

PD-AAZ-423
6/2/27

UNCLASSIFIED

UNITED STATES INTERNATIONAL DEVELOPMENT COOPERATION AGENCY
AGENCY FOR INTERNATIONAL DEVELOPMENT
Washington, D. C. 20523

BELIZE

PROJECT PAPER

EXPORT AND INVESTMENT PROMOTION

Amendment

AID/LAC/P-441
CR P-319

Project Number: 505-0027

UNCLASSIFIED

AGENCY FOR INTERNATIONAL DEVELOPMENT

PROJECT DATA SHEET

1. TRANSACTION CODE

A = Add
 C = Change
 D = Delete

Amendment Number

DOCUMENT CODE

3

COUNTRY/ENTITY
USAID/Belize

3. PROJECT NUMBER

505-0027

4. BUREAU/OFFICE

L/C

05

5. PROJECT TITLE (maximum 40 characters)

Export and Investment Promotion

6. PROJECT ASSISTANCE COMPLETION DATE (PACD)

MM DD YY
06 31 91

7. ESTIMATED DATE OF OBLIGATION
(Under "B" below, enter 1, 2, 3, or 4)

A. Initial FY 86 B. Quarter 4

C. Final FY 91

8. COSTS / \$000 OR EQUIVALENT \$1 =

A. FUNDING SOURCE	FIRST FY 86			LIFE OF PROJECT		
	B. FY	C. L/C	D. Total	E. FY	F. L/C	G. Total
AID Appropriated Total				2,500	2,000	4,500
(Grant)	(1,089)	(411)	(1,500)	(-)	(-)	(-)
(Loan)	()	()	()	()	()	()
Other						
U.S.						
Host Country		402	402		700	700
Other Donors)		498	498		830	830
TOTALS	1,089	1,311	2,400	2,500	3,530	6,030

9. SCHEDULE OF AID FUNDING (\$000)

A. APPROPRIATION	B. PRIMARY PURPOSE CODE	C. PRIMARY TECH. CODE		D. OBLIGATIONS TO DATE		E. AMOUNT APPROVED THIS ACTION		F. LIFE OF PROJECT	
		1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan
(1) SDA	730	730				1,500		4,500	
(2)									
(3)									
(4)									
TOTALS						1,500		4,500	

10. SECONDARY TECHNICAL CODES (maximum 6 codes of 3 positions each)

11. SECONDARY PURPOSE CODE

12. SPECIAL CONCERNS CODES (maximum 7 codes of 4 positions each)

A. Code

B. Amount

15. PROJECT PURPOSE (maximum 480 characters)

To develop the capacity of the private and public sectors to promote, provide technical assistance for and facilitate export and tourism projects undertaken in Belize.

14. SCHEDULED EVALUATIONS

Interim MM YY MM YY Final MM YY
03 89 01 91 06 92

15. SOURCE/ORIGIN OF GOODS AND SERVICES

000 941 Local Other (Specify)

16. AMENDMENTS/NATURE OF CHANGE PROPOSED (This is page 1 of a 46 page PP Amendment)

This Amendment will increase A.I.D. Grant Funding for the project in the Amount of One Million, Five hundred U.S. Dollars. (\$1,500,000).

The controller hereby certifies that he reviewed the methods of Finance and implementations and hereby approves the appropriate sections:

Mohamed Tanamly, Controller

17. APPROVED BY

Signature

Mosina P. Jordan

Title

A.I.D. Representative

Date Signed

MM DD YY
07 28 91

18. DATE DOCUMENT RECEIVED IN AID/W, OR FOR AID/W DOCUMENTS, DATE OF DISTRIBUTION

MM DD YY

2

PROJECT AUTHORIZATION AMENDMENT

Name of Country: Belize

Name of Project: Export and
Investment Promotion Project

Number of Project: 505-0027

1. Pursuant to Section 106 of the Foreign Assistant Act of 1961, as amended, the Export and Investment Promotion Project for Belize was authorized on June 30, 1986. That authorization is hereby amended to add US \$1,500,000 in Grant funds, and to amend the Project Authorization description of the Project, as follows:

a. Section 1 is amended by substituting in lieu of the present amount a new Grant amount as follows:

"Four and one-half million United States Dollars (U.S. \$4,500,000)"

b. Section 1 is amended by substituting in lieu of the present life of project a new planned life of project as follows:

"eighty-four (84) months"

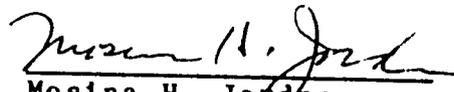
c. Section 2 is deleted in its entirety and the following is substituted therefor:

"2. The project ("Project") consists of technical and financial support to develop the capacity of Belize's private and public sectors to promote export and investment expansion as well as tourism development in Belize.

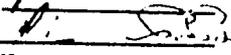
d. Section 3. d. Covenants is amended by adding the following covenant:

"(7) Contracts: The GOB covenants that it will submit to A.I.D. for approval draft contracts between the archaeological institution (i.e. university) undertaking the consolidation improvement work and the GOB. Upon approval of the contract, three confirmed signed copies of the contract shall be submitted to A.I.D."

2. Except as expressly modified or amended hereby, the Authorization remains in full force and effect..


Mosina H. Jordan
A.I.D. Representative

7/28/88
Date

Drafted:WWolff/P.Lapera:7/24/88:1315P
Clearances:PDO:PBLapera 
PDO:PPerez 
CONT:MTanamly 
LAC/GC:GDavidson 

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I. SUMMARY AND RECOMMENDATIONS

A. Recommendation

USAID/Belize recommends authorization of an amendment to the Export and Investment Promotion Project (505-0027) to: 1) increase life of project funding by \$1.5 million and 2) extend the Project Assistance Completion Date to July 23, 1993.

B. Summary

The economic outlook for Belize is promising. The economy is expanding sharply, registering a 5% gain in 1987 over the previous year and showing strength in the two sectors addressed by the Project. A broad consensus exists between the GOB and the Belizean private sector that expansion of non-traditional exports and the tourism industry are the best means for continuing the expansion and for keeping the economy strong and healthy. The Project, authorized in June 1986 and providing support to the private and public sectors, has contributed substantially to the improvement of the economy. The private sector activity has helped create, support and finance the Belizean Export and Investment Promotion Unit (BEIPU) within the Belizean Chamber of Commerce and Industry (BCCI), under a \$2.4 million Cooperative Agreement between the USAID and BCCI. An additional \$100,000 was made available to the International Executive Service Corps (IESC) for extending technical assistance to export and tourism enterprises, under another Cooperative Agreement. The public sector activity focussing on tourism, finances a promotional plan, identifying and promoting Belize's most promising potential tourism sites, attractions and facilities, under a \$500,000 Grant Agreement with the GOB.

The goal of this Project is to generate employment, income and foreign exchange in the Belizean economy.

The purpose of the Project is to develop the capacity of the public and private sectors to promote, provide technical assistance for, and facilitate export and tourism projects undertaken in Belize.

The proposed amendment continues to support the export and tourism sectors through the efforts of the private and public sectors. One new private sector activity proposes for the first time direct financing under the Project to BCCI. The present level of BCCI's staff, financial resources and membership are constraints to its development. A \$260,000 USAID grant is required to give BCCI the institutional strength it must have to fulfill its role as a successful and dynamic

Chamber of Commerce, and to support its investment promotion unit, BEIPU.

As a further private sector activity, BEIPU will receive \$600,000 for financing a major new program focus - Export Promotion - making available resources that will provide technical and financial assistance to new and expanding indigenous export-related enterprises. The third private sector activity continues funding to the International Executive Services Corps (IESC) under its Cooperative Agreement, providing \$100,000 for technical assistance to export-oriented and tourism related companies, coordinating such assistance with BEIPU's effort.

As to the public sector, USAID's Grant Agreement with the GOB will continue to focus on tourism. A new component will be added for archaeological site improvement. The first selected site for financing is Caracol located in the Cayo District of Belize. A massive architectural complex within the site will be restructured and consolidated. Caracol is the largest Maya archaeological site in Belize and a major site in Maya prehistory, underscoring its potential as a premier tourist attraction.

The Cooperative Agreement with BCCI will be amended to include financing for institutional strengthening and the new Export Promotion Component. IESC's Cooperative Agreement will be amended, increasing the amount of funding. USAID's Grant Agreement with the GOB will be amended to include the archaeological site improvement component, giving the Department of Archaeology primary implementing responsibilities.

The overall \$1.5 million amendment provides \$960,000 in grant funding to three private sector activities - BCCI, BEIPU and IESC, and \$540,000 to the GOB for the archaeological component. Of the latter, \$310,000 will be used for Caracol and \$230,000 for other sites at later dates. The total cost of the four activities proposed for funding by this amendment is \$2.05 million, of which \$1.2 million (62%) will be funded by the USAID, and \$776,000 (38%) by the GOB and private sources.

II. THE ORIGINAL PROJECT

A. Background

1. Private Sector

The Project contains a private and a public sector component. The private sector component involves three organizations: 1) The Belize Chamber of Commerce and Industry (BCCI), 2) The Belize Export and Investment Promotion Unit (BEIPU), and 3) the International Executive Service Corps (IESC). These are discussed below.

The Belize Chamber of Commerce and Industry (BCCI) is a long established voluntary organization of professionals and private business people. In June 1984, the BCCI received a two year grant from the USAID of U.S.\$200,000 for the purpose of providing support to Belize private sector's export promotion activities. In July 1986, the USAID and the BCCI signed a Cooperative Agreement for this Export and Investment Promotion Project, for the purpose of developing the capacity of the private sector to promote, provide technical assistance for, and facilitate export and tourism projects undertaken in Belize. To implement the project, BCCI established the Belize Export and Investment Promotion Unit (BEIPU). The agreement and amendments thereto have already obligated \$2.4 million, which will be increased to \$3.26 million by the proposed amendment. BEIPU is a division of the Chamber, but is an entity responsible to its own Board of Directors. Currently, BEIPU has a staff of seven, comprising an Executive Director, an Administrative Assistant, two Promotion Officers (to be increased by one), two secretaries (to be increased by one) and an accountant (shared with BCCI and another affiliate, the Belize Institute of Management). Under the IESC activity, retired U.S. executives provide technical assistance to export-oriented and tourist related enterprises, working with and supporting BEIPU's promotional efforts in the same areas.

2. Public Sector

Under the public sector component, a USAID Grant Agreement with the GOB, to be increased by \$540,000 under the proposed amendment, provides budgetary support to the Belize National Tourist Council (BNTC), under the Ministry of Commerce, Industry and Tourism, and finances a \$354,000 consulting services contract with a U.S. firm promoting Belize as a tourist destination, and the design of brochures which promote the areas with most potential for specialized tourism: diving, fishing, nature studies and archaeology.

B. Accomplishments

1. BEIPU

BEIPU has generated over one thousand three hundred business contacts. Of these, over three hundred have made an initial trip to Belize, and over two hundred have made more than one trip. BEIPU has assisted over forty projects which have or will make investments in Belize; over twenty projects involving government concession applications; in project financing and investor matching; and in project packaging. BEIPU has been involved in a joint papaya marketing mission with the Belize Enterprise for Sustained Technology and has prepared marketing assessments in agribusiness processing, arts and crafts and the garment industry. BEIPU also assists farmers in the sale of annatto, a natural red dye, for which a commission is received. BEIPU's over all performance is well on target. It's main concern is to improve its income generating capacity in order to become self-sufficient without continued grant assistance from USAID. This is discussed in Section IV, Financial Analyses and Plan. A current status report of BEIPU's operations is contained in Annex D.

2. IESC

IESC has assisted eight projects with marketing analyses and product improvement, made fifty contacts to private firms, of which five received technical assistance; twelve of these projects are in the recruitment state and two are now in the process of implementation. IESC has made market reports, some with BEIPU, on the cut flower, garment handicraft and agribusiness markets, and in addition has provided direct support to hotels, a bank, a garment factory and an agricultural cooperative.

3. GOB: Tourism

To date, an A.I.D.-financed consultant is currently developing a tourism promotion program for the GOB, preparing materials and brochures, identifying and promoting Belize's most attractive tourist sites, attractions and facilities.

C. Need for Amendment

With respect to the private sector, there is an on-going upsurge in new private investments by local and foreign investors, mostly in new export-oriented and tourism related activities. Exports in 1987 grew by 16% and 1988 is showing

further gains. Tourism related foreign exchange earnings are increasing as tourist arrivals grew by 11% in 1987 and a further increase is forecast for 1988.

A.I.D.'s focus on export and tourism development is proving to be the right strategy at the right time, and should continue. BEIPU needs additional resources and time to strengthen itself financially. It has the staff (to be increased under the proposed amendment) to deliver effective services and it has the services that the private sector will buy. What BEIPU lacks is a secure financial base leading to financial self-sufficiency. Thus, a major objective of this amendment is to give BEIPU additional resources and time, so it can increase and perfect its revenue-producing services, thereby generating the income it needs to achieve self-sufficiency. Without the additional A.I.D. funding, BEIPU will not be able to reach this goal. With the funding, BEIPU's expenses decrease by 83% and income increases by 88% over a projected 6 year period, ending July 1994. While its operating deficit will not be eliminated, it will, with continuing investments in the export and tourism activities, be greatly reduced, bringing the day closer that self-sufficiency is achieved.

On the public side of the project, the proposed financing of the Maya archaeological site at Caracol provides the USAID, given its high priority on tourism development, the unique opportunity of being involved in a project that has the potential of becoming Belize's premier tourist attraction. Caracol is Belize's largest and most important Maya site and of major interest to foreign tourists, and the logical choice for a development effort. As a world class tourist destination, the opening of Caracol will benefit all of Belize by drawing tourists into the interior of the country and away from visiting only the cays. Caracol has the potential to draw tourists on a scale equal to or greater than that seen at other stabilized Maya Centers such as Tikal in Guatemala and Chichen-Itza in Mexico.

III. DESCRIPTION OF NEW PROJECT ACTIVITIES

The new activities to be financed by the \$1.5 million Grant Amendment are:

Private Sector

BCCI	-	\$260,000
BEIPU	-	\$600,000
IESC	-	\$100,000

Public Sector

Caracol and other
archaeological sites - \$540,000

TOTAL \$1,500,000

A description of each of the four activities follows:

A. Private Sector

1. Belize Chamber of Commerce and Industry (BCCI)

a. Background

For the first time, direct A.I.D. funding under the Project to BCCI is proposed, as shown above. The present level of BCCI's staff financial resources and membership are constraints to its development. Outside assistance is required to break through these constraints in order to give BCCI the institutional strength it must have to fulfill its role as a successful and dynamic Chamber of Commerce. Several basic ingredients are required to bring this about. They are:

- Active, working membership. Membership provides the volunteers who develop policy, develop and implement programs, and provide the financial and other resources with which to operate.
- Program of Work. This is a priority list of agreed-upon goals, objectives, and action plans. It is a blueprint for the future.
- Effective staff. A dedicated professional staff to support the volunteers in their work and to manage the organization is a necessity. Staff often provides continuity. They assist volunteers in achieving a

multiplier effect...where the whole is greater than the parts.

- Adequate finances. Resources are a necessity to provide for support operations, professional staff, and certain program expenses.

BCCI has been in existence since 1920 and operated for years with only a secretary and a messenger. In 1983, with the assistance of an A.I.D. Grant, BCCI hired a full time manager. In 1985/86, BCCI executed two Cooperative Agreements with A.I.D. for the "Creation of an export and investment promotion unit", BEIPU, and for beginning a "training for employment" program with BIM. The long term success of these two A.I.D. programs alone require the strengthening of BCCI. Today, the membership of BCCI is about 75. USAID's existing Cooperative Agreement with BCCI will be amended to include the proposed financing. With this financing, the membership at the end of the three year program is projected to increase to 350.

An A.I.D.-financed study "Blueprint for Tomorrow", prepared by Leonard Patillo and Associates, analyzed the institutional structure of BCCI, its effectiveness in representing the country's private sector and the potential for increasing its membership and financial resources. The recommendations of this study are being adopted by BCCI's Executive Committee and to a large extent are being implemented today. The study represents the professional and technical justification for the financing by A.I.D. of an institutional strengthening program, namely, staff support in the development of BCCI programs, while the study proposed establishing four new departments. USAID contends BCCI would be well served at this time, basically for economic reasons, by combining the functions of the proposed four departments into two, as described below:

b. Outputs

1. Membership Development/Administration

The function of this department is to plan, coordinate and conduct activities so as to increase the Chamber's membership and financial support. It will implement special membership campaigns, preparing promotion brochures, application forms, member decals, etc. Another function of the department is to develop and carry out the internal policies and procedures of the Chamber. The department will be staffed by a full time manager, who will also act as Personnel Manager, and a secretary/records clerk. Office space facilities and equipment will be procured. A training visit for the manager to a

successful Chamber in the United States will be arranged.

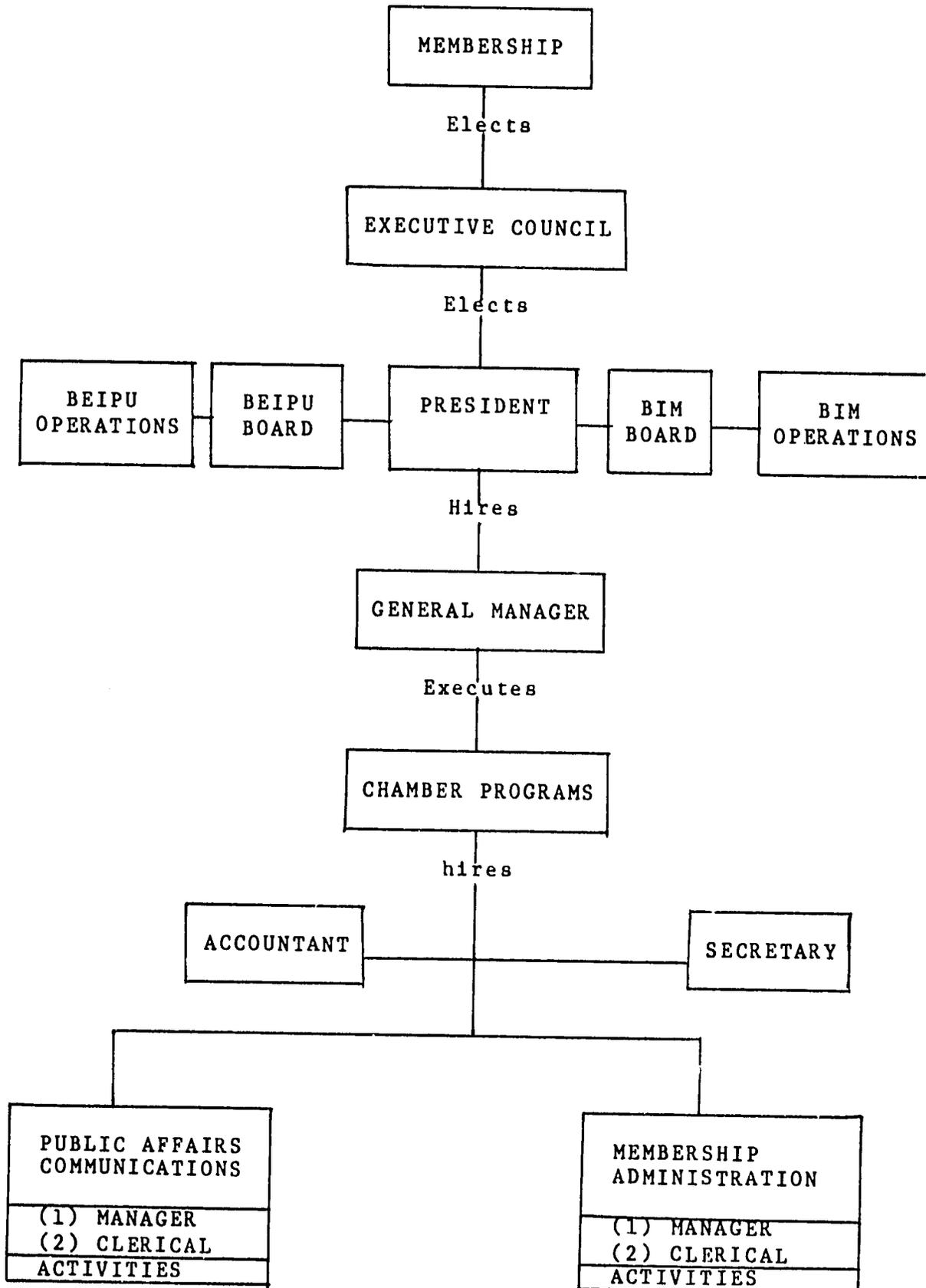
ii. Public Affairs/Communications

The function of this department is to conduct public affairs program, the goal of which is to work toward better policies and services of the Government, and the strengthening of the public-private partnership. It will monitor and address proposed and existing legislation and regulations affecting the country in general and the private sector in particular. The department will also function to develop an ongoing national communications and public relationship program, aimed at improving the image of BCCI and establishing BCCI as the nation's leading private sector organization. The department will be staffed by a full-time manager and a secretary. BCCI will provide office space, facilities and equipment. A training visit for the manager to a successful United States Chamber will be scheduled.

An organization chart of BCCI highlighting the four new department is shown on the following page.

BELIZE CHAMBER OF COMMERCE AND INDUSTRY (BCCI)

ORGANIZATION CHART



Under a consulting services contract funded under the existing Cooperative Agreement with BCCI, work is now underway in the preparation of detailed scopes of work for the two departments, as well as scopes of work (job descriptions) for the staffing of these departments. Once these scope have been completed and funds under the proposed amendment are available, the hiring and training of new staff will commence.

c. Inputs

The total cost of this activity is estimated to be \$435,000. The \$260,000 A.I.D. Grant will finance:

- Salaries and training of new department staff	- \$150,000
- Vehicles	- \$30,000
- Equipment and Supplies	- \$20,000
- Rent, utilities, communication	- \$16,500
- Promotion	- \$6,500
- Local/international travel	- \$13,000
- Contingencies/inflation (approximately 10%)	- \$24,000

2. Belize Export and Investment Promotion Unit (BEIPU)

a. Background

As early as 1984, when USAID's first technical assistance programs were being developed for BEIPU, BEIPU was being viewed as a possible model for setting up investment promotion agencies in other countries. As a result, Antigua and St. Kitts have set up investment promotion agencies which were in varying degrees based on the BEIPU model.

The concept of a 'one stop shop' for investors being located within one office and under the umbrella of the Chamber of Commerce has attracted attention. There are many reasons why it makes sense to have the activities of investment promotion housed within the private sector, such as we find with BEIPU's staff, which responds to and thinks like the private sector, since it is part of the private sector. Investors feel more comfortable working with such "professionals" from the private sector. They are better able to cut through the red tape and overcome obstacles and bottlenecks than the investor or individual government officials.

The BEIPU model also incorporates the concept that for a promotion agency to be successful, promotion of "...indigenous investment should be a fundamental objective". In other words there is a need for promotion agencies to nurture export development so that nationals will be caught up in the process of development and the benefits of investment will diffuse

throughout the local business community.

Studies of investment promotion agencies in Ireland, Taiwan, Jamaica, Egypt and Costa Rica, found that "...initially, investment promotion activities should be characterized by modest programs and expectations". They went on to say that, "...investment promotion programs should be allowed sufficient time to work. Promotion programs should also be tested, reviewed and adjusted regularly as changes in market place and the host country warrant."

BEIPU has now completed its first "testing" period, two years of USAID grant financing, and thus is at the stage of development where it needs to "adjust to the market place". There is a need to move BEIPU from its "modest programs", focusing mostly on investment promotion toward more effective export development activities. It is now time for BEIPU to begin incorporating the indigenous entrepreneur into its programs through a strong export development effort. Resources will be needed for BEIPU to institute such a program. The amendment provides BEIPU with \$600,000 for this purpose.

b. Outputs

Under the amended program, BEIPU will place more time and resources into the carrying out of various types of export development services for the indigenous entrepreneurs. Newly expanded services for new and existing exporters are:

1. Identifying markets for export products, particularly in preferential markets such as the EEC, CBI, CARICAN and Central America.
2. Establishing a data base accessing system whereby local exporters can obtain current information on markets, services and needed inputs.
3. Providing training and technical assistance in product marketing, packaging and design.
4. Preparing business plans, pre-feasibility and feasibility studies facilitating bankable project presentations to interested financial institutions.
5. Setting up Advisory Panels, in the agriculture, export and industry/tourism sectors, comprised of successful businessmen in Belize who will serve as hosts for potential investors. They serve as a sounding board on particular issues affecting a particular industry

and an informal support base for BEIPU's programs.

6. Facilitating entry of products into the U.S. and other markets, including provision of information on customs and agriculture regulations.

c. Inputs

The existing Cooperative Agreement with BCCI/BEIPU will be amended to include the additional funding of \$600,000 for a new project component, Export Promotion. The bulk of the funding will be used for personnel (\$250,000), promotion (\$50,000), short term technical assistance (\$150,000), equipment and supplies (\$50,000), and a pilot credit program (\$100,000), as discussed below:

1. Personnel (salaries)

One Export Development Promotion Officer will be added to BEIPU's staff. He will concentrate on assisting and encouraging indigenous entrepreneurs into marketing their products abroad. The new position will be filled with an individual meeting the same professional requirements as the two existing promotion officers. Promotion Officers relate directly with the sectors they represent, serving as advocates and facilitators for potential investors or exporters.

One additional secretary will also be added to the staff to assist the existing two secretaries in handling the already burdensome workload. She will also be responsible for various office procedures such as updating the library and entering data into the Contact Tracking System.

2. Technical Assistance

There will be the need for short term technical assistance in the following areas:

a. Export Advisor

The services of an export advisor for six months is required. He will be responsible for designing, and implementing a comprehensive export development training program, and will work closely with BEIPU's professional staff in establishing direct links with existing and potential indigenous exporters.

b. Trade Correspondents

Trade correspondents will be identified in countries other than Belize to allow potential and existing indigenous exporters the opportunity to be directly linked with outside markets. BEIPU will, in effect, become the broker for both parties. The trade correspondents under short term contract will have particular expertise in a sector such as garments, electronics, agro-industry etc., and will work on a case by case basis to investigate and bring to fruition actual sales of Belizean products. The trade correspondents will be responsible for assisting the Belizean clients and BEIPU staff in whatever areas needed to see to it that the sale is completed. BEIPU will endeavor to utilize the IESC/TIS services in Stamford, Connecticut and its associates in the U.S. to accomplish this objective.

c. Newsletter/Project Profile Preparation

BEIPU needs to increase the level of awareness of its ongoing activities within the private and public sectors of Belize. BEIPU also needs to identify and publicize specific areas of investment opportunity. To accomplish these tasks, BEIPU's staff, along with locally contracted experts in journalism and communications, will publish a quarterly newsletter highlighting events, on going activities and services available at BEIPU, etc. Twenty newsletters will be possible over a 5 year period. Six investment profiles will also be prepared outlining specific investment opportunities in Belize. The purpose of the profiles will be to provide detailed information on particular investment opportunities, enabling local and foreign potential investors to investigate projects further.

d. Computer needs to be Revised and Updated

There is a need to contract with a technical consultant to determine BEIPU's hardware and software needs, and to recommend the purchase of equipment best serving these needs.

3. Pilot Credit Program

An essential input to new and expanding export-oriented enterprises is the availability of short and long term development financing. Local sources of financing for development projects are extremely limited and BEIPU's clients

have not been able to access such funds on a consistent basis. With the funds available under the amendment, BEIPU proposes to establish - as a pilot project - a credit program in order to fill this missing gap in its services, setting aside \$100,000 in grant funds for this purpose. Below is a description of a proposed pilot credit program. Prior to proceeding, BEIPU and A.I.D. will carefully assess the viability of such a program and will work out all aspects of such mechanisms in detail. Establishment of the program is contingent upon the written mutual agreement of all parties concerned; BCCI, USAID and Financial Institution(s).

BEIPU will not undertake the administration of a credit program. Instead, the program will be turned over to the National Development Foundation of Belize and/or a bank for administering. Discussions have already been held with a leading commercial bank, The Belize Bank of Commerce and Industry, formerly the Royal Bank of Canada.

The Belize Bank believes that the need for BEIPU to have at its disposal a ready source for short and long term develop credit is an essential one. It is a role BEIPU must play, and which in the long run will have a positive impact on its own stature, as an institution, not to mention the impact on the companies receiving the financing.

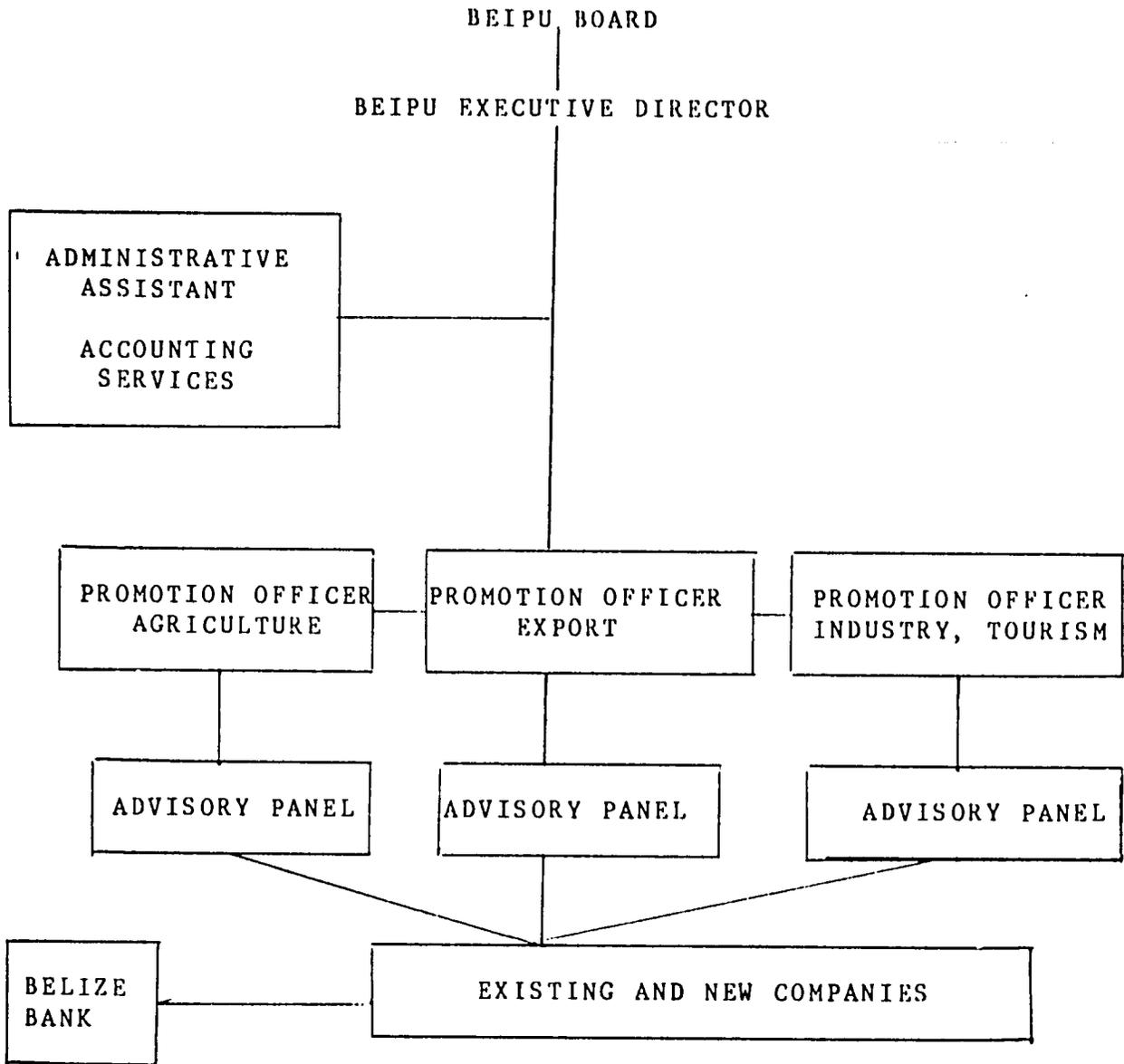
The Belize Bank is not only agreeable to administrating a small loan program for BEIPU, but will match the USAID grant of U.S.\$100,000 (Bz\$200,000) with a like contribution of its own, thereby establishing an initial joint loan fund of Bz\$400,000. The fund will be used primarily for export financing, including the purchasing, manufacturing and packaging, etc of goods for export. The Belize Bank will be given the authority to appraise and approve all loans, applying the terms and conditions it feels are appropriate to stimulate new export activities, all within the limits of sound banking practices. It will also be responsible for the collection and repayment of loans, in a manner similar to all its other loans. BEIPU and the Belize Bank will work out a joint financing mechanism, the principal objective of which will allow the bank to take more risks in the financing of export-oriented enterprises than it would normally do. For example, it would extend long term financing (commercial banks in Belize confine their lending to short term loans, only preferred clients qualifying for long term financing), and it would under certain conditions extend unsecured financing, a notable departure from practices today in Belize. Under this activity, BEIPU will first prepare and submit to USAID a detailed plan (policy, procedure and responsibilities) for operating the Credit Program acceptable

to both BEIPU and the Belize Bank, before funds are disbursed.

By the same token, in view of AID/W's concern in and interest to review all credit programs, the USAID will not disburse any funds under the Pilot Credit Program without reviewing the Program with LAC/DR and LAC/PSA.

To make certain the Pilot Credit Program does get off to a good and timely start, and that it is given the attention and expertise it needs to evolve into a permanent development institution, Belize Bank representation on BEIPU's Board of Directors is planned.

ORGANIZATION CHART



3. International Executive Service Corps (IESC)

a. Outputs

The existing Cooperative Agreement with IESC signed July 28, 1986, will be amended to include the additional funding of \$100,000 for the purpose of providing technical assistance to small and medium sized firms in Belize as follows:

- | | |
|----------|---|
| \$45,000 | Technical assistance support to small and medium size enterprises, such support being closely coordinated with the type of businesses that are being financed by the National Development Foundation of Belize (NDF/B). |
| \$45,000 | Technical assistance to export-oriented and tourist-related enterprises. To the extent possible, this assistance will be coordinated with BEIPU. |
| \$10,000 | Administrative expenses, including office equipment, for IESC's Belize City Office. |

The expiration date of the Cooperative Agreement, as amended, will be extended for an additional one year, from December 31, 1988 to December 31, 1989. The draw-down of A.I.D. funds will commence on or about July 28, 1988. It is expected that A.I.D. funds will provide technical assistance to about eleven of IESC's clients.

b. Inputs

Of the \$147,400 program, A.I.D. will finance \$100,000 or 68%, and IESC clients/volunteers \$47,000 or 32%. A.I.D. funds will finance:

- | | | |
|----------|---|---|
| \$90,000 | - | Short term technical assistance to private enterprises, many export-oriented and tourist-related. |
| \$10,000 | - | Administrative expenses, including office equipment, of IESC's Belize City Office. |

B. Public Sector

The public sector component of the A.I.D. Grant Agreement with the GOB will be amended to include: 1) a new component - Restructuring of and Improvement to Archaeological Sites, and

2) \$540,000 for financing activities within this component. The Department of Archaeology within the Ministry of Education, Youth and Sport will be the primary implementing agency. The A.I.D. Grant Agreement is with the Ministry of Commerce, Industry and Tourism and the USAID looks to this Ministry for project implementation; however, the Ministry of Commerce, Industry and Tourism will work closely with the Department of Archaeology in implementing this site improvement project. The first archaeological project proposed for financing under the new component is Caracol, at a cost of \$310,000. The balance of \$230,000 will be available for the improvement of other archaeological sites (such as Altun Ha, Lamanai, Lubaantun and Nim Li Punit) that the GOB will select for future financing.

The GOB plans to prepare a Master Plan for the development of Caracol in order that the development of this valuable site is well controlled, and to facilitate the financing of the excavation, consolidation and restoration of other sections within the site in the years ahead from international donors. The plan will be financed by the USAID, under the Economic Stabilization Grant (0012), and the first section to be included in the Plan will be the consolidation work of Caracol, as discussed in this paper. This activity is an integral part of the comprehensive development of Caracol, and the financing by A.I.D. of the proposed consolidation work at Caracol will lead to the first, significant influx of tourists to this region of Belize.

1. Caracol

a. Background

Caracol is an extensive Maya archaeological site located in the Cayo District of Belize. It is the largest site in the country. Caracol has been the focus of intensive archaeological research since 1985. This work has proved that Caracol is one of the major sites in Maya prehistory and has underscored the site's potential as a premier tourist attraction for the country of Belize. The site contains the remains of numerous buildings and carved stone monuments; it also houses the tallest construction in Belize.

Caracol conquered the Guatemalan site of Tikal and is larger than this well established tourist destination. With the proper development, Caracol could easily provide a focus for tourism in Belize such as Tikal has demonstrated for Guatemala. Its potential as a tourist attraction is enhanced by the tropical forest and abundant wildlife as well as its access through the beautiful mountains, forests, and rivers of

the Forestry Reserve of the Pine Ridge.

Archaeological work at Caracol has focused on mapping the remains of this huge ancient city and doing research oriented excavation of its buildings and plazas in order to reconstruct the lifeways of its inhabitants and to retrace their history. This work is also documenting the key role that Caracol played in the Maya world. Although Caracol was first occupied at about 300 B.C., the site did not achieve its present size and prominence until between A.D. 500 and 900. During this time, Caracol was a thriving metropolis with well over 4000 buildings, and impressive series of civic and religious constructions, extensive agricultural fields interspersed with housing, and a well maintained system of roads integrating the site epicenter with the fields and outlying population; the city was home to at least 20,000 people.

Centuries of wind, and rain have left mounds of earth covering buildings of Caracol; digging is necessary to reveal them and consolidation/stabilization is necessary to preserve them. Walls dangerously tilted from the stresses of several centuries of disuse must be re-built or shored up, cracks must be mended. Consolidation is an absolutely necessary precursor to significant tourism, both for the creation of photogenic vistas and to allow even the most intrepid visitor to walk and climb without knocking down or destroying an ancient building or without fear of collapse. However, as current Caracol activity is a research endeavor, only a small portion of the project budget can be expended in consolidation at the site. While there are already sizeable numbers of visitors to the site each year, far more stabilization is necessary to ready Caracol for tourists, and to be able to promote it as a tourist destination.

b. Need for A.I.D. Financing

Research done at archaeological sites in the Maya area is accomplished with limited funds, and the funding agencies that are available to archaeologist all have finite amounts of monies which are allotted to research. The funds are generally not available for the development of site for tourism, even should the goals of the archaeologist and the national interest coincide, as they do at Caracol.

Given the limited amount of funding available for archaeological research, it is not surprising that the traditional anthropological sources for grant monies (National Science Foundation, National Geographic Society, National Endowment for the Humanities) are reluctant to support even minimal consolidation and stabilization efforts. Even should

the traditional anthropological funding agencies be able to depart from their research orientation, and support such development efforts, the amount of funding that they could provide would be insufficient. Entire archaeological field projects rarely realize \$50,000 for in-field expenditures from either the National Science Foundation or the National Endowment for the Humanities because of overhead and other imposed costs. In National Geographic's case, their maximum award only approaches \$40,000 and these funds are awarded for research and not development. Thus, the funding for such development efforts is not available from any traditional anthropological granting agencies.

Given the priority placed on tourism by USAID/Belize, it is the logical source for funding the proposed consolidation program. Such funding would not only further the archaeological development of the site, but also foster Belizean interests in developing Caracol as a national park and world-wide tourist destination.

The proposed A.I.D. funding will form a distinct phase in Caracol's touristic development as the infusion of funds would allow specific architectural vistas in the site epicenter to be excavated and stabilized from start to finish. The end result would be that Caracol would not only have the demeanor and appearance appropriate for a site of its status, but also that part of the site epicenter would become open and available to the public and give that public a reason for wanting to see and visit Caracol.

This funding is also crucial for another reason. Once the major vistas in the site epicenter have been developed, it will be possible for the Belizeans or the archaeologists to slowly, but surely, stabilize other smaller areas of Caracol over a period of many years, probably building by building. The epicenter itself consists of massive architecture, the stabilization of which requires a major infusion of cash that is currently not available from any known funding source. If the epicenter can be stabilized and developed for visitors, it should prove possible to draw the necessary tourists and future support to continue developing Caracol.

c. Outputs

The proposed consolidation work at Caracol will be undertaken by the University of Central Florida under a host country contract with the GOB. (See Section VII). The outputs for each year of the two year project are:

1989

The project at Caracol will finance the consolidation of the front or south face of Caana (Table 1), the most impressive and massive architectural complex at the site. This view of Caana is also the most imposing vista. From an archaeological and touristic standpoint, the consolidation of any part of Caana will serve as a firm base for any further development of Caracol.

The project involves exposing that architecture which remains on the front face and stabilizing it for touristic purposes. This means that the upper room block on the southern side of the summit will be exposed and consolidated, the range of rooms mid-way down Caana will be similarly treated, and the central stairway will be restabilized. Architecture already exposed at Caana's summit will also be consolidated.

The exposure of this architecture will be done in accord with standard archaeological practice and recording procedures, meaning that all artifactual material will be properly recovered and recorded both in and out of the field. In the field, however, all cut rock and marl will be carefully stock-piled during the excavation to ease the subsequent job of the consolidation crews. Following the exposure of the architecture and its proper recording, the stabilization teams will immediately begin their work. This effort will involve the use of massive amounts of marl and rock, cement and lime, and water, which will be pumped to Caana from a small natural aguada some 800 meters to the east. The excavation and stabilization efforts will be carried out in orderly manner and in a logical progression in order to ensure that the proposed task for the first year is completed within the allotted time, by July, 1989.

1990

The 1990 consolidation program at Caracol will be multi-focused. As the 1989 program will have stabilized the front (south face) of Caana and the previously exposed architecture of the summit of the complex, the first 1990 consolidation sub-program will focus on the continued exposure of the summit architecture and its stabilization. This sub-program would form a logical extension of the 1989 consolidation work.

The second, and primary focus, of the 1990 season will be the consolidation and stabilization of Caracol Structure A6 (the "Temple of the Wooden Lintel") and its attendant platform.

Structure A6 is one of the few visible standing edifices at Caracol and it dominates the eastern side of the A Group plaza. The rear view of the building is extremely impressive and forms a major architectural vista for the site.

A third, minor focus of the 1990 season will be Structure D17 in the South Acropolis. A major tomb in this building was excavated in 1953 and it is currently open and viewable. Its entranceway, however, needs to be shored-up against further collapse. Additionally, there is an exposed building above this chamber which could be stabilized for viewing. Such consolidation can be accompanied with minimum effort, but with great touristic effect - especially as almost all visitors to Caracol wish to see and enter a Maya tomb.

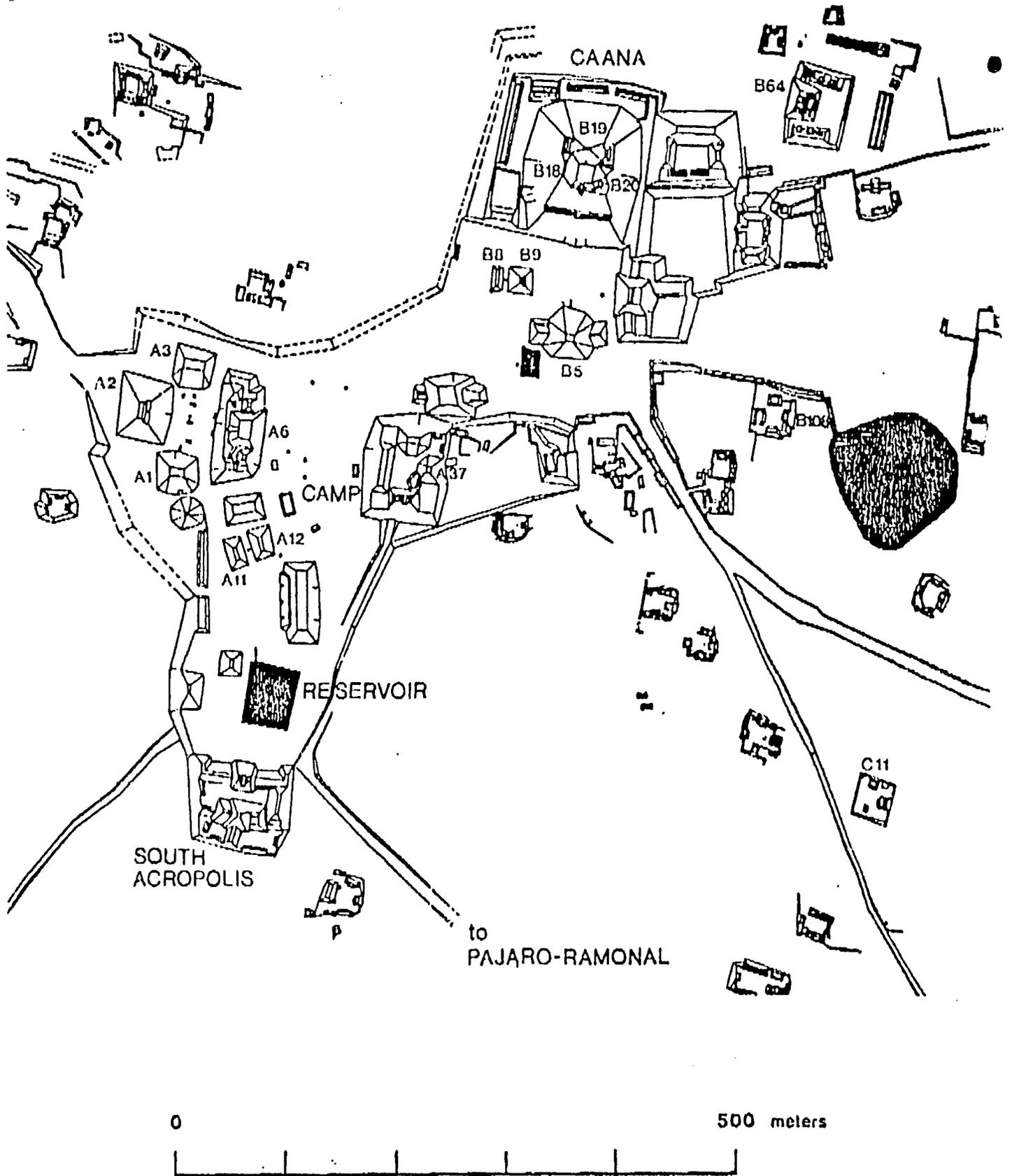


TABLE I - Epicentral Caracol. North is to the top of the page.

Inputs

The two year A.I.D. funding of Caracol is estimated to cost \$310,000. Funding for year one, July, 1988 to July, 1989, is estimated to cost \$191,000, year two January, 1990 to July, 1990, is estimated to cost \$119,000.

The total cost of the project is \$589,600. The \$310,000 DA grant will fund a host country contract between the GOB and the University of Central Florida. A \$75,000 GOB contribution represents counterpart funds generated under the Economic Stabilization Grant (0012). A breakdown of the A.I.D. funding follows:

a) Salaries (Senior Administrative and field personnel	\$29,600
b) U.S. air travel	\$11,900
c) Staff Subsistence in Belize	\$86,100
d) U.S. equipment and supplies	\$82,400
e) Belizean Assistance and Excavators	\$50,500
f) Vehicle, Operation & Maintenance	\$7,200
g) Analyses of materials	\$7,100
h) Contingencies & Inflation (Approximately 12%)	\$35,200

IV. FINANCIAL ANALYSIS AND PLAN

Life of Project Budgets for BCCI, IESC and the GOB components are presented in the Financial Analysis Annex. The financial tables below are for the activities described in this PP Amendment.

A. BCCI

The total cost of the BCCI activity is \$435,000, of which \$260,000 (60%) will be an A.I.D. DA Grant, and \$175,000 (40%) will be membership dues paid to the BCCI. The life of this activity is three years, from late July, 1988 to July 23, 1991 (expiration date of existing Cooperative Agreement). The table below shows the items to be financed by A.I.D. over the three year period, as well as BCCI's contribution.

BUDGET
SUMMARY FINANCIAL PLAN
(US\$)

	<u>FY 89</u>	<u>FY 90</u>	<u>FY 91</u>	<u>TOTAL</u>
Personnel <u>1/</u>	75,000	50,000	25,000	150,000
Equip. & Supplies <u>2/</u>	15,000	2,500	2,500	20,000
Vehicles	30,000			30,000
Rent, utilities and communications	8,000	5,000	3,500	16,500
Promotion <u>3/</u>	4,000	1,500	1,000	6,500
Travel <u>4/</u>	8,000	3,000	2,000	13,000
Contingency/Inflation <u>5/</u>	<u>14,400</u>	<u>6,400</u>	<u>3,200</u>	<u>24,000</u>
A.I.D.	154,400	68,400	37,200	260,000
BCCI <u>6/</u>	<u>25,000</u>	<u>50,000</u>	<u>100,000</u>	<u>175,000</u>
Total Project	179,400	118,400	137,200	435,000

1/ Salaries for General Manager, Accountant, two new department heads and three secretaries

2/ Office equipment for two new departments. See Annex E

3/ Membership meetings

4/ Local and U.S. travel for department heads

5/ 10% (approximately)

6/ Membership income: covers personnel costs, office and program expenses, etc, as A.I.D. funds decline, leading to self-sufficiency

Estimated BCCI membership for three year period:

FY 89	-	150;
FY 90	-	200;
FY 91	-	350.

1. Self-sufficiency

The key to BCCI's self-sufficiency is increased revenue through increased membership in the Chamber. Under the three year program this is accomplished, membership going from 150 in FY 1989 to 350 in FY 1991; revenues from \$25,000 to \$100,000 during the same period. A.I.D. funding over the three year period declines from \$154,400 to \$37,200. In year 1992, the year after all A.I.D. funds have been disbursed, BCCI achieves self-sufficiency, covering personnel costs, the major item, from its expanded revenue estimated to be at least \$100,000 for that year.

B. BEIPU

The cost estimates of the Export Promotion component of the BEIPU program totals \$875,000, of which \$600,000 will be financed by the USAID Grant. The remaining \$275,000 represents \$100,000 from the Belize Bank and an in-kind service contribution of BEIPU's Board members, Advisory Panel members and GOB officials.

The amendment adds two years to the project, extending the existing life of the project to five years, from July, 1988 to July 1993. A summary financial plan is presented below.

BUDGET
SUMMARY PROJECTS

CATEGORY	YEAR																				TOTAL
	1 (88-89)				2 (89-90)				3 (90-91)				4(91-92)				5 (92-93)				
	USAID		BEIPU		USAID		BEIPU		USAID		BEIPU		USAID		BEIPU		USAID		BEIPU		
	FX	LC	FX	LC	FX	LC	FX	LC	FX	LC	FX	LC	FX	LC	FX	LC	FX	LC	FX	LC	
Personnel <u>1/</u>		30			30			30					80				80				250
Equipment & Supplies <u>2/</u>	50																				50
Promotion <u>3/</u>		19			19			4					4				4				50
TA/Short Term <u>4/</u>	55			50				15					15				15				150
Credit Program <u>5/</u>		20		20		20		20		20		20		20		20		20		20	200
In-kind Service <u>6/</u>																					
Board Member				20				20				20				20				20	100
Advisory Panel Member				10				10				10				10				10	50
GOB officials				5				5				5				5				5	25
Total <u>7/</u>	105	69		55	50	69		55	15	54		55	15	104		55	15	104		55	875

1/ One export promotion officer and secretary at \$30,000 per year plus \$100,000 portion of staff salaries paid in years four and five

2/ Computer hardware and software will include PCs for secretaries and professional staff with central printer/monitor/hard discs/backup system/surge protectors and battery backup (\$35,000), software for accounts/data base/word processing/spreadsheet \$5,000, plus one man month of TA to determine specific types of hardware, software and training needs for staff \$10,000. See Annex E.

3/ Three investment profiles will be prepared during year 1, three additional profiles in year 2 at \$5,000 each.

4/ Short-term TA in country at \$40,000 (4 man months) for year 1 and \$35,000 (3.5 man months) for year 2. and trade correspondents at \$15,000 per year (1.5 man months per year).

5/ Credit funds spread evenly over life of project; \$100,000 from USAID, \$100,000 from Belize Bank.

6/ Inkind services spread evenly over life of project.

7/ USAID - \$600,000; BEIPU/Belize Bank - \$275,000

1. Financial Plan

The Financial Plan encompasses three main areas. They are: 1) the development of a capacity to provide effective, useable services (i.e., staff); 2) the establishment of saleable services and an income stream; and 3) the development of a secure financial base for the future. During the first two years of BEIPU, two of the three areas of the financial plan have been accomplished.

First, the staff of BEIPU now has the capacity to provide effective services. Second, a system is in place to provide a number of usable services to the private sectors, such as consulting services, export commission and brokerage services, feasibility services, concession applications, etc. All services (seven) are established and generating limited income. With respect to the third area, the developing of a secure financial base, or BEIPU's financial self-sufficiency, is discussed below.

2. Self-Sufficiency

One major reason for amending the BEIPU Program, aside from the increase in funding, is to extend the project for an additional two years, thereby giving BEIPU more time to generate more funds internally and to explore fully other sources of funding. BEIPU's projected expenditures and income over the extended period of the project (July, 1993) is shown in Annex C.

To summarize: BEIPU's overall expenditures are projected to reach a high of \$791,000 in July 1989. Over the following five years they drop considerably to \$152,000 in July, 1994. This marked reduction is expected to be achieved through a number of management cost saving actions in BEIPU's operations. The idea presently being considered to integrate the Executive Director and Administrative Assistant of BEIPU into the Chamber (BCCI) could also help to achieve a saving. The merger will reduce costs and will at the same time serve to strengthen both the Chamber and BEIPU and make the relationship sound. The expanding membership of the Chamber is expected to pick-up twenty-five percent of the cost of the merged positions by July 1991 and fifty percent by July 1993. Costs will be further reduced through reductions in some activities such as investor search activities, equipment, promotion materials, promotion travel and technical assistance, etc. Such reductions are estimated to total about \$80,000 for the period ending July 1991.

The Technical Assistance line item above is based on the standard IESC charge of the equivalent of \$8,930 per technical assistance sub-project (average 1 month).

This amount includes:

- Travel, executive and spouse:	\$2,000
- Per diem, \$171 per day for 30 days (2 persons)	5,130
- Recruitment	<u>1,800</u>

Total \$8,930 per sub-project

Based on the above, a total of about 11 sub-projects will be funded by the U.S.\$100,000 A.I.D. Grant

1/ IESC Clients: Each sub-project is required to pay 10% (or \$893) of IESC's overall technical assistance costs charged to each sub-project. ($\$893 \times 11 = \$9,823$).

2/ IESC Volunteer: The above figure of \$37,620 represents an "in-kind" contribution of a volunteer's salary for each sub-project (average one month): $\$171 \text{ per day} \times 20 \text{ working days} = \$3,420 \text{ per sub-project} \times 11 \text{ sub-projects} = \$37,620$.

D. Caracol

The Caracol project is estimated to cost \$589,600, of which \$310,000 will be A.I.D.-financed, \$86,300 (\$75,000 are counterpart funds under Economic Support Fund Project) will be financed by the GOB and \$193,300, representing direct and indirect in-kind cost, by a university and other private donors. Of the A.I.D. Grant, \$191,000 will be needed in year one and \$119,000 in year two. Table 2 shows the cost estimates for each year, and Table 3 shows consolidated cost estimates of the two year project.

TABLE 2 1/
YEAR ONE BUDGET
July, 1988 to July, 1989
(US\$000)

	<u>USAID</u>		<u>GOB</u>		<u>OTHER</u>		<u>TOTAL</u>
	<u>FX</u>	<u>LC</u>	<u>FX</u>	<u>LC</u>	<u>FX</u>	<u>LC</u>	
Personnel (US)	13.4				41.1		54.5
(Salary/Fringe Benefits)							
Harry Frank Guggenheim					20.1		20.1
Subsistence in Belize		41.7					41.7
Travel (international)	5.9						5.9
Equipment (US)	73.4						73.4
Vehicle Operation		3.6					3.6
Belizean Assistants and excavators		29.4		35.7			65.1
Belize Audubon Society						3.0	3.0
Analysis of Materials	2.5						2.5
In Kind							
Volunteer Supervisors and specialists						32.4	32.4
Motor Vehicle of Senior personnel						9.0	9.0
Sub Total	<u>95.2</u>	<u>74.7</u>	<u>—</u>	<u>35.7</u>	<u>61.2</u>	<u>44.4</u>	<u>311.2</u>
Contingency/Inflation	<u>12.0</u>	<u>9.1</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>21.1</u>
Total Year one	<u>107.2</u>	<u>83.8</u>	<u>—</u>	<u>35.7</u>	<u>61.2</u>	<u>44.4</u>	<u>332.3</u>

YEAR TWO BUDGET 1/
January, 1990 to July, 1990
(US\$000)

	<u>USAID</u>		<u>GOB</u>		<u>OTHER</u>		<u>TOTAL</u>
	<u>FX</u>	<u>LC</u>	<u>FX</u>	<u>LC</u>	<u>FX</u>	<u>LC</u>	
Personnel (US)	16.2				43.2		59.4
(Salary/Fringe Benefits)							
Subsistence in Belize		44.3					44.3
Travel (international)	5.9						5.9
Equipment (US)	9.0						9.0
Vehicle Operation		3.6					3.6
Belizean Assistants and excavators		21.1		50.7			71.8
Belize Audubon Society						3.0	3.0
Analysis of Materials	4.6						4.6
In Kind							
Volunteer Supervisors and specialists						32.4	32.4
Motor Vehicle of Senior personnel						9.0	9.0
Sub Total	<u>35.7</u>	<u>69.0</u>	<u>—</u>	<u>50.7</u>	<u>43.2</u>	<u>44.4</u>	<u>243.0</u>
Contingency/Inflation	<u>6.1</u>	<u>8.2</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>14.3</u>
Total Year two	<u>41.8</u>	<u>77.2</u>	<u>—</u>	<u>50.7</u>	<u>43.2</u>	<u>44.4</u>	<u>257.3</u>

1/ For detailed budgets see Annex G

TABLE 3
CONSOLIDATED BUDGET (two years)*
July 1988 to September 1990
Summary Cost Estimates
(US\$000)

	<u>USAID</u>		<u>GOB^{1/}</u>		<u>OTHER</u>		<u>TOTAL</u>
	<u>FX</u>	<u>LC</u>	<u>FX</u>	<u>LC</u>	<u>FX</u>	<u>LC</u>	
Personnel (US)							
(Salary/Fringe Benefits)	29.6				84.4		114.0
Harry Frank Guggenheim Grant ^{2/}					20.1		20.1
Subsistence in Belize		86.1					86.1
Travel (international)	11.9						11.9
Equipment (US)	82.4						82.4
Vehicle Operation		7.2					7.2
Belizean Assistants and excavators		50.5		86.3			136.8
Belize Audubon Society ^{3/}						6.0	6.0
Analysis of Materials In Kind	7.1						7.1
Volunteer Supervisors and specialists						64.8	64.8
Motor Vehicle of Senior personnel						18.0	18.0
Sub Total	<u>131.0</u>	<u>143.8</u>	<u>—</u>	<u>86.3</u>	<u>104.5</u>	<u>88.8</u>	<u>554.4</u>
Contingency/Inflation	<u>17.0</u>	<u>18.2</u>					35.2
	<u>148.0</u>	<u>162.0</u>					
	310.0			86.3	193.3		589.6
	(52.4%)			(14.6%)	(33%)		(100%)

^{1/}GOB contribution of \$86.3 covers \$75 for salaries of Belizean Assistants and Excavators and \$11.3 for salaries/subsistence of Department of Archaeology. Contribution of \$75 is local currency counterpart of U.S. dollar transfers under Economic Support Fund II Project (ESF).

^{2/}Covers cost of the year two study at Caracol

^{3/}Covers cost of Caracol caretaker.

*See Annex G

CONSOLIDATED FINANCIAL SUMMARY OF ALL ACTIVITIES
(US\$000)

	<u>A.I.D.</u>			<u>GOB</u>	<u>BCCI</u> (Private)	<u>BEIPU</u> (Private)	<u>Other</u> (Private)	<u>Total</u> <u>Project</u>
	<u>FX</u>	<u>LC</u>	<u>TOTAL</u>					
BCCI	91.3	168.7	260.0		175.0			435.0
BEIPU	200.0	400.0	600.0			275.0		875.0
IESC	90.0	10.0	100.0				47.4 ^{1/}	147.4
CARACOL	<u>148.0</u>	<u>162.0</u>	<u>310.0</u>	<u>86.3</u>			<u>193.3</u> ^{2/}	<u>589.6</u>
	529.3	740.7	1,270.0	86.3	175.0	275.0	240.7	
Totals	<u>1,270.0</u>			<u>86.3</u>	<u>777.0</u>		<u>240.7</u>	2,047.0
	62%				38%			100%

^{1/} Contribution of IESC client.

^{2/} Caracol - See consolidated budget.

E. Payment Verification Policy

1. Prepared methods of payment contained in the Payment Verification Policy Statement Nos 2 and 3 will be used, as outlined in the table below.

BCCI/BEIPU
Financial Plan
(\$000)

<u>Assistance</u>	<u>Implementation</u>	<u>Payment</u>	<u>Amount</u>
Personnel	Recipient Contract	Direct Reimbursement	634
Long Term TA	A.I.D. PSC	Direct Payment	230
Investor Search	A.I.D. contract	Direct Payment	75
Equipment and Supplies	Recipient contracts	Direct Reimbursements	157
Project Management	A.I.D. PSC	Direct Payment	100
Logistical Support	Recipient contracts	Direct Reimbursements	136.5
Promotional Costs International			
Travel/Trade shows	Recipient contracts	Direct Reimbursement	279.5
Vehicle	A.I.D. Contract	Direct Payment	30
Promotion Material	Recipient contracts	Direct Reimbursements	210
Evaluation/Audit	A.I.D. Contract	Direct Payment	85
Training of BEIPU Clients	A.I.D. contracts/ PIO/Ps	Direct Payment	20
Short Term TA			
Studies/Institutional Strengthening	A.I.D. contract	Direct Payment	945
Credit Program	Recipient contract	Direct Reimbursement	100
Contingency/Inflation			258
Total			3,260

Cooperative Agreement with
IESC

<u>Assistance</u>	<u>Implementation</u>	<u>Payment</u>	<u>Amount</u>
Technical Assistance	Recipient Contracts	LOC	180
IESC Operations	Recipient Contracts	LOC	20

GRANT TO GOB

Assistance	Implementation	Payment	Amount
Technical Assistance	HC Contract	Direct Reimbursement	49
Equipment	HC Contract	Direct Reimbursement	97
BTB Operations			-0-
Promotion	A.I.D. Contract	Direct Payment	453
Subsistence Supplies	HC Contracts	Direct Reimbursement	86
Belizean Assistant and Excavators	HC Contracts	Direct Reimbursement	50
In-kind salaries	N/A	N/A	-0-
In-kind vehicle	N/A	N/A	-0-
Archaeological site Improvement (to be programmed)	N/A	N/A	180
Contingencies and Inflation	N/A	N/A	125
TOTAL			1,040

1. Audits

In accordance with Payment Verification Policy No. 6, audits and other financial reviews will be conducted once a year. Grant funding has been set aside in the Cooperative Agreement with BCCI for auditing. It is anticipated that the Project Component with the GOB will be audited by the GOB and financially reviewed under an IQC-type arrangement with a local auditing firm.

V. IMPLEMENTATION PLAN AND SCHEDULE

A. BCCI

The existing Cooperative Agreement with BCCI will be amended to include the additional funding of \$200,000 for this new institutional strengthening activity.

Estimated Implementation Schedule

July - September, 1988	Under existing Cooperative Agreement, \$45,000 allocated to finance short-term TA for preparing scopes of work for four new departments as well as scopes of work (job descriptions) for the staff of each department. All scopes of work to be prepared by September, 1988.
October - November, 1988	Disbursements under grant amendment commence, financing hiring/training of staff and purchase of furniture, equipment and supplies for four new departments.
December, 1988	Four departments fully staffed, equipped and operational. A.I.D. funds finance largely salaries of staff.
January 1989 - Sept. 1991	Four departments operating effectively. A.I.D. funds finance salaries only. BCCI revenues increasing. A.I.D. funds fully disbursed by July 1991. BCCI obtains self-sufficiency, maintains viable operations. No further need for A.I.D. subsidy financing.

B. BEIPU

A schedule of major events follows:

1988
Amendment to Cooperative Agreement
signed, obligating \$50,000 July (last week)

Evaluating computer systems for purchase	August
Purchase of computer hardware and software	September
BEIPU/Belize Bank sign agreement re administration of Credit Program and first loan to exporting company authorized	November
Export Promotion Officer and secretary hired	November
Short term TA contracted	<u>1989</u> January
First issue of BEIPU newsletter (quarterly thereafter)	March
In-depth Evaluation	March
First issue of BEIPU Investment Profile (5 more to follow)	April
Annual Review, submittal of of plan and budget	June
Annual review, submittal of plan and budget	<u>1990</u> June
In-depth evaluation	<u>1991</u> January
Annual Review, submittal of plan and budget	June
Annual Review, submittal of plan and budget	<u>1992</u> June
In-depth Evaluation	December
Project termination	<u>1993</u> July

C. IESC

Amendment to Cooperative Agreement signed, obligating \$50,000	<u>1988</u> July (last week)
Annual Evaluation	
Quarterly Progress Report submitted	September
Quarterly Progress Report Submitted	December
Quarterly Progress Report submitted	<u>1989</u> March
Quarterly Progress Report submitted	June
Annual Evaluation	
Quarterly Progress Report submitted	September
Final Progress Report submitted	
Project terminated	December

IESC will over a one year period use A.I.D. Grant funds to 1) provide technical assistance support to small and medium size enterprises (\$90,000); 2) and cover the administration expenses of its Belize City Office (\$90,000).

USAID will monitor project implementation to assure that the terms of the Cooperative Agreement are met.

USAID will actively participate in annual reviews of activities financed under the Cooperative Agreement, as amended, as well as make arrangements for at least two annual reviews of the activities carried out by IESC under its Agreement.

Quarterly Progress Reports: IESC will submit to USAID/Belize, on a quarterly basis, a list of all technical assistance sub-projects either proposed, approved by IESC, underway or completed.

D. Caracol

The schedule presented below represents project work for each of the two years of the program, 1989 and 1990.

<u>1988</u>	
July 26	Amendment to GOB Grant Agreement signed, obligating \$200,000 financing 1989 work.

September	GOB signs host country contract with University of Central Florida for year one work.
October	Begin purchasing supplies and equipment from U.S. for 1989 work, permitting time for shipping to Belize.
<u>1989</u> (first year)	
January 23	U.S. personnel arrive in Belize for hiring of subsistence staff from Succotz and Patchakan/Xaibe; meetings with the Department of Archaeology.
January 29 - 30	Arrival of U.S. staff in Belize.
January 31	All U.S. and local staff arrive at Caracol.
February 1	A.I.D. approves program (description costs, schedule, etc.) for year two work.
Feb. 1 - March 21	First phase of excavation and consolidation.
March 22 - April 4	Easter break and Succotz Fiesta.
April 5 - May 30	Second phase of excavation and consolidation.
May 31 - June 20	Break (usually a time of inclement weather).
June 21 - July 12	Final phase of consolidation.
July 13 - July 19	Wrap-up at Caracol and final meetings in Belize.
July 20	Return to the U.S.
July 26	Amendment to GOB Grant Agreement signed, obligating \$149,924 financing 1990 work.
September	A.I.D. funds fully disbursed for 1989 season.

October	GOB signs Host Country Contract with University of Central Florida for year two work.
December 1989	Presentation of papers relating to year one research at professional meetings, including GOB and USAID.
<u>1990 Second Year</u>	
January 23	Arrival in Belize for hiring of men from Succotz and Patchakan/Xaibe; meetings with the Department of Archaeology.
February 3 - 5	Arrival of staff in Belize
February 6	All staff and men arrive at Caracol.
February 7 - April 10	First phase of excavation and consolidation.
April 11 - 24	Easter break and Succotz Fiesta
April 25 - June 26*	Second phase of excavation and consolidation.
<p>*Depending on rainfall patterns, this second phase may be split in half, running the season until July 17, with Phase II lasting from April 25 until May 29 and Phase III lasting from June 20 until July 17.</p>	
June 27 - 29 or July 18 - 20	Wrap-up at Caracol and final meetings in Belize.
June 30 or July 21	Return to the U.S.
September	A.I.D. funds fully disbursed to 1990 season.
December 1990	Presentation of papers relating to research at professional meetings, including GOB and USAID.

VI. END OF PROJECT STATUS

A. BCCI

At the completion of the three year project, on September 30, 1991, BCCI will have achieved financial self-sufficiency. Membership increases from 75 in July 1988 to 350 by September, 1991. Revenues increase during the same period from \$28,000 to \$125,000. With a greatly strengthened membership and a healthy financial condition, BCCI establishes itself as Belize's leading private sector organization with a growing track record of worthwhile programs and achievements.

B. BEIPU

1. Employment

As a direct result of the additional resources for Export Promotion, a number of benefits will accrue to local exporters. One of the first benefits will be employment. It is anticipated that BEIPU's overall efforts will result in the direct employment of an average of 150 people per year of the project. With the two year extension the project total will increase by 300. In addition, the direct intervention by BEIPU on behalf of indigenous exporters will likely result in 25 additional jobs being created per year for 5 years or 125 additional jobs. Thus, the proposed Cooperative Agreement amendment should result in at least 425 direct additional jobs to the project. This would, when totalled with the already projected 750 jobs during the first 5 years of the project, means that BEIPU's efforts are projected to be directly attributable -- to an increase of 1,175 jobs throughout the life of the project.

2. Human Capital

As a direct result of the training and hands-on experience which will be provided to indigenous entrepreneurs in the Belizean economy, management skills, and technical skills will be greatly increased. The spin off effects of these enhanced skills should stimulate additional economic activity throughout the economy, which in turn shall enhance the movement of human resources out of the traditional mercantilist mode of operation into a more dynamic, productive, export oriented economy in Belize.

3. Foreign Exchange Effect

Attempt will be made throughout the life of the project to quantify as best possible, the net foreign exchange impact on the economy. The increase in investment actively resulting from BEIPU's efforts, will substantially improve the net long-term foreign exchange benefits to Belize.

4. Technology Transfer and Infrastructure Development

Technology transfer will benefit indigenous entrepreneurs. The one on one training and the exposure to new ideas and techniques will result in a general upgrading of the level of technology utilized by local exporters. Infrastructure development will need to take place as the level of technology increases. Through BEIPU's increased dialogue with the GOB, infrastructure development should keep pace with the private sectors needs.

5. Multiplier Effect

As the local private sector begins to export and gain more depth, ancillary industries such as airline, cargo and other transport services, banking, food and lodging will expand. This in turn will translate into greater overall prosperity, resulting in the long term growth of the economy.

C. IESC

Utilizing the second technical assistance tranche of \$90,000 in A.I.D. grant funds, IESC is expected to provide a wide range of technical assistance to 11 sub-projects in Belize. Such assistance will show marked improvement in such areas as employment generation, increased export capability, expansion of tourism enterprises and improved business operations.

The remaining \$10,000 in A.I.D. grant funds, for financing the administrative expenses (including office equipment) of IESC's Belize City Office, are expected to improve substantially the effectiveness of this office in serving a steadily increasing demand for technical assistance from small and medium sized enterprises.

D. Caracol

The results of the consolidation effort at Caracol for the two year project are considerable, as described below:

1980

1. The central and most important construction at Caracol will have its southern, and most visible, face exposed and properly excavated, eventually resulting in the full publication of the archaeological results of this work.
2. A major architectural vista, one which will likely see immediate exploitation in travel brochures and general articles on the Maya, will have been consolidated and opened for viewing by the interested public.
3. This effort will ensure a firm base for opening Caracol to the public and assure visitors of something to see on par with other great sites in the Maya area.
4. By promoting Caracol to a world public, increased tourism will impact on the Cayo District requiring over-night stays in this vicinity, thus drawing tourists into the interior of the country and away from visiting only the cays and Belize City. As there will be no plans to develop over-night tourist facilities at the site, this means that a wide sector of the Belizean public should benefit from the transportation, food, and housing costs of tourists wishing to visit Caracol.

1990

The results of the 1990 consolidation program will be highly visible and will have gone a long way both to make Caracol accessible to the interested public and to ensuring Caracol's reputation as a world class site. A third major architectural vista, that being the rear of Structure A6 and its accompanying platform, will have been stabilized; Structure A6 will also be open for inspection. Two other loci at the site will also benefit from this work. The summit of Caana will see more exposure and stabilization and the Structure D17 building/tomb in the South Acropolis will also be consolidated, bringing tourists to a third stabilized locale in Caracol's epicenter and providing a base for the eventual consolidation of the South Acropolis. From an archaeological perspective, all of these locales will have been properly excavated and recorded, thus ensuring their proper write-up and presentation for both the professional and lay audience. From a touristic standpoint, minimally three different areas of the epicenter will have received substantial consolidation, making the site well worth a visit by the interested tourist. Finally, the 1990 consolidation effort will have the effect of formalizing Caracol's role as Belize's premier archaeological site in the eyes of the world.

With further development and proper long-term planning, Caracol has the potential to draw tourists on a scale equal to or greater than that seen at other stabilized major Maya centers such as Tikal (Guatemala), Copan (Honduras), Palenque (Mexico), and Chichen-Itza (Mexico).

PROJECT DESIGN SUMMARY \$1.5 million Amendment
LOGICAL FRAMEWORK

Project Title and Number: Export and Investment Promotion 505-0027

NARRATIVE SUMMARY	OBJECTIVELY VERIFIABLE INDICATORS	MEANS OF VERIFICATION	IMPORTANT ASSUMPTIONS
<p><u>Goal:</u> To generate employment, income and foreign exchange in the Belizean economy.</p>	<p>--Increased exports of both non-traditional agricultural and industrial goods. --Increased tourism to Belize --Increased employment in the agricultural, industrial and tourism sectors.</p>	<p>--GOB data and statistics --BCCI/BEIPU data and --Belize Bank Record Project reports and evaluations</p>	<p>--GOB policy environment continues to be supportive of export and tourism development. --GOB/BCCI relationship continues to be good.</p>
<p><u>Purpose:</u> To develop the capacity of the private and public sectors to promote, provide technical assistance for, and facilitate export and tourism projects undertaken in Belize.</p>	<p>--BEIPU hires Export Promotion Officer and secretary; BEIPU pilot Credit Program well administered by Belize Bank; indigenous companies receiving technical and financial assistance. --BCCI membership rises</p>	<p>--Mission, BCCI, Belize Bank, Contractor and other records. Project reports and evaluations.</p>	<p>--BCCI membership rises sharply. --Economic activity in Belize robust on all fronts. --Enterprises entering export activities increases substantially. --Tourists continue to</p>

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NARRATIVE SUMMARY	OBJECTIVELY VERIFIABLE INDICATORS	MEANS OF VERIFICATION	IMPORTANT ASSUMPTIONS
	sharply. --BEIPU income soars. --Belizean and expatriate businesses utilizing services provided by BEIPU, BCCI, IESC, and Belize Bank.		pour into country, to caye also Pine Ridge area to visit Caracol and other mayan sites. --Belize Bank takes lead in development lending, taking steps to start development bank with BEIPU
<u>Outputs</u>			
A. Private Sector			
1. <u>BEIPU</u>			
a. Establishes export promotion strategy and services	1. Two new departments set up in BCCI		1. Export Advisor completes task in 6 months
b. Hires Export and Promotion officer and secretary	2. Staff trained and in place in new departments	2. Written report containing strategy	2. BCCI recruits Belizeans for positions.
c. Operates loan program with Belize Bank	3. Manager BCCI and Executive Director BEIPU merge	3. Reports, records, evaluations, site inspections	3. Belizean, U.S. and other businessmen view BEIPU as private projects.
d. BEIPU income steadily increases higher than projected, expenditures decline		4. Belize Bank Reports	
e. Belize free port opens opening new area for BEIPU services			

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NARRATIVE SUMMARY	OBJECTIVELY VERIFIABLE INDICATORS	MEANS OF VERIFICATION	IMPORTANT ASSUMPTIONS
B. Public Sector Component			
1. Caracol two year consolidation work complete	1a. Impressive Maya buildings clearly in view; other sites under reconstruction	Written report containing plan	University Central Florida operates effective
-Other archaeological sites being consolidated	1b. Increased tourism to Belize	Records	Local workers avocable as scheduled; no interference from rain
<u>Inputs</u>			
1. A.I.D. Grant	\$1,500	Life of Project (\$000) 1. A.I.D. records	Sufficient funds available in the OYB
2. Belize BCCI: Membership contributions BEIPU: Inkind contributions IESC: client company contribution Caracol: GOB and private contributions Belize Bank: Loan funds		2. BCCI records Project audits 3. Belize Bank 4. IESC records	BCCI membership soars willing to assist, fund BEIPU.

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5C(1) - COUNTRY CHECKLIST

Listed below are statutory criteria applicable to: (A) FAA funds generally; (B)(1) Development Assistance funds only; or (B)(2) the Economic Support Fund only.

A. GENERAL CRITERIA FOR COUNTRY ELIGIBILITY

1. FY 1988 Continuing Resolution Sec. 526.
 Has the President certified to the Congress that the government of the recipient country is failing to take adequate measures to prevent narcotic drugs or other controlled substances which are cultivated, produced or processed illicitly, in whole or in part, in such country or transported through such country, from being sold illegally within the jurisdiction of such country to United States Government personnel or their dependents or from entering the United States unlawfully?

2. FAA Sec. 401(h). (This provision applies to assistance of any kind provided by grant, sale, loan, lease, credit, guaranty, or insurance, except assistance from the Child Survival Fund or relating to international narcotics control, disaster and refugee relief, or the provision of food or medicine.) If the recipient is a "major illicit drug producing country" (defined as a country producing during a fiscal year at least five metric tons of opium or 500 metric tons of coca or marijuana) or a "major drug-transit country" (defined as a country that is a significant direct source of illicit drugs significantly affecting the United States, through which such drugs are transported, or through which significant sums of drug-related profits are laundered with the knowledge or complicity of the government), has the President in the March 1 International Narcotics Control Strategy Report (INSCR) determined and certified to the Congress (without

No

Congressional enactment, within 30 days of continuous session, of a resolution disapproving such a certification), or has the President determined and certified to the Congress on any other date (with enactment by Congress of a resolution approving such certification), that (a) during the previous year the country has cooperated fully with the United States or taken adequate steps on its own to prevent illicit drugs produced or processed in or transported through such country from being transported into the United States, and to prevent and punish drug profit laundering in the country, or that (b) the vital national interests of the United States require the provision of such assistance?

Yes

N/A

3. Drug Act Sec. 2013. (This section applies to the same categories of assistance subject to the restrictions in FAA Sec. 481(h), above.) If recipient country is a "major illicit drug producing country" or "major drug-transit country" (as defined for the purpose of FAA Sec 481(h)), has the President submitted a report to Congress listing such country as one (a) which, as a matter of government policy, encourages or facilitates the production or distribution of illicit drugs; (b) in which any senior official of the government engages in, encourages, or facilitates the production or distribution of illegal drugs; (c) in which any member of a U.S. Government agency has suffered or been threatened with violence inflicted by or with the complicity of any government officer; or (d) which fails to provide reasonable cooperation to lawful activities of U.S. drug enforcement agents, unless the President has provided the required certification to Congress pertaining to U.S. national interests and the drug control and criminal prosecution efforts of that country?

No

No

No

No

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4. FAA Sec. 620(c). If assistance is to a government, is the government liable as debtor or unconditional guarantor on any debt to a U.S. citizen for goods or services furnished or ordered where (a) such citizen has exhausted available legal remedies and (b) the debt is not denied or contested by such government? No
5. FAA Sec. 620(e)(1). If assistance is to a government, has it (including any government agencies or subdivisions) taken any action which has the effect of nationalizing, expropriating, or otherwise seizing ownership or control of property of U.S. citizens or entities beneficially owned by them without taking steps to discharge its obligations toward such citizens or entities? No
6. FAA Secs. 620(a), 620(f), 620D; FY 1988 Continuing Resolution Sec. 512. Is recipient country a Communist country? If so, has the President determined that assistance to the country is vital to the security of the United States, that the recipient country is not controlled by the international Communist conspiracy, and that such assistance will further promote the independence of the recipient country from international communism? Will assistance be provided directly to Angola, Cambodia, Cuba, Iraq, Libya, Vietnam, South Yemen, Iran or Syria? Will assistance be provided to Afghanistan without a certification? No
7. FAA Sec. 620(i). Has the country permitted, or failed to take adequate measures to prevent, damage or destruction by mob action of U.S. property? No
8. FAA Sec. 620(l). Has the country failed to enter into an investment guaranty agreement with OPIC? No

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9. FAA Sec. 620(o); Fishermen's Protective Act of 1967 (as amended) Sec. 5. (a) Has the country seized, or imposed any penalty or sanction against, any U.S. fishing vessel because of fishing activities in international waters? (b) If so, has any deduction required by the Fishermen's Protective Act been made? No
10. FAA Sec. 620(q); FY 1988 Continuing Resolution Sec. 518. (a) Has the government of the recipient country been in default for more than six months on interest or principal of any loan to the country under the FAA? (b) Has the country been in default for more than one year on interest or principal on any U.S. loan under a program for which the FY 1988 Continuing Resolution appropriates funds? No
11. FAA Sec. 620(s). If contemplated assistance is development loan or to come from Economic Support Fund, has the Administrator taken into account the percentage of the country's budget and amount of the country's foreign exchange or other resources spent on military equipment? (Reference may be made to the annual "Taking Into Consideration" memo: "Yes, taken into account by the Administrator at time of approval of Agency OYB." This approval by the Administrator of the Operational Year Budget can be the basis for an affirmative answer during the fiscal year unless significant changes in circumstances occur.) N/A
12. FAA Sec. 620(t). Has the country severed diplomatic relations with the United States? If so, have relations been resumed and have new bilateral assistance agreements been negotiated and entered into since such resumption? No

13. FAA Sec. 620(u). What is the payment status of the country's U.N. obligations? If the country is in arrears, were such arrearages taken into account by the A.I.D. Administrator in determining the current A.I.D. Operational Year Budget? (Reference may be made to the Taking into Consideration memo.) Current
14. FAA Sec. 620A. Has the President determined that the recipient country grants sanctuary from prosecution to any individual or group which has committed an act of international terrorism or otherwise supports international terrorism? No
15. FY 1988 Continuing Resolution Sec. 576. Has the country been placed on the list provided for in Section 6(j) of the Export Administration Act of 1979 (currently Libya, Iran, South Yemen, Syria, Cuba, or North Korea)? No
16. ISDCA of 1985 Sec. 552(b). Has the Secretary of State determined that the country is a high terrorist threat country after the Secretary of Transportation has determined, pursuant to section 1115(e)(2) of the Federal Aviation Act of 1950, that an airport in the country does not maintain and administer effective security measures? No
17. FAA Sec. 666(b). Does the country object, on the basis of race, religion, national origin or sex, to the presence of any officer or employee of the U.S. who is present in such country to carry out economic development programs under the FAA? No
18. FAA Secs. 669, 670. Has the country, after August 3, 1977, delivered to any other country or received nuclear enrichment or reprocessing equipment, materials, or technology, without specified arrangements or safeguards, and without special certification by the President? Has it transferred a nuclear explosive device to a non-nuclear weapon state, or if such a state, either received or detonated a nuclear explosive device? (FAA Sec. 620E permits a special waiver of Sec. 669 for Pakistan.) No
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19. FAA Sec. 670. If the country is a non-nuclear weapon state, has it, on or after August 8, 1985, exported (or attempted to export) illegally from the United States any material, equipment, or technology which would contribute significantly to the ability of a country to manufacture a nuclear explosive device? No
20. ISDCA of 1981 Sec. 720. Was the country represented at the Meeting of Ministers of Foreign Affairs and Heads of Delegations of the Non-Aligned Countries to the 36th General Assembly of the U.N. on Sept. 25 and 28, 1981, and did it fail to disassociate itself from the communique issued? If so, has the President taken it into account? (Reference may be made to the Taking into Consideration memo.) No
21. FY 1988 Continuing Resolution Sec. 528. Has the recipient country been determined by the President to have engaged in a consistent pattern of opposition to the foreign policy of the United States? No
22. FY 1988 Continuing Resolution Sec. 513. Has the duly elected Head of Government of the country been deposed by military coup or decree? If assistance has been terminated, has the President notified Congress that a democratically elected government has taken office prior to the resumption of assistance? No
23. FY 1988 Continuing Resolution Sec. 543. Does the recipient country fully cooperate with the international refugee assistance organizations, the United States, and other governments in facilitating lasting solutions to refugee situations, including resettlement without respect to race, sex, religion, or national origin? Yes

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B. FUNDING SOURCE CRITERIA FOR COUNTRY ELIGIBILITY

1. Development Assistance Country Criteria

FAA Sec. 116. Has the Department of State determined that this government has engaged in a consistent pattern of gross violations of internationally recognized human rights? If so, can it be demonstrated that contemplated assistance will directly benefit the needy?

No

FY 1988 Continuing Resolution Sec. 538. Has the President certified that use of DA funds by this country would violate any of the prohibitions against use of funds to pay for the performance of abortions as a method of family planning, to motivate or coerce any person to practice abortions, to pay for the performance of involuntary sterilization as a method of family planning, to coerce or provide any financial incentive to any person to undergo sterilizations, to pay for any biomedical research which relates, in whole or in part, to methods of, or the performance of, abortions or involuntary sterilization as a means of family planning?

No

2. Economic Support Fund Country Criteria

FAA Sec. 502B. Has it been determined that the country has engaged in a consistent pattern of gross violations of internationally recognized human rights? If so, has the President found that the country has made such significant improvement in its human rights record that furnishing such assistance is in the U.S. national interest?

No

FY 1988 Continuing Resolution Sec. 549. Has this country met its drug eradication targets or otherwise taken significant steps to halt illicit drug production or trafficking?

Yes

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5C(2) - PROJECT CHECKLIST

Listed below are statutory criteria applicable to projects. This section is divided into two parts. Part A includes criteria applicable to all projects. Part B applies to projects funded from specific sources only: B(1) applies to all projects funded with Development Assistance; B(2) applies to projects funded with Development Assistance loans; and B(3) applies to projects funded from ESF.

CROSS REFERENCES: IS COUNTRY CHECKLIST UP TO DATE? HAS STANDARD ITEM CHECKLIST BEEN REVIEWED FOR THIS PROJECT?

A. GENERAL CRITERIA FOR PROJECT

1. FY 1988 Continuing Resolution Sec. 523; FAA Sec. 634A. If money is sought to obligated for an activity not previously justified to Congress, or for an amount in excess of amount previously justified to Congress, has Congress been properly notified?
Congressional Notification expired.
2. FAA Sec. 611(a)(1). Prior to an obligation in excess of \$500,000, will there be (a) engineering, financial or other plans necessary to carry out the assistance, and (b) a reasonably firm estimate of the cost to the U.S. of the assistance?
N/A
3. FAA Sec. 611(a)(2). If legislative action is required within recipient country, what is the basis for a reasonable expectation that such action will be completed in time to permit orderly accomplishment of the purpose of the assistance?
N/A

4. FAA Sec. 611(b); FY 1988 Continuing Resolution Sec. 501. If project is for water or water-related land resource construction, have benefits and costs been computed to the extent practicable in accordance with the principles, standards, and procedures established pursuant to the Water Resources Planning Act (42 U.S.C. 1962, et seq.)? (See A.I.D. Handbook 3 for guidelines.) N/A
5. FAA Sec. 611(e). If project is capital assistance (e.g., construction), and total U.S. assistance for it will exceed \$1 million, has Mission Director certified and Regional Assistant Administrator taken into consideration the country's capability to maintain and utilize the project effectively? N/A
6. FAA Sec. 209. Is project susceptible to execution as part of regional or multilateral project? If so, why is project not so executed? Information and conclusion whether assistance will encourage regional development programs. N/A
7. FAA Sec. 601(a). Information and conclusions on whether projects will encourage efforts of the country to:
(a) increase the flow of international trade; (b) foster private initiative and competition; (c) encourage development and use of cooperatives, credit unions, and savings and loan associations; (d) discourage monopolistic practices; (e) improve technical efficiency of industry, agriculture and commerce; and (f) strengthen free labor unions.
(a) This project is directly involved in the fostering of international trade.
(b) The project is directly involved with private sector institution building. Through its institution building, private initiative and competition will be fostered.
(c) N/A (d) N/A
(e) Through technical assistance provided the project should increase efficiency.
(f) N/A.
8. FAA Sec. 601(b). Information and conclusions on how project will encourage U.S. private trade and investment abroad and encourage private U.S. participation in foreign assistance programs (including use of private trade channels and the services of U.S. private enterprise).
The project will encourage joint ventures between U.S. and Belizean businessmen, investments in Belize and the services of U.S. businessmen.
9. FAA Secs. 612(b), 636(h). Describe steps taken to assure that, to the maximum extent possible, the country is contributing local currencies to meet the cost of contractual and other services, and foreign currencies owned by the U.S. are utilized in lieu of dollars. N/A

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10. FAA Sec. 612(d). Does the U.S. own excess foreign currency of the country and, if so, what arrangements have been made for its release? N/A
11. FY 1988 Continuing Resolution Sec. 521. If assistance is for the production of any commodity for export, is the commodity likely to be in surplus on world markets at the time the resulting productive capacity becomes operative, and is such assistance likely to cause substantial injury to U.S. producers of the same, similar or competing commodity? Yes
12. FY 1988 Continuing Resolution Sec. 553. Will the assistance (except for programs in Caribbean Basin Initiative countries under U.S. Tariff Schedule "Section 807," which allows reduced tariffs on articles assembled abroad from U.S.-made components) be used directly to procure feasibility studies, prefeasibility studies, or project profiles of potential investment in, or to assist the establishment of facilities specifically designed for, the manufacture for export to the United States or to third country markets in direct competition with U.S. exports, of textiles, apparel, footwear, handbags, flat goods (such as wallets or coin purses worn on the person), work gloves or leather wearing apparel? The project is not designed for any specific commodity. Any commodity produced under this project is not anticipated to cause injury to U.S. producers.
13. FAA Sec. 119(q)(4)-(6). Will the assistance (a) support training and education efforts which improve the capacity of recipient countries to prevent loss of biological diversity; (b) be provided under a long-term agreement in which the recipient country agrees to protect ecosystems or other wildlife habitats; (c) support efforts to identify and survey ecosystems in recipient countries worthy of protection; or (d) by any direct or indirect means significantly degrade national parks or similar protected areas or introduce exotic plants or animals into such areas? N/A

14. FAA 121(d). If a Sahel project, has a determination been made that the host government has an adequate system for accounting for and controlling receipt and expenditure of project funds (either dollars or local currency generated therefrom)? N/A
15. FY 1988 Continuing Resolution. If assistance is to be made to a United States PVO (other than a cooperative development organization), does it obtain at least 20 percent of its total annual funding for international activities from sources other than the United States Government? N/A
16. FY Continuing Resolution Sec. 541. If assistance is being made available to a PVO, has that organization provided upon timely request any document, file, or record necessary to the auditing requirements of A.I.D., and is the PVO registered with A.I.D.? Yes
17. FY 1988 Continuing Resolution Sec. 514. If funds are being obligated under an appropriation account to which they were not appropriated, has prior approval of the Appropriations Committees of Congress been obtained? N/A
18. FY Continuing Resolution Sec. 515. If deob/reob authority is sought to be exercised in the provision of assistance, are the funds being obligated for the same general purpose, and for countries within the same general region as originally obligated, and have the Appropriations Committees of both Houses of Congress been properly notified? N/A
19. State Authorization Sec. 139 (as interpreted by conference report). Has confirmation of the date of signing of the project agreement, including the amount involved, been cabled to State L/T and A.I.D. LEG within 60 days of the agreement's entry into force with respect to the United States, and has the full text of the agreement been pouched to those same offices? (See Handbook 3, Appendix 6G for agreements covered by this provision). N/A

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B. FUNDING CRITERIA FOR PROJECT

1. Development Assistance Project Criteria

a. FY 1988 Continuing Resolution Sec. 552 (as interpreted by conference report). If assistance is for agricultural development activities (specifically, any testing or breeding feasibility study, variety improvement or introduction, consultancy, publication, conference, or training), are such activities (a) specifically and principally designed to increase agricultural exports by the host country to a country other than the United States, where the export would lead to direct competition in that third country with exports of a similar commodity grown or produced in the United States, and can the activities reasonably be expected to cause substantial injury to U.S. exporters of a similar agricultural commodity; or (b) in support of research that is intended primarily to benefit U.S. producers?

N/A

b. FAA Secs. 102(b), 111, 113, 201(a). Describe extent to which activity will (a) effectively involve the poor in development by extending access to economy at local level, increasing labor-intensive production and the use of appropriate technology, dispersing investment from cities to small towns and rural areas, and

(a) The agricultural emphasis of this project will spread investment to the rural areas of Belize.

insuring wide participation of the poor in the benefits of development on a sustained basis, using appropriate U.S. institutions; (b) help develop cooperatives, especially by technical assistance, to assist rural and urban poor to help themselves toward a better life, and otherwise encourage democratic private and local governmental institutions; (c) support the self-help efforts of developing countries; (d) promote the participation of women in the national economies of developing countries and the improvement of women's status; and (e) utilize and encourage regional cooperation by developing countries.

- (b) N/A
- (c) The project is designed to encourage self help in the Belizean private sector.
- (d) a sub-project may involve a Women in Development Program aimed at assisting women business group in marketing products abroad.
- (e) Yes

- c. FAA Secs. 103, 103A, 104, 105, 106, 120-21. Does the project fit the criteria for the source of funds (functional account) being used? Yes
- d. FAA Sec. 107. Is emphasis placed on use of appropriate technology (relatively smaller, cost-saving, labor-using technologies that are generally most appropriate for the small farms, small businesses, and small incomes of the poor)? Yes
- e. FAA Secs. 110, 124(d). Will the recipient country provide at least 25 percent of the costs of the program, project, or activity with respect to which the assistance is to be furnished (or is the latter cost-sharing requirement being waived for a "relatively least developed" country)? Yes. Belizean private sector will provide at least 25% of the costs of the project.
- f. FAA Sec. 128(b). If the activity attempts to increase the institutional capabilities of private organizations or the government of the country, or if it attempts to stimulate scientific and technological research, has it been designed and will it be monitored to ensure that the ultimate beneficiaries are the poor majority? Yes

g. FAA Sec. 281(b). Describe extent to which program recognizes the particular needs, desires, and capacities of the people of the country; utilizes the country's intellectual resources to encourage institutional development; and supports civil education and training in skills required for effective participation in governmental processes essential to self-government.

The project takes advantage of Belizean initiative and is founded upon participation in the Belizean private sector.

h. FY 1988 Continuing Resolution Sec. 538. Are any of the funds to be used for the performance of abortions as a method of family planning or to motivate or coerce any person to practice abortions?

No

Are any of the funds to be used to pay for the performance of involuntary sterilization as a method of family planning or to coerce or provide any financial incentive to any person to undergo sterilizations?

Are any of the funds to be used to pay for any biomedical research which relates, in whole or in part, to methods of, or the performance of, abortions or involuntary sterilization as a means of family planning?

i. FY 1988 Continuing Resolution. Is the assistance being made available to any organization or program which has been determined to support or participate in the management of a program of coercive abortion or involuntary sterilization?

No

If assistance is from the population functional account, are any of the funds to be made available to voluntary family planning projects which do not offer, either directly or through referral to or information about access to, a broad range of family planning methods and services?

- j. FAA Sec. 601(e). Will the project utilize competitive selection procedures for the awarding of contracts, except where applicable procurement rules allow otherwise? Yes
- k. FY 1988 Continuing Resolution. What portion of the funds will be available only for activities of economically and socially disadvantaged enterprises, historically black colleges and universities, colleges and universities having a student body in which more than 20 percent of the students are Hispanic Americans, and private and voluntary organizations which are controlled by individuals who are black Americans, Hispanic Americans, or Native Americans, or who are economically or socially disadvantaged (including women)? In contracting technical assistance for the project the groups named in this question will be taken into consideration.
- l. FAA Sec. 118(c). Does the assistance comply with the environmental procedures set forth in A.I.D. Regulation 16? Does the assistance place a high priority on conservation and sustainable management of tropical forests? Specifically, does the assistance, to the fullest extent feasible: (a) stress the importance of conserving and sustainably managing forest resources; (b) support activities which offer employment and income alternatives to those who otherwise would cause destruction and loss of forests, and help countries identify and implement alternatives to colonizing forested areas; (c) support training programs, educational efforts, and the establishment or strengthening of institutions to improve forest management; (d) help end destructive slash-and-burn agriculture by supporting stable and productive farming practices; (e) help conserve forests which have not yet been degraded by helping to increase production on lands already cleared Yes

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or degraded; (f) conserve forested watersheds and rehabilitate those which have been deforested; (g) support training, research, and other actions which lead to sustainable and more environmentally sound practices for timber harvesting, removal, and processing; (h) support research to expand knowledge of tropical forests and identify alternatives which will prevent forest destruction, loss, or degradation; (i) conserve biological diversity in forest areas by supporting efforts to identify, establish, and maintain a representative network of protected tropical forest ecosystems on a worldwide basis, by making the establishment of protected areas a condition of support for activities involving forest clearance or degradation, and by helping to identify tropical forest ecosystems and species in need of protection and establish and maintain appropriate protected areas; (j) seek to increase the awareness of U.S. government agencies and other donors of the immediate and long-term value of tropical forests; and (k) utilize the resources and abilities of all relevant U.S. government agencies?

- m. FAA Sec. 118(c)(13). If the assistance will support a program or project significantly affecting tropical forests (including projects involving the planting of exotic plant species), will the program or project (a) be based upon careful analysis of the alternatives available to achieve the best sustainable use of the land, and (b) take full account of the environmental impacts of the proposed activities on biological diversity?

N/A

- n. FAA Sec. 118(c)(14). Will assistance be used for (a) the procurement or use of logging equipment, unless an environmental assessment indicates that all timber harvesting operations involved will be conducted in an environmentally sound manner and that the proposed activity will produce positive economic benefits and sustainable forest management systems; or (b) actions which will significantly degrade national parks or similar protected areas which contain tropical forests, or introduce exotic plants or animals into such areas? No
- o. FAA Sec. 118(c)(15). Will assistance be used for (a) activities which would result in the conversion of forest lands to the rearing of livestock; (b) the construction, upgrading, or maintenance of roads (including temporary haul roads for logging or other extractive industries) which pass through relatively undegraded forest lands; (c) the colonization of forest lands; or (d) the construction of dams or other water control structures which flood relatively undegraded forest lands, unless with respect to each such activity an environmental assessment indicates that the activity will contribute significantly and directly to improving the livelihood of the rural poor and will be conducted in an environmentally sound manner which supports sustainable development? No
- p. FY 1988 Continuing Resolution If assistance will come from the 'Sub-Saharan Africa DA account, is it (a) to be used to help the poor majority in Sub-Saharan Africa through a process of long-term development and economic growth that is equitable, participatory, environmentally sustainable, and self-reliant; (b) being provided in N/A

accordance with the policies contained in section 102 of the FAA; (c) being provided, when consistent with the objectives of such assistance, through African, United States and other PVOs that have demonstrated effectiveness in the promotion of local grassroots activities on behalf of long-term development in Sub-Saharan Africa; (d) being used to help overcome shorter-term constraints to long-term development, to promote reform of sectoral economic policies, to support the critical sector priorities of agricultural production and natural resources, health, voluntary family planning services, education, and income generating opportunities, to bring about appropriate sectoral restructuring of the Sub-Saharan African economies, to support reform in public administration and finances and to establish a favorable environment for individual enterprise and self-sustaining development, and to take into account in assisted policy reforms, the need to protect vulnerable groups; (e) being used to increase agricultural production in ways that protect and restore the natural resource base, especially food production, to maintain and improve basic transportation and communication networks, to maintain and restore the natural resource base in ways that increase agricultural production, to improve health conditions with special emphasis on meeting the health needs of mothers and children, including the establishment of self-sustaining primary health care systems that give priority to preventive care, to provide increased access to voluntary family planning services, to improve basic literacy and mathematics especially to those outside the formal educational system and to improve primary education, and to develop income-generating opportunities for the unemployed and underemployed in urban and rural areas?

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2. Development Assistance Project Criteria
(Loans Only)

- a. FAA Sec. 122(b). Information and conclusion on capacity of the country to repay the loan at a reasonable rate of interest. N/A

- b. FAA Sec. 620(d). If assistance is for any productive enterprise which will compete with U.S. enterprises, is there an agreement by the recipient country to prevent export to the U.S. of more than 20 percent of the enterprise's annual production during the life of the loan, or has the requirement to enter into such an agreement been waived by the President because of a national security interest? N/A

- c. FY 1988 Continuing Resolution. If for a loan to a private sector institution from funds made available to carry out the provisions of FAA Sections 103 through 106, will loan be provided, to the maximum extent practicable, at or near the prevailing interest rate paid on Treasury obligations of similar maturity at the time of obligating such funds? N/A

- d. FAA Sec. 122(b). Does the activity give reasonable promise of assisting long-range plans and programs designed to develop economic resources and increase productive capacities? N/A

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3. Economic Support Fund Project Criteria

- a. FAA Sec. 531(a). Will this assistance promote economic and political stability? To the maximum extent feasible, is this assistance consistent with the policy directions, purposes, and programs of Part I of the FAA? N/A

- b. FAA Sec. 531(e). Will this assistance be used for military or paramilitary purposes? N/A

- c. FAA Sec. 609. If commodities are to be granted so that sale proceeds will accrue to the recipient country, have Special Account (counterpart) arrangements been made? N/A

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5C(3) - STANDARD ITEM CHECKLIST

Listed below are the statutory items which normally will be covered routinely in those provisions of an assistance agreement dealing with its implementation, or covered in the agreement by imposing limits on certain uses of funds.

These items are arranged under the general headings of (A) Procurement, (B) Construction, and (C) Other Restrictions.

A. PROCUREMENT

1. FAA Sec. 602(a). Are there arrangements to permit U.S. small business to participate equitably in the furnishing of commodities and services financed? Yes
2. FAA Sec. 604(a). Will all procurement be from the U.S. except as otherwise determined by the President or under delegation from him? Yes
3. FAA Sec. 604(d). If the cooperating country discriminates against marine insurance companies authorized to do business in the U.S., will commodities be insured in the United States against marine risk with such a company? N/A
4. FAA Sec. 604(e); ISDCA of 1980 Sec. 705(a). If non-U.S. procurement of agricultural commodity or product thereof is to be financed, is there provision against such procurement when the domestic price of such commodity is less than parity? (Exception where commodity financed could not reasonably be procured in U.S.) N/A
5. FAA Sec. 604(q). Will construction or engineering services be procured from firms of advanced developing countries which are otherwise eligible under Code 941 and which have attained a competitive capability in international markets in one of these areas? (Exception for those N/A

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countries which receive direct economic assistance under the FAA and permit United States firms to compete for construction or engineering services financed from assistance programs of these countries.)

6. FAA Sec. 603. Is the shipping excluded from compliance with the requirement in section 901(b) of the Merchant Marine Act of 1936, as amended, that at least 50 percent of the gross tonnage of commodities (computed separately for dry bulk carriers, dry cargo liners, and tankers) financed shall be transported on privately owned U.S. flag commercial vessels to the extent such vessels are available at fair and reasonable rates? Yes
7. FAA Sec. 621(a). If technical assistance is financed, will such assistance be furnished by private enterprise on a contract basis to the fullest extent practicable? Will the facilities and resources of other Federal agencies be utilized, when they are particularly suitable, not competitive with private enterprise, and made available without undue interference with domestic programs? Yes
8. International Air Transportation Fair Competitive Practices Act, 1974. If air transportation of persons or property is financed on grant basis, will U.S. carriers be used to the extent such service is available? Yes
9. FY 1988 Continuing Resolution Sec. 504. If the U.S. Government is a party to a contract for procurement, does the contract contain a provision authorizing termination of such contract for the convenience of the United States? Yes
10. FY 1988 Continuing Resolution Sec. 524. If assistance is for consulting service through procurement contract pursuant to 5 U.S.C. 3109, are contract expenditures a matter of public record and available for public inspection (unless otherwise provided by law or Executive order)? Yes

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B. CONSTRUCTION

1. FAA Sec. 601(d). If capital (e.g., construction) project, will U.S. engineering and professional services be used? N/A
2. FAA Sec. 611(c). If contracts for construction are to be financed, will they be let on a competitive basis to maximum extent practicable? N/A
3. FAA Sec. 620(k). If for construction of productive enterprise, will aggregate value of assistance to be furnished by the U.S. not exceed \$100 million (except for productive enterprises in Egypt that were described in the CP), or does assistance have the express approval of Congress? N/A

C. OTHER RESTRICTIONS

1. FAA Sec. 122(b). If development loan repayable in dollars, is interest rate at least 2 percent per annum during a grace period which is not to exceed ten years, and at least 3 percent per annum thereafter? N/A
2. FAA Sec. 301(d). If fund is established solely by U.S. contributions and administered by an international organization, does Comptroller General have audit rights? Yes
3. FAA Sec. 620(h). Do arrangements exist to insure that United States foreign aid is not used in a manner which, contrary to the best interests of the United States, promotes or assists the foreign aid projects or activities of the Communist-bloc countries? No

4. Will arrangements preclude use of financing:
- a. FAA Sec. 104(f); FY 1987 Continuing Resolution Secs. 525, 538. (1) To pay for performance of abortions as a method of family planning or to motivate or coerce persons to practice abortions; (2) to pay for performance of involuntary sterilization as method of family planning, or to coerce or provide financial incentive to any person to undergo sterilization; (3) to pay for any biomedical research which relates, in whole or part, to methods or the performance of abortions or involuntary sterilizations as a means of family planning; or (4) to lobby for abortion? Yes
 - b. FAA Sec. 483. To make reimbursements, in the form of cash payments, to persons whose illicit drug crops are eradicated? Yes
 - c. FAA Sec. 620(g). To compensate owners for expropriated or nationalized property, except to compensate foreign nationals in accordance with a land reform program certified by the President? Yes
 - d. FAA Sec. 660. To provide training, advice, or any financial support for police, prisons, or other law enforcement forces, except for narcotics programs? Yes
 - e. FAA Sec. 662. For CIA activities? Yes
 - f. FAA Sec. 636(i). For purchase, sale, long-term lease, exchange or guaranty of the sale of motor vehicles manufactured outside U.S., unless a waiver is obtained? Yes

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- g. FY 1988 Continuing Resolution Sec. 503. To pay pensions, annuities, retirement pay, or adjusted service compensation for prior or current military personnel? Yes
- h. FY 1988 Continuing Resolution Sec. 505. To pay U.N. assessments, arrearages or dues? Yes
- i. FY 1988 Continuing Resolution Sec. 506. To carry out provisions of FAA section 209(d) (transfer of FAA funds to multilateral organizations for lending)? Yes
- j. FY 1988 Continuing Resolution Sec. 510. To finance the export of nuclear equipment, fuel, or technology? Yes
- k. FY 1988 Continuing Resolution Sec. 511. For the purpose of aiding the efforts of the government of such country to repress the legitimate rights of the population of such country contrary to the Universal Declaration of Human Rights? Yes
- l. FY 1988 Continuing Resolution Sec. 516; State Authorization Sec. 109. To be used for publicity or propaganda purposes designed to support or defeat legislation pending before Congress, to influence in any way the outcome of a political election in the United States, or for any publicity or propaganda purposes not authorized by Congress? Yes

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BEIPU FINANCIAL PROJECTORS

REVISED ESTIMATES OF EXPENDITURE WITH \$600,000 AMENDMENT - 505-0027

Category	Obligated prior to Amendment	Additional Obligation in Amendment	Total Obligation	Cummulative Expenses Thru' July 1988	8.1.88 7.31.89	8.1.89 7.31.90	8.1.90 7.31.91	8.1.91 7.31.92	8.1.92 7.31.93	8.1.93* 7.31.94	Total Expenses Thru' July 1993	+(-) Deficit Surplus
				2	3	4	5	6	7	Past Project		
Personnel	234,000	250,000	484,000	169,532	100,000	100,000	100,000	91,500	83,000	67,000	644,032	(160,032)
Long Term/TA	230,000		230,000	182,000							182,000	48,000
Investor Search	75,000		75,000	-	25,000	25,000	25,000	20,000	15,000	10,000	110,000	(35,000)
Equipment/Supplies	87,000	50,000	137,000	30,023	70,000	20,000	20,000	15,000	10,000	10,000	165,023	(28,023)
Project Management	100,000		100,000	9,000	31,000	30,000	30,000	-	-	-	100,000	Nil
Logistical Support	120,000		120,000	63,837	30,000	30,000	30,000	30,000	30,000	30,000	213,837	(93,837)
Promotional Cost Int'l Travel	210,000		210,000	80,732	70,000	70,000	70,000	40,000	30,000	20,000	360,732	(150,732)
Promotional Material	210,000	50,000	260,000	28,799	50,000	25,000	25,000	20,000	15,000	10,000	153,799	96,201
Evaluation/Audit	85,000	-	85,000	10,000	15,000	15,000	15,000	10,000	5,000	5,000	70,000	15,000
Training	20,000	-	20,000	6,000	15,000	15,000	15,000	-	-	-	51,000	(31,000)
TA/Short Term	795,000	100,000	845,000	10,000	335,000	300,000	300,000	-	-	-	945,000	Nil
Credit Program	-	100,000	100,000	-	50,000	50,000	-	-	-	-	100,000	Nil
Sub-Total	2,166,000	600,000	2,766,000	589,923	791,000	680,000	630,000	226,500	188,000	152,000	3,105,423	
Contingency	234,000		234,000									Deficit (498,624)
Total	2,400,000		3,000,000									Surplus 159,201
Grant Total with amendment	3,000,000											Net Deficit (339,423)
												Contingency 234,000
												Shortfall: Total Expenses minus Total Obligation = (105,423)

*Project Completion Date

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Exhibit C

BELIZE EXPORT AND INVESTMENT PROMOTION UNIT (BEIPU)

Projected Income

<u>Year (Aug 1 - July 31)</u>	<u>Amount U.S. \$</u>
1986 - 1987*	7,433
1987 - 1988*	14,000
1988 - 1989	25,000
1989 - 1990	37,000
1990 - 1991	45,000
1991 - 1992	50,000
1992 - 1993	55,000
1993 - 1994	<u>60,000</u>
Total Gross Income	<u>293,433</u>

Note: Annual income will be accumulating in a special BEIPU account. At the end of the project (1992/93), the account will have accumulated approximately \$238,000; therefore, the overall projected deficit or shortfall of \$105,423 shown above on the projections could be covered by the generated income.

*Actual

ANNEX C

BELIZE EXPORT AND INVESTMENT PROMOTION UNIT (BEIPU)
ANALYSIS OF EXPENDITURES AND INCOME

An analysis of the two above statements: 1) BEIPU's Revised Estimates of Expenditures with \$600,000 Amendment, and 2) BEIPU's Projected Income, is presented below:

As noted on the expenditure projections, BEIPU's expenditures reach a high of \$791,100 in year ending 1989. Expenditures begin to drop off markedly to \$226,500 in the year ending 1992, and decrease further in year 1994 to \$152,000.

The reduction of expenditure in BEIPU's operations will be achieved through a number of cost saving actions taken between year five and six. First of all, cost savings of \$8,500 a year beginning in year six will be achieved by integrating the position of Executive Director and Administrative Assistant of BEIPU into the Chamber. Also the merger of the manager of the Chamber with the BEIPU Executive Director will save further costs, serving to give institutional strength to both the

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Chamber and BEIPU. The expanding membership of the Chamber will be expected to pick up one quarter of the merged positions by year five. By year seven, it is expected that the Chamber will pick up one half (\$17,000) of these positions (\$100,000 year 5 - \$83,000 year 7).

Costs will be further reduced through significant reductions in investor search activities; expenditures on equipment; promotion materials; promotion travel; and technical assistance. These reductions will result in a decrease in operational costs of \$50,000 between year five and six. An additional cost saving of \$30,000 will be achieved between year six (1992) and year seven (1993), the end of project.

On the income side, BEIPU earned U.S.\$7,433 in year ending 1987. By year ending 1993, income is expected to increase to \$55,000. Total earnings from year 1987 through year 1993 are expected to total \$233,433. In 1994, one year after the project's completion, income increases to \$60,000, bringing total earnings to \$293,433.

There is a shortfall between projected costs of operation and income generated by BEIPU during each and every year of the

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project. The largest deficit is in 1988-89 where the difference between projected income and expenditures totals \$766,000 U.S. (\$791,000 expenditure \$25,000 income). This deficit is reduced throughout the life of the project to where during the last year of the project the gap between expenditure and income is only \$133,000 U.S. (\$188,000 expenditure \$55,000 income). One year after the project's completion, it is projected that this gap can be lowered even further to \$92,000 (\$152,000 expenditure \$60,000 income).

Obviously it is time for BEIPU to begin exploring various alternatives for dealing with its projected deficits. Current thinking is that the projected expenditures during the two year extension period (1991/92 to 1992/93) and the year following (1993/94) are as low as can be realistically expected. To make further reductions, would simply handicap BEIPU's effectiveness. During coming years, the BEIPU board and staff will be exploring various options to generate additional funds for BEIPU's operation. Income generating options will include but not be limited to: linking with new projects that require financing from which BEIPU could earn loan points due to feasibility studies, etc; tying BEIPU into the development of a free zone in Belize; seeking concessional funding from other

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donor agencies, private foundations, CIDA, ODA, etc.; encouraging GOB support of BEIPU's efforts by allocating portion of rising tax revenues (which BEIPU helped to achieve) to BEIPU's deficit; and continuing USAID grant assistance.

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STATUS REPORT ON BELIZE EXPORT AND
INVESTMENT PROMOTION PROJECT NO. 505-0027

JULY 7, 1988

PURPOSE:

To develop the capacity of the private sector to promote, provide technical assistance for and facilitate export and tourism projects undertaken in Belize.

GOAL:

To generate employment, income and foreign exchange in the Belizean economy.

INSTITUTIONAL DEVELOPMENT:

B.E.I.P.U. has its full complement of professional and support staff in place and a fully constituted Board of Directors which meets on a monthly basis. The Board sets the overall policy and direction of B.E.I.P.U.'s operation. The presence of Government representatives on the Board insures that B.E.I.P.U.'s activities are in tune with the national economic development policies.

TECHNICAL ASSISTANCE:

(i) Long-Term Technical Advisor:

The services of a long-term Technical Advisor were contracted for a period of two years ending in July, 1988. On account of the growth and advancement of B.E.I.P.U. as an institution during this period, the services of a long-term advisor is no longer considered necessary.

(ii) Institutional Strengthening:

B.E.I.P.U. and U.S.A.I.D./Belize prepared and agreed upon a Scope of Work which will be used to solicit Request for Proposals (R.F.P.'s) from interested contractors for a major institutional strengthening project for B.E.I.P.U. R.F.P.'s will be issued shortly and is expected that the contract will be awarded in September/October, 1988.

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(iii) Marketing, Promotional and Product Improvement Assistance:

B.E.I.P.U. has provided, and continues to provide these services to its clients on a case-by-case basis, through networking with various international organisations such as I.E.S.C, Project Sustain, CARICOM, and Commonwealth Secretariat and the International Trade Centre (ITC).

B.E.I.P.U. has subscribed to a Market News Survey which provides up-to-date news on prices of fresh agricultural produce in North America.

B.E.I.P.U. has funded the participation of several of its clients in international trade shows in the garment, fresh produce, tourism and food processing sectors.

(iv) Special Reports and Studies:

B.E.I.P.U. has financed the preparation of sectoral studies by I.E.S.C. on the garment industry, the handicrafts industry, and the ornamental plants/cut flower industry. A market study on the potential for fruit juices in the Caribbean was done by the Commonwealth Secretariat in London.

(v) Investor Search Services:

As part of the institution building project mentioned above, B.E.I.P.U. will be contracting the services of one or more U.S. Companies to provide investor search services over the remaining life of the project.

MARKETING PLAN FOR BELIZE:

Owing to limitations of staff, B.E.I.P.U. did not prepare a marketing plan for Belize during the first year of the project. The responsibility for the production of this plan was subsequently transferred to the Ministry of Economic Development by USAID/Belize.

PROMOTION AND INFORMATION SERVICES:

Promotional materials have been prepared and a package of information is available for potential investors. A

computerised data base with investor, market, and resource organisations has been established. Presently, the number of entries in the data base number 1,352.

B.E.I.P.U. has undertaken several trade missions for investment and export promotion purposes including: the Miami Conference and Exposition, the Bobbin Show (apparel), the United Fresh Fruits and Vegetables Association Convention and Exposition, Commonwealth Small States Exposition in Canada, etc.

EXPORT PROMOTION SERVICES:

B.E.I.P.U. has assisted several exporters and potential exporters in identifying markets for their products, including jams and jellies, hot peppers, papayas, wooden furniture, safety matches, garments, etc.

BEIPU has sponsored participants in overseas trade missions and exhibited products of its clients at the National Agricultural and Trade Show held annually in Belize.

BEIPU has assisted a few of its clients in preparing bankable projects for presentation to local financial institutions.

INVESTMENT PROMOTION SERVICES:

B.E.I.P.U. has undertaken feasibility studies for some of its clients, assisted in identifying joint venture partners, prepared development plans and applications for development concessions, and sponsored participation in trade missions in the United States, Canada, Europe, and Mexico.

BEIPU provides a wide range of services to potential investors/exporters and has developed a fee schedule for these services.

PRODUCT IMPROVEMENT AND MARKETING SERVICES:

B.E.I.P.U., through USAID/Belize, has obtained technical assistance from Project Sustain for a few projects such as production of peanut butter, canning of vegetables, etc. Training in the control of quality and packaging of processed foods has also been arranged.

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PROJECT MONITORING AND EVALUATION:

The data base established in B.E.I.P.U. incorporates a tracking system of all prospective investors/exporters and their projects. Follow-up is done on a systematic basis by the promotional staff. Refinements are still needed in the system of measurement of results in terms of employment, dollar investment, and foreign exchange earnings. This is being addressed as part of the institution-building component of the project.

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SUMMARY OF TOTAL EXPENDITURES

PROJECT GRANT 505 - 0027

<u>Category</u>	<u>Total Obligation (\$000)</u>	<u>Cumulative To Date</u>	<u>This Period 4/1/88-5/31/88</u>	<u>Balance Under Head</u>
<u>Personnel</u>	234	161,307	16,594	72,693
<u>Short-Term TA/ Studies</u>	300	16,653	4,903	283,347
<u>Short-Term Instit. Building</u>	400	7,027	-	392,973
<u>Investor Search</u>	75	-	-	75,000
<u>Equipment/Supplies</u>	87	18,023	5,693	68,977
<u>Project Management</u>	100	-	-	100,000
<u>Logistical Support</u>	120	53,837	5,057	66,163
<u>Promotional Costs</u>				
<u>Int'l Travel/ Trade Shows</u>	210	60,732	-	149,268
<u>Promotional Materials</u>	210	14,074	1,246	195,926
<u>Evaluation/Audit</u>	85	-	-	85,000
<u>Contingency/ Reserve</u>	234	-	-	234,000
	<u>\$2,055</u>	<u>\$331,653</u>	<u>\$33,493</u>	<u>\$1,723,347</u>
<u>Long-Term TA</u>	<u>345</u>	(Administered direct by USAID)		
	<u>\$2,400</u>			

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ANNEX E

LIST OF EQUIPMENT
(US\$)

<u>BCCI</u>		<u>BEIPU</u>	
2 Executive Desks (\$225 e.a.)	450	-7 PCs for professional	
2 Double/2 single desks	250	staff and secretaries	
2 Secretary desks	350	with central printer/	
1 Single jDesk	138	modem/hard desk/backup	
2 Executive chairs (\$125 e.a.)	250	system surge protectors	
4 Sitting chairs	180	and battery backup	\$35,000
2 Secretary chairs	263		
Computer	3,000	-Software for: accounts/	
2 Typewriters	1,250	data base/word processing/	
2 Filing Cabinets	750	spreadsheet	5,000
1 Adding machine	187		
1 Printer	10,500	(one man month of TA will	
Stationery-supplies		be required to determine	
(1 year)	<u>2,500</u>	specific type of hardware	
		software and training needs	
	<u>\$20,068</u>	for staff	\$10,000

PROCUREMENT ARRANGEMENT
(US\$000)

<u>Assistance</u>	<u>Implementation</u>	<u>Payment</u>	<u>Amount</u>
Personnel (Salary)	Cooperative Agreement	Direct Payment	150
Equipment		Direct Local Compensation	20
Vehicles	Cooperative Agreement	Direct Local Compensation	30
Travel	Cooperative Agreement	Direct Reimbursement	13
Rent/utilities	Cooperative Agreement		16.5
Promotion (Meetings)	Cooperative Agreement	Direct Reimbursement	6.5
Cont/Inflation			<u>24.0</u>
<u>BCCI</u>			260
Personnel (salary)	Cooperative Agreement	Direct Payment	250
TA, Short Term	Cooperative Agreement	Direct Local Compensation	150
Equipment	Cooperative Agreement	Direct Local Compensation	50
Credit Program	Cooperative Agreement	Direct Reimbursement	100
Promotion (publications)	Cooperative Agreement	Direct Reimbursement	<u>50</u>
<u>BEIPU</u>			600
TA, Short Term	Cooperative Agreement	Direct Local Compensation	90
Office, Adm Expense	Cooperative Agreement	Direct Reimbursement	<u>10</u>
<u>IESC</u>			100
Personnel (Salary)	Host Country Contract	Direct Reimbursement	29.6
Equipment	Host Country Contract	Direct Local Compensation	82.4
Travel	Host Country Contract	Direct Reimbursement	11.9
Subsistence (Belize)	Host Country Contract	Direct Payment	86.1
Belizean Assistant	Host Country Contract	Direct Payment	50.5
Vehicle Operation	Host Country Contract	Direct Reimbursement	7.2
Analysis of Maths	Host Country Contract	Direct Reimbursement	7.1
Cont/Inflation			<u>35.2</u>
<u>CARACOL</u>			<u>310</u>
Total A.I.D. funding			1,270

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Budget 1989

A. Salaries:		
1. Senior Personnel:		
A. & D. Chase		
1.0 summer month each @ \$2975/mo.		5,950.00
2. Other Personnel:		
Administrative Assistants		
1 @ \$2,000		2,000.00
Field Supervisors		0.00
Field Assistants		0.00
3. Post-Field Support:		
Drafting: 200 hours @ \$10.00 per hour		2,000.00
Student Assistants: 400 hours @\$5.00 per hour		2,000.00
Total Post-field support		4,000.00
Total Salaries and Wages		11,950.00 ✓
B. Fringe Benefits		
23.93% on A. & D. Chase 1 month salary		1,423.84 ✓
C. Travel:		
1. Round-Trip Airfares to Belize City:		
8 @ \$400.00 each		3200.00
1 @ \$500.00		500.00
1 @ \$600.00		600.00
1 @ \$750.00		750.00
1 @ \$900.00		900.00
Total Round-Trip Airfares		5950.00 ✓
2. Subsistence in Belize		
staff: 1260 person days @ \$5.00 per day		6,300.00
per diem outside of camp;		
45 person-days @ \$40.00 per day		1,800.00
crew: 7476 person days @ \$4.50 per day		33,642.00
Total Subsistence and Travel in Belize		41,742.00 ✓
D. Equipment:		
1. Non-expendable equipment:		
a. 3/4 ton 4WD Truck		18,000.00
b. Dump Truck		34,000.00
c. Electronic Distance Meter		6,000.00
Total Non-expendable equipment		58,000.00

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2. Expendable equipment/supplies	
600 cement @ \$3.75 each	2,250.00
1200 lime @ \$3.25 each	3,900.00
3 water pumps @ \$180 each	540.00
5 marine batteries @ \$80 each	400.00
5,000 ft of hose	1,250.00
3 large water tanks @ \$200 each	600.00
20 small water containers @ \$25 each	500.00
zinc roofing 100 sheets @ \$11 each sheet	1,100.00
lumber	200.00
30 shovels @ \$10 each	300.00
30 picks @ \$10.0 each	300.00
20 clippers @ \$6 each	120.00
20 machetes @ \$3 each	60.00
2 dozen files @ \$30 each	60.00
80 buckets @ \$6 each	480.00
60 trowels @ \$8 each	480.00
5 wheel barrels @ \$65 each	325.00
1/4 inch screening	80.00
10 rock hammers @ \$25 each	250.00
misc. supplies (tie wire, nails, line levels)	250.00
paper supplies, recording items	400.00
photographic supplies (film, processing, & printing)	1,500.00
Total expendable equipment/supplies	15,345.00

E. Other Direct Costs

1. Operation, Maintenance, Insurance costs	
3 Vehicle Insurance @ \$200 each	600.00
Gas and Maintenance @ \$600 per month for 5 months	3,000.00
Total Vehicle operation costs	3,600.00

2. Belizean assistants and excavators	
1 @ \$105 per week for 18 weeks	1,890.00
1 @ \$87.50 per week for 18 weeks	1,575.00
1 @ \$82.50 per week for 18 weeks	1,485.00
1 @ \$78.75 per week for 18 weeks	1,417.50
1 @ \$63.00 per week for 18 weeks	1,134.00
1 @ \$55.00 per week for 18 weeks	990.00
58 @ \$45.00 per week for 15 weeks	39,150.00
30 @ \$45.00 per week for 3 weeks	4,050.00
2 caretakers @ 425 per month for 9 months	3,825.00
Belize Social Security @ 7% of above	3,886.16

Total Belizean Assistants and Excavators 59,402.66

3. Analyses of Materials	
5 C14 Analyses @ \$205 each	1,025.00
5 obsidian samples @ \$60 each	300.00
lithics, & fauna @ \$600 each	1,200.00
Total Analyses of Materials	2,525.00

Total Direct Costs 199,938.50

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Budget Justification

A. Salaries and Wages:

Senior Personnel: Salary for A. and D. Chase for the Spring of 1989 will be covered by the University of Central Florida as part of their 9 month academic salary; salary is requested only for 1 summer month for each individual although the actual summer time expended on this project will be between 2 and 3 months.

Other Personnel: A minimal stipend of \$2,000.00 is requested for one individual who will assist the Chases in the administration of the project. No salaries are requested for the field supervisors and field assistants; these individuals have volunteered their time in the project and will be provided with subsistence while at Caracol and, in some cases, round-trip airfares.

Post-Field Support: Following excavations, inking of the field records needs to be undertaken for preliminary reports and publication purposes; the amount asked for here is an absolute minimum based on the needs from previous seasons at Caracol. In addition, much other leg-work is necessary after excavation and survey; funds are therefore requested to pay for student assistants to aid in processing materials at the University of Central Florida.

B. Fringe Benefits:

The established rate for fringe benefits at the University of Central Florida is 23.93%.

C. Travel:

Round-Trip Airfares to Belize: Airfare calculations are based on current quotes to the destinations of the appropriate specialists/supervisors - i.e., those who are indispensable to the project. These individuals will supervise excavation as well as record and process artifacts generated prior to consolidation. This listing includes two sets of two round trip airfares for A. & D. Chase. Additional airfares for other project personnel have been requested from the H.F. Guggenheim Foundation.

Subsistence in Belize: The subsistence costs indicated are based on actual in-field expenditures during 1985 through 1988. Costs are kept relatively low due to bulk purchases of food-stuffs and maintenance of cooks at the project camp. Subsistence for additional crew and staff has been requested from the H.F. Guggenheim Foundation.

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D. Equipment:

Non-Expendable Equipment: Three purchases are necessary for the successful completion of this project. The only functioning vehicle currently accessible to the Caracol Project is a personal vehicle owned by the project directors. This Isuzu Trooper, while in excellent running condition, is not large enough to transport the large crew or supplies necessary to undertake the program of excavation and consolidation described here. Two additional vehicles are necessary: a heavy duty 4WD pick-up truck for weekly supply runs and activities at the site and a larger heavy duty truck for transporting men, water, and consolidation supplies (specifically, lime and cement). The prices cited are for: a) a 3/4 ton Ford F250 4X4 with 6.9 Liter V8 Diesel engine, manual transmission, rear step bumper, and front tow hooks; and b) a Ford Model F800 Diesel, manual transmission dump truck with front tow hooks, 14 ft body and 23,000 lbs rear spring capacity. One piece of survey equipment is also requested. The project currently has access to 3 transits and/or EDM's; however, all of these will be in use in project investigations under the proposed 2nd year Guggenheim study; thus, 1 Electronic Distance Meter is requested for recording work on Caana. The estimated price is based on a Stinger EDM and B-10 Theodolite system from Infra Red Industries of Orlando.

Expendable Equipment: Estimates for each of these items is based on past purchase prices by the project; all are necessary for the implementation of the proposed consolidation project. The costs and numbers of items have been kept low based on the fact that the project currently has certain of the tools at Caracol.

E. Other Direct Costs:

1. **Vehicle Operation, Maintenance, and Insurance Costs:** The poor nature of the road implies bad gas-mileage and somewhat more frequent repairs. The costs indicated here are low estimates based on past seasons.

2. **Belizean Assistants and Excavators:** The salaries being requested for Belizean Assistants and Excavators are crucial to the implementation of the proposed project. These individuals are necessary for all aspects of the excavation and consolidation to be undertaken at Caracol. A majority of the individuals to be hired are well-trained, having worked with us either as part of the Caracol Project beginning in 1985 or the Corozal Postclassic Project from 1979 through 1985. All salaries are based on established rates from past seasons. Additional men (for excavation outside the Caana consolidation area) have been requested under the Guggenheim budget.

3. **Analyses of Materials:** Minimal funds are requested for the requisite dating of carbon; the price quotes are from Beta Analytic. Minimal funds are also requested for the dating and sourcing of obsidian samples; the price quotes are from Mohlab. Minimal funds are also requested for the processing of lithics and faunal remains. Analyses of non-Caana materials are covered in the H.F. Guggenheim budget.

Expected Cost Sharing / Matching Funds: 1989

University of Central Florida	
62% of A. & D. Chase salaries @ \$26,775 each	33,201.00
Fringe benefits @ 23.93% of above	7,945.00

UCF also provides laboratory and office space as well as reduced costs for photographic services. Were this to be a traditional research grant, an off-campus indirect cost of 31.9% would be computed on all expenditures except permanent equipment. This would total \$53,794.69.

Harry Frank Guggenheim	
2nd year of study at Caracol	20,109.00

Belize Department of Archaeology	
Salaries of Consolidation specialists:	
1 @ \$173 BZE (\$86.50 US) per week for 18 weeks	1,557.00
1 @ \$115.38 BZE (\$57.69 US) per week for 18 weeks	1,038.42
Salaries of other Department members:	
1 week @ \$384.62 BZE (\$192.31 US) per week	192.31
1 week @ \$326.92 BZE (\$163.46 US) per week	163.46
1 week @ \$288.46 BZE (\$144.23 US) per week	144.23
1 week @ \$269.23 BZE (\$134.62 US) per week	134.62
1 week @ \$107.69 BZE (\$ 53.85 US) per week	53.85
1 week @ \$103.85 BZE (\$ 51.92 US) per week	51.92
Subsistence for Department Members at Caracol	
294 person-days @ \$16 BZE (\$8 US) per day	2,352.00

The Department of Archaeology also provides facilities that may be used during the excavation/consolidation project. The Department Library and artifact vault both contain important reference and comparative materials.

Belize Audubon Society	
Funds for support of 1 Caracol Caretaker	3,000.00

In Kind	
8 volunteer supervisors and specialists:	
@ equivalent of \$225 each per week for 18 weeks	32,400.00
6 months of use of A & D Chase 4WD vehicle:	
cost of rental for a comparable size vehicle in Belize would be at least \$1500 per month	9,000.00

Total Expected Cost-Sharing/Matching Funds	111,342.81
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Facilities and Resources

A permanent camp already exists at Caracol; this camp, consisting of 13 permanent and 2 impermanent constructions, was built at Caracol by the current project during the 1985 and 1986 seasons. Available for use by the project are: two large men's houses, one impermanent men's hut, two separate kitchens, two houses for the cooks, two zinc-roofed laboratories, three staff houses, one impermanent hut, one communal multi-purpose structure, and one house for guests.

These facilities were especially constructed for long-term use for research at Caracol and are maintained year-round by three caretakers. The staff kitchen has a propane-run stove, refrigerator, and large-size freezer. During the 1987 season, a 48-panel (3-array) photovoltaic system was donated to the project and was physically installed at Caracol by a technician from the Florida Solar Energy Center. This solar energy system provides 24 hour electricity (AC and DC with inverter) to five buildings at the camp and permits radio communication with the Belizean Department of Forestry in Augustine (25 air miles away) as well as the recharging of batteries for EDM systems. The radio system is also augmented with 7 ICOM walkie-talkies which permit communication throughout the Caracol core area by the various research teams. A Honda generator, a chainsaw, and a multitude of shovels, picks, trowels, buckets, and other tools are also owned by the project. While the UCF-owned project vehicles are currently not functional, a personal vehicle (ISUZU trooper) will be lent to the project.

All of the recovered archaeological materials are stored either at Caracol or in Belmopan; analysis of these materials takes place during the field season and during other blocks of time when no men are present at the site. Problematic materials and items requiring further conservation or detailed analysis are brought to the Archaeology Laboratory at the University of Central Florida.

The majority of the post-field analyses of: the archaeological records, drafting, photographic illustrations, and report preparation take place in the Archaeology Laboratory at the University of Central Florida.

A. Salaries:

1. Senior Personnel:		
A. & D. Chase		
1.0 summer month each @ \$1125/mo		6,250.00
2. Other Personnel:		
Administrative Assistants		
2 @ \$2,100		4,200.00
Field Supervisors		0.00
Field Assistants		0.00
3. Post-Field Support:		
Drafting: 220 hours @ \$10.00 per hour		2,200.00
Student Assistant: 400 hours @\$5.25 per hour		2,100.00
TOTAL post field support		4,300.00
Total Salaries and Wages		14,750.00

B. Fringe Benefits

23.93% on A. & D. Chase 1 month salary 1,495.62

C. Travel:

1. Round-Trip Airfares to Belize City.		
8 @ \$400.00 each		3,200.00
1 @ \$500.00		500.00
1 @ \$600.00		600.00
1 @ \$750.00		750.00
1 @ \$900.00		900.00
Total Round-Trip Airfares		5,950.00 ✓
2. Subsistence in Belize		
staff: 1260 person days @ \$5.00 per day		6,300.00
per diem outside of camp;		
45 person-days @ \$40.00 per day		1,800.00
crew: 8064 person days @ \$4.50 per day		36,288.00
Total Subsistence in Belize		44,388.00 —
Total Airfare and Subsistence		50,338.00

D. Equipment:

1. Non-expendable equipment	0.00
2. Expendable equipment/supplies	
650 cement @ \$3.75 each	2,437.50
1300 lime @ \$3.25 each	4,225.00
misc. supplies (tie wire, nails, line levels, etc.)	500.00
paper supplies, recording items	400.00
photographic supplies (film, processing, & printing)	1,500.00
Total equipment/supplies	<u>9,062.50</u>

E. Other Direct Costs

1. Operation, Maintenance, Insurance costs	
3 Vehicle Insurance @ \$200 each	600.00
Gas and Maintenance @ \$600 per month for 5 months	3,000.00
Total Vehicle operation costs	3,600.00

2. Belizean assistants and excavators

1 @ \$103 per week for 10 weeks	1,820.00
1 @ \$87.50 per week for 18 weeks	1,575.00
1 @ \$82.50 per week for 18 weeks	1,485.00
1 @ \$78.75 per week for 18 weeks	1,417.50
1 @ \$65.00 per week for 18 weeks	1,170.00
1 @ \$60.00 per week for 18 weeks	1,080.00
58 @ \$46.00 per week for 15 weeks	48,024.00
2 caretakers @ 430 per month for 12 months	5,160.00
Belize Social Security @ 1% of above	4,326.11

Total Belizean Assistants and Excavators 66,127.61 ✓

3. Analyses of Materials

10 C14 Analyses @ \$205 each	2,050.00
20 obsidian samples @ \$60 each	1,200.00
lithics, & fauna @ \$650 each	1,300.00
Total Analyses of Materials	4,550.00 ✓

Total Other Direct Costs 74,277.61

Total Direct Costs 149,923.74

Budget Justification: 1990

Refer to the 1989 Budget Justification for detailed explanation of all categories. Any changes to the 1989 budget are explained below.

A. SALARIES AND WAGES:

Senior Personnel: A 5% increase has been included in the salaries of A. and D. Chase for 1990; this represents a minimal figure of increase.

Other Personnel: A second administrative assistant has been added for the 1990 season and the salary of each has been increased by \$100 each over the 1989 total. This second individual is necessary given the more widespread nature of the work in 1990 than during 1989 and because of the greater amount of time being expended at the site during the 1990 season.

Post-Field Support: An extra 20 hours of Inking Time has been allotted for the 1990 post-season and the student assistants have been allotted a \$0.25 an hour raise.

B. PRIME BENEFIT: The established rate for fringe benefits at the University of Central Florida is 23.93%; this percentage, however, is subject to change slightly for the 1990 season.

C. TRAVEL:

Round-Trip Airfares: Same total as requested for 1989 seasons.

Subsistence to Belize: While the rate has not changed, the greater cost allotted to the crew reflects their increased time in the field during 1990.

D. EQUIPMENT:

Non-Expendable Equipment: None is being purchased during 1990.

Expendable equipment: A slightly greater amount of cement and lime are estimated as being used during the 1990 season. Most of the other equipment will have been purchased during the 1989 season or already exist at the site. The misc. supplies funding has been increased to \$500 (from \$250 during 1989) to cover any unforeseen supplies that are needed. The paper supplies and photographic supplies categories have remained the same.

E. OTHER DIRECT COSTS:

Vehicle Operation, MAINTENANCE, and INSURANCE COSTS: Same as the 1989 season.

Belizean Assistants and Excavators: For the most part, slight raises have been awarded to the men in accord with current project practice.

Analysis of Materials: Because of the more widespread work projected for 1990 in several locales, the amount of C14 and obsidian analyses to be run have been increased; this increase is minimal. Additionally, an extra \$50 each has been budgeted for the support of the fauna and lithic analyses.

Expected Cost Sharing/Matching Funds: 1990

University of Central Florida	
62% of A. & D. Chase salaries @ \$28,125 each	34,875.00
Fringe benefits @ 23.93% of above	8,345.60
	43,220.60

UCF also provides laboratory and office space as well as reduced costs for photographic services. Were this to be a traditional research grant, an off-campus indirect cost of 31.5% would be computed on all expenditures except permanent equipment. This would total \$56,821.10.

Belize Department of Archaeology

Salaries of Consolidation specialists:	
1 @ \$173 BZE (\$86.50 US) per week for 18 weeks	1,557.00
1 @ \$115.38 BZE (\$57.69 US) per week for 18 weeks	1,038.42
Salaries of other Department members:	
1 week @ \$384.62 BZE (\$192.31 US) per week	192.31
1 week @ \$326.92 BZE (\$163.46 US) per week	163.46
1 week @ \$288.46 BZE (\$144.23 US) per week	144.23
1 week @ \$269.23 BZE (\$134.62 US) per week	134.62
1 week @ \$107.69 BZE (\$ 53.85 US) per week	53.85
1 week @ \$103.85 BZE (\$ 51.92 US) per week	51.92
Subsistence for Department Members at Caracol	
294 person-days @ \$16 BZE (\$8 US) per day	2,352.00

The Department of Archaeology also provides facilities that may be used during the excavation/consolidation project. The Department Library and artifact vault both contain important reference and comparative materials.

Belize Audubon Society

Funds for support of 1 Caracol Caretaker	3,000.00
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In Kind

8 volunteer supervisors and specialists:	
@ equivalent of \$225 each per week for 18 weeks	32,400.00
6 months of use of A & D Chase 4WD vehicle:	
cost of rental for a comparable size vehicle in Belize would be at least \$1500 per month	9,000.00

Total Expected Cost-Sharing/Matching Funds*	93,308.41
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*It is hoped that this total will be supplemented by additional grant monies for other programs being carried out under the auspices of the Caracol Project.