	-	-	-	-	-	-	-	-	-	820	-	-
TOTAL	11063	-	25512	-	21545	-	-	8026	-	-	-	-	-	-	-	-	-	27360	-	-

DECISION UNIT: USAID/YemenDECISION PACKAGE MinimumActivity Description

The USAID/Yemen program at the minimum level stated in this ABS would be limited to a substantial participant training program based on an expanded Project 040 (Development Training II). By the end of FY 80 all on-going project funding would be terminated except for a small amount required in FY 81 to terminate Project 028 (Water Supply Systems Management). Project 040 would be restructured to encompass the training objectives of the projects included at the Mark and Proposed Levels. The \$4.6 million figure for the minimum level as stated in this ABS is not what we would consider the "true" minimum. However, the mechanics of the ZBB system required us to use it in order to complete the tables as instructed. USAID/Yemen would consider the true minimum level to be \$6 million, which would be derived by establishing a funding level for Project 040 at the Minimum level of \$3.825 million, with \$2.5 million at the Mark.

Short-term Objectives

The short-term objectives of the CDSS in this package would become long-term objectives as a participant training program only would slow down achievements of those objectives considerably. A new set of short-term objectives would be associated with this package, namely an increase in competency and efficiency of existing YARG institutions to which returned participants would be assigned. It would be extremely difficult to develop quantitative measures of achievement.

Impact on Major Objectives

The impact on the long range goal would primarily be in terms of the time-frame in which it would be achieved. If a training program of the magnitude set forth in this package were maintained for a considerable period of time, we expect that our major objectives would be achieved to a significant degree, but in terms of decades rather than years.

Other Information

Given the type of program envisaged at this level, not approving the package at the \$6 million level is not an all or nothing situation. However, we believe \$6 million is the level required to obtain the "critical mass" of returned participants that would be necessary to bring about necessary changes in YARG institutions and justify the costs of maintaining an A.I.D. presence. For future year funding we have assumed a 6% inflation rate would be applied.

FY 1980 ANNUAL BUDGET SUBMISSION
(in \$000)

DECISION UNIT: USAID/YemenDECISION PACKAGE: Minimum

<u>RESOURCE REQUIREMENTS</u>	<u>FY 78</u>	<u>FY 79</u>	<u>FY 80</u>	
			<u>This Package</u>	<u>Cumulative Total</u>
Food and Nutrition	2,690	1,190	1,490	1,490
Health	1,623	200	635	635
Education	2,599	2,130	2,500	2,500
Selected Development Activities	500	-0-	-0-	-0-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
PROGRAM	7,412	3,520	4,625	4,625*
PL 480	(400)	-0-	-0-	-0-
Employment - Full-time Permanent (In work-years)				
U.S. Direct Hire	28.5	25.4	4.9	4.9
Foreign Nationals**	126.2	61.0	30.0	30.0
TDY	0.1	.4	1.7	1.7
TOTAL	<u>154.8</u>	<u>86.8</u>	<u>36.6</u>	<u>36.6</u>

<u>FIVE YEAR PROJECTIONS</u>	<u>FY 80</u>	<u>FY 81</u>	<u>FY 82</u>	<u>FY 83</u>	<u>FY 84</u>
Program	6,000*	6,400	6,800	7,200	7,600
Personnel (in work-years)					
Mission - US	30.3	3.0	3.0	3.0	3.0
- FN	30.0	3.0	3.0	3.0	3.0
TDY - USDH	1.7	0.1	0.2	0.1	0.1

* See Minimum Decision Package Narrative

** FTEPP and Contract

TABLE IVB ACTIVITY BUDGET DATA		ACTIVITY TITLE		DECISION UNIT		DECISION PACKAGE		BUDGET YEAR	
WATER SURVEY OF NORTH YEMEN		USAID/Yemen		-		-		FY 80	
PROJECT NUMBER: 279-0025 (876)		APPROPRIATION SD		FY 73		FY 78		TOTAL COST \$2,086,000	
				DATE PP/REVISION 4/1978		DATE LAST PAR 8/1977		DATE NEXT PAR 12/1978	

ACTIVITY INPUTS	ESTIMATED U.S. DOLLAR COST (\$ 000)										LIFE OF PROJECT		
	FY 78		FY 79		FY 80		FY 81		FY 82			OBLI-GATION	
AID-FINANCED	OBLI-GATION	EXPEN-DITURE	PIPE-LINE	FUNDING PERIOD (FR-TD)	OBLI-GATION	EXPEN-DITURE	PIPE-LINE	FUNDING PERIOD (FR-TD)	OBLI-GATION	EXPEN-DITURE	PIPE-LINE		EXPEN-DITURE
TOTAL-	500	300	200	10/78-1/79	0	200	0						100*
Technical Assistance	196	106	90		-	90	-						
Participants (Short term)	16	0	16		-	16	-						
Commodities	158	124	34		-	34	-						
Other Costs	130	70	60		-	60	-						
HC AND OTHER DONOR	TOTAL- H.C.	80			20								

FUNDING	PERSONNEL WORKYFARS (XX, X)			PERSONNEL			PARTICIPANTS PROGRAMMED			FOOTNOTES
	FISCAL YEAR	1978	1979	INTENSITY	TYPE A	TYPE B	TYPE A	TYPE B	FISCAL YEAR	
PROGRAM ACCOUNT	1978	1079	1980	HIGH	NONCONTRACT	CONTRACT	1978	1979	1980	*Project extension 12 months centered with YARG Agency Yemen Oil and Mineral Corporation.
TOTAL	1.0	0	0	MEDIUM	LONG-TERM	SHORT-TERM	-	-	-	
OPERATING EXPENSES	0	0	0	LOW	LONG-TERM	SHORT-TERM	-	-	-	
	0	0	0				-	-	-	

TABLE IVB ACTIVITY BUDGET DATA		ACTIVITY TITLE		DECISION UNIT		DECISION PACKAGE		BUDGET YEAR	
TAIZ WATER AND SEWERAGE CONSTRUCTION		USAID/Yemen		Minimum		FY 80			
PROJECT NUMBER 279-0039 (540)		APPROPRIATION HE		INITIAL OBLIGATION FY 77		FINAL OBLIGATION FY 77		TOTAL COST \$10,000,000	
				DATE PP/REVISION 7/77		DATE LAST PAR NA		DATE NEXT PAR 6/80 *	

ESTIMATED U.S. DOLLAR COST (\$ 000)

ACTIVITY INPUTS	FY: 19 78		CY: 19 79		FY: 19 80		PIPE-LINE	EXPEN-DITURE	PIPE-LINE	EXPEN-DITURE	PIPE-LINE	EXPEN-DITURE	PIPE-LINE
	OBLI-GATION	EXPEN-DITURE	FUNDING PERIOD (FR-TO)	PIPE-LINE	OBLI-GATION	EXPEN-DITURE							
AID-FINANCED	-	1030	1/79-12/79	8970	-	3928	5042	1/80-12/80	-	2340	-	2702	
Technical Services	-	682	"	3765	-	904	2861	"	-	1073	-	1788	
Commodities	-	326	"	5007	-	2958	2049	"	-	1201	-	848	
Other Costs (In-Country Training)	-	22	"	198	-	66	132	"	-	66	-	66	
TOTAL													
HC AND OTHER DONOR													
Abu Dhabi Fund for Arab Economic Development	44,100				2350								LIFE OF PROJECT 55,236
Saudi Fund for Development H.C.	15,000				-								-
TOTAL	28,500				2350								3,500

FUNDING	PERSONNEL WORKYEARS (XX,X)					PERSONNEL INTENSITY	PARTICIPANTS PROGRAMMED	
	19 78	19 79	19 80	19 81	19 82		TYPE A	TYPE B
PROGRAM ACCOUNT TDY (ADD)	2.5	6	6	-0-	-0-	HIGH	19	19
OPERATIONS	-0-	-0-	0.5	-0-	0.5	MEDIUM	LONG-TERM	SHORT-TERM
TOTAL	5	6	9	9	0.2	LOW		

FOOTNOTES
Special evaluation to be conducted FY80 using AID/W PD&S to provide 4pm expertise

Table IV A
SMALL RURAL WATER PROJECTS
0044

Purpose: To provide improved domestic water supplies to selected rural villages and to improve the capability of the Rural Water Division (RWD) to serve rural areas.

Background: The abundance of remittance money and the labor short nature of the economy coupled with the low level of infrastructure and services pose unique problems for Yemen's development. The A.I.D. country development strategy places substantial emphasis on rural development. This project will focus on YARG's stated priority area of village water supply by responding to locally initiated projects with implementation through the central government organization (RWD). The project will assist in achieving the five year plan goal set for the RWD in constructing 30 small rural water systems per year.

Project Description: The basic problem addressed by this project is the lack of adequate domestic water supplies for villages in rural areas of Yemen. The project is a continuation of the small water component of a completed project (Rural Water Supply, 022) and will attempt to assist the RWD in providing improved small scale village water supplies in rural areas. The proposed project will deal with the same types of sub-projects; self-help village projects to construct or repair cisterns, improve springs and construct distribution and storage systems for existing hand dug or drilled wells. An evaluation of Project 022 has shown that villages generally supply over 50 per cent of sub-project costs, usually in the form of local commodities such as sand, stone and gravel, transportation and skilled and unskilled labor. Pumps and engines are supplied by A.I.D. or other donors and A.I.D. generally finances cement, pipes, fittings, lumber and miscellaneous. The project will coordinate with other donors including those financing drilled wells and projects involving education and health. In particular, the project will coordinate with the UNDP/WHO (Dutch Government financed) project to provide general technical and management assistance to RWD, training and some commodities. The proposed project is to be implemented by RWD through assistance from a technical team provided by a private voluntary organization with Peace Corps volunteers supervising construction in the field.

The major issue facing the project is the management and organization of the RWD. With the volume of projects and donor assistance currently being handled by RWD there is an extreme need for establishment of an efficient organizational structure with key personnel trained in engineering with management capabilities; RWD is currently lacking in personnel with these characteristics. The on-going UNDP project has scheduled a management survey to be conducted this summer.

Beneficiaries: Project beneficiaries are the residents of the rural villages who receive the small water projects. Women will especially benefit since they will have to spend less time carrying water. An evaluation has established that women can productively use the time saved and that social patterns are not expected to be disrupted. Villagers will receive increased quantities of water and the improved quality is expected to have positive health benefits. Each sub-project, at an estimated A.I.D. financed commodity cost of \$14,000 will benefit an average of 200 families yielding a cost per family benefitted of \$70. The technical assistance portion of the project is also expected to directly benefit the staff of RWD and indirectly the future recipients of RWD designed projects.

Current Year Program: During FY 79, 20 small water systems will be completed. On-the-job training of Yemeni staff will begin but technical and managerial training, originally presented in the 1979 CP will be handled by other donors. A revised project budget has been prepared in conjunction with the Project Paper preparation. In accordance with the five year plan, the outputs have been set at 30 per year after the first year for a total of 140 over the life of the project. An evaluation will be conducted after the first year to determine if project outputs can be revised upwards in following years. Initial year costs have increased due to further analysis of equipment, vehicle and support staff requirements and costs.

Budget Year Program: Expected outputs in FY 80 are 30 completed sub-projects and on-the-job training of approximately six counterpart staff.

Major Outputs:

Completed small water projects	140
Trained counterpart staff	27

TABLE IVB ACTIVITY BUDGET DATA		ACTIVITY TITLE SMALL RURAL WATER PROJECTS		DECISION UNIT USAID/Yemen		DECISION PACKAGE Minimum		BUDGET YEAR FY 80	
PROJECT NUMBER 279-0044 (540)		APPROPRIATION HE		INITIAL OBLIGATION FY 79		FINAL OBLIGATION FY 83		TOTAL COST \$8,000,000	
				DATE PP/REVISION 7/78		DATE LAST PAR		DATE NEXT PAR 10/79	

ESTIMATED U. S. DOLLAR COST (\$ 000)									
ACTIVITY INPUTS	PY: 19 78		CY: 19 79		BY: 19 80		PIPE- LINE	EXPEN- DITURE	PIPE- LINE
	OBLI- GATION	EXPEN- DITURE	FUNDING PERIOD (FR- TO)	PIPE- LINE	OBLI- GATION	EXPEN- DITURE			
AID-FINANCED									
TOTAL-			10/78-9/80	2068	1003	1065			1065
Technical Services			"	615	300	315			315
Participants			"	1107	487	620			620
Commodities			"	346	210	130			130
Local Costs (Personnel, Office remodeling, misc.)									
HC AND OTHER DONOR H.C.				1530					21,048
TOTAL-									

FUNDING	PERSONNEL WORKYEARS (XX, X)			PERSONNEL INTENSITY	PARTICIPANTS PROGRAMMED			
	FISCAL YEAR				TYPE A-NONCONTRACT		TYPE B-CONTRACT	
	19 78	19 79	19 80		LONG-TERM	SHORT-TERM	LONG-TERM	SHORT-TERM
PROGRAM ACCOUNT	5.0	5.0	5.0					
TDY (NON- OPERATING EXPENSES)	.6	1.2	1.0					
			.8					
			1.0					
			1.0					

FOOTNOTES
Special evaluation
FY 80 using 1 pm
AID/W PD&S

Table IV A
POULTRY DEVELOPMENT
0019

Purpose: To develop, demonstrate, and extend appropriate techniques of village poultry production to rural areas.

Background: This project addresses the need for increased income and increased protein in the diet of the rural population. It is designed to provide beginning small-scale producers the training, birds, feed and medicine necessary for profitable poultry production, as well as training for existing poultry raisers. This falls directly within the USAID development strategy goal to "increase and restore the productivity of natural resources" by providing more productive technology. Historically, this project has ranked high in the YARG's priorities. Although poultry meat and eggs are culturally highly acceptable items in the Yemeni diet and hence a potentially significant source of protein, at present they are almost entirely import items and beyond the economic reach of the rural population.

Progress to Date: Contract specialists began work early in 1976. A research/training/demonstration center near the capital, Sana, was completed later in the year. A similar center near Taiz became functional in early FY 1978. Three trainees from the Ministry of Agriculture are working with the project. One participant has returned after a year of training in Egypt. Three participants remain in the U.S. in training. Parent flocks of 1700 birds of four selected strains are now in production. Twenty-two farmer flocks totalling approximately 1200 birds have been distributed to rural areas. Over 3000 birds are currently being reared for future distribution. Two small groups of potential producers have received training. Additional training sessions are planned prior to distribution of new flocks. Two short-term specialists completed studies of the technical and socio-economic implications of the project.

Beneficiaries: Considerable effort is being made to distribute flocks to very remote areas, where increased production of poultry meat and eggs will have the greatest effect on the nutrition and earnings of the rural poor. As this project is designed primarily as a catalytic activity with the flocks distributed intended, by demonstration, to encourage the development of additional flocks, the impact of the project should broaden considerably after A.I.D. support ends and the Ministry of Agriculture continues the program. By the end of the project, in addition to the existing small producers trained, it is expected that 5000 families will benefit from the flocks distributed at a unit cost of \$400.

Current Year Program: A.I.D. will continue support of the two poultry demonstration training centers, the village poultry extension activity, and research and development of local feed supplies. Returning participants will assume responsibilities for project activities.

Budget Year Program: A.I.D. will continue support of the project as in the previous FY until May FY 79 at which time the project will be turned over to the Ministry of Agriculture. Two or three follow-up consultant visits are planned with a final evaluation in May, 1980.

Major Outputs:

	<u>All Years</u>
Demonstration centers operational	2
Returned participants	4
Pilot feed mills operating	2
Village extension programs conducted	50
Flocks distributed	100
New and existing producers trained	120

TABLE IVB ACTIVITY BUDGET DATA	ACTIVITY TITLE POULTRY DEVELOPMENT		DECISION UNIT USAID/Yemen	DECISION PACKAGE Minimum	BUDGET YEAR FY 80
	PROJECT NUMBER 279-0019 (078)	APPROPRIATION FN	INITIAL OBLIGATION FY 75	FINAL OBLIGATION FY 79	TOTAL COST \$1,932,000
			DATE PP/REVISION 7/3/76	DATE LAST PAR 6/23/77	DATE NEXT PAR 7/78

ACTIVITY INPUTS	FY 19 78		CY: 19 79		FY: 19 80		PIPE-LINE	EXPEN-DITURE	PIPE-LINE	EXPEN-DITURE	PIPE-LINE
	OBLI-GATION	EXPEN-DITURE	PIPE-LINE	FUNDING PERIOD (FR-TO)	OBLI-GATION	EXPEN-DITURE					
AID-FINANCED	315	254	61	10/78-7/79	240	225	15	15	15	15	0
TOTAL-											
Technical Assistance	55	40	15	10/78-7/79	145	145	15	15	15	15*	-
Participants: Long Term	25	25	-	-	-	-	-	-	-	-	-
Short Term	-	-	-	-	-	-	-	-	-	-	-
Commodities	110	75	35	10/78-7/79	25	60	-	-	-	-	-
Other Costs - Housing	125	114	11	10/78-7/79	70	81	-	-	-	-	-
TOTAL- H.C.	132				146						

HC AND OTHER DONOR	PERSONNEL WORKYEARS (XX.X)		PERSONNEL INTENSITY	PARTICIPANTS PROGRAMMED		LIFE OF PROJECT	FOOTNOTES
	19 78	19 79		TYPE A	TYPE B		
	132		HIGH	3		674	Special evaluation to be conducted FY 80 using 2 pm contract funds 2 pm PD&S

FUNDING	FISCAL YEAR		TYPE A	TYPE B
	19 78	19 79		
PROGRAM ACCOUNT TOY (FOR EXPENSES)	2.0	1.0	3	-
	.7	.4	-	-
	.1	.1	-	-

AID 1330-5 (3-78)

Table IV A
LAND CLASSIFICATION - SOIL SURVEY
0042

Purpose: To develop a data base which describes the soils of Yemen in terms of basic fertility and production capability based on water availability.

Background: This project as initially conceived would have provided (1) soil classification maps of Yemen, (2) land use capability maps of Yemen and (3) an end user facility designed to collect, collate and distribute soils, demographic and potential land use information to planning bodies in Yemen. Subsequent identification of other donor activities in work of a similar nature made it advisable to sharply reduce both the scope of the project and the level of funding. The level of effort has been reduced from five years to two and the funding level from \$2,267,000 to \$495,000.

This project will support the Yemen government's efforts to reach national food self-sufficiency and the CDSS goal of restoring and increasing the productivity of Yemen's natural resources by identifying the location, quality and potential use of the soils of Yemen.

Progress to Date: The Project Paper has been prepared and a potential participant trainee/counterpart identified. Project development was delayed due to need to coordinate with other donors. Obligation is expected in July, 1978.

Beneficiaries: Direct benefits will accrue to those farmers in areas where, as a result of this study, more rational and profitable cropping systems can be introduced. Indirect but wider benefits can accrue to the nation as a result of better use of basic resources.

Current Year Program: The 1972 Landsat 1 imagery will be acquired from NASA and other required back-up maps, air photos, literature, etc., will be acquired. The soil classification system will be developed, representative profiles sampled and chemical and physical analysis initiated. The satellite imagery will be enlarged, land use maps will be prepared, and participant training will be initiated.

Budget Year Program: Project activities will include continuation of the detailed soil surveys of selected areas, time-lapse analysis of land use changes, detailed land use survey of agriculturally important areas, training of Yemeni staff and publication of maps.

Major Outputs:

- Generalized soil map.
- Generalized land use maps.
- Time-lapse analysis of land use change.
- Detailed soil surveys of selected areas.

- Detailed land use survey of agriculturally important part of the country.
- Soil classification systems.
- Land use classification system.
- Geographic referencing system.
- Trained technical staff of Yemen personnel.
- User survey organization for the country of Yemen.

Table IV A
DEVELOPMENT TRAINING II
0040

Purpose: To improve YARG's capability to plan and administer its development programs, especially those bringing services, infrastructure, commodities and other benefits to the poorer segments of the population. A related purpose is to provide support to the YARG's institution building efforts as they concern human resources planning and utilization.

Background: Yemen's complete isolation from the modern world until the early 1960s and the following decade of civil strife today presents the YARG, which has embarked on an ambitious national development program based on substantial availability of donor funds, with uniquely difficult constraints. Public service in the modern sense, at all levels, is a new phenomenon. Trained government professionals are few and thinly spread, and most have only recently been trained. The institutions required for the production of public and private professionals and sub-professionals are just beginning to emerge, and many are still on the drawing board. The YARG has clearly identified the lack of well-trained public servants as a critical bottleneck in development, and recognizes that for the immediate future it must place heavy reliance on external training of its human resources. A.I.D. has helped address this bottleneck through participant training support in the past but considerably more assistance is required to develop a sufficient cadre of competent governmental personnel with the skills required for economic and social development. This project represents a continuation and expansion of Project 020, Training for YARG Development, a successful participant training program begun in 1973.

Progress to Date: The major output of this project is the AID-trained participants who will have successfully completed the training programs arranged for them abroad and who will have returned to YAR to further its economic and social development. This project is a continuation of Project 020 under which about 100 participants have returned and about 100 participants are still in the U.S. or Egypt receiving training. The current project will send at least 88 students a year abroad for further study. An additional output of both projects has been the Yemen American Language Institute (YALI) which has become an effectively operating entity which teaches English to our participants. A short-term human resources planner will arrive soon to assist the YARG in setting up a planning unit.

Beneficiaries: The direct beneficiaries of the project are the participants trained. A.I.D. and the YARG have agreed to try to increase the percentage of women trained under this project if sufficient qualified candidates can be found. Ultimate beneficiaries are the large proportion of Yemen's population at every level that will benefit from improved government planning, administration and services.

Current Year Program: The project will send a minimum of 88 new participants abroad for training and study. YALI will continue to teach English and a Human Resources Planning Unit (HRPU) will be established.

Budget Year Program: In FY 80 the project will send an additional 88 participants abroad to start their studies. The HRPU and YALI will continue their functions.

Major Outputs:

Minimum of 490 returned participants.
Human Resources Planning Unit established and functioning.
Human Resources studies completed.

TABLE IVB ACTIVITY BUDGET DATA	ACTIVITY TITLE		DECISION UNIT	DECISION PACKAGE	BUDGET YEAR
	DEVELOPMENT TRAINING II		USAID/Yemen	Minimum	FY 80
	PROJECT NUMBER	APPROPRIATION	INITIAL OBLIGATION	FINAL OBLIGATION	TOTAL COST
279-0040 (700)	EH	FY 78	FY 84	\$15,587,000	
		DATE PP/REVISION	DATE LAST PAR	DATE NEXT PAR	
		9/77	-	12/79	

ESTIMATED U. S. DOLLAR COST (\$ 000)

ACTIVITY INPUTS	FY: 1978		CY: 1979		FY: 1980		PIPE-LINE	EXPEN-DITURE	OBLI-GATION	EXPEN-DITURE	PIPE-LINE
	OBLI-GATION	EXPEN-DITURE	FUNDING PERIOD (FR-TO)	PIPE-LINE	FUNDING PERIOD (FR-TO)	PIPE-LINE					
AID-FINANCED											
TOTAL-	2599	945	10/78-3/80	1654	2130	2209	1575	10/79-3/81	2500	2945	1130
Technical Services	95	90	10/78-3/80	5	465	280	190	1/80-10/80	375	400	165
Participants	2504	855	10/78-6/80	1649	1656	1920	1385	3/80-3/81	2116	2536	965
Other Costs			10/78-9/79		9	9	-	10/79-9/80	9	9	-
HC AND OTHER DONOR											
TOTAL-	366				450						
H.C.											

FUNDING	PERSONNEL WORKYEARS (XX.X)				PERSONNEL INTENSITY	PARTICIPANTS PROGRAMMED				FOOTNOTES													
	FISCAL YEAR					FISCAL YEAR																	
	1978	1979	1980	1981		1978	1979	1980	1981														
PROGRAM ACCOUNT TOY (ABS-)	6.2	7.0	7.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0		
OPERATING EXPENSES	0.9	1.2	1.2	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	
AID 1310-8 (3-78)																							

PD&S Funds required
FY 81 (12/80) to
cover 2 pm Evaluation
Services

Table IV A
AGRICULTURE RESEARCH AND DEVELOPMENT

0030

Purpose: To establish a coordinated national sorghum and millet crop improvement program capable of meeting the needs of the small farmers of Yemen.

Background: Sorghum and millet are grown on more than 75% of the cultivated land in Yemen. Improvement in productivity of these crops will increase the availability of food grains and may increase cash incomes as local production of poultry increases. The project supports the YARG goals of increased food self-sufficiency as stated in the five year plan for agricultural development. Also, the introduction of a more productive technology will help in reaching the CDSS goal of restoring and increasing the productivity of Yemen's natural resources.

Progress to Date: The research station in Sana is fully operational with two pumps installed capable of irrigating six hectares. The area to be planted has been chiseled to improve flow of water into the sub-soil and to reduce variability of yields. Higher yielding varieties have been identified. Project buildings are essentially completed and all project employees moved in. The collection of 5000 indigenous sorghum varieties has been completed in cooperation with the UNDP. Ten varietal trials and two cultural practice trials have been completed. Land and an existing well have been assigned for a research station in the Tihama; a pump has been installed but completion of the irrigation system awaits arrival of critical parts. One participant is now at the University of Arizona for long term training.

Current Year Program: Experimental work will be initiated in the Tihama. The Yemen sorghum collection will be planted for taxonomic classification and increase; samples will be provided to ICRISAT and to other entities. Varietal and cultural practice trials will continue as planned and a weather station and a system of monitoring soil moisture levels will be installed. One participant will be sent out for short term training in research station management, and an effort will be made to identify a second participant for long term training. The project will be evaluated and a work plan directed toward meeting specific research objectives will be developed.

Budget Year Program: Varietal and cultural practice trials will continue. High yielding varieties in which farmers show interest will be bulked in the Tihama for distribution. Research methodology will be refined in order to account for year to year variability of yields caused by fluctuation of night temperatures, net solar radiation and soil moisture. The effects of early defoliation on sorghum yields and of intercropping with legumes on yields of both sorghum and millet will be evaluated. Trials on farmers' fields will continue.

Beneficiaries: Almost all of Yemen's estimated 840,000 farm families are dependent on sorghum or millet for basic food supplies and stand to ultimately benefit from this project. The costs to A.I.D. per family are about U.S.\$4.

Major Outputs:

- 3 experiment stations established
- 50 sorghum/millet varietal trials
- 32 cultural practices trials
- 38 trials on farmers' fields
- 12 participants trained

TABLE IVB ACTIVITY BUDGET DATA	ACTIVITY TITLE		DECISION UNIT		DECISION PACKAGE		BUDGET YEAR		
	AGRICULTURAL RESEARCH & DEVELOPMENT - SORGHUM & MILLET		USAID/Yemen		Minimum		FY 80		
	PROJECT NUMBER 279-0030 (073)		APPROPRIATION FN		DATE PP/REVISION 1/76		DATE NEXT PAR 7/78		
		ESTIMATED U.S. DOLLAR COST (\$ 000)							
		CY: 19 78		CY: 19 79		CY: 19 80			

ACTIVITY INPUTS	FY 19 78		FY 19 79		FY 19 80		PIPE-LINE	EXPEN-DITURE	PIPE-LINE		
	OBLI-GATION	EXPEN-DITURE	PIPE-LINE	FUNDING PERIOD (FR-TO)	OBLI-GATION	EXPEN-DITURE				PIPE-LINE	FUNDING PERIOD (FR-TO)
AID-FINANCED											
TOTAL-	850	768	691	10/78-1/80	500	898	293	1/80-6/30/82	680	458	515
Technical Assistance	344	452	280	10/78-1/80	352	484	148	"	525	303	370
Participants: Long Term	19	10	9	"	40	15	34	"	40	39	35
Short Term	-	-	-	"	10	5	5	"	10	11	4
Commodities	10	10	19	"	-	19	-	"	-	-	-
Other Costs	477	296	383	"	73	350	106	"	105	105	106
Evaluation					* 25	25	-				
HC AND OTHER DONOR											
TOTAL- H.C.	600				500						

FUNDING	PERSONNEL WORKYEARS (XX, X)			PERSONNEL INTENSITY	PARTICIPANTS PROGRAMMED		FOOTNOTES
	19 78	19 79	19 80		A=NONCONTRACT B=CONTRACT	FISCAL YEAR	
PROGRAM ACCOUNT TOY (ADD)	2.5	5.5	5.5	HIGH	1	2	*Special evaluation FY 79 to determine scope of future activities.
OPERATING EXPENSES	.8	.4	.4	MEDIUM	2	2	2.5 pm under contract
				LOW			

Table IV A
WATER SUPPLY SYSTEMS MANAGEMENT
0028

Purpose: To improve the capability of the National Water and Sewerage Authority (NWSA) to plan, design, construct, operate and manage urban water and sewerage systems.

Background: Water and sewerage systems are being installed in the three major urban centers of Yemen and are planned for most of the country's market centers. The installation of such systems represents a major investment by several donors--principally the World Bank, the Abu Dhabi Fund for Arab Economic Development (ADFAED), the Saudi Fund for Development (SFD) and the Islamic Fund. A.I.D. contributed to the original installation of the water system and the design of the new water and sewerage system for the city of Taiz.

Two of the major objectives of the YARG's five year plan are development of urban water supplies and the training of personnel in skills necessary for development. Development of institutions which can increase the availability of and equitable access to needed services is a major Mission program objective related to goal 4 in the CDSS.

The project, developed in cooperation with the World Bank and the Arab Fund, is designed to meet these YARG and Mission objectives by providing the government with an effective institution to oversee its rapidly expanding network of water and sewerage systems. A.I.D. is financing participant training, a long-term training advisor and a technical assistance team consisting of long-term technical planning, financial and administrative advisors.

Progress to Date: A short-term financial advisor and a long-term training advisor will be working with NWSA by the end of FY 78. The first project participants will leave for overseas training by the end of FY 78. A technical assistance team will be fully mobilized and providing services to NWSA by early FY 79. Table IV B for this project shows an increase in life of project costs of \$926,000 from \$2,986,000 to \$3,912,000. This increase in costs represents the addition of the construction of housing for project technicians (\$500,000), 36 months of academic and 36 months of non-academic participant training and 6 months of long term and 6 months of short term technical advisory services to the project.

Beneficiaries: The ultimate beneficiaries are the 600,000 residents of the major and secondary cities in Yemen who will be supplied by improved water and sewerage systems, properly operated and maintained. The majority of the beneficiaries are urban poor, especially in the secondary cities. The cost to A.I.D. per family benefited is approximately \$39.

Current Year Program: A short term financial advisor's assignment will be completed, a long term training advisor and a technical assistance team will be in place, 8 participants will be enrolled in long term academic training overseas, 3 long term and 4 short term non-academic participants will be sent abroad for training and construction of project housing will begin.

Budget Year Program: A long term training advisor and administrative advisor will complete their assignments, a technical assistance team will be in place, 8 participants will be enrolled in long term academic training overseas, 3 long term and 4 short term non-academic participants will be sent abroad for training and construction of project housing will be completed.

Major Outputs:

- 14 returned participants with MS degrees.
- 1 returned participant with BS degree.
- 19 returned non-academic participants.
- 15 counterparts trained by technical advisors.
- NWSA capable of effectively planning, designing, constructing, operating and managing urban water and sewerage systems.

TABLE IVB ACTIVITY BUDGET DATA	ACTIVITY TITLE	DECISION UNIT	DECISION PACKAGE	BUDGET YEAR
	WATER SUPPLY SYSTEMS MANAGEMENT	USAID/Yemen	Minimum	FY 80
PROJECT NUMBER	APPROPRIATION	INITIAL OBLIGATION	FINAL OBLIGATION	TOTAL COST
279-0028 (540)	HE	FY 77	FY 81	\$3,912,000
		DATE PP/REVISION	DATE LAST PAR	DATE NEXT PAR
		7/77	NA	2/80*

ESTIMATED U.S. DOLLAR COST (\$ 000)

ACTIVITY INPUTS	FY 19 78			CY: 19 79			BY: 19 80				
	OBLI - GATION	EXPEN - DITURE	PIPE - LINE	FUNDING PERIOD (FR - TO)	OBLI - GATION	EXPEN - DITURE	PIPE - LINE	FUNDING PERIOD (FR - TO)	OBLI - GATION	EXPEN - DITURE	PIPE - LINE
AID-FINANCED											
TOTAL-	1225	76	2555	1/79-12/79	200	1172	1583	L/80-12/80	635	1487	731
Technical Services	525	69	1787	"	-0-	599	1188	"	462	968	682
Participants	75	7	143	"	200	158	185	"	173	309	49
Project Support	625	-	625	1/79- 9/80	-0-	415	210	"	-0-	210	-0-
HC AND OTHER DONOR											
TOTAL-	441				760						
Other Donors	400				400				400		
H.C.	41				360				453		

FUNDING	PERSONNEL WORKYEARS (XX, X)				PERSONNEL INTENSITY	PARTICIPANTS PROGRAMMED				FOOTNOTES
	FISCAL YEAR					FISCAL YEAR				
	19 78	19 79	19 80	19 81		19 78	19 79	19 80	19 81	
PROGRAM ACCOUNT	5	5	7.4	4	1	8	8	8	Special evaluation requiring 3pm PD&S funded expertise in FY 80.	
TOY (ADD -)	-0-	-0-	0.5	-0-	-	7	7			
EXPENSES	0.5	0.7	0.6	0.6	-	-	-			

AID 1330-8 (3-78)

Table IV A
HORTICULTURE DEVELOPMENT
0024

Purpose: To create the basis for future institutionalization of horticulture work in Yemen by testing and developing improved production technologies for the two major ecological zones.

Background: While consumer demand for both fresh and processed horticultural products is strong, the domestic production of such products is extremely limited in variety, quantity and quality. At the same time, the potential for improvement in both tropical and temperate zone crops appears significant. Expanded and diversified horticultural production is a priority item under the YARG's current five year plan, and should result in increased incomes for numerous small producers, improved nutrition, reduction in imports and, possibly, increased exports.

Progress to Date: While there have been some delays in project implementation, the project remains a sound one, consistent with the U. S. development strategy of increased productivity of natural resources through improved technologies and YARG priorities as set forth in the five year plan. Work is now underway at one research station and the second station is being developed. One technician has been in-country since 12/77, with the other three scheduled to arrive 7/78. Relations with the MOA are improving, and counterparts and trainees have been appointed. Preparation for the social and economic studies called for under the project began in October, 1977.

Due to the delays and cost increases a major PP revision is now planned for Fall, 1978. Therefore, all output and budget projections should be regarded as tentative. We are, however, predicting a revised total (to 9/30/81) cost of \$2,579,000. This includes \$250,000 for purchase of contractor housing (2 houses) and provides for an increase in project team size from three to four technicians. It also provides for significant increases in the "other cost" component due largely to extremely high inflation in local wages and construction costs.

Beneficiaries: It is impossible to precisely target the beneficiaries of such general research projects. All farmers in Yemen stand to benefit from identification and extension of more productive technologies. The potential impact of the project is probably highest in tropical fruits, which should result in a large share of the benefits accruing to farmers in the relatively disadvantaged coastal plain.

Current Year Program: A full scale research program will be underway at both stations and on farmers' fields. The number and type of trials is presently unspecified. Yemenis will be in long and short term horticultural

training in U.S. and third countries. Studies on horticultural marketing and socio-cultural factors affecting horticultural production will be completed and a study of the economics of horticultural production will begin. A new upland station (to replace present, inadequate station) will be initiated.

Budget Year Program: On and off-station research programs will continue, the production economics study will be completed and the training program will continue.

Major Outputs:

1. Two functioning research stations, one in tropical and one in temperate crops;
2. Improved varieties of eight major crops identified and being extended;
3. Six significantly improved cultivation practices identified and being extended;
4. Nucleus of eight trained Yemeni horticultural technicians at work in the Ministry and the two research stations;
5. Four baseline and projection studies in the agro-economic, socio-cultural and marketing areas completed and recommendations advanced.

TABLE IVB ACTIVITY BUDGET DATA	ACTIVITY TITLE	DECISION UNIT	DECISION PACKAGE	BUDGET YEAR
	TROPICAL AND SUBTROPICAL HORTICULTURE DEVELOPMENT	USAID/Yemen	Minimum	FY 80
PROJECT NUMBER	APPROPRIATION	INITIAL OBLIGATION	FINAL OBLIGATION	TOTAL COST
279-0024 (075)	FN	FY 76	FY 80	\$2,579,000
		DATE PP/REVISION	DATE LAST PAR	DATE NEXT PAR
		6/76	8/77	8/78

ESTIMATED U. S. DOLLAR COST (\$ 000)

ACTIVITY INPUTS	FY 19 78		CY 19 79		FY 19 80		PIPE- LINE	EXPEN- DITURE	PIPE- LINE	EXPEN- DITURE	PIPE- LINE	EXPEN- DITURE	PIPE- LINE
	OBLI- GATION	EXPEN- DITURE	FUNDING PERIOD (FR- TO)	PIPE- LINE	OBLI- GATION	EXPEN- DITURE							
TOTAL-	450	717	10/78-1/80	469	450	669	250	669	250	807	547	510	
Technical Services	135	177	10/78-1/80	365	300	425	240	425	240	573	425	388	
Participants	3	3	10/78-9/79	-	9	9	-	9	-	24	12	12	
Commodities	-	107	-	70	-	70	-	-	-	-	-	-	
Project Support	250	250	-	-	-	-	-	-	-	-	-	-	
Other Costs	62	180	10/78-9/79	34	116	140	10	140	10	210	110	110	
Evaluation	-	-	10/78-9/79	-	*25	25	-	25	-	-	-	-	
HC AND OTHER DONOR	TOTAL- H.C.	168			200								LIFE OF PROJECT \$700

FUNDING	PERSONNEL WORKYEARS (XX, X)			PERSONNEL INTENSITY			PARTICIPANTS PROGRAMMED			FOOTNOTES
	FISCAL YEAR			TYPE			TYPE			
	1978	1979	1980	A	B	C	A	B	C	
PROGRAM ACCOUNT	2	4	4	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	3	4	1	2 pm contract funded evaluation FY 80.
TDY (NON-)	-	2	2	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1	1		
OPERATING EXPENSES	6	5	4	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	3	2		

DECISION UNIT: USAID/YemenDECISION PACKAGE MarkActivity Description

At the Mark level, USAID/Yemen would be able to initiate most of the program designed to achieve our major objectives. It would primarily consist of technical assistance and training activities in our three major program areas; basic educational development, establishment of a coordinated broad-based agriculture development program (Title XII) and support of local level initiatives in development. Additionally, we would continue and expand our support (initiated under the previous Country Development Strategy) of rural water systems, which would become part of the local initiatives program area. Funding for Project 040 (Development Training II) would be decreased at this level as the training at the minimum level related to the projects initiated at this level would be transferred to those projects.

Short-term Objectives

Most of the resources that would be used at this level would be aimed at the achievement of long-term objectives. Short-term objectives that would be achieved at this level would be Objectives 5 and 6 listed in the Decision Unit Overview (expansion of economic and social analysis and inventory and analysis of the natural resource base). Achievement of these objectives is required in support of the long-term program objectives and refinement of the Country Development Strategy which will be an on-going process.

To a lesser extent, a program at this level would permit achievement of Objective 4 (appropriate technologies) which is a short- to medium-term objective.

Quantified measures of achievement are contained in the activity narratives for Projects 025, 040, 042, 043, 046 and 057.

Impact on Major Objectives

A program at the Mark level continued over a substantial period of time with modest increases in levels and assuming sufficient YARG commitment would result in a high probability of achievement of USAID/Yemen's three major program objectives and, ultimately, our goals. In the medium-term we would expect that the basic human resource and administrative infrastructure required for the continuing growth of the primary, non-formal and, to a lesser extent, secondary educational sector would be established in sufficient quality and quantity to insure self-sustaining growth. This infrastructure is a prerequisite to the acquisition, on the part of Yemen's population, of the basic skills required for meaningful social and economic development.

DECISION UNIT: USAID/YemenDECISION PACKAGE Mark

Also in the medium-term, we would expect that as a result of the catalytic effect of our local initiatives program area, that the potential impact of combining Yemen's tradition of local self-reliance and the phenomenon of vastly increased personal income in rural areas would have been achieved with a resultant substantial increase in the ability of the rural population to meet its own development needs. In the longer term, we would expect that the establishment of a nationally coordinated broad-based agricultural development program, through implementation of a substantial program based on the U.S. land-grant concept as envisaged in Title XII of the Foreign Assistance Act, would have a major impact on the long range development of Yemen's society and economy as in the long run Yemen's greatest economic potential lies in a resurgence of the natural resource sector, especially agriculture.

Other Information

The consequences of not approving the Mark level Decision Package would be considerable. Given the costs and administrative difficulty of maintaining a full Mission, it would not be considered justifiable to continue operation of USAID/Yemen. This would be reinforced by the probability that the level of A.I.D. programs as compared with that of other donors would not be large enough for us to be confident that the YARG would allocate a sufficient amount of its limited support capability to implement complicated technical assistance projects. Therefore, if the level provided were significantly below the \$15 million mark we would drop the major technical assistance programs first, and continue the projects in socio-economic analysis and resource inventory. At some point above the Minimum level we would switch entirely to the participant training alternative contained in the Minimum Package. Unless USAID/Yemen is successful in locating local secretaries, we do not believe it would be feasible to operate a program of this magnitude with less than the staff levels projected. The reason is that the program style we are adopting through use of the "collaborative style" has already resulted in levels lower than would normally be required. Factors that could potentially impede the proposed increase in staff levels would be an inability to get our Mode ceiling raised or inability to proceed with housing construction, both for USDH and project personnel. An alternative to our current mix of personnel would be to drop the "collaborative style," program focused approach. This, however, is not considered feasible due to the impact it would have on Operating Expenses. Given our current understanding of the development challenge in Yemen we do not see at present any viable alternative program mix. However, we do expect some change as our understanding of Yemen and the problems facing it increases and as some of our shorter range objectives are achieved. Future year funding projections represent a roughly 10% increase per year

DECISION UNIT: USAID/YemenDECISION PACKAGE Mark

in resources available and are based on the assumption that the level would increase with inflation and that Congress will at least be partially responsive to the President's intent to increase A.I.D. levels. As our two major program elements, basic education and agricultural development, are integrated programs, we would be able to continue them at the Mark level by stretching out implementation of the sub-activities.

Project Ranking

Project 064 (Project Support) is ranked first as without housing we will be unable to staff projects. Projects 053 (Basic Educational Development), 058 (Educational Outreach) and 035 (Applied Health) are a group directed at our basic education objective. The group is ranked highest as acquisition of basic skills is a prerequisite to development and achievement of basic human needs. Project 053 is ranked first in the group as it will affect more people and have a more fundamental long range effect on the educational system.

Projects 059, 060, 052, 061 and 062 are directed at our agricultural development objective and are part of the proposed Yemen Title XII Program. Project 059 (Ibb Agricultural Training Center) is ranked highest as it also relates to our education objective. Project 060 (Seed Multiplication) follows as it is closely related and supportive of earlier agricultural projects. We would not want to go beyond implementation of these two activities without implementing the Title XII Program, so Project 052 (Agricultural Development Support) is next in priority. Projects 061 (Soil Fertility) and 062 (On-Farm Water Management) are Title XII activities which are most immediately required.

Projects 046 (Appropriate Village Technology) and 045 (Local Resources for Development) are directed at our local initiatives objective. This group is ranked lower than the above groups as it is an area where other donors could operate effectively. Project 046 is ranked higher as it is also related to the agricultural development objective.

Projects 057 and 043 are not as directly related to the three major objectives yet are of sufficiently high priority to be included in the Mark level. Project 057 (Yemen Development Research) will contribute greatly to expanding our knowledge of Yemen and, therefore, future program development. Project 043 (Water Resources Planning) will help insure that our past and present assistance in water supply will have a long range impact, especially on natural resource allocation policy.

FY 1980 ANNUAL BUDGET SUBMISSION
(in \$000)

DECISION UNIT: USAID/YemenDECISION PACKAGE: MARK

<u>RESOURCE REQUIREMENTS</u>	<u>FY 78</u>	<u>FY 79</u>	<u>FY 80</u>		
			<u>This Package</u>	<u>Cumulative Total</u>	
Food and Nutrition	2,690	7,255	6,935	8,425	
Health	1,623	2,270	250	885	
Education	2,599	6,170	1,860	4,360	
Selected Development Activities	500	4,085	1,330	1,330	
Program	7,412	19,780	10,375	15,000	
PL 480	(400)	-0-	-0-	-0-	
Employment - Full-time Permanent (in work years)					
U.S. Direct Hire	28.5	34.2	30.3	35.2	
Foreign Nationals*	126.6	121.0	91.0	121.0	
TDY	1.1	1.5	1.2	2.9	
TOTAL	155.8	156.7	122.5	177.1	
<u>FIVE YEAR PROJECTIONS</u>	<u>FY 80</u>	<u>FY 81</u>	<u>FY 82</u>	<u>FY 83</u>	<u>FY 84</u>
Program	15,000	16,500	18,000	19,500	21,000
Personnel (in work-years)					
Mission - US	35.2	35.0	35.0	34.0	33.0
- FN	121.0	110.0	100.0	95.0	95.0
TDY - USDH	2.9	1.1	2.8	2.0	2.0

-42-

* FTEPP and Contract

Table IV A
PROJECT SUPPORT
0064

Purpose: Provide a pool of staff housing for U.S. contract specialists assigned to USAID/Yemen development projects.

Background: Since the dramatic increase beginning in 1974 of financial resources flows to the private sector resulting from wage remittances of migrant labor working in the oil-rich Arab countries, the construction industry in Yemen has grown enormously and is totally unable to keep pace with demand (partially because many construction workers have become migrant workers themselves). As a result, construction and rental costs have skyrocketed and rental housing is now becoming unavailable at any price. Due to weaknesses in its governmental structure caused by centuries of isolation during which the government played a very minor role in the economy, the YARG has been unable to tap the financial inflow to a significant degree (a problem being addressed by A.I.D.), and at present its capacity to support the activities of donor agencies has been stretched to the utmost. As a result, A.I.D. projects which provide long-term technical assistance have included funding for rental of housing. Given the current situation, however, A.I.D. has had to switch to construction of technician housing. Supporting rationale for this position is the fact that the high inflation rate in the housing industry makes construction attractive in financial terms. There are two problems associated with inclusion of funds for construction of houses in specific projects as was done for rental. First, as the houses constructed would serve more than one project over time, project costs, and hence beneficiary costs, would be artificially skewed because of the high initial investment. Secondly, due to the time required for construction, inclusion of funds in specific projects (which would result in housing funds and technical assistance funds becoming available simultaneously) would cause delays in project implementation. The objective of this project is to avoid the above problems by providing, on a scheduled basis tied to program implementation schedules, the housing required for A.I.D. projects which relate to YARG and CDSS priorities.

Project Description: Using land allotted by the YARG for the duration of A.I.D. programs in Yemen, A.I.D. will construct modest 2 and 3 bedroom pre-fabricated houses for long-term A.I.D. project technicians. Housing will remain the property of the U. S. Government until no longer needed for its purposes, after which title would be transferred to the YARG. Construction would be contracted through competitive bidding procedures with only U.S. or Yemen national contractors being eligible.

Current Year Program: Construct 22 pre-fabricated houses.

Budget Year Program: Construct 12 pre-fabricated houses.

Beneficiaries: The ultimate beneficiaries would be the Yemeni population who would benefit from the services of U. S. technicians.

Major Outputs: 34 pre-fabricated houses.

TABLE IV/B ACTIVITY BUDGET DATA		ACTIVITY TITLE		DECISION UNIT		DECISION PACKAGE		BUDGET YEAR	
PROJECT SUPPORT		USAID/Yemen		Mark		FY 80			
PROJECT NUMBER		APPROPRIATION		INITIAL OBLIGATION		FINAL OBLIGATION		TOTAL COST	
279-0064		SD		FY 79		FY 80		\$4,250,000	
				DATE PP/REVISION		DATE LAST PAR		DATE NEXT PAR	

ACTIVITY INPUTS	FY: 19 78		CY: 19 79		FY: 19 80		PIPE-LINE	EXPEN-DITURE	OBLI-GATION	PIPE-LINE	EXPEN-DITURE	OBLI-GATION	PIPE-LINE
	OBLI-GATION	EXPEN-DITURE	OBLI-GATION	EXPEN-DITURE	OBLI-GATION	EXPEN-DITURE							
TOTAL-													
26 Project Houses													
045 (4)													
046 (2)													
052 (8)													
044 (3)													
043 (3)													
060 (2)													
061 (2)													
062 (2)													
053/58 (4)													
TOTAL-													
HC AND OTHER DONOR													

FUNDING	PERSONNEL WORKYEARS (XX.X)			PERSONNEL INTENSITY			PARTICIPANTS PROGRAMMED			FOOTNOTES
	FISCAL YEAR	BEYOND	19	HIGH	MEDIUM	LOW	TYPE A	TYPE B	FISCAL YEAR	
19 79	19	80	81	19					19	19
PROGRAM ACCOUNT TOY (XBB)	I	I	I		<input checked="" type="checkbox"/>					
OPERATING EXPENSES	0.6	0.4	0.4							
AID 1330-6 (3-78)										

Table IV A
BASIC EDUCATIONAL DEVELOPMENT
0053

Purpose: To develop the basic institutions required for modern primary and secondary education in Yemen.

Background: Yemen's educational needs are largely unmet at every level. One of the most critical deficiencies is the poor quality of education in the rural primary and secondary schools. Although some rural schools have Egyptian teachers, the majority are staffed by dropouts from Yemen's secondary schools who lack adequate basic education and training skills. Given the length of time needed to train a new cadre of fully qualified teachers, Yemen must continue to rely on its present relatively unskilled teachers for at least another decade. In the interim, the Yemen Government is seeking ways to provide the present school-age population with a more adequate education. The results of this effort will affect for many years the course of economic and social development in Yemen and the extent to which the Yemenis themselves direct and participate in their development. This project directly addresses the Yemen government's five year plan goal of mobilizing human resources and establishing an integrated system of education and the CDSS goal of broad-based human resource development.

Project Description: The project will consist of a coordinated and integrated set of activities planned to have maximum impact on the basic education system. It will concentrate initially on technical assistance and training in the following five areas:

1. It will support the institutional development of the newly constructed Primary Teacher Training Institutes (PTTIs).
2. Through the Faculty of Science at the University of Sana, the project will improve, develop and modernize the science education curricula and will develop a capacity to provide basic science education training to the PTTI staff and secondary school teachers and produce research directed at achievement of basic human needs.
3. Assistance will be given to the Faculty of Education in teaching methodology and curriculum development to improve the faculty's ability to produce secondary school teachers and PTTI staff.
4. The project will work with the University of Sana and the Ministry of Education in management aspects of institutional development.
5. Assistance will be given to the Instructional Materials Center in designing and producing the educational materials and instructional aids required for the basic education sector.

Beneficiaries: The beneficiaries of the project will be the future primary and secondary school students of Yemen who will receive an improved education.

Current Year Program: A sector study will be carried out by the project design team and the Project Paper will be completed. Technicians will arrive to begin work in the summer of 1979. PTI staff development will commence, details of the programs at the Faculties of Science and Education will be finalized and the overall project administrative structure will be established. A major effort will be made to identify participants and start training programs.

Budget Year Program: In FY 80 the first full-time instructional materials specialist will arrive and commence activities. Secondary curriculum development will begin and the other activities commenced in FY 79 will continue. The participant training program will intensify.

Major Outputs:

- Six viable Primary Teacher Training Institutes.
- Faculty of Science providing science education training to prospective PTI staff and secondary school teachers and producing research related to basic human needs.
- Faculty of Education producing secondary teachers and PTI staff.
- Improved administration at Sana University and the Ministry of Education.
- A viable, functioning Instructional Materials Center.
- As yet undetermined number of participants trained as part of above objectives.

TABLE IVB ACTIVITY BUDGET DATA	ACTIVITY TITLE BASIC EDUCATIONAL DEVELOPMENT	DECISION UNIT USAID/Yemen	DECISION PACKAGE Mark	BUDGET YEAR FY 80
	PROJECT NUMBER 279-0053 (680)	INITIAL OBLIGATION FY 79	FINAL OBLIGATION FY 85	TOTAL COST \$18,500,000
	APPROPRIATION EH	DATE PP/REVISION	DATE LAST PAR	DATE NEXT PAR 3/80

ESTIMATED U.S. DOLLAR COST (\$ 000)											
ACTIVITY INPUTS	FY 19 78		CY: 19 79		FY: 19 80		PIPE-LINE	EXPEN-DITURE	PIPE-LINE	PIPE-LINE	
	OBLI-GATION	EXPEN-DITURE	PIPE-LINE	FUNDING PERIOD (FR-TO)	OBLI-GATION	EXPEN-DITURE					PIPE-LINE
TOTAL-				10/78-3/80	3415	1740	1675	12/79-11/80	1385	2849	211
Technical Services				10/78-3/80	2215	1000	1215	3/80-11/80	85	1220	80
Participants				10/78-12/79	500	410	90	12/79-10/80	1000	1054	36
Commodities				10/78-3/80	500	210	290	3/80-11/80	200	425	65
Other Costs				10/78-3/80	200	120	80	3/80-11/80	100	150	30

HC AND OTHER DONOR	TOTAL-		H.C.		500		LIFE OF PROJECT		8,000	
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FUNDING	PERSONNEL WORKYEARS (XX.X)						PARTICIPANTS PROGRAMMED			FOOTNOTES Evaluation to be conducted FY 80 using AID/W PD&S Funds.
	PERSONNEL INTENSITY						TYPE A=NONCONTRACT			
	HIGH <input type="checkbox"/>						TYPE B=CONTRACT			
	MEDIUM <input checked="" type="checkbox"/>						TYPE A LONG-TERM			
LOW <input type="checkbox"/>						TYPE B LONG-TERM			FISCAL YEAR	
19 79 19 80 19 81 19 82 19 83 BEYOND						19 79 19 80 19 81				
PROGRAM ACCOUNT						TYPE A			TYPE B	
10.4 10.4 12.4 14.2 13.2 15.4						LONG-TERM			SHORT-TERM	
1.0 1.2 0.8 0.8 0.8 0.8						LONG-TERM			SHORT-TERM	
1.0 1.2 0.8 0.8 0.8 0.8						LONG-TERM			SHORT-TERM	

Table IV A
EDUCATION OUTREACH
0058

Purpose: To develop the YARG's capacity to provide the non-school population with the basic skills required for more productive employment and achievement of basic human needs.

Background: Yemen's educational needs are largely unmet at every level. While the number of primary and secondary schools has been increasing rapidly over the past few years, the formal school system is still unable to provide services to the majority of the population. As yet an informal education system has not been developed to reach the rural population which does not have access to schools. Adult education is only just beginning. The project addresses the informal education system and meshes with the YARG five year plan goal of mobilizing human resources and with the CDSS's goal of improving basic education.

Project Description: The project will assist the non-formal education sector via two distinct efforts. It will develop the capacity of the IBRD-constructed District Training Centers to provide the non-school population with basic skills such as literacy, numeracy, agriculture, vocational, health and domestic sciences. A second effort will meet non-formal education needs in the same subject areas by making use of mass communications technology.

Beneficiaries: The entire rural sector which will be exposed to education via mass communications and the rural population living near the District Training Centers will benefit from this project.

Current Year Program: In FY 79 a non-formal education planner will arrive and begin detailed establishment of project workplans with counterpart officials and identification of participants. Short-term specialists will develop the workplan for the mass communications component, prepare commodity lists and initiate procurement.

Budget Year Program: A vocational education specialist will arrive and, with short-term specialists, begin in-country training of DTC staff. A mass communications technologist will arrive and commence development of the mass communications element of the project.

Major Outputs:

- A viable non-formal education system using the mass media.
- Seven operational District Training Centers.

TABLE IVB ACTIVITY BUDGET DATA		ACTIVITY TITLE		DECISION UNIT		DECISION PACKAGE		BUDGET YEAR	
EDUCATION OUTREACH		USAID/Yemen		Mark				FY 80	
PROJECT NUMBER 279-0058 (610)		APPROPRIATION EH		INITIAL OBLIGATION FY 79		FINAL OBLIGATION FY 82		TOTAL COST \$5,500,000	
				DATE PP/REVISION		DATE LAST PAR		DATE NEXT PAR	
								6/80	

ESTIMATED U.S. DOLLAR COST (\$ 000)

ACTIVITY INPUTS	FY 19 78		CY: 19 79		FY: 19 80		PIPE-LINE	EXPEN-DITURE	OBLI-GATION	PIPE-LINE	EXPEN-DITURE	OBLI-GATION	PIPE-LINE
	OBLI-GATION	EXPEN-DITURE	FUNDING PERIOD (FR-TO)	PIPE-LINE	FUNDING PERIOD (FR-TO)	PIPE-LINE							
AID-FINANCED													
TOTAL-			12/78-5/80		12/78-5/80		210	415	625	210	490	475	195
Technical Services			12/78-5/80		12/78-5/80		130	270	400	130	290	300	140
Participants			12/78-10/79		12/78-10/79		10	65	75	10	75	75	10
Commodities			12/78-1/80		12/78-1/80		50	50	100	50	50	-	-
Other Costs			12/78-1/80		12/78-1/80		20	30	50	20	65	90	45
Evaluation											10	*10	
HC AND OTHER DONOR H.C.									75				
TOTAL-													

FUNDING	PERSONNEL WORKYEARS (XX, X)			PERSONNEL INTENSITY	PARTICIPANTS PROGRAMMED			FOOTNOTES
	19 79	19 80	19 81		A=NONCONTRACT	B=CONTRACT	FISCAL YEAR	
PROGRAM ACCOUNT	2.5	4.5	4.5	HIGH			19 79	* 1.5 pm contract
TOT (NON-)	1	1	1	MEDIUM			19 80	funded evaluation
OPERATING EXPENSES	1.0	0.7	0.8	LOW			19 81	in FY 80

AID 1330-8 (3-78)

Table IV A
APPLIED HEALTH/NUTRITION
0035

Purpose: To assist the Yemen government in improving the nutritional and health status of vulnerable groups in the towns around Hodeidah and Sana and the rural areas surrounding them.

Background: Yemen has one of the world's highest infant mortality rates with conservative estimates putting it at not less than 150 per 1000. Medical facilities are extremely limited and the twenty-five "hospitals" that do exist only provide marginal services. A primary cause of health problems is simply one of ignorance; the people have not been exposed to and have no knowledge of proper health and nutritional practices. For example, the frequent lack of breast milk, due to the mothers' commonly poor nutritional status as well as limited knowledge of supplementary child feeding practices, often leads to severe protein-caloric malnutrition problems and points to the need for health education. This project is designed to educate mothers and will directly impact on the YARG's goal of decreasing the infant mortality rate by 15% over the five year plan period. The project addresses the COSS goal of meeting basic human needs.

Progress to Date: The project is training counterparts and health/nutrition auxiliaries who will assume responsibility for the project in the future. Classes in nutrition education are being taught to mothers in Hodeidah and Sana and an extensive outreach program is being carried out in the Tihama. The Hodeidah office visits 11 subcenters and the staff is in the field half the time each month. The Ministry of Health in Hodeidah has assisted in every way possible and their awareness and willingness to address nutrition as a serious health problem has increased dramatically.

Current Year Program: Counterpart staff will receive training in Cairo, classes for mothers and examinations of infants will continue and the outreach program will expand. An additional nutrition educator will be on board.

Budget Year Program: The counterpart staff will assume greater responsibilities at the clinics, classes will continue and the outreach program will expand.

Beneficiaries: This project was designed by and for women. Three thousand mothers will attend the nutrition class and 7000 more mothers will have been made aware of the need for nutrition education by personal contact for a cost of \$50 per mother.

Major Outputs:

- 22 clinics and sub-centers
- 4 trained counterparts
- 30 trained health auxiliaries
- 10,000 mothers contacted
- 5,000 preschool children with improved nutritional status
- 1 mobile clinic in operation

TABLE IVB ACTIVITY BUDGET DATA		ACTIVITY TITLE		DECISION UNIT		DECISION PACKAGE		BUDGET YEAR	
APPLIED HEALTH & NUTRITION		USAID/Yemen		Mark				FY 80	
PROJECT NUMBER 279 -0035 (510)		APPROPRIATION HE		INITIAL OBLIGATION FY 76		FINAL OBLIGATION FY 78		TOTAL COST \$746,000	
				DATE PP/REVISION 4/76		DATE LAST PAR 6/77		DATE NEXT PAR 7/78	

ESTIMATED U. S. DOLLAR COST (\$ 000)

ACTIVITY INPUTS	FY 19 78		CY: 19 79		FY: 19 80		PIPE-LINE	FUNDING PERIOD (FR- TO)	OBLI-GATION	EXPEN-DITURE	PIPE-LINE	EXPEN-DITURE	PIPE-LINE
	OBLI-GATION	EXPEN-DITURE	OBLI-GATION	PIPE-LINE	FUNDING PERIOD (FR- TO)	OBLI-GATION							
TOTAL-	188	194	240				240		114	114	126	250	126
CRS Grant	188	194	240				240		114	114	126	250	126
HC AND OTHER DONOR	58												
H.C. CRS	22	36											
TOTAL-	58												

PERSONNEL WORKYEARS (XX, X)	FISCAL YEAR			PERSONNEL INTENSITY	PARTICIPANTS PROGRAMMED			FOOTNOTES
	19 78	19 79	19 80		TYPE A=NONCONTRACT B=CONTRACT	TYPE A LONG-TERM	TYPE B SHORT-TERM	
FUNDING	3	4	5	HIGH			19 78 19 79 19 80	1/ date of CRS proposal
PROGRAM ACCOUNT TOY (ADD)				MEDIUM			2 2 2	2/ Joint Mission/CRS evaluation
OPERATING EXPENSES	.1	.3	.2	LOW				

AID 1330-8 (3-78)

Table IV A
IBB AGRICULTURAL TRAINING CENTER
0059

Purpose: To develop a viable, effective Agricultural Training Center (ATC) at Ibb to serve as Yemen's major source of trained field extension workers and as a center for training farmers and lower level agricultural technicians.

Background: Development of modern educational and agricultural institutions in Yemen is at an extremely early stage. In 1975, 87% of the population over 10 years old was illiterate. Only 0.4% had secondary or higher education. The Ministry of Agriculture is embryonic, thinly staffed, generally with under-qualified personnel. All agricultural research and essentially all effective extension work is being carried out by and in support of area based foreign assistance projects. Except for some training of field workers being carried out on an ad hoc basis by FAO projects, there is no agricultural education. Under its Second Education Project the IBRD provided financing for the first agricultural training institution (the ATC at Ibb). Although construction of the Center is nearing completion, the initial plan to institutionally develop the ATC with UNDP funds has fallen through due to UNDP funding constraints, and the Ministry of Education has requested A.I.D. to consider the project. The project is included in Yemen's first five year plan and is most closely related to goal 2 of the Yemen CDSS, "increase and restore the productivity of natural resources," and also supports human resource and rural development objectives, goals 1 and 3.

Project Description: This project will be implemented as part of the proposed Yemen Title XII Program, and detailed project description is dependent upon the findings of the design effort scheduled to begin in September, 1978. In general terms this project will be similar to a number of vocational agricultural training institution building projects undertaken by A.I.D. in the past (at present the level of development of agricultural institutions in Yemen is lower than, for example, most African countries in the early 1960s). During the first two years of the project an expatriate staff of approximately seven Arabic speaking professionals will develop curricula and initiate courses while Yemeni staff received advanced training (up to M.S. level) in U.S. and Middle Eastern institutions. Additionally, the expatriate staff will assist in the development of the overall administrative structure for the Center and the in-service training programs for agricultural technicians, farmers and school teachers (see Project 0053). During the final three years of the project, as Yemeni staff return from training, the expatriates will increasingly assume advisory responsibilities and gradually phase out of the project. While it is anticipated that provisions included in the IBRD credit for equipment, books and other materials will meet most requirements, it is expected that some additional items will be required.

A significant issue is the role of women, particularly due to the changing role of women in Yemen's agricultural sector due to the dramatic increase

in migrating labor. While the design team will be expected to include a project element incorporating the appropriate training of the female agricultural workers required to serve the needs of rural women, an issue is the acceptability of such training to the YARG and the society in general (including the ability to recruit women trainees). Another issue is how training of low-level agricultural technicians, farmers and school teachers can be effectively incorporated in the ATC program. It may prove necessary to consider the development of outreach centers, which would require additional financing.

Beneficiaries: The immediate beneficiaries will be the agricultural workers and farmers educated and trained at the ATC, with most of the ATC's resources concentrated on the secondary level students. Ultimately, the wider impact of the project will be on the small agricultural producers in the rural sector. Since there are not thought to be many large farmers, the impact should be equitable. The most substantial benefit to small farmers and their families will occur as a result of the attitudes and abilities developed in the school. These will affect eventual performance by field workers and indirectly Ministry of Agriculture policies. Due to the national scope of the impact of this project, it is impractical to establish a unit cost for beneficiaries.

Current Year Program: The FY 79 program will be developed in detail by the design team. Basically it will include the development of curricula and lower level training programs, the beginning of some course work and an initial on-the-job training of Yemeni staff.

Budget Year Program: The FY 80 program will include teaching of the first full year of secondary courses, the commencement of the formal training of Yemeni staff, initiation of training courses for agricultural workers and farmers and continued development of the administrative structure.

Major Outputs:

- A viable, effective agricultural training center established at Ibb.
- Twelve Yemeni staff trained to the M.S. level and in position at the ATC.
- 180 extension workers graduated (90 per year commencing with the 1981/82 school year)
- 80 farmers trained (20 per year)
- 120 skilled agricultural laborers trained (30 per year)
- 48 animal health assistants trained (12 per year)
- 40 in-service extension workers trained (10 per year)
- Orientation given to twenty foreign university graduates per year.
- As yet unestimated number of school teachers.

Table IV A
SEED MULTIPLICATION
0060

Purpose: To develop a viable, active national seed multiplication program in the Ministry of Agriculture, and a commercial seed industry.

Background: Because of Yemen's long isolation from the modern world its agricultural sector is in a primitive state and the development of agricultural support institutions is just beginning. Some adaptive research in the agronomic area has been carried out over the past three or four years by various donors. As a result several varieties of sorghum, millet, corn and wheat have been identified as superior lines and as research continues, additional varieties of other crops or local selections will be identified as superior. Currently there is no organization or institution in country to maintain seed purity, seed testing or seed multiplication and distribution. Seed traditionally is selected by the farmer from his own fields. Over time the genetic purity of introduced improved varieties will deteriorate due to uncontrolled crossing.

This project is listed as a first priority project in Yemen's first five year plan. It is directly tied to Goal 2 of the Yemen CDSS "Increase and restore the productivity of natural resources."

Project Description: The final project description will be completed in late FY 78 or early FY 79 by a Title XII design team. A seed certification/multiplication unit within the Ministry of Agriculture will be established to control any given variety or line from the state of breeders seed through the process to certified seed for farmers use. Additionally, assistance will be provided to the private sector in the development of a commercial seed multiplication and distribution industry in support of the Ministry of Agriculture program. Two technicians will be required, one in seed testing and certification and one in seed production. This project will be implemented under the umbrella of the "core" Title XII Project (052 - Agricultural Development Support) which will provide it with linkages to the rest of the agricultural infrastructure and other donor activities as well as administrative and technical backstopping. The major issue will be the overall issue of the Title XII program concept, which is discussed in the narrative for Project 052. Another issue is the ability of the MOA to develop a seed distribution program as part of its extension activities in a timely manner--an area also addressed in the Title XII program.

Beneficiaries: The obvious and immediate beneficiaries would be the farmers of Yemen. Only by assuring them of a continuing supply of improved pure seed can there be dramatic long term effects made on total crop production and hence income within the agricultural sector. As this program will benefit the entire agriculture sector, it is impractical to assign a unit cost.

Current Year Program: Program details will be finalized by the design team. However, at least two participants will be selected and sent for training. Seed increase can be started on two to four currently identified improved varieties of corn and four to six varieties of sorghum.

Budget Year Program: The FY 80 program will consist of two additional participants selected and sent for training. Seed increase will be expanded to include millet, wheat and barley with possibly other crops as research identifies improved varieties.

Major Outputs:

1. A viable seed multiplication program.
2. Approximately 4 trained Yemenis within the Ministry of Agriculture to carry out the program.
3. Approximately 20 varieties of tested seed available for distribution.
4. A nascent commercial seed industry.

TABLE IVB ACTIVITY BUDGET DATA		ACTIVITY TITLE		DECISION UNIT		DECISION PACKAGE		BUDGET YEAR	
SEED MULTIPLICATION		SAID/Yemen		Mark				FY 80	
PROJECT NUMBER 279-0060 (073)		APPROPRIATION FN		INITIAL OBLIGATION FY 79		FINAL OBLIGATION FY 83		TOTAL COST \$2,500,000	
				DATE PP/REVISION		DATE LAST PAR		DATE NEXT PAR	
								5/80*	

ACTIVITY INPUTS	ESTIMATED U.S. DOLLAR COST (\$ 000)										
	PY: 19 78		CY: 19 79		CY: 19 80		BY: 19 80				
	OBLI- GATION	EXPEN- DITURE	PIPE- LINE	FUNDING PERIOD (FR-TO)	OBLI- GATION	EXPEN- DITURE	PIPE- LINE	FUNDING PERIOD (FR-TO)	OBLI- GATION	EXPEN- DITURE	PIPE- LINE
TOTAL-				4/79-12/80	550	304	246	10/79-6/81	550	493	303
Technical Assistance				4/79-12/80	300	150	150	6/80-6/81	200	200	150
Participants: Long Term				6/79-9/79	28	7	21	10/79-9/80	28	28	21
Short Term								7/80-10/80	21	15	6
Commodities				4/79-9/79	100	25	75	10/79-9/80	150	150	75
Other Costs				4/79-9/79	122	122	-	10/79-9/80	151	100	51
HC AND OTHER DONOR											
TOTAL-											

FUNDING	PERSONNEL WORKYEARS (XX, X)						PARTICIPANTS PROGRAMMED				FOOTNOTES		
	FISCAL YEAR			PERSONNEL INTENSITY			A=NONCONTRACT		B=CONTRACT			FISCAL YEAR	
	1978	1979	1980	1981	1982	BEYOND	TYPE A	TYPE B	TYPE A	TYPE B		1979	1980
PROGRAM ACCOUNT	1.0	2.0	2.0	2.0	3.0	X	MEDIUM						
TOT (ADD)					.2	.5					2	4	
OPERATING EXPENSES	.9	.5	.5	.5	2.3		LOW				3		

*Evaluation in FY80 using 1 p m PD&S funds.

Table IV A
AGRICULTURAL DEVELOPMENT SUPPORT (TITLE XII)
0052

Purpose: To improve Yemen's capacity for broad-based integrated agricultural development by introducing the U.S. land-grant concept of integrated teaching, research and extension.

Background: Historically, Yemen was one of the major agriculture production centers of the Middle East. However, after centuries of isolation from the rest of the world, agriculture in Yemen has declined into a typical subsistence pattern. Furthermore, this isolation prevented the emergence of any of the public and private sector institutions required to support the development of a modern agricultural production system. As a result, Yemen has few trained agriculturists, agricultural institutions in research, education, and extension are weak or non-existent, and the entire sector is at an extremely low level of development. There is a massive job of training and institution building required if Yemen is to develop the capability to manage the development of the agriculture sector. This will involve a very long-term effort. The proposed project is designed to address these needs by supporting a long-term commitment (under Title XII) by United States institutions to aid in developing Yemen's agriculture. Initial discussions with the Yemen Government about the possibility of this kind of assistance began in September, 1977. After an exploratory visit by BIFAD, the Ministry of Agriculture formally requested this activity in April, 1978. The Yemen Title XII Program is directly in support of A.I.D. goals to restore agriculture productivity and the YARG priority development objectives of improved standards of living, food self-sufficiency and human resource development.

Project Description: This activity is designed to serve as the focal point of broad-scale Title XII Program composed of eleven specific activities in teaching, research and extension that will impact on public and private sector institutions and the small farmers of Yemen. It will have four principal functions:

- It will develop and maintain linkages between the Title XII Program and various YARG and other donor organizations.
- It will conduct the basic socio-economic research required for the Title XII Program and develop a sector analysis and planning capacity.
- It will do the final design of the specific activities to be undertaken as part of the Title XII Program.
- It will be responsible for overall Title XII Program leadership and administrative support.

Current Year Program: After initial identification of priorities in early FY 79, the Title XII university, A.I.D., and the Ministry of Agriculture will begin a broad range of activities in research, education, and extension, including support of Title XII activities to be initiated in FY 79, and final design of activities scheduled to start in FY 80 and beyond.

Budget Year Program: Continue activities as identified.

Beneficiaries: The immediate benefit of this project will be to the farmers and rural population associated with program activities, and the host country institutions involved in agricultural development. As this translates into improved nationwide agriculture development programs, Yemenis living in rural areas (85% of the population) will be the ultimate beneficiaries. With the increasing involvement of women in Yemeni agriculture (a consequence of the continuing emigration of male laborers), a major focus of research under this project will be on the techniques for increasing the productivity of women in Yemen's agricultural development.

Major Outputs: The outputs of the Title XII Program to be coordinated by this activity are:

- Two vocational agriculture schools.
- Seed multiplication program and seed industry.
- Soil fertility analysis capability.
- On-farm water management system.
- Faculty of agriculture.
- Agriculture research system.
- Agricultural extension system.
- Prototype farming systems.
- Agricultural credit system.
- Agricultural cooperative system.
- Socio-economic analysis, planning and evaluation capacity.

TABLE IVB ACTIVITY BUDGET DATA		ACTIVITY TITLE		DECISION UNIT		DECISION PACKAGE		BUDGET YEAR	
AGRICULTURE DEVELOPMENT SUPPORT		USAID/Yemen		Maik		FY 80		TOTAL COST	
PROJECT NUMBER		APPROPRIATION		INITIAL OBLIGATION		FINAL OBLIGATION		DATE NEXT PAR	
279-0052 (000)		FN		FY 79		FY 88		12/79	
				DATE PP/REVISION		DATE LAST PAR			

ACTIVITY INPUTS	PY: 19 78		CY: 19 79		BY: 19 80		PIPE-LINE	EXPEN-DITURE	OBLI-GATION	PIPE-LINE	EXPEN-DITURE	OBLI-GATION
	OBLI-GATION	EXPEN-DITURE	PIPE-LINE	FUNDING PERIOD (FR-TO)	PIPE-LINE	EXPEN-DITURE						
AID-FINANCED	580	580	-	10/78-3/80	1000	470	530	10/79-3/81	1600	2030	100	100
TOTAL-	580	580	-	10/78-3/80	1000	470	530	10/79-3/81	1600	2030	100	100
Technical Assistance	157	157	-	10/78-3/80	800	320	480	10/79-9/80	600	1080	-	-
Participants: Long Term	48	48	-	10/78-10/79	100	100	-	10/79-10/80	90	90	-	-
Participants: Short Term	375	375	-	10/78-3/80	25	-	25	3/80-3/81	170	95	100	100
Commodities	48	48	-	10/78-10/79	100	100	-	10/79-10/80	90	90	-	-
Other Costs	375	375	-	10/78-10/79	75	50	25	10/79-10/80	725	750	-	-
Evaluation									#15	15		
HC AND OTHER DONOR	-	-	-		200							
TOTAL-	-	-	-		200							
H.C.												

PERSONNEL WORKYEARS (XX.X)	PERSONNEL INTENSITY		TYPE A: NONCONTRACT		TYPE B: CONTRACT		FISCAL YEAR		LIFE OF PROJECT	FOOTNOTES
	HIGH	MEDIUM	LONG-TERM	SHORT-TERM	LONG-TERM	SHORT-TERM	19 79	19 80		
19 78									4,000	Special evaluation to be conducted in FY 80 to determine future tech service requirements based upon scope future/progress on-going activities:
19 79										
19 80										
19 81										
TOTAL										

AID 1330-0 (3-78)

2 pm PD&S contract funded;

Table IV A
SOIL FERTILITY
0061

Purpose: To increase potential profits from fertilizer use under rainfed and irrigated conditions.

Background: This project supports on-going work in sorghum/millet research and in tropical/sub-tropical horticultural research. It is linked to the Yemen government priorities through general support to all on-going agricultural production development projects. It will minimize the risk of fertilizer use and will assure higher profitability for both fertilizer use and irrigation. This project is in line with YARG goals as enunciated in the five year plan of agricultural development and increased food self-sufficiency through increased productivity in the agricultural sector, and follows directly from the CDSS goal of restoring and increasing the productivity of Yemen's natural resources through the introduction of more productive technology. (The project is specifically mentioned in the CDSS.) Yemen's major proven natural resource is its soil base, and if the country is ever to enter into sustained development the productivity of this resource must be protected and enhanced. The proper use of commercial fertilizer is probably the largest single factor influencing the crop yield equation. Farmers of Yemen are aware of this and in some areas are beginning a shift from traditional application of animal waste to the use of commercial fertilizer. Some research on the subject has been done by West Germany, by the FAO in Taiz and by the IBRD in the Tihama area. Additional research is required if the farmers are to receive adequate guidance on fertilizer use.

Project Description: This project will be implemented as part of the proposed Yemen Title XII Program. The problem to be solved by this activity is the development of area fertilizer recommendations for specific crops grown on generalized soils under both irrigated and rainfed conditions. The classic U.S. procedure of soil test recommendations on a farm basis is inappropriate at this time; the farms are too numerous, too small and the extension service needed to make such a system work has yet to be developed. However, the cropping systems within each identifiable micro-climatic area are sufficiently homogenous to allow the use of area recommendations.

The methodology will be based on the statistical evaluation of crop yields from trials on research stations and on farmer's fields. The parameters to be evaluated are basic soil fertility levels and rates of applied nitrogen, phosphorous and potassium. Micro-nutrient studies will initially be carried out through pot studies. Foliar analysis will be used in studies of perennial fruit crops. The conclusions of such research reached in the U.S. and elsewhere will be tested locally and transferred where applicable. The methodology and laboratory procedures developed under the

International Soil Fertility Evaluation and Improvement Project (North Carolina State University) will be used as this will enhance the chances that results from prior research in other countries can be transferred to Yemen. A central soil-water laboratory will be partially funded by this activity and partially funded by Project 062, On-Farm Water Management. Its development will be closely coordinated with laboratory work being done by other donors to avoid duplication. The project will be counter-parted from the Ministry of Agriculture. No major issues are anticipated.

Beneficiaries: If 20% of the 850,000 Yemeni farmers adopt recommended fertilizer use practices, 170,000 families will directly benefit at a cost of \$13.40 per family.

Budget Year Program: Activities will include construction of laboratory and office space (shared with the On-Farm Water Management project) and of technician housing. Commodities including laboratory equipment and supplies plus two vehicles will be procured and shipped. TDY personnel will install and calibrate equipment and will develop research work plans for the following year.

Major Outputs:

- A laboratory capable of analyzing 20,000 samples a year.
- Trained technicians capable of operating the laboratory.
- Trained technicians capable of designing, conducting, and statistically analyzing the results from field studies of fertilizer response crops.
- Specific recommendations to the Yemen government concerning the grades (N,P,K) of commercial fertilizer which should be imported for sale to farmers.
- Reliable recommendations on the quantities and grades of fertilizers which are appropriate for economic use on the principal grain, vegetable and perennial crops of Yemen.

TABLE IVB ACTIVITY BUDGET DATA		ACTIVITY TITLE		DECISION UNIT		DECISION PACKAGE		BUDGET YEAR	
SOIL FERTILITY EVALUATION		USAID/Yemen		Mark		FY 80		TOTAL COST	
PROJECT NUMBER 279-0061 (021) FN		INITIAL OBLIGATION FY 80		DATE PP/REVISION		DATE LAST PAR		\$2,279,000	
APPROPRIATION		DATE PP/REVISION		DATE LAST PAR		DATE NEXT PAR			

ESTIMATED U.S. DOLLAR COST (\$ 000)

ACTIVITY INPUTS	PY 19		CY 19		BY 80		PIPE-LINE	EXPEN-DITURE	OBLI-GATION	EXPEN-DITURE	PIPE-LINE
	OBLI-GATION	EXPEN-DITURE	PIPE-LINE	FUNDING PERIOD (FR-TO)	OBLI-GATION	EXPEN-DITURE					
TOTAL-											
AID-FINANCED											
Technical Assistance											
Commodities											
Other Costs											
TOTAL-											
HC AND OTHER DONOR											
H.C.											

FUNDING	PERSONNEL WORKYEARS (XX, X)				PERSONNEL INTENSITY	PARTICIPANTS PROGRAMMED			FOOTNOTES
	19 80	19 81	19 82	19 83		A=NONCONTRACT	B=CONTRACT	FISCAL YEAR	
PROGRAM	2.0	2.0	2.0	2.0	HIGH			19	19
AGRONOMY					MEDIUM				
OPERATING EXPENSES	.5	.5	.5	.5	LOW				
Beyond FY 84									

Life of Project 500

Evaluation in FY 80 utilizing AID/W PD&S funds

Table IV A
ON-FARM WATER MANAGEMENT
0062

Purpose: To develop a capacity within the Ministry of Agriculture (MOA) to research, develop and extend improved on-farm water use technologies.

Background: The recently published Five Year Development Plan lists ten irrigation projects for implementation during the plan period. These projects are primarily public sector engineering works emphasizing dams, large-scale permanent diversions and primary canals. At the same time there is a rapidly-growing private demand for tube wells for irrigation purposes which has driven up costs tremendously; these now range between U.S.\$500 and \$1000 per meter for drilling and developing a well. However, while a great deal of investment in irrigation infrastructure is now taking place, there is no work going on in the field of on-farm water use, i.e., how to maximize yields (and profits) at a minimum cost of water. This is true of both tube well and spate irrigation.

This project will complement on-going research in sorghum/millet production and in tropical and temperate fruit production both of which will make use of information on improved irrigation practices. The project is consistent with the CDSS goal emphasizing increased natural resource productivity and is specifically proposed in the CDSS. It is also consistent with the YARG five year plan strategy of agricultural development through increased productivity and efficiency in the use of existing resources.

Project Description: This project will be implemented as part of the proposed Yemen Title XII Program. Yemeni technicians will be trained in the design and management of on-farm water management studies and in interpretation of results from these studies; further training will be directed towards use and care of laboratory facilities and equipment. The research work will be applied in nature; the effort will be directed towards defining what mixes of tillage practices and water application methods will give maximum yields of major crops at least cost. Research work will be done at the existing research station in the Sana area and in the Tihama. Crops to be studied include vegetables, temperate climate fruits, tropical fruits, sorghum and millet. The outreach work will be done with those farmers who have irrigation facilities. Beginning in FY 83, irrigation practice short courses will be given annually to students in the Ibb Agricultural Training Center and to Yemeni agricultural extension agents. All research work will be coordinated with other research in tropical and sub-tropical fruits, sorghum and millet production and in soil fertility evaluation. A central soil-water laboratory will be partially funded by this activity and partially by Project 061 (Soil Fertility). Its development will be closely coordinated with laboratory work being done by other donors to avoid duplication.

Budget Year Program: FY 80 activities will include construction of offices, laboratory space and technician housing, and the purchase of essential commodities. The first project technician will arrive and will get the laboratory equipment operational and develop activity work plans for project implementation and initiate field work.

Beneficiaries: The project will be coordinated with on-going research projects in Sorghum/Millet Production (030) and Tropical/Sub-Tropical Fruit Production (024). The benefits will accrue to those farmers who are now using irrigation to produce these crops; if the research reveals that a lower than the current level of water use is practical, the conservation of the underground aquifers will benefit the entire agricultural sector.

Major Outputs:

- A functioning soil-water laboratory capable of performing the physical/mechanical analyses which are required to technically support the field research.
- Two technicians who are capable of managing the laboratory and of performing all routine analyses.
- Two technicians who are capable of performing reliable field research on the on-farm management of irrigation water.
- Ten in-country training courses in irrigation practices.
- In-country training capacity institutionalized.
- Specific and usable recommendations for the most economical and profitable use of water in the production of the major crops in Yemen.

Table IV A
APPROPRIATE VILLAGE TECHNOLOGY
0046

Purpose: Promotion of local investment in appropriate and labor productivity-enhancing technologies in rural areas.

Background: Yemen is among the very few RLDCs faced with a domestic labor shortage. When coupled with the low productivity of Yemeni labor the result is extremely high production costs and inability to compete with imports in almost all fields. In agriculture the problem is especially acute, because without increases in labor productivity the continuing emigration of rural labor to the cities and abroad will lead to increasing competitive disadvantages and overall declines in agricultural production.

At the same time, with remitted worker income at \$1.2 billion in 1976/77 and continuing to increase there is a large amount of cash in the hands of villagers. The range of opportunities for productive investment of this money is, however, extremely limited at present.

Given the above it appears that Yemen is particularly in need of (1) opportunities for productive investment of remittances in rural areas, and (2) technologies that will increase the productivity of labor in agricultural and household tasks. The identification of such technologies appropriate to Yemeni conditions (i.e., relatively simple and low-cost) could provide such investment opportunities and, as a result, increase worker productivity and improve living conditions in rural areas. This is consistent with the YARG five year plan strategy of increasing labor productivity, mobilization of domestic savings and integrated rural development, and with the U.S. country strategy of increasing labor productivity in agriculture through increased capitalization and selective mechanization.

Project Description: The project will bring a two-man team to Yemen for a period of roughly three years, one to focus on the technical side of the project (identifying and adapting appropriate technologies and overseeing their field-testing), and the other to deal with the promotion, production and marketing of the technologies. These two individuals would be back-stopped by a U.S. institution for procurement of commodities and general support. Some social science input will also be required in analyzing local social/economic systems, identifying problems amenable to intervention, and the targeting and monitoring of the impact of the new technologies.

The primary focus in the research and extension will be on labor productivity-enhancing technologies in the rural sector; e.g., hand tools and animal-drawn implements such as land planes, scrapers, cultivators and planters. Post-harvest operations will be another area of emphasis, with research on small-scale threshers, and on storage and processing technologies. Other likely areas of involvement include simple, low-cost construction technologies, energy conservation and development of alternative energy sources, and more efficient water supply and utilization.

The project will use the on-going rural development activities of various donors and Local Development Associations as a means of researching problems and needs and as an extension/feedback mechanism for getting technologies into the villages for trial, and will provide these rural development activities with technical backstopping as needed. Emphasis in the project will be on technologies amenable to domestic production, but not to the point of excluding technologies that cannot be locally produced. No restriction will be placed on the location or scale of commercial enterprise relating to the project.

The primary host country entities involved will be the Confederation of Yemeni Development Associations (CYDA) due to its rural focus and linkages, and the Ministry of Economy due to the commercial (promotion/production/marketing) emphasis of the project. The matter of primary host country responsibility and institutionalization, however, is an issue that remains to be resolved as are questions concerning the degree of social science input to the project and extent of in-country technical research. Training will be "on the job" with assigned counterpart personnel.

Beneficiaries: Direct project benefit will be confined initially to areas of Yemen where an extension mechanism is already in existence. Within these areas the project will focus on technologies designed to aid the relatively least-advantaged, subject to the objective of mobilizing resources. The emphasis on increasing labor productivity and reducing menial labor demands should result in a major share of the benefits accruing to women and the young due to their large and increasing role in rural activities. Secondary beneficiaries will include those entrepreneurs in the private sector able and willing to "pick up" on the new products and markets identified under the project.

Current Year Program: In FY 79 the project team will initiate commodity order per recommendations of project development team, select areas and make arrangements for initial trials, conduct base line studies and initiate trials as commodities arrive or are fabricated.

Budget Year Program: In FY 80 the field trials and demonstration program will be continued. As results of trials become available, work with the private sector will be begun to produce or import and market on commercial scale in accordance with recommendations.

Major Outputs: Specification of outputs must await Project Paper finalization. In general they are:

1. Recommendations, based on research into local problems and results of field trials, for specific products or processes that would then be made available to local entrepreneurs for production or importation and marketing;

2. A "delivery system" of local enterprise with the interest and capacity to undertake the production/importation and marketing of recommended technologies;
3. An institutional "home" within an appropriate YARG ministry responsible for the identification, development and promotion of appropriate technologies.

Table IV A
LOCAL RESOURCES FOR DEVELOPMENT
0045

Purpose: Develop the capacities of local institutions to plan and carry out development activities utilizing local resources that will result in improved productivity and quality of life in rural Yemen.

Background: This project is one of a series of community based rural development projects coming out of a modification in A.I.D.'s development strategy, to support and encourage increasing initiatives of the rural population to participate in the development process and to provide for its own development needs. While this project will work with the government structure responsible for the rural sector, the current weakness of that structure (which is being addressed by A.I.D. and other donors) and the degree of local initiative dictates an increase in activity at the local level. This project supports the YARG RD objectives as stated in Yemen's Five Year Development Plan. Project design began late in 1977 with the completion of an analysis which identified the major constraints to rural development as weakness of government administrative structure, lack of information on the social-economic condition of the rural population and insufficient public and private investment in economic infrastructure and agriculture technology. The project paper being prepared for this project attempts to identify an approach that would overcome these constraints through technical assistance, research, and a mix of training and institutional development activities with the Local Development Associations (LDA), local government, and technical ministries. The LDAs were first established by the government in 1963 providing legal authority for communities to act collectively to solve development problems. Since then, the LDAs have become the primary development unit at the local level.

Project Description: This is a six-year activity with funding requirements projected for a three year phase I project. During the first three year phase the project will operate in two governorates, initially with six LDAs in Year One, and, subsequently, expanding to a total of twelve in the remaining two years. The project incorporates an intensive research and evaluation component designed to provide specific information about the project areas including socio-economic conditions, the nature and effectiveness of local organizations, government support mechanisms, and basic rural development assumptions. Following completion of research and experimental development activities at the end of Year Two, an evaluation will be conducted. Based on the knowledge and experience gained from this effort, a wider replication of the project will be considered in additional governorates in a second three year project. Some of the major issues to be addressed by the project are: the willingness and ability of local people to contribute a share of their own resources to development activities; the willingness and ability of local institutions, regional and central government to accept, support, and participate in development activities and,

the ability to develop training, technical innovations, planning and management techniques, and investment opportunities that will result in increased incomes, improved production and quality of life of the target population.

Beneficiaries: The project will interact directly with a broad cross-section of the population through training activities and small projects aimed at improving production, economic infrastructure, and stimulating income generating investments among tenant farmers, landless laborers and women. Initial estimates are that during phase I 300,000 families will be benefitted by the project at a cost of \$120 per family.

Current Year Program: FY 79 will be the project mobilization year with selection of the contractor, placement of staff in the governorates and central government agencies, establishment of working relationships and plans with LDAs and government institutions, design and implementation of initial training programs in agriculture, human resource development, nutrition-health, project planning and management, and the undertaking of basic project related research. During this period two rural works sub-projects and one agriculture sub-project will be designed with the LDAs and implementation will begin. Additionally, the basic assistance programs for the Confederation of Yemeni Development Associations (CYDA) which is the central coordinating body for LDAs and the Ministry of Agriculture, will be designed. These programs will increase the outreach capacities of these institutions to support local rural development initiatives.

Budget Year Program: In FY 80 the project will begin 16 sub-projects in rural works and agriculture in eight districts in the project area. Training activities in planning and management, technical skills improvement, and human resource development will take place with 70 LDA, governate and national level participants. Direct technical assistance will be provided by two advisors to the Confederation of Yemeni Development Associations (CYDA) and the Ministry of Agriculture (MOA) in the fields of engineering and agriculture. Project research activities will continue to support sub-project development and training in two governorates. Additional research activities will start in two other governorates for subsequent project design purposes.

Major Outputs: The major outputs of the project are:

- 18 completed sub-projects in rural works, agriculture and other categories.
- Information system and rural development research program developed that can be replicated and institutionalized.
- 30 local level officials trained and experienced in project planning management and evaluation.
- Local level technical capacities created to carry out development activities in 12 LDAs.
- Increased capacity of technical ministries to support development initiatives of local institutions.

Table IV A
YEMEN DEVELOPMENT RESEARCH
0057

Purpose: To enhance the decision making capabilities of the Yemen Government by completing research in areas where basic data is lacking.

Background: The existing data base for Yemen is extremely limited. The only national level survey ever carried out was the census in early 1975. While some project related surveys have been completed, most baseline data is either not known at all or is extrapolated from very limited research. Time series data simply does not exist. This lack of basic data is attributable to Yemen's long isolation; before 1962 the country was ruled by the Imam and few outsiders were allowed in. The civil war lasted from 1962 until the early 1970s and it has only been since then that a modern nation state has begun to emerge. The country lacks the 100 plus years of governmental institutional experience found in other countries which produces research, record keeping and statistics. For example, the Central Bank was only established in 1971, the Central Planning Organization in 1972 and the Agricultural Credit Bank in 1976. All governmental institutions are thinly staffed with inadequately trained individuals who are struggling just to implement projects called for in the five year plan. They lack the know-how and time to gather the baseline data necessary to facilitate quality project design and implementation. This project will help fill the gap by providing the technical expertise and resources necessary to collect and analyze some of the missing baseline data. The project is specifically called for in the CDSS to help illuminate problems faced by current and anticipated future programs.

Project Description: In response to the dearth of data available on Yemen, the Mission has initiated several research efforts. Agricultural research will be covered by a Title XII program and the Local Resources for Development Project will address the rural development problems found at the local level. While these two projects will put a major dent in our data gaps, they will not address subjects such as the impact of remittances and migration, the identification of the poorer segments of Yemeni society, the changing pattern of income distribution and its effects on the poor, the ability of the YARG to mobilize resources for public purposes, the ability of the YARG to design a viable tax structure, the changing role of women due to emigration, etc. This project, Yemen Development Research, will carry out studies in these and other areas. Research needs and scopes of work will be identified by the Mission. When research needs are identified in areas which the Mission has little expertise, TDY assistance will be called for. Additionally, in coordination with the American Research Institute for Yemen, the Mission hopes to fund doctoral dissertation research in fields such as anthropology and sociology. This will give us access to Mideast specialists who know Arabic and who can focus on rural research. Counterpart ministries will vary with the nature of the research and, depending upon the nature of the research, the work will be carried out in house, by AID/W consultants, or by contractors.

Beneficiaries: Because this project is designed to gather basic data all benefits will be very indirect. The country will benefit as better projects are designed by the YARG and other donors using the information developed by this project.

Current Year Program: The Project Paper will be completed and research will begin in the areas identified as highest priority.

Budget Year Program: Data gathered in the first year will be analyzed and used in the development of better projects and new research efforts will begin.

Major Outputs: Completed research projects.

Table IV A
WATER RESOURCES PLANNING AND MANAGEMENT
0043

Purpose: To institutionalize within the Yemen Government's Department of Hydrology (DOH) the capability to collect, analyze, and disseminate hydrological information in support of government development objectives.

Background: Yemen's climate ranges from semiarid to arid and is characterized by irregular and sporadic rainfall on extremely rugged terrain. Most activities are limited by or dependent on the availability of water. Public and private investment decisions in industry, agriculture, and related sectors must be based on a sound knowledge of water resources. The Government of Yemen recognizes that optimum use and management of water requires an inventory of the occurrence, quantity, and quality of groundwater, and the ability of trained local personnel to interpret this data. The government is also increasingly aware of the need for a broader institutional capability to provide information on water resources. This project will institutionalize a DOH within the YARG, meeting the initial objectives of the high priority given water development programs in the YARG five year plan and adhering to the theme of the CDSS for support of YARG institution building as expressed in CDSS goal 3.

Project Description: In order to assist the YARG in this area, A.I.D. proposed in 1977 a project specifically for institutional development of a Department of Hydrology as a follow-on to A.I.D. Project 025 (Water Survey of North Yemen). This proposal was acceptable to the YARG and they decided in February 1978, to locate the DOH within the Yemen Oil and Mineral Corporation. A.I.D. proposed to the YARG to extend the on-going Project 025 through FY 78 to allow time for preparation of the Project Paper for Project 0043. Project 0043 is planned in two phases, the first one year being used to staff the DOH and provide on-the-job training. Under phase two, which will not begin unless the assigned Yemeni personnel are sufficiently qualified and dedicated to their work, two long term hydrologist advisors will help the DOH in the collection and evaluation of water data and will set up surface water, ground water and water quality branches. Short term specialists will be called in as necessary and a library will be established. Participants will be sent for short and long term training.

Beneficiaries: The ultimate beneficiaries are the large segment of the Yemen population at all levels that stand to benefit from improved water use management.

Current Year Program: The FY 79 program calls for the authorization of the Project Paper by November, 1978, and signing of the Project Agreement with the YARG by January, 1979. The project, as a follow-on to Project 025, will continue to collect hydrological data on ground and surface water, log wells and continue collection of hydrological and mineral data from other YARG agencies.

In addition, the project will concentrate on institutional development of a DOH and data collection center, providing both on-the-job and academic training of Yemeni personnel assigned to the project. Within the DOH the branch operations for ground, surface and water quality studies will be established and technical assistance will be provided to carry this forward.

Budget Year Program: The FY 80 program will see the continuation and development of the DOH and data collection activities. It is planned that two full time technicians will be on site supervising project operations with the use of supplemental short term technical assistance support. In addition, a training schedule will be established for the short and long term out-country training of Yemeni professionals and sub-professionals assigned to the project. Data collection, analysis and distribution activities will continue at an accelerated pace.

Major Outputs:

- DOH established with operating branches of surface water, ground water and water quality.
- Data collection center functioning with library, reproduction and report analysis capability.
- Ten returned participants working at DOH.
- Well monitoring and surface monitoring networks established throughout the YARG.
- Water quality branch with a program of water sampling and testing.

DECISION UNIT: USAID/YemenDECISION PACKAGE ProposedActivity Description

If resources were available at the level proposed in this ABS, USAID/Yemen would be able to include the final component of what we consider to be a well balanced program. Project 063 (Development Administration) will enable us to implement a program of high level technical assistance and training directed at key central organizations within the YARG which are responsible for overall financial and administrative management of the development process. Project 056 (Feasibility Studies) will assist the YARG in achieving more productive utilization of the financial resources being made available and serve to attract additional resources in areas critical to broad-based development. Together, these two projects will permit achievement of Objective 7 which is a medium to long range objective designed to accelerate and increase the magnitude of achievement of the 3 major objectives. Project 055 (Community Based Rural Development II) is included at this level as the established Mark precluded inclusion of all the activities which made up our second alternative approach. It was selected as the one to be dropped from the Mark level as it is a second phase project and of less critical importance than the others.

Project 051 (Health Training) and PL 480 are included at this level because we have some doubt as to whether the former can be re-oriented to build a strong training institution, and whether the relatively small food component of 035 (Applied Health and Nutrition) could not be provided just as well through WFP. If re-orientation of 051 seems more likely, it would be accorded higher priority.

Short-term Objectives

Project 055 (Rural Development II) will serve, in the short term, to partially achieve our objectives in the local initiatives area and its findings will support other activities in this area. Project 051 (Health Training) and PL 480 will serve to improve the acquisition of basic human needs among the beneficiary population. The activity narratives (Table IV A) for these activities contain quantified measures of achievement.

Impact on Major Objectives

A successful Project 063 (Development Administration) will have a significant impact on achievement of our 3 major objectives. At present, the YARG's ability to financially and administratively manage its development process and support the activities of donors providing assistance is far below its potential and is the biggest obstacle to acceleration of Yemen's development at a rate consonant with available resources. Improvement of this ability

DECISION UNIT: USAID/YemenDECISION PACKAGE Proposed

would hasten the achievement of our objectives and increase the chances that the momentum established by A.I.D. supported programs would be maintained after termination of our assistance. Achievement of the purpose of Project 056 (Feasibility Studies), although not as important in the achievement of our objectives as is Project 063, would make an invaluable contribution to the achievement of our goals by strengthening the overall economic infrastructure of the country through more effective utilization of available resources and expansion of that availability.

Other Information

The consequences of not approving the Proposed level package would not cause irreparable damage to achievement of objectives established at the Mark level. It would, however, lengthen the time required for achievement and increase the risk that program activities would not be fully self-sustainable after the end of A.I.D. involvement.

Because of the cost and administrative difficulty of maintaining a Mission in Yemen, personnel levels have been kept to a minimum. USAID/Yemen would be hesitant to implement a program of this magnitude without the staffing levels projected. An exception to this would be if we were able to locate qualified local secretaries. Factors that would impede the proposed staff increase would be the need to increase the Mode ceiling and the need for A.I.D. constructed staff housing. We do not see any alternative means of achieving the objectives of this level.

The high levels for future funding are caused by the Title XII Program and the two basic education activities and represent the implementation rate which we would expect to be programmatically possible given adequate YARG commitment and support. As these are integrated programs, the implementation rate of the sub-activities could be stretched out without serious affect on the achievement of the objectives. USAID/Yemen would therefore not be concerned if future funding levels were lower than projected. As the President has expressed a desire to significantly increase A.I.D. levels and as we will not be in a position to make judgements on allocation of available resources, we have left the figures at the high level to enable AID/W to make more informed decisions on program levels.

We have not shown a corresponding increase in work-force levels as the funding increase is caused by increased activities on the part of our 3 "collaborative style" programs for which USAID support requirements will be minimized. This is particularly true for the Yemen Title XII Program.

FY 1980 ANNUAL BUDGET SUBMISSION
(in \$000)

DECISION UNIT: USAID/YemenDECISION PACKAGE: PROPOSED

<u>RESOURCE REQUIREMENTS</u>	<u>FY 78</u>	<u>FY 79</u>	<u>FY 80</u>	
			<u>This Package</u>	<u>Cumulative Total</u>
Food and Nutrition	2,690	7,255	1,120	9,545
Health	1,623	2,270	250	1,135
Education	2,599	6,170	-0-	4,360
Selected Development Activities	500	4,085	4,445	5,775
Program	7,412	19,780	5,815	20,815
PL 480	(400)	-0-	(500)	(500)
Employment - Full-time Permanent (in work-years)				
U.S. Direct Hire	28.5	34.2	1.2	36.4
Foreign Nationals*	126.2	121.0	-0-	121.0
TDY	1.1	1.5	0.2	3.1
TOTAL	155.9	156.7	1.4	160.5

<u>FIVE YEAR PROJECTIONS</u>	<u>FY 80</u>	<u>FY 81</u>	<u>FY 82</u>	<u>FY 83</u>	<u>FY 84</u>
Program	20,815	30,000	29,700	26,600	25,000
Personnel (in work-years)					
Mission - US	36.4	35.0	35.0	34.0	33.0
- FN	121.0	110.0	100.0	95.0	95.0
TDY -USDH	3.1	1.3	3.0	2.2	2.2

* FTEPP and Contract

Table IV A
COMMUNITY BASED RURAL DEVELOPMENT PHASE II
0055

Purpose: To improve the capacity of the Local Development Associations (LDAs) to plan, implement, and evaluate community based rural development projects.

Background: This project is a second phase of Project 031 initiated in September 1977, and is one of a series of community based rural development projects designed to assist communities through the LDAs in undertaking and completing development activities that will increase income, improve production, and raise the standard of living in the rural areas of Yemen. Since their creation in 1963 the LDAs have provided a means for local people to engage in development activities on a collective basis. LDAs are the primary development unit at the village level. This project comes as a modification in A.I.D. development strategy to support and encourage incentives of the rural population to participate in the development process and provide for their own development needs. While the project will work with the government structure responsible for rural development, the current weakness of the structure dictates an increase in activity at the local level.

Project Description: Phase I activities began in three districts with the establishment of Save the Children Federation (SCF) headquarters in Sana and Mahweet early in 1978. Since that date, training and self-help projects have been conducted with three LDAs with more than one hundred LDA members and government officials participating in basic and advanced community development training. Self-help projects have been in the fields of access road construction, water system development, nutrition-health, and youth development. SCF has provided direct technical and advisory assistance to these activities through the placement of four field coordinators in the field. Activities similar to the above will continue under Phase II of the project.

Beneficiaries: Over the life of the project beneficiaries are LDA membership and other community participants in four districts. Estimates are that 16,455 families will benefit from the project at a cost of \$137 per family.

Budget Year Program: During this period SCF will start activities in two additional districts in Mahweet governorate. Training in basic and advanced community development will be completed with LDA membership in all districts. Needs assessment and baseline surveys will be carried out in two districts leading to the design and implementation of self-help projects in the fields of rural works, agriculture, health, nutrition, vocational training and youth development.

Major Outputs:

- 15 self-help projects involving LDAs, the Confederation of Yemeni Development Associations (CYDA) and technical ministries completed.
- 30 planning, training and institution building seminars held with LDA and local government officials.
- 50 local participants trained in basic and advanced community development skills.
- 3 special function sub-committees established in LDAs.

Table IV A
DEVELOPMENT ADMINISTRATION
0063

Purpose: Development of the financial and administrative capacity of those central elements of the YARG responsible for management of the national development effort.

Background: The Yemen government's central administration has only emerged since the fall of the Imam in 1962. The Constitution was not promulgated until 1971 and there have been four governments since that time. During the reign of the Imam, only a handful of students studied abroad leaving the Republic with a dearth of trained manpower. The current Ministry of Education exemplifies this problem; only 20 per cent of the staff have university degrees and very few of those are in education fields; yet in terms of human resources, it is one of the stronger government organizations.

As a result of this shortage of trained manpower the ability of the central government to organize, establish and operate institutions is extremely limited. Development of the central government is well behind the level found in other developing countries 20 years ago. Demands for services from the central government began to increase with the fall of the Imam but they have skyrocketed since the dramatic increase in emigration of workers to the Gulf States. These workers have been exposed to the elaborate government-provided services found in Saudi Arabia and as they return they are making similar demands on the Yemen central government. The government cannot begin to meet these demands in terms of either the staff necessary or the financial resources. The embryonic development of the central government extends to the tax system which thus far has not been able to devise and administer ways to tap the remittance wealth.

The government is thus left in a quandary. Its people's attitudes and their financial resources have developed very rapidly while the government has developed at a much slower pace. The people have money to buy consumer goods and are demanding increased government services but the government has not financially benefitted from the remittance flow and is left without the necessary resources to finance an increased level of government provided services.

Project Description: This project is designed to help meet technical assistance needs in areas which will have the highest impact on the YARG's efforts to develop a central government capacity to fully and efficiently utilize the resources available for national development. While the current status of the YARG's capacity in this area was previously compared with that of other developing countries, it is not expected that Yemen will evolve a central government structure that will have as high a degree of government involvement in all sectors that is characteristic of many developing nations. Accordingly, this project will support existing policies that call for extensive private sector involvement in the national economy. We will provide

advisors in areas such as tax structure, financial management and administration, banking systems, customs and civil service administration. The civil service, for example, is plagued with high turnover due to the non-competitive wages the YARG pays. Assistance could be given in management methods and salary scale determinations. We also expect that the National Institute for Public Administration (NIPA), while currently fraught with problems, has a definite role to play in a project of this type and its role will be carefully examined during project design.

The project will thus be focussed on provision of long- and short-term technical assistance and the provision of participant training, particularly short-term. While every effort will be made during preparation of the Project Paper to identify the inputs required, the key to the success of this project will be sufficient flexibility to respond to YARG needs in an area which is in continual state of flux. An issue related to this project is the concept of reimbursable technical assistance. In GNP terms, Yemen, in principle, should be considered an appropriate candidate for reimbursable technical assistance. However, because of the situation described above, such programs are not presently feasible except in the case of infrastructure and industrial projects where the ultimate source of funding would be Yemen's oil-rich neighbors. USAID/Yemen believes that over the next five years well thought out interventions in the public sector could change the situation considerably, and this project is intended as our major tool in developing the conditions necessary for reimbursable technical assistance programs.

Budget Year Program: Through consultations with the YARG, the Project Paper design process, and use of Project 057 (Development Research) the initial long- and short-term technical assistance and training requirements will be identified. The required technical assistance will be acquired through use of institutional and personal service contracts and advisors and specialists will begin to arrive. Participants will begin to depart and required support commodities (mainly transport) will be procured.

Beneficiaries: The immediate beneficiary will be the YARG. Ultimately, as the objectives of the project are achieved, the entire population of Yemen will benefit as the YARG becomes more capable of administering and financing its national development programs.

Major Outputs:

- Key central government institutions operating more efficiently.
- Governmental administrative processes streamlined and modernized.
- Government regulations and legislation modified to meet development needs.
- At least 100 key government officials have gained requisite skills through short- and long-term training/observation programs.

Table IV A
FEASIBILITY STUDIES
0056

Purpose: To develop the capacity within the Central Planning Organization (CPO) to identify, design and conduct feasibility studies for development projects as part of the national development plan.

Background: Yemen's first five year plan (1976/77-80/81) calls for total gross fixed capital formation of YR 15,971,000,000 (\$3.5 billion). Half of this (YR 8,006 billion) is public sector investment. The annual average of YR 1.6 billion is six times the gross public fixed capital formation which occurred in 1975/76. Achievement of this level of investment will require extraordinary effort and highly facilitative policy measures.

Some of the major bottleneck areas are these:

1. Lack of coherent, time-phased sector plans, e.g., for transportation, agriculture.
2. Lack of fully prepared feasibility studies, engineering designs and cost estimates for investment projects. There is also inadequate capacity for designing, monitoring and evaluating such studies, even for collating and making efficient use of existing data and studies.
3. Inadequate port capacity, management, and customs administration to handle steeply rising levels of capital goods imports.
4. Lack of Yemeni management expertise and administrative capacity to coordinate massive investment programs and to manage completed projects.
5. Shortage of lower and middle level Yemeni labor to complement (i.e., utilize, install, operate) capital goods.

The YARG is undertaking policy measures and investments which are intended to ameliorate some of the above constraints. However, the constraints will continue to limit the flow of existing and potential financial resources into planned capital investments.

In view of the above situation, and assuming that the U.S. will not be a large contributor of capital, an appropriate objective of U.S. assistance would be to facilitate and accelerate the flow of capital into five year plan investments which are also consistent with A.I.D.'s legislation.

The goal of this project would be to increase the flow of resources into five year plan investments, i.e., to increase the transformation of existing and potentially available financial resources into realized capital investment.

Project Description: The project will consist of three activities:

1. Within CPO a data library and collection center would be established to collect, organize and make available internally and to consultants; data, reports, etc., for the preparation of feasibility and other development studies related to the five year plan.
2. Provide the services of a U.S. consultant firm under contract with the CPO for two technicians to prepare scopes of work for feasibility and other studies related to the five year plan. These two technicians would be supplemented with short term technical assistance under this contract.
3. Provide a substantial block grant to finance contracts to carry out the feasibility and other studies related to the five year plan.

Beneficiaries: The ultimate beneficiaries would be the large segment of the Yemen population benefiting from the orderly and timely development of the country based upon the priority projects leading to improved standards of living, i.e., water resource development, health conditions, education and agriculture production. Feasibility studies for the types of projects will be carried out under this project.

Current Year Program: To prepare the PP in conjunction and with collaboration from the CPO for approval and authorization of the project by A.I.D. in the first quarter of FY 79.

Following the signing of the Project Agreement, the services of a consultant team would be acquired by host country contract to start project implementation by the second quarter of FY 79 for the activities noted in the project description.

Budget Year Program: In FY 80 it is planned that the consultant team with short term technical assistance support will continue to prepare scopes of work and implement contracts for feasibility studies and design preparation for selected five year plan projects. Emphasis will be placed on those projects that can reach the greatest beneficiaries identified under the CDSS for the country.

Major Outputs:

1. Feasibility Planning Team institutionalized within the CPO.
2. Development library established within the CPO having collection, retrieval and dissemination capabilities covering development project, proposals, starts and follow-through.
3. The financing of feasibility studies resulting in the design and financial support for project implementation.

TABLE IVB ACTIVITY BUDGET DATA		ACTIVITY TITLE		DECISION UNIT		DECISION PACKAGE		BUDGET YEAR	
* FEASIBILITY STUDIES		USAID/Yemen		Proposed		FY-80		TOTAL COST	
PROJECT NUMBER		INITIAL OBLIGATION		FINAL OBLIGATION		DATE LAST PAR		DATE NEXT PAR	
279-00-56 (900)		FY 80		FY 83		-		-	
APPROPRIATION		DATE PP/REVISION		DATE LAST PAR		-		-	
SD		-		-		-		-	

ESTIMATED U.S. DOLLAR COST (\$ 000)

ACTIVITY INPUTS	FY 19 78		CY 19 79		FY 19 80		PIPE-LINE
	OBLI-GATION	EXPEN-DITURE	FUNDING PERIOD (FR-TO)	PIPE-LINE	OBLI-GATION	EXPEN-DITURE	
TOTAL-							
Technical Services							
Participants							
Commodities							
Other Costs (Study Fund)							
HC AND OTHER DONOR							
TOTAL- H.C.							

PERSONNEL WORKYEARS (XX.X)	FISCAL YEAR		PERSONNEL INTENSITY	PARTICIPANTS PROGRAMMED		FOOTNOTES
	19 79	19 80		A=NONCONTRACT	B=CONTRACT	
	19 79	19 80				
	2.5	2	HIGH			
	0.1	0.2	MEDIUM			
	0.1	0.1	LOW			

*PID to be prepared by USAID/Y for sub-mission to AID/W 3rd Qtr FY-79

Table IV A
HEALTH TRAINING/OUTREACH, HODEIDAH (OPG)
0051

Purpose: To improve the quality of health care at Al-Olofy Hospital in Hodeidah and to extend basic medical services from Al-Olofy to the surrounding rural population.

Background: The status of health in Yemen is abysmal; the infant mortality rate is 150 per thousand, the doctor/patient ratio is 1 to 17,000 and there are only 25 hospitals in the country, most of which are well below acceptable standards. To assist in the health sector, A.I.D. has provided partial support for operating costs of foreign personnel to train local staff at Al-Olofy Hospital under a \$100,000 Operational Project Grant (OPG) to Catholic Relief Services (CRS). Upon expiration of this OPG in FY 79, CRS proposes to enlarge the scope of the activity and focus on a more effective training component. A.I.D. will support the extended activity provided CRS thoroughly evaluates training objectives before implementing the activity in FY 80. The YARG has instituted a 5-year National Health Program (1977-1981), articulating health priorities related to the development process. Provincial hospitals are to provide a delivery system to 40 districts, with Al-Olofy being one of the principal resources. The project fits into the A.I.D. strategy in Yemen of broad based human resource development and the proposed OPG represents a good balance of VolAg participation, other donor support and YARG's already substantial inputs.

Project Description: The current Yemeni staff at the Al-Olofy Hospital is insufficiently trained and too few in number to provide adequate service to either in- or out-patients. The project seeks to educate a corps of Yemen hospital workers through in-service and formal training to help fill the gap of adequate staffing. The project will provide equipment and material for this training program as well as a limited number of scholarships for advanced training. CRS will provide between 20 and 30 expatriate staff to conduct the training and work at the hospital. In addition, the project will have a small outreach program using a mobile van to visit outlying clinics. They anticipate treating 500 cases at the village level and referring 300 village cases to Al-Olofy Hospital. All activities will be coordinated with the Ministry of Health.

The major issue to be addressed during project development will be CRS's ability to attract and retain candidates for training. CRS will also need to fully develop a training program before project implementation. Another issue is the heavy emphasis this project gives to curative health services at the hospital as opposed to more preventive health services for the rural areas.

Beneficiaries: Al-Olofy is a fully equipped 350 bed hospital serving a population of 1.2 million in the Tihama area of Yemen. Beneficiaries of this project will be the hospital patients who receive improved care from these better trained staff members as well as the rural population served by the outreach program.

Budget Year Program: During FY 80, CRS will recruit and have in place the necessary medical staff and three training courses will have been completed. CRS will have held its first seminar for Yemeni doctors and three scholarship recipients will have departed for training abroad. By the end of the year, the outreach program will have begun.

Major Outputs:

- 8 nurse training courses
- 8 nurses aide training courses
- 8 service worker training courses
- Counterpart training (14)
- 12 m/y of scholarship training
- 4 one-week seminars
- 500 cases treated at village level
- 300 village referrals to Al-Olofy

TABLE IVB ACTIVITY BUDGET DATA		ACTIVITY TITLE		DECISION UNIT		DECISION PACKAGE		BUDGET YEAR	
HEALTH TRAINING/OUTREACH, HODEIDA		USAID/Yemen		Proposed		FY 80		TOTAL COST	
PROJECT NUMBER 279-0051 (510)		APPROPRIATION HE		INITIAL OBLIGATION FY 80		FINAL OBLIGATION FY 81		\$500,000	
				DATE PP/REVISION 8/77		DATE LAST PAR		DATE NEXT PAR 2/	

ESTIMATED U.S. DOLLAR COST (\$ 000)											
		CY: 19		CY: 19		CY: 19		BY: 19		BY: 80	
ACTIVITY INPUTS		FY: 19		FY: 19		FY: 19		FY: 19		FY: 80	
AID-FINANCED		OBLI-GATION		EXPEN-DITURE		PIPE-LINE		FUNDING PERIOD (FR-TO)		OBLI-GATION	
TOTAL-								10/79-1/81		250	
OPG Grant								10/79-1/81		250	
TOTAL-										175	
										175	
TOTAL-										75	
H.C. CRS										500	
TOTAL-										420	
LIFE OF PROJECT										6,326	

HC AND OTHER DONOR		TOTAL-		H.C. CRS		LIFE OF PROJECT		500		420	
PERSONNEL INTENSITY		HIGH		MEDIUM		LOW					
PERSONNEL WORKYEARS (XX, X)		FISCAL YEAR		TYPE A=NONCONTRACT		TYPE B=CONTRACT		LONG-TERM		SHORT-TERM	
FUNDING		19 80		19 81		19 80		19 81		19 80	
PROGRAM ACCOUNT TOY (MOB)		1.0		1.0							
OPERATING EXPENSES		.1		.1							
FOOTNOTES		1/ date of original CRS proposal to USAID		2/ Mission/CRS to conduct in FY 79 joint evaluation in conjunction with project development.							

Table IV A
PL 480 TITLE II

Purpose: Improve the nutrition of approximately 15,000 recipients through maternal and child health programs, other child feeding programs, and small food for work programs.

Background: The initial Yemen Title II program was designed to provide immediate food and nutritional response to community needs--disaster victims, refugees, etc. Since its inception, however, the program form has gradually changed to address longer term development goals of the YARG in the area of nutrition and family health, goals which are shared by A.I.D. The ancillary activities associated with food distribution program, i.e., maternal and child health and nutrition education, have gradually assumed a dominant role in the program and at present the food distribution element is primarily a supporting function.

Progress to Date: Due to insufficiencies in adhering to the previous country agreement a freeze was put on the Title II PL 480 program administered by Catholic Relief Services (CRS) in July 1977. Since then, CRS has been trying to negotiate a new agreement with the YARG that would institute better management of the program. As of the date of this report no agreement acceptable to both sides has been reached. When an acceptable agreement is reached between CRS and the YARG, the project will focus on utilizing Title II food commodities in an institutional program concentrating on maternal and child health and child feeding programs with an additional limited number of food-for-work programs. Alternatively, since the existing agreement meets program requirements, CRS anticipates being able to re-establish a modest program (\$500,000 annually) structured so that the food supplied is used in activities where CRS control abilities will minimize problems. USAID/Yemen is agreeable to this approach. Since the July 1977 freeze, CRS has been operating with commodities on hand and in the pipeline. The program includes maternal and child health, other child feeding, food-for-work programs and refugee feeding.

Beneficiaries: The proposed project is aimed primarily toward improving the nutrition of pregnant mothers and malnourished children. Approximately 15,000 recipients are targeted, representing about 7-8,000 families. These recipients come from the lower socio-economic groups in urban areas.

Current Year Program: The activity will support public institutions with basic feeding programs for people without the means to maintain an adequate diet. Emphasis will be placed on maternal-child feeding programs while other support will be provided to small scale food-for-work programs. The types of food which will be distributed are: milk, WSB, bulgar wheat and cooking oil.

Budget Year Program: The food-for-work aspect of the project will decrease in FY 80 while the assistance to the mother-child clinics will continue.

Major Outputs:

- Improved nutrition and productivity of approximately 15,000 mother and child recipients.
- Improved village access through food-for-work road construction.

TABLE IVB ACTIVITY BUDGET DATA	ACTIVITY TITLE	DECISION UNIT	DECISION PACKAGE	BUDGET YEAR
	PL 480 TITLE II (CRS)	USAID/Yemen	Proposed	FY 80
	PROJECT NUMBER	INITIAL OBLIGATION	FINAL OBLIGATION	TOTAL COST
-	-	Continging	\$500,000*	DATE NEXT PAR
APPROPRIATION	DATE PP/REVISION	DATE LAST PAR	-	

ESTIMATED U.S. DOLLAR COST (\$ 000)

ACTIVITY INPUTS	FY 19 78		CY: 19 79		FY: 19 80		PIPE-LINE	EXPEN-DITURE	OBLI-GATION	PIPE-LINE	EXPEN-DITURE	OBLI-GATION	PIPE-LINE
	OBLI-GATION	EXPEN-DITURE	PIPE-LINE	FUNDING PERIOD (FR-TO)	OBLI-GATION	EXPEN-DITURE							
AID-FINANCED													
TOTAL		399	-	10/78-9/79	465	374	90	10/79-11/80	500	500	500	500	90
Commodities (\$ Value)		399	-	10/78-9/79	465	374	90	10/79-11/80	500	500	500	500	90
HC AND OTHER DONOR													
TOTAL													
H.C.					50								

FUNDING	PERSONNEL WORKYEARS (XX, X)			PERSONNEL INTENSITY	PARTICIPANTS PROGRAMMED			FOOTNOTES
	19 78	19 79	19 80		TYPE A	TYPE B	FISCAL YEAR	
PROGRAM ACCOUNT								
TOT (NON-)								
EXPENSES	.1	.1	.1					

AID 1330-5 (3-78)

P.L. 480 TITLE II
FY 1980

Country: Yemen

Sponsor's Name: Catholic Relief Services

A. Maternal Child Health (Total recipients) 13,500

<u>No. of Recipients by Commodity</u>	<u>Name of Commodity</u>	<u>KGS (000)</u>	<u>Dollars</u>
14000 x 12 x 2.0 lbs	N.F.D.M.	152.7	\$ 83,999.90
14000 x 12 x 7.3 lbs	W.S.B.	557.5	178,385.50
14000 x 12 x 1.0 lbs	OIL	<u>76.3</u>	<u>44,290.90</u>
TOTAL MCH 10.3		786.5	\$306,676.30

B. School Feeding (Total recipients) 300

<u>No. of Recipients by Commodity</u>	<u>Name of Commodity</u>	<u>KGS (000)</u>	<u>Dollars</u>
300 x 12 x 2.0 lbs	N.F.D.M.	3.2	\$ 1,777.76
300 x 12 x 7.9 lbs	W.S.B.	13	4,121.00
300 x 12 x .5 lbs	OIL	<u>.8</u>	<u>462.22</u>
TOTAL SCHOOL FEEDING 10.4		17	\$6,360.98

C. Other Child Feeding (Total recipients) 300

<u>No. of Recipients by Commodity</u>	<u>Name of Commodity</u>	<u>KGS (000)</u>	<u>Dollars</u>
300 x 12 x 1.0 lbs	OIL	1.6	\$ 924.44
300 x 12 x 13.2 lbs	W.S.B.	<u>21.6</u>	<u>6,847.20</u>
TOTAL OTHER CHILD FEEDING 14.2		23.2	\$ 7,771.64

D. <u>Food for Work</u>	(Total Recipients)	500
<u>No. of Recipients by Commodity</u>	<u>Name of Commodity</u>	<u>KGS (000)</u> <u>Dollars</u>
500 x 12 x 5 x 20 lbs	WHEAT	272.7 \$ 45,448.18
500 x 12 x 5 x 1.2 lbs	OIL	<u>16.4</u> <u>9,475.51</u>
TOTAL FOOD FOR WORK	21.2	289.1 \$ 54,923.69

E. <u>Adult Institutions</u>	(Total Recipients)	400
<u>No. of Recipients by Commodity</u>	<u>Name of Commodity</u>	<u>KGS (000)</u> <u>Dollars</u>
400 x 12 x 13.3 lbs	W.S.B.	29 \$ 9,193.00
400 x 12 x 1.0 lbs	OIL	<u>2</u> <u>1,155.55</u>
TOTAL ADULT INSTITUTIONS	14.3	31 \$10,348.55

COMMODITY TOTALS	\$374,141.96
OCEAN FREIGHT	<u>300,000.00</u>
GRAND TOTAL	\$675,141.96

	<u>Metric Tons</u>	<u>Value</u>
MILK	155.9	\$ 85,745.00
WSB	621.1	198,752.00
OIL	97.1	56,318.00
BULGUR WHEAT	<u>272.7</u>	<u>43,632.00</u>
TOTAL		\$384,447.00

	<u>25% Reserve</u>	<u>Metric Tons</u>	<u>Value</u>
MILK	38.9 x .55		\$ 21,395.00
WSB	155.2 x .32		49,664.00
OIL	24.2 x .58		14,036.00
BULGUR WHEAT	68.1 x .16		<u>10,896.00</u>
TOTAL			\$ 95,991.00
			\$480,438.00

TRANSACTION CODE: BUREAU CODE:

DECISION UNIT: NAME OF DECISION PACKAGE SET
 USAID/Yemen Minimum

TABLE V - PROPOSED PROGRAM RANKING

RANK	DECISION PACKAGES/PROGRAM ACTIVITY/SUPPORT ITEM		RESOURCE REQUIREMENTS				PROGRAM FUNDING (\$,000)
	APPROPRIATION ACCT	DESCRIPTION	WORKYEARS (XX, X)		PROGRAM ACCOUNT	INCREMENT/CUMULATIVE	
			PERSONNEL MISSION	OPERATING EXPENSES-TDY			
1	HE	001 Taiz Water & Sewerage Design (L)	H	0.2	-	-	-
2	HE	039 Taiz Water & Sewerage Construction (G)	H	0.9	0.5	6.0	-
3	HE	044 Small Rural Water Projects (G)	H	1.0	0.2	5.0	-
4	FN	019 Poultry Development (G)	H	0.1	0.3	-	-
5	FN	042 Land Classification (G)	M	0.1	-	2.0	-
6	EH	040 Development Training II (G)	H	1.2	0.2	7.0	2500
7	FN	030 Agricultural Research & Develop. (Sorghum & Millet) (G)	H	0.4	-	5.5	680
8	HE	028 Water Supply Systems Management (G)	H	0.6	0.5	7.4	635
9	FN	024 Tropical & Subtropical Horticulture (G)	H	0.4	-	4.0	810
		Summary by Personnel Intensity					
		Medium (1 project)		{0.1}	-	{2.0}	
		High (8 projects)		{4.8}	{1.7}	{34.9}	4625
		TOTAL		{4.9}	{1.7}	{36.9}	{4625}

100

TABLE V - PROPOSED PROGRAM RANKING

RANK	DECISION UNIT USAID/Yemen	DECISION PACKAGE/PROGRAM ACTIVITY/SUPPORT ITEM	RESOURCE REQUIREMENTS				PROGRAM ACCOUNT	PROGRAM FUNDING (\$ 000)	INCREMENTAL CUMULATIVE
			WORKYEARS (XX.X)		OPERATING EXPENSES				
			MISSION	TDY	MISSION	TDY			
10	SD	(G) Project Support	0.4	-	0.4	1.0	500	5125	
11	EH	(G) Basic Educational Development	1.3	0.1	1.3	10.4	1385	6510	
12	EH	(G) Education Outreach	0.7	-	0.7	4.5	475	6985	
13	EH	(G) Applied Health and Nutrition	0.3	-	0.3	5.0	250	7235	
14	FN	(G) Ibb Agricultural Training Center	0.6	-	0.6	5.0	1350	8585	
15	FN	(G) Seed Multiplication	0.5	-	0.5	2.0	550	9135	
16	FN	(G) Agricultural Development Support	2.0	0.3	2.0	13.5	1600	10735	
17	FN	(G) Soil Fertility Evaluation	0.5	-	0.5	2.0	525	11260	
18	FN	(G) On Farm Water Management	0.5	-	0.5	2.0	475	11735	
19	FN	(G) Appropriate Village Technology	0.8	0.1	0.8	2.0	575	12310	
20	FN	(G) Local Resources for Development	1.0	0.2	1.0	8.0	1860	14170	
21	SD	(G) Yemen Development Research	0.5	0.2	0.5	2.0	200	14370	
22	SD	(G) Water Resources Planning & Mgmt	0.4	0.1	0.4	5.0	630	15000	
Summary by Personnel Intensity:									
		High	(2.3)	(0.5)	(2.3)	(12.0)	(2635)		
		Medium	(6.5)	(0.4)	(6.5)	(40.4)	(5860)		
		Low	(0.7)	(0.1)	(0.7)	(10.0)	(880)		
CUMULATIVE TOTAL			(9.5)	(1.0)	(9.5)	(62.4)	(10375)		
			14.4	(4.0)	14.4	(99.3)	(15000)		

TABLE V - PROPOSED PROGRAM RANKING

DECISION UNIT: USAID/Yemen
 NAME OF DECISION PACKAGE SET: Proposed

RANK	DECISION PACKAGES/PROGRAM ACTIVITY/SUPPORT ITEM	APPROPRIATE AGENCY	PERSONNEL CATEGORY	MISSION	OPERATING EXPENSES	TDY	PROGRAM ACCOUNT	RESOURCE REQUIREMENTS	
								WORKYEARS (XX, X)	PROGRAM INCREMENT CUMULATIVE
23	055 Community Based Rural Development (Phase II)	FN	H	0.5	0.2	0.2	8.0	1120	16120
24	063 Development Administration	SD	L	0.3	-	-	3.0	800	16920
25	056 Feasibility Studies	SD	L	0.2	-	-	2.5	2645	19565
26	051 Health Training/Outreach-Hodeida	HE	L	0.1	-	-	1.0	250	19815
27	064 Project Support	SD	M	-	-	-	-	1000	20815
28	PL 480 Title II	L	L	0.1	-	-	-	(500)	
	Summary by Personnel Intensity								
	High			(0.5)	(0.2)	(0.2)	(8.0)	(1120)	
	Medium			(0.0)	-	-	-	(1000)	
	Low			(0.7)	-	-	(6.5)	(3695)	
	CUMULATIVE TOTAL			(1.2)	(0.2)	(0.2)	(14.5)	(6315)	
				(15.6)	(4.2)	(4.2)	(109.8)	(21315)	

TABLE VI - FUNDING FOR SPECIAL CONCERNS

PROJECT NUMBER AND TITLE	APPROP CODE	SPECIAL CONCERN CODE	DECISION UNIT USAID/YEMEN				BY: 20815
			OBLIGATIONS (\$ 000)		CYL 19780		
			PY: 7412 PROJECT TOTAL	SPECIAL CONCERN	PROJECT TOTAL	SPECIAL CONCERN	
019 Poultry (G)	FN	RESA	240	40			100
		RESD		40			100
		LTRG		5			50
		WID		10			30
024 Horticulture (G)	FN	RESA	450	50	450	50	100
		RESD		50			100
		LTRG		30			50
		WID		20			30
030 Sorghum (G)	FN	RESA	850	100	500	100	75
		RESD		50			125
		LTRG		30			60
		WID		20			40
055 RD II - Mahweit (OPG)	FN	PVOU					600
		RESA					50
		RESD					75
		LTRG					200
		CODC					50
		WID					25
042 Land Class. (G)	FN	RESA	495	200			
					2050		
045 Local Resources (G)	FN	ATNL				100	100
		CODC				100	100
		LTRG				160	160
		RESB				100	50
		RESA				200	100
		RESD				100	100
WID				50	50		

Emen		BY: 20815	
(000)		PROJECT TOTAL	SPECIAL CONCERN
500			50
500			50
20			100
100		635	200
		250	50
			50
		250	100
			50
			50
			50
200		630	100
400			400
100			100

TABLE VI - FUNDING FOR SPECIAL CONCERNS

PROJECT NUMBER AND TITLE	APPROP CODE	SPECIAL CONCERN CODE	DECISION UNIT					
			FY: 7412		CY: 19235		BY: 20815	
			PROJECT TOTAL	SPECIAL CONCERN	PROJECT TOTAL	SPECIAL CONCERN	PROJECT TOTAL	SPECIAL CONCERN
046 Appropriate Tech. (G)	FN	ATNL			955	955	575	575
052 Ag. Dev. Support (G)	FN	X11R X11S	580	200 100	1000	500 300	1600	750 500
059 Ibb Ag. Training (G)	FN	X11B			1500	1200	1350	1000
060 Seed Multiplication (G)	FN	X11B X11S			550	200 200	550	200 200
061 Soil Fertility (G)	FN	X11R X11B X11S					525	100 50 300
062 On-Farm Water Use (G)	FN	X11R X11B X11S					475	150 50 200
040 Development Training (G)	EHR	LTRG RESB WID	2599	2000 100 50	2130	1800 100 100	2500	2000 100 100
053 Basic Education (G)	EHR	LTRG RESB WID			3415	2000 100 50	1385	1000 100 100
058 Education Outreach (G)	EHR	LTRG RESB RESA WID ATNL			625	100 100 100 50 50	475	200 75 75 50 50

TABLE VI - FUNDING FOR SPECIAL CONCERNS

		DECISION UNIT USAID/Yemen				
PROJECT NUMBER AND TITLE	APPROP CODE	SPECIAL CONCERN CODE	OBLIGATIONS (\$ 000)			
			FY: 7412 PROJECT TOTAL	SPECIAL CONCERN	CY: 19235 PROJECT TOTAL	SPECIAL CONCERN
056 Feasibility Studies (G)	SD	RESB			2645	500
057 Yemen Development Research (G)	SD	RESB RESA RESD	400	100 100 200	200	50 50 100
063 Development Administration (G)	SD	LTRG			800	200
064 Project Housing (G)		-	2750	-	1500	-

FY 80 BUDGET SUBMISSION

DECISION UNIT: USAID/YEMEN

MISSION EVALUATION PLANS NARRATIVE

In view of USAID/YEMEN's requested BY program level and our intention to use "collaborative style" implementation arrangements, evaluation will play an ever increasing role in assuring that USAID retains the capability to adequately monitor activities, provide guidance to project managers and contractors and ultimately achieve the ambitious 1980s' program strategy objectives.

USAID/Yemen believes that one of the most important but most often neglected ingredients of Mission evaluations is objectivity. The Agency can ill afford biased analysis as a basis for increasing funding levels. Consequently, USAID proposes the following procedures for enhancing future Agency evaluation and in the long-run the quality of the product:

- 1) Where activities of a similar/identical nature are being implemented within the Agencies, to provide Agency technicians who are familiar with such activities to assist Missions in their evaluations. Such persons can bring a sense of objectivity and recent experience to play in not only in analyzing progress but making sound recommendations for resolving problems, etc. Further, their on-site experience should translate into more effective back-stopping of the activity(s) in AID/W, particularly with respect to future technical resource requirements within or outside the Agency.
- 2) To avoid assigning evaluation responsibilities to the implementing contractor. While the contractor should be represented in any evaluation, experience has indicated that outside contractors can better provide invaluable insight to project implementation efforts and better avoid subjectivity in the process.
- 3) To encourage that special evaluations be undertaken as early on in project life as possible in order to insure maximum potential for course redirection with minimal disruption to activities/personnel involved.
- 4) To refrain from assigning evaluation responsibilities to Mission or Bureau personnel when the activity is of a highly technical nature, unless these personnel have the required technical background.
- 5) If evaluation responsibilities are to be located

within the Mission to provide the designated evaluator with a sense of independence (objectivity) by assigning the officer to the Bureau organizationally.

- 6) To discard the existing PES format in favor of a more streamlined document which parallels the log frame and is more conducive to assuring that projects are evaluable and that the right objectives are evaluated/targeted.

Admittedly the above would address only part of a universal development problem, that is, lack of host-country appreciation for the AID design/evaluation processes. Yemen is definitely a case where host country capabilities require marked improvement. USAID/Yemen will be making every effort in the immediate future to identify host country counterparts who could be given either at Mission or AID/W instruction in the USAID design/evaluation procedures.

Date: 5/24/78

DECISION UNIT: USAID/Yemen
 PERIOD COVERED: 7/78 -9/80

MISSION EVALUATION SCHEDULE FOR OPERATIONAL YEAR AND BUDGET YEAR

(1) Project Title and Number/Subject	(2) Number and Date of last PAR/PES Submitted	(3) Proposed Date of Next PES	(4) Period to be Covered	(5) Identification Special Evaluations and Purpose for Them	(6) Remarks
019 Poultry Development	#77-3 7/77 *7/78	10/79	7/78-9/79	FY 80: 2 pm PD&S; 2 pm Contract Funding for Post eval. to determine progress toward goal; EOP objective status	*Not yet submitted. 1 pm AID/W TDY for sp'l eval. in FY 80.
020 Development & Tr'g I	#76-8 9/76 *7/78	-	-	-	*Not yet submitted
021 Sama Emergency Water	#77-7 8/77 *8/78	-	-	-	* Not yet submitted
022 Rural Water Supply	#77-2 1/77 -	+1/79	1/77-1/79	-	+Submission delayed pending project completion
024 Horticulture	#77-4 8/77 *8/78	9/79	8/78-9/79	FY 80: 2 pm Contract funding to determine progress to date, scope of follow-on activities	*Not yet submitted
025 Water Survey	#77-6 8/77 -	+12/78	8/77-12/78	-	+Submission delayed pending project completion
027 Taiz Tariff Study	-	-	-	-	* Not yet submitted
028 Water Systems Management	-	2/80	10/78-12/79	FY 80: 3 pm PD&S to verify progress toward institutionalizing tech/managerial skills in MWSA	1 pm AID/W TDY for sp'l evaluation in FY 80.
030 Ag. Development/Research	#77-1 5/77 *7/78	8/79	76-8/79	FY 79: 2.5 pm Contract funding to determine scope of follow-on activities	No AID/W requirements foreseen for sp'l eval.
031 CRRD - Phase I	-	6/79	12/77 - 5/79	FY 79: 1 pm PD&S; 1 pm contract to determine viability launching second phase	0.5 pm AID/W TDY
033 SDR	-	-	-	-	* Bi-annual status report followed by Compl. Rpt. if necessary

MISSION EVALUATION SCHEDULE FOR OPERATIONAL YEAR AND BUDGET YEAR CONT'D

(1)	(2)	(3)	(4)	(5)	(6)
034 Al-Olofy	-	-	-	-	No formal evaluation
035 Applied Health/Nutrition	-	7/77	a) 7/78	-	a) OPG: Joint USAID/CRS eval. to be forwarded to CRS/New York
039 Taiz Water and Sewerage Construction	-	-	-	6/80	FY 80: 3 pm PD&S to conduct mid-project evaluation and determine progress to date, particularly, in-country training component
040 Development Training II	-	-	-	12/79	1 pm AID/W TDY for sp'l evaluation in FY 80
042 Land Classification	-	-	-	12/79	Special evaluation in early FY 81
043 Water Resources Planning	-	-	-	1/80	Special eval. in 1981
044 Small Rural Water	-	-	-	10/79	0.5 pm AID/W TDY for sp'l evaluation in FY 80.
045 Local Resources	-	-	-	12/79	Special evaluation in FY 81
046 Approp. Technology	-	-	-	4/80	Routine PAR in conjunction sp'l evaluation
051 Health Tr'g Outreach	-	-	-	-	Mission/CRS to conduct in FY 79 joint eval in conjunction proj develop.
052 Ag Development/Support	-	-	-	12/79	0.5 pm AID/W TDY for sp'l evaluation in FY 80

MISSION EVALUATION SCHEDULE FOR OPERATIONAL YEAR AND BUDGET YEAR

(1)	(2)	(3)	(4)	(5)	(6)
053 Basic Education Develop.	-	3/80	12/78-12/79	FY 80 (2/80): 0.5 pm PD&S to analyze YARG capability to absorb expanded program in FY 81 in Education Sector	Sp'l evaluation in FY 81
055 CRRD - Phase II	-	-	-	-	Eval to be conducted FY 81
056 Feasibility Studies	-	-	-	-	-
057 YAR Development Research	-	1/80	12/78-12/79	FY 80 (1/80): 0.5 pm PD&S to analyze quality research, future research requirements in support USAID program strategy	PES in conjunction with special evaluation which will require some AID/W TDY
058 Education Outreach	-	6/80	1/79-6/80	FY 80 (6/80): 1.5 pm contract funding to determine quality/mix software inputs and potential for spin-off to other projects	Routine evaluation based upon results special evaluation (Proj. 0052)
059 Ag Training Center (16b)	-	9/80	5/79-9/80	-	Evaluation to use 1 pm of PD&S Funds
060 Seed Multiplication	-	5/80	4/79-4/80	-	Evaluation in FY 82 using PD&S
061 Soil Fertility	-	-	-	-	Evaluation in FY 82 using PD&S
062 On-Farm Water Use	-	-	-	-	Evaluation in FY 81 using PD&S
063 YAR Development Admin	-	-	-	-	Mission Eng Div to evaluate
064 Project Housing	-	-	10/79	-	Completion Report
001 Tail Water and Sewerage Design	-	-	-	-	-

FY 1980 ANNUAL BUDGET SUBMISSION

DECISION UNIT:USAID/YEMEN

RESEARCH AND DEVELOPMENT

The data base in Yemen essentially does not exist. The only national level survey ever carried out was the census in February of 1975 and that has yet to be fully analyzed. All other data has been project specific and national level statistics, such as they are, are usually projected from these research efforts. To cope with the paucity of data available for project planning, the Mission has proposed two new research projects - Yemen Development Research 0057 and Agricultural Development and Support 0052. These two projects will develop the basic socio-economic data necessary for planning.

Topics to be covered under these projects will include the impact of remittances and migration, the identification of the poorer segments of the Yemeni Society, the changing pattern of income distribution and its effects on the poor, the ability of the YARG to mobilize resources for public purposes, the ability of the YARG to design a viable tax system, the changing role of women due to emigration, land tenure, changing agricultural cropping patterns, agricultural marketing studies, etc.

The health field is conspicuously lacking from this list. The basic research needed in this field is as lacking as in other fields. The Mission already has a request in to AID/W for a Center for Disease Control nutrition study. After completion of this study we will define future health research projects amenable to centrally funded research.

Other studies will be completed by project design teams during project development. An education sector study will be carried out by the Project 053 team and appropriate technological interventions will be identified by the 046 Team. If further research potential which cannot be carried out by the above project is identified, AID/W assistance will be required.

USAID/YEMEN
COMMENTARY ON OPERATING EXPENSE
AND WORKFORCE
FISCAL YEAR 1980

Workyears Directly Related to Activities:

The high ratio between Operating Expenses and Workyears in FY 78 is indicative of the YARG's current difficulties in providing adequate support to our projects. In this ABS we are initiating action in two areas to solve this problem. First, we have proposed projects which are designed to address the basic courses of the problems the YARG has in this area. Second, of more immediate relevance, we have proposed a "program", as opposed to "project" approach to implementation of our strategy which entails the use of "collaborative style" implementation of integrated programs. This will enable us to shift much of the support requirements for implementation to the implementing institutions as is evidenced by a change from the high personnel intensity projects of our current portfolio to medium intensity in the one we have proposed and a large improvement in the Operating Expense Budget/Program Budget ratio.

The Mission has experienced difficulties in recruiting and retaining Yemeni Nationals to staff the Mission Foreign National personnel requirements. Most of these difficulties were encountered because of the labor short market for skilled and qualified personnel. Substantial increases in the Foreign National Compensation Plan in FY 1977 and 1978 has placed the Mission in a more competitive position and has enabled the Mission to attract and retain qualified personnel and stabilize its work force.

Included in the budget for FY 1978 are the costs associated with one TCN on board during the year plus three additional TCNs (ten person months) which will be recruited during this fiscal year. Fiscal Year 1979 budget includes costs associated with employing five (5) TCNs. Four (4) of these TCNs will be within the Executive Office and one (1) in the Controller's Office. TCN requirements for FY 1980 remain unchanged from FY 1979. TCN employment is essential for those skills which cannot be provided by Yemeni employees.

The Mission is at its optimum with the present mix of USDH and FNDH which include the above mentioned TCNs. Employees under PSC continue at a relatively high level to provide the service required by the Mission which could be met under contractual services at other Missions. Employees under PSCs are concentrated in the general services area.

MODE restrictions will be addressed by separate commentary, at a later date, upon posting of new Ambassador.

The Mission has no personnel included in the ceilings which are excluded in the workyear efforts projected.

The Mission projections include no staffing concerned with efforts not related to program activities.

We have no plans to upgrade or assume services now provided by AID/Washington.

The FY 1980 Operating Expense Budget includes the following inflation rates:

Goods procured offshore - 8% increase for each fiscal year using FY 1978 as the base year

Goods and services procured locally - 18% increase for each fiscal year using FY 1978 as the base year

Foreign National employees - For FY 1979 basic pay was budgeted at 130% of FY 1978 demonstrated costs. The budget computations for FY 1980 considered increased costs arising from promotions and PSI and include a 10% increase in basic pay over budgeted costs for FY 1979.

For Yemen it has been determined, and conditions are not expected to change for the foreseeable future, that it is in the interest of the Mission to provide housing rather than housing allowances.

Significant changes in expense for Office Operations from FY 1978 to FY 1980 are as follows:

<u>Description</u>	<u>Line No.</u>	<u>FY 1978</u>	<u>FY 1979</u>	<u>FY 1980</u>
Addition to Office Bldg.	55	-0-	415,000	-0-
Utilities	57	8,700	21,500	25,800
Renovations	58	42,500	92,300	-0-
Freight	64	106,800	52,500	63,200
Other	80	81,800	142,100	175,400

- (a) Line item No. 55 is explained in the additional schedule to the budget.
- (b) Line item No. 57 shows a substantial increase in FY 1979, as compared with FY 1978, because proper costs were not allocated in 1978 due to unmetered service and FY 1979 electrical usage will increase when the administrative warehouses and shops become operational in FY 1978.
- (c) Line item No. 58 for FY 1978 includes various minor renovation jobs in conjunction with the construction of the administrative warehouse and shops. In FY 1979 \$92,300 was budgeted for the costs of asphalt application (paving) of the administrative warehouse and shop area, parking area and roads within the administrative camp area. No further renovation is anticipated in FY 1980.
- (d) Line item No. 64 for FY 1978 exceeds FY 1979 and 1980 because it includes the freight charges associated with the procurement of seven (7) additional vehicles and three (3) replacement vehicles which exceed the number of units to be procured in subsequent fiscal years.
- (e) Line item No. 80 is explained in the additional schedule to the budget.

Local Employees, Other Pay, budgets for the Idd bonus, religious holiday period, which amounts to one months additional salary for FNDH or 8.3% of the basic annual salary.

Program funded personnel are not supported by operating expenses except for minor office supplies and materials which is estimated to not exceed \$4,500 per year.

OPERATING EXPENSE BUDGET
FISCAL YEAR 1980

USAID/YEMEN

EXPENSE CATEGORY	LINE NO.	OBJECT CLASS	EXPENSE RELATED TO	FY 1978		FY 1979		FY 1980		PROPOSED UNITS
				UNITS	MARK UNITS	UNITS	MARK UNITS	UNITS	MARK UNITS	
PERSONNEL	01			2341.4		2759.8		2125.7		2953.9
U.S. Direct Hire	02			1455.2		1686.1		1518.0		1688.8
U.S. Citizens Basic Pay	03	110	USDH Workyears	28.5		32.0		32.3		
Part-time, Temp. U.S. Basic Pay	04	112	USDH Workyears	792.2		892.5		886.1		
Differential Pay	05	116	USDH Workyears	2.1						
Living Allowances	06	118	USDH Workyears	150.2		182.8		189.6		
Other Pay	07	119	USDH Workyears	33.0		40.3		44.1		
Education Allowances	08	126	No. of Dependents	45.0		53.4		53.1		
Retirement	09	120	USDH Workyears	66.9		88.3		120.0		
Transportation/Travel	10			55.5		62.5		62.0		
Post Assignment - Travel	11	212	No. of Movements	285.0		337.1		304.9		
Home Leave	12	212	No. of Movements	21.3		24.6		19.5		
Post Assignment/Home Leave Freight	13	22	No. of Movements	30.2		30.5		36.3		
R & R	14	215	No. of Movements	179.7		232.0		203.5		
Education Travel	15	215	No. of Movements	25.3		24.0		19.6		
Medical Travel	16	215		26.5		26.0		26.0		
Other Travel	17	215		2.0		2.0		2.0		
Other Personnel Benefits	18			25.3		29.2		29.0		
Local Employees	19			786.2		1073.7		121.0		1265.1
Basic Pay	20	114	FNDH Workyears	126.6		121.0		121.0		
Overtime, Holiday Pay	21	115	FNDH Workyears	687.7		974.6		1149.5		
Other Pay	22	119	FNDH Workyears	42.3		3.2		4.4		32.0
Personnel Benefits	23	129	FNDH Workyears	18.6		42.9		52.8		
Benefits for Former Personnel	24	13	FNDH Workyears	2.7		6.2		1.3		
Contract Personnel	25			34.9		24.0		20.5		
PASA Technicians	26	238	Workyears	1.5		1.5		1.5		0.0
Other Reimbursable Details	27	111	Workyears	0.0		0.0		0.0		
Experts and Consultants	28	113	Workyears	0.0		0.0		0.0		
Other Technicians	29	255	Workyears	1.5		1.5		1.5		0.0
HOUSING	30			546.7		1784.8		2770.6		2770.6
Acquisition of Land and Structures	31	320	No. of Residential Units	0.0		10.0		12.0		1500.0

OPERATING EXPENSE BUDGET
FISCAL YEAR 1980

USAID/YEMEN

EXPENSE CATEGORY	LINE NO.	OBJECT CLASS	EXPENSE RELATED TO	FY 1978		FY 1979		FY 1980	
				UNITS	\$	UNITS	\$	UNITS	\$
HOUSING Continued									
Rent	32	235	No. of Residential Units	30	353.6	33	535.5	35	786.0
Utilities	33	235	No. of Residential Units	30	87.0	33	133.1	35	165.1
Renovation	34	259	No. of Residential Units		.0	7	10.5	3	4.5
Maintenance	35	259	Total Square Feet		.0		.0		.0
Residential Furnishings and Equipment	36				69.8		114.4		250.4
Additions to Inventory	37	311	No. of Residential Units		34.6		8.4	3	46.1
Replacement	38	311			9.0		19.4		110.4
Transportation	39	22			26.2		16.6		93.9
Quarters Allowance (Temporary Lodging)	40	172	No. of Residential Units		.0	3	7.2	3	7.2
Mission Director	41				36.3		54.1		57.4
Rent	42	235			18.5		26.5		31.8
Utilities	43	235			5.0		6.6		7.9
Renovation of Residence	44	259			.0		.0		.0
Maintenance of Residence	45	259			.0		.0		.0
Supplies and Materials	46	26			7.4		8.5		9.8
Furniture Procurement	47	311			.0		.0		.0
Official Residence Allowance	48	254			2.5		3.1		3.9
Representation Allowance	49	252			1.6		2.0		2.5
Vehicle	50				1.3		7.4		1.5
Acquisition	51	312			.0		6.0		.0
Operation/Maintenance	52	259			1.3		1.4		1.5
Portion of Lines 31-51 for Program Funded People	53				.0		.0		.0
OFFICE OPERATIONS	54				763.3		1187.0		820.4
Acquisition of Land and Structures	55	320			.0		415.0		.0
Rent	56	234			6.6		9.3		11.0
Utilities	57	234			8.7		21.5		25.8
Renovations	58	259			42.5		92.3		.0
Building Maintenance	59	259			.0		.0		.0
Office Furnishings and Equipment	60				17.8		17.0		11.4
Additions to Inventory	61	210			6.6		11.4		4.1
Replacement	62	210			11.2		5.6		7.0

OPERATING EXPENSE BUDGET
FISCAL YEAR 1980

USAID/YEMEN

EXPENSE CATEGORY	LINE NO.	OBJECT CLASS	EXPENSE RELATED TO	FY 1978		FY 1979		FY 1980		MARK	MINIMUM	PROPOSED
				UNITS	\$	UNITS	\$	UNITS	\$			
OFFICE OPERATIONS Continued												
Other Equipment	63	319			19.3		1.5			8.5		
Transportation (Freight) (Includes vehicles)	64	22			106.8		52.5			63.2		
Communications	65	230			4.2		4.7			5.3		
Security (Guard Services)	66	259			.0		.0			.0		
Printing and Reproduction	67	24			3.0		3.5			4.0		
Operational Travel	68				86.0		94.6			104.1		
International	69	210			61.0		67.1			73.8		
Domestic	70	210			25.0		27.5			30.3		
Charter/Contract Transportation	71	259			.0		3.0			4.5		
Vehicles	72				212.4		120.1			157.5		
Addition	73	312	No. of Vehicles	7	127.4		.0		1	8.0		
Replacement	74	312	No. of Vehicles	3	17.8	1	9.0	2	2	16.0		
Maintenance	75	259	No. of Vehicles		.0		.0			.0		
Automotive Supplies and Materials	76	26	No. of Vehicles	16	67.2	23	111.1	24	24	133.5		
Other Supplies and Materials	77	26			161.5		195.3			231.9		
FAAS	78	257			12.7		14.6			16.8		
Other U.S. Government Reimbursements	79	258			.0		.0			.0		
Other	80	259			81.8		142.1			175.4		
Portion of Lines 55-80 for Program Funded People	81				4.5							

OPERATING EXPENSE BUDGET

FISCAL YEAR 1980

EXPENSE CATEGORY	LINE NO.	USAID/YEMEN		
		FY 1978	FY 1979	FY 1980
TOTAL OPERATING EXPENSE BUDGET	82	3651.4	5731.6	6544.9
Reconciliation				
Deduct from item 87 items not funded from Mission's allotment:				
Object Class 11	83	989.5	1128.7	1128.8
Object Class 12	84	80.8	91.7	91.0
Object Class 13	85	0.0	0.0	0.0
Net FAAS (from line 78)	86	12.7	14.6	16.8
Other - Explain on Attachment	87			
Net Allotment Requirements	88	2568.4	4496.6	5308.3
Operational Year Allotment Requirement				
by Quarter				
First Quarter	89		2248.5	
Second Quarter	90		830.1	
Third Quarter	91		832.5	
Fourth Quarter	92		585.5	
				MARK
				MINIMUM
				PROPOSED
				3401.3
				6544.9

ADDITIONAL SCHEDULES AND ANALYSES	Attached	
	Yes	No
Use of Trust Funds		X
ADP Equipment		X
Budget Line 31 Detail	X	
Budget Line 55 Detail	X	
Budget Line 60 Detail	X	

USAID/YEMEN
OPERATING EXPENSE BUDGET
FISCAL YEAR 1980
ADDITIONAL SCHEDULE
Line Item No. 31

The Mission is desirous of leasing twelve (12) single dwelling units on a long term lease arrangement, effective January 1, 1979, which would require a two year advance lease payment of \$330,232. FY 1979 Line Item No. 32 O/C 235 does not, **repeat** does not, include this anticipated requirement of \$330,232. This line item does include budgeted lease costs for thirty three (33) units \$535,500 which is adequate to meet Mission requirements. For 33 units the average lease costs during FY 1979 would be \$16,230 or \$194,760 for twelve (12) units.

Assuming the Mission does enter into a long term lease which would require an advanced payment of \$330,232 additional funds of approximately \$135,472 would be required in FY 1979 under Object Class 235. Of course the FY 1980 requirements under Object Class 235 would be reduced by \$269,486 (35 units totaling \$786,000 or \$22,457 per unit multiplied by 12 units).

The Mission proposes and has budgeted \$1,000,000 for FY 1979 to construct a ten (10) unit apartment under Object Class 320 citing 636(c) authorization. Provided that funds are available in the first quarter of FY 1979, and construction would commence soon thereafter, the Mission projects that these units would be ready for occupancy on October 1, 1979 (FY 1980).

Line Item No. 32, Housing Rent, for FY 1980 includes \$786,000 for 35 units which is adequate to meet the Mission requirements. Assuming the acquisition of the above mentioned ten unit apartment building, the amount budgeted for Rent (O/C 235) for FY 1980 would be reduced by approximately \$22,500 per unit or \$225,000 depending on the rational phase out of the ten concerned leases which would be terminated during FY 1980.

For Fiscal Year 1980, Line Item No. 31, Object Class 320, includes \$1,500,000 to either construct twelve (12) single dwelling units or to purchase the twelve (12) single dwelling units which the Mission proposes to acquire under long term lease arrangements as stated in paragraph one above. Provided that funds were made available, citing 636(c) authority, the housing rental costs would be substantially reduced in FY 1980 and for subsequent Fiscal Years.

USAID/YEMEN
OPERATING EXPENSE BUDGET
FISCAL YEAR 1980
ADDITIONAL SCHEDULE
Line Item No. 55

Fiscal Year 1979 includes \$415,000 (636 (c) authorization) for the construction of a wing to the present office building to provide adequate office space for the staff which is projected in FY 1980. The present office building is now crowded with twenty nine (29) USDH and sixty one (61) FNDH. Staff levels of thirty-seven (37) USDH plus sixty-one (61) FNDH at the end of FY 1980 requires the Mission to plan and budget for additional office space.

USAID/YEMEN
 OPERATING EXPENSE BUDGET
 FISCAL YEAR 1980
 ADDITIONAL SCHEDULE
Line Item No. 80

Stated below, in U.S. dollars thousands, is the detail costs supporting the amounts budgeted under Line Item No. 80, Object Class 259:

<u>Description</u>	<u>FY 1978</u>	<u>FY 1979</u>	<u>FY 1980</u>		
			<u>Mark</u>	<u>Minimum</u>	<u>Proposed</u>
1. Residential Guard Service	41.9	96.1	120.4	103.2	120.4
2. Repair/Maintenance of Office Equipment	22.5	25.0	30.0	15.0	30.0
3. In Service Training	6.3	7.0	8.0	2.0	8.0
4. Insurance of Vehicles	3.8	5.0	6.0	6.0	6.0
5. Medical	3.1	4.0	5.0	5.0	5.0
6. Contractual Typing Services	2.2	3.0	4.0	-0-	4.0
7. Contractual Graphic Arts, etc.	2.0	2.0	2.0	2.0	2.0
TOTAL	81.8	142.1	175.4	133.2	175.4

MISSION OPERATING EXPENSE FUNDED PERSONNEL REQUIREMENTS
(in work years xx.x)

MISSION SPECIFIC PERSONNEL	FY 78		FY 79		FY 80		FY 80		FY 80	
	Estimated Actual USDH FNDH CONT	Estimated USDH FNDH CONT	Estimated USDH FNDH CONT	Mark USDH FNDH CONT	Minimum USDH FNDH CONT	Proposed USDH FNDH CONT	Minimum USDH FNDH CONT	Proposed USDH FNDH CONT	Minimum USDH FNDH CONT	Proposed USDH FNDH CONT
Directly Related to Activities*	10.8	1.0	15.5	14.4	-	13.3	-	15.6	-	-
Policy, Direction & Management	7.0	1.4	7.4	8.2	4.0	7.0	2.0	8.2	5.0	-
Financial Management	4.0	1.0	4.0	4.4	16.0	4.0	8.0	4.4	16.0	-
Mission Support	5.0	2.0	5.1	5.2	11.0	60.0	10.0	5.2	10.0	60.0
IDI's	1.7	-	2.2	3.0	-	1.0	-	3.0	-	-
OTHER (Specify)										
TOTAL	28.5	34.4	34.2	35.2	61.0	60.0	20.0	36.4	61.0	60.0

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END OF YEAR CEILING
(Excluding IDI'S)

27	+	61	=	90	Total	31	+	61	=	92	Total	12	+	20	=	32	Total	34	+	61	=	95	Total
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* While figure does not match with Table V as for financial purposes we have assumed that excess personnel will be financed by USAID/Yemen through FY 80

NON-MISSION SPECIFIC PERSONNEL

NON-MISSION SPECIFIC PERSONNEL	FY 78		FY 79		FY 80		FY 80		FY 80	
	Estimated Actual USDH FNDH CONT	Estimated USDH FNDH CONT	Estimated USDH FNDH CONT	Mark USDH FNDH CONT	Minimum USDH FNDH CONT	Proposed USDH FNDH CONT	Minimum USDH FNDH CONT	Proposed USDH FNDH CONT	Minimum USDH FNDH CONT	Proposed USDH FNDH CONT
Auditor General & IIS										
Other (Specify):										
TOTAL										

END OF YEAR CEILING

	+		=		Total		+		=		Total		+		=		Total		+		=		Total
--	---	--	---	--	-------	--	---	--	---	--	-------	--	---	--	---	--	-------	--	---	--	---	--	-------

*From Table V.

