

AGENCY FOR INTERNATIONAL DEVELOPMENT <b>PROJECT DATA SHEET</b>		1. TRANSACTION CODE <input type="checkbox"/> A = Add <input checked="" type="checkbox"/> C = Change <input type="checkbox"/> D = Delete Amendment Number _____	DOCUMENT CODE 3
2. COUNTRY/ENTITY Swaziland		3. PROJECT NUMBER 645-0231	
4. BUREAU/OFFICE Africa <input type="checkbox"/> 06		5. PROJECT TITLE (maximum 40 characters) Swaziland Training and Institutional Development	
6. PROJECT ASSISTANCE COMPLETION DATE (PACD) MM DD YY 05 31 97		7. ESTIMATED DATE OF OBLIGATION (Under "B" below, enter 1, 2, 3, or 4) A. Initial FY <input type="checkbox"/> 90    B. Quarter <input checked="" type="checkbox"/> 3    C. Final FY <input type="checkbox"/> 95	

8. COSTS (\$000 OR EQUIVALENT \$1 = )

A. FUNDING SOURCE	FIRST FY 90			LIFE OF PROJECT		
	B. FX	C. L/C	D. Total	E. FX	F. L/C	G. Total
AID Appropriated Total	( )	( )	( )	( )	( )	( )
(Grant)	( 1,821 )	( )	( 1,821 )	( 11,310 )	( )	( 11,310 )
(Loan)	( )	( )	( )	( )	( )	( )
Other U.S.						
1.						
2.						
Host Country					5,662	5,662
Other Donor(s)						
<b>TOTALS</b>	1,821		1,821	11,310	5,662	16,972

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) DFA	600	700		6,756		798		10,727	
(2) EHRD				71		512		583	
(3)									
(4)									
<b>TOTALS</b>				6,827		1,310		11,310	

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

11. SECONDARY PURPOSE CODES

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

A. Code \_\_\_\_\_

B. Amount \_\_\_\_\_

13. PROJECT PURPOSE (maximum 480 characters)

To strengthen Swazi managerial/administrative capabilities in the private sector and, in government service, and to strengthen training institutions that support private sector growth.

14. SCHEDULED EVALUATIONS

Interim MM YY | MM YY | Final MM YY

Interim 11 93 | | Final 11 95

15. SOURCE/ORIGIN OF GOODS AND SERVICES

000     941     Local     Other (Specify) 935

16. AMENDMENTS/NATURE OF CHANGE PROPOSED (This is page 1 of 7 page FP Amendment)

This amendment increases the Life-of-Project grant funding by \$1,310,000 to \$11,310,000 and increases the participant training program to 54 academic scholarships. The GOS contribution is increased by \$2,322,040 to \$5,662,040. The total project cost in this amendment is \$16,972,040.

I approve the methods of implementation and financing proposed in this project paper amendment.

Charles E. Brooks, RFM *Charles Brooks*

17. APPROVED BY	Signature <i>Paul D. Calan</i>	18. DATE DOCUMENT RECEIVED IN AID/M, OR FOR AID/M DOCUMENTS, DATE OF DISTRIBUTION MM DD YY 07/01/92
	Title Director USAID/Swaziland	

Date Signed MM DD YY  
06/15/92

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SWAZILAND TRAINING AND INSTITUTIONAL DEVELOPMENT  
PROJECT PAPER AMENDMENT

I. SUMMARY AND PURPOSE

The purpose of this amendment to the Swaziland Training and Institutional Development Project (STRIDE) is to increase the number of academic scholarships for the Thomas Jefferson Fellowship (TJF) program from 42 to 54 fellowships and to increase the Life of Project (LOP) grant funding by \$1,310,000 to a total of \$11,310,000.

The amendment is needed to meet the project's current targets for participant training as well as to maintain a U.S. training program through 1995 as originally intended. The amendment also ensures that sufficient funds will be available for management of TJFs in the U.S. during 1996 and 1997. The amendment will increase USAID's and the GOS's ability to accomplish the project's objective of training qualified personnel in the public and private sectors to move into middle to senior level management positions to redress the shortage of qualified Swazi managers. The amendment will also ensure continuity in USAID's human resource development program as the Mission implements a transition in the management of U.S. foreign assistance in Swaziland.

II. BACKGROUND AND STATUS TO DATE

The Swaziland Training and Institutional Development Project (STRIDE) was authorized on May 31, 1990 with an LOP of \$10,000,000. The project was authorized for a period of seven years with a project assistance completion date of May 31, 1997.

The goal of the STRIDE project is to strengthen Swazi direction of and participation in the economic growth process. The purpose of the project is to strengthen Swazi managerial and administrative capabilities in the private sector and in government service and to strengthen training institutions that support private sector growth in Swaziland. This purpose will be achieved through the following project components: 1) training of Swazi managers and administrators; 2) strengthening of key in-country tertiary training institutions in the fields of accounting and business management; 3) support to priority ministries to reform policies constraining private sector growth; and 4) training traditional leaders.

Under the management training component, the project sent 10 fellows for academic training in the U.S. in 1991 and has selected 13 long-term candidates and 16 short-term candidates for external training in 1992. 51 middle to senior level managers from the public and private sectors have participated in in-country management courses conducted by local training institutions and 45 community development officers have attended workshops to develop and introduce a new business focus in rural communities. In the institutional strengthening

component, a linkage program has been established between California State Polytechnic University and the University of Swaziland and the Swaziland College of Technology to strengthen business management and accounting programs in these institutions. One consultancy to assist the newly created Ministry of Township Development to develop an operational plan has been funded under the Administrative Reform component of the project.

### III. DESCRIPTION OF PROJECT AMENDMENT

#### 1. Modification of the Thomas Jefferson Fellowship Program

The two reasons for amending the TJF project component are the shortfall of funds to meet the project target of 42 fellowships and the Mission's desire to continue the Fellowship program through 1995. At present, 1994 is the last year the project will be able to send TJFs for degree training.

In the original STRIDE project paper, the management training component included the following sub-components: a) U.S. academic degree training, b) short-term external training in the U.S. and third countries, and 3) in-country short term courses at local institutions. Only the sub-component for U.S. academic degree training is affected by this amendment. The project paper stipulates that 42 academic scholarships will be funded, for 6 Bachelors degrees, 32 Masters degrees, and 4 Ph.Ds.

This project paper amendment increases funding to provide for 6 Bachelors degrees, 44 Masters degrees, and 4 Ph.Ds for UNISWA and for institutions of higher learning, an increase of 12 Masters degrees. A total of 54 academic fellowships will be awarded over the life of the project using the competitive selection criteria established in the U.S. academic degree training component in the original STRIDE Project Paper. The descriptions and expected achievements for this component and for all project components in the original STRIDE project paper and grant agreement remain the same.

#### a. Increasing the LOP to Meet Current Fellowship Targets

The STRIDE project paper and grant agreement stipulate that 42 academic fellowships will be funded. This amendment increases the LOP grant funding to achieve this target.

An analysis of the projected expenditure rates for participant training during the first two years of the project shows that there is not enough money to sponsor 42 TJFs as planned. Based on current expenditure rates, the projected total cost to USAID for 42 participants is approximately \$3,090,790 in direct training costs which exceeds the amount budgeted in the project

paper and grant agreement by approximately \$350,000. An additional \$160,000 is included in the increased LOP to cover the costs of participant management during the last two years of the project. This amount is already budgeted in the PP but due to higher than expected costs it is unlikely that funds would be available by 1995 when the Mission would need to contract for these services. The budget shortfall is due to underestimates of the cost of degree training in the PP budget, in part due to rapidly rising costs at U.S. universities and higher than expected administrative costs.

A number of cost-cutting measures have been implemented to try to keep the participant training program with-in budget. These have included limiting placement to public universities, cutting back on the project contractor's field staff, and eliminating orientation by the contractor in the U.S. (students attend an orientation in Swaziland before departing for training.) In spite of these cost-saving measures there are still insufficient funds available for this component and no other savings that can be reasonably expected from other components that could be committed for participant training.

b. Extending the Fellowship Program to 1995

The amendment increases the number of academic fellowships from 42 to 54 scholarships for 6 Bachelors degrees, 44 Masters degrees, and 4 Ph.Ds.

The STRIDE project paper's participant training budget was expected to award scholarships through 1995 and then manage Swazi students in the U.S. through May, 1996. The PP anticipated participant classes of 8 - 10 students per year. In practice classes have been larger and twenty-two students have been sent in the first two years of the project, a rate of 11 students per year. USAID has selected larger classes in order to take advantage of the management capacity available under the contract with Aurora and to hold down costs since each year U.S. university education becomes more expensive. Smaller classes of 8 students per year are simply not cost-effective and, from the program point of view, would have needlessly delayed responding to the need for trained human resources. The STRIDE project paper's participant training program was planned to run through 1995. However, with only twenty fellowships remaining, all 42 students will be placed by 1994. The project's severe funding limitations preclude any possibility of sending a class in 1995. Thus, unless amended, 1994 will mark the end of USAID's participant training program in Swaziland.

Many factors make it to USAID's advantage to extend the participant training program through 1995. In addition to the benefits to Swaziland from additional trained personnel qualified to move into the ranks of management, extending the participant training program through 1995 will facilitate an orderly transition in the area of human resource development. USAID/Swaziland is just beginning to embark on a transition in its assistance program and it is likely that human resource development, which has been an anchor to the program over the last twenty years, will play an important part in whatever new strategies are adopted. Also, the close cultural and business ties that are promoted when students study in the U.S. fit well into advanced strategies for fostering relationships between the U.S. and Swaziland.

Sufficient management capacity exists under the current contract with Aurora Associates to select and place a 1995 class of fellows. The estimated cost for a 1995 class of 12 Masters degrees is \$800,000.

Fellows no begin Masters degree programs in 1995 will have enough time to complete their studies before May 31, 1997, the Project's PACD. As anticipated in the PP the 1995 class will require management services from a U.S. based contractor during their term of study in the U.S. Because of the funding shortfalls already discussed the increased LOP includes \$160,000 to cover the management costs in 1996 and 1997 already budgeted for these management costs. The current contract with Aurora Associates includes an option for extension through 1997.

#### IV. COST ESTIMATE AND FINANCIAL PLAN

##### 1. Summary Cost Estimate

The cost estimate for 54 fellowships indicates that an additional \$1,310,000 (\$350,000 + \$800,000 + \$160,000) above the original authorized grant of \$10,000,000 is required to meet current targets and support a TJF program through 1997.

This amendment brings the total LOP funding to \$16,972,040. A.I.D. will contribute \$11,310,000 and the GOS will contribute \$5,662,040 to the project. The GOS has increased its cash contribution to the project through increased expenses in repairs, rent, utilities, guard and gardener services for the field office and through the establishment of a budget for management training for the public service. Over the life of the project this training budget will enable the GOS to sustain

STRIDE initiated management training, and increases the GOS contribution attributable to the project by \$1,785,000. A further \$80,040 will be provided by the GOS for international airfare and salaries for the additional 12 TJF's. These increases bring the GOS's contribution to the project well above the required 25 percent. The increased GOS contribution will be reflected in the amendments to the STRIDE Project Grant Agreement increasing the STRIDE LOP.

A revised project budget is shown in Table 1. The only change in the project budget is for increased A.I.D. and GOS contributions for participant training.

Table 1  
Summary Cost Estimate  
(US\$ 000)

	<u>USAID</u>		<u>GOS</u>		<u>TOTAL</u>
	<u>Initial</u>	<u>Revised</u>	<u>Initial</u>	<u>Revised</u>	
Technical Assistance	3,970	3,970	305	305	4,275
Participant Training	3,464	4,774	922	1,459	6,233
In-Country Training	550	550	916	916	1,466
Public Service Training	0	0	0	1,785	1,785
UNISWA Linkage	1,023	1,023	226	226	1,249
SCOT Linkage	484	484	112	112	596
Project Management	151	151	760	760	911
Commodities	58	58	99	99	157
Evaluations/Audits	300	300	0	0	300
<b>Total</b>	<b>10,000</b>	<b>11,310</b>	<b>3,340</b>	<b>5,662</b>	<b>16,972</b>

## 2. A.I.D. Inputs

A.I.D. inputs comprise 67 percent of the project's total cost. All of A.I.D.'s costs are expected to be in U.S. dollars; no local currency will be required. Only the long-term participant training input is amended. All the other inputs including short term training remain the same.

### Participant Training (\$4,774,000)

Long term (132 person years)	\$4,051,770
Short term (115 person months, study tour)	722,230

Approximately 54 U.S. academic scholarships (132 person years) will be funded: 6 four-year Bachelors degrees, 44 two-year

Masters degrees, and 4 five-year Ph.D.s. This amendment increases the total participant training budget by \$1,310,000, from \$3,464,000 to \$4,774,000, the long-term participant budget from \$2,741,770 to \$4,051,770 and the long-term person years from 108 to 132. The short-term participant training budget remains the same.

To date, 6 Bachelors, 16 Masters, and 1 Ph.D have been awarded to 23 Swazis (61 person years). The Ministry of Labour and Public Service (MLPS), in consultation with USAID/Swaziland and with approval from the STRIDE Project Steering Committee, may choose to convert the remaining 71 person years into Masters or Bachelors degrees. Selection and placement of Bachelors degree candidates should take place next year to allow sufficient time for the participants to return prior to the project's PACD in May 1997. Only Masters degrees will be awarded in 1994 and 1995.

C. A.I.D. Obligation Schedule

The A.I.D. obligation schedule by fiscal year is revised in Table 2 below to reflect an increase of \$1,310,000 in the participant training line item. This amount is expected to be available from the Swaziland Manpower Development Project (SWAMPD 645-0218) from savings in PIO/Ps of participants who will have completed their training by June 1994, the project's PACD. \$512,000 is available for reobligation into the STRIDE project this fiscal year from the EHRD account. Other money reobligated from SWAMPD is expected to be from the DFA.

Table 2  
A.I.D. Obligation Schedule  
(US\$ 000)

Fiscal Year:	Through			
	'92	'93	'94	'95
Tech Assistance	2,580	<del>868</del>	108	414
Participant Training	3,444	430	900	
In-Country Training	300	100	100	4
University Linkages	850	357	300	
Project Management	60	30	30	31
Commodities	104			
Evaluation/Audit		175		125
<b>Total</b>	<b>*7,338</b>	<b>1,960</b>	<b>1,438</b>	<b>574</b>

\*Includes \$512 to be reobligated from SWAMPD in FY '92.

V. IMPLEMENTATION PLAN AND SCHEDULE

There will be no changes in the implementation plan and schedule described in the project paper. The process for selection and placement of fellows for long-term academic training in the U.S. covers the calendar year through 1995. The contractor implementing the project, Aurora Associates may be extended without additional competition to manage the participant training program for the final two years of the project.

VI. PROJECT OUTPUTS AND END OF PROJECT STATUS

This amendment revises the end of project status in the project paper for the first project output, the training of middle and senior level managers, and the project input for long-term U.S. academic training. The changes will reflect the 54 fellowships awarded for public and private sector managers and an increase in the number of person years for long-term U.S. academic training from 108 to 132 student years.