

PD-ABB-038
12N 66944

UNCLASSIFIED

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

REGIONAL DEVELOPMENT OFFICE/CARIBBEAN

PROJECT PAPER

REGIONAL NON-FORMAL SKILLS TRAINING

Amendment No. 3

AID/LAC/P-497
CR P-372 P-232

Project Number: 538-0073

UNCLASSIFIED

FD-ARL-038

AGENCY FOR INTERNATIONAL DEVELOPMENT PROJECT DATA SHEET	1. TRANSACTION CODE <input checked="" type="checkbox"/> C A = Add C = Change D = Delete	Amendment Number 3	DOCUMENT CODE 3
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2. COUNTRY/ENTITY Regional Development Office/Caribbean	3. PROJECT NUMBER 538-0073
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4. BUREAU/OFFICE LAC	<input type="checkbox"/> 05	5. PROJECT TITLE (maximum 40 characters) Regional Non-Formal Skills Training
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6. PROJECT ASSISTANCE COMPLETION DATE (PACD) MM DD YY 06 30 92	7. ESTIMATED DATE OF OBLIGATION (Under "B" below, enter 1, 2, 3, or 4) A. Initial FY 82 B. Quarter <input type="checkbox"/> C. Final FY 91
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8. COSTS (\$000 OR EQUIVALENT \$1 =)						
A. FUNDING SOURCE	FIRST FY 82			LIFE OF PROJECT		
	B. FX	C. L/C	D. Total	E. FX	F. L/C	G. Total
AID Appropriated Total						
(Grant)	(400)	()	(400)	(8,214)	()	(8,214)
(Loan)	(-)	()	(-)	(-)	()	(-)
Other U.S.						
1.						
2.						
Host Country		251	251	-	4,712	4,712
Other Donor(s) OAS	285.9	-	285.9	899	-	899
TOTALS	685.9	251	935.9	9,113	4,712	13,825

9. SCHEDULE OF AID FUNDING (\$000)									
A. APPROPRIATION	B. PRIMARY PURPOSE CODE	C. PRIMARY TECH. CODE		D. OBLIGATIONS TO DATE		E. AMOUNT APPROVED THIS ACTION		F. LIFE OF PROJECT	
		1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan
(1) EH	610	613	-	7,072	-	1,142	-	8,214	-
(2)									
(3)									
(4)									
TOTALS				7,014	-	1,200	-	8,214	-

10. SECONDARY TECHNICAL CODES (maximum 6 codes of 3 positions each)	11. SECONDARY PURPOSE CODE
12. SPECIAL CONCERNS CODES (maximum 7 codes of 4 positions each) A. Code B. Amount	

3. PROJECT PURPOSE (maximum 480 characters)

To support the institutionalization of the Skills Training Program initiated by the OECS countries; and to continue on-going Skills training for unemployed and underemployed youths, particularly those between the ages of 15 and 25 years so as to help improve their incomes and employment conditions.

4. SCHEDULED EVALUATIONS Interim MM YY MM YY Final MM YY	15. SOURCE/ORIGIN OF GOODS AND SERVICES <input checked="" type="checkbox"/> 000 <input type="checkbox"/> 941 <input type="checkbox"/> Local <input type="checkbox"/> Other (Specify)
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13. AMENDMENTS/NATURE OF CHANGE PROPOSED (This is page 1 of a _____ page PP Amendment.)

This amendment will increase the total AID authorization by \$1.142 million and extend the PACD by 33 months until June 30, 1992. The focus of this Amendment will be continuing the institutionalization process initiated during Phase II in the participating countries.

Approval of Methods of Implementation/Finance: Thomas F. Fallon, CONTROLLER		
17. APPROVED BY	Signature: <i>Aaron S. Williams</i> Title: Director Date Signed: MM DD YY 08 11 89	18. DATE DOCUMENT RECEIVED IN AID/W, OR FOR AID/W DOCUMENTS, DATE OF DISTRIBUTION MM DD YY

11

PROJECT AUTHORIZATION AMENDMENT

NUMBER FIVE

Name of Project: Regional Non-Formal Skills Training
Project Number: 538-0073

Pursuant to Part I, Chapter I, Section 106 of the Foreign Assistance Act of 1961, as amended, the Regional Non-Formal Skills Training Project was authorized on July 14, 1982 and amended on March 31, 1983, on May 29, 1985, on August 20, 1985 and on June 30, 1987. That authorization is hereby amended as follows:

1. For Phase 4 of the Project, the Grantees will be the Organization of Eastern Caribbean States (OECS) and participating OECS countries of Antigua and Barbuda, Grenada, Dominica, St. Lucia, St. Kitts and Nevis, and St. Vincent and the Grenadines.
2. The source and origin of goods and services to be procured during Phase 4 of the Project will be the United States and participating countries of the OECS. As the involvement of the Organization of American States (OAS) will terminate on September 30, 1989 and the project will be implemented as per item 1 above, A.I.D. audit and procurement policies and procedures will apply.
3. The total level of A.I.D. appropriated funding for the Project is increased by One Million, One Hundred Forty-Two Thousand United States Dollars (\$1,142,000). The revised total is not to exceed Eight Million, Two Hundred Fourteen Thousand United States Dollars (\$8,214,000).
4. The following Special Conditions will apply during Phase 4 of the Project:

A. Conditions Precedent to Disbursement

(1) Initial Disbursement: Prior to initial disbursement of funds to finance the National Skills Training Project for the period beginning October 1, 1989, the Grantee shall, except as U.S.A.I.D. may otherwise agree in writing,:

a. Provide to U.S.A.I.D., in form and substance satisfactory to U.S.A.I.D., evidence that the required National Project staff has been appointed to serve for periods of not less than two years, and that procedures for handling staff turn-over are in place. The National Project staff will include, at a minimum, a Director, an Instructor Trainer, a Job Development Specialist and at least one Social and Entrepreneurship Skills Trainer.

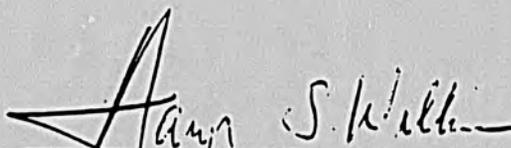
9. Provide to U.S.A.I.D., in form and substance satisfactory to U.S.A.I.D., a certified fiscal report of the current total annual expenditures for the National Skills Training Project by workplan/budget line item and identifying the sources of funds expended.

(2) Subsequent Disbursements: Prior to subsequent disbursement of funds to finance the National Skills Training Project, the Grantee shall, except as U.S.A.I.D. may otherwise agree in writing, provide to U.S.A.I.D., on a quarterly basis following initial disbursement, in form and substance satisfactory to U.S.A.I.D., a certified fiscal report of the current quarter's total expenditures for the National Skills Training Project. This report shall be in accord with the U.S.A.I.D.-approved workplan and line item budget for the respective year and shall identify the sources of all funds expended for the Project during that quarter.

B. Covenants

The Grantee hereby agrees to provide to U.S.A.I.D. for review and approval by U.S.A.I.D. a detailed work plan for Project activities for the period beginning October 1, 1989 to September 30, 1990 and annually thereafter. Such plan will include details of the actions that will be undertaken to assure that the National Skills Training Project are technically, administratively and financially prepared to carry-out their national programs at an appropriate level of operations without external support after June 30, 1992. The work plans for years 2 and 3 will include a detailed report on accomplishments for the preceding year

The authorization cited above remains in force except as hereby amended.



Aaron S. Williams
Mission Director
RDO/C

8/11/89

Date

REGIONAL NON-FORMAL SKILLS TRAINING AMENDMENT NUMBER
538-0073
TABLE OF CONTENTS

	<u>PAGE</u>
PROJECT DATA SHEET	i
PROJECT AUTHORIZATION	ii
TABLE OF CONTENTS	iv
LIST OF TABLES	v
LIST OF ACRONYMS	vi
I. SUMMARY AND RECOMMENDATIONS	1
A. Recommendation	1
B. Summary Description	1
II. BACKGROUND AND RATIONALE	2
A. Background	2
B. Current Status of the Project	3
1. Institutionalization	4
2. Training Placement Performance Outputs	6
C. Rationale	9
D. Relationship to AID Strategy	10
III. DETAILED DESCRIPTION	11
A. Project Goal and Purpose	11
B. End of Project Status and Outputs	11
C. Project Structure	12
1. Administration and Management	12
2. Technical Assistance	14
IV. COST ESTIMATES AND FINANCIAL PLAN	16
A. Cost Estimates	16
B. Project Financing Mechanisms	18
V. IMPLEMENTATION ARRANGEMENTS	20
A. Summary	20
B. Implementation Schedule	21
C. USAID Administration and Monitoring	22
D. Evaluation Plan	22
VI. PROJECT ANALYSES	23
A. Technical Analysis	23
B. Economic Analysis	23
1. Regional Overview	23
2. A Cost-Benefit Analysis	24
3. Conclusion	24
C. Financial Analysis	24
D. Social Soundness Analysis	25

VII.	CONDITIONS AND COVENANTS	26
	A. Conditions Precedent to Disbursement	26
	B. Covenants	24
VIII.	ANNEXES	
	A. Logical Framework	
	B. Labor Market Assessment	
	C. Initial Environmental Examination	
	D. Project Checklist	

List of Tables

Table No.

1.	Progress Toward Institutionalization	5
2.	Illustrative Budget for Country Specific costs by Expense Category	7
3.	USAID and Country Contributions	8
4.	STP Achievements	9
5.	Phase 4 Budget	17
6.	Obligation Schedule	19
7.	Methods of Implementation and Financing	20

LIST OF ACRONYMS

AID	Agency for International Development
CP	Conditions Precedent
CXC	Caribbean Examinations Council
ECIPS	Eastern Caribbean Investment Promotion Services
EEC	European Economic Community
FY	Fiscal Year
GCE	General Certificate of Education
GDP	Gross Domestic Product
HPE	Health, Population and Education Office
IDC	Industrial Development Corporation
NDF	National Development Foundation
OAS	Organization of American States
OAS/W	Organization of American States/Washington
OECS	Organization of Eastern Caribbean States
RDO/C	Regional Development Office/Caribbean
STP	Regional Non-Formal Skills Training Project
USAID	United States Agency for International Development.

SUMMARY AND RECOMMENDATIONS

A. Recommendation

RDO/C recommends authorization of an additional \$1,142,000 in DA grant funding and extension of the Project Assistance Completion Date (PACD) by 33 months (from September 30, 1989 to June 30, 1992) for the Regional Non-Formal Skills Training Project (538-0073). These funds will provide for the continuation of project activities, following expiration of the current Agreement with the Organization of the American States (OAS) on September 30, 1989, to allow for financial and organizational institutionalization to take place in the participating countries. The unobligated balance of \$58,000 from the previously authorized amount of \$7,072,000 will be added to the additional funds authorized herein, for a total of \$1,200,000 for a proposed new grant under Bilateral Agreements with the OECS Secretariat and with participating countries.

B. Summary Description

The Regional Non-Formal Skills Training Project was originally authorized on July 16, 1982 for three countries: Barbados, Dominica and St. Lucia with an estimated total USAID life of project contribution of \$710,000. Subsequent amendments to the project authorization increased the life of project fundings to \$7,072,000 and, since 1985 added four more participating countries: Antigua and Barbuda, Grenada, St. Kitts and Nevis and St. Vincent and the Grenadines while graduating Barbados from the project in the same year. USAID's contribution to the project was supplemented by contributions from the OAS (\$899,000) and from host countries (\$1.412 million).

The purpose of the Project has been twofold: first, to improve the employability and augment the income levels of unemployed and underemployed youth between the ages of 15 and 25 in participating OECS countries and, second, to institutionalize non-formal skills training by way of creation of a financially sustainable delivery system in each of the participating countries. To date the Project has achieved an extraordinary level of success and has gained widespread support and recognition in each of the participating countries.

Project accomplishments may be enumerated as follows:

- As of March 31, 1989, approximately 7000 individuals in the six participating countries have received training under the Project and 6100 have been placed in jobs within three months of graduation.
- The estimated primary value of discounted (@10%) benefits attributable to the training to date in the six participating countries is \$30.5 million under pessimistic assumptions in which the benefit stream lasts only five years or \$83.9 million when one assumes a ten year benefit period.

- A National Office for Skills Training has been established in each participating country.
- Close linkages of support have been established between the six OECS National Offices.
- Substantial support has been provided for the private sector through training for staff in newly established and existing enterprises.
- Barbados' national program has been completely institutionalized and continues to operate effectively.
- The six OECS countries have made significant strides toward organizational institutionalization.

However, there has been little progress to date on financial institutionalization in the OECS countries.

This amendment provides an additional \$1,142,000 in USAID grant financing. In-kind administrative support and financial contributions valued at an estimated \$3.3 million will be made by the participating countries for this fourth and final phase of the project. The project is being extended an additional 33 months for a total life of project of 10 years during which time (a) the host countries will achieve full operational and financial institutionalization and (b) at least an additional 2,700 persons will be trained with an added emphasis on the provision of business skills for self-employment.

II. BACKGROUND AND RATIONALE

A. Background

Unemployment rates among youths between the ages of 15 and 25 in the Eastern Caribbean islands range between 12 and 53 percent according to most recent estimates (Basia Zaba, The Work Force in the Eastern Caribbean, St. Augustine, Trinidad; April, 1986). Meanwhile, the availability of an appropriately trained labor force remains as a serious constraint to the expansion of manufacturing, agriculture and services. For example, a March 1988 Labor market survey of Antigua and Barbuda revealed significant shortages of several low skilled and entry level occupations (the Labor Market in Antigua and Barbuda: Implications for the OAS/USAID Non-Formal Skills Training Project; March 1988 mimeo). The series of Project-commissioned labor market surveys found that, while structural changes in the formal educational system might address manpower needs in the long run, there was no program which could address these needs in the short run other than the Skills Training Program (STP).

Training for self-employment would also be of help in alleviating the chronic problems of unemployment and the attendant social ills bred from such conditions. Self-employment opportunities exist in the informal sector in all of the Eastern Caribbean countries. However, few young people possess the necessary skills, capacities and business acumen needed to initiate income generating activities on their own without outside assistance. Skills training for self-employment would considerably increase the potential for self-employment while contributing to the general process of economic development.

In order to alleviate these constraints on economic development, USAID provided grant funds to the Organization of American States (OAS) to implement the Regional Non-Formal Skills Training Project. The first agreement for operation in Barbados, Dominica and St. Lucia was signed in July 16, 1982. During the first phase of the project, which ended March 31, 1985, Barbados was able to fully manage the training activities as well as to finance fully its costs. An independent evaluation carried out in January, 1985 recommended graduation of Barbados and recommended additional assistance for St. Lucia and Dominica. Project Amendment Number Two, signed on May 30, 1985, extended the project two additional years in Dominica and St. Lucia while adding four new countries: Antigua and Barbuda, St. Kitts and Nevis, Grenada, and St. Vincent and the Grenadines. Start-up of the second phase was delayed six months and early in 1987, USAID approved a no-cost six month extension in the PACD to September 30, 1987.

A second independent evaluation in January, 1987 recommended a two year extension in what was hoped would be a third and final phase of the project. This phase has been marked by substantial progress toward institutionalization, but the project still remains in need of support before all countries can be graduated. It must be recalled that the Project did not begin actual training activities in Antigua, Grenada, St. Kitts and St. Vincent until late in 1985 and early 1986. There is need for an added three years of declining financial assistance to enable countries to assume full responsibility for financing of training from internal sources. Organizational institutionalization has progressed to the point where long-term technical assistance is not required, with the exception of business skills development.

B. Current Status of the Project

There are two fundamental goals of the project. The first is the provision of assistance to the regional governments to institutionalize organizationally and to develop and implement plans for fully funding the skills training from internal resources. The second is the training of unemployed and underemployed youth.

Since the focus of the fourth phase will be full institutionalization, it is expected that a reasonable level of output will be maintained. It is expected that Antigua, St. Kitts and Nevis, and St. Vincent and the Grenadines will each train no less than 100 youths annually while the other three islands will train no less than 200 youth annually. A placement rate of 80 percent (based on placement within three months of graduation) will be maintained.

1. Institutionalization

Progress toward institutionalization is complex and not easily quantified. Institutionalization means the ability to continue without external support. This requires a range of organizational and procedural skills as well as financial sustainability. Full institutionalization implies an ability in each of the participating countries to (a) plan their program, (b) organize and staff the program on an ongoing basis with qualified personnel, (c) train staff and sustain ongoing staff development, (d) promote and organize training modules based on effective demand and scheduling them at appropriate times and locations, (e) develop new curriculum as required by a changing industrial environment, (f) secure financial resources and budget and manage them prudently, (g) monitor and control all activities to ensure that they are proceeding as scheduled and that the training is meeting the established objectives effectively and (h) place graduates in income generating jobs or assist them in becoming self-employed and develop and implement an appropriate follow-up monitoring program.

One of the main activities which must take place for full institutionalization to occur is that each Government must identify sources of funding, make a commitment to fund the staff and activities of the training program and integrate the program within the normal and ongoing activities of the Government.

With regard to progress toward institutionalization, the following table summarizes the degree of progress in each country to date.

Table 1

PROGRESS TOWARD INSTITUTIONALIZATION

COUNTRY	PLANNING	STAFFING	BUDGETING	FINANCING
ANTIGUA	2.5	3	1.5	3
DOMINICA	5	5	4	1
GRENADA	2.5	4	1	1
ST. KITTS	4	4	2	1
ST. LUCIA	5	4	4	2
ST. VINCENT	2	2	1	1

CODE 5= FULL NATIONAL CAPABILITY; SUSTAINABLE PROGRAM IN THIS AREA

3 = MODERATE PROGRESS TOWARD INSTITUTIONALIZATION; SOME ITEMS NEED FURTHER DEVELOPMENT

1 = LITTLE OR NO PROGRESS TOWARD SUSTAINABLE NATIONAL EFFORT

This Table shows that several OECS countries have achieved essentially full capability (4 or 5) in the areas of program planning and staffing. This means that they are capable of scheduling and implementing training modules and have appointed qualified staff to carry out the activities of the STP. In contrast, St. Vincent has been unable to maintain an adequate complement of staff and the planning skills of the staff are minimal. Measures will be taken during Phase 4 to resolve this problem. It is evident that with respect to financial support, progress has not been satisfactory. This is in part reflective of the failure of the OAS to undertake any major activities to explore financing options. In part it reflects the failure of participating Governments to establish sources of funding for the project budget. This amendment for a fourth phase of the project will enable participating countries to establish such sources of funding and to assume full responsibility more gradually for financing the total project.

It should be noted that participating countries have nevertheless, already assumed some of the costs of operating the national programs. In the current year, an estimated 30 per cent of total national costs are being borne by the countries.

With regard to the progress toward financial institutionalization, participating Governments have been meeting the cost of core national staff salaries and office space from the time the project was initiated in the respective countries. USAID has been meeting the cost of regional coordination, long and short term technical assistance, student stipends, instructor salaries, staff travel, supplies and tools. During fiscal year 1989, and commencing with the sub-agreements signed with the OAS for greater national office authority in project implementation, the countries assumed further fiscal responsibility for the cost of in-country travel and office supplies.

The proposal for this last phase is for USAID to provide declining financial support for a certain percentage of each country's annual budget (see Tables 2 and 3). For countries which have been in the Project since 1982, and/or which should be better able to support the STP, the project will provide about 40 percent of recurrent project costs in FY 1990, declining 20 percent in FY 1991 and zero percent in 1992. Therefore, in 1992 these countries will meet the full cost of their budgets. This would apply to Antigua, Dominica and St. Lucia. For countries which entered the program only in 1985 and which require more external support, the applicable rates will be 60 percent of projected recurrent expenses in fiscal year 1990, 40 percent in fiscal year 1991 and 20 percent in fiscal year 1992. Thus, whereas in FY 1988, USAID met 76 percent of the cost of each national program, and in FY 1989 it met approximately 70 percent, this figure drops to an average 50 percent in fiscal year 1990 and further to 30 percent in FY 1991 and 10 percent in fiscal year in 1992. It is clear from this, that financial institutionalization will be accomplished if this schedule can be maintained without sacrificing the integrity of the project in terms of staff size, numbers of modules implemented and numbers of persons trained and placed annually. Implementation will be carefully monitored towards these objectives.

2. Training Placement Performance Outputs

As of March 31, 1989 the project has trained approximately 7,000 youths and has placed approximately 87 percent of them in jobs.

Table 2
ESTIMATED COST OF THE PROJECT
IN PARTICIPATING COUNTRIES
FOR THE PERIOD OCTOBER 1, 1989 TO SEPTEMBER 30, 1990

\$ US 000

	<u>Antigua</u>	<u>Dominica</u>	<u>Grenada</u>	<u>St. Kitts</u>	<u>St. Lucia</u>	<u>St. Vincent</u>	<u>Total</u>
Staff Salaries	46	45	33	36	53	45	258
Staff Travel	6	6	10	6	9	6	43
Building/Maintenance	10	16	15	10	6	9	66
Instructor Salaries	40	42	45	22	36	23	208
Stipends	33	49	50	25	48	42	247
Staff Training	4	10	12	12	4	4	46
Office Equipment	-	-	3	4	-	2	9
Office Supplies	6	2	3	4	3	2	20
Vehicle Maintenance	3	8	3	5	5	2	26
Trainee Insurance	4	2	2	2	1	2	13
Tools and Equipment	11	20	13	14	7	9	74
Training Supplies	17	25	11	18	8	8	87
TOTAL	180	225	200	158	180	154	1,097

Table 3
USAID AND HOST COUNTRY CONTRIBUTIONS

COUNTRY	FY 1990			FY1991**			FY 1992**			TOTAL		
	AID	HOST	TOTAL	AID	HOST	TOTAL	AID	HOST	TOTAL	AID	HOST	TOTAL
Antigua	72 (40%)	108	180	38 (20%)	151	189	-	198	198	110 (20%)	457	567
Dominica	90 (40%)	135	225	47 (20%)	189	236	-	245	245	137 (20%)	572	709
Grenada	120 (60%)	80	200	84 (40%)	126	210	44 (20%)	177	221	248 (40%)	353	631
St. Kitts/Nevis	94 (60%)	64	158	66 (40%)	100	166	34 (20%)	140	174	194 (40%)	304	499
St. Lucia	72 (40%)	108	180	38 (20%)	151	189	-	198	198	110 (20%)	457	567
St. Vincent	92 (60%)	62	154	65 (40%)	97	162	34 (20%)	156	170	131 (40%)	295	436
TOTAL	540 (50%)	557	1,097	338 (30%)	814	1,152	112 (10%)	1,097	1,209	990 (30%)	2,455	3,458

**FY 1990 is used as the base and 5% adjustment for inflation made to succeeding years' budget.

The following table summarizes the Project achievements as of March 31, 1989:

Table 4

STP ACHIEVEMENTS*

	<u>Persons Trained</u>	<u>Placed</u>	<u>Percentage Placed</u>
Antigua	668	535	80%
Dominica	1,785	1,614	90%
Grenada	1,052	872	83%
St. Kitts and Nevis	574	492	86%
St. Lucia	1,888	1,709	91%
St. Vincent	973	873	90%
Total	<u>6,940</u>	<u>6,095</u>	<u>87%</u>

* Excludes Barbados

C. Rationale

This project is the most palpable and direct program in the OECS region providing training to the segment of the population which is most in need of entry level training. It has had marked success during the first three phases in terms of acceptance and earning credibility. The program has been highly effective in delivering services to three sets of clients: (a) the unemployed and underemployed youth, (b) employers in need of assistance in training and socializing employees quickly and efficiently and (c) governments seeking to promote economic development in new sectors and industries. In each country, in contrast to the situation encountered in phases I and II in which STP staff had to seek out employers, during phase III between 80 and 90 percent of all training was at the request of the employer. In addition, there has been a recognition of the need for self-employment which has been met by this project.

This project will continue to address the needs of that sector of the population which is most at risk - professionally unemployed youth. For example, in Grenada persons between 15 and 24 comprise over 82% of the unemployed. In the Eastern Caribbean there is a significant expansion of industrial infrastructure. In Grenada alone, over 300,000 sq. ft. of factory space will have been added by 1990. The new factories which will occupy this space will need entry level worker training. Antigua has been experiencing a rapid rate of economic expansion, particularly in its tourism sector. A major constraint has been lack of trained staff. The STP has provided training at a number of major new tourist complexes and will be vital to the continued growth of the economy. St. Vincent will be opening two new industrial estates and has applications pending from foreign investors in garment, electronic and food processing industries. Again, the availability of industrial

training will be critical to the success of these endeavors. St. Kitts and Nevis anticipates an increase of 1900 openings for trained entry level employees in light industry and tourism. Dominica records increasing opportunities in self-employment and small scale enterprise and a growing need for training in basic business skills. In St. Lucia there is a growing need for a job placement agency to coordinate employer needs with the skills of job seekers, providing in addition, training to assist job seekers in meeting employer demands.

The primary beneficiaries of the STP are the unemployed and underemployed youth who receive training. The project provides skilled employees and self employed workers who contribute to private sector development and expansion. Although institutionalization will be the primary focus of this amendment to the project, emphasis will continue to be placed on skills training. Special emphasis will be placed upon providing the trainees with business skills, an activity which began late in phase III. In addition, supervisory training, which has been provided to upgrade the skills of earlier graduates, will continue. This will continue to complement the supervisory training being provided under the Small Enterprise Assistance Project (538-0133).

D. Relationship to AID Strategy

The Regional Development Strategy for the period 1990-1994 addresses five key problem areas: 1) economic growth; 2) agricultural sector deficiencies; 3) obstacles to private sector development; 4) access to basic and professional education; and 5) democratic traditions and institutions. Interventions are directed at strengthening the private sector, promoting exports and tourism and improving educational opportunities.

This project addresses the third and fourth objectives in particular. Designed to increase the productive capacity of the human resources in each of the OECS countries, the project has succeeded in providing training to approximately 7000 unemployed and underemployed persons. Current development plans in the OECS countries emphasize manufacturing, tourism and agriculture. Increasing production in these sectors requires an appropriately trained work-force. The unavailability of this work-force exists concurrently with a high level of unemployment. A program for training of entry level workers is required to address this dual problem. In addition, the provision of business skills training supports AID's efforts to reduce obstacles to private sector development. By providing potential small scale producers with the business skills necessary to prepare plans and carry them out, this project has led to the establishment of many small businesses. Moreover, it has supported the placement of employees in factories (many export oriented) and contributed to the expansion and growth of all levels of the private sector economy.

III. DETAILED DESCRIPTION

A. Project Goal and Purpose

The goal of the STP in this final phase is to ensure the permanence of institutions which provide demand driven, job related training to improve the employability and enhance the incomes of the unemployed and underemployed in the participating countries of the OECS. The main purpose is to support the institutionalization program initiated by the participating countries. A related secondary purpose is to continue ongoing skills training for unemployed and underemployed youths, particularly those between the ages of 15 and 25 years so as to help them improve their incomes and employment conditions.

B. End of Project Status and Outputs

In order to achieve the Project's purpose, the following end of project status and outputs are expected:

1. The project will be fully institutionalized in each of the participating countries. This will be evidenced by the following:

a) Members of the project staff will be accorded established positions in the Government or in a non-governmental (statutory) organization and measures implemented to minimize the rate and effects of staff turnover.

b) Each national office will undertake without need for external assistance 1) planning and scheduling of training modules; 2) placement and follow-up monitoring of graduates; 3) promotion and delivery of modules to private and public enterprises; 4) continuity in staffing; 5) training and professional development of staff; 6) prudential and timely budgeting of expenses; 7) timely and accurate reporting of expenses and activities; and 8) timely decision making and problem solving.

c) Provision of financial resources sufficient to pay the costs of operating Project activities including instructor salaries, training materials, trainee stipends and materials/equipment costs.

2. The minimum number of additional people trained in the six countries will be 900 annually for a total of not less than 2,700 over the three years of phase 4. About 20% of those trained will be in self-employment. No less than 40% of the trainees will be women and no less than 20% of these women will be trained in areas which are non-traditional for women in the Caribbean.

3. The Phase three target of 80 percent of graduates placed within three months of graduation will be maintained.

C. Project Structure

1. Administration and Management

After the Project Agreement with the OAS expires in September, 1989, the additional assistance provided through this amendment will be delivered through six Bilateral Agreements, one for each country, and a seventh Agreement with the Organization of Eastern Caribbean States (OECS). Nine hundred and ninety thousand dollars of the \$1.2 million USAID Grant for Phase 4 of the project will be provided through Bilateral Agreements while the remaining \$195,000 will be provided under the OECS Agreement. The remaining \$15,000 will be retained by RDO/C for an end of project evaluation. The decision to provide country support through Bilateral Agreements takes account of the progress made by countries to date in developing the managerial and technical capability to implement the project without major inputs of extra-regional technical assistance. Under the OECS Agreement, funds will be provided for regional coordinating meetings, short-term technical assistance and horizontal cooperation among countries and a small business specialist for one year. Each of these elements in the OECS Agreement is discussed under the appropriate sections below. It is less costly to provide this assistance through an OECS Grant than through an OAS Grant. Provision of this assistance through the OECS will also support the regionalization program of the six participating countries. Additionally, since the USAID-funded Eastern Caribbean Investment Promotion Services (ECIPS) project (538-0119) is implemented through the OECS, it is anticipated that the OECS involvement in the STP will facilitate greater symbiosis between ECIPS and the STP.

a. Regional Staff/Small Business Specialist

From its inception, the project had two levels of staff: (i) a regional staff recruited by the Organization of American States (OAS), the current Grantee, paid with project funds and (ii) a national staff in each participating country provided by the host Government. The OAS regional staff provided coordination, management and technical assistance to the project and provided the necessary training to enable the national staff to assume full responsibility for the technical, administrative and financial

management of the skills training program. The current full-time OAS regional staff consists of a Project Director, an Instructor Trainer, a Job Development Specialist and a Small Business Development Specialist.

With the exception of the Small Business Specialist, the type of support provided by the OAS will no longer be necessary when the present Agreement with the OAS expires in September, 1989. Participating countries will be able to assume the full range of management responsibilities necessary to sustain the skills training program. Since the post of Small Business Specialist was filled only in April, 1988, the services of the Specialist will be required for one year of phase 4 in order to assure satisfactory completion of the small business development training program initiated in the six countries. This Specialist will continue the training of national counterparts to prepare young people for self-employment. The Small Business Specialist will be located in the Organization of Eastern Caribbean States (OECS) Secretariat and funded under an OECS/USAID Agreement.

b. National Staff

The principal national staff to be provided by participating Governments during the additional period covered by this amendment will include a director, an instructor-trainer, at least one job development specialist and at least one person to carry the responsibilities for social skills and entrepreneurship skills training. In addition, there will be a full-time clerk-typist and a part-time accountant. Experience with participating countries to date, indicates a rapid turnover of staff due to reassignments, promotions or scholarships. This has resulted in the continual recruitment and training of national project staff, frequently impeding the progress of project implementation. In this amendment, each participating country is required to establish and implement procedures for appointing each of the principal national project staff, by new contract or by secondment, to serve for periods of not less than two years. These conditions will apply to staff recruited to succeed those who terminate their relationship with the project at the end of their current period of service.

c. Regional Coordination

At a meeting held in St. Lucia in December, 1988, Permanent Secretaries of the Ministries in which the project is housed in the six OECS countries supported the view that regional coordination should be sustained as countries assume greater responsibility for the skills training program. They recommended that Permanent Secretaries, like National Coordinators, should meet

bi-annually at Regional Coordinating Committee meetings to share information about project implementation, and to deal with common problems associated with the efforts of the six countries to institutionalize the skills training program. As part of the OECS/USAID Agreement, the OECS will undertake coordination and servicing of the Coordinating Committee meetings for National Coordinators and Permanent Secretaries over the three year period of this Amendment. A single meeting will be held bi-annually for both National Coordinators and Permanent Secretaries. Additionally, under the Agreement the OECS will serve as the agent to recruit short-term consultants required by the project to provide national and regional technical assistance as determined and agreed upon by the National Directors and Permanent Secretaries at the Regional Coordinating Committee meetings.

d. Bilateral Agreements with Participating Countries

In addition to an Agreement with the OECS, USAID will negotiate separate Bilateral Agreements with each of the six participating countries for the country-specific assistance to be provided under the project. The Agreements will provide a proportion of the cost associated with the national budget up to a fixed ceiling as discussed in section II.b.1 above and shown in Tables 2 and 3.

2. Technical Assistance

a. Long-Term

The Small Business Specialist is the only long term consultant to be provided under this phase of the project. This Specialist will continue to help national project staff to develop a program of self-employment training. Such training will be linked to small business development opportunities and resources in participating countries. The responsibilities of the Specialist will include developing local capacities to (a) train young people in the technical, business and managerial skills required for self-employment, offering trainees preparation in the business and managerial skills required for self-employment and (b) assist trainees in developing business plans, and in identifying possible sources of funding to initiate their own small or micro businesses. In this respect, the Small Business Specialist will seek to develop closer linkages between the project and the NDFs in the respective countries. It is envisaged that the NDFs will provide a source of credit for graduates who develop viable business plans and will provide follow-on technical assistance to those graduates as part of its regular program of assistance to its clients.

b. Short term

Short term consultants will be hired from within and outside the region to assist the process of institutionalization. Particular emphasis will be placed upon horizontal cooperation. Consulting services and horizontal cooperation will be sought in the following areas during the first year of phase 4, and to a lesser extent during the second and third years.

- Design of revenue generation strategies.
- Budgeting, accounting and management training.
- Supervisory training.
- Instructor training
- Other areas as determined or approved by the Regional Coordinating Committee.

(1) Revenue Generation

Effective institutionalization will, in large part, hinge on the identification of sources and strategies for revenue generation. Specifically, assistance will be provided for a study of options, and for a conference to be scheduled before the commencement of the fourth phase of the project. These two activities will be conducted with funds under the existing OAS Agreement which expires in September, 1989. The study and conference will focus on relevant experience from several countries in securing funding, such as fee for service contracting, governmental contracting, corporate fundraising as well as alternate forms of taxation. During the course of the fourth phase of the project, technical assistance will be provided to each national team to prepare a draft self-financing plan.

(2) Budgeting, Financing and Management Training

The signing of Bilateral Agreements with the six countries will make it essential for the national staff to understand the AID accounting framework, as well as to budget carefully and accurately. Continued training in budgeting, financing and management will be required to help countries meet the relatively high standards which must be maintained, not just in response to the AID requirements, but to assure an efficient and effective operation as countries assume full responsibility for the project. Procedures for accomplishing this will be worked out following the signing of the Agreements.

(3) Supervisory Training

First level supervisory training will continue to be undertaken for graduates previously trained as entry level workers under the project. Some technical assistance will be sought from the USAID-funded Small Enterprise Assistance Project (538-0133).

(4) Instructor Training

For some technical modules, it may be necessary to contract the services of a consultant to provide specialized instructor training where such skills are neither available in a country nor available through horizontal cooperation.

Primary preference in the selection of consultants will be given to those consultants resident in the participating countries and secondary preference to consultants resident elsewhere in the Eastern Caribbean. Use of extra-regional consultants will be the last option to be pursued.

IV. COST ESTIMATES AND PROJECT FINANCING

A. Cost Estimates

The total anticipated cost of this fourth and final phase of the project will be \$1.2 million. The countries will provide contributions approximating \$2.468 million in phase IV. USAID grant funds will cover approximately 50 percent of total national program costs during the first year of phase 4, 30 percent during the second year, and 10 percent in the final year.

The life of project costs will now be about \$12.993 million with an AID contribution of \$8.214 million. The remaining funds will have come from host-country contributions of \$3.88 million and an OAS input in phases 1 and 2 of \$899,000.

The final USAID contribution of \$1.2 million will fund a proportion of the cost of instructor salaries, trainee stipends, purchases of tools and supplies, project management and communication, regional coordination meetings, long term technical assistance in small business skills, short term consulting and horizontal cooperation, a final evaluation, staff development workshops as well as a study and workshops on financial options for generating funds to meet costs associated with the skills training program.

Table 5 shows the allocation of the \$1.2 million of phase 4 of the project by major line items.

Table 5

PHASE 4 BUDGET
(US\$000)

<u>Elements</u>	<u>FY 90</u>	<u>FY 91</u>	<u>FY 92</u>	<u>Total</u>
A. <u>Bilateral Agreements</u>				
Country-Specific Costs	540	338	112	990
B. <u>OECS Agreement</u>				
Small Business Specialist (Salary and Travel)	45	-	-	45
Short-term TA and Horizontal Cooperation	40	15	15	70
Coordinating Committee Meetings	15	15	15	45
Office Support	15	10	10	35
C. <u>Evaluation/Audits</u>			15	15
TOTAL	655	378	167	1,200

B. Project Financing Mechanisms

Handbook 3 Bilateral Agreements modelled, to the extent possible, on the present sub-agreement between the OAS and the participating countries, will be negotiated between USAID and each participating country to fund a proportion of the cost of their budget as indicated in Tables 2 and 3 (section II.B.1). A Handbook 3 Agreement will also be signed with the OECS to (a) contract and provide office space and logistical and office support for the Small Business Specialist, (b) contract the required short term technical assistance and facilitate horizontal cooperation and (c) arrange and service the Coordinating Committee Meetings. USAID will retain funds for external evaluation and audit purposes.

Release of the funds provided in the Limited Scope Grant Agreements with participating countries will be conditioned on a determination by USAID that the established accounting procedures are appropriate and reliable and upon review and approval of annual plans and budgets. To the extent possible and practical (within the constraints of parliamentary allotments), USAID will seek to minimize advances of funds to participating countries. This will minimize administrative complexities in dealing directly with six countries. It will also serve to encourage the countries to demonstrate tangibly their commitment to the STP as they will be encouraged to allocate 100 percent of program costs subject to partial reimbursement from USAID on a declining basis. It is possible that limited advances may be required early in this last phase to allow for full parliamentary allocations for project implementation.

USAID proposes to reimburse the countries specified proportions of annual project budgets based upon approved work plans. Upon approval by USAID of the work plans, countries will, on a quarterly basis, present to USAID a certified fiscal report substantiating total expenditures against work plan budgets. This will provide the basis for reimbursement by USAID. In accordance with the terms of the Bilateral Agreement, countries will be required to maintain on file appropriate expenditure documentation to support the certified fiscal reports and audits by USAID. It is expected that the expenditure reports will be prepared by the National Project Directors and certified by an appropriate section of the Ministry of Finance.

For those countries receiving minimal advances from USAID, relevant AID procedures will apply, including establishment of a separate bank account and liquidating outstanding advances within 90 days. Experiences gained under implementation of the OAS sub-grant program, initiated in January 1989, should facilitate the above plan.

Funds provided to the OECS will be provided on the basis of a rolling 90 day advance. Disbursement will be contingent upon receipt, annually, of a brief schedule and budget for the activities for which the OECS will be responsible. Activities not included in this schedule which cost over 15 percent of the budget will require advance USAID approval.

At this point, we expect that unexpended balances in the OAS agreement and country sub-agreements at the September 30, 1989 grant completion date will be deobligated and reprogrammed. A final decision on the reprogramming of these funds will be made closer to the time at which these funds will be made available.

Table 6 shows the obligation schedule for the \$1.2 million for this fourth phase of the project while Table 7 summarizes the method of implementation and financing for the three major elements of funding.

Table 6

OBLIGATION SCHEDULE
(US\$000)

	<u>FY 89</u>	<u>FY 90</u>	<u>FY 91</u>	<u>TOTAL</u>
Bilateral Agreements	443	402	145	1,090
OECS Agreement	115	40	40	195
AID Direct Contract (Eval./Aud.)	-	-	15	15
TOTAL	<u>558</u>	<u>442</u>	<u>200</u>	<u>1,200</u>

Table 7

METHODS OF IMPLEMENTATION AND FINANCING

<u>Element</u>	<u>Mechanism</u>	<u>Amount (US\$000)</u>
Bilateral Agreements	HB 3 Grant Agreement Limited Advance; Direct Reimbursement	990
OECS Agreement	HB 3 Grant Agreement Rolling Advance; Direct Reimbursement	195
Evaluation	HB 14 Contracts; Direct Reimbursement	15

V. IMPLEMENTATION ARRANGEMENTS

A. Summary

All Project Amendment activities are scheduled to take place over the next three years. The Project Agreements will be signed in late July 1989 and conditions precedent to first disbursement to participating countries should be met by September 30, 1989 when the existing Project Agreement with the OAS terminates. This will ensure that a continuous flow of funds is available for scheduled activities as indicated in the Implementation Schedule below.

Prior to the actual disbursement of funds, there will be a start-up phase in July and August 1989 which will include solicitation of revised work plans from each country and a study and workshop on financing options for skills training. The study and workshop will be funded under the OAS Agreement which expires in September, 1989.

All long-term technical assistance will terminate on, or before September 30, 1989, with the exception of the Small Business Specialist whose contract will be renegotiated with the OECS and approved by USAID.

By September 30, 1992 it is expected that host countries will be able to sustain Project activities at current or higher levels of output with their own financing without USAID or other external support.

B. Implementation Schedule

July 1989 RDO/C consults, negotiates/signs Bilateral Agreements with, OECS countries and the OECS.

August 1989 Countries prepare updated institutional plans.
OECS and countries agree on objectives and schedule for Coordinating Committee meetings.
Under the existing Project Agreement, OAS contracts consultant to conduct study on options for financial institutionalization.
Countries prepare first year workplans and budget.

August 1989 Countries submit Year I workplans and budget.
Study on financing options undertaken.
Countries submit evidence that required project staff are hired under appropriate conditions for assuring continuity of service.
OECS recruit Small Business Specialist with RDO/C approval.

September 1989 Workshops conducted on financing options.
USAID approves workplan for year 1 and releases first year funds.
Small Business Specialist contract signed
OAS project management terminates.

October 1989 First Coordinating Committee Meeting to discuss Phase 4 activities, expected outcomes and short-term technical assistance and horizontal cooperation for the next six months.
Work plans for Small Business Specialist submitted.

January 1990 Management training workshop for National Directors.

March 1990 National offices prepare second year work plans for submission to USAID.

April 1990 USAID approves second year work plans.

May 1990 Second Coordinating Committee Meeting held under OECS auspices.

August, 1990 Second year plans are submitted for approval by USAID.
First year operations reports are submitted to USAID for approval.

USAID reviews first year reports and second year plans and makes adjustments in second year financial and operating plans.

- September 1990 Second year funds are released to countries.
Small Business Advisor departs at end of contract.
- November 1990 Third Regional Coordinating Committee Meeting.
- May 1991 Fourth Regional Coordinating Committee meeting.
- August 1991 National plans for third year and second year operations reports are submitted to AID for approval.
Fifth Regional Coordinating Committee meeting under OECS auspices.
- April 1992 Final Project evaluation.
- May 1992 Sixth and Final Regional Coordinating Committee Meeting.
- June 1992 End of project.

C. USAID Administration and Monitoring

The Health, Population and Education Office (HPE) will continue to have Project Management responsibility for USAID. Because this project is intended to serve private sector needs, the HPE will coordinate and consult with the RDO/C Private Sector Office. The Senior Education Project Manager within HPE will have direct responsibility for project management. AID/W (LAC/DR/EST) will continue to provide HPE with the necessary technical and administrative backstopping assistance.

D. Evaluation Plan

The January 1987 evaluation was a thorough and complete analysis of project progress. The last Amendment to the Project Paper (i.e. for phase 3) required a final end-of-project evaluation. Since the fourth phase of the project is designed to assist participating countries achieve full institutionalization and thus enhance the objectives set for the third phase of the project, an evaluation at the end of phase 3 was not necessary. This evaluation will be deferred for the end of phase 4.

The final end-of-project evaluation will be conducted in May/June, 1992 to assess the impact of the project and to develop some lessons learned for other similar training programs. The evaluation will be done by an external independent evaluator contracted directly by USAID. Consideration will be given to an 8A firm for this contract.

The principal focus of the evaluation will be on (a) the effectiveness of the OAS's work in supporting the governments to properly implement the skills training program and (b) the progress which countries have made toward institutionalization of the program.

VI. PROJECT ANALYSES

A. Technical Analysis

A summary of a labour assessment for the six participating countries is provided in Annex B. From the assessments, it is clear that there is, and will continue to be, a recurrent need for demand driven skills training in each country to deal with chronic imbalances between the quality of labor supplied and the quality of labor demanded. In the long run, improvements in the formal educational system may accommodate the industrial requirements to a greater extent, even though a look at countries which are far more economically advanced than the OECS countries, reveals that there is usually a need for programs similar to the STP to support the work of the formal education system. In the medium term, one may envisage a shift towards more apprenticeship training as the programs respond to changing economic conditions. However, the framework which is currently being established through this Project is a flexible one and will be able to respond to manpower needs in a number of innovative ways for a long time to come.

B. Economic Analysis

1. Regional Overview

As indicated in the labor market assessments mentioned above, unemployment is a severe problem throughout the Eastern Caribbean. While there are some heartening signs in some sectors and countries, particularly with respect to the recovery of banana prices and the expansion of tourism stimulated by favorable exchange rates, the prospects for the medium term are far from certain. Even where economic expansion is occurring, there is a continued mismatch between labor requirements and the skills of the unemployed. Youth, aged 15 to 25, have been particularly at risk. If they cannot be prepared for, and channelled into, productive employment, they may easily become a source of political instability (as has occurred with dire results in Jamaica). This problem will grow more difficult as increased numbers of school leavers enter the labor force and as female participation rates rise in the next decade.

2. A Cost-Benefit Analysis

The technique most often used to analyze the economic feasibility of a project benefit-cost analysis has been applied to human resource decision making since the mid 1960s. While one may argue that human resource projects do not readily lend themselves to quantitative analysis because of difficulties in translating the value associated with increased training into a financial flow, it is still the best available technique for decision making in an uncertain world. While identifying and measuring the causal chain between investments in training and the ultimate benefits to society is complex, whatever measures are used in a benefit-cost analysis of human resource development is likely to understate the total benefits to society.

The Project will increase the supply of skilled persons, resulting in economic gains through increased labor productivity. According to economic theory, labor productivity is measured by the wage rate. In competitive free markets, increases in a trained workers productivity then, are reflected in changes in his or her wage rate and earnings. When we apply this method to the project's beneficiaries - making allowance for the fact that the project will train people for several different kinds of entry level jobs - we get a measure of the Project's economic viability which is very encouraging.

3. Conclusion

An economic analysis often includes sensitivity testing of several scenarios. Even in the worst case scenario, when the assumptions are pessimistic and the benefits of the project are expected to last five as opposed to ten years, the internal rate of return exceeds 50 percent. In fact, even under pessimistic assumptions that the benefits from the project are expected to last only 5 years, the estimated benefits which derive from the project are 7.9 times AID's costs (\$1.2 million) in phase 4.

C. Financial Analysis

On the basis of institutionalization plans submitted in late 1988 by each of the participating countries, we can estimate 1989/1990 budgets for each country. These range from \$154,000 in St. Vincent to \$225,000 in Dominica. In each case, a portion of the budget will be borne by the Government, including all of staff salaries, office costs and in-country travel. A portion of instructor salaries and tools and supplies may also be met locally, depending upon the individual circumstances of each country. In phase 4, USAID will support on a declining basis, the cost of instructor salaries, stipend costs and tools and supplies.

The host countries have proved themselves willing to bear a portion of project costs during phase 3. However, the assistance provided in preparing financial options will be essential for them to assume the full project costs by the end of phase 4.

The plans for institutionalization were submitted by each country in late 1988 and reviewed by AID and OAS project staff. The host countries recognize the recurrent cost implications inherent in implementing this training project. Responsible permanent secretaries in each country have acted to include a portion of Project costs in their budget estimates. Some countries, e.g. Antigua and St. Lucia, are better able to fund a larger portion of their budgeted expenses, while others face stringent fiscal conditions and will need a continued high level of support from USAID during the initial year of phase 4. Nevertheless, all countries have undertaken to plan for full institutionalization and are committed to it. However, all expressed the need for a workshop to assist in planning for financial independence. Current plans call for implementation of such a workshop prior to the start up of phase 4.

D. Social Soundness Analysis

The experience to date demonstrates the feasibility and significance of youth employment training in each of the participating countries. All of the national projects have been effective in meeting and exceeding their targets for number of youths trained. There has been substantial progress in the area of self-employment and business skills training.

However, experience during phase 3 has indicated that full institutionalization is not easily achieved. Dominica and St. Lucia, which have been in the program since 1982, have made significant strides in the direction of institutionalization. The remaining countries only entered the project in late 1985. Particularly for the four most recent entrants, institutionalization may require more time than anticipated. The fourth phase will facilitate this.

With youth unemployment in most of the countries exceeding 20 percent, there has been no shortage of qualified applicants for training. The number of applicants has remained at several times the number of available training slots. On the part of employers, the services of the STP are widely sought out and are used to promote direct foreign investment in the region through the USAID-supported Eastern Caribbean Investment Promotion Service (ECIPS) and the national Industrial Development Corporations (IDCs). Private employers contact the STPs in each island to request their assistance.

Placement rates have remained high with well over 80 percent of trainees finding jobs immediately after training. It is clear that the project is meeting a wide range of social needs in a sound and effective manner.

VII. SPECIAL CONDITIONS AND COVENANTS

A. Conditions Precedent to Disbursement

(1) Initial Disbursement: Prior to initial disbursement of funds to finance the National Skills Training Project for the period beginning October 1, 1989, the Grantee shall, except as U.S.A.I.D. may otherwise agree in writing,:

a. Provide to U.S.A.I.D., in form and substance satisfactory to U.S.A.I.D., evidence that the required National Project staff has been appointed to serve for periods of not less than two years, and that procedures for handling staff turnover are in place. The National Project staff will include, at a minimum, a Director, an Instructor Trainer, a Job Development Specialist and at least one Social and Entrepreneurship Skills Trainer.

b. Provide to U.S.A.I.D., in form and substance satisfactory to U.S.A.I.D., a certified fiscal report of the current total annual expenditures for the National Skills Training Project by workplan/budget line item and identify the sources of funds expended.

(2) Subsequent Disbursements: Prior to subsequent disbursement of funds to finance the National Skills Training Project, the Grantee shall, except as U.S.A.I.D. may otherwise agree in writing, provide to U.S.A.I.D., on a quarterly basis following initial disbursement, in form and substance satisfactory to U.S.A.I.D., a certified fiscal report of the current quarter's total expenditures for the National Skills Training Project. This report shall be in accord with the U.S.A.I.D.-approved workplan and line item budget for the respective year and shall identify the sources of all funds expended for the Project during that quarter.

B. Covenants

The Grantee hereby agrees to provide to U.S.A.I.D. for review and approval by U.S.A.I.D. a detailed work plan for Project activities for the period beginning October 1, 1989 to September 30, 1990 and annually thereafter. Such plan will include details of the actions that will be undertaken to assure that the National Skills Training Project is technically, administratively and financially prepared to carry-out the national programs at an appropriate level of operations without external support after June 30, 1992. The work plans for years 2 and 3 will include a detailed report on accomplishments for the preceding year.

PROJECT DESIGN SUMMARY
LOGICAL FRAMEWORKLife of Project: FY82-FY91
Total USAID Funding: \$8.214 million
Date Prepared: June 6, 1989Project Title & Number: REGIONAL NON-FORMAL SKILLS TRAINING (538-0073)

NARRATIVE SUMMARY	OBJECTIVELY VERIFIABLE INDICATORS	MEANS OF VERIFICATION	IMPORTANT ASSUMPTIONS
<p>GOAL: To ensure the premanence of institutions which provide demand-driven, job-related training to improve the employability and enhance the incomes of the unemployed and underemployed youths.</p>	<p>- Increase in employment and real income of those trained.</p>	<p>- National labor market data by host governments. - IBRD Economic Memoranda - Project information system reports.</p>	<p>- Political stability and continued support for national development goals.</p>
<p>PURPOSE: To support the institutionalization of the Skills Training Project initiated by participating countries and to continue on-going skills training for unemployed and under-employed youths, particularly those between the ages of 15 and 25 years.</p>	<p>END OF PROJECT STATUS: - The project will be fully institutionalized in each of the participating countries as evidenced by : (a) Members of the project national staffs will be accorded established positions in the Government or in a non-governmental (statutory) organization and measures implemented to minimize the rate and effects of turn-over. (b) Each national office will undertake, without need for external assistance, planning and scheduling of training modules, promotion and delivery of modules to private and public enterprises, continuity in staffing, training and professional staff development, prudential and timely budgeting, timely and accurate reporting of expenses and activities, and timely decision-making and problem-solving. (c) The national projects will be provided with financial resources sufficient to cover the costs of project operations. - The initial placement rate of 80 % will have been maintained.</p>	<p>- Project records - Evaluation reports - Official statistics from governments</p>	<p>PURPOSE - Governments' commitment to improving youth employment opportunities continues. - Stable economic conditions permit governments to increase their share of project financing.</p>
<p>OUTPUTS: - An additional 900 youths trained annually in each of the six participating countries. - Not less than 80 % of those trained are places in income earning positions. - Financing arrangements finalized for each country.</p>	<p>- 2,700 youths trained. - 2,160 youths placed.</p>	<p>- Project records. - Evaluation Reports.</p>	<p>OUTPUTS: - Governments increase their funding for project activities. or identifies other sources of support.</p>
<p>INPUTS AID Grant Governments' in kind contributions</p>	<p>- \$1.2 million - \$3.3 million</p>	<p>AID records: disbursements Project certified fiscal reports.</p>	<p>INPUTS ASSUMPTIONS - OYB cuts will not severely effect this high priority project. - Governments continue national projects at current levels.</p>

Labor Market Assessment

A. Antigua and Barbuda

In 1980, the population of Antigua was estimated to be 75,231. The growth rate was estimated at 3.15 per cent. The rate of unemployment was estimated at 20.8 percent in 1982.

Several factors have acted to affect the recent performance of the economy and the outlook for the future. First, during the period since 1986, Antigua's economy has recorded a rapid growth largely attributable to the burgeoning tourism sector. The number of hotel rooms has increased annually, particularly since 1986, stimulating employment in tourism and related sectors such as construction. However, the lack of trained employees in these sectors has been a bottleneck. This has been handled by limited importation of labor from neighboring islands. However, at the same time the rate of unemployment has not declined as much as might have been expected due to the lack of adequate training opportunities.

The implication of all this is a continued imbalance in labor force supply and demand. The Regional Non-Formal Skills Training Project will continue to play an important role in supporting the economic expansion in a number of specific areas including the following:

Self-employment and craft production: Trained workers in this area can make a contribution to the GDP by way of sales of domestically produced products which are in heavy demand.

Construction Skills: A module with a female instructor trained a number of female plumbers, helping to break a bottleneck in the construction sector while providing non-traditional skills training for women. This type of training will continue in Antigua.

B. Dominica

The population of Dominica, according to census data was 74,785 in 1981. With an estimated growth rate of 1.7 per cent, this suggest a population of 86,000 at the end of 1986.

The economy of Dominica remains heavily dependent upon the export volume and value of bananas. While there has been limited diversification during the early 1980s, it has not affected the fundamental structure of the economy. Economic development in Dominica continues to be constrained by inadequate infrastructure, mountainous terrain, limited supplies of skilled manpower and the small domestic market.

Meanwhile, the profile of the population and the capacity of the formal educational system combine to suggest an acute need for occupational training among the 15-24 year olds. The comparatively large birth cohorts of the 1970s will continue to enter the labor force, swelling the numbers of marginally trained job seekers. These factors suggest that the dimensions of the problem of finding full-time remunerative employment are formidable. During the next few years more than 1000 new primary school leavers annually will be competing for limited numbers of jobs.

Efforts to stimulate agricultural, manufacturing and construction and tourism based employment will take several years to produce results. In the meantime, young entrants will need to be channelled into self-employment opportunities and will need complementary training and assistance to launch small enterprises. Training in horticulture, handicrafts, hotel and restaurant operations, and self-employment skills will need to dominate the STP curriculum. In addition self-employed producers will need some training in the area of export skills in view of the small domestic economy which quickly becomes saturated.

C. Grenada

The population of Grenada was 89,088 according to the most recent 1980/81 census. The population grew by about 1.6 percent, reaching an estimated 98,494 at the end of 1987. The exact dimensions of unemployment are unknown, but a 1985 World Bank mission estimated it to be 25 to 27 percent. As in the other OECs countries, the population can be expected to increase as a consequence of high birth rates in the 1970s, lower infant and child mortality rates, and an anticipated decline in emigration opportunities.

Agriculture remains the largest economic sector next to Government. In 1987, manufacturing registered an expansion of 16.9 per cent, while a shortage of agricultural labor plagued agricultural output. Significant labor shortages also affected construction.

Meanwhile, the employment situation is complicated by a lack of educational opportunity and training programs. As a result, a large number of youth will be seeking work without acquiring the academic and occupational skills demanded by employers. In addition, retrenchment in the public sector will further restrict the employment options of secondary school leavers. The likely result is a mismatch between labor supply and demand.

Consequently, training will be needed in agriculture to support projects like the Modfel Farms Project, self-employment, and the rapid pace of expansion in the industrial estate. A critical need will continue to be demand driven training for manufacturing diversification.

D. St. Kitts and Nevis

The most recent estimate of the population of St. Kitts and Nevis is 43,700 in June 1986. The rate of population growth has been relatively stable. However, the population is getting relatively younger with 54.5 percent under age 25. This pattern is common throughout the OECS region. The unemployment rate in 1986 was estimated at 18.5 percent.

During the early 1980s, the economy has expanded slowly due to poor harvests, a construction slowdown, uneven performance in manufacturing and contraction in government services. At the same time, the public sector deficit increased to nearly 20 percent of GDP in 1985 and this debt, coupled with a relatively small tax base, meant that interest payments absorbed nearly 25 per cent of revenues in 1986. The Government's National Development Plan for 1986-1990 proposed economic diversification in agriculture, manufacturing and tourism. Meanwhile, there is a high percentage of youth unemployment and a shortage of workers at all skill levels in critical areas such as construction.

However, if the expansion of the economy is to occur, a discrepancy between demand for labor and the qualifications of the labor force will have to be overcome. The Regional Non-Formal Skills Training Project is perhaps the only available mechanism for bridging an existing gap between formal academic education and the attitudinal and skill requirements of employers.

E. St. Lucia

The most recent population estimates of St. Lucia are for 1986 and indicate a population of 139,520. About 66.3 percent of this number is below the age of 25, indicating a surprisingly youthful population. Furthermore, the birth rate is among the highest in the western hemisphere. Unemployment is estimated by the World Bank to have reached 20 percent in 1988.

The economic expansion which occurred during the last decade has done surprisingly little to alleviate the high rate of unemployment. The current issue facing the economy is how to realign agriculture, tourism, and manufacturing to achieve a self-sustaining growth. A convergence of factors suggests that agricultural earnings based upon banana production is increasingly uncertain in the face of imminent changes in the EEC, growth in tourism may be undermined by inadequate training capability, and manufacturing has failed to attract the level of foreign investment originally anticipated. Nevertheless, the economy is presently very buoyant due to high banana prices and a formidable expansion in banana output. This has stimulated other sectors and, in particular, the prospects for self-employment.

If the economy is to continue to expand, young people will need special training in business and social skills, marketing and decision making, as well as credit and technical assistance to be in a position to take advantage of emerging opportunities. The youthful population structure will require market oriented job training if the number of first time labor market entrants are to be directed to employment opportunities and not left to their own devices or enticed into illegal activities.

F. St. Vincent and the Grenadines

The population of St. Vincent and the Grenadines was estimated at 97,845 in the 1980 census. However, the most recent estimate calculated by the Government indicated 113,992 in 1988. Almost two thirds of the population is under 25 and the dependency ratio was calculated at 98. Unemployment was estimated at 32 percent according to a 1984 household survey. This survey also revealed a long term nature of the problem as nearly 80 percent of the unemployed have not worked at all during the reference year.

The economy of St. Vincent and the Grenadines is primarily dependent upon agriculture where current and future prospects are at best uncertain, due to the future of the banana market, the loss of the market for arrowroot exports to Brazil, and synthetic substitutes. While manufacturing contributes only about 10 percent to GDP, plans are afoot to substantially expand industrial factory space. Tourism is expected to expand in the next five years as well.

Meanwhile, with a rapidly growing population, espically among the youngest age cohorts, there is to be expected a surge in working age population in the early 1990s. The need for skills training in St. Vincent and the Grenadines is substantial. An OAS labor market survey in 1989 estimated the demand at 2400 annually. This is comprised of primary school leavers (1,400) secondary school dropouts (400) and those with fewer than 3 passes on CXC and GCE exams (600). The Government's development programs, combined with the youthful population structure and the limits of the formal educational system, indicate a growing need for entry level job training in St. Vincent.

In the absence of policies and programs specifically designed to provide training and generate employment, the pool of underutilized labor may soon approximate the size of the employed labor force. However, it is possible that a well targetted training program may work in concert with expansion plans in agriculture, tourism (especially in the absence of a hotel training school in St. Vincent) and opportunities for self-employment in alleviating the labor problems. Additionally, there is an increasing number of women seeking work in manufacturing and in need of entry level training. At this juncture, targetted training for youth and women of St. Vincent is an urgent priority.

INITIAL ENVIRONMENTAL EXAMINATION

Project Location: Caribbean Regional

Project Title: Regional Non-Formal Skills
Training (538-0073)

Funding (LOP): \$8,214,000

Life of Project: 10 years

IEE Prepared BY: Stafford A. Griffith
Stafford A. Griffith
Senior Education Project Manager

Date: June 6, 1989

Environmental Action: Negative Determination

Concurrence: Aaron W. Williams
Aaron W. Williams
Mission Director
USAID, Regional Development
Office/Caribbean

Date: 8/11/89

Principal outputs of the fourth phase of the project (1989-1991) include full institutionalization of the project in each country in financial, technical and administrative terms and 2,700 persons trained in varying skills with an estimated 80 percent placement rate in viable employment opportunities. During earlier phases of the project over 7,000 persons have been trained with an 80 percent placement rate. Placement has been in virtually all sectors of the private sector, including large, medium and small firms with a heavy concentration in the hotel and manufacturing sectors. Some trainees have joined micro-enterprises or established their own, often focussed on repair services or crafts. As this pattern continues, the most significant environmental impact is expected to be changes in economic employment patterns. Since the project focuses on training underemployed and unemployed youth, these changes are expected to be positive and significant.

In view of the findings of this IEE, a negative determination is recommended.

- 23 -

5C (2) - PROJECT CHECKLIST

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

Yes

A. GENERAL CRITERIA FOR PROJECT

1. FY 1989 Appropriations Act Sec. 523; FAA Sec. 634A. If money is sought to obligated for an activity not previously justified to Congress, or for an amount in excess of amount previously justified to Congress, has Congress been properly notified? N/A
2. FAA Sec. 611(a)(1). Prior to an obligation in excess of \$500,000, will there be (a) engineering, financial or other plans necessary to carry out the assistance, and (b) a reasonably firm estimate of the cost to the U.S. of the assistance? Yes
3. FAA Sec. 611(a)(2). If legislative action is required within recipient country, what is the basis for a reasonable expectation that such action will be completed in time to permit orderly accomplishment of the purpose of the assistance? N/A

— 25

4. FAA Sec. 611(b); FY 1989 Appropriations Act Sec. 501. If project is for water or water-related land resource construction, have benefits and costs been computed to the extent practicable in accordance with the principles, standards, and procedures established pursuant to the Water Resources Planning Act (42 U.S.C. 1962, et seq.)? (See A.I.D. Handbook 3 for guidelines.) N/A
5. FAA Sec. 611(e). If project is capital assistance (e.g., construction), and total U.S. assistance for it will exceed \$1 million, has Mission Director certified and Regional Assistant Administrator taken into consideration the country's capability to maintain and utilize the project effectively?
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. This is a regional project.
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. This project will encourage private initiative by providing training to unemployed youth for self and wage employment in the private sector. Training is in response to local industry demand and should increase its efficiency.
8. FAA Sec. 601(b). Information and conclusions on how project will encourage U.S. private trade and investment abroad and encourage private U.S. participation in foreign assistance programs (including use of private trade channels and the services of U.S. private enterprise). The project will improve efficiency of local industries that employ trained labor. Much of this industry represents U.S. Investment.

-36-

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 objective of Phase 4 of the Skills Training project is to encourage the participating countries to absorb increasing shares of project costs. Full financial institutionalization is expected during this Phase.
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 1989 Appropriations Act 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?
- The project provides training to youths who will be self or wage employed. Local industries manufacture for regional markets but also for U.S. markets under CBI. Focus is generally on niche markets and is not likely to result in surplus or substantial completion to U.S. producers.
12. FY 1989 Appropriations Act Sec. 549. 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?
- N/A. This is a CBI - related activity.
13. FAA Sec. 119(g)(4)-(6) & (10). 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
- N/A

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?

14. FAA Sec. 121(d). If a Sahel project, has a determination been made that the host government has an adequate system for accounting for and controlling receipt and expenditure of project funds (either dollars or local currency generated therefrom)? N/A
15. FY 1989 Appropriations Act. If assistance is to be made to a United States PVO (other than a cooperative development organization), does it obtain at least 20 percent of its total annual funding for international activities from sources other than the United States Government? N/A
16. FY 1989 Appropriations Act Sec. 538. If assistance is being made available to a PVO, has that organization provided on timely request any document, file, or record necessary to the auditing requirements of A.I.D., and is the PVO registered with A.I.D.? N/A
17. FY 1989 Appropriations Act Sec. 514. If funds are being obligated under an appropriation account to which they were not appropriated, has prior approval of the Appropriations Committees of Congress been obtained? N/A
18. State Authorization Sec. 139 (as interpreted by conference report). Has confirmation of the date of signing of the project agreement, including the amount involved, been cable to State L/T and A.I.D. LEG within 60 days of the agreement's entry into force with respect to the United States, and has the full text of the agreement been pouched to those same offices? (See Handbook 3, Appendix 6G for agreements covered by this provision). N/A

28

B. FUNDING CRITERIA FOR PROJECT**1. Development Assistance Project Criteria**

- a. FY 1989 Appropriations Act Sec. 548
(as interpreted by conference report for original enactment). If assistance is for agricultural development activities (specifically, any testing or breeding feasibility study, variety improvement, introduction, consultancy, publication, conference, or training), are such activities (a) specifically and principally designed to increase agricultural exports by the host country to a country other than the United States, where the export would lead to direct competition in that third country with exports of a similar commodity grown or produced in the United States, and can the activities reasonably be expected to cause substantial injury to U.S. exporters of a similar agricultural commodity; or (b) in support of research that is intended primarily to benefit U.S. producers?

N/A

- b. FAA Secs. 102(b), 111, 113, 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 insuring wide participation of the poor in the benefits of development on a sustained basis, using appropriate U.S. institutions; (b) help develop cooperatives, especially by technical assistance, to assist rural and urban poor to help themselves toward a better life, and otherwise encourage democratic private and local governmental

By providing skills training to unemployed youths, this project will continue to have a significant impact on involving the poor in development. The emphasis for self and wage employment is on labor-intensive activity. Many trainees are women. The National Training office of OECS countries continue to cooperate to maximize their efficiency.

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.

- c. FAA Secs. 103, 103A, 104, 105, 106, 120-21; FY 1989 Appropriations Act (Development Fund for Africa). Does the project fit the criteria for the source of funds (functional account) being used? Yes.
- d. FAA Sec. 107. Is emphasis placed on use of appropriate technology (relatively smaller, cost-saving, labor-using technologies that are generally most appropriate for the small farms, small businesses, and small incomes of the poor)? Yes, very much so.
- e. FAA Secs. 110, 124(d). Will the recipient country provide at least 25 percent of the costs of the program, project, or activity with respect to which the assistance is to be furnished (or is the latter cost-sharing requirement being waived for a "relatively least developed" country)? This is a regional project and the 25 percent contribution is not required. The objective of this phase is to have the countries gradually increase their shares to cover 100% of project operations.
- f. FAA Sec. 128(b). If the activity attempts to increase the institutional capabilities of private organizations or the government of the country, or if it attempts to stimulate scientific and technological research, has it been designed and will it be monitored to ensure that the ultimate beneficiaries are the poor majority? Yes.

- g. PAA Sec. 201(b). Describe extent to which program recognizes the particular needs, desires, and capacities of the people of the country; utilizes the country's intellectual resources to encourage institutional development; and supports civil education and training in skills required for effective participation in governmental processes essential to self-government. The project trainees unemployed and underemployed youths to enable their participation in the economic process.
- h. FY 1989 Appropriations Act Sec. 536. Are any of the funds to be used for the performance of abortions as a method of family planning or to motivate or coerce any person to practice abortions? No.
- Are any of the funds to be used to pay for the performance of involuntary sterilization as a method of family planning or to coerce or provide any financial incentive to any person to undergo sterilizations? No.
- 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? No.
- i. FY 1989 Appropriations Act. Is the assistance being made available to any organization or program which has been determined to support or participate in the management of a program of coercive abortion or involuntary sterilization? No.
- If assistance is from the population functional account, are any of the funds to be made available to voluntary family planning projects which do not offer, either directly or through referral to or information about access to, a broad range of family planning methods and services? N/A

41

- j. FAA Sec. 601(e). Will the project utilize competitive selection procedures for the awarding of contracts, except where applicable procurement rules allow otherwise? Yes.
- k. FY 1989 Appropriations Act. What portion of the funds will be available only for activities of economically and socially disadvantaged enterprises, historically black colleges and universities, colleges and universities having a student body in which more than 40 percent of the students are Hispanic Americans, and private and voluntary organizations which are controlled by individuals who are black Americans, Hispanic Americans, or Native Americans, or who are economically or socially disadvantaged (including women)? N/A
- l. FAA Sec. 118(c). Does the assistance comply with the environmental procedures set forth in A.I.D. Regulation 16? Does the assistance place a high priority on conservation and sustainable management of tropical forests? Specifically, does the assistance, to the fullest extent feasible: (a) stress the importance of conserving and sustainably managing forest resources; (b) support activities which offer employment and income alternatives to those who otherwise would cause destruction and loss of forests, and help countries identify and implement alternatives to colonizing forested areas; (c) support training programs, educational efforts, and the establishment or strengthening of institutions to improve forest management; (d) help end destructive slash-and-burn agriculture by supporting stable and productive farming practices; (e) help conserve forests which have not yet been degraded by helping to increase
- 42

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 U.S. government agencies and other donors of the immediate and long-term value of tropical forests; and (k) utilize the resources and abilities of all relevant U.S. government agencies?

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

N/A

n. FAA Sec. 118(c)(14). Will assistance be used for (a) the procurement or use of logging equipment, unless an environmental assessment indicates that all timber harvesting operations involved will be conducted in an environmentally sound manner and that the proposed activity will produce positive economic benefits and sustainable forest management systems; or (b) actions which will significantly degrade national parks or similar protected areas which contain tropical forests, or introduce exotic plants or animals into such areas?

No.

o. FAA Sec. 118(c)(15). Will assistance be used for (a) activities which would result in the conversion of forest lands to the rearing of livestock; (b) the construction, upgrading, or maintenance of roads (including temporary haul roads for logging or other extractive industries) which pass through relatively undegraded forest lands; (c) the colonization of forest lands; or (d) the construction of dams or other water control structures which flood relatively undegraded forest lands, unless with respect to each such activity an environmental assessment indicates that the activity will contribute significantly and directly to improving the livelihood of the rural poor and will be conducted in an environmentally sound manner which supports sustainable development?

No.

p. FY 1989 Appropriations Act. If assistance will come from the Sub-Saharan Africa DA account, is it (a) to be used to help the poor majority in Sub-Saharan Africa through a process of long-term development and economic growth that is equitable, participatory, environmentally sustainable, and self-reliant; (b) being provided in accordance with the policies contained in section 102 of the FAA;

N/A

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

- q. FY 1989 Appropriations Act Sec. 515.
If decb/reob authority is sought to be exercised in the provision of DA assistance, are the funds being obligated for the same general purpose, and for countries within the same general region as originally obligated, and have the Appropriations Committees of both Houses of Congress been properly notified?

N/A