

PD-ABA-469

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

AGENCY FOR INTERNATIONAL DEVELOPMENT

Washington, D. C. 20523

PROJECT PAPER

ANNEX

PAKISTAN: Northwest Frontier Area
Development (391-0485)

September 9, 1988

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

ANNEX A

GUIDANCE CABLE

ACTION AID INFO AMB DCM TCON AR

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PP RUEPIL
DE RUEHC #8417 2570221
ZNF UUUUU ZK
P 242210Z SEP 87
FM SICSTATE WASHDC
TO AMEMBASSY ISLAMAPAD PRIORITY 2317
BT
UNCLAS STATF 298017

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ACTION	
Due Date:	9/29
Action Taken:	NAN
Date:	9/24/87
Initial:	R.M.

OFFICE: AID
DIST: AIT
ATT:

AIEAC

L.C. 12356: A/A
TAGS: A/A

SUBJECT: NAPP AREA DEVELOPMENT - PROPOSED PP AMENDMENT
(391-0485)

REF: A) ISLAMAPAD 18746 C) STATF 295232 B) ISLAMAPAD 19361

OFFICIAL FILE	ACTION	OFFICE	INFO
		D	✓
		DD	✓
		PRO	✓
		HLA	
		C&C	
✓	✓	PDM	
		E&E	
		ENG	✓
		HPM	
		HRT	
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		OFM	
		EXO	
		GSO	
		PER	
		PROC	
		BMS	
		APP	

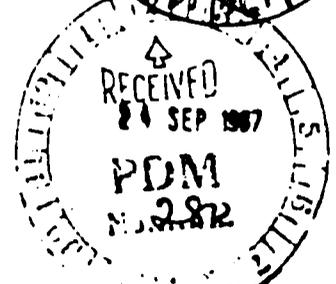
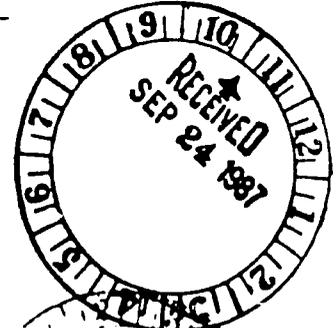
USIS, AID/P

1. PROJECT COMMITTEE REVIEWED REF REQUEST FOR AUTHORITY TO DEVELOP AND APPROVE A PROJECT AMENDMENT FOR SUBJECT PROJECT ON 9/16. BUREAU CONCURS IN MISSION REQUEST, AND AA/ANEMBUREBY DELEGATES AUTHORITY TO DESIGN AND APPROVE THE PROJECT AMENDMENT, INCREASING LIFE OF PROJECT FUNDING BY DOLS 27 MILLION. PEP REFS B AND C, LENGTH OF PROJECT SHOULD NOT EXCEED 10 YEARS UNLESS APPROVAL FOR LONGER PERIOD IS OBTAINED FROM A/AID. FOLLOWING GUIDANCE POINTS ARE PROVIDED FOR THE DESIGN PROCESS.

2. DESIGN TEAM: COMMITTEE AGREED THAT EVERY EFFORT SHOULD BE MADE TO SCHEDULE DESIGN TEAM VISIT TO FLAC MOUNTAIN AREA DURING THE UPCOMING PERIOD OF EASIEST ACCESS, AND WE WILL DO WHAT WE CAN TO FACILITATE TEAM RECRUITMENT WHEN MISSION REQUIREMENTS ARE RECEIVED. BEYOND THIS WEATHER-RELATED TIME CONSTRAINT, HOWEVER, MISSION SHOULD TAKE WHATEVER TIME IS NECESSARY TO

CAREFULLY DEFINE THE PROJECT INTERVENTIONS AND STRATEGY. IT APPEARS THAT THE DESIGN PERIOD, WITH PP AMENDMENT APPROVAL ANTICIPATED BY DECEMBER, MAY BE A BIT COMPRESSED, GIVEN THE COMPLEXITIES OF THE PROJECT.

3. THE PROJECT AMENDMENT SHOULD BE JUSTIFIED THROUGH AN ANALYSIS OF THE IMPACT AND EFFECTIVENESS OF THE PROJECT SO FAR, AND AN ANALYSIS OF THE EXPECTED IMPACT AND EFFECTIVENESS OF THE THREE ACTIVITIES TO BE FUNDED UNDER THE AMENDMENT. SINCE THE BASIC RATIONALE FOR THE PROJECT IS TO REDUCE POPPY PRODUCTION, ESTIMATES OF IMPACT IN TERMS OF REDUCED POPPY PRODUCTION, COMPARED WITH THE OUTCOME ABSENT THE PROJECT, WOULD BE MOST HELPFUL. SECOND, IT WOULD BE USEFUL TO HAVE A MORE PRECISE ACCOUNT OF THE LINKAGES THROUGH WHICH THE VARIOUS PROJECT INTERVENTIONS HAVE AFFECTED AND WILL CONTINUE TO AFFECT POPPY PRODUCTION. FOR INSTANCE, IT WOULD BE HELPFUL TO KNOW HOW LARGE THE GAP IS BETWEEN



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RETURNS TO POPPY PRODUCTION AND RETURNS TO OTHER ACTIVITIES, AND THE RESPECTIVE ROLES OF ENFORCEMENT AND DEVELOPMENT IN NARROWING OR BRASING THAT GAP. THE PROJECT COMMITTEE RECOGNIZES THAT VISIBLE DEVELOPMENT EFFORTS MAKE ENFORCEMENT POLITICALLY MORE FEASIBLE AND THAT THERE ARE OTHER INTERDEPENDENCIES BETWEEN ENFORCEMENT AND DEVELOPMENT, BUT IT IS UNCLEAR TO WHAT EXTENT DEVELOPMENT CAN BE ACHIEVED AT A PACE THAT WOULD HAVE ANY MEANINGFUL DIRECT IMPACT ON POPPY PRODUCTION, AND IF SO, AT WHAT COST. IS IT POSSIBLE TO EVALUATE THE SPECIFIC INTERVENTIONS (E.G., AGRICULTURE, ROADS, SCHOOLS) IN TERMS OF MEETING THE OVERALL GOAL OF POPPY REDUCTION (WITH SOME DEGREE OF PUBLIC ACCEPTANCE)? IS THE MIX OF DEVELOPMENT INTERVENTIONS OPTIMAL FROM THIS PERSPECTIVE? WE WOULD LIKE TO SEE THESE ISSUES DEALT WITH IN THE PROJECT PAPER.

4. OFF-FARM EMPLOYMENT: COMMITTEE AGREED WITH EVALUATION RECOMMENDATION FOR GREATER EFFORTS TO PROMOTE OFF-FARM EMPLOYMENT, SINCE THIS MAY ULTIMATELY PROVE TO BE THE BEST MEANS OF INCREASING INCOMES IN PROJECT AREAS. IN ADDITION TO INDUSTRIAL ESTATE AND TRAINING ACTIVITIES, OTHER POSSIBLE ACTIVITIES IN THIS AREA WITH POTENTIAL LARGE PAYOFF MIGHT BE ACTIVITIES IN THE SERVICE INDUSTRIES AND AGRIBUSINESS; I.E., FOOD PROCESSING, BARBERS, BAKERS, BICYCLE REPAIR SHOPS, RESTAURANTS. MICRO-ENTERPRISES COULD BE POTENTIALLY USEFUL AREA TO EXPLORE AS A MEANS OF INCOME GENERATION AS WELL AS GENERATING A HEALTHY LOCAL ECONOMY. CREDIT SCHEMES SHOULD BE EXPLORED, AS INDICATED IN THE EVALUATION. MISSION SHOULD EXPLORE REQUIREMENTS FOR

MARKETING AS AGRICULTURAL PRODUCTION INCREASES. WHITEHEAD

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ANNEX B

STATUTORY PROJECT 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?

It has not been so certified.

2. FAA Sec. 481(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

It has not been so determined.

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?

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?

- (a) No,
- (b) No,
- (c) No,
- (d) No.

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?

(a) and (b): We are aware of no such liability.

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?

We are aware of no such liability.

6. FAA Secs. 620(a), 620(f), 620(d); FY 1987
Continuing Resolution Secs. 572, 560; FY 1988
Continuing Resolution Sec. 554. (a) Is recipient country a Communist country? If so, has the President determined that assistance to the country is important to the national interests of the United States? (d) Will assistance be provided to Angola, Cambodia, Cuba, Iraq, Syria, Vietnam, Libya, or South Yemen? (c) Will assistance be provided to Afghanistan without a certification?

(a) No
(b) No
(c) No

7. FAA Sec. 620(j). Has the country permitted, or failed to take adequate measures to prevent, damage or destruction by mob action of U.S. property?

It has not.

8. FAA Sec. 620(l). Has the country failed to enter into an investment guaranty agreement with OPIC?

It has not.

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?

(a) It has not.
(b) It has not.

10. FY 1988 Continuing Resolution Section 518. Has the recipient country been in default for more than a period of one calendar year on any payment to the United States of principle or interest on any loan made to such country by the United States pursuant to a program for which funds are appropriated under this Act. No
11. FAA Sec. 620(g). If contemplated assistance is development loan or from Economic Support Fund, has the Administrator taken into account the percent 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.) Yes. Yes.
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? It has not.
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. Operating Year Budget? (Reference may be made to the Taking Into Consideration memo.) UN has not determined the country to be in arrears
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? We are aware of no such action.

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 from 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? Yes Yes

A. GENERAL CRITERIA FOR PROJECT

- 1. FY 1987 Continuing Resolution Sec. 523; FAA Sec. 634A. Describe how authorization and appropriations committees of Senate and House have been or will be notified concerning the project. Congressional Notification and Congressional Presentation.
2. FAA Sec. 611(a)(1). Prior to 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? (a) Yes (b) Yes
3. FAA Sec. 611(a)(2). If legislative action is required within recipient country, what is basis for reasonable expectation that such action will be completed in time to permit orderly accomplishment of purpose of the assistance? No legislative action is required.
4. FAA Sec. 611(b); FY 1987 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.) Yes

15. ISACA 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 115(u)(2) of the Federal Aviation Act of 1958, that an airport in the country does not maintain and administer effective security measures?

It has not.

16. 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?

It does not.

17. 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.)

FAA Section 620E permit a special waiver for Pakistan through April 1, 1990. (NY 1988 Con. Res. Resolution Section 557)

18. 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?

It has not been so determined.

19. 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 failed 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.)

It was so represented, but it disassociated itself from the communique.

20. 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

21. FY 1988 Continuing Resolution Sec. 513.
(a) Has the duly elected Head of Government of the country been deposed by military coup or decree? (b) If so, has the President determined and reported to Congress that, subsequently, a democratically elected government has taken office?

(a) No
(b) N/A

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

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 made such significant improvement in its human rights record that furnishing such assistance is in the U.S. national interest?

It has not been so determined.

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 effectively to maintain and utilize the project?
- Yes, a Mission Director's 611(e) Certification is included in this amendment.
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.
- Yes, one component is supported by an AID regional project. The other components are not susceptible to regional or multilateral efforts since they focus on specific geographic areas; however the are coordinated by the GOP's Special Development and Enforcement Plan.
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) No, (b) to a limited extent, (c) No, (d) No, (e) Yes, for agriculture, (f) No.
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).
- US private sector will participate in this project as suppliers of goods and services.
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.
- The GOP will continue to support the area development components in the form of salaries for project personnel. The GOP will contribute about 25% of the costs of the Drug Center and the bulk of the costs of the Industrial Estate. With respect to foreign currencies owned by the US, see Mission Director's 612(b) Waiver in Annex D.
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?
- No.

11. FY 1987 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?

N/A

12. FY 1987 Continuing Resolution Sec. 558
(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?

(a) No

(b) No

13. FY 1987 Continuing Resolution Sec. 559.
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?

No

14. 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 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

yes, a detailed Initial Environmental Examination which recommends a negative determination is included in this Project Amendment.

- (a) Yes, in some component
- (b) Possibly " "
- (c) Yes " "
- (d) N/A
- (e) N/A
- (f) Yes, in some components
- (g) Yes, " " "
- (h) N/A
- (i) No
- (j) No
- (k) N/A

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?

15. 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?
- (a) No
(b) No
(c) No
(d) No
16. 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
17. FY 1987 Continuing Resolution Sec. 532. Is disbursement of the assistance conditioned solely on the basis of the policies of any multilateral institution?
- No

B. FUNDING CRITERIA FOR PROJECT

1. Development Assistance Project Criteria
- a. FAA Secs. 102(b), 111, 113, 281(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
- This is an ESF funded project.
N/A

- 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 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. N/A
- b. FAA Secs. 103, 103A, 104, 105, 106, 120-21. Does the project fit the criteria for the source of funds (functional account) being used? N/A
- c. 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)? N/A
- d. 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)? N/A
- e. 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? N/A

- f. FAA Sec. 281(E). 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. N/A
- g. FY 1987 Continuing Resolution Sec. 540. 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? N/A
- 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?
- h. FY 1987 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? N/A
- 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?
- i. FAA Sec. 601(e). Will the project utilize competitive selection procedures for the awarding of contracts, except where applicable procurement rules allow otherwise? N/A

- j. FY 1987 Continuing Resolution. How much of the funds will be available only for activities of economically and socially disadvantaged enterprises, historically black colleges and universities, 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)? N/A
- k. 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
- l. 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 significantly degrade national parks or similar protected areas which contain tropical forests, or introduce exotic plants or animals into such areas? N/A
- m. 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 N/A

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?

2. Development Assistance Project Criteria (Loans Only)

This is an ESF-funded grant project.

- 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 1987 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

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? Yes
- b. FAA Sec. 531(e). Will this assistance be used for military or paramilitary purposes? No
- c. ISDCA of 1985 Sec. 207. Will ESF funds be used to finance the construction, operation or maintenance of, or the supplying of fuel for, a nuclear facility? If so, has the President certified that such country is a party to the Treaty on the Non-Proliferation of Nuclear Weapons or the Treaty for the Prohibition of Nuclear Weapons in Latin America (the "Treaty of Tlatelolco"), cooperates fully with the IAEA, and pursues nonproliferation policies consistent with those of the United States? N/A
- d. 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

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? From the US or
Pakistan

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 No

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?
No
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, PASAs are not contemplated under the project.
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 1987 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?
All direct AID contracts will contain such provision.
10. FY 1987 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

B. CONSTRUCTION

1. FAA Sec. 601(d). If capital (e.g., construction) project, will U.S. engineering and professional services be used? No
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? Yes
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? Yes

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? N/A
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? Yes

4. Will arrangements preclude use of financing:
- a. FAA Sec. 104(f); FY 1987 Continuing Resolution Secs. 525, 540. (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
 - g. FY 1987 Continuing Resolution Sec. 503. To pay pensions, annuities, retirement pay, or adjusted service compensation for military personnel? Yes

- h. FY 1987 Continuing Resolution Sec. 505.
To pay U.N. assessments, arrearages or dues? Yes
- i. FY 1987 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 1987 Continuing Resolution Sec. 510.
To finance the export of nuclear equipment, fuel, or technology? Yes
- k. FY 1987 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 1986 Continuing Resolution Sec. 516.
To be used for publicity or propaganda purposes within U.S. not authorized by Congress? Yes

ANNEX C

LOGICAL FRAMEWORK

LOGICAL FRAMEWORK

NARRATIVE SUMMARY	OBJECTIVELY VERIFIABLE INDICATORS	MEANS OF VERIFICATION	IMPORTANT ASSUMPTIONS
<p>Program or Sector Goal: The broader objective to which this project contributes:</p> <ol style="list-style-type: none"> 1. Eradication of opium poppy production within a process of rapid socioeconomic development in the remote parts of Pakistan. 2. Elimination of drug abuse in Pakistan. <p>A-1</p>	<p>Measures of Goal Achievement:</p> <ol style="list-style-type: none"> 1. Poppy cultivation eliminated in all settled areas by 1993 without serious economic hardship in areas now dependent on poppy income. 2. Pakistan's addict population reduced by at least 15% by 1993. <p>A-2</p>	<ol style="list-style-type: none"> 1. Embassy and GOP estimates 2. PNCB and Embassy estimates <p>A-3</p>	<p>Assumptions for achieving goal targets:</p> <ol style="list-style-type: none"> 1.a. GOP continues its commitment to the eradication plan. 1.b. Once the ban is enforced in Buner, Gadoon-Amazai and Kala Dhaka, poppy cultivators will be unable to find suitable settled areas in which poppy might be grown. 1.c. Price of opium does not increase significantly. 2. GOP continues its commitment to make Pakistan a drug free nation. <p>A-4</p>
<p>Project Purpose:</p> <ol style="list-style-type: none"> 1.a. To change the economy of Gadoon-Amazai from one based primarily on poppy to a diversified agricultural and non-agricultural system with strong ties to the national economy. 1.b. To halt poppy production in Kala Dhaka by bringing this remote area into the mainstream of provincial and national development. 2. To support local, provincial and national efforts to achieve a drug free society through reduction of drug demand and drug production. <p>B-1</p>	<p>Conditions that will indicate purpose have been achieved. End of Project Status.</p> <ol style="list-style-type: none"> 1. Poppy area residents maintain a standard of living comparable to pre-project levels. 2. Industrial Estate fully leased and plants in operation. 3. All weather road networks established that effectively cover the two areas and link them to other regions. 4. Ag marketing systems established for non-traditional crops from the areas. <p>Drug Abuse Prevention Resource Center fully functional and receiving 100% of its support from GOP.</p> <p>B-2</p>	<p>Embassy and GOP estimates Mid-term and EOP evaluation</p> <p>Results of GOP evaluation and GOP records.</p> <p>B-3</p>	<p>Assumptions for achieving purpose:</p> <ol style="list-style-type: none"> 1.a. Poppy ban in Gadoon-Amazai continued by GOP; area residents continue to accept project benefits and comply with the ban. 1.b. Kala Dhaka residents accept project benefits; GOP enforces poppy ban once benefits flowing, o/a Year 3 of amendment. 2. Local, provincial and national groups will make full use of the Drug Center facilities; the socio-political environment will permit these groups to function easily. <p>B-4</p>

Page 1

LOGICAL FRAMEWORK

NARRATIVE SUMMARY	OBJECTIVELY VERIFIABLE INDICATORS	MEANS OF VERIFICATION	IMPORTANT ASSUMPTIONS
<p>Output: (For list of outputs and their magnitudes, please see Section III.B, of the Project Amendment).</p>	<p>Magnitude of Outputs:</p>	<p>1. Project and AID records Project Evaluations</p>	<p>Assumptions for achieving outputs: 1.a. Line agencies continue to cooperate; PCU continues to coordinate inputs; area residents continue to cooperate. 1.b. Kala Bhaka tribal leaders accept involvement of Government officials and technical assistance team; GOWFP provides PCU leader of appropriate qualifications; area residents participate in project activities 2. Other donors and GOP make inputs in timely fashion.</p>
<p>C-1 Inputs: Technical Assistance and other personnel Commodities Operations (including training) Construction GOP staff facilities, and on-going programs Other donor inputs (Drug Center only)</p>	<p>C-2 Implementation Target (Type and Quantity): (For list of proposed inputs, please see Section V.E. Financial Analysis)</p>	<p>C-3 Project and AID records Project Evaluations PNCB Reports</p>	<p>D-4 Assumptions for providing inputs: 1. Necessary contracts completed on time. 2. Facilities available for project use as planned 3. Qualified personnel in US and Pakistan are available to the project. 4. Commodities will be available when needed. 5. Project funding provided as scheduled</p>
<p>D-1 2694p (sp)</p>	<p>D-2</p>	<p>D-3</p>	<p>D-4</p>

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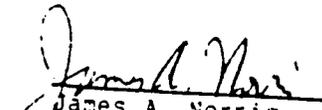
ANNEX D

MISSION DIRECTOR'S CERTIFICATIONS

NORTH WEST FRONTIER AREA DEVELOPMENT PROJECT
FAA SECTION 611 (e) CERTIFICATION

I, James A. Norris, the principal officer of the Agency for International Development in the Islamic Republic of Pakistan, having taken into account, among other things, the maintenance and utilization of projects in the Islamic Republic of Pakistan previously financed or assisted by the United States, do hereby certify, pursuant to Section 611(e) of the Foreign Assistance Act of 1961, as amended, that, in my judgment, the Islamic Republic of Pakistan has both the financial capability and the human resources capacity effectively to maintain and utilize the proposed North West Frontier Area Development Project Amendment.

This judgment is based upon the project analysis as detailed in the North West Frontier Area Development Project Paper Amendment and is subject to the conditions imposed therein.


James A. Norris
Director
USAID/Pakistan

Sept. 19, 1988
Date

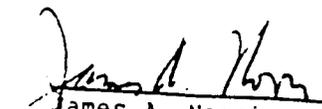
Clearances: PDM:RWNachtrieb:(draft)
PLA:TBCarter:(draft)

NORTH WEST FRONTIER AREA DEVELOPMENT PROJECT
FAA SECTION 612 (b) CERTIFICATION

A major purpose of the \$2.280 billion economic assistance program negotiated between the Governments of the United States and Pakistan, acknowledged by both Governments and a primary reason for both Governments having decided to develop an economic assistance package, is to provide balance of payments assistance to Pakistan.

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

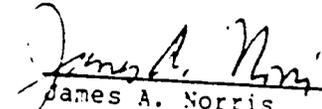
In view of the above rationale, I, James A. Norris, principal officer of the Agency for International Development in Pakistan, pursuant to Section 612(b) of the Foreign Assistance Act of 1961, as amended, do hereby certify the need to disburse dollars to cover local currency costs in lieu of using United States-owned excess rupees under the North West Frontier Area Development Project Amendment.


James A. Norris
Director
USAID/Pakistan
Sept 19, 1985
Date

Clearances: PDM: PWNachtrieb: (draft)
PRO: WTate: (draft)
FM: ADPratt: (draft)
DD(A): PDavis: PD
RLA: TBCarter: (draft)

CERTIFICATION FOR COMPLIANCE WITH GRAY AMENDMENT

I, James A. Norris, the principal officer of the Agency for International Development in the Islamic Republic of Pakistan, do hereby certify that the procurement plan in the North-West Frontier Area Development Project Paper Amendment was developed with full consideration of maximally involving Minority and Women-Owned Firms, or Gray Amendment Organizations, in the provision of required goods and services and that the project is not appropriate for minority or Gray Amendment set-aside contracting. During the course of implementation, opportunities for such organizations to participate will be fully considered.


James A. Norris
Director
USAID/Pakistan
Sept 19, 1955
Date

ANNEX E

DRAFT PROJECT AUTHORIZATION AMENDMENT

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PROJECT AUTHORIZATION AMENDMENT

Annex E
Page 1

Name of Country/Entity: Pakistan Name of Project: North West Frontier
Area Development
Project No. 391-0485

1. Pursuant to Sections 531 and 104 of the Foreign Assistance Act, as amended, the Gadoon-Amazai Area Development Project for Pakistan was authorized on August 10, 1983 with a funding level of Twenty Million United States Dollars (\$20,000,000) in grant funds. The Project Authorization was amended on July 5, 1984 to provide additional funding of Ten Million United States Dollars (\$10,000,000) and the name of the project was changed to North West Frontier Area Development Project. The Authorization was further amended on September 29, 1987 to provide additional funding of One Million United States Dollars (\$1,000,000).

2. That Project Authorization is hereby amended as follows:

(A) I hereby authorize additional planned obligations not to exceed Thirty-Two Million United States Dollars (\$32,000,000) in grant funds over a ten-year period from the date of original authorization of this Project, subject to the availability of funds in accordance with the A.I.D. OYB/allotment process, to assist in financing foreign exchange costs and local currency costs for this Project. The total planned obligations for this Project shall not exceed Sixty-Three Million United States Dollars (\$63,000,000) in grant funds. This additional Thirty-two Million Dollars (\$32,000,000) is authorized to assist the Cooperating Country to carry out its Special Development and Enforcement Plan for the eradication of opium poppy cultivation by financing a second phase of development activities (including agriculture, infrastructure and training) in Gadoon-Amazai, and a first phase of development activities in adjacent Kala Dhaka. A portion of the funds will also be used to assist the Cooperating Country to try to control domestic drug abuse by helping to finance the establishment of a drug abuse prevention facility.

(B) I further authorize extension of the Project Assistance Completion Date (PACD) to August 9, 1993.

(C) The following three new Conditions Precedent and two new Special Conditions are hereby added:

(1) Conditions Precedent to First Disbursement Under the Kala Dhaka Grant Component

Except as A.I.D. may otherwise agree in writing, prior to any disbursement under the Kala Dhaka component of the Grant, or to the issuance by A.I.D. of documentation pursuant to which such disbursement will be made, the Grantee shall furnish or have furnished to A.I.D. in form and substance satisfactory to A.I.D.: (a) a written statement

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setting forth the names and titles of persons holding or acting in the office of the Grantee and representing that the named person or persons have the authority to act as a representative or representatives of the Grantee for purposes of the Kala Dhaka component of the Grant together with a specimen signature of each such person certified as to its authenticity; and (b) documentation confirming that the Parties have reached agreement in writing as to the actions to be taken by the Government of the NWFP in the Kala Dhaka project area to enforce the Grantee's ban on opium poppy cultivation and the processing and distribution of opium poppy, heroin, and/or illicit morphine-based substances.

(2) Conditions Precedent to Disbursement for Road Construction Activities to be Implemented in the East Bank portion of the Kala Dhaka Project Area

Except as A.I.D. may otherwise agree in writing, prior to disbursement under this Project component for activities related to the construction of new or rehabilitation of existing roads in that portion of the Kala Dhaka project area which lies to the east of the Indus River, or to the issuance by A.I.D. of documentation pursuant to which such disbursement will be made, the Grantee will provide to A.I.D. in form and substance satisfactory to A.I.D.: (a) documentation confirming that the Grantee has established, or has caused to be established, a Project Coordination Unit within the Government of the NWFP for the purpose of overseeing project implementation within the Kala Dhaka area; and (b) documentation confirming that the Grantee has appointed, or has caused to be appointed, a Project Director for the Kala Dhaka Project Coordination Unit, together with the name of said person and his specimen signature.

(3) Condition Precedent to First Disbursement Under the National Drug Abuse Prevention Resource Center Component

Except as A.I.D. may otherwise agree in writing, prior to any disbursement under the National Drug Abuse Prevention Resource Center component or to the issuance by A.I.D. of documentation pursuant to which such disbursement will be made, the Grantee shall furnish or have furnished to A.I.D., in form and substance satisfactory to A.I.D., a written statement setting forth the names and titles of persons holding or acting in the office of the Grantee and representing that the named person or persons have the authority to act as a representative or representatives of the Grantee for purposes of the Drug Center component of the Grant together with a specimen signature of each such person certified as to its authenticity.

(4) Special Condition - Control of Opium Poppy Related Activities In the Kala Dhaka Project Area

As a Condition Precedent to Disbursement for activities under the Kala Dhaka component, the parties are required to have reached

agreement in writing as to actions to be taken by the Government of the NWFP in the Kala Dhaka project area to enforce the Grantee's ban on opium poppy cultivation and the processing and distribution of opium poppy, heroin and/or illicit morphine base substances.

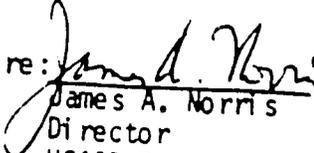
The Grantee agrees to carry out or cause to be carried out said enforcement agreement, as it may be from time to time amended by the Parties, in a prompt and effective manner. If at any time prior to the Project Assistance Completion Date (PACD) for this Project, as it may be from time to time amended, the United States Government should determine, in its discretion, that the Grantee or the Government of the NWFP has not substantially complied with said enforcement agreement or has failed to act in good faith in its efforts to fulfill the terms of said enforcement agreement, A.I.D. reserves the right to: (i) suspend all further assistance under the Project or such part thereof as A.I.D. may deem appropriate; and/or, (ii) terminate all further assistance under this Project as provided for in the Project Grant Standard Provisions Annex (Annex 2).

The provisions of this clause are in addition to such other remedies as may be available to A.I.D. under the terms of this Project Grant Agreement.

(5) Special Condition - Prevention of the Spread of Opium Poppy Cultivation in the Kala Dhaka Project Area

During the interim after signature of the Eighth Project Agreement Amendment which incorporates the Kala Dhaka component into the Project and before enforcement of the opium poppy cultivation ban in the Kala Dhaka Project Area in accordance with the agreement referred to in the First Condition Precedent, the Government of Pakistan agrees to take all actions within the capacity of its resources to prevent the spread of poppy cultivation to those locations in the Kala Dhaka project area where the crop is not currently grown.

3. The original Authorization cited above, as from time to time previously amended, remains in full force and effect except as hereby amended.

Signature: 
James A. Norris
Director
USAID/Pakistan

Date: Sept 19, 1983

Clearances: PDM:RPMathia: (Draft)
RAO/P:TDurrami: (Draft)
PDM:RWNachtrieb: (Draft)
PRO:FWTate: (Draft)
FM:ADPratt: (Draft)
(A)DD:PDavis: (Draft)

Drafted by: RLA:TB [Signature] 8/30/88
3460p (sp)

ANNEX F

DRAFT PROJECT DESCRIPTION FOR INCLUSION IN PROAG AMENDMENT

DRAFT PROJECT DESCRIPTION FOR INCLUSION IN PROAG AMENDMENT

I. Project Goal and Purpose

The goal to which the project contributes is the eradication of opium poppy production within a process of rapid socio-economic development in the remote areas of Pakistan. The project is also designed to contribute to the goal of eliminating drug abuse in Pakistan.

The purpose of the project in Gadoon-Amazai, and other project areas except Kala Dhaka, is to change the area economy of the remaining poppy producing areas of the Northwest Frontier Province from one based primarily on poppy cultivation to a diversified agricultural and non-agricultural system with strong ties to the national economy, which will facilitate the GOP's enforcement effort with respect to poppy cultivation and narcotics production.

In Kala Dhaka the purpose is to halt existing poppy production and prevent future increases as producers attempt to move in from Gadoon Amazai, by bringing this remote, economically neglected area into the mainstream of the provincial and national economies.

The main purpose of the Drug Abuse Prevention Resource Center is to support and encourage local, provincial and national efforts to achieve a drug-free society through reduction of both drug demand and drug production.

II. Project Components

The project has five inter-related components:

A. Gadoon-Amazai Area Development

This component involves the implementation of hundreds of sub-projects in the fields of infrastructure (roads, irrigation channels, water supply systems, schools, veterinary clinics, etc.), agriculture (horticulture, improved seeds, land leveling, fertilizer, etc.) and training (primarily for off-farm employment and women's education). A first phase, funded with \$20 million, will be completed in mid-1990. A second phase, also funded at \$20.9 million, will complete AID's involvement in the area, and is designed to achieve the purpose outlined above.

B. United Nations Fund for Drug Abuse Control (UNFDAC) Activities

This component, funded at \$10 million, provides support to UNFDAC in undertaking development activities in other poppy producing areas of NWFP. These activities, as well as the activities in which AID has a more direct implementation role, and described in components A, C, and D, are coordinated by the GONWFP's Special Development Unit, and thus tied to Pakistan's overall poppy eradication effort.

C. Gadoon-Amazai Industrial Estate

AID is supporting the GOP in the establishment of an industrial estate to be located inside the Gadoon-Amazai project area. The estate, which should provide jobs for many hundreds of project beneficiaries, is receiving \$1 million from AID for the construction of basic infrastructure.

D. Kala Dhaka Area Development

Since successful enforcement of the poppy ban in Gadoon, some drug dealers and poppy cultivators have moved their operations to adjacent Kala Dhaka. AID will finance a first phase to design a series of infrastructure, agriculture, health and training sub-projects, intended to bring this very remote area into parity with the surrounding region and to integrate it into the provincial and national economics. A significant effort of the first phase will be the design of access roads. AID expects to finance construction of these roads, and supporting development activities in agriculture and other disciplines at the level of \$15 - 20 million during a second phase of activities likely to start within 12 to 24 months of this project agreement. In addition, Phase I will fund construction of a few small infrastructure activities and a major road on the west bank as well as an initial afforestation effort.

E. Drug Abuse Prevention Center

A National Drug Abuse Prevention Resource Center will be established by the Pakistan Narcotics Control Board (PNCB) in Islamabad. AID has already contributed to this project through its Regional Narcotics Education Project (398-0355). Additional resources of \$3.1 million will be provided through this component of the NWFADP. The Center will form strong linkages with cooperating agencies in Karachi and Quetta, and at a later stage branch offices will be established there. Other towns will also be linked to the Islamabad center. The Center will be an information clearing house, with, ultimately, a professional staff of about 40 people. The Center will commission and conduct a range of training courses, and be the source of funding for national media campaigns and local information efforts.

III. Implementation Plan

A. Implementation Schedule

The activities of the UNFDAC will continue over the life of the project amendment. AID involvement in the Industrial Estate is almost complete; only payments on the relevant host country contracts remain. The Kala Dhaka first phase will last 12-24 months. During this phase an additional amendment will be designed to cover a second phase of

activities to last from 3 - 4 years. The drug center will be started immediately upon signing of the project agreement, and should be fully operational by the PACD. USAID involvement in Gadoon will be gradually phased out over the remaining life of the project and will be reduced to zero by the PACD.

B. Administrative Arrangements

In Gadoon the project will be implemented by a Project Director, supported by a Project Coordination Unit (PCU), and guided by Project Coordinating Committees and a Project Review Board. This pattern will also be followed in Kala Dhaka, although, since this area is a Provincially Administered Tribal Area, the Deputy Commissioner, Hazara, will act as Ex-Officio Project Director.

UNFDAC will be administering Component B activities. The Industrial Estate component will be administered through the Gadoon PCU. The Pakistan Narcotics Control Board will administer the Drug Center.

C. AID and GOP Responsibilities

1. AID Responsibilities

AID will be responsible for:

- a. negotiations with the GOP and GONWFP on all matters related to the development program including definition and review of financial and administrative arrangements;
- b. initiation of periodic disbursements of funds for project implementation and follow-up on use of funds;
- c. overall monitoring of project progress;
- d. participation in the Gadoon II and Kala Dhaka Project Review Board;
- e. procurement of selected local and expatriate technical assistance and contract personnel and management of these contracts;
- f. off-shore procurement of selected commodities;
- g. arrangements for overseas training programs;
- h. coordination of inputs from other AID projects;
- i. participation in project evaluations; and
- j. participation in US Mission/GOP discussions on enforcement of the poppy ban.

2. GOP Responsibilities

a. GONWFP

Provincial government agencies will be responsible for:

i. provision of suitably qualified staff for the Gadoon II and Kala Dhaka Project Coordination Units, as described in the Project Paper;

ii. line agency support in the implementation of Gadoon II and Kala Dhaka subprojects, as described in the Project Paper, with the following exceptions:

- (a) off-farm training during at least the first year of Gadoon II will be carried out by the Overseas Pakistani Foundation, under contract with the PCU;
- (b) Forestry/Watershed management activities will be undertaken in Kala Dhaka by the Department of Forestry and the World Food Program (WFP) under a contract with AID and with WFP acting as manager of these activities;
- (c) small infrastructure subprojects in Gadoon and Kala Dhaka will be implemented by project committees composed of village beneficiaries; their work will be supervised by the PCU, the line agencies, the technical assistance personnel and/or AID technical personnel working in support of the PCU; and
- (d) the design of the access roads on the east bank which will be undertaken by contracted firms under the supervision of AID technical personnel.

iii. participation in the Gadoon II and Kala Dhaka Project Review Boards, Project Coordination Councils and project evaluations, as described in the Project Paper; this will involve the Provincial Government in providing;

- (a) annual work plans for PRB and AID review;
- (b) solving implementation problems; and
- (c) coordinating inputs from various line agencies and other GONWFP entities.

b. Pakistan Narcotics Control Board

The PNCB will be the counterpart agency for the establishment of the Drug Abuse Prevention Center. As such the PNCB will be responsible for:

- (a) provision of all staff with the exception of the contracted advisors;
- (b) procurement of shelf commodities; and
- (c) implementation of subprojects.

A.I.D. Project No. 391-0485
Northwest Frontier Area Development

SUMMARY OF PROJECT COSTS BY EXPENSE CATEGORY AND SOURCE OF FUNDING

ILLUSTRATIVE

(In \$ 000)

EXPENSE CATEGORY	Cumulative Fy 1983, 84, 85, 86, 87 & 88 To Date:		Life of Project Funding	
	AID Grant (in \$)	GDP (in Rs)	AID Grant 1/ (in \$)	GDP (in Rs)
Technical Assistance	4052	-	7019	-
Training	200	-	2662	-
Commodities	3395	-	6545	-
Other Costs				
a. Construction	13071	2496	21717	4992
b. Project Personnel & Operations	5046	8720	11191	16640
c. Land & Other Facilities	-	1280	-	2560
Evaluation	150	-	450	-
Activities to support the GDP's Special Development and Enforcement Plan for Opium Poppy Growing Areas	10000	-	10000	-
TOTAL	35914	12096	59584	24192
Contingency	586	5824	3416	11648
GRAND TOTAL	36500	17920	63000	35840

1/ Does not include funding under the A.I.D.-financed Development Support Training Project (391-0474) which may be used to finance some training for this project, subject to the availability of funds to A.I.D. for this purpose.

c 42

A.I.D. Project No. 391-0485
Northwest Frontier Area Development

SUMMARY OF PROJECT COSTS BY EXPENSE CATEGORY AND COMPONENTS FY 1986

(In 000's)

ILLUSTRATIVE

EXPENSE CATEGORY	BADDOKH II		KALA DHAKA		DRUG CENTER		TOTAL NWFD AMENDMENT	
	FY 86	Life of Project	FY 86	Life of Project	FY 86	Life of Project	FY 86	Life of Project
	AID Grant (in \$)	AID Grant (in \$)						
Technical Assistance	257	1815	1115	1870	122	782	1500	4467
Training	129	2049	21	64	50	549	200	2662
Commodities	300	2177	481	1721	19	51	800	3942
Other Costs								
a. Construction	600	7475	900	2672	-	-	1500	10147
b. Project Personnel & Operations	617	5019	206	910	177	1216	1000	7145
Evaluation	-	300	-	-	-	-	-	-
TOTAL	1909	18875	2723	7237	368	2598	5000	25570
Contingency	200	2060	233	794	67	476	500	3330
GRAND TOTAL	2109	20895	2956	8031	435	3074	5500	32000

ANNEX G

DRAFT SCOPES OF WORK FOR TECHNICAL ASSISTANCE

DRAFT SCOPES OF WORK FOR TECHNICAL ASSISTANCE PERSONNEL

This annex provides detailed scopes of work (SOW) for the long term advisors for Gadoon and Kala Dhaka. A local translator/deputy COP for Kala Dhaka will be hired by the contractor once in country, and the contractor will therefore be responsible for preparing this SOW.

The annex ends with a brief description of some of the short-term expatriate technical assistance requirements.

1. Pasture and Forage Advisor for Gadoon (Pakistan)

a. Setting

Historically Pakistan agricultural policy has focused on animal health and veterinary services and has not devoted many resources to animal nutrition. Provincial grazing and forage activities are part of the mandate of the GONWFP Department of Forestry, but this Department has continued to have a strong focus on forestry and extremely limited work with pastures and forage.

Gadoon I pasture development met with only limited success. One problem was conceptual; the program was viewed as a range management activity, which implies an extensive grazing program. The Gadoon II concept will focus on intensive grazing and forage production.

Considerable information has been assembled under the Gadoon I project and is available for a base of information on which to develop this activity. Also staff members at the Pakistan Forest Institute, Peshawar, have initiated pasture and forage research. Some research results have been published. The National Agricultural Research Center (NARC), Islamabad, has also compiled information on pastures and forages.

b. Statement of Work

The expert will work with the Departments of Forestry, Agriculture and Livestock to design a program of field activities which will provide increased quantity and quality of livestock feed. He will review prior range management, pasture and forage work in NWFP. This will require professional contact with the Agricultural University at Peshawar, the Pakistan Forest Institute, Peshawar and the National Agricultural Research Center (NARC), Islamabad as well as a review of project files.

The advisor will work with rural populations in identifying and understanding traditional grazing patterns and forage production in order to introduce programs of improved pasture management and forage production with minimal disruption to the traditional systems.

Specifically the advisor shall:

- Establish 15-20 trials and demonstrations to improve pastures to (a) provide increased quantity of feed and (b) extend the grazing season. Also develop trials and demonstration for improved forage production. Determine the types of grasses and forbs native to the area, introduce new varieties and test their productive capacity and nutrition value.
- Develop forage production systems which improve the nutritive quality and quantity of cut forage. Identify supplementary feed resources allowing development of intensive livestock feeding systems.
- Conduct technical trials and economic analyses of the value of fertilizing grazing areas and forage fields.
- In one year in cooperation with the Department of Forests and other GONWFP agencies develop a self-sustaining pasture improvement and forage production program which can be tested and established in the Gadoon-Amazai area.
- Assist the Departments of Forestry, Livestock and Agriculture to work together in expansion of the program.
- In cooperation with the Project Director, PCU, and GONWFP officials identify and select 3 participants for short-term overseas training in various aspects of pasture and forage production.
- Within six months after arrival have prepared a work plan for the first two year period. The work plan shall address among other activities the components listed above with specifically attainable objectives. The work plan shall be reviewed with the Project Director, PCU, the USAID Project Officer and others as may be necessary.

An evaluation of the advisor's work will be completed between the eighteenth and twentieth month of his assignment. The evaluation

will be based on the goals and objectives addressed in the work plan. The evaluation will also determine if this activity should be continued into a second two-year assignment.

C. Qualifications

An advanced degree in agronomy or livestock production with emphasis on forage production and pasture development is desired. A minimum of five years of professional field experience is required. The advisor must have a background in or an understanding of rural sociology. The position of pasture/forage advisor will require stamina and ability to undertake extensive field work and travel. He will also work with farmers, Union Council representatives, Government officials and research staffs at all levels.

2. Training Specialist for Gadoon (Pakistan)

a. Setting

As noted throughout the project amendment, the Mission seeks an expanded role for off-farm employment during the last five years of USAID involvement in Gadoon. It has therefore been agreed that the PCU shall be strengthened by the establishment of a Training Office, to be headed by a Training Specialist, and supported with vehicles, office equipment and clerical personnel. The statement of work for the head of the office follows.

b. Statement of Work

As head of the new Topi Training Office, the specialist shall:

- coordinate training components, maintain training and placement records, monitor training agreements and determine the need for and supervise short term consultants;
- prepare scopes of work for short term consultants;
- conduct periodic surveys of the project area to determine the relative effectiveness of training programs, placement progress and identify the need for additional training and/or placement services;
- provide administrative support for the Women's Centers;
- work with Agricultural University of NWFP personnel in farmer and farm family training;

- coordinate in-service training of teachers both on-site and at Pakistani educational institutions.

During Year 1, the primary function of the specialist will be to supervise the work of the Overseas Pakistani Foundation (OPF) in implementing Gadoon II training objectives. If the OPF work is satisfactory, the Training Office will continue in a mainly monitoring/supervisory role. If OPF is not found acceptable after the evaluation at the end of the first year, the Training Office will have to take on direct training activities, using local and expatriate short term technical assistance. The budget provides for either a continuation of the OPF contract, or the use of other consultants.

The specialist shall be responsible ensuring that the following are achieved:

- identification of institutions in Pakistan that provide training for off-farm employment;
- identification of Gadoon residents who are suitable for off-farm employment training;
- ensuring that the maximum number of eligible persons receive training, and that candidates are selected on the basis of merit and suitability, not for political reasons;
- identification of opportunities to improve the skills of local teachers, either on-site or at Pakistani institutions;
- ensuring that the maximum number of area teachers benefit from training opportunities;
- supervision of the in-service training of non-formal educators in the Women's Center programs;
- coordination with non-formal educators in program development;
- coordination of in-service training of project personnel.

The specialist shall be available to assist the Kala Dhaka PCU in the selection of schools to receive teacher housing, if required.

c. Qualifications

The individual for this position must have a strong interest in vocational education, and have experience in supervising

programs that have led to employment for a rural population. A degree in vocational/technical education is required. Demonstrated success in a placement program and enthusiasm for achieving employment goals are essential.

3. Rural Development Specialist, Kala Dhaka Chief of Party
(Expatriate)

a. Setting

The Government of North West Frontier Province wishes to design and implement a rural development project in the Kala Dhaka Area of Mansehra District in co-operation with the United States Agency for International Development. It is proposed to appoint a Technical Assistance Team of various disciplines to assist a national Project Manager who will be in charge of a Project Co-ordination Unit which will design and implement the project.

The Kala Dhaka area is a relatively remote, mountainous and completely independent tribal area which has minimal and difficult systems of communication and virtually no modern amenities. The immediate priority is to develop a road system which will connect the area with the more developed parts of the Province and provide a basic internal communications system in order to facilitate economic and social development.

Data on which to base a detailed evaluation of the development potential is generally not available, but the major resource is agricultural land, mainly in the form of narrow terraces on steep slopes, although there is some flatter plateau land in certain parts of the area. Annual cropping of wheat, maize and to a smaller extent poppy are the main economic activities. Rice is cultivated in the summer where simple village irrigation systems have been constructed. There is some raising of livestock and there is a potential for re-afforestation and sustained yield felling of existing forest resources.

There has been degradation of land through deforestation and over-grazing, but the overall extent of the damage is not known. It is apparent from preliminary investigations that the area could have a substantial technical potential for the introduction of fruit trees and the development of horticultural cropping particularly if the present limited irrigation system can be expanded. The major constraints to such development will be high ratios of population to cultivated land, long established tribal and extended family systems of land cultivation and

management and the limited contact of a largely illiterate population with modern systems of farming.

b. Statement of Work

With the help of short-term technical advisors and USAID personnel, the COP shall help the Project Manager to:

- initiate pilot sub-projects during the design of Kala Dhaka II, as detailed below.
- prepare a detailed design for Kala Dhaka II.
- establish a Project Coordination Unit as Oghi.

Specifically, the candidate shall advise and assist the PCU in Kala Dhaka I by:

- 1) supporting USAID engineers and contractors in the survey and design of access and link roads in the interior
- 2) supporting the TAT and PCU in identifying potential Phase II agricultural subprojects, road and water supply systems, irrigation channel improvements, and potential sites for mini-hydroelectric facilities;
- 3) providing logistical support for the mobile medical teams who will work in three months cycles in the interior villages;
- 4) selecting dispersed row-crop demonstration plots among suitable villages in each Tribal area;
- 5) supervising the selection of tribal people for agricultural training;
- 6) supporting the World Food Program/Forestry Department Watershed Management Project;
- 7) selecting 20 tribal area residents for teacher training;
- 8) helping to encourage active GONWFP line agency participation in the project; and
- 9) supervising the transportation study.

The COP/Rural Development Specialist will be assisted over time by the PCU team of three civil engineers, and one specialist each in agriculture, health, social science, and forestry, who will have immediate responsibility for devising and carrying out the field work necessary for project implementation and supervision.

c. Qualification

A minimum of a Master's level in Economics, Agriculture and/or Engineering, or combination in both by BA and MA is highly desirable. A minimum ten years experience in Third World countries is required,

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involving data collection, feasibility analysis, and implementing rural projects. Ideally the candidate should have considerable experience in the planning of agricultural projects in smallholder areas of the mountainous regions of South and Central Asia and be able to co-ordinate the efforts of multi-disciplinary teams. Detailed knowledge of farming and forestry systems which can be introduced on high mountain slopes would be an advantage.

Candidate must be in good health, as physical demands of field work and management of varied field teams will require repeated travel by vehicle, boat, and foot, over rough terrain, with probable overnight in primitive quarters.

On arrival in Pakistan, the selected COP shall hire an assistant to be his translator/deputy. The COP shall prepare a scope of work and be responsible for advertising, interviewing and selecting the successful candidate.

4. Scopes of Work for the Long Term Advisors for Kala Dhaka (Pakistan).

a. Civil Engineer

The Pakistani engineer will be investigating reported potentials for mini-hydroelectric sites, which may be both ground-water springs, or tributaries of rivers; the existing condition of village water supply systems and the location and respects for development of water supply systems in communities which do not have a central or near water supply; the existing conditions of irrigation channels and the likely locations of future irrigation channels which appear to have suitable prospects for new construction; field observations of existing transport routes in the interior which link villages to each other and the outside areas which may serve as suitable alignments for possible future project roads.

The field work above will be done with a view to mapping site locations to provide topography of the site, salient physical features (for trails: vertical and horizontal alignments), to produce sufficient data necessary to cost estimating. The Civil Engineer will be supported by the Oghi PCU engineers.

The engineer should have a minimum BS degree in Civil Engineering, with experience in design of small water supply systems. Experience with roads, irrigation and hydel is highly desirable.

b. Health/Nutrition Specialist

The Pakistani specialist in Health/Nutrition will

examine the present health and nutrition status of the Kala Dhaka population. The objective is to provide, from field observations, interviews with Village Elders, public health officials, and the rural populations, a systematic list of endemic disease, health problems, dietary deficiencies, other aspects of health and nutrition which have their basis in the living and working conditions of the populations. The specialist will then recommend, in specific terms, the effective way of correcting these problems given the attitudes of population which might influence the delivery of solutions.

c. Agronomist

The Pakistani agronomist will survey the agricultural status of the area, using what limited primary sources are available, and working closely with the Agricultural University at Peshawar, the Narcotics Affairs Unit agricultural experts, the Special Development Unit advisors, and the P&D and Agriculture Departments of the GONWFP. The objective will be to develop a realistic plan for improving the agricultural incomes of Kala Dhaka farm families. The agronomist will provide a report on the current state of agriculture, including crops and yields, livestock counts, food preferences, sources of imported food, use of fertilizer and farm machinery, uses of pesticides, etc. The agronomist will also prepare a report on the potential for increasing yields, growing alternate crops, introducing new livestock and poultry, growing forage and fuelwood, introducing horticulture, etc. For this report, the agronomist will work closely with the Gadoon II agricultural personnel at Topi.

The agronomist shall make inputs to the design of Kala Dhaka II under the supervision of the TAT Chief of Party, and assist in the implementation of Kala Dhaka I agricultural subprojects under the supervision of the Oghi Project Manager.

The agronomist shall have an appropriate post graduate degree, preferably in general agronomy, and a diverse background that includes knowledge of field crops, horticulture and livestock.

5. Scopes of Work for the Kala Dhaka Short Term Expatriate Advisors

a. Agronomist (food crops, animal forage)

The expatriate agronomist will examine Kala Dhaka food crops and animal forage types and yields, the consumption and deficit or surplus of seasonal production and cultivation practices (implements and rotations, irrigation, fertilizer, etc.). Field work will cover valley and hill agriculture, irrigated and dryland, and climatic variability in a region of severe weather extremes. The incidence and dependence upon

irrigation of double-cropping should be noted. Based on these observations he will recommend both Phase I and II agricultural subprojects that will be both popular and effective. Recommendations for Phase II will show scope of activity, method of delivery, expected costs, time-table for start and completion, and intended outcomes.

The agronomist should have experience in the agriculture of hilly and mountainous areas, preferably in Central and South Asia. A wide focus that includes background in such areas as food crops, livestock, forestry and horticulture is desirable.

b. Anthropologist

The expatriate anthropologist will be responsible for preparing a full social soundness analysis for the second phase of activities in Kala Dhaka. This will be a challenging assignment, since almost all data will have to be collected; there is nothing reliable that has been published about the local population.

The area has a unique status as a Provincially Administered Tribal Area, with traditional customs, such as a rotating land ownership system (waish), slowly eroding as influences from outside slowly creep into life in the Black Mountain. It is believed that most families send at least one male adult to earn remittances outside the area, most notably Karachi. However, little is known of the farm family's economic system, nor spending preferences. Women in the area appear to be strictly secluded. None were seen by any of the design team at any time.

The anthropologist will have up to \$10,000 available to hire local assistance. It is expected that this will include an experienced Pakistani social scientist to act as translator and colleague. It may be advisable to have this assistant be of the opposite sex, to allow easy access to both men and women in the area. In addition, the analysis will require the services of several field enumerators. To the extent possible these should be hired locally, but it may be necessary to hire some local language speakers from areas where there is a larger pool of educated people.

The expatriate anthropologist should ideally have experience in preparing social analyses for AID; a practical, development orientation is essential. Experience with tribal populations in remote mountainous areas highly desirable.

c. Transport Economist (Low Volume Rural Roads, Riverine)

This expatriate advisor will evaluate the transportation requirements of Kala Dhaka using populations of villages, type and volume of production in their immediate area, exportable surplus and regional import requirements, existing income levels imputed from subsistence and present trading levels between villages and exterior settled areas. The resultant study will estimate transport needs and indicate the relative economic development potential for each part of the area.

The existing transport routes, by trail, new north-south road cut, and by riverboat on the Indus, will be examined to determine volume and type of cargo and passenger activity. Interviews with boatmen at Darband, the southern entry to Kala Dhaka, and with road transporters both at Darband and Thakot, the northern terminus of the road cut, will be undertaken to estimate seasonal traffic and volumes to supplement reported activity levels. Water traffic between Darband and the Mada Khel area (across the upper reaches of Lake Tarbela) will be reviewed to determine the feasibility of an improved access, by landing craft or ferry system, to connect with a proposed road to descend the mountain to waterside. Existing alternatives to this route now exclude effective access from the administrative and market centers of the east.

The Transport Economist should have varied and wide experience in the analysis of low-volume rural roads and river traffic by small vessel and ferry. Post Graduate economics training is required. An ideal background would include 5 or more years working as an economist with A/E engineering firms involved in preliminary design, plans and profiles, of proposed road alignments, from which cost estimates of road traffic must be drawn by the economist. Extensive field work background, and experience in working from partial data bases to produce estimates of the derived transport demands of subsistence regional economies will be important aspects of the economist's work in Kala Dhaka.

ANNEX H

WOMEN'S CENTER FACILITIES

Plans for Possible Expanded Women's Centers

As noted in Section III.C.1.c., the GOMWFP is looking into the possibility of institutionalizing the Women's Centers that have proved so successful in Gadoon as a province-wide activity. Should this happen, the project budget contains sufficient funds for the construction of up to 10 expanded facilities for centers that would allow a wider curriculum to be pursued, and an increase in the number of potential participants. The criteria for constructing an expanded facility and the proposed layout plans are shown below.

Criteria for Selection of Sites for Expanded Facilities

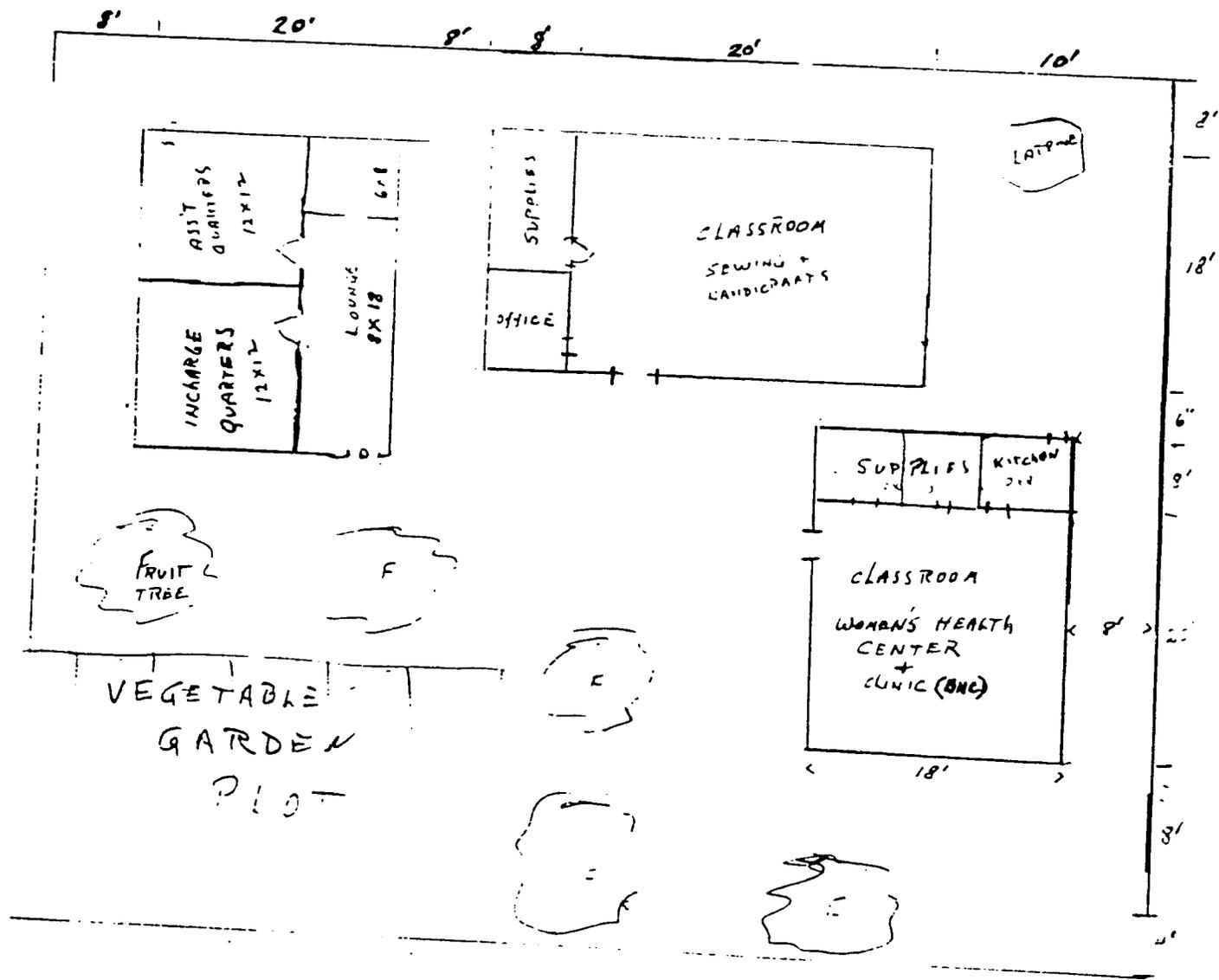
Expanded centers will be constructed by the project on land donated by the village community. Each village site will meet the following criteria:

- have a potential enrollment of at least 250 adult women/year
- sites should be between 1-2 kanals in size (larger or smaller sites will not be accepted)
- have a proven need for health education for women and children.

Suggested Plan for Expanded Facilities

The plan on the following page shows a layout that can be accommodated on a site of 1 kanal.

5/6



WOMEN'S CENTER
 SPACE MINIMUM - 1 KANAL
 BLDGS. 1488 sq.ft.

5.

ANNEX I

PROPOSED INFRASTRUCTURE AND AGRICULTURE SUB-PROJECTS

Proposal for Gadoon II Infrastructure and Agriculture

1. Infrastructure

The attached list of infrastructure activities represents the "wish list" of the Project Director of the Gadoon-Amazai component of the project. This list was presented to USAID during the design of the project, and formed the basis of the illustrative list of infrastructure sub-projects recommended for Gadoon II in Section III.C.1.b.

It should be noted that the level of funding requested for infrastructure for Gadoon II was \$27 million (at the exchange rate of Ps. 17 to the dollar). The actual amount budgeted for infrastructure under this amendment is about \$7.4 million. Selection of items to be included was based on the following criteria:

- providing for relatively underserved areas
- for roads, those that linked previously unlinked villages
- providing for areas that were known to be most resistant to the eradication plan
- providing for areas in which infrastructure could complement other project activities, e.g. roads for new crop marketing, or roads that facilitate transportation of workers to the new Industrial Estate.

2. Agriculture

A similar wish list was received for agricultural activities, and was similarly cut from a demanded level of \$7.5 million to the budgeted level of about \$1.4 million.

If the Project Director finds that given items in the project can be accomplished below budget, other items from these wish lists may become eligible for inclusion in the implementation plan.

PROPOSAL FOR PHASE II INFRASTRUCTURE

<u>S.N.</u>	<u>Proposed Phase II Activities</u>	<u>Road Length (Miles)</u>	<u>Union Council</u>	<u>Phase II Estimated Cost (If Known) Rs.</u>
<u>Roads - Major 24 Feet Wide</u>				
1.	Gandaf-Baitgali-Sethana Const/ Black Topping	25.0	GF/BI	62,500,000
2.	Kabgani to Ucla Road - 50% Phase II	6.0	KI/GA/GI	9,301,499
3.	Battai-Ashraf Kandao - 50% Phase II	1.5	NI	2,200,000
4.	Ucla-Parba Black Topping	13.5	NA	13,500,000
5.	Parba-Madha Khel Const/ Black Topping	8.0	GA	20,000,000
6.	Ganichatra-Leran Punawal	4.0	GA	5,380,000
7.	Gali Kangaroocha - Keneeri	11.0	BI	10,500,000
8.	Shadam - Malka	6.5	NI	9,000
9.	Madha Khel - Chororai	7.0	KD/NI	21,000,000
10.	Extension Sandwa - Takail up to Gajai	3.0	KI	4,000,000
11.	Nawagai - Charorai Improv/ Black Topping	15.0	NI	17,500,000
12.	Leran - Ashraf Kandao	7.0	GA/NI	9,500,000
		<u>107.5</u>		<u>184,381,499</u>
<u>Roads - Minor 16 Feet Wide</u>				
1.	Metalling Gandaf/Beesak/Malikabad	3.0	GF/KI	3,000,000
2.	Gali Kandao to Ziarat Bela	5.0	BI	2,100,000
3.	Dagai - Sukialai Feeder Road	1.5	GA	1,000,000
4.	Naro Banda - Shingrai - Ganichatra	1.5	GA	1,100,000
5.	Panjmand - Qadra	4.5	KI	5,500,000
6.	Shingri - Shaildar - Faroosa	2.5	NA/BI	1,750,000
7.	Satketar - Dewal Garhi	3.0	GI	2,200,000
8.	Gabasni to Main Road	1.5	GI	900,000
9.	Ziarat Bela - Barian - Thund	2.0	BI	1,500,000
10.	Mangolchai - Laqab - Brug	2.0	GI/BI	1,500,000
11.	Kabgani - Dewal Shingle Road	2.0	KI	1,700,000
12.	Chanai - Sethana	3.0	GI/BI	2,100,000
13.	Battai - Langar - Tarinan - Asghar	3.0	NI	2,100,000
14.	Balsera - Towa - Kahosar	3.0	NI	2,100,000
15.	Bada - Kolagar	7.0	GF	5,000,000
		<u>44.5</u>		<u>33,550,000</u>

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<u>S.N.</u>	<u>Proposed Phase II Activities</u>	<u>Road Length (Miles)</u>	<u>Union Council</u>	<u>Phase II Estimated Cost (If Known) Rs.</u>
<u>Bridges</u>				
1.	Bada Bridge #2			
2.	Suspension Bridge Bakht Maira and Telwai		GF	15,000,000
3.	Suspension Bridge Kandar & Kacai		NI	750,000
4.	Suspension Bridge Wali Chena & Charorai		NI	750,000
5.	Suspension Bridge Zaro Dheri & Chenal		NI	750,000
			NI	<u>750,000</u>
				18,000,000
<u>Electrification</u>				
1.	Phase II C			
2.	Phase II D			3,398,394
3.	Phase II F			2,286,716
4.	Two Hydel Generators Mandao/ Kandar Garhi			2,199,620
5.	Village Qadra			300,000
6.	Mazghund-Jabba-Leran-Punawal		KI	1,000,000
7.	Dewal Garhi Payan - Bela		GA	1,000,000
8.	Achalai		GI	400,000
9.	Kat Gram - Angelo Banda - Kolagar-Garo		GI	500,000
10.	Dewal		GI/GF	900,000
11.	Takail - Gajai		KI	600,000
12.	Kalilar Surroundings (14 Villages)		KI	1,000,000
13.	Ziarat Bela Surroundings (9 Villages)		KI	6,000,000
14.	Baitgali Surroundings (19 Villages)		BI	3,600,000
15.	Nagrai Surroundings (23 Villages)		BI	6,250,000
16.	Charorai Surroundings (8 Villages)		NI	14,000,000
17.	Small Hydel Schemes (5 Schemes)		NI	3,500,000
			BI/NA/NI	<u>25,000,000</u>
				71,934,730
<u>Water Supply Schemes</u>				
1.	82 Schemes for Zone 1			
2.	60 Schemes for Zone 2			24,600,000
3.	35 Schemes for Zone 3			18,000,000
				<u>10,500,000</u>
				53,100,000

<u>S.N.</u>	<u>Proposed Phase II Activities</u>	<u>Road Length (Miles)</u>	<u>Union Council</u>	<u>Phase II Estimated Cost (If Known) Rs.</u>
	<u>Agriculture</u>			
1.	Two Tubewells in Gandaf and Kabgani			1,200,000
2.	55 Dugwells			8,250,000
3.	Channel Linings for 30,000 Kanal Land			36,000,000
4.	Land Levelling			2,000,000
5.	Terracing			<u>10,000,000</u>
				57,450,000
	<u>Livestock</u>			
1.	14 Veterinary Dispensaries			<u>6,930,000</u>
				6,930,000
	<u>Rest House at Dand</u>			
1.	Rest House			<u>1,500,000</u>
				1,500,000
	<u>Health Centers</u>			
1.	7 Basic Health Units			<u>12,600,000</u>
				12,600,000
	<u>Education</u>			
1.	71 Primary Schools			15,620,000
2.	28 Middle Schools			15,400,000
3.	10 High Schools			9,500,000
4.	2 Inter Colleges			4,000,000
5.	1 Vocational Training Center			<u>1,200,000</u>
				45,720,000
	TOTAL FOR INFRASTRUCTURE FOR EXISTING AREA			<u>485,166,229</u>

ANNEX J

DESCRIPTION OF PROPOSED KALA DHAKA ACCESS ROADS

1. East Bank Access Roads

The following three east bank access roads are planned. They will be designed during Phase I, and constructed during Phase II. Maps are shown at the end of the Annex.

A. Bajna-Panja Gali-Seri Road (24 Km)

This road alignment branches off the Oghi-Darband metalled (paved) road at 5 Km from the Oghi village towards the right. It runs through the hills and enters Kala Dhaka at Km 19 near Tilli Kandao. From Tilli Kandao up to Panja Gali, the road runs along the peak of the mountain which is also considered the boundary of Kala Dhaka. From Bajna to Panja Gali the road is jeepable but the condition is rough and the width ranges between 10' and 12'. However, in some reaches the road narrows to 8'.

From Bajna up to Shungli Bandi, a 12 Km road will be constructed by the C&W Department. The road is to be blacktopped and the total formation width of the road is designed as 24'. These 12 Km were tendered on 03 January 1987 and are not included in the amendment cost estimate. The cost of the proposed AID-funded road begins at Shungli Bandi.

The total road will provide access to almost all the villages of the Hasanzan tribe lying along the eastern boundary of Kala Dhaka. This will be a seasonal road and will be closed for about 2 months during the winter season (December-January), because of snows at high elevations.

The estimated cost of this road is \$1.44 million or Rs. 25 million.

B. Chore Kalam-Judbah Road (52 Kms)

This existing road starts from Km 12 of the N-35 road (Oghi-Thakot) near Jang Gali. Between Jang Gali and Chore Kalam the existing road width varies from 10' to 12'. At Km 1.20, Km 1.80, and Km 2.40 steep slopes ranging between 15-20% were observed and they need re-routing to get flatter grades. Also, widening is required.

Beyond Chore Kalam a flatter grade has been given to the jeepable road. In some reaches sharp curves and narrow width were observed. Widening will be required to make the road is to be made accessible for all traffic.

Except for a 2 Km distance from Chore Kalam, the portion between Chore Kalam and Ramos was snow-covered during the reconnaissance visit to the area. It was also disclosed that in the cold, rainy season the track (unjeepable) between the Chore Kalam and Pakhan villages remains impassable. So, curves will have to be provided to keep the road with a 7% grade.

This improved road will benefit the northeast village of the Akazai tribe and will pass through the middle of Nusrat Khel and will ultimately join the Darband-Thakot road near Judbah village. This road can give access to the entire Nusrat Khel and lower part of Basi Khel.

The estimated cost of this road is \$3.92 million or Rs. 68 million.

C. Bar Shinglai-Jaigle Road (60 Kms)

Due to heavy snow in the area the route could not be reconnoitered physically. However, a rough cost estimate was framed and incorporated into this memo, depending upon information from locals and a visit to similar villages of Kala Dhaka.

Gijbori village has been eliminated as this will involve steep slope alignment up to Kamesar. Also, the Daur Maira village has been eliminated as Daur Maira is already lying on the Darband-Thakot Road. Moreover, Daur Maira is close to Jaigle and can be connected to the above road via Jaigle.

The estimated cost of this road is \$5.30 million or Rs. 92 million.

2. West Bank Road

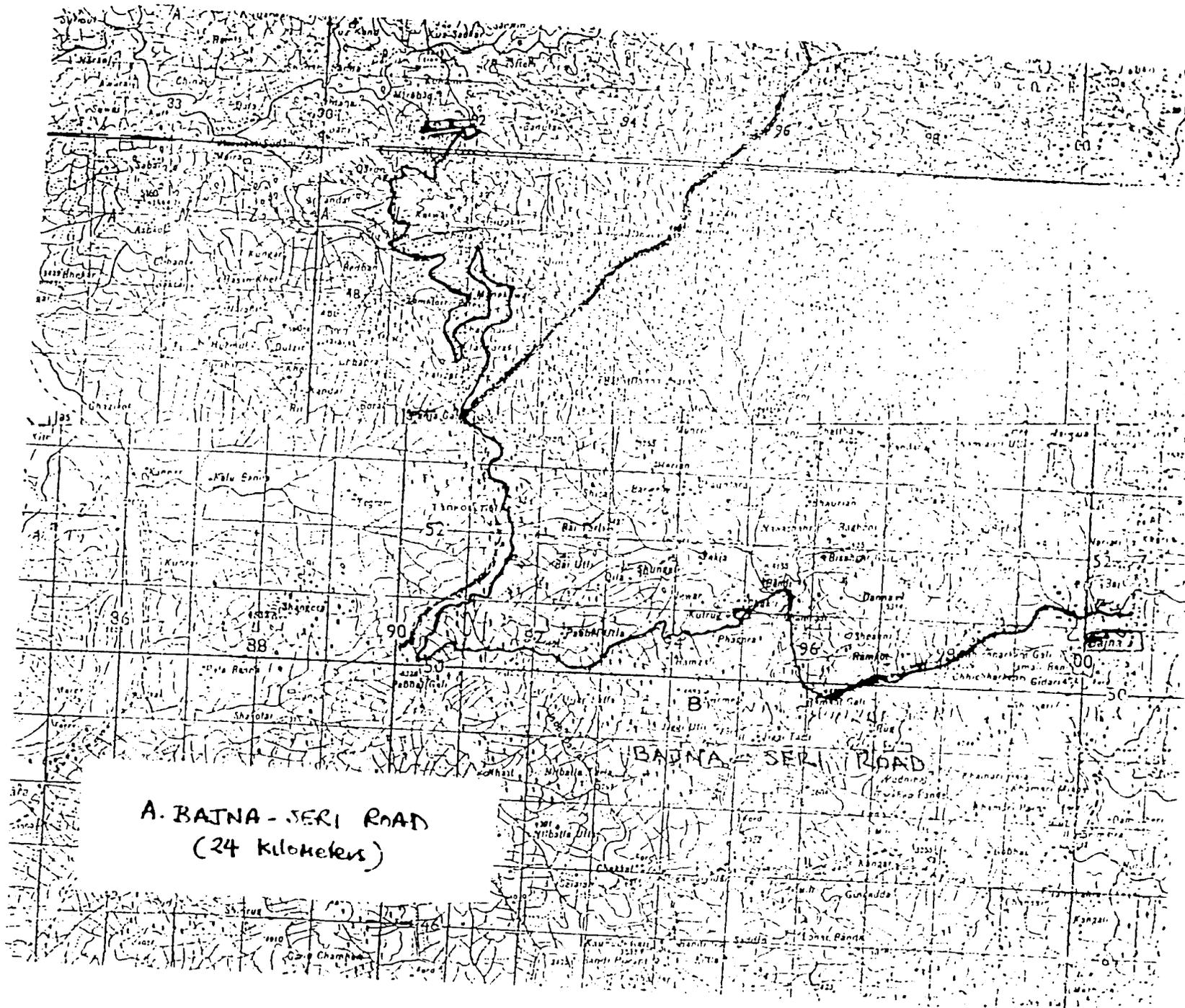
Dhand-Maira-Chrorai Road (32 Kms)

A sketch showing the alignment of the proposed road is shown at the end of this Annex. It starts at the termination point of the Dhand Parba Road near G.P.S. Tandarai in Hazara Amazai which is at an altitude of 4350 feet above msl. keeping an average grade of +6%. It moves beside the villages of Rahim, Chaklai, and Karam Din of Hazara Amazai before entering the Madda Khel area of Kala Dhaka. The first major village of Madda Khel tribe lying deep in the valley is Gawandla with a population of about 1000 houses. A number of Bandajac also lie in the way. Before reaching Maira, the major town of the Madda Khel with a population of about 2000 houses, the road passes through Gawandla Kandao which has an elevation of 5050 feet above msl.

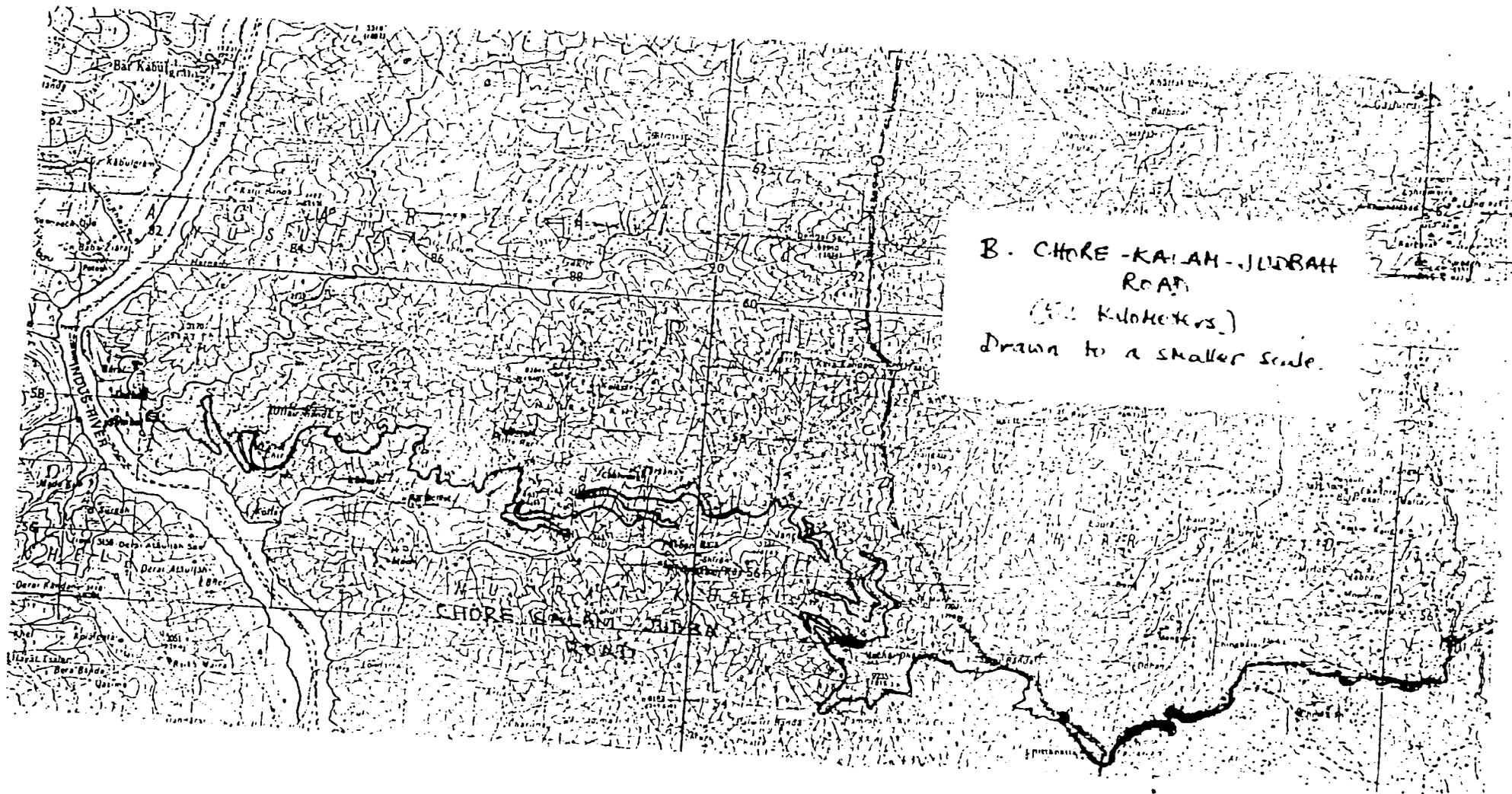
As the local elders of Maira Town were insisting on keeping the road at a distance from their village, we kept the route of the road a kilometer away. Then, a link road was provided passing near Maira to connect the under-construction road of Mahabra-Maira to our road network in the project area. The length of the road from Dhand to Maira along with the link to the Mahabra-Maira road comes out to be 14 Km. The average grade of the road has not exceeded 6% in any section as shown in the enclosed chart in Annex II.

The road keeps an average grade of -4.5% between Maira and Chunnr Villages. It moves up again and passes between Sar Ghari and Kuz Ghari at a grade of +5% while crossing the Mahaban. Onwards a continuous downward grade is maintained up to the termination point at Nagrai Kanduo of the Nagrai-Charorai Road. The villages of Haiwan Ghari, Mandao, Chanal, Nasir Pate, Rahim Pate, Kohosar, Kandar, Baikhan, Ghari, and so many others pass by on the way which could safely be assumed as potential beneficiaries in addition to the people of Kala Dhaka living on the right side of the Indus. The approximate length of the road from Maira village to Charorai is 18 Km. As such the total length of the road from Dhand to Maira and then Charorai is approximately 32 Km.

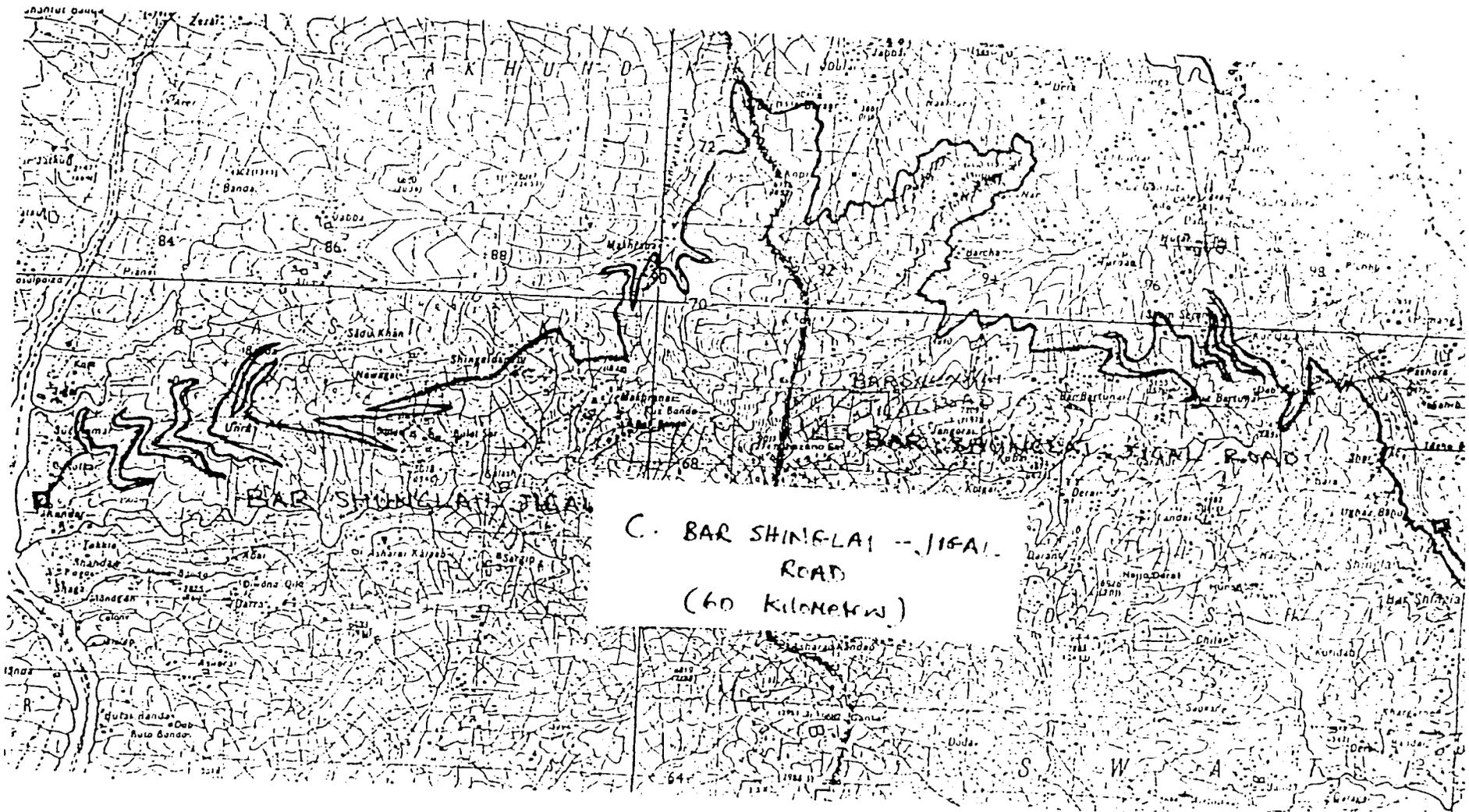
This road is estimated to cost \$2.7 million or Rs. 47 million including design costs.



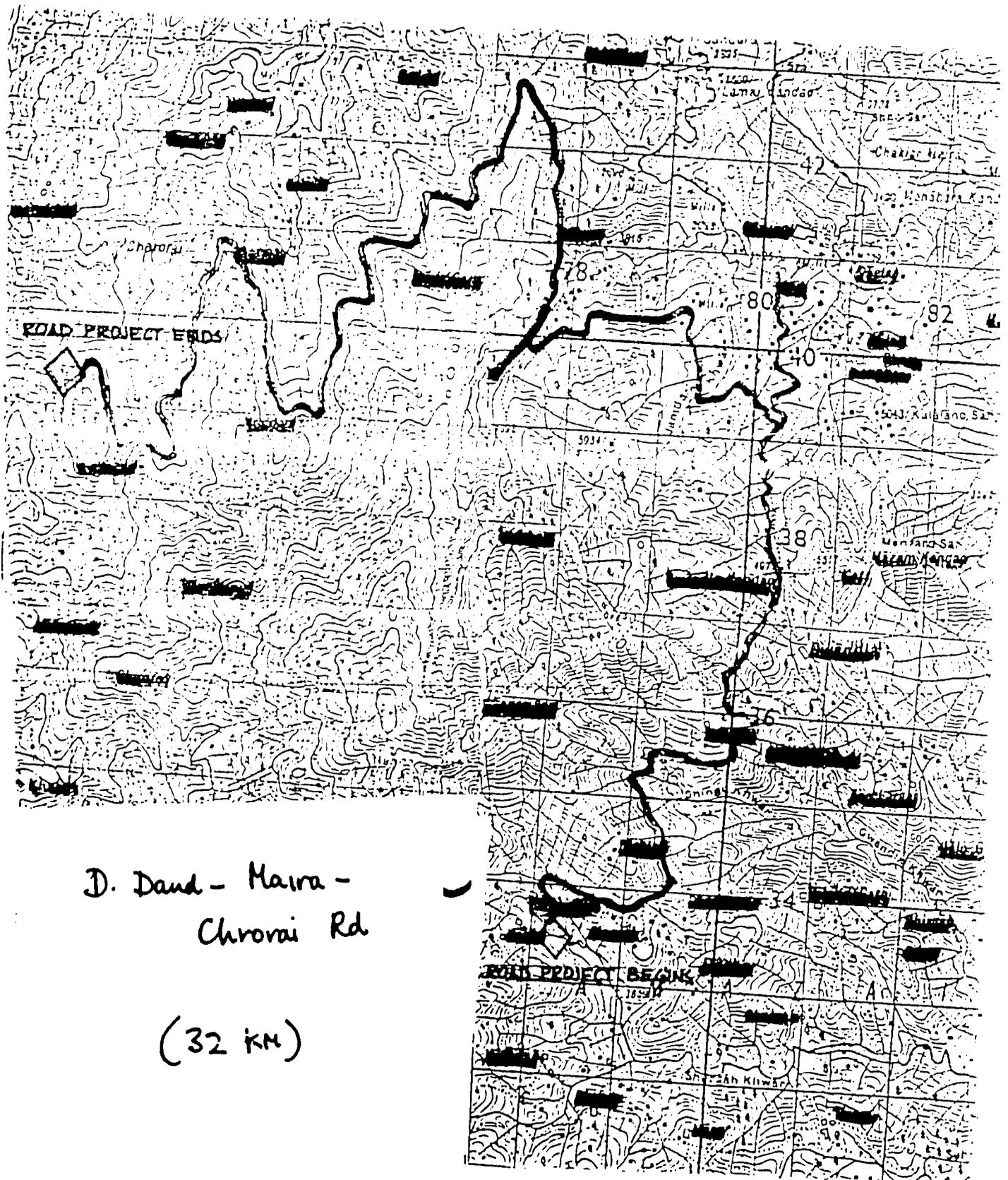
10



B. CHOKI-KALAH-JUBBAH
ROAD
(52 Kilometers)
Drawn to a smaller scale.



C. BAR SHING-LAI -- JIFAI
ROAD
(60 Kilometers)



D. Dand - Mairra -
Chorvai Rd

(32 km)

ANNEX K

THE MISSION'S IQC FIRMS

Following is the updated list of IQCs which Mission has executed in the recent past:

FUNCTIONAL AREA/CONT. NUMBER	CONTRACTOR'S NAME	CONTRACT DATE	
		From	To
<u>Agriculture & Rural Development</u>			
Cont 391-0470-I-00-6108-00	Gallup Pakistan Techno-Consult	Apr 16,87	Oct.15, 88
391-0470-I-00-7224-00		Jul 15,87	Jan 14, 89
<u>Financial Management</u>			
Cont 391-0470-I-00-7210-00	Kaleem & Company	May 01.87	Oct 31, 88
<u>Health Population & Nutrition</u>			
Cont 391-0470-I-00-7220-00	Aga Khan University Systems & Facilities- Consultants Gallup Pakistan	Jun 29,87	Dec 28, 88
391-0470-I-00-7214-00		Jul 01,87	Dec 31, 88
391-0470-I-00-6108-00		Apr 16,87	Oct 15, 88
<u>Project Development .. Monitoring</u>			
Cont 391-0470-I-00-7212-00	Esesjay Consult (Pvt)- Limited. Gallup Pakistan	Jul 14,87	Jan 13, 89
391-0470-I-00-6108-00		Apr 16,87	Oct 15, 88
<u>Engineering (Transportation)</u>			
Cont 391-0470-I-00-7224-00	Techno-Consult Progressive Consult Engineering Associates	Jul 15, 87	Jan 14, 89
391-0470-I-00-7181-00		May 01, 87	Oct 31, 88
391-0470-I-00-7238-00		Aug 02, 87	Feb 01, 89
<u>Energy & Environment</u>			
Cont 391-0470-I-00-7242-00	Pakistan Engineering Services (Pvt) Limited. Techno-Consult	Aug 17, 87	Feb 01, 89
391-0470-I-00-7224-00		Jul 15, 87	Jan 14. 89
<u>Human Resources and Training</u>			
Cont 391-0470-I-00-6108-00	Gallup Pakistan	Apr 16, 87	Oct 15, 88

These IQCs can be used for short term (not exceeding three months) buy-ins by issuing Delivery Orders.

ANNEX L

SUMMARY RECOMMENDATIONS FROM THE ENVIRONMENTAL
ASSESSMENT OF PESTICIDE USAGE

Summary Recommendations from the Environmental Assessment of Pesticide
Usage in the NWFADP Project Amendment

March 15, 1988

H.G. Larew, AID/ST/AGR(AAAS Fellow), Pest Management

- 1) A list of pesticides and uses cancelled or suspended by the USEPA is provided. It is recommended that these materials not be purchased in the future for the project. The project has a supply of keptachlor positioned for use. It is likely that safe application of small amounts of material this will not adversely impact the environment in the Gadoon Kala Dhaka area. In the future, however, keptachlor should not be purchased for use in the project. Efficacy of alternative termite control products such as Durstban should be investigated.
- 2) Because of human toxicity and environmental hazards, pesticides labelled for "restricted use" by USEPA should only be used by well-trained and well-protected individuals. Use by farmers should be discouraged. Farmers using these pesticides should be carefully informed about proper use methods, informed of the extreme hazards of the pesticides, and duly protected and supervised during use. Materials used in the project in this category include dicrotophos (Bidrin), carbofuran (Furadan), aldicarb (Temik), oxydemeton-methyl (Metasystox-R), methamidophos (Monitor) and zinc phosphide. It is recommended that less hazardous (higher LD50) pesticides be substituted for restricted use pesticides whenever possible.
- 3) It is recommended that safety equipment (rubber gloves and spray masks at a minimum) should be provided to all farmers using any project-provided pesticides. Farmers should be shown how to safely store, mix, and apply all pesticides provided by the project.
- 4) It is recommended that the feasibility of alternatives to synthetic pesticides be investigated in trial plots within the project area. Crop cultivars such as those developed by the Nuclear Institute for Food and Agriculture (NIFA) which are resistant to insects and diseases should continue to be trialed. Biological pest control through use of commercially available products, such as Baluchis thuringensis used against caterpillars, should be tested in field plots. Pheromone traps, such as those developed by NIFA, should be checked further for possible use in survey and control of low infestations of fruit flies. Plant derived pesticides, such as neem (studied at NIFA) should be tested in the project area.
- 5) Monoculturally-grown crops (large blocks of a single variety) are very prone to quick devastation by insects and disease. For this reason, it is recommended that efforts to introduce several productive varieties of the horticultural, forestry, rangeland and

agronomic crops be strongly encouraged.

- 6) It is recommended that all agricultural training in the project (e.g. the training offices at Topi and Oghi and at the Women's Center) included coverage of the benefits and hazards of pesticides, and of their safe use and storage. Demonstration plots should include tests of alternatives to pesticides (see Recommendation 4). This level of pest management training and demonstration effort may require that pest management be made an identified part of the agricultural, forestry and range components, and that it be coordinated by a local expert with short term assistance from an expatriate advisor.
- 7) It is recommended that personnel in the project's health units (stationery and mobile) be trained in the recognition of and treatment for overexposure to pesticides, and that each unit have antidotes on hand for pesticide poisonings.
- 8) It is recommended that one small, solidly constructed, cement-floored, dry, ventilated and secured structure be constructed at each of the seven Union Council villages in the Gadoon for the sole and specific purpose of safely storing the pesticides that will be distributed to farmers by field assistants. These structures should be used only for pesticide storage, for nothing else, and should be clearly marked accordingly.
- 9) It is recommended that at least one project individual be trained with the skills needed to sample for and perform pesticide residue analyses in blood, urine, water, soil, air and plant tissues. This skill would allow for environmental and health monitoring of pesticide contamination in the project area. The assistance of NIFA might be enlisted in this regard. Samples of water and soil throughout the project area should be taken as soon as possible to provide baseline residence data on insecticide (especially organophosphates) and herbicide (especially Dioxin) contamination.
- 10) Use of pesticides (i.e. insecticides, fungicides, herbicides and rodenticides) in the livestock, forestry, forage production and range management components of the project are assumed to be nil at this time. If this should change, a review of proposed pesticide usage by a pest management specialist should be conducted.
- 11) The unaided ground applications of pesticides now made by farmers in the project area most likely has insignificant environmental impact. The impact of aerial applications could potentially be more extensive, and before being permitted, should be reviewed by an environmentalist.
- 12) It is recommended that the midterm and final evaluation of the project included a review of the pest management component, and that a statement to this effect be included in the project paper amendment.

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TO RUEHIL/AMEMBASSY ISLAMABAD IMMEDIATE 1512
INFO RUEEP*/AMCONSUL PESHAWAR PRIORITY 0511
BT
UNCLAS STATE 229558

ACTION: AID
INFO: AMB DCM ECON AREP

AIDAC

E.O. 12355: N/A

TAGS:

SUBJECT: PAKISTAN - NORTHWEST FRONTIER AREA DEVELOPMENT
PROJECT (391-0484) AMENDMENT - ENVIRONMENTAL CLEARANCE

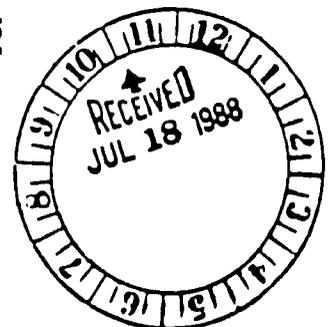
REFERENCE: (A) ISLAMABAD 14481; (B) STATE 209908

1. FOR O/PDM, ROBERT NACHTRIEB AND MEO, JOHN R. MORGAN:
INFO RAO/PESHAWAR, DONALD MELVILLE FROM ANE/PD/ENV,
GLENN R. WHALEY.

2. REFTEL A INDICATES IN RESPONSE TO RECOMENDATION
III.D.3 OF THE PESTICIDE ASSESSMENT (CALLING FOR PEST
MANAGEMENT TO BE MADE A CLEARLY IDENTIFIED PART OF THE
AGRICULTURAL, RANGE, AND FORESTRY COMPONENTS OF THE
PROJECT) THAT QUOTE: IT IS NOT POSSIBLE TO AT THIS STAGE
TO MAKE PEST MANAGEMENT A CLEARLY IDENTIFIED PART OF
THE AGRICULTURE, RANGE, AND FORESTRY COMPONENTS.
HOWEVER, A PEST MANAGEMENT PROGRAM WILL BE INCLUDED AS
DETAILED PLANS FOR THESE ACTIVITIES ARE DEVELOPED.
UNQUOTE. IN RESPONSE TO RECOMENDATION III.D.9 OF THE
PESTICIDE ASSESSMENT (CALLING FOR THE MIDTERM AND FINAL
EVALUATIONS OF THE PROJECT TO INCLUDE A REVIEW OF THE
PESTICIDE MANAGEMENT COMPONENT) REFTEL A INDICATED

QUOTE: NOTED. IN ADDITION DOLS 20,000 HAVE BEEN
BUDGETED FOR PERIODIC ENVIRONMENTAL INSPECTIONS.
UNQUOTE. ANE/PD/ENV FINDS THIS APPROACH TO
INCORPORATING PEST MANAGEMENT INTO THE PROJECT (ALTHOUGH
NOT AS A SEPARATE COMPONENT AS ORIGINALLY RECOMMENDED)
TO BE ACCEPTABLE PROVIDED THAT A REVIEW OF PROJECT PEST
MANAGEMENT ACTIVITIES BE MADE AN EVALUATION CRITERION AS
SPECIFIED IN RECOMMENDATION III.D.9. IT IS ASSUMED THAT
THE DOLS 20,000 BUDGETED BY THE MISSION IN RESPONSE TO
THIS RECOMMENDATION WILL BE USED TO COVER THE COST OF A
CONSULTANT QUALIFIED TO REVIEW THE PROJECT'S PEST

OFFICIAL RELE	ACTION	OFFICE	INITIALS
		B	
		DD	
		PRO	
		RLA	
		C&C	
		PDW	
		EEC	
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		EEO	
		GSO	
		PER	
		PROC	
		SMJ	
		SP	



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Annex I,
Page 4 of 4 pages

MANAGEMENT ACTIVITIES AS A PART OF THE SCHEDULED MIDTERM AND FINAL EVALUATIONS.

3. SUBJECT TO MISSION COMPLIANCE WITH THE RECOMMENDED ENVIRONMENTAL AND PESTICIDE USAGE MITIGATION ACTIONS AS DESCRIBED IN REFTEL (A) AND CLARIFIED IN PARA 2 ABOVE, ANE/PD/ENV HEREBY CLEARS THE SUBJECT PROJECT AMENDMENT FOR ENVIRONMENTAL SOUNDNESS.

3. THE PESTICIDE ASSESSMENT IS BEING FINALIZED BY ST/AGR AND WILL BE POUCHED TO THE MISSION FOR INCLUSION AS AN ANNEX TO THE PROJECT PAPER AMENDMENT. WHITEHEAD
BT
#8568

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11

ANNEX M

LETTER OF REQUEST FROM GOP



Telegram: ECONOMIC
Telex: ECDIV No: 05-634
JOINT SECRETARY
PHONE: 821437

Annex M
No. 1(15)US-I/83.
Government of Pakistan
MINISTRY OF FINANCE AND
ECONOMIC AFFAIRS
(ECONOMIC AFFAIRS DIVISION)

Islamabad, the 27th Sept., 1988

SUBJECT: NWF AREA DEVELOPMENT PROJECT.

Dear Mr. Norris,

USAID have provided grant assistance of \$ 31 million to the NWF Area Development project from the previous Aid Package. This has proved useful in checking poppy cultivation and promoting economic development in the area. USAID are requested to consider provision of additional grant assistance of \$ 32 million to this project from the current Aid Package. These additional funds will be used to finance activities on three separate but related components of NWF Area Development Project viz; (a) Gadoon Amazai Area Development (b) Kala Dhaka Area Development and (c) Support for the establishment of a National Drug Abuse Prevention Centre.

2. The GOP assures the US Government of its cooperation in carrying out the activities under the amended NWF Area Development Project.

With best regards,

Yours sincerely,


(A. GHAFLOOR MIRZA)

Mr. James A. Norris,
Director,
USAID Mission,
Islamabad.

ANNEX N
ENVIRONMENTAL ANALYSIS

ENVIRONMENTAL ANALYSIS*

1.0 BACKGROUND AND PURPOSE

This review is a result of the need to update and revise the Initial Environmental Examination (IEE) which was prepared in July 1983 during the design phase of the Gadoon-Amazai Area Development Project (name later changed to "Northwest Frontier Area Development Project" or NWFADP). Revision of the IEE is necessitated by the proposed amendment of the NWFADP to continue and/or expand existing project activities in Gadoon-Amazai for an additional five years ("Gadoon II"), and, more importantly, to extend specific project services into the Kala Dhaka Tribal Area of Mansehra District. The purpose of this analysis is to identify and examine any potential environmental impacts of the proposed project amendment, and to specify required mitigative actions.

1.1 Summary of Proposed Project Amendment

The purpose of the proposed amendment is to continue to support progress toward the overall project goal of eradication of opium poppy production within a process of rapid socio-economic development in remote areas of Pakistan. Specifically, the purpose of continuing support for project activities in Gadoon-Amazai is to change the area economy from one based primarily on poppy to a diversified agricultural and non-agricultural system with strong ties to the national economy, which will complement the GOP's enforcement effort with respect to poppy cultivation and narcotics production. In Kala Dhaka, the purpose will be to complement the GOP's enforcement effort to halt existing poppy production and prevent future increases due to producers moving north from Gadoon-Amazai. This will be achieved by bringing Kala Dhaka into the mainstream of the provincial and national economies by means of diversified agricultural and non-agricultural systems designed to discourage poppy production.

Project outputs for the Gadoon II component include off-farm occupational training and non-formal education, infrastructure construction, afforestation and watershed management, and agricultural development. The Kala Dhaka component is divided into two phases, the first of which will be an extended design effort in which the organizational structure for the Kala Dhaka component will be put into place and technical design work for infrastructure and agricultural subprojects will be completed. The second phase will consist of actual implementation of the detailed Kala Dhaka project design.

This analysis was prepared in December 1987 by Glenn Rutanen-Whaley, Environment and Natural Resources Officer, Bureau for Asia and Near East, AID/Washington.

Watershed management activities are expected to result in positive environmental impacts, as detailed in Section 3.3 below. Project activities in both Gadoon-Amazai and Kala Dhaka with the potential for adverse environmental impacts include infrastructure construction (primarily road building and irrigation system development) and agriculture development (land leveling and provision of inputs such as chemical fertilizers and pesticides). Gadoon II is expected to result in the construction of 18 miles of paved roads and 58 miles of unpaved roads; channel linings for 750 acres of irrigation; power lines for the electrification of 90 villages; one basic health unit; and 60 small scale water supply systems. Phase I of Kala Dhaka consists of technical design work coupled with preliminary implementation activities, none of which have the potential for significant environmental impact. Lack of detailed design information (at this time) for Phase II implementation activities precludes presentation of specific project outputs. However, illustrative subprojects for Kala Dhaka Phase II would include construction of approximately 170 miles of access and link roads; 15 miles of irrigation channels; 32 small scale water supply systems; eight basic health units; two micro hydroelectric generators and associated distribution system; and reconstruction of 28 miles of existing irrigation channels.

Both Gadoon II and Kala Dhaka will include subprojects in support of the production of horticultural crops such as citrus, stone fruit, and nut trees. An important component of these subprojects will be the provision of limited amounts of pesticides and application equipment. USAID's role in the provision and use of pesticides in Gadoon II and Kala Dhaka is discussed further in Section 3.2 below.

Afforestation and watershed management subprojects in Gadoon II are expected to result in the planting of 1.8 million trees on 3,800 acres, including checkdam construction to control gully erosion in the plantations. The Kala Dhaka component will also include a forestry program in conjunction with the World Food Program, the details of which will be finalized during the phase I design effort for Kala Dhaka.

1.2 Previous Environmental Review

The July 1983 Initial Environmental Examination (Annex 7 of the August 1983 Project Paper) recorded a Negative Determination of significant effect on the environment by the project pursuant to AID Environmental Procedures at 22 CFR Part 216.3(a)(2)(iii), "Threshold Decision." An Environmental Assessment was therefore not required. The basis of the Negative Determination was that project activities were not anticipated to have a significant, negative impact on the environment, and in fact would result in most cases in a net positive impact. The 1983 IEE did not consider pesticide use by the project.

2.0 DESCRIPTION OF ENVIRONMENT

The Gadoon-Amazai project area is described in detail in Section II.C and Annexes 10 and 14 of the 1983 Project Paper and thus is not repeated here. A summary description of the Kala Dhaka region follows (see also sections II.D and III.C.2 of this Project Paper).

2.1 Physical Features, Land Utilization and Agricultural Resources

The Kala Dhaka Tribal Area consists of 1300 square kilometers of rough mountainous terrain located on either bank of the Indus River in the upper reaches (and north) of Tarbella Lake. It is bordered by Gadoon-Amazai on the south, the Buner Sub-Division of Swat District on the west and northwest, Batagram Sub-Division on the northeast, and Mansehra District on the east (See maps in Section II). The portion of Kala Dhaka west of the Indus River ("right bank") consists of approximately 430 square kilometers and is settled by the Maddakhel tribe. The eastern portion of Kala Dhaka ("left bank") is 870 square kilometers in area and is inhabited by the Basikhel, Nusratkhel, Akkazai, and Hassanzai tribes.

The right bank is dominated by the Mohaban mountain ridge system, with the main spine peaking at 2,250 meters (7,380 feet) and a large number of sub-ridges with elevations commonly over 1,200 meters (4,000 feet). The left bank is also composed of rugged mountain terrain, with peaks exceeding 2,100 meters (7,000 feet) in the extreme northwest. The mountain systems on both the right and left banks are physically part of the southernmost extension of the Indus-Kohistan mountain range, which merges with the Hindu-Kush and Karakorum systems to the north.

Due to its extremely remote location, specific information on the physical characteristics of the interior of Kala Dhaka is currently very limited, but the following can be inferred from a number of preliminary site visits and from what is known about the mountainous portions of Gadoon-Amazai.

Both the right and left banks are typified by narrow, steep valleys cutting into the mountain sides with very limited amounts of flat land. Soils are sandy and/or clay loams which become thin and rocky away from the valley floors. There are no precipitation data, but it is likely that the higher elevations typical of Kala Dhaka receive at least 40 inches of rainfall annually (the estimated level for the northwest Mohaban Ridge) in a bimodal pattern with peaks in mid-winter (including snowfall at the higher elevations) and mid-summer. No hydrological studies have been performed for the Kala Dhaka watershed, and the water balance is unknown. Surface water features consist of streams of either intermittent or low basal flow, with seasonal peak flows coinciding with

the bimodal precipitation pattern. The porous quality of the soils combined with the destruction of the natural vegetation results in low water retention and high rates of erosion.

The preponderance of steep gradients has exerted a strong influence on settlement and land use patterns in Kala Dhaka (see the Phase I Social Soundness Analysis, in Section V.D. of this Project Paper). As in Gadoon-Amazai, the agricultural system in Kala Dhaka is based on dryland cultivation of small hillside terraces varying in size from a few hundred square feet to one or more acres. No data are available on the extent of the area under cultivation, although observations during site visits revealed what appears to be extensive terracing on most of the mountainsides. The principal rotation is wheat or poppy in the winter season followed by maize (if possible) in the summer season. Irrigation is extremely limited, and occurs mainly at the highest elevations of the cultivated areas. Goats are the principal form of livestock, and are allowed to range freely on the hillsides around the cultivated land.

2.2 Forestry and Wildlife Resources

Most of the forest has disappeared due to population pressures, with the last vestiges occurring at the highest elevations. No data are available concerning the extent of the remaining forested areas.

The general topography in Kala Dhaka is steep to very steep. South and west-facing slopes are generally the driest, and here broadleaf species such as Acacia and Olivia and shrubs dominate. The northern and eastern slopes are wetter, and here pines grow, which are commonly used for fuel and timber. The only relatively untouched stands remaining are at the highest and most inaccessible elevations.

Lands are tribally owned and to date the Government has little involvement in the area's forests. Informants in Kala Dhaka reported that standing forests had already been promised to outside private timber merchants who would harvest the trees once they were given authorization by the GONWFP. Since Kala Dhaka residents are governed by tribal law, it is very likely that nurseries and young forests could be protected from animal grazing and other interference if so ordered by tribal leaders. Since dried dung and grass are the only available substitute fuels, demand for wood is high. People also need timbers for houses and farm tool construction. Residents showed considerable interest in receiving help in developing more and better forestry activities.

Elsewhere, on the valley sides, the forest has been replaced by faster growing grass and scrub, with three species of the latter predominating: Acacia modesta (local name "pholi"), Ahatoda (local name "baiker"), and a scrub locally known as "sanata." All three are used as firewood and/or forage for goats.

No wildlife surveys have been performed in Kala Dhaka. It is possible, though unlikely, that the area harbors endangered or migratory species. The straight-horned markhor (Capra falconeri jardoni), a wild goat, is listed internationally as an endangered species, and is known to occur in areas to the north and west of Kala Dhaka (Kohistan). Tribesmen in the right bank section of Kala Dhaka stated in interviews that the markhor, or "gharsa" as it is known locally, has not been observed on the right bank within living memory. Consultations with the NWFP Conservator of Wildlife indicated that the relatively high human population density on the left bank side of Kala Dhaka makes that area an unlikely habitat for the markhor. Species considered endangered in the NWFP (but not classified as such internationally), and which have the potential to occur in Kala Dhaka include the gray goral (a wild goat), the urial (a wild sheep), and the common leopard (Panthera pardus), the latter of which is considered very rare in Kala Dhaka. Non-protected species in Kala Dhaka include the rhesus monkey (Macaca mulatta), the langoor (Presbytis entellus), and the common otter (Lutra lutra). Tarbela Lake is a staging area for a number of migratory waterfowl, and the Indus River is a major flyway for these species, among them the internationally endangered houbara bustard.

2.3 Cultural/Archaeological Resources

Kala Dhaka lies within the Gandhara Civilization region, in which there are a large number of historically significant remains and artifacts. No archaeological surveys have been carried out in Kala Dhaka. Consultations with the Department of Archaeology, University of Peshawar indicated that the areas within Kala Dhaka with the highest probability for cultural remains are the floors of the valleys (Buddhist sites) and the river banks (micro hill cultures). It is unlikely that artifacts would be found at the higher elevations. Interviews with right bank tribesmen indicated that no artifacts had been found in the settled areas of the right bank.

3.0 ENVIRONMENTAL IMPACTS, MITIGATION MEASURES AND DESIGN CONSIDERATIONS

This section summarizes the anticipated environmental impacts, favorable as well as potentially adverse, of the proposed Gadoon II and Kala Dhaka projects, and presents required mitigation measures. The two principal categories of project activities with the potential for resulting in adverse environmental impacts are infrastructure construction and agricultural development, both of which are examined in this section. Watershed management activities are expected to have a positive environmental impact.

3.1 Infrastructure Construction

Infrastructure construction activities with the potential for

causing adverse environmental impacts include (in order of priority) road improvement and construction, irrigation system rehabilitation and construction, electrification, and general facilities construction.

Roads

The proposed project will finance the construction of up to 200 miles of roads or tracks of various grades in Gadoon-Amazai and Kala Dhaka, ranging from 24 foot width asphalt or "metalled" roads to upgraded foot and donkey paths. All road construction and/or improvements will be made along existing alignments through settled areas, and thus will not open up areas which were previously inaccessible to human activity. Although enhanced access will increase human activity along these corridors, there should be minimal long-term net environmental effects since the areas to be served by the roads are ecosystems which are controlled by man for agriculture and thus have already been significantly modified. The new or improved roads are unlikely to take significant amounts of land out of agricultural production; dislocate present human populations; disturb wildlife populations, habitats and migration routes; or result in significant negative impacts on other resources such as mineral deposits (none are known to occur in the project area), archaeological sites, or forests.

Road construction will have several physical impacts on the local environment including erosion, stream sedimentation, disturbed drainage and slope instability. Many of the impacts, such as fugitive dust and equipment noise and air emissions from construction activities will be temporary and self-limiting. Longer term impacts will be controlled by the mitigation measures and design considerations outlined below. It should be noted that many of the impacts and mitigations associated with road construction also apply to the other infrastructure construction sub-projects.

Borrow pits may take some land out of agricultural production. To the fullest extent feasible borrow pits will be graded and reclaimed for agricultural use. Unreclaimed borrow pits will be graded and provided with drainage outlets to prevent ponding of water and the associated adverse effects.

In areas of steep gradients (which includes virtually the entire project) subsurface water flows along underlying rock strata and collects at road cuts, resulting in erosion or saturation of unstable slopes and ultimately stream siltation. Areas such as northern Gadoon-Amazai and Kala Dhaka which are characterized by fragile soils, lack of vegetative cover, and steep slopes could be subject to extremely severe erosion impacts, including massive slope movement. Culverts with aprons and headwalls, and ditches with checkdams or riprap will curtail adverse impacts from disruption of local drainage patterns. Other general

erosion control design measures to be employed include: construction of rock retaining walls; construction of culvert and bridge structures to withstand erosion of surrounding earth support; grading of ditches to an acceptable slope and compacting to prevent erosion until natural vegetation becomes established; provision of checkdams and sediment ponds for ditches where necessary; and stabilization of slopes resulting from movement of earth.

Improper handling and disposal of asphalt and other excess construction materials or wastes could result in loss of future productive use of impacted land. Construction requirements will include recovery, reuse and/or proper disposal of such materials.

Although the impact of road construction on locally existing wildlife resources is expected to be minimal, increased development activity in the project area could indirectly exert pressure on important habitats in the less populated areas to the north of Kala Dhaka. NWFP wildlife conservation officials should be alerted to this possibility early during project development in order to allow time for appropriate surveys and mitigation actions, such as creation of wildlife sanctuaries, etc.

Similarly, although no impacts on archaeological resources are anticipated, project development should include the preparation and implementation of a set of archaeological "chance find" procedures to be used if necessary during road and other infrastructure construction activities. Construction contractors should be required to cooperate with archaeological authorities in preserving cultural remains discovered in the course of construction.

Irrigation Systems

The conclusions of the 1983 IEE regarding impacts of project-funded expansion of the irrigated area apply fully to Gadoon II and Kala Dhaka and will not be repeated here. The erosion control measures specified for road construction also apply to earth moving activities associated with irrigation system rehabilitation and construction. The net environmental effects of irrigation expansion should be positive (though limited), given the amelioration of erosion and stream sedimentation expected to result from increased rates of infiltration and reduced velocity of runoff in the vicinity of the irrigation checkdams.

Electrification

The electrification subcomponent of both Gadoon II and Kala Dhaka is of sufficiently small scale so as to nearly preclude significant impacts. Transmission lines will require a right of way which, after construction, can be brought into or returned to agricultural use. Installation of poles will necessarily require a small disturbance of soil with a

localized and temporary impact. Some removal of solitary trees and/or small amounts of grasses or bushes may be necessary during pole installation. Trees may also require pruning along the transmission line right of way. Disturbance of wildlife habitat except for small amounts of tree pruning and removal is expected to be temporary and minimal.

3.2 Agricultural Development

Agricultural development activities with the potential for resulting in negative environmental effects are land leveling and provision of certain agricultural inputs (chemical fertilizers and pesticides).

Land Leveling

Approximately 1,500 acres of land in the "cubewell zone" of Gadoon-Amazai will be leveled and brought into agricultural production. The cubewell zone is located in the relatively flat, treeless southwest corner of Gadoon-Amazai, the only non-mountainous portion of the project site. Most of this area was "destroyed" from an ecological standpoint during the construction of the nearby Tarbella Dam, since much of the dam-wall-fill was excavated from here. Consequently, the land in question is currently unsuitable for agricultural or any other productive use, including livestock grazing or wildlife habitat. The purpose of the land leveling sub-project is to restore the land to agricultural use and ease the pressure on the cultivable lands of the villages surrounding the disrupted area. Given that the land to be leveled is barren and of no value (economically or ecologically) in its current state, land leveling in this case will not result in a negative environmental impact.

Agricultural Inputs

At the time that the NWFADP was initiated in 1983, chemical fertilizers were being used on no more than several hundred acres in Gadoon-Amazai. In the last three years the NWFADP has provided approximately 1,000 metric tons each of urea and diammonium phosphate (DAP) for use in Gadoon-Amazai, with the result that chemical fertilizers are currently being used on 27,000 acres out of a total of 30,000 acres of cultivated land in the project area. Under Gadoon II this support will be continued, and fertilizers will also be provided to farmers in Kala Dhaka. Current use of chemical fertilizers in Kala Dhaka is limited by cost and transport constraints, but farmers in the area are generally familiar with the use of these inputs. Quantities of fertilizers to be supplied under the Gadoon II and Kala Dhaka programs are not yet known, but it is unlikely that increased risk to the environment or public health will result. Under Gadoon I, farmers received training regarding use of agricultural inputs, and are by now familiar with safe and

appropriate storage, handling, and application of chemical fertilizers, with the result that fertilizer use in Gadoon-Amazai has not caused fertilizer-related environmental problems. Similar training programs will accompany the expanded use of fertilizers in Kala Dhaka.

Limited amounts of agricultural pesticides and application equipment will be procured with project assistance for distribution to and use by farmers in Gadoon-Amazai and Kala Dhaka.

The following are some of the chemicals that might be used, and their potential purposes:

<u>Chemical</u>	<u>Use</u>
Diazinon 10%G	Maize
Monitor 600 EC	Fruit/Vegetables
Dipterex 80%WP	" "
Benlate	" "
Sevin Dust	" "
Zinc Phosphide	Rodenticide
Malathion	Fruit/Vegetables
Metasystox	" "
Phostoxine	Fumigant

Based on experience in nearby areas, the following is suggested as the quantities that might be used over a five year period; however, until work starts in Kala Dhaka, no accurate estimate can be made:

<u>Chemical</u>	<u>Quantity</u>	<u>Use</u>
Diazinon 10%G	500 Kgs	Maize
Monitor 600 EC	400 Lts	Fruit/Vegetables
Zinc Phosphide	40 Kgs	Rodenticide
Dipterex 80%WP	100 Kgs	Fruit/Vegetables
Benlate	200 Kgs	" "
Phostoxine	N/a	Fumigant for wheat seed

Prior to disbursement of project funds for the procurement or use, or both, of pesticides or pesticide-related commodities, the Mission will prepare a full environmental analysis of the proposed pesticide use. The scope of the analysis should comply fully with the requirements of AID's Environmental Procedures at 22 CFR 216.3(b), "Pesticide Procedures," and should include, at a minimum, the following:

- a. The USEPA registration status of all pesticides proposed for use in the project;

- b. The basis for selection of the pesticides;
- c. The extent to which the the proposed pesticide use is part of an integrated pest management program;
- d. The proposed method or methods of application including availability of appropriate application and safety equipment;
- e. Any acute and long-term toxicological hazards, either human or environmental, associated with the proposed pesticide use and measures available to minimize such hazards;
- f. The effectiveness of the proposed pesticides for the proposed uses;
- g. Compatibility of the proposed pesticides with target and nontarget ecosystems;
- h. The conditions under which the pesticides are to be used, including climate, flora, fauna, geography, hydrology, and soils;
- i. The availability of and effectiveness of other pesticides or nonchemical control methods;
- j. The GOP's ability to regulate or control the distribution, storage, use, and disposal of the proposed pesticides;
- k. The provisions to be made for training of users and applicators;
- l. The provisions made for monitoring the use and effectiveness of the pesticides;
- m. The potential impacts to rare and/or endangered species and/or their critical habitats.
- n. The environmental monitoring requirements and capital/recurrent costs and training requirements associated with implementation of a monitoring program.

Mitigatory actions which will likely be required based on the findings of the pesticide analysis include technical assistance to the GOP and local farmers for training in the safe storage, transport, handling and use of pesticides, and commodity assistance for the procurement of safety equipment for proper handling and disposal of pesticide wastes and empty containers. Periodic follow-up technical assistance and monitoring may also be required.

3.3. Watershed Management

The net environmental impact of watershed management activities,

which are meant to increase the productivity of the noncultivated areas of Gadoon-Amazai and Kala Dhaka, will be positive. Increasing the vegetative cover through controlled grazing to promote regeneration of the natural grass cover, planting of forage and firewood shrubs, and reforestation of the upper slopes will help to reduce total runoff, increase infiltration rates, and lower stream velocities and sedimentation, thus improving the availability of water downstream.

4.0 CONCLUSION

The Negative Determination recorded for the NWFADP in the 1983 IEE is applicable for the proposed project amendment, including the extension of the project into the Kala Dhaka region, provided that the required pesticide analysis* is carried out by the Mission and approved by the Bureau Environmental Coordinator, and provided that the environmental design criteria and mitigation actions presented in both this analysis and the pesticide analysis are factored into project design and implementation. The basis for this determination is the finding of this analysis that the project, if implemented within the given environmental guidelines, will not result in significant, negative impacts on the environment.

*Note: Summary recommendations of the pesticide analysis, approved by AID/W and accepted by the Mission, are attached as Annex L.

ANNEX O

BACK UP TABLES FOR FINANCIAL ANALYSIS

ALL COSTS ARE AT 1988 PRICES

BUDGET ESTIMATES GADDDN II
TECHNICAL ASSISTANCE
(In US Dollars)

POSITION DESCRIPTION	UNIT COST MAN MONTH	NUMBER OF MAN MONTHS	NUMBER OF POSITIONS	(1)		TOTAL COST 6 (4+5)
				BASE COST 4 (1x2x3)	LOGISTICS 5	
I. TECHNICAL ASSISTANCE TEAM						
A. EXPATRIATE (Short Term)						
1. Environmental Evaluator	16,644 (1)	1.0	2.0	33,288	7,924	41,212
2. Env. Training Specialist	16,644 (1)	1.5	1.0	24,966	3,962	28,928
3. Environmental Inspector	16,644 (1)	1.0	1.0	16,644	3,962	20,606
4. Training Specialist	16,644 (1)	8.0	1.0	133,152	11,886	145,038
TOTAL EXPATRIATE		11.5	5.0	208,050	27,734	235,784
B. LOCAL (Long Term)						
1. Forage/Pasture Specialist	1,375 (2)	50.0	1.0	27,500	25,500	53,000
2. Voc. Training Specialist	2,100 (3)	54.0	1.0	113,400	27,540	140,940
TOTAL LOCAL (Long Term)		104.0	2.0	140,900	53,040	193,940
C. LOCAL (Short Term)						
1. Marketing Specialist	2,100 (3)	9.0	1.0	18,900	4,590	23,490
2. Ag. Ext./Info. Specialist	2,100 (3)	16.0	1.0	33,600	8,160	41,760
TOTAL LOCAL (Short Term)		25.0	2.0	52,500	12,750	65,250
TOTAL I		140.5	9.0	442,700	93,524	536,224
II. TA for Infrastructure Implementation (RAD/P/ENG)						
A. MONITORING SECTION (4)						
1. Project Engineers	1,127	60.0	5.0	338,235	155,125	493,360
2. Program Assistant	980	60.0	1.0	58,824	31,025	89,849
3. Admin. Assistant	319	60.0	1.0	19,118	31,025	50,143
SUB-TOTAL		180.0	7.0	416,176	217,175	633,351

BUDGET ESTIMATES BACCON II
TECHNICAL ASSISTANCE
(In US Dollars)

POSITION DESCRIPTION	UNIT COST MAN MONTH	NUMBER OF MAN MONTHS	NUMBER OF POSITIONS	BASE COST 4 (1x2x3)	LOGISTICS 5	TOTAL COST 6 (4+5)
B. SURVEY SECTION (4)						
1. Jr. Engineer Survey	480	60.0	1.0	59,824	71,025	99,849
2. Party Chief	490	60.0	1.0	29,412	31,025	60,437
3. Chainmen	206	60.0	2.0	24,700	62,050	86,756
4. Helpers	118	60.0	2.0	14,112	62,050	76,168
5. Senior Draftsman	262	60.0	1.0	22,059	31,025	53,084
SUB-TOTAL		300.0	7.0	149,118	217,175	366,293
TOTAL (II)		480.0	14.0	565,294	434,350	999,644
GRAND TOTAL (I+II)		620.5	23.0	1,007,994	527,874	1,535,868

- (1) Includes international travel and per diem for expats and local travel and per diem for local hires. Local travel and per diem for expats is included in their salary unit costs. All costs based on USAID standard cost guidelines in effect March 1988.
- (2) FSN equivalent grade 10/7.
- (3) FSN equivalent grade 11/2.
- (4) Costs based on recent RAO/P/ENG experience.

GADOON II TRAINING COSTS
(In US Dollars)

Annex C
Table 2

ACTIVITY DESCRIPTION	ESTIMATED ANNUAL UNIT COSTS	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
I. IN-COUNTRY							
A. Off Farm Employment							
1. Direct Training Costs	175,000 (1)	175,000	175,000	175,000	175,000	175,000	875,000
2. OFF Service Fee Travel Costs	8,500 (1)	8,500	8,500	8,500	8,500	8,500	42,500
Subtotal A	183,500	183,500	183,500	183,500	183,500	183,500	917,500
B. Staff Training							
	1,200	1,200	1,200	1,200	1,200	1,200	6,000
Subtotal B	1,200	1,200	1,200	1,200	1,200	1,200	6,000
C. Orchard Maintenance Training (2)							
	4,700	4,700	4,700	4,700	4,700	4,700	23,500
Subtotal C	4,700	4,700	4,700	4,700	4,700	4,700	23,500
D. Womens Training Centers							
Direct Staff Salaries (See following Table)		145,208	145,208	145,208	145,208	145,208	726,040
Subtotal D		145,208	145,208	145,208	145,208	145,208	726,040
TOTAL I		334,608	334,608	334,608	334,608	334,608	1,673,040
II. US TRAINING							
Pasture/Forage Development (3)				13,000	13,000	13,000	39,000
TOTAL II				13,000	13,000	13,000	39,000
GRAND TOTAL TRAINING COSTS		334,608	334,608	347,608	347,608	347,608	1,712,040

(1) Based on recent experience under Gadoon I and a draft memorandum of understanding between the PCU and OPF.
 (2) Provide training for old and new orchards. Estimate 2,000 acres at \$11.75/acre.
 (3) Estimate 3 visits. Costs based on USAID guidelines of March 1988.

as

SECTION II
WOMEN TRAINING CENTERS
DIRECT STAFF COSTS
in US Dollars

POSITION DESCRIPTION	UNIT COST/NUMBER OF		NUMBER OF POSITIONS	BASE COST	LOGISTICS	TOTAL COST
	1 MAN MONTH	2 MONTHS					3	4 (1)(2)(3)	5	6 (4+5)
1. Program Specialist	353	60	2	42,360	10,000	52,360
2. Secretary	138	60	1	8,280	0	8,280
3. Naib Qasid	70	60	1	4,200	0	4,200
4. Literacy Supervisors	175	60	4	42,000	20,000	62,000
5. Instructresses	104	60	44	274,560	44,000	318,560
6. Assistants	55	60	44	145,200	0	145,200
7. Janitors	18	60	44	47,520	0	47,520
8. Agriculturist	292	60	1	16,920	7,000	23,920
9. Lady Health Technician	175	60	4	42,000	22,000	64,000
TOTAL		540	145	623,040	103,000	726,040

(1) Covers local per diem of \$10/day.

SECTION II - COMMODITIES
(in US Dollars)

COMPONENTS	UNIT COST	UNITS	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
I. VEHICLES								
A Landcruiser or Pajero 15 Door	15,000	2	30,000	-	-	-	-	30,000
B Twin Cab Pickup Truck	12,000	10	120,000	-	-	-	-	120,000
C Trail Bikes 1125 CC Transportation & Registration	1,500	14	21,000	-	-	-	-	21,000
			5,000	-	-	-	-	5,000
Total I			176,000	0	0	0	0	176,000
II. OFFICE EQUIPMENT-FURNISHINGS								
A. Infrastructure Computer-PCU								
1 Radio Network	1,431	6	8,586	-	-	-	-	8,586
2 Photo-copier Repl./Repair	-	-	2,000	2,000	2,000	2,000	2,000	10,000
3 IBM PC (AT or above)	7,353	1	7,353	-	-	-	-	7,353
4 IBM Compatibles	3,000	2	6,000	-	-	-	-	6,000
5 Printer, Epson (LD 2500)	1,500	1	1,500	-	-	-	-	1,500
6 Printer, Epson (FX 1000)	690	3	2,070	-	-	-	-	2,070
7 UPS Power Bank (500)	1,400	1	1,400	-	-	-	-	1,400
8 Software	-	-	5,698	1,434	1,434	-	1,434	10,000
9 XY Plotter	4,740	1	4,740	-	-	-	-	4,740
10 Computer Supplies	-	-	2,020	2,020	2,020	2,020	2,020	10,100
11 General Office Supplies	-	-	3,500	3,500	3,500	3,500	3,500	17,500
12 Mahrai Office Furniture	-	-	3,500	-	-	-	-	3,500
Total A			45,967	8,954	8,954	7,520	8,954	83,349
B. Training Office (Top1)								
1 Computer	2,500	1	2,500	-	-	-	-	2,500
2 Printer	440	1	440	-	-	-	-	440
3 Four Drawer Cabinet	90	4	360	-	-	-	-	360
4 Desk & Chair	376	4	1,512	-	-	-	-	1,512
5 Visitor Chairs	60	12	720	-	-	-	-	720
6 Expendable Supplies			2,000	2,000	2,000	2,000	2,000	10,000
Total B			7,532	2,000	2,000	2,000	2,000	15,532

SIERRA LEONE - COMMODITIES
In US Dollars

COMPONENTS	UNIT COST	UNITS	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
C. Womens Centers (1)								
1 Sewing Machines	100	176	8,800	8,800	-	-	-	17,600
2 Knitting Machines	114	44	2,508	2,508	-	-	-	5,016
3 Tables	60	176	5,280	5,280	-	-	-	10,560
4 Chairs	30	176	2,640	2,640	-	-	-	5,280
5 Stools	12	1,540	9,240	9,240	-	-	-	18,480
6 Chalk Boards	10	44	220	220	-	-	-	440
7 Cabinets	50	44	1,100	1,100	-	-	-	2,200
8 Expendable Supplies			28,400	28,400	28,400	28,400	28,400	142,000
Total C			58,188	58,188	28,400	28,400	28,400	201,576
D. Instructional Materials								
1 Ag. Programs			15,000	-	-	-	-	15,000
2 Off-Farm Employment			22,000	-	-	-	-	22,000
3 Womens Centers (Health Care, Pilot Girls Schools)			10,000	-	-	-	-	10,000
Total D			47,000					47,000
Total II			161,687	69,142	39,354	37,920	39,354	347,457
III. AGRICULTURE								
A. HORTICULTURE PROGRAM								
1 OLD ORCHARD REPLACEMENT (2)								
a Replacing Trees			18,000	-	-	-	-	18,000
b Plant Protection			30,000	30,000	-	-	-	60,000
Total I			48,000	30,000	0	0	0	78,000

SECTION II - COMMODITIES
(In US Dollars)

Page 3
Table 3 Cont'd

COMPONENTS	UNIT COST	UNITS	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
A. NEW ORCHARD DEVELOPMENT (3)								
a. 150 Orchards		36,000	-	-	-	-	-	36,000
b. 175 Orchards		-	51,750	-	-	-	-	51,750
c. 200 Orchards		-	-	59,375	-	-	-	59,375
d. 200 Orchards		-	-	-	61,000	-	-	61,000
e. Plant Protection & Replacement (Last 200 Orchards)		-	-	-	-	13,000	-	13,000
Total 2			36,000	51,750	59,375	61,000	13,000	221,125
TOTAL A			84,000	81,750	59,375	61,000	13,000	299,125
B. CROP DEMONSTRATION (4)								
1 Off-Season Tomato			12,000	12,000	12,000	12,000	-	48,000
2 Seed Potato			27,000	27,000	27,000	-	-	81,000
3 Spring Crops (Onion/Garlic)			13,600	13,600	13,600	-	-	40,800
TOTAL B			52,600	52,600	52,600	12,000	0	169,800
C. FORESTRY (5)								
1 Afforestation								
a. 700 Acres		119,412	-	-	-	-	-	119,412
b. 900 Acres		-	153,529	-	-	-	-	153,529
c. 1000 Acres		-	-	170,588	-	-	-	170,588
d. 1200 Acres		-	-	-	204,706	-	-	204,706
TOTAL C			119,412	153,529	170,588	204,706	0	648,235
D. LIVESTOCK								
a. Support for Vet. Dispensaries (16 x \$375)			6,000	6,000	6,000	6,000	6,000	30,000
Total D			6,000	6,000	6,000	6,000	6,000	30,000

GADDDA II - COMMODITIES
(In US Dollars)

COMPONENTS	UNIT COST	UNITS	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
E. PASTURE & FORAGE DEVELOPMENT								
1 Grass and Forage Seed (\$105/Acre x 300 Acres)			31,500	31,500	31,500	31,500	31,500	157,500
2 Fertilizer (350 bags x \$15 each)			5,250	5,250	5,250	5,250	5,250	26,250
TOTAL E			36,750	36,750	36,750	36,750	36,750	183,750
Total III			298,762	330,629	325,313	320,456	55,750	1,330,910
IV. MISCELLANEOUS								
			5,000	5,000	5,000	5,000	5,000	25,000
TOTAL IV			5,000	5,000	5,000	5,000	5,000	25,000
TOTAL COMMODITIES			642,109	404,771	369,667	362,376	100,104	1,880,027

(1) To date the Women's Centers have been equipped on an ad hoc basis. An effort will be made to standardize each one during this amendment.

(2) Old Orchard Replacement

1. Replacing trees and planting, cost of 60c/tree assumed to cover all replacement costs 30 trees x 60c x 1,000 acres	\$18,000
2. Plant protection @ \$30 x 2 yrs x 1000	60,000
Total	\$78,000

(3) New Orchard Development (cost per acre)

Estimated Cost for One Acre of New Orchard

	<u>Year 1</u>	<u>Year 2</u>	<u>Total</u>
500 Fruit Trees			
Value 24¢ each	120		\$120
Plant Protection	30	30	60
Digging of Planting Pits and Planting	60		60
Transportation	30		30
Replacement Costs 30%		35	35
Total - One Acre	240	65	\$305
Year 1	150 orchards x \$240		36,000
Year 2	175 orchards x \$240 + 150 x \$30 + 150 x \$35		51,750
Year 3	200 orchards x \$240 + 175 x \$30 + 175 x \$35		59,375
Year 4	200 orchards x \$240 + 200 x \$30 + 200 x \$35		61,000
Year 5	Plant protect. 200 x \$30 + 200 x \$35 & repl. (last 200 orchards)		13,000
Total			\$221,125

(4) Tomato - Off-season Vegetable Crop

200 acres per year for 4 years
Cost of \$60/acre includes nursery plantings
to support 200 acres 200 x \$60 x 4 years = 48,000

Potato: For Seed Multiplication and Table Use
50 acres spring + 50 acres fall each year x 3 years
Inputs cost per acre - seed \$235 fertilizer \$35
\$270 x 100 x 3 years = 81,000

Onion/Garlic Spring Crops
100 acres per year x 3 years
Input cost per acre including nursery operation
plant materials \$112+fertilizer \$24 = \$136/acre
\$136 x 100 x 3 years = 40,800

Total = **169,800**

(5) Watershed Management/Afforestation

Total cost per tree planting Rs.2.00
Trees per acre = 1000
Grass seed Rs400/acre
Labor for small check dams Rs500 per acre

Annex O
Table 3 Cont'd

<u>Year</u>	<u>Area</u>	<u>Trees</u>	<u>Grass Seed</u>	<u>Check Dams</u>	<u>Annual Cost</u>
1989	700 acres	1,400,000	280,000	350,000	2,030,000
1990	900 acres	1,800,000	360,000	450,000	2,610,000
1991	1000 acres	2,000,000	400,000	500,000	2,900,000
1992	<u>1200 acres</u>	<u>2,400,000</u>	<u>480,000</u>	<u>600,000</u>	<u>3,480,000</u>
	3800 acres	7,600,000	1,520,000	1,900,000	11,020,000

= \$648,235

\$1.00 = Rs17.00

SADCCO II - INFRASTRUCTURE CONSTRUCTION
(In US Dollars)

Annex D
Table 4

COMPONENTS	MILEAGE (VILLAGES/COUNCIL)	UNION	ESTIMATED COST					TOTAL
			YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	
I. LINE DEPARTMENTE								
A. C&W DEPARTMENT								
1. MAJOR ROADS								
i. Raogani-Utia (Paving)	6.0	NA/BA/BI	250,000	221,304	-	-	-	471,304
ii. Utia Paroa (Surfacing)	13.5	NA	117,647	411,765	176,471	89,235	-	794,118
Total 1	19.5		367,647	633,069	176,471	89,235	0	1,265,427
2. FEEDER ROADS								
i. Sanichatra-Leeran-Funawai	4.0	BA	50,000	132,353	-	-	-	182,353
ii. Gali-Kangroocha-kaneeri	11.0	BI	25,000	100,000	200,000	151,471	-	476,471
iii. Extend Sandwa-Taxail to Gajai	3.0	BI	25,000	104,412	-	-	-	129,412
iv. Beesak-Maikkabad	3.0	GF/BI	25,000	75,000	23,529	-	-	123,529
v. Beesak Kandac-Ziarat Bela	5.0	BI	25,000	75,000	23,529	-	-	123,529
vi. Dagai-Sukalai	1.5	BA	-	58,524	-	-	-	58,524
vii. Maro Banda-Shingrai-Sanichatra	1.5	BA	-	58,524	-	-	-	58,524
viii. Shingrai-Shalidar-Farooosa	2.5	NA/BI	-	25,000	77,941	-	-	102,941
ix. Main Utia Amasai Road-Gabasni	1.5	BI	-	-	52,941	-	-	52,941
x. Mangalchai-Lakab-Brug	2.0	BI/BI	-	25,000	63,235	-	-	88,235
xi. Chanai-Sethana	3.0	BI/BI	-	25,000	75,000	23,530	-	123,530
Total 2	38.0		150,000	678,813	516,175	175,001	0	1,519,989
TOTAL ROADS (C&W Department)	57.5		517,647	1,311,882	692,646	264,236	0	2,785,411
3. HEALTH								
i. Basic Health Unit		NA	25,000	80,882	-	-	-	105,882
Total 3			25,000	80,882	-	-	-	105,882
TOTAL A - C&W Department			542,647	1,392,764	692,646	264,236	0	2,891,293

SECTION II - INFRASTRUCTURE CONSTRUCTION
 (In US Dollars)

Annex D
 Table 4 Cont'd

COMPONENTS	MILEAGE/ VILLAGES/COUNCIL	UNION	ESTIMATED COST					TOTAL
			YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	
B. WAPDA								
I. ELECTRIFICATION								
i. Phase II C			70,000	129,906	-	-	-	199,906
ii. Phase II D			50,000	64,513	-	-	-	114,513
iii. Phase III F (New Baba Feeder)			50,000	79,369	-	-	-	129,369
iv. Phase III A (Gadra)	1	KA	-	-	58,824	-	-	58,824
v. Phase III B (Matgund, Jabba, Leran, Funawal)	4	KA	-	-	58,824	-	-	58,824
vi. Phase III C (Dewal, Garna Payan, Dewal, Garna Baia)	3	BA	23,529	-	-	-	-	23,529
vii. Phase III D (Achnalai)	1	BI	-	79,412	-	-	-	79,412
viii. Phase III E (Kat, Erac-Anjelo, Benda-Giro)	3	BI/6F	-	-	52,941	-	-	52,941
ix. Phase III F (Dewal)	1	KA	-	35,294	-	-	-	35,294
x. Phase III G (Takal-Bajal)	2	KA	25,000	33,824	-	-	-	58,824
xi. Phase IV (Kalilar Area)	14	KA	-	10,000	15,000	33,824	-	58,824
xii. Phase V (Ziarat Bela Area)	9	BI	-	-	25,000	50,000	42,647	117,647
xiii. Phase VI (Bait Gali Area)	19	BI	-	25,000	75,000	100,000	50,000	250,000
xiv. Phase VII (Nagrai Area)	23	KA	-	75,000	150,000	250,000	54,412	529,412
xv. Phase VIII (Charora Area)	8	KA	-	25,000	75,000	48,235	-	148,235
Total 1	88		218,529	527,338	510,589	482,059	147,059	1,885,574
2. TUBE WELL DEVELOPMENT								
			25,000	25,000	33,823	33,824	-	117,647
Total 2			25,000	25,000	33,823	33,824	-	117,647
TOTAL B - WAPDA			243,529	552,338	544,412	515,883	147,059	2,003,221
TOTAL I (LINE DEPARTMENTS)			786,176	1,945,102	1,237,058	779,119	147,059	4,894,514

SACDCA II - INFRASTRUCTURE CONSTRUCTION
In US Dollars

Annex D
Table 4 Cont'd

COMPONENTS	MILAGE VILLAGES	UNION COUNCIL	ESTIMATED COST					TOTAL
			YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	
II. DIRECT CONTRACTING BY PCU								
i. Land Levelling			27,000	27,000	27,000	27,000	27,247	117,547
ii. Improved womens Training Centers	11		12,800	25,000	64,000	25,000		126,800
iii. Teachers Lodgings	14		1,000	2,400	4,000	2,400	800	11,200
iv. Nagrai Sub-Office			14,700	-	-	-	-	14,700
TOTAL II (DIRECT PCU CONTRACT)	24		52,700	51,000	91,000	51,000	24,047	271,547
III. DISTRICT COUNCIL/PROJECT COMMITTEE								
A. POTABLE WATER & IRRIGATION CHANNEL LINING PROGRAMS								
			-	50,000	250,000	50,000	223,529	1,023,529
TOTAL III (COUNCIL-PROJ. COMMITTEE)			0	50,000	250,000	50,000	223,529	1,023,529
TOTAL INFRASTRUCTURE CONSTRUCTION			52,700	101,000	341,000	101,000	247,576	6,185,576

SADDON II - OTHER COSTS
In US Dollars

COMPONENTS	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
A. FACILITY RENTAL						
1 Tarbela Housing (1)	80,000	80,000	80,000	80,000	80,000	400,000
2 Womens Training Centers (2)	15,840	15,840	15,840	15,840	15,840	79,200
3 Pasture & Forage Development (7)	50,260	50,260	50,260	50,260	50,260	251,300
Total A	146,100	146,100	146,100	146,100	146,100	720,500
B. UTILITIES						
1 Womens Training Centers (4)	26,400	26,400	26,400	26,400	26,400	105,600
2 Topi Office (5)	39,000	39,000	39,000	39,000	39,000	156,000
3 Nagrai Sub-office (6)	1,200	1,200	1,200	1,200	1,200	6,000
Total B	66,600	66,600	66,600	66,600	66,600	333,000
C. VEHICLE OPERATION MAINTENANCE						
1 Infrastructure (R&P ENG) (7)						
a. Fuel & Oil	22,638	22,638	22,638	22,638	22,638	113,190
b. Maintenance	9,060	9,060	9,060	9,060	9,060	45,300
Total 1	31,698	31,698	31,698	31,698	31,698	158,490
2 Project Coordinating Unit (2)						
a. Land Cruisers & Pickups						
i. Fuel & Oil	71,687	71,687	71,687	71,687	71,687	358,435
ii. Maintenance	28,690	28,690	28,690	28,690	28,690	143,450
b. Motorbikes (9)						
i. Fuel & Oil	18,865	18,865	18,865	18,865	18,865	94,325
ii. Maintenance	7,550	7,550	7,550	7,550	7,550	37,750
Total 2	126,792	126,792	126,792	126,792	126,792	633,960
TOTAL C	158,490	158,490	158,490	158,490	158,490	792,450

SECTION II - OTHER COSTS
in US Dollars

COMPONENTS	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
D. PROJECT EVALUATION (10)						
1 Mid-Term	-	150,000	-	-	-	150,000
2 End of project	-	-	-	-	150,000	150,000
TOTAL D	-	150,000	-	-	150,000	300,000
E. DEEP TILLAGE (11)						
	4,050	4,050	4,050	4,050	4,050	20,250
TOTAL E	4,050	4,050	4,050	4,050	4,050	20,250
F. EXTERNAL AUDIT						
	5,900	5,900	5,900	5,900	5,900	29,500
TOTAL F	5,900	5,900	5,900	5,900	5,900	29,500
G. LOCAL STAFF COSTS (See following table for detailed breakdown)						
1 PCU STAFF						
i. Administrative Section	91,150	91,150	91,150	91,150	91,150	455,750
ii. Agriculture Section	141,578	141,578	141,578	141,578	141,578	707,890
iii. Engineering Section	68,643	68,643	68,643	68,643	68,643	343,215
iv. Training Section	38,557	38,557	38,557	38,557	38,557	192,785
Total 1	339,928	339,928	339,928	339,928	339,928	1,699,640
2 OTHER SUPPORT STAFF						
i. RAD/P/ENG	22,368	22,368	22,368	22,368	22,368	111,840
ii. Computer Section	46,824	46,824	46,824	46,824	46,824	234,120
iii. GOP travel pay/Honarium	23,060	23,060	23,060	23,060	23,060	115,300
Total 2	92,252	92,252	92,252	92,252	92,252	461,260
TOTAL G	432,180	432,180	432,180	432,180	432,180	2,160,900

TABLE II - OTHER COSTS
(in US Dollars)

COMPONENTS	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
H. MISC. EXPENSES	15,000	15,000	15,000	15,000	15,000	75,000
TOTAL H	15,000	15,000	15,000	15,000	15,000	75,000
TOTAL OTHER COSTS	828,320	978,320	828,320	828,320	978,320	4,441,600

- (1) Based on past costs and includes utilities and maintenance of household.
- (2) 44 centers @ \$30/month.
- (3) Lease 10 acres each at 35 sites @ \$1,412/site/year plus fencing and maintenance at \$24/site/year.
- (4) Estimate \$50/center/month.
- (5) Based on past costs.
- (6) Kerosine, fuelwood etc.
- (7) Total vehicles = 2 Landcruisers + 1 Pick-up + 3 Jeeps.
- (8) Total vehicles = 2 Landcruisers + 17 Pick-ups + 20 Motorbikes.
- (9) 1 Motorbike = 1/4 Landcruiser for fuel and maintenance costs.
- (10) Estimated cost to hire 2 US evaluators for 3 months each plus incidental costs for each evaluation.
- (11) $(1000 \text{ acres/year} \times 5 \text{ years} \times \$5.40/\text{acre}) - (.25 \times 1000 \text{ acres/year} \times 5 \text{ years} \times \$5.40/\text{acre}) = \$20,250$
Farmers pay 25% of tillage costs.

BUDGET 22 - LOCAL STAFF COSTS
 In US Dollars

Page 0
 Table 6

POSITION DESCRIPTION	1	2	3		4	5	6
	UNIT COST PER MONTH	NUMBER OF MONTHS	NUMBER OF POSITIONS	NUMBER OF POSITIONS	BASE COST (1x2x3)	LOGISTICS	TOTAL COST (4+5)
I. PCU STAFF							
4. Administrative Section							
1 Administrator	235	60	1		21,175	2,500	23,675
2 Accountant	190	60	1		16,941	2,500	19,441
3 Procurement Officer	190	60	1		16,941	2,500	19,441
4 Vehicle Controller	165	60	1		11,315	1,000	12,315
5 Statistician	125	60	1		7,578	2,500	10,078
6 Assistant Accountant	175	60	3		22,733	1,250	23,983
7 Sr. Accounts Assistant	175	60	1		10,588	0	10,588
8 Secretary	138	60	3		24,711	0	24,711
9 Typist	104	60	4		24,889	0	24,889
10 Senior clerk	94	60	4		22,588	0	22,588
11 Junior Clerk	67	60	4		20,824	0	20,824
12 Driver	92	60	19		104,880	71,250	176,130
13 Naib Qasid	57	60	3		12,007	0	12,007
14 Guard	55	60	10		39,106	0	39,106
15 Gardner	57	60	3		12,007	0	12,007
16 Janitor	55	60	1		3,911	0	3,911
SUBTOTAL A			60		372,251	87,500	459,751
B. Agriculture Section							
1 Agriculture Officer	235	60	1		14,118	10,000	24,118
2 Field Assistants (New)	59	60	54		190,588	10,000	200,588
3 Field Assistants (Deputed)	88	60	10		52,941	10,000	62,941
4 Typist	60	60	4		14,499	0	14,499
5 Laborer	71	60	5		21,176	0	21,176
6 Forest Officer	265	60	1		15,882	10,000	25,882
7 Foresters	88	60	7		37,059	0	37,059
8 Forest Guards	59	60	14		49,412	0	49,412
9 Naib Qasid	66	60	2		7,913	0	7,913
10 Supervisor (Pasture+For)	175	60	1		10,500	6,000	16,500
11 Guards (Pasture+For)	59	60	70		247,800	0	247,800
SUBTOTAL B			159		661,888	46,000	707,888

BAGDON II - LOCAL STAFF COSTS
(In US Dollars)

Annex 0
Table 6 Cont'd

POSITION DESCRIPTION	UNIT COST		NUMBER OF		BASE COST 4 (1x2x3)	LOGISTICS, 5	TOTAL COST 6 (4+5)
	1 MAN MONTH	2 MONTHS	3 POSITIONS	4 MONTHS			
C. Engineering Section							
1 Senior Engineer	264	60	1		15,858	10,000	25,858
2 Junior Engineer	100	60	7		18,582	10,000	28,582
3 Sub-Engineer	60	60	4		14,499	10,000	24,499
4 Surveyor	124	60	3		22,246	10,000	32,246
5 Draftsman	124	60	2		14,871	0	14,871
6 Community Organizer	100	60	5		29,912	10,000	39,912
7 Work Munchi	25	60	7		35,824	10,000	45,824
8 Supervisor	121	60	10		72,529	10,000	82,529
9 Assistant Accountant	121	60	1		7,253	0	7,253
10 Typist	60	60	4		14,499	0	14,499
11 Tracer	54	60	4		12,847	0	12,847
12 Junior Clerk	54	60	2		6,424	0	6,424
13 Naib Gasid	66	60	2		7,913	0	7,913
SUBTOTAL C			48		273,215	70,000	343,215
D. Training Section (Top)							
1 Coordinator	353	60	1		21,176	10,000	31,176
2 Job Placement Officer	282	60	1		16,941	10,000	26,941
3 Training Officer	282	60	1		16,941	2,500	19,441
4 Agricultural Instructor	282	60	2		33,882	10,000	43,882
5 Vocational Instructor	282	60	2		33,882	10,000	43,882
6 Secretary	138	60	1		8,255	0	8,255
7 Clerks	94	60	2		11,294	0	11,294
8 Naib Gasid	66	60	2		7,913	0	7,913
SUBTOTAL D			12		150,286	42,500	192,786
TOTAL PCU STAFF I			269		1,457,640	242,000	1,699,640

SHOON II - LOCAL STAFF COSTS
(In US Dollars)

Annex D
Table 6 Cont'd

POSITION DESCRIPTION	(11)		(12)		BASE COST 4 (2X3)	LOGISTICS 5	TOTAL COST 6 (4+5)
	UNIT COST 1	NUMBER OF MONTHS 2	NUMBER OF POSITIONS 3	BASE COST 4			
II. SUPPORT STAFF							
A. ROAD ENGINE							
1 Drivers	175	60	6	10,500	22,500	33,000	
2 Cook Beater	115	60	1	21,175	0	21,175	
3 Janitor	55	60	2	10,566	0	10,566	
SUBTOTAL A			11	95,294	22,500	111,638	
B. COMPUTER SECTION (FCU)							
1 Project Analyst	1471	60	1	88,235	0	88,235	
2 Program Assistant	980	60	1	58,824	0	58,824	
3 System Analyst	980	60	1	58,824	0	58,824	
4 Data Entry Clerks	235	60	2	28,235	0	28,235	
SUBTOTAL B			5	234,118	0	234,118	
C. GDP Travel Pay Honorarium							
1. AGRICULTURE DEPARTMENT							
a. Agriculture Officer	113	60	3	20,276	0	20,276	
b. Field Assistants	27	60	14	22,334	0	22,334	
c. Field Workers	5	60	11	3,494	0	3,494	
Subtotal 1			28	46,105	0	46,105	
2. ANIMAL HEALTH DEPARTMENT							
a. Vety. Officer	113	60	1	6,759	0	6,759	
b. Insemenator	47	60	6	16,941	0	16,941	
c. Stock Assistant	47	60	11	31,059	0	31,059	
Subtotal 2			18	54,759	0	54,759	

GADOON II - LOCAL STAFF COSTS
(In US Dollars)

Page 9
Table 6 Cont'd

POSITION DESCRIPTION	(1)		(2)				LOGISTICS	TOTAL COST
	UNIT COST PER MONTH	NUMBER OF MONTHS	POSITIONS	BASE COST	(3)	(4+5)		
3. FORESTRY DEPARTMENT								
a. Ecologist	112	60	1	6,750	0	6,750		
b. Forest Officer	45	60	1	2,700	0	2,700		
c. Forest Guard	15	60	5	4,755	0	4,755		
Subtotal B			7	14,405	0	14,405		
SUBTOTAL C			54	115,299	0	115,299		
TOTAL SUPPORT STAFF II				444,711	22,500	461,255		
TOTAL LOCAL STAFF COSTS				1,902,351	264,500	2,160,855		

- (1) Salary levels are based on current rates in the Project Coordinating Unit. In cases where a new position will be established salary rates for similar work were utilized.
- (2) To permit maximum flexibility due to uncertainties as project winds down, sufficient funds have been budgeted to fully staff the project over its remaining life. Unutilized funds will be applied to other Gadoon II activities or to the Kala Dhaka component.
- (3) Includes local travel and per diem.

Kala Dhaka
Technical Assistance Costs

Annex O
Table: 7

Position Description	Unit Cost (Mo)	X No. of Mo.	X No. of Positions	= Base Cost	+ Logistics (1)	= Total Cost (\$)	Notes
1. Expat (L.T.)							
a. Rural Dev Specialist	15,431 (1)	24	1	370,344	112,802	483,146	(1) Includes international travel and per diem for expats and local travel and per diem for local hires. Local travel and per diem for expats is included in their salary unit costs. All costs based on USAID standard cost guidelines in effect March, 1988.
Subtotal	15,431	24	1	370,344	112,802 (2)	483,146	
2. Expat (S.T.)							
a. Agronomist	16,644 (1)	4	1	66,576	3,962	70,538	
b. Anthropologist	16,644 (1)	4	1	66,576	13,962 (3)	80,538	
c. Transport Economist	16,644 (1)	4	1	66,576	3,962	70,538	
Subtotal	49,932	12	3	199,728	21,886	221,614	
3. Local (L.T.)							
a. East Bank							
i. Engr Hydrologist/ Civil	1,842 (5)	24	1	44,200	12,410	56,610	
ii. Health Nutrition Spl	1,750 (6)	12	1	21,000	6,205	27,205	
iii. Agronomist	1,842 (5)	24	1	44,200	12,410	56,610	
iv. Translator/Asst (4)	1,842 (5)	24	1	44,200	12,410	56,610	
v. Road Engineer	1,842 (5)	24	1	44,200	12,410	56,610	
vi. Proj Administrator	1,842 (5)	24	1	44,200	12,410	56,610	
vii. Program Assistant	776 (7)	24	1	44,200	12,410	56,610	
Subtotal	11,736	156	7	260,624	74,460	335,084	
b. West Bank							
i. Project Engineer	1,176 (8)	24	1	28,224	12,410	40,634	
ii. Surveyors	368 (8)	6	2	4,416	6,205	10,621	
iii. Chainmen	206 (8)	6	2	2,472	6,205	8,677	
iv. Helpers	118 (8)	6	2	1,416	3,103	4,519	
v. Senior Draftsman	368 (8)	6	2	4,416	3,103	7,519	
vi. Junior Draftsman	235 (8)	6	2	2,820	3,103	5,923	
vii. Program Assistant	613 (8)	24	1	14,712	6,205	20,917	
viii. Misc. Tech. Support	1,500	12	1	18,000	6,205	24,205	
Subtotal	4,584	90	13	76,476	46,539	123,015	

Annex O
Table 7

Position Description	Unit Cost (Mo)	X	No. of Mo.	X	No. of Positions	=	Base Cost	+	Logistics (1)	=	Total Cost (\$)	Notes
4. East Bank Design Contracts												
a. Roads												
b. Village Water Supply Systems											509,416 (9)	(9) Based on 5% of estimated construction costs with 8% for inflation.
c. Hydel Design												
i. Technical Survey of Area											38,682 (10)	(10) Average cost under Gadoon I for similar systems = \$13,991. Project Design team estimates 32 systems will be constructed and design costs = 8% of construction and 8% for inflation: 13,991 x 32 x .08 x 1.08 = 38,682
ii. Design of two Stations											8,200	
Subtotal											99,223 (11)	(11) Assume design of one 100 kw and one 400 kw station. Cost of similar stations in Swat and Azad Kashmir were \$860,177 and \$288,235. (860,177 + 288,235) x .08 x 1.08 = 99,223
Total											655,527	
											1,818,380	

Annex C
Table 7 Cont'd

114-

Kala Dhaka
Commodities

<u>Item Description</u>	<u>No. Units</u>	<u>Unit Cost (\$)</u>	<u>Total</u>
1. Vehicles			
a. Boats and Motors			
i. Outfitted hulls	2	27,000	54,000
ii. 20 H.P. Motors	4	3,000	12,000
b. Landcruisers	3	15,000	45,000
c. Pick-Up Trucks			
i. Double Cab	6	12,000	72,000
ii. Single Cab	2	8,000	16,000
d. Trail Bikes	10	1,500	15,000
e. Transportation and Registration			4,800
Subtotal - Vehicles			218,800
2. Office Equipment & Furnishings			
a. Main Office at Oghi			
i. Computers (IBM Compatible)	3	2,500	7,500
ii. Printers (Epson FX1000)	3	440	1,320
iii. Uninterruptable Power Supply	3	295	885
iv. Stepdown Transformers	3	75	225
v. Calculators	3	160	480
vi. Software		2,000	2,000
vii. Typewriter	1	900	900
viii. Copier	1	7,000	7,000
ix. Desks	12	252	3,024
x. Revolving Chairs	12	126	1,512
xi. Visitors Chairs	24	60	1,440
xii. Work Tables	4	75	300
xiii. File Cabinets	5	90	450
xiv. General Office Supplies		5,000	5,000
xv. Computer Supplies		3,000	3,000
Main Office Total			35,036
b. Suboffices (Thakot-Durband-Judba- West Bank)			
i. Desks	8	200	1,600

<u>Item Description</u>	<u>No. Units</u>	<u>Unit Cost (\$)</u>	<u>Total</u>
ii. Chairs	16	60	960
iii. Work Tables	4	75	300
iv. File Cabinets	4	90	360
v. General Office Supplies		8,000	<u>8,000</u>
Suboffices Total			
Subtotal - Office Equipment and Furnishings			11,220
3. Residential Furnishings			46,256
Standard AID Issue Sets*	3	27,200	<u>81,600*</u>
Subtotal - Furnishings			81,600
4. Engineering, Technical and Field Equipment			
a. East Bank			
Theodolite Conventional Level	1	5,300	5,300
Plane Table Complete	1	1,175	1,175
Levelling Stands 5 Folds	1	120	120
Ranging Rods	4	60	60
Triangular Scale Eng.	1	6	24
Drafting Table Mech.	1	4	4
Lettering Set	1	1,360	1,360
Drawing Pen Sets	1	150	150
Straight 36"	2	20	40
Drawing Box	1	50	50
Railway Curve Set	1	20	20
Protactor 12"	1	74	74
Spirit Levels	1	6	6
Measuring Tapes 100 ft	5	2	10
Measuring Tapes 10 ft	5	7	35
Maintenance of Survey Equipment	5	3	15
Water Bottles	12		590
Water Coolers	2	1	12
Tents	4	12	24
Petromax	3	118	472
Folding Tables	4	35	105
Folding Chairs	4	35	140
Sleeping Bags	8	15	120
Camp Cot Folding	8	15	120
Kerosene Oil Stoves	8	24	192
	4	15	<u>60</u>
East Bank Total			10,278

*One set of residential furnishings will be set aside for the long term expat. Funds earmarked for the other two sets may be utilized as needed to furnish overnight guest quarters at Oghi, Thakot, Judba, Durband and the west bank.

<u>Item Description</u>	<u>No. Units</u>	<u>Unit Cost (\$)</u>	<u>Total</u>
b. West Bank			
Theodolite Conventional Level	1	5,300	5,300
Plane Table Complete	1	1,175	1,175
Levelling Stands 5 Folds	1	120	120
Ranging Rods	2	60	60
Triangular Scale Eng.	1	6	12
Drafting Table Mech.	1	4	4
Lettering Set	1	1,360	1,360
Drawing Pen Sets	1	150	150
Straight 36"	2	20	40
Drawing Box	1	50	50
Railway Curve Set	1	20	20
Protactor 12"	1	74	74
Spirit Levels	1	6	6
Measuring Tapes 100 ft	4	2	8
Measuring Tapes 10 ft	4	7	28
Maintenance of Survey Equipment	4	3	12
Water Bottles	6		590
Water Coolers	1	1	6
Tents	1	12	12
Petromax	2	118	236
Folding Tables	2	35	70
Folding Chairs	2	35	70
Sleeping Bags	4	15	60
Camp Cot Folding	4	15	60
Kerosene Oil Stoves	4	24	96
	2	15	30
West Bank Total			<u>9,649</u>
Subtotal - Engineering and Field Equipment			19,927

<u>Item Description</u>	<u>No. Units</u>	<u>Unit Cost (\$)</u>	<u>Total</u>
5. Medical Commodities			
a. Sleeping Bags	24	15	360
b. Water Purification Kits etc.	24	50	1,200
c. Water Bottles	24	1	24
d. Clothing Allowance	24	100	2,400
e. Furnishings to BHU to permit overnight stays estimated cost \$2050/unit	10	2,050	20,500
f. Medical Supplies Estimated \$5000/BHU	10	5,000	50,000
g. Food Supplies and Comforts \$12.35/day x 12 person/team x 90 days x 2 teams			<u>26,676</u>
Subtotal			101,160
6. Agricultural Supplies			
Assume assignment of 25 tribal-hire agricultural field workers to oversee the following subproject activities. Overall supervision of their activities, in turn, is by the Oghi PCU. First year costs are shown below:			
a. Row Crop Demonstration Plots (located in each tribal area at major villages). Improved varieties used to reproduce seed.			
i. Year One			
Total Plots:	100 acres x 5 tribal areas	= 500 acres	
(1) In Maize:	250 acres (50/tribe) seed, fertilizers, mule transport, supplies \$47.06/acre x 250		11,765
(2) In Wheat:	250 acres (50/tribe) seed, fertilizers, mule transport, supplies \$54.40/acre x 250 = Total		<u>13,600</u>
Year 1 Total demonstration plots			25,365
ii. Year Two			
Total plots:	300 acres x 5 tribal areas	= 1500 acres	
(1) Maize:	750 acres or 150 acres/tribe seeds, etc. \$51.77/acre x 750 acres		38,825
(2) Wheat:	750 acres or 150 acres/tribe seeds, etc. \$59.83/acre x 750 acres		<u>44,870</u>
Year 2 total demonstration plots			<u>83,695</u>
Subtotal row crop demonstration			109,060

b. Potato Crop Introduction/Expansion

Initially by volunteered demonstration plots within area, for seed multiplication and re-sale by owner.

i) <u>Year 1</u> : 50 acres/tribe x 5 tribes x 1 season seed, fertilizers, mule transport, supplies \$352.94/acre x 250 acres	88,235
Year 1 Total	88,235
ii) <u>Year 2</u> : 50 acres/tribe x 5 tribes x 1 season seed, fertilizers, mule transport, supplies \$388.24/acre x 250 acres	97,060
Year 2 Total	97,060
Subtotal potato crop demonstration	185,295

c. Forestry

The objective of this element is to plant 7,500 acres and 1,000 seedlings can be planted in each acre. Each seedling costs Rs.2.00 to produce, transport and plant. Therefore total cost is Rs.15,000,000 or \$882,353. Schedule for planting is shown below:

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3*</u>	<u>Year 4*</u>	<u>Total</u>
Acres Planted	500	1,000	3,000	3,000	7,500
Seedlings required	500,000	1,000,000	3,000,000	3,000,000	7,500,000
Land required for nurseries (acres)	10	20	60	60	

*The need for this activity was well demonstrated during the initial design for Phase I. Therefore, the decision was made to fully fund the activity as a part of Phase I.

Total Commodities
1,644,451

PDM:RMathia:sp

2909p (sp)

	Kala Dhaka Other Costs (\$)		
	Year 1	Year 2	Total
1. Logistic Support			
a. Building Rent			
i. Main Office	12,690	"	25,380
ii. Sub Offices (4)	5,664	12,690	11,382
iii. Staff House Oghi	8,460	5,664	16,920
iv. Project Manager	8,460	8,460	16,920
Subtotal	35,274	8,460	16,920
b. Utilities		35,274	70,548
i. Main Office	4,536	4,536	9,072
ii. Sub Offices (4)	6,048	6,048	12,096
iii. Staff House	3,024	3,024	6,048
iv. Project Manager	3,024	3,024	6,048
Subtotal	16,632	16,632	33,264
c. Nursery Rental			
150 acres x 206/acre	6,180	24,720	30,900
(Yr 1 = 30 acres, Yr 2 = 120 acres)			
Subtotal	6,180	24,720	30,900
d. Vehicle Operation and Maint.			
i. Landcruisers and trucks (11)			
(1) Fuel and Oil	41,503	41,503	83,006
(2) Maintenance	16,610	16,610	33,220
ii. Trail Bikes (10)			
(1) Fuel and Oil	9,432	9,432	18,865
(2) Maintenance	3,775	3,775	7,550
iii. Boats (2)			
(1) Fuel and Oil	7,546	7,546	15,092
(2) Maintenance	3,020	3,020	6,040
Subtotal	91,886	81,887	163,773
e. Travel Pay/Honorariums for GOP Personnel working on the Project	30,000	33,000	63,000
Subtotal	30,000	33,000	63,000
f. Animal Transportation	12,000	12,000	24,000
Subtotal	12,000	12,000	24,000
Subtotal - Logistic Support	181,972	203,513	385,485

	<u>Year 1</u>	<u>Year 2</u>	<u>Total</u>
2. Miscellaneous Expense			
Subtotal	<u>10,000</u>	<u>10,000</u>	<u>20,000</u>
	10,000	10,000	20,000
3. Support Staff (see following table)			
Subtotal	<u>227,858</u>	<u>227,859</u>	<u>455,717</u>
	<u>227,858</u>	<u>227,859</u>	<u>455,717</u>
Total	419,830	441,372	861,202

Drug Abuse Resource Information Center
Cost Estimates

Annex O

All the detailed data on which the Drug Center's cost estimates are based is contained in the original Drug Center proposal which is on file in USAID and AID/W. The following comments and tables summarize that data.

Program Training Courses

PNCB experience indicates the average cost per participant is \$50/day for contracted courses--without follow-up or provision of materials. This is based on averaging the total costs of three ad hoc four-day courses conducted in Islamabad, Lahore, and Karachi, and dividing by the total participant-days. Because these were pilot courses, the costs are likely higher than replicated courses with fewer course instructors. But the added materials/evaluation/follow-up costs would likely offset this savings and thus we will still use the best evidence figure of \$50/participant/day to project training activity costs offered by the Center through contractual arrangements.

With this figure in mind, it is possible to construct a small table showing the costs per year of various combinations of training activities, including workshops, seminars, conferences, and traditional training courses, assuming course/workshop/seminar attendance of 30 participants.

Kala Dhaka
Other Cost
Support Staff

Annex O
Table: 10

Position Description	Unit Cost (Mo)	No. of Mo.	No. of Positions	Base Cost	Logistics (1)	Total Cost(\$)	Notes
PCU Office Staff							
Accountant	1,750 (2)	24	1	42,000			
Bookkeeper/Secretary	776 (3)	24	1	18,624	3,103	45,103	1. Includes local travel and per diem.
Secretary	330 (4)	24	2	15,840	3,103	21,727	2. FSN equivalent 12/8.
Computer Operator	1,750 (2)	24	1	42,000	-	15,840	3. FSN equivalent 9/8.
Drivers	157 (5)	24	11	41,448	300	42,300	4. FSN equivalent 7/5
Boat Pilots/First Mates	182	24	4	17,472	38,824 (6)	80,272	5. FSN equivalent 3/1
Bearer	120	24	6	17,280	14,117 (6)	31,589	6. 100 days/yr per person x $\frac{Rs300}{17}$
Guards	142	24	24	81,792	-	17,280	
Mali	100	24	2	4,800	-	81,792	
Cook	140	24	1	3,360	-	4,800	
Ag. Demonstrations							
Field Workers	35	18	25	15,750	-	3,360	7. Covers travel and training for 5 days.
Day Laborers	30	1	25	750	1,581 (7)	17,331	8. 75 days per person x $\frac{Rs300}{17}$
Medical Teams							
Doctors	800	3	24	57,600	-	750	
Cook	140	6	1	840	31,765 (8)	89,365	
Bearer	120	6	1	720	1,324 (8)	2,164	
Total					1,324 (8)	2,044	
2909p (sp)						455,717	

Course Costs: Number Per Year vs. Duration

(Cost in thousands of US\$ for course with 30 participants)

No. Days	Number of courses per year											
	4	5	6	7	8	9	10	11	12	13	14	15
1	6	7.5	9	10.5	12	13.5	15	16.5	18	19.5	21	22.5
2	12	15	18	21	24	27	30	33	36	39	42	45
3	18	22.5	27	31.5	36	40.5	45	49.5	54	58.5	63	67.5
4	24	30	36	42	48	54	60	66	72	78	84	90
5	30	37.5	45	52.5	60	67.5	75	82.5	90	97.5	105	112.5

Note: The Table is an approximation since shorter courses with fixed start-up and planning costs would average more per day than longer courses which spread out the start-up costs over a longer period.

The \$50 per day rate breaks down to the following approximate amounts:

Course planning	\$5.00
Participant travel	5.00
Daily allowance, accommodation, food	10.00
Training manual, handouts, AV support	5.00
Venue expenses	5.00
Faculty costs	15.00
Misc. Center expenses, incl. follow up	5.00
Total:	\$50.00

For purposes of cost estimating for the project budget it was assumed that 9 3-day courses would be offered the first year and 15 4-day courses each year thereafter.

Programs and Special Project Outreach Activities

The following table summarizes the Center's estimated outreach effort financed under the project. This is intended to be an illustrative budget only because events and conditions may occur which will require shifting emphasis between the proposed activities and programs.

Summary Estimated Costs for Programs and
Special Project Outreach Activities
(US \$000)

<u>Category</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>	<u>Total</u>
<u>1. Training Courses</u>						
9 courses (3 days each)	40.5	0.0	0.0	0.0	0.0	40.5
15 courses (4 days each)	<u>0.0</u>	<u>90.0</u>	<u>90.0</u>	<u>90.0</u>	<u>90.0</u>	<u>360.0</u>
Subtotal (1)	40.5	90.0	90.0	90.0	90.0	400.5
<u>2. Materials Prod.</u>						
Photo Library	2.5	1.5	1.5	1.5	3.0	10.0
Print (Misc.)	10.5	10.0	15.0	18.0	10.0	63.5
Video/Audio	10.5	10.0	15.0	22.5	17.0	75.0
Graphics, Other AV	<u>8.5</u>	<u>8.0</u>	<u>11.0</u>	<u>13.0</u>	<u>8.0</u>	<u>46.5</u>
Subtotal (2)	32.0	29.5	42.5	55.0	38.0	197.0
<u>3. Research & Evaluation</u>						
Research	7.5	25.0	30.0	35.0	35.0	132.5
Evaluation	<u>2.5</u>	<u>10.0</u>	<u>10.0</u>	<u>12.0</u>	<u>12.0</u>	<u>44.5</u>
Subtotal (3)	10.0	35.0	40.0	45.0	47.0	177.0
<u>4. Press/Info. Dissem.</u>						
Press/Media	8.0	13.0	17.5	20.0	20.0	78.5
Special/Other	<u>4.0</u>	<u>4.0</u>	<u>6.0</u>	<u>8.0</u>	<u>10.0</u>	<u>32.0</u>
Subtotal (4)	12.0	19.0	23.5	28.0	30.0	110.5
<u>5. Mass Media Campaigns</u>						
TV/Radio	20.0	25.0	35.0	45.0	50.0	175.0
Newspaper advert.	10.0	20.0	25.0	25.0	25.0	105.0
Billboard	0.0	5.0	5.0	10.0	10.0	30.0
Posters	5.0	5.0	5.0	5.0	5.0	25.0
Rallies	25.0	40.0	50.0	60.0	65.0	240.0
Document./Evaluation	<u>0.0</u>	<u>5.0</u>	<u>5.0</u>	<u>5.0</u>	<u>5.0</u>	<u>20.0</u>
Subtotal (5)	60.0	100.0	125.0	150.0	160.0	595.0
<u>6. Special Projects</u>						
<u>Outreach Activities</u>						
Drug Free Zones	30.0	65.0	81.0	85.0	85.0	346.0
Policy Form.	5.0	6.0	7.0	8.0	8.0	34.0
Newsletter	4.0	6.0	7.0	9.0	9.0	34.0
Other	<u>10.0</u>	<u>10.0</u>	<u>10.0</u>	<u>11.0</u>	<u>11.0</u>	<u>52.0</u>
Subtotal (6)	<u>49.0</u>	<u>87.0</u>	<u>105.0</u>	<u>112.0</u>	<u>113.0</u>	<u>466.0</u>
Total	203.5	358.5	426.0	480.0	478.0	1946.0

Staffing Costs

A. Salaries

As the Center will operate under the PNCB, Pakistan government uniform salary scales and terms of service will apply. More detailed planning may reveal the need to make provisions for contractual arrangements rather than for immediate permanent establishment for Center staff. The proposed staff for the Center and its branches is shown below.

1. Senior Staff

- Director (BPS 19/20)
- Senior Reference Librarian (BPS 17/18 for other senior staff)
- Senior Training/Outreach Specialist
- Senior Educational Media Specialist
- Senior Research Specialist
- Senior Information Coordinator

2. Technical, Secretarial, Clerical and Support Staff

- Administrative Unit:
 - Accounts officer
 - English/Urdu translator
 - Stenographer
 - Drivers (2)
 - Messenger
 - Cleaners (2)
 - Gardener/groundskeeper
- Documents and Information Unit:
 - Stenographer
- Training and Outreach Unit:
 - Training Officers (2)
 - Stenographer

- Materials and Audiovisual Unit:

Text/script editor
Graphic designer/photographer
Audiovisual/photocopy technician
Urdu calligrapher

- Research and Evaluation Unit:

Evaluation specialist
Stenographer

- Press Information Unit:

Stenographer
Urdu calligrapher

- Karachi and Quetta Branch Offices (To be started in the second and third years respectively):

Program Officers (2)
Stenographers (2)
Messengers (2)
Drivers (2)

Estimated Staff Costs
(US Dollars)

	Phase I	Phase II				Total
	Year 1	Year 2	Year 3	Year 4	Year 5	
Senior Staff	16,000 1/	19,200 2/	19,200	19,200	19,200	92,800
Junior Staff	12,000 3/	22,500 4/	22,500	22,500	22,500	102,000
Low Level Staff	6,300 5/	6,300	6,300	6,300	6,300	31,500
Branch Staff		<u>5,800</u>	<u>11,600 6/</u>	<u>11,600</u>	<u>11,600</u>	<u>40,600</u>
Total	34,300	53,800	59,600	59,600	59,600	266,900

- 1/ 5 Senior Staff (BP17 - 20)
- 2/ 1 additional Senior Staff appointed
- 3/ 8 Junior Staff and Secretaries (BP 12-16)
- 4/ 7 additional Junior Staff appointed
- 5/ 9 drivers, cleaners messengers (BP 1-11)
- 6/ Second branch opers.

B. Travel

Based on one trip per quarter from the main Center for each senior staff person (once a month for the Director), it is estimated that \$91,000 (average of \$18,000/year) is required for staff travel.

C. Staff Training

The sum of \$50,000 is estimated for local and regional staff training costs for five years. Included in this figure is expected attendance at professional meetings in Pakistan and the region. Following are estimated items for the \$10,000 per year suggested for staff training:

Local Expert Honoraria	:	\$3,000
Local Expert Travel	:	\$1,000
Tuition/Fees Ongoing Courses	:	\$2,000
Regional Meetings & Workshops	:	<u>\$4,000</u>
		\$10,000

The financing for staff development will not be subject to the GOP contribution formula; the entire \$10,000 per annum will be supplied from donor funds.

Commodities

1. Office Equipment

A summary of office equipment needs and costs is provided in the following table.

Summary of Office Equipment
(US Dollars)

<u>Total</u>	<u>Phase I</u>		<u>Phase II</u>									
	<u>Year 1</u>		<u>Year 2</u>		<u>Year 3</u>		<u>Year 4</u>		<u>Year 5</u>			
<u>No. Cost</u>	<u>No.</u>	<u>Cost</u>	<u>No.</u>	<u>Cost</u>	<u>No.</u>	<u>Cost</u>	<u>No.</u>	<u>Cost</u>	<u>No.</u>	<u>Cost</u>		
Typewriters	5	3000	1	600	0	0	0	0	1	600	7	4200
Calculators	6	300	0	0	0	0	0	0	0	0	6	300
Photocopiers	2	3000	1	2200	0	0	0	0	0	0	3	5200
PC Systems	1	7000	1	6500	1	6500	0	0	0	0	3	20000
VCR/Monitors	0	0	1	1500	1	1500	0	0	0	0	2	3000
Audio Cassettes	0	0	1	150	1	150	1	150	0	0	3	450
Air Conditioners	7	<u>4200</u>	2	<u>1200</u>	1	<u>600</u>	0	0	0	0	10	<u>6000</u>
Subtotal	21	17500	7	12150	4	8750	1	150	1	600	34	39150
35% Spares/ Shipping		<u>6125</u>		<u>4252.5</u>		<u>3062.5</u>		<u>52.5</u>		<u>210</u>		<u>13702.5</u>
Total		23625		16402.5		11812.5		202.5		810		52852.5
Rounded Total		24000		16500		12000		200		800		53500

2. Audio-Visual and Materials Unit Requirements

In Year 2, the following equipment will be acquired for the Materials and Audio Visual Unit:

35mm slide projectors (2)
16mm film projector
Overhead projector
Projection screens (2)
Public address systems: interior and outdoors (2)
VHS video cameras with lighting, tripods, microphones (2)
Kroy-type headliner and misc. drawing equipment
Photographic equipment: camera, flash, extra lenses, case, tripod, lighting
Dry mounting press
Photocopy accessories: staplers, paper cutters, binding machine
Portable easel/magnetic board/marker board (3)

The estimated cost for these items including spares and shipping is \$14,400.

3. Documentation Unit Requirements and Costs

In Year 1 the following equipment will be procured for the Documentation Unit:

Microfilm reader
Microfiche reader
Label maker
Miscellaneous book binding equipment, paper cutter, etc.

Estimated cost of equipment (incl. spares and shipping): \$1,000.

4. Vehicles

The following vehicles will be needed by the Center in Islamabad:

- A 10-12 passenger van, which can also be used for transporting supplies, AV equipment, etc.
- A five-passenger sedan for transport for visitors, staff duties, and trips to Lahore and Peshawar.
- A motorcycle for dispatch and pick up of items and messages.

In addition, in Years 2 and 3, a sedan will be required by each of the two branch offices.

It is anticipated that the sedan vehicles will be provided by UNFDAC. In fact, these vehicles are already in country, and being used by the PNCB. The vehicles are less than two years old, and would be transferred to the Center upon its creation.

The project will finance the van and the motorcycle, and the budget includes a line item for vehicle supplies and maintenance.

5. Supplies, and other Program-Related Recurrent Costs

- Paper, PC diskettes, film/processing
- Service contracts on equipment: PCs, typewriters, air conditioners
- Misc. office supplies: file folders, typewriter/printer ribbons, etc.
- Video and audio tapes for archiving of narcotics-related media
- Building upkeep
- Postage and other delivery services

Costs for some supplies are factored into program items (especially printed matter). The estimated costs not previously included are \$102,000 over 5 years.

<u>Buildings and Facilities</u>						
	1	2	3	4	5	Total
<u>Islamabad</u>						
Rent (2,500 sq.ft.)	7,200	9,600	9,600	9,600	9,600	45,600
Modifications	8,000	0	0	0	0	8,000
Furniture	15,000	5,000	0	0	0	20,000
Utilities	<u>6,000</u>	<u>12,000</u>	<u>12,000</u>	<u>12,000</u>	<u>12,000</u>	<u>54,000</u>
Subtotal:	36,200	26,600	21,600	21,600	21,600	127,600
<u>Karachi and Quetta</u>						
Rent (500 sq.ft. each)	0	2,400	4,800	4,800	4,800	16,800
Modifications	0	2,500	0	0	0	2,500
Furniture	0	2,500	0	0	0	2,500
Utilities	<u>0</u>	<u>1,800</u>	<u>3,600</u>	<u>3,600</u>	<u>3,600</u>	<u>12,600</u>
Subtotal:	0	9,200	8,400	8,400	8,400	34,400
TOTAL:	36,200	35,800	30,000	30,000	30,000	162,000

Technical Assistance

Planned Level of Effort for Expatriate
Technical Assistance
(Person/Monchs)

Advisor	Year					Total
	1	2	3	4	5	
Implementation Advisor	12	12	2	2	2	30
Print Materials Advisor	-	4	2	1	1	8
Media Research/ Evaluation Advisor	3	2	2	2	-	9
Information Services Advisor	2	2	2	2	-	8
Training and Outreach Advisor	2	3	2	1	-	8
Total	19	23	10	8	3	63

Expatriate Advisors Cost Estimates
(In dollars)

Advisor	Year 1		Year 2		Year 3		Year 4		Year 5		Total	
	PM	Cost	PM	Cost	PM	Cost	PM	Cost	PM	Cost	PM	Cost
Implementation	12	120000	12	120000	2	32000	2	32000	2	32000	30	336000
Print Materials	0	0	4	64000	2	32000	1	16000	1	16000	8	128000
Research/Eval.	3	48000	2	32000	2	32000	2	32000	0	0	9	144000
Info. Services	2	32000	2	32000	2	32000	2	32000	0	0	8	128000
Training & Outreach	2	32000	3	48000	2	32000	1	16000	0	0	8	128000
Subtotal	19	232000	23	296000	10	160000	8	128000	3	48000	63	864000

*Monthly cost estimates include provision for salary, travel and per diem.

Local Advisors

Assumptions:

- \$2,200/person month, includes salary, per diem, travel
- 10 person months in year 1 and 20 person months/year
(4 PM per Center Unit) years 2 to 5

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ANNEX

DRUG CENTER IMPLEMENTATION SCHEDULE

DRUG CENTER IMPLEMENTATION SCHEDULE

1. Administrative Unit

June 88 - No 89

	Who	Status	88												89					
			Jun 1	Jul 2	Aug 1	Sep 1	Oct 1	Nov 1	Dec 1	Jan 1	Feb 1	Mar 1	Apr 1	May 1	Jun 1	Jul 1	Aug 1	Sep 2	Oct 1	Nov 1
001 Director on Board	ADM	R	=====	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
002 Office Set Up	ADM	R	=====	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
003 Vehicle Provided	ADM	R	=====	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
006 Procure Office Equipment	ADM	R	=====	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
008 Airconditioning	ADM	R	=====	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
007 Support Staff Hired	ADM	R	=====	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
005 Coop. Agencies Identified	ADM	R	=====	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
004 Advisory Council Constitut	ADM	R	=====	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
009 Review Progress Year I	ADM	R	=====	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
010 Karachi Branch Establish	ADM	R	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
011 Program Officer (Karachi)	ADM	R	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
012 One Vehicle for Karachi	ADM	R	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
013 Karachi Advisory Council	ADM	R	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
018 Rev of Progress for Year 2	ADM		.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
014 Quetta Branch Establish	ADM		.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
015 Program Officer (Quetta)	ADM		.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
017 Quetta Advisory Council	ADM		.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
019 Rev of Progress for Year 3	ADM		.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.

Notes 1

- ADM 001
- ADM 002 House rented
- ADM 003 2 vehicles for Main Center, Islamabad
- ADM 006 Office machines purchase with service contract
- ADM 008 For rooms housing computers & audio visual equipt
- ADM 007 Clerical, Security and Drivers
- ADM 005 Cooperating Agencies operate in Karachi/Quetta
- ADM 004 1st meeting to be held as soon as possible
- ADM 009 Review progress & prepare proposal Phase II

DRUG CENTER IMPLEMENTATION SCHEDULE

1. Administrative Unit

Dec 89 - June 91

Who	Status	89	90	91																	
		Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	
001 Director on Board	ADM	2	1																		
002 Office Set Up	ADM																				
003 Vehicle Provided	ADM																				
006 Procure Office Equipment	ADM																				
008 Airconditioning	ADM																				
007 Support Staff Hired	ADM																				
005 Coop. Agencies Identified	ADM																				
004 Advisory Council Constitut	ADM																				
009 Review Progress Year 1	ADM																				
010 Karachi Branch Establish	ADM																				
011 Program Officer (Karachi)	ADM																				
012 One Vehicle for Karachi	ADM																				
013 Karachi Advisory Council	ADM																				
018 Rev of Progress for Year 2	ADM																				
014 Quetta Branch Establish	ADM																				
015 Program Officer (Quetta)	ADM																				
017 Quetta Advisory Council	ADM																				
019 Rev of Progress for Year 2	ADM																				

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DRUG CENTER IMPLEMENTATION SCHEDULE

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2. Documentation Unit

Sep 88 - Feb 90

	Who	Status	88		89												90			
			Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
020 Sr Ref Librarian Hired	DOC	R	=====	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
021 Stenographer Hired	DOC	R	=====	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
022 Equip & Furn Purchased	DOC	R	=====	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
033 Plan Info Needs Units-Sep	DOC	R	=====	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
023 Acquisition of Documents	DOC	R	=====	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
027 Collection of NPaper Clips	DOC	RC	=====	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
030 Plan Info Needs Units-Dec	DOC	RC	=====	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
024 Users of Info Identified	DOC	R	=====	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
041 Collect/Catalogue Material	DOC	R	=====	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
031 Plan Info Needs Units-Mar	DOC	RC	=====	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
034 Plan Info Needs Units-Jun	DOC	R	=====	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
042 Exchange Doc. List D/Abuse	DOC	R	=====	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
040 Document. Asstt Recruited	DOC	RC	=====	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
028 Indexing of NPaper Clips	DOC	R	=====	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
029 Rev of Periodicals	DOC	R	=====	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
032 Plan Info Needs Units-Sep	DOC	R	=====	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
035 Plan Info Needs Units-Dec	DOC	R	=====	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
025 Update Mailing List-Dec 89	DOC	R	=====	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
036 Plan Info Needs Units-Mar	DOC	R	=====	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
037 Plan Info Needs Units-Jun	DOC	R	=====	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
038 Plan Info Needs Units-Sept	DOC	R	=====	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
039 Plan Info Needs Units-Dec	DOC	R	=====
026 Update Mailing List-Dec 90	DOC	R	=====
067 Plan Info Needs Units-Mar	DOC	R	=====

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DRUG CENTER IMPLEMENTATION SCHEDULE

2. Documentation Unit

March 90 - June 91

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	Who	Status	90												91							
			Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
020 Sr Ref Librarian Hired	DOC	R																				
021 Stenographer Hired	DOC	R																				
022 Equip & Furn Purchased	DOC	R																				
033 Plan Info Needs Units-Sep	DOC	R																				
023 Acquisition of Documents	DOC	R																				
027 Collection of NPaper Clips	DOC	RC																				
030 Plan Info Needs Units-Dec	DOC	RC																				
024 Users of Info Identified	DOC	R																				
041 Collect/Catalogue Material	DOC	R																				
031 Plan Info Needs Units-Mar	DOC	RC																				
034 Plan Info Needs Units-Jun	DOC	R																				
042 Exchange Doc. List D/Abuse	DOC	R																				
040 Document. Asstt Recruited	DOC	RC																				
028 Indexing of NPaper Clips	DOC	R																				
029 Rev of Periodicals	DOC	R																				
032 Plan Info Needs Units-Sep	DOC	R																				
035 Plan Info Needs Units-Dec	DOC	R																				
025 Update Mailing List-Dec 89	DOC	R																				
036 Plan Info Needs Units-Mar	DOC	R																				
037 Plan Info Needs Units-Jun	DOC	R																				
038 Plan Info Needs Units-Sept	DOC	R																				
039 Plan Info Needs Units-Dec	DOC	R																				
026 Update Mailing List-Dec 90	DOC	R																				
067 Plan Info Needs Units-Mar	DOC	R																				

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DRUG CENTER IMPLEMENTATION SCHEDULE

3. Training & Outreach Unit

July 88 - Dec 89

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Who	Status	88					89												
		Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
043 Sr. Tng Officer on Board T&O	R	1	1																
045 Stenographer Recruited T&O	R	1	1																
046 Equip. & Furniture Procure T&O	R	1	1																
047 Annual WorkPlan - Year I T&O																			
051 Mass Media Campaign, 88 T&O																			
050 Users of Info Identified T&O	R																		
058 Identify Audiovisual Items T&O	R																		
054 Journalism W/shops, Year I T&O																			
045 Annual WorkPlan - Year II T&O																			
044 2 Tng Officers on Board T&O																			
059 Centre Newsletter Publish T&O																			
052 Mass Media Campaign, 89 T&O																			
057 Prepare Brochure D/Abuse T&O																			
049 Annual WorkPlan - Year III T&O																			
055 Journalism W/shops, Year II T&O																			
053 Mass Media Campaign, 90 T&O																			
056 Journalism W/shop, Year III T&O																			

Notes 1

TNG 059 Bi-monthly; Sep/Nov/Jan/Mar/May/Jul/Sep/Nov/Jan/Mar

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DRUG CENTER IMPLEMENTATION SCHEDULE

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3. Training & Outreach Unit

Jan 90 - March 91

Who	Status	90												91							
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
043 Sr. Tng Officer on Board T&O	R	1	1	1	1	1	2	1	1	1	1	1	1	1	1	1	1	1	1	1	1
045 Stenographer Recruited T&O	R	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
046 Equip. & Furniture Procure T&O	R	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
047 Annual WorkPlan - Year I T&O	R	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
051 Mass Media Campaign, 88 T&O	R	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
050 Users of Info Identified T&O	R	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
058 Identify Audiovisual Items T&O	R	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
054 Journalism W/shops, Year I T&O		.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
048 Annual WorkPlan - Year II T&O		.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
044 2 Tng Officers on Board T&O		.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
059 Centre Newsletter Publish T&O		.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
052 Mass Media Campaign, 89 T&O		.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
057 Prepare Brochure D/Abuse T&O		.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
049 Annual WorkPlan - Year III T&O		=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	
055 Journalism W/shops, Year II T&O		.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
053 Mass Media Campaign, 90 T&O		.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
056 Journalism W/shop, Year III T&O		.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.

DRUG CENTER IMPLEMENTATION SCHEDULE

4. Materials & Audiovisual Unit

Sep 88 - Jan 90

Who	Status	88		89		90												
		Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan
068 Materials - Media Campaign M&AV		1	1															
062 One Script Editor Hired M&AV	R	1																
063 One Graphic Designer Hired M&AV	R																	
064 One Urdu Calligrapher Hire M&AV	R																	
065 Office Equipment Purchased M&AV	R																	
066 Producing Tng Materials M&AV	R																	
073 Procure Printing Unit Etc. M&AV	R																	
069 Materials - Media Campaign M&AV	R																	
072 Formative Eval Procedures M&AV	R																	
071 Identify Contractors M&AV	R																	
070 Materials - Media Campaign M&AV	R																	

Notes 1

- MAV 068 Involves Pre-testing of materials for campaign
- MAV 062
- MAV 063
- MAV 064
- MAV 065
- MAV 066 Includes pre-testing of materials
- MAV 073 This procurement is subject to assessment
- MAV 069 Involves pre-testing of materials for campaign
- MAV 072 For testing print & audiovisual materials
- MAV 071 Some audiovisual material production subcontracted

DRUG CENTER IMPLEMENTATION SCHEDULE

4. Materials & Audiovisual Unit

Feb 90 - June 91

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Who	Status	90												91								
		Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	
068 Materials - Media Campaign M&AV		1																				
062 One Script Editor Hired M&AV	R		.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
063 One Graphic Designer Hired M&AV	R		.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
064 One Urdu Calligrapher Hire M&AV	R		.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
065 Office Equipment Purchased M&AV	R		.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
066 Producing Tng Materials M&AV	R		.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
073 Procure Printing Unit Etc. M&AV	R		.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
069 Materials - Media Campaign M&AV	R		.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
072 Formative Eval Procedures M&AV	R	
071 Identify Contractors M&AV	R	
070 Materials - Media Campaign M&AV	R	

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DRUG CENTER IMPLEMENTATION SCHEDULE

5. Information Service Unit

Oct 88 - Mar 90

	Who	Status	88			89			90			90								
			Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
085 Senior Info Officer Hired	ISU	R	=====	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
086 Equipment Purchased	ISU	R	=====	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
091 Support Media Campaign	ISU	R	=====	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
090 3 Annual N/Papers Stories	ISU	R	=====	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
092 3 Annual Radio Features	ISU	R	.	=	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
093 Journalism Training W/Shop	ISU	R	.	=	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
087 Users of Drug Information	ISU	R	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
089 Create Basic Press Kit	ISU	R	.	.	.	=====	.	.	.	.	.	.	.	.	.	.	.	.	.	.
088 Monthly Press Conferences	ISU	R	.	.	.	=====	.	.	.	.	.	.	.	.	.	.	.	.	.	.

Notes 1

- IS 085
- IS 086
- IS 091 Repeat 10/89 to 12/89 & 10/90 to 12/90
- IS 090 Repeat 2/89,5/89,7/89,12/89,4/90, 7/90, 12/90,4/90
- IS 092 Repeat 2/89,5/89,7/89,12/89,4/90,7/90,12/90,4/90
- IS 093 Repeat every month
- IS 087 Identification of users of press release
- IS 089 For distribution at press conferences
- IS 088 Provided by Director of the Center - Federal & Co.

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DRUG CENTER IMPLEMENTATION SCHEDULE

6. Research & Evaluation Unit

Jun 89 - Nov 90

Who	Status	1989												1990					
		Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
074 Sr. R&E Specialist Hired	R&E	.....																
075 One Secretary Hired	R&E	.....																
076 Office Equipment Purchased	R&E	.....																
079 Formative Eval Procedures	R&E	.....																
080 Pre-Post Test Participants	R&E			.....	.....												
077 W/Shop-Identify Res Topics	R&E			.....	.....												
082 Commission Research, 89	R&E			.....	.....												
084 Compile Research Studies	R&E			.....	.....												
083 Commission Research, 90	R&E			.....	.....												

Notes 1

- R&E 079 Application of evaluation procedures established
- R&E 080 Est of procedures for testing course participants

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DRUG CENTER IMPLEMENTATION SCHEDULE

6. Research & Evaluation Unit

Dec 90 - Sep 91

	Who	Status	90	91	92																				
			Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	
074 Sr. RSE Specialist Hired	RSE	R	1																						
075 One Secretary Hired	RSE	R																							
076 Office Equipment Purchased	RSE	R																							
079 Formative Eval Procedures	RSE	R																							
080 Pre Post Test Participants	RSE	R																							
077 W/Shop-Identify Res Topics	RSE	R																							
082 Commission Research, 89	RSE	R																							
084 Compile Research Studies	RSE	R																							
083 Commission Research, 90	RSE	R																							

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ANNEX Q

ECONOMIC ANALYSIS OF KALA DHAKA COMPONENT:
CONSULTANT'S REPORT

ECONOMIC ANALYSIS OF KALA DHAKA: CONSULTANT'S REPORT

The economic scenarios in support of equivalent and offsetting crop/animal incomes which might supplant the loss of poppy income were calculated in the original Project Paper for GAADP (391-0485) of August 1983. Among the 20 comparisons made, with net incomes from poppy at Rs. 5,573 per acre, it was concluded that only special circumstances of irrigation, crop rotation, animal sales, and land ownership, would warrant an expectation for equivalent other-crop incomes.

This apparent failure of economic analysis to "justify" feasible alternatives on a case-by-case farm crop basis, to help farmers accept the inevitable ban enforcement, appeared to be compounded by conscious "subsidy" elements not acceptable to the logic of economic allocation of scarce resources.

1. The Kala Dhaka Growers

In Kala Dhaka, as was the case in Gadoon-Amazai, not all farmers grow poppy. The SDU report of October 1987, which assembled data from official and other sources, showed 89 villages in Kala Dhaka in which 555 total acres of poppy were grown. This represents less than one percent of the total 64,675 acres of cultivated land. Seventy-two villages of the 89 total grew less than 10 acres of poppy.

The aim of the Kala Dhaka project is to prevent the spread of poppy in a food-and-income deficit area. This means supplanting poppy (with alternative benefits) for those present growers facing elimination of part or all of their income, and assisting non-growers to realize higher economic benefits without resort to poppy. The farmer now growing poppy will shortly have no income--without the project. The non-grower is equally aware of impending change. But he may feel no constraint in sowing next year's crop in poppy, to take advantage of his isolation--except for the project. The project is rightly perceived as opening up this area, bringing in enforcement, but also new opportunity.

2. The Basis for Economic Analysis

Crop alternatives to poppy are not the logical basis for economic justification of the project. For this community of people, long ignored and by-passed by economic and social developments elsewhere in Pakistan, self-sufficiency and a proud independence has given way to marginal bare subsistence and partial dependence on remittances. The employment of their people in distant Gulf countries is declining. The training and education of their young, and the means to better health

care and off-farm employment, are understood to be benefits which do not come from the crops they plant on denuded hillsides. These can only come from external sources.

3. The Economic Justification

Social services do not put money in people's pockets: health care, teacher training, school education for the young, and off-farm training for gainful employment, do not submit readily to benefit cost analysis in the short-run. In the long-run, no society can survive without them.

Reforestation and pasture management can bring back the watershed which restores moisture for improved crop yields, fatten livestock, provide ample firewood, and produce timber for local construction and for market. Farm-to-market roads, irrigation rehabilitation, village water supply and electrification are all long in developing but lasting in annual long-term effect.

A sampling of some of these sub-projects for a comparative economic analysis between poppy-growing and the economics of sub-projects in Kala Dhaka has produced the following results. The analysis relates to the Kala Dhaka sub-projects and is illustrative. However, it is intended to also illustrate that the GAADP sub-projects, which are into their final phase, more than pay their economic costs on the strength of this showing.

Poppy Income:

A: Wich Ban Enforcement

To Kala Dhaka

Year	<u>Farmers 1/</u> (555AxRs6000)		<u>To Dealer 2/</u> (Rs1100/Kg)		<u>To Heroin Seller 3/</u> (Rs45000/Kg Heroin)	
	Rs 000	Kg	Rs 000	Rs 000	Kg Heroin	
1	3330	4440	4884	24975	555	
2	2664	3552	3907	19980	444	
3	1988	2664	2930	14985	333	
4	1332	1776	1954	9990	222	
5	664	888	977	4995	111	
6	0	0	0	0	0	
7	0	0	0	0	0	
8	0	0	0	0	0	
9	0	0	0	0	0	
10	0	0	0	0	0	

Net present value at 15% discount:

<u>Rs 000</u>	<u>Rs 000</u>	<u>Rs 000</u>
3330	4884	24975
2318	3399	17383
1503	2215	11329
876	1285	6573
380	559	2857
<u>8407</u>	<u>12342</u>	<u>56544</u>
(\$494529)	(\$726000)	(\$3,326,118)

- 1/ Forecast period assumes 18 month project start-up to delay 3-year poppy eradication expectation. Existing 1987 base acreage and 1987 price, declining by 888 Kg annually (-111 acres/year) or Rs 666,000/year. Price paid farmer is Rs 750/Kg dry opium x 8 Kg yield/acre.
- 2/ Price paid to dealer by Landikotal (Khyber) manuf. agent is Rs.1100/Kg.
- 3/ Domestic user price paid on street to drug dealer is Rs 40-50/gram or avg Rs 45000/Kg. Conversion rate opium to heroin is 8 Kg: 1 Kg at 60-70% purity, or .125 x Kg opium unrefined.

Source: Current prices and conversion rate from Narcotics Admin. Unit, U.S. Embassy:

Poppy Income:

B: Without Ban Enforcement
(Without Project)

To Kala Dhaka

Year	Farmers (555A x Rs6000)		To Dealer (Rs1100/Kg)	To Heroin Seller (Rs45000/Kg Heroin)	
	Rs 000	Kg	Rs 000	Rs 000	Kg Heroin
1	3330	4440	4884	24975	555
2	3663	4884	5372	27450	610
3	4029	5372	5910	30195	671
4	4432	5910	6500	33255	739
5	4875	6500	7150	36540	812
6	5363	7150	7866	40230	894
7	5899	7866	8652	44235	983
8	6489	8652	9517	48645	1081
9	7137	9517	10469	53550	1190
10	7851	10469	11516	58905	1309

@10%/year growth
(= 1308.5 acres in year 10 or 2% of cultivated land)

Net present value at 15% discount:

Rs 000	Rs 000	Rs 000	
3330	4884	24975	
3187	4674	23881	
3046	4468	22827	
2916	4277	21882	
2788	4090	20901	
2665	3909	19994	
2548	3738	19109	
2440	3578	18290	
2334	3423	17511	
2230	3270	16729	
<u>27484</u>	<u>40311</u>	<u>206099</u>	
(\$1616706)	(\$2371235)	(\$12123470)	WITHOUT BAN ENFORCEMENT
<u>8407</u>	<u>12342</u>	<u>56544</u>	
(\$494529)	(\$726000)	(\$3326118)	WITH BAN ENFORCEMENT

HEROIN USE AND ECONOMIC COSTS IN PAKISTAN

(1)		Rank in Drug Use	(2)	
Pakistan Number of Users	Drug		Supply of Refined Heroin Available from Project Area (Before Project)	
			Gadoon-Amazai (1983)	Kala Dhaka (1987)
1980	Unavailable	0		
1983	100,000	7	9000 <u>1/</u>	Acres Poppy 555
1986	657,000	1	72000	KG Opium 4440
	Annual Growth rate: 1983-86 = 185%		9000	KG Heroin 555

(3)

- a) Average Use by Addicts = 1 gm per week = 56 gm per year.
- b) Number of Pakistani Addicts which can be supplied by heroin from the production bases of GAADP/Kala Dhaka:
1. Annual consumption nationally = Kg 36,792 (56 gm x 657,000 users)
 2. Gadoon-Amazai: Kg 9000/.056 Kg = 160,714 users supplied
 3. Kala Dhaka: Kg 555/.056 Kg = 9,911 users supplied
- 170,625 increase in total
- c) Project Area as % of national supply in start-up year:
1. Gadoon-Amazai: 9000/36,792 = 24.46
 2. Kala Dhaka: 555/36,792 = 1.51
 3. Total: 25.97%

1/ Destroyed by enforcement agency in 1986.

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(4)

NATIONAL ECONOMIC COSTS IN YEAR OF EACH PROJECT START

1. Addition to number of users provided by project area supply: 170,625
2. Addition to national unproductive expenditure: Rs. 429,975,000

Gadoon-Amazai:
 $160,714 \times .056 \text{ Kg/year} \times \text{Rs}45000/\text{Kg Heroin}$ Rs. 404,999,000

Kala Dhaka:
 $9,911 \times .056 \text{ Kg/year} \times \text{Rs}45000/\text{Kg Heroin}$ Rs. 24,975,000

3. Single-year benefit-cost ratio to the economy:
Gadoon-Amazai: Rs 54,000,000 regional income (benefits) $\frac{1}{2}$ /
Kala Dhaka: Rs 3,330,000 regional income (benefits) $\frac{2}{2}$ /
National Cost: Rs429,975,000/Rs 57,330,000 = 7.5 x farmer benefits.

- $\frac{1}{2}$ 9000 acres poppy x Rs6000/acre
 $\frac{2}{2}$ 555 acres poppy x Rs6000/acre

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RELATED ECONOMIC COSTS OF NATIONAL HEROIN USE:

Year	(1) Loss of Alternative Food Crops	(2) Loss of 5% Return by Heroin Expenditures	(3) Social Costs of Heroin Supply
	(Kala Dhaka only) (Wheat 1/)	(National) 2/	(User's Costs) 3/
	Rs 000	Rs 000	Rs 000
1	812	1249	5708
2	974	1372	6274
3	1136	1510	6902
4	1299	1663	7601
5	1461	1827	8352
6	1624	2011	9195
7	1786	2212	10111
8	1948	2432	11119
9	2111	2677	12240
10	2273	2945	13640

(4) Net present value at 15% discount:

Rs 000	Rs 000	Rs 000
7852	10304	47157
(\$461,882)	(\$606,118)	(\$2,773,941)

1/ Sown in same season. Yield: 536 Kg dryland x Rs 2.3/Kg. Costs of seed and fertilizers not subtracted; equal to poppy Forecast of prior table. Acreage sown to wheat above is equal to acreage sown to poppy in preceding forecast, i.e., 111 acres per year, starting at 555 acres.

2/ Foregone minimum economic-social rate of return from same expenditure on alternative socially productive assets. (Reference Table: Income to heroin seller of Kala Dhaka output).

3/ Minimum expected social costs: Work loss per year two days per month x number of users x minimum daily pay. Calculation = 24 days/year x (Rs600/25days) or Rs576/user x 9911 users of K.D. output in 1987. Annual user increase = Kg Heroin/.056 gm = Users annually x Rs576 = Annual costs. See reference table: Heroin seller - Kg heroin supplied from K.D. output.

(1). Village Water Supply 32 systems built to supply 1764 persons/
community = 55,118 population total.

Saved:

A). 25% lose 15 days farm work/year from contaminated springs
(14,112 X 15 X Rs 13/day farm employed and unemployed)
= Rs 2,751,640 (\$ 151,373)

B). 30 infants die from bad water each year.

C). 30% (women) walk 2 km round trip to draw water daily from a
spring, 2 hours by trail, losing farm earnings of Rs 1.2
(2/10 of Rs 6/day) or 16,934 X Rs 1.2 X 365 =
= Rs 7,417,492 (\$ 436,299)

Annual Costs:

\$492,460

(\$15,390/system avg)

Saved: Rs 10,168,932
(\$ 597,172)

(5). Irrigation 25 miles of irrigation channels rehabilitated/constructed, serving 80 acres/mile and increasing/restoring yields 40%, or 20 miles X 80 = 2000 acres total irrigated.

A) Maize: 30% X Rs 2/kg X yield 636 kg/acre = 1,068,480 X
40% = Rs 427,392

B) Rice: 20% X Rs 7/kg X yield 700 kg/acre = 2,744,000 X
40% = Rs 1,097,600

C) Wheat: 50% X Rs 2.3/kg X yield 550/acre = 1,771,000 X
40% = Rs 708,400

(Total: 100%)

Single Season Incomes = Rs 2,233,392

+ 50% double-crop rice after wheat = Rs 2,744,000

Single year Incomes = Rs 4,977,392
(\$ 292,717)

Annual Costs:

\$906,192 (\$32,364/mile)

(6). Field Crops 500 acres of HYV grain demonstration crops and dryland yield increase; no cost change fertilizer/seed.

A) Maize: 250 acres yields 20% more/acre or .2 X 636 kg =
127.2 Kg/A X Rs 2/kg = Rs 254 X 250 acres
= Rs 63,600

B) Wheat: 250 acres yields 32.5% more/acre or .325 X 550 kg =
178.7 kg/A X Rs 2.7/kg = Rs 411 X 250 acres =
= Rs 102,750

Annual costs:

\$27,904 or \$55.81/acre

Annual Gain: Rs 166,350
(\$ 9,786)

Grain crop substitutions are lowest in productivity of listed expenditures. Subsidy element regarded as necessary to replace poppy, and amounts to Rs 4.05/kg of net gain in output:

Maize: 250 A X 127.2 kg/A = 31,800 Kg increase with HYV

Wheat: 250 A X 178.7 kg/A = 44,675 Kg increase "

76,475 Kg increase "

\$27,904/76,475 = \$0.365/kg = Rs 6.2/kg vs avg market price of maize/wheat of Rs 2.15/kg, or subsidy Rs 4.05.

1. Selected projects common to GAWDF and Kala Dhaka.
2. Kala Dhaka first-year costs and forecasted benefits.

Sub-Projects

(1). Medical Teams 24 doctors over a 6 month period visit population of 150,000. 30% of time spent in travel, or 70% X 180 days=126 active Dr-days X 24 doctors= 3024 Dr-days available. 75% of total population seen= 112,500 seen, or 37 persons/seen/Dr-day.

Representative Active Cases: 35% of total= 39,375.

A) Malaria: 30%, with 5 days work loss/year X Rs 15/day
11,812 X Rs 75 = Rs 885,900 Saved.

B) Endemic diseases: 17%, preventing costs of overland trek to Chhi hospital Rs 600 by donkey plus 5 days hospital X Rs 200/day = 6623 X Rs 600 + 6623 X Rs 1000 =
Rs 4,015,800 + 6,623,000 = Rs 10,708,800.

C) Dysentery, Goiter, Other: 53%, with 4 days work loss/year X Rs 8/day= 20,870 X 4 X Rs 8 = Rs 667,840 Saved.

Annual costs:

\$139,496 (\$3.54/person)

Annual Savings: Rs 12,262,540

(\$ 721,326)

(2). Teacher Training 20 Tribal teachers/year, with starting monthly income of Rs 750, vs alternative farm labor X Rs 300 for 50%; other 50% unemployed = 20 X Rs 750 X 12 months = Rs 1,800,000 + GCF allowance Rs 1200/year = Rs 21,000 (20 X 1200), minus alternative Rs 36,000 farm labor income. Annual teacher income = Rs 168,000.

Plus capitalized value of future income stream to 30 children per teacher (600 total) of Rs 6000/year when aged 20-40 (now age 10), discounted at 10% to Net Present Value of Rs 12,988,000

or,
\$761,000 HFV spread over five years of forecast
= \$153,000 annually for 300 children (\$255 each)

Annual costs:

\$ 51,794

Annual Savings: Rs 168,000 Teacher
(\$ 9,882) —

Rs 12,988,000 Students
(\$ 764,000) (\$153,000) —

(3). 15-Acre Forest Nurseries 800,000 seedlings X 5 nurseries = 4 million trees on 5000 acres potential plantation, or 800 trees/acre. one-fourth for fir wood = 1 million; 3/4 for timber for local construction or sale = 3 million.

A) Firewood: yield in years 5-10 = 166,666 trees/yr X 50 Kg per tree X Rs 1/kg = 8.3 million kg X Rs 1/kg =
Rs 8,300,000
(\$ 488,235)

B) Timber: yield in years 7-10 = 150,000 trees/yr at 5% cut rate on 3 million trees X avg 7 cu. ft. per tree X Rs 200/cu. ft. =
Rs 210,000,000
(\$ 12,352,040)

Annual Costs:

\$ 550,809 (or \$0.14/tree)

(From this stock add same value for 15 years following, from remaining stands planted in yr 1).



Forecasts: The analysis is in two parts. The first compares effects of poppy ban enforcement (with Project) and without enforcement (without Project), upon three elements in the Pakistan economy:

- Kala Dhaka poppy growers
- Dealers who resell to refiner Kala Dhaka output
- Heroin sellers of refined Kala Dhaka output

The Net Present value of these incomes, after 15% discount, is shown on Tables V.C-1 and V.C-2:

<u>10-Year Production:</u>	With Ban	W/Cut Ban (US\$ Million)
Kala Dhaka Grower	0.5	1.6
Dealer	0.7	2.3
Heroin Seller	3.3	12.1

The poppy output of both Gadoon-Amazai (GAADP) and Kala Dhaka in the year of Project startup for each is shown on Table V.C-3:

XXXXXXXXXXXXXXXXXX	Number of New Users Supplied	Kg of Heroin Added to Supply
GAADP (1983)	160,714	
Kala Dhaka (1987)	9,911	9,001
	170,625	555
% increase, National	25.97	9,555 25.97

The national economic costs of these combined outputs ~~XXXXXXXXXXXXXXXXXX~~ (the GAADP crop was destroyed in 1986) had a street value to the heroin seller of Rs 429,975,000 (\$25.3 million). The cost in unproductive expenditure was 7.5 times the poppy earnings of the farmers in GAADP and Kala Dhaka.

For the Kala Dhaka supply alone, further social costs, forecasted over 10 years and discounted to Net Present Values at 15%, ~~XX~~ are represented by:

Loss of alternative income from food crops:	\$ 461,882
Loss of 5% return from alternative socially productive investment of heroin seller's income:	
Cost to heroin user of lost work time at 24 days X minimum wage:	\$ 606,118
	\$ 2,773,941

The second part of the analysis selects 6 sub-projects which are common to both GAADP and to Kala Dhaka, and forecasts costs and benefits over a 10-year period. The forecast is shown on Table V.C-6. The following sub-projects are included:

- Medical Teams
- Teacher Training
- Forest Nurseries
- Village Water Supply
- Irrigation
- HYV Grain Crops

The Net Present Value, after discount at 15%, is (\$million):
 $24.5 - 2.2 = 23.2$, with a benefit-cost ratio of 11.3 times.

Table V.C-5 describes the basis for these forecasts. Invested costs are one-year costs only, and relate to Kala Dhaka cost configurations. However, the GAADP sub-projects are similar in design and content, and indicate a similar benefit stream.

ECONOMIC FORECASTS OF REPRESENTATIVE SUB-PROJECTS
(Undiscounted Costs and Benefits)
—US\$ 000—

	<u>Year 0 costs</u>	<u>Year 1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>
Medical Teams	139.5	721									
Teacher Training Teachers Students *	51.3	-	10 153	10 153	10 153	10 153	10 153	10	10	10	10
Forest Plantings (Nurseries)	550.8	-	-								
Firewood		-	-								
Timber		-	-	-	-	488	488	488	488	488	488
Village Water	492.5	-	598	598	598	598	598	598	598	598	12353
Irrigation	906.2	-	293	293	293	293	293	293	293	293	293
HV Grain Crops	28.0	10	10	10	10	10	10	10	10	10	10
TOTAL:	<u>2168.8</u>	<u>731</u>	<u>1064</u>	<u>1064</u>	<u>1064</u>	<u>1152</u>	<u>1152</u>	<u>13905</u>	<u>13905</u>	<u>13905</u>	<u>13905</u>
DISCOUNTED AT 15%:	<u>2168.8</u>	<u>24550</u>	<u>925</u>	<u>304</u>	<u>700</u>	<u>988</u>	<u>771</u>	<u>6007</u>	<u>5228</u>	<u>4547</u>	<u>3949</u>

Benefit-Cost Ratio: 24550/2168.8 = 11.3 times at 15% disc.

* See Costs and Benefits Basis: Net Present Value discounted at 10% = \$764,000 in year 1. Arbitrarily spread over 5 years of forecast in equal NPV sums of \$153,000 (this future earnings figure for 600 children taught by 20 teachers in year 1 has Σ already been discounted. Further discount here recognizes (doubly) future uncertainty.

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Far more people than are listed in this annex assisted with the preparation of this Project Amendment. The following are the most important contributors:

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(And the other intrepid engineers who walked the Kala Dhaka road alignments in the snows of January 1988)