

**Annual Budget
Submission**

FY-1993

INVESTMENT

JULY 1991



**Agency for International Development
Washington, D.C. 20523**

FY 1993 ANNUAL BUDGET SUBMISSION
APRE/I PROGRAM NARRATIVE

I. STATEMENT OF PURPOSE

A. Historical Overview and Focus of the Office of Investment Operations

The Office of Investment (APRE/I) was established in 1983 to serve as A.I.D.'s research and development arm for designing and implementing innovative investment vehicles that promote sustainable private sector development and growth in developing countries. Investment Officers in Washington work with USAID Missions, host country private sectors, and the U.S. business community in locating potential investment opportunities which meet APRE/I's legislative criteria. APRE/I also serves as a catalyst, working closely with USAID Missions in increasing the proportion of new and traditional A.I.D. projects financed, owned and/or operated by the local private sector.

APRE/I's primary financial vehicle is the Private Sector Investment Program (PSIP), which has both dollar lending authority and guarantee authority (added in 1988). The PSIP (formerly called the Private Sector Revolving Fund) was created by Congress in 1983 as a self-sustaining fund to promote development in Less Developed Countries (LDCs) primarily through the strengthening of small private sector enterprises and cooperatives. Today, the PSIP consists of a cumulative portfolio of \$127 million in loans and guarantees which mobilizes over \$300 million in credit for small businesses in developing countries.

Utilizing the PSIP, the Office of Investment aims to facilitate development that is sustainable over the long-term using free market financial means to achieve economic self-sufficiency. For this reason, the PSIP is designed to:

- strengthen indigenous, private institutions by helping them develop new markets and learn new lending techniques;
- transfer to LDCs development solutions from and with the United States private sector;
- stimulate growth and expansion of small and medium-sized private enterprises in LDCs by facilitating access to credit; and
- create innovative financing mechanisms to serve as models for the private sector development efforts of local USAID Missions.

B. Developmental Impact Assessment/Results Tracking

♦ Credit, Risk-sharing, and Training

APRE/I accomplishes these goals through risk-sharing using a combination of loans, guarantees, and associated training. Risk

reduction for the LDC credit institutions is accomplished by risk sharing. APRE/I guarantees only up to 50% of the loans extended, with the financial institution at risk for the remaining 50%. An important complement to the risk-sharing provided by A.I.D.'s Guarantee Authority is a follow-through training course for bank lending officers and entrepreneurs. While financial institutions in LDCs typically have limited themselves to collateral-based lending (prohibitive for most small businesses), A.I.D.'s training course emphasizes cash-flow analysis as a basis for lending. Following up on its previous training program, APRE/I has begun a series of 54 one-week courses over a three year period to be given to bank credit officer and entrepreneurs in selected A.I.D. countries. Response to this training program has been exceptional, its high quality evidenced by evaluations and feedback by LDC participants. The budget for this program is approximately \$2.5 million.

♦ Developmental Results

Developmental impact results from the PSIP portfolio appear very positive (See Attachment A). Despite budgetary restrictions and staff reductions, APRE/I has been placing additional emphasis on monitoring the developmental impact of the various projects in its portfolio in order to provide tangible evidence of the significant development impact. Recent evaluations indicate that APRE/I's objectives to promote the development of intermediary financial institutions and small and medium sized enterprise borrowers have been very successful. By utilizing A.I.D.'s loan and guarantee facilities, local financial institutions have demonstrated the following have been achieved:

- that their markets can be expanded to rural areas;
- loan size limitations can be lowered;
- collateral requirements reduced;
- loan to deposit ratio increased; and
- competitive positions enhanced.

As of March 1991, over 800 small business subloans, over 11,000 micro-enterprise subloans, and an estimated 5,521 new jobs (1,764 of which were for women) resulted from APRE/I's facilities.

D. Financial Operations and Program Growth

♦ Minimal Cost to USG

APRE/I has been able to provide this assistance at effectively zero cost to the American taxpayer. Two factors contribute to this success: (1) interest and fee income has far exceeded claims; and (2) the Guarantee Authority continues to be managed on sound business principles, and has been classified by OMB as a "zero subsidy program" under Credit Reform (See further discussion, herein).

♦ Operations and Growth

Due to the demand for its various facilities and the program's continued success, the PSIP has grown rapidly during the past several years. To date the portfolio consists of 87 projects - totalling \$127 million in committed loans and guarantees - covering 22 individual countries spread evenly in all A.I.D.-assisted regions, plus 5 world-wide projects. A significant portion of these facilities have been completed during the last two fiscal years alone. These projects are spread fairly evenly across the risk spectrum. In addition, there is broad diversification of borrowers by industry sector and use of borrowed funds (see Attachment B).

Interest and/or fees are charged at market rates for A.I.D.'s facilities. To date, claims and loan write-offs have been more than offset by total portfolio income. As of March 1991, portfolio fees and interest totalled \$7.7 million. Total claims paid to date have been \$1.49 million.

♦ Staff Imbalances

Ironically, while program authorization levels have continued to expand dramatically (i.e., 510% increase during the past three years), APRE/I's staff strength has actually declined from 15 to 9. This 40% reduction places an even greater work load on the remaining staff. New demands for use of the Guarantee Authority in Eastern Europe and in other emerging democracies add to the severe imbalance. In addition to meeting APRE/I's legislative mandate of serving as a research laboratory and catalyst, with the reduction in professional and administrative staff, the specialist investment officers have the additional responsibility of administrative tasks (which consumes nearly 50% of their time). These issues include monitoring utilization levels, results tracking of developmental benefits, legislative and internal audit compliance, policy and legislative developments, fee collection, and correspondence.

□ Sectors of Activity

APRE/I's existing programs include:

- direct project loans;
- small business loan guarantees;
- commercially viable environmental transactions;
- lease guarantee transactions for capital equipment;
- export financing (for U.S. exporters); and
- venture capital formation.

In addition to these areas of concentration, new programs are being innovated to meet the needs of small businesses in LDCs. Currently in the final stages of new product development are special

financing facilities using the Guarantee Authority to encourage private banks in LDCs to increase lending in the following areas:

- Privatization of state-owned enterprises;
- Investment by U.S. franchisors in LDCs;
- Subordinated bank bonds; and
- Mobilization of 936 funds in Puerto Rico for the benefit of Caribbean area companies (if permitted); and
- Increasing credit to cooperative organizations.

When successfully implemented, such programs provide a very tangible means of assisting USAID Missions in development of their Private Sector initiatives.

E. A.I.D. Program Initiatives

APRE/I is also continuing to develop and implement programs which are consistent with A.I.D.'s four new Program Initiatives: 1) Partnership for Business and Development; 2) Democracy; 3) Family and Development; and 4) Environment. Some of the highlights are:

- development of several new programs for partnering U.S. businesses in development (e.g., export finance facilities for U.S. businesses, and promoting the expansion of U.S. business service franchises in developing countries);
- supporting small businesses in newly emerging democracies;
- the continuation of loan and loan guarantee programs targeting small and micro-enterprises, many of which are family-owned;
- targeting direct loans and loan guarantees for environmental projects - ecotourism, alternative and renewable energy venture capital fund, waste management ventures, and a rainforest conservation/alternative employment in the Amazon; and
- rewriting the Training Program to include specific sectors on A.I.D.'s position on environment and W.I.D.

III. WORKFORCE NARRATIVE

A. Summary

At the same time that staffing levels have been reduced, the PSIP program has expanded so dramatically during the past several years that pressure on staff resources has reached a critical point. To effectively operate, manage, and monitor the PSIP portfolio with minimal credit controls even at current levels requires additional staff resources.

B. Background Factors

The entire \$127 million PSIP portfolio and all other functions of APRE/I are currently being administered by seven professional staff and two administrative staff. This includes a Director, three Regional Senior Investment Officers, a Chief Credit Officer, two Assistant Investment Officers, and two administrative support staff. The strain on APRE/I staffing has been and will continue to be exacerbated by the following factors:

- ♦ Growth of PSIP Portfolio and Demand for Programs - As noted earlier, PSIP program levels have increased 510% over the past three years as new Loan and Guarantee Authority have been added by Congress for existing and new programs. Demand for programs and facilities in LDCs has also increased as USAID Missions, LDC financial institutions and the U.S. business community become familiar with APRE/I programs. There have also been many calls from Congress, other USG agencies and within A.I.D. to develop projects to address private sector needs in Eastern Europe and other emerging democracies.
- ♦ Increased Utilization of Existing Programs - Typical of financial programs, utilization increases over a four year period after the initial developmental/familiarization phase. Most APRE/I programs and facilities originated during the past couple of years and utilization is now increasing steadily.
- ♦ Increased Maintenance of Programs Allowing for Potential Loss Increases as Portfolio Projects Mature - Along with increased utilization is the growing potential of defaults and claims on loans and subloans, i.e., APRE/I's contingent liability risk exposure increases both with increased utilization per se and as loans and subloans mature. This requires even greater portfolio monitoring and administration by APRE/I professional staff. Insuring that this top priority area is fully addressed has limited staff participation in other areas.
- ♦ Legislative Mandate - Regardless of existing programs and program size, APRE/I has an on-going legislative mandate to utilize the PSIP to develop new innovative financial vehicles and serving as a catalyst for USAIDs and the US business community in promoting private sector development in LDCs. As specialist investment officers are forced to shoulder more of office administration and portfolio operation/administrative tasks for existing programs, they have little time to interact with field USAID officers and private sector firms.
- ♦ Compliance with A.I.D. Initiatives - APRE/I is expected to continue to develop and implement projects and facilities in line with A.I.D.'s Program Initiatives, namely: 1) Partnership for Business and Development; 2) Democracy; 3) Family and Development; and 4) Environment.

- ♦ Staff Reductions - Despite increased demands and expectations of the Office of Investment, over the past several years APRE/I's staffing level have been decreased from 15 people to 9, a 40% reduction.
- ♦ Increased Need for Portfolio Monitoring/Developmental Results Tracking - As A.I.D. administrative re-organizations, budget reforms and Congressional allocations take place, there has been an increased demand for specific development results data for the PSIP Portfolio. Tracking and monitoring the financial operations and development impact of 87 programs worldwide, along with thousands of subloans, places a tremendous time demand on the seven professional staff members.

C. Staffing/FTE Requirements

As long as APRE/I or a successor Office must handle all required administrative burdens as detailed in the attached budget form "AID/Washington Staffing in Work Years", the prime operational responsibilities of the office will not be able to receive more than 53% of the total man-years. Three possible solutions are as follows:

1. Organize the new PRE Bureau so that a properly staffed administrative office can handle the majority of these duties for all of the small functional offices.
2. Utilize additional contract staff, a legally problematic solution.
3. Add two additional administrative staff to permit the present specialist Investment Officers (I.O.s) to allocate a higher percentage of their time and expertise to innovative and developmental uses of the Guarantee and Direct Loan facilities. The third FTE officer is required as a Senior Investment Officer responsible for the newly created Europe and Near East Bureau.

Since this office cannot of itself bring about a reorganization nor changes in the regulations concerning the use of contractors, a recommendation for and request for budget is made for three additional FTE staff and two contractors to properly equip this office to handle its assigned responsibilities:

1. Increase APRE/I FTE 1992 levels from 9 people to 12.

○ Deputy Director

A Deputy Director is needed to absorb the day-to-day administrative details and responsibilities of the Office. This will allow the Director to allocate sufficient time to policy, strategic planning, investment

mission coordination, and legislative, intra-Agency, and external relations.

- Administrative/Contract Management Officer
An Administrative/Contract Management Officer is needed to handle increased administrative requirements, liaison with other A.I.D. offices, added contractor administration, and the larger PSIP program. This will relieve specialist Investment Officers of administrative responsibilities which have detracted from their designated job functions and duties.
- Investment Officer for Europe and the Near East
An additional Investment Officer is needed to cover the newly created Europe and Near East region of A.I.D.-assisted countries. This will maintain the one Investment Officer per region ratio and allow one specialist to focus on the particular needs of the countries in this region.

2. Increase APRE/I 1992 levels of Contract Staff from 2 to 4 people.

Additional staff shall be requested in future years as appropriate to the then current authorization level and maintenance activity.

3. Establish 3 to 4 Regional staff in regional AID/W Offices.

In order to develop closer program/facility coordination between APRE and USAID Missions, it is important to establish 3 or 4 regional APRE representatives in AID/W Regional Bureaus, i.e., one representative per Bureau (initially focusing on Southern Asia, Africa, Latin America and Eastern Europe). It is expected that these representatives would have strong experience in private sector financial institutions and would complement/supplement the existing Private Sector Officers in their respective regional bureaus. These individuals could perform much of the field travel and client interface for APRE/I - as well as other PRE/W private sector programs.

III. PROGRAM/WORKFORCE/OPERATING EXPENSE RELATIONSHIP

This section outlines the relationship between APRE/I's program, workforce and operating expenses.

A. Subsidy Calculation Must be Increased For 1993

A changing PSIP portfolio, maturing portfolio projects, and Credit Reform make it necessary to establish a subsidy in FY 1992.

○ Changing PSIP Portfolio

Expanding APRE/I's services from well established banks to a variety of non-bank financial institutions has also increased the risk exposure of AID's contingent liability. APRE/I has deliberately solicited participation by non-bank financial institutions which have smaller customers that APRE/I has not been able to reach through the formal banking community.

Although non-bank institutions may have a riskier clientele than the old line banks, APRE/I firmly believes that it is within its mandate to reach these potential small borrowers even at incremental risk. For this reason a likely result will be an increase in claims under PSIP guarantees.

○ Maturing Portfolio Facilities

Finally, a review of the facilities outstanding at the end of each fiscal year, shows that the period of heaviest losses comes during the third, fourth and fifth years of a facility.

Losses (expressed as a percentage of the facility)
compared by
Date of Occurrence (Years after Obligation)

Year One	0.0%
Year Two	3.9%
Year Three	6.8%
Year Four	61.8%
Year Five	18.6%
Year six and more	These have not yet occurred.

Many of the loan/guarantee facilities had not yet passed beyond their fourth and fifth year when the analysis was completed. Thus, it is unclear whether losses will continue in an upward progression rather than turn down or remain steady in the waning years of loan/guarantees.

Of the 80 authorized projects, only 6 had incurred losses at the end of 1990. Of these projects only one had been repaid in full. Thus, it is by no means certain that the loss experience in the table above will not continue into the sixth and subsequent years.

○ Credit Reform

Credit Reform has changed the budgeting structure of APRE/I and the PSIP. In 1992, when the PSIP is no longer a revolving fund, reflows of principal, fee and interest payments no longer go into PSIP accounts, but are returned to Treasury. The result is that PSIP portfolio income and principal reflows, which had been used as a buffer against potential

claims and losses, have been eliminated. This leaves the Investment Program without its own reserve or buffer funds.

The PSIP was designated as a "zero-subsidy" office (nearly a negative subsidy) by OMB because in the past portfolio income from fees and interest far exceeded claims and losses. However, this is misleading, because the majority of that income came from interest derived from the old loan/guarantee program, which was replaced by "full faith and credit" guarantees in 1988. In the new Guarantee Program, there is no actual loan disbursement as under the old loan/guarantees. As a result, these new guarantees generate only guarantee fees, not interest income. As such, the new guarantee program generates income of only one-eighth of the old loan/guarantee program, and as the old loan/guarantee facilities expire, the "profitability" of the portfolio will decrease accordingly. It should be noted, of course, that there is likewise no front-end outlay of Treasury funds in a full faith and credit guarantee transactions.

This is illustrated by looking at guarantee portfolio income with and without interest income from the old loan/guarantee program taken into account. As of March 30, 1991, the guarantee portfolio investment income (fees and interest) totalled \$6.29 million against total guarantee claims and losses of \$864,132. When these two numbers are compared, the guarantee portfolio shows a \$5.4 million gain. However, when only fee income earned, \$770,724 (as is the case with all guarantee facilities since 1988), is compared to total guarantee claims and losses the guarantee portfolio registers a \$93,408 loss. The difference is between a 15% gain on portfolio utilization and a 0.27% loss. In the future the PSIP will be generating more modest transaction fees. While fee levels are expected to be increased, this difference must be kept in mind when establishing future subsidy rates for the program.

It is unknown what effect a "zero-subsidy" will have on the operation of the Guarantee authority over the coming years, but reasonable prudence suggests that some modest level of subsidy be assumed rather than maintaining the zero-subsidy. Further, in view of the income being reduced to one-eighth of previous levels and a purposefully riskier portfolio, the Office of Investment strongly recommends that net losses of no less than 2% above investment income (i.e., twice the current level) be assumed and used in Subsidy calculations as soon as the budget system permits it. For new programs in Eastern Europe and for privatization transactions, perhaps a higher rate of 5-10 percent should be considered.

B. Operating Expenses

The current FY 1991 O.E. level of \$1.367 million for APRE/I appears to be too low. APRE/I strongly recommends a 9.7% increase to a minimum of \$1.5 million in order to support the expected 100% increase in outstandings in 1992. If contractor costs for credit are required to be paid from Operating Expenses, an additional special transfer of Development Assistance funds in 1992 likely would be necessary.

IV. ABS CONCLUSION

This FY 1993 Annual Budget Submission (ABS) requests a continuation of the program and expansion of staff resources in order to effectively fulfill APRE/I's legislative and Agency objectives.

Minimum Carrying Cost (MCC)

APRE/I's FY 1993 MCC will be \$2,000,000. This increase of \$500,000 over 1992 will accommodate obligation at MCC levels. This MCC is based on future obligations at 1992 levels and maintenance of the existing portfolio as stipulated.

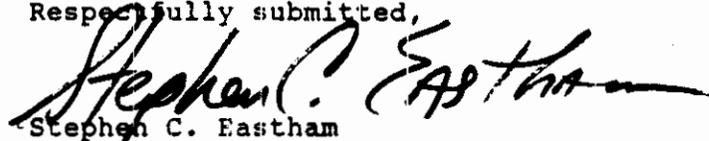
AAPL Level

APRE/I's FY 1993 AAPL is \$ 2,500,000. The additional funding above the MCC level, \$500,000, will be used for the following:

- ◆ Increase of two contract staff (detailed justification in previous Workforce Narrative Section). These take up \$200,000, 40% of the \$500,000 requested dollar increase in contract level.
- ◆ Small Business Credit Training for IFIs (\$200,000). These incremental funds are requested to support training specifically targeted to maximize the impact of Loan Portfolio Guarantee-type IFI directed programs.
- ◆ Increased Financial and Developmental Reviews of On-going Programs (\$100,000). These funds are needed for increased financial and developmental reviews of on-going programs for which there are no other allocated funds available. (Since Office of Investment programs are all loans which have to be repaid or guarantees for which there is no funding, it is not possible to include funds for reviews and evaluations in each specific project as in a normal A.I.D. program. These must be separately funded in increased amounts as the program's activity increases.)

The increase in transaction volume under projects already committed in 1989/90 is roughly proportional to the increase in dollar outstandings due to the dollar project and subloan limits imposed by Congress and APRE/I programs.

Respectfully submitted,

A handwritten signature in black ink, reading "Stephen C. Eastham". The signature is written in a cursive style with a long horizontal flourish extending to the right.

Stephen C. Eastham
Director
Office of Investment

Private Sector Investment Program

Summary Sheet

■ Operational Highlights

(Cumulative Portfolio as of March 30, 1991)

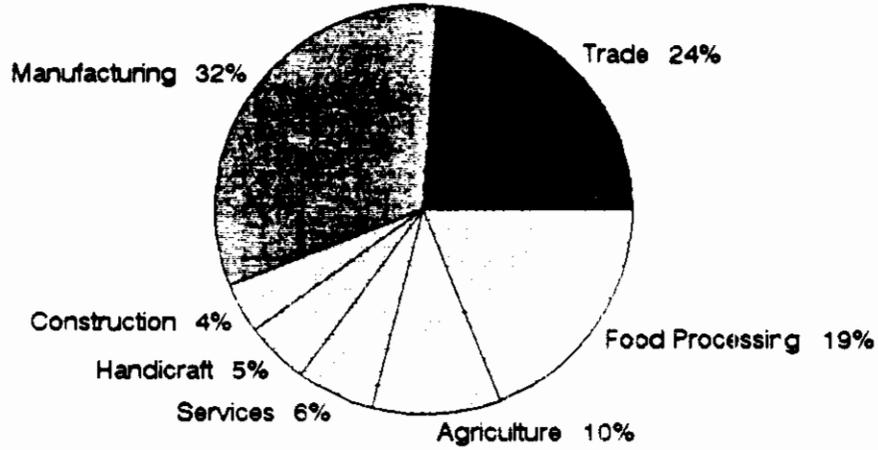
Portfolio:	\$127.5 million - Committed loans and guarantees
Revenues:	\$7.7 million - Fees and interest
% Gain/Loss:	15% gain
% Claims of Amount Utilized:	4%
Number of Projects:	87 projects, including 73 Guarantee facilities with IFIs and 8 Direct Project Loans
Regional Distribution:	22 countries in all A.I.D. assisted regions - Asia, Latin America, and Africa/Near East, with 5 world-wide projects
Risk Rating of Projects:	Low - 26% Medium - 43% High - 32%

■ Developmental Results

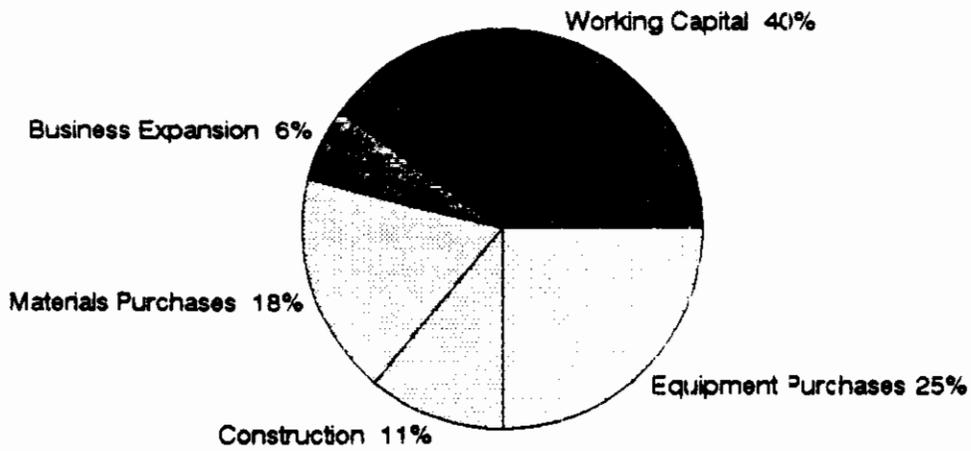
(From Investment Program Summary Analysis March 1991)

Utilization:	\$35 million in utilized Direct Project Loans and Guarantees (the Active Portfolio - 12/31/90)
Leverage:	\$127 million in Guarantee-leveraged credit
Leverage Ratio:	5.8:1
Number of Subloans:	809 small business subloans and over 11,000 micro-enterprise subloans
Average Size of Subloans:	Since 1988 \$37,500 (represents 87 subloans from LPG facilities)
Average Turnover of Funds:	4.2-5.7 times
Employment Generation:	1 job created for every \$5,862 of AID resources
Jobs Created:	5,521
Jobs Created for Women:	1,764
Aver. Increase Sales of Borrowers:	35.8%

Borrowers By Sector



Use of Funds By Borrowers*



* Based on 606 Loans.

TABLE 1 - LONG RANGE PLAN BY APPROPRIATION ACCOUNT (\$000)

ACCOUNT	FY 1990 ACTUAL	FY 1991 ESTIMATE	FY 1992 CP	FY 1992 PLANNED	FY 1993 PROPOSED	PLANNING PERIOD			
						1994	1995	1996	1997
AGR., RURAL DEV. & MJTR.									
Grants	105								
Loans	105								
POPULATION PLANNING									
Grants									
Loans									
HEALTH									
Grants									
Loans									
CHILD SURVIVAL FUND									
Grants									
Loans									
AIDS									
Grants									
Loans									
EDUCATION & HUMAN RES.									
Grants									
Loans									
PVT. SECT., ENERGY & ENV.									
Grants	803	900	1,500	1,500	2,000				
Loans	803	900	1,500	1,500	2,000				
TOTAL FUNCTIONAL ACCOUNTS									
Grants	908	900	1,500	1,500	2,000				
Loans	908	900	1,500	1,500	2,000				
DEV. FUND FOR AFRICA									
DEVELOPMENT PROGRAMS									
INIT'L DISASTER ASST.									
TOTAL DA									
Grants	908	900	1,500	1,500	2,000	2,200	2,400	2,600	2,900
Loans	908	900	1,500	1,500	2,000	2,200	2,400	2,600	2,900

APRE INVESTMENT (129939)

FY 1993 ANNUAL BUDGET SUBMISSION

TABLE I - LONG RANGE PLAN BY APPROPRIATION ACCOUNT (\$000)

ACCOUNT	FY 1990 ACTUAL	FY 1991 ESTIMATE	FY 1992 CP	FY 1992 PLANNED	FY 1993 PROPOSED	1994	1995	1996	1997
TOTAL ECON. SUPPORT FUND									
Grants									
Loans									
SPECIAL ASST. INIT.									
CAPITAL PROJECTS									
Grants									
Loans									
TOTAL DA, ESF AND SAI									
Grants	908	900	1,500	1,500	2,000	2,200	2,400	2,600	2,900
Loans	908	900	1,500	1,500	2,000	2,200	2,400	2,600	2,900

TABLE IV - PROJECT BUDGET DATA

FUNDING SOURCE	OBLIG DATE	OBLIG INIT	FINAL	--TOTAL COST-- AUTH PLAN	ESTIMATED U.S. DOLLAR COST (\$000)				FY 1993 PROPOSED
					OBLIG THRU FY 1990	EXPEND ITURES	OBLIG ATIONS	EXPEND ITURES	

PROJECT NUMBER: 9400002	TITLE: INVESTMENT PACKAGING	OBLIG THRU FY 1990	EXPEND ITURES	OBLIG ATIONS	EXPEND ITURES	PROJ/MON PROJ IND.: PA
PS G 82 C		64,814		11,891		17,735
FN G 82 C		780		70		60
FN G 82 C		8,400				
PH G 82 C						
HE G 82 C		1,168*	206			
SD G 82 C		5,299				
SD G 82 C		2,850				
PROJECT TOTAL:		0	0	12,167	0	17,795
						0

PROJECT NUMBER: 9402002	TITLE: INVESTMENT DEVELOPMENT AND PACKAGING	OBLIG THRU FY 1990	EXPEND ITURES	OBLIG ATIONS	EXPEND ITURES	PROJ/MON PROJ IND.: PA
FN G 85 90	936	936		6		
SD G 85 90	2,691	2,691	732			
PROJECT TOTAL:	3,627	3,627	732	0	732	0
						0

PROJECT NUMBER: 9402003	TITLE: INVESTMENT AND GUARANTEE SERVICES	OBLIG THRU FY 1990	EXPEND ITURES	OBLIG ATIONS	EXPEND ITURES	PROJ/MON PROJ IND.: PA
FN G 91 95	1,500	1,500	45	225	225	1,140
SD G 91 95	7,500	7,500	255	1,275	1,275	5,460
PROJECT TOTAL:	0	9,000	0	900	300	1,500
						1,500
REPORT TOTAL:	3,627	12,627	86,938	900	13,205	1,500
						19,295
						6,600
						2,000

Obligations Thru FY 1990 marked with (*) include Deobligations of Prior Year Obligations

APPROPRIATION SUMMARY

	OBLIG THRU FY 1990	EXPEND ITURES	OBLIG ATIONS	EXPEND ITURES	PROJ/MON PROJ IND.: PA
PS	0	11,891	0	17,735	0
FN	135	121	225	285	1,140
PH	0	0	0	0	0
HE	0	0	0	0	0
SD	765	1,193	1,275	1,275	5,460
REPORT TOTAL:	900	13,205	1,500	19,295	6,600
					2,000

APRE INVESTMENT (129939)

FY 1993 ANNUAL BUDGET SUBMISSION

AC/SI AGGREGATE ANALYSIS
ACTIVITY CODES
(U.S. Dollars Thousands)

ACTIVITY	FY 1991 ESTIMATE		FY 1992 PLANNED		FY 1993 PROPOSED	
	AMOUNT	PCT OF TOTAL PROGRAM	AMOUNT	PCT OF TOTAL PROGRAM	AMOUNT	PCT OF TOTAL PROGRAM
AGAB AGRIBUSINESS	135	15.0 %	225	15.0 %	300	15.0 %
EVMP ENVIRONMENTAL MGMT, PLANNING AND POLICY	135	15.0 %	225	15.0 %	300	15.0 %
PEFM FINANCIAL MARKETS	630	70.0 %	1,050	70.0 %	1,400	70.0 %
PROGRAM TOTAL	900	100.0 %	1,500	100.0 %	2,000	100.0 %

APRE INVESTMENT (1,20059)

FY 1993 ANNUAL BUDGET SUBMISSION

AC/SI AGGREGATE ANALYSIS
SPECIAL INTEREST CODES
(U.S. Dollars Thousands)

	FY 1991 ESTIMATE		FY 1992 PLANNED		FY 1993 PROPOSED	
SPECIAL INTEREST	AMOUNT	PCT OF TOTAL PROGRAM	AMOUNT	PCT OF TOTAL PROGRAM	AMOUNT	PCT OF TOTAL PROGRAM
I. Substantive						
A. Spatial/Geographic						
B. Special Targets						
WOMEN IN DEVELOPMENT: INTEGRATED	63	7.0 %	105	7.0 %	140	7.0 %
PRIVATE SECTOR DEVELOPMENT	765	85.0 %	1,275	85.0 %	1,700	85.0 %
PRIVATIZATION	126	14.0 %	210	14.0 %	280	14.0 %
INSTITUTION BUILDING	378	42.0 %	630	42.0 %	840	42.0 %
C. Food, Agriculture & Rural Development						
D. Energy/Environment						
RENEWABLE ENERGY (EXCLUDING FUELWOOD)	108	12.0 %	180	12.0 %	240	12.0 %
NATURAL FOREST MANAGEMENT	27	3.0 %	45	3.0 %	60	3.0 %
II. Institutional Mechanisms						
A. Public/Private						
PRIVATE ENTITY	765	85.0 %	1,275	85.0 %	1,700	85.0 %
B. PVO/NGOs						
C. International Agricultural Research Centers						
D. Universities						
E. Non-Profit Organizations						
III. Research Efforts						
A. Applied Research						
B. Basic Research						
C. Development Research						
IV. Training						
TRAINING, TECHNICAL	126	14.0 %	210	14.0 %	280	14.0 %
TRAINING, IN-COUNTRY	252	28.0 %	420	28.0 %	560	28.0 %
TTE						
TTC						

AC/SI SUMMARY REPORT
 (U.S. Dollars Thousands)

FY 1991 ESTIMATE FY 1992 PLANNED FY 1993 REQUEST

PROJECT NUMBER: 940-2003 TITLE: INVESTMENT AND GUARANTEE SERVICES

AGAB AGRIBUSINESS

TOTAL AC CODE:	15 X	135	225	300
EVMF ENVIRONMENTAL MGMT, PLANNING AND POLICY				
SI CODE: ERN	80 X	108	180	240
SI CODE: MFM	20 X	27	45	60
SI CODE: PRT	100 X	135	225	300
SI CODE: PSD	100 X	135	225	300
TOTAL AC CODE:	15 X	135	225	300

PEFM FINANCIAL MARKETS

SI CODE: IMS	60 X	378	630	840
SI CODE: PRT	100 X	630	1,050	1,400
SI CODE: PSD	100 X	630	1,050	1,400
SI CODE: PVZ	20 X	125	210	280
SI CODE: TIC	40 X	251	420	560
SI CODE: TTE	20 X	125	210	280
SI CODE: MDI	10 X	62	105	140
TOTAL AC CODE:	70 X	630	1,050	1,400

PROJECT TOTAL	100 X	900	1,500	2,000
REPORT TOTAL		900	1,500	2,000

AGGREGATION OF AC/SI CODES FOR SPECIAL ISSUES
(U.S. Dollars Thousands)

	FY 1991 ESTIMATE	FY 1992 PLANNED	FY 1993 REQUEST
(1) Child Survival Funding			
(2) Other Health			
(3) Environment	135	225	300
(4) Energy			
(5) Forestry			

Refer to ABS Guidance Attachment B for aggregation basis

The above summaries are aggregations of ACs and SIs. Other aggregations consist of ACs only and can be derived from AC section of the Aggregate Analysis Report

APRE INVESTMENT (129939)
 FY 1993 ANNUAL BUDGET SUBMISSION

TABLE V - PROPOSED PROGRAM RANKING

RANK	PROJECT	TITLE	PROGRAM FUNDING (\$000)	
			APPROP	INCR
	940-2003	INVESTMENT AND GUARANTEE SERVICES	SD	1,800
		TOTAL MCC PROPOSED		1,800
		INCREMENT LEVEL		
1	940-2003	INVESTMENT AND GUARANTEE SERVICES	SD	200
		TOTAL INCREMENT PROPOSED		200
		TOTAL PROPOSED		2,000

BUDGET PLAN CODE _____

FILE NAME: 91 92WASH
 RANGE NAME: 91_92

TABLE VIII(c)
 FY 1993 ANNUAL BUDGET SUBMISSION
 (Dollars in Thousands)

EXPENSE CATEGORY	FUNC CODE	FY 1991 EST		FY 1992 ESTIMATE	
		DOLLARS	UNITS	LOW \$ LIMIT	HIGH \$ LIMIT
IPAs/Details-in	N200				
AID/W Travel	T500				
Site Visits - Proj/Prog	T510	\$70,000		\$70,100	17
Site Visits - Admin. Support	T520				
Meetings/Conferences	T530			1,000	
Retreats	T540				
Expts/Consultant Travel	T550				
Invitational Travel	T560				
Orientation Travel	T570				
Disaster Related Travel	T581				
Evaluation Travel	T582			1,000	1
All Other Travel	T590				
TOTAL TRAVEL	T500	<u>\$70,000</u>		<u>\$72,100</u>	
Miscellaneous Services	V900				
Data Entry/Retrieval Svcs	V911				
Clerical Services	V912				
Consultant Services	V913				
All Other Manpower Svcs	V919				
DCAA Audits	V921				
HHS Audits	V922				
All Federal Audits	V923				
Non Federal Audits	V924				
OPM Background Invest.	V925				
Cont Background Invest.	V926				
Other Investigations	V927				
Other Audits	V929				
A.I.D. Hosted Conf/Seminars	V931				
Meetings/Workshops	V932				
Other Seminars	V933				
Other Conferences	V939				
Internal Studies & Analysis	V951				
Congressional Studies	V952				
OMB Studies	V953				
All Other Studies/Analysis	V959				
Boards - Review	V961				
Recruiting/Advertising	V962				
Recruiting - All Other	V963				
Grievances	V964				
Outplacement	V965				
FSN Activities	V966				
All Other Pers. Spt Act.	V969				
All Other Misc Services	V990				
SUBTOTAL MISC. SVCS.	V900				
TOTAL BUDGET					

BUDGET PLAN CODE _____

FILE NAME: 93 94WASH
 RANGE NAME: 93REQUEST

TABLE VIII(c)
 FY 1993 ANNUAL BUDGET SUBMISSION
 (Dollars in Thousands)

EXPENSE CATEGORY	FUNC CODE	FY 1993 REQUEST					TOTAL FY 93 REQUEST	UNITS
		EST. FY 92 EST	DECREASE & NON- RECUR.	WAGE & PRICE INC.	OTHER INC.			
IPAs/Details-in	N200							
AID/W Travel								
Site Visits - Proj/Prog	T510	\$70,100				\$71,300	18	
Site Visits - Admin. Support	T520							
Meetings/Conferences	T530	1,000				1,000	1	
Retreats	T540							
Exptrs/Consultant Travel	T550							
Invitational Travel	T560							
Orientation Travel	T570							
Disaster Related Travel	T581							
Evaluation Travel	T582	1,000				2,000	1	
All Other Travel	T590							
TOTAL TRAVEL	T500	\$72,100				\$74,300		
Miscellaneous Services	V900							
Data Entry/Retrieval Svcs	V911							
Clerical Services	V912							
Consultant Services	V913							
All Other Manpower Svcs	V919							
DCAA Audits	V921							
HHS Audits	V922							
All Federal Audits	V923							
Non Federal Audits	V924							
OPM Background Invest.	V925							
Cont Background Invest.	V926							
Other Investigations	V927							
Other Audits	V929							
A.I.D. Hosted Conf/Seminars	V931							
Meetings/Workshops	V932							
Other Seminars	V933							
Other Conferences	V939							
Internal Studies & Analysis	V951							
Congressional Studies	V952							
OMB Studies	V953							
All Other Studies/Analysis	V959							
Boards - Review	V961							
Recruiting/Advertising	V962							
Recruiting - All Other	V963							
Grievances	V964							
Outplacement	V965							
FSN Activities	V966							
Other Pers. Spt. Activities	V969							
All Other Misc Services	V990							
TOTAL MISC. SERVICES	V900							
TOTAL REQUEST								

**Enter all non-recurring/decreasing items as negative amounts.

BUDGET PLAN CODE _____

FILE NAME: 83_84MASH
 RANGE NAME: 84REQUEST

TABLE VIII(c)
 FY 1993 ANNUAL BUDGET SUBMISSION
 (Dollars in Thousands)

EXPENSE CATEGORY	FUNC CODE	EST. FY 83 EST	FY 1994 REQUEST			TOTAL FY 84 REQUEST	UNITS
			DECREASE & NON-RECUR.	WAGE & PRICE INC.	OTHER INC.		
IPAs/Details-in	N200						
AID/M Travel							
Site Visits - Proj/Prog	T510	\$71,300				\$32,000	18
Site Visits - Admin. Support	T520						
Meetings/Conferences	T530	1000				1000	1
Retreats	T540						
Exptrs/Consultant Travel	T550						
Invitational Travel	T560						
Orientation Travel	T570						
Disaster Related Travel	T581						
Evaluation Travel	T582	2,000				5,000	
All Other Travel	T590						
TOTAL TRAVEL	T500	\$74,300				\$38,000	
Miscellaneous Services	V900						
Data Entry/Retrieval Svcs	V911						
Clerical Services	V912						
Consultant Services	V913						
All Other Manpower Svcs	V918						
DCAA Audits	V921						
MHS Audits	V922						
All Federal Audits	V923						
Non Federal Audits	V924						
OPM Background Invest.	V925						
Cont Background Invest.	V926						
Other Investigations	V927						
Other Audits	V929						
A.I.D. Hosted Conf/Seminars	V931						
Meetings/Workshops	V932						
Other Seminars	V933						
Other Conferences	V939						
Internal Studies & Analysis	V951						
Congressional Studies	V952						
OMB Studies	V953						
All Other Studies/Analysis	V959						
Boards - Review	V961						
Recruiting/Advertising	V962						
Recruiting - All Other	V963						
Grievances	V964						
Outplacement	V965						
FSM Activities	V966						
Other Pers. Spt. Activities	V969						
All Other Misc Services	V990						
TOTAL MISC. SERVICES	V900						
TOTAL REQUEST							

**Enter all non-recurring/decreasing items as negative amounts.

APRE INVESTMENT (129939)
 FY 1993 ANNUAL BUDGET SUBMISSION

TABLE X: MICROENTERPRISE PROGRAMS
 (U.S. Dollars Thousands)

FUNCTION FUND & FUNCTION	FY1990 ACTUAL	FY1991 ESTIMATE	FY1992 PLANNED	FY1993 PROPOSED
9402002 INVESTMENT DEVELOPMENT AND PACKAGING				
DA Training and Technical Assistance	171			
PROJECT TOTAL:	171			
9402003 INVESTMENT AND GUARANTEE SERVICES				
DA Training and Technical Assistance		90	150	200
PROJECT TOTAL:		90	150	200
REPORT TOTAL:	171	90	150	200

APRE INVESTMENT (129039)
 FY 1993 ANNUAL BUDGET SUBMISSION

TABLE X: MICROENTERPRISE PROGRAMS
 COUNTRY RECAP
 (U.S Dollars Thousands)

FUND SOURCE FUNCTION	FY1990 ACTUAL	FY1991 ESTIMATE	FY1992 PLANNED	FY1993 PROPOSED
ESF/SAI DOLLAR OBLIGATIONS				
Loans to Microenterprises				
Training and Technical Assistance				
Institutional Development & Support				
Policy/Regulatory Reform				
Other				
ESF/SAI DOLLAR OBLIGATIONS	TOTAL:			
FDAP DOLLAR OBLIGATIONS				
Loans to Microenterprises				
Training and Technical Assistance	171	90	150	200
Institutional Development & Support				
Policy/Regulatory Reform				
Other				
FDAP DOLLAR OBLIGATIONS	TOTAL:	171	150	200
LOCAL CURRENCY EXPENDITURES				
Loans to Microenterprises				
Training and Technical Assistance				
Institutional Development & Support				
Policy/Regulatory Reform				
Other				
LOCAL CURRENCY EXPENDITURES	TOTAL:	171	150	200
GRAND TOTAL				

A.I.D./WASHINGTON STAFFING IN WORKYEARS

Worksheet # 1

GENERAL MANAGEMENT

Bureau/Office Name: **APRE/I** Fiscal Year: **91 (9)**

FUNCTIONAL CATEGORY	USDR	Other U.S.G.		Other Int.		CONTRACTS	
	OE	OE	PI	OE	PI	OE	PI
Executive Direction	.2						
Policy Development	.2						
Planning & Budgeting	.2						
Program Assessment & Evaluation	.2						.2
Project Design & Development	.4						
Project Review	.4						.4
Field Liaison							
Financial Management	.2						.4
Admin. Mgmt.: Personnel Mgmt.	.2						
Admin. Mgmt.: All Other							
Program Support							.2
Info. Systems Mgmt.: Development							.2
Info. Systems Mgmt.: Maintenance							.2
Info. Systems Mgmt.: Data Entry							.2
Leg. Liaison, Support, & Analysis	.2						
General Legal Functions							
Liaison: Other U.S. Gov. Agencies	.2						
Liaison: Donors & Institutions	.2						.2
Liaison: General Public & Media	.2						
Clerical/Secretarial Support	2.0						
Other (identify):							
TOTALS	2.0						2.0

*Projected actual usage **4.8**

A.I.D./WASHINGTON STAFFING IN WORKYEARS

Worksheet # 2

PROGRAM/PROJECT MANAGEMENT (BY SECTOR)

Bureau/Office Name:	Fiscal Year: 91
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FUNCTIONAL CATEGORY	DIDN		Other U.S.G.		Other Int.		CONTRACTS	
	OE	FR	OE	FR	OE	FR	OE	FR
Agriculture/Rural Development	.6							
Natural Resources Mgmt./ Environment/Energy	.4							
Health/Child Survival/ Nutrition/AIDS								
Population/Family Planning								
Education/Human Resource Development								
Private Sector Activities (not included above)	3.2							
TOTALS	4.2							

A.I.D./WASHINGTON STAFFING IN WORKYEARS

Worksheet # 3

MISCELLANEOUS PROGRAM/PROJECT MANAGEMENT

Bureau/Office Name:	Fiscal Year: 91
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FUNCTIONAL CATEGORY	USDH		Other U.S.G.		Other Int.		CONTRACTS	
	OE	PR	OE	PR	OE	PR	OE	PR
Housing Guarantees								
Urban Development								
Disaster Activities								
Democracy Intvs./Admin. of Justice								
Infrastructure/Capital Projects								
American Schools & Hospitals Abrd.								
Other (identify):								
TOTALS	9.0						2.0	

A.I.D./WASHINGTON STAFFING IN WORKYEARS

Worksheet # 1

GENERAL MANAGEMENT

Bureau/Office Name: APRE/I Fiscal Year: 92 (9)

FUNCTIONAL CATEGORY	USDH	Other U.S.G.		Other Int.		CONTRACTS	
	OE	OE	FR	OE	FR	OE	FR
Executive Direction	.2						
Policy Development	.2						
Planning & Budgeting	.2						
Program Assessment & Evaluation	.2						.2
Project Design & Development	.4						
Project Review	.4						.4
Field Liaison							
Financial Management	.2						.4
Admin. Mgmt.: Personnel Mgmt.	.2						
Admin. Mgmt.: All Other							
Program Support							.2
Info. Systems Mgmt.: Development							.2
Info. Systems Mgmt.: Maintenance							.2
Info. Systems Mgmt.: Data Entry							.2
Leg. Liaison, Support, & Analysis	.2						
General Legal Functions							
Liaison: Other U.S. Gov. Agencies	.2						
Liaison: Donors & Institutions	.2						.2
Liaison: General Public & Media	.2						
Clerical/Secretarial Support	2.0						
Other (Identify):							
TOTALS	2.0						2.0

*Projected actual usage 4.8

PROGRAM/PROJECT MANAGEMENT (BY SECTOR)

Bureau/Office Name:	Fiscal Year: 92
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FUNCTIONAL CATEGORY	EIDL		Other U.S.G.		Other Int.		CONTRACTS	
	OS	YR	OS	YR	OS	YR	OS	YR
Agriculture/Rural Development	.6							
Natural Resources Mgmt./ Environment/Energy	.4							
Health/Child Survival/ Nutrition/AIDS								
Population/Family Planning								
Education/Human Resource Development								
Private Sector Activities (not included above)	3.2							
TOTALS	4.2							

MISCELLANEOUS PROGRAM/PROJECT MANAGEMENT

Bureau/Office Name:	Fiscal Year: 92
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FUNCTIONAL CATEGORY	USDH	Other U.S.O.		Other Int.		CONTRACTS	
	OE	OE	PR	OE	PR	OE	PR
Housing Guarantees							
Urban Development							
Disaster Activities							
Democracy Intvs./Admin. of Justice							
Infrastructure/Capital Projects							
American Schools & Hospitals Abrd.							
Other (identify):							
TOTALS	9.0					2.0	