

PD-ABE-832

79596

AMENDMENT NUMBER 9

to the

PROJECT GRANT AGREEMENT

between

THE KINGDOM OF SWAZILAND

and the

UNITED STATES OF AMERICA

for the

SWAZILAND MANPOWER DEVELOPMENT PROJECT

Date: 20 DEC 1980

PROJECT GRANT AGREEMENT AMENDMENT

1. THIS AMENDMENT Number 9 to the Project Grant Agreement for the Swaziland Manpower Development Project, Number 645-0218, adds an increment of funding in the amount of One Million, Six Hundred and Fifty Eight Thousand United States Dollars (\$1,658,000), increases the total anticipated A.I.D. funding over the life of the Project by \$500,829 to \$20,130,829, extends the Project Assistance Completion Date to June 28, 1994, and makes other necessary related changes to the Agreement as more fully set forth below.

2. The Project Grant Agreement dated June 29, 1984, as amended December 13, 1984, April 28, 1986, July 28, 1986, December 8, 1986, September 29, 1987, April 27, 1988, September 30, 1988, and December 21, 1988, is hereby further amended as follows:

(A) Subsection (b) of SECTION 2.2, Incremental Nature of Project, is deleted in its entirety, and is replaced by the following new Subsection 2.2(b):

"Within the overall Project Assistance Completion Date stated in this Agreement, A.I.D., based upon consultation with the Grantee, may specify in Project Implementation Letters appropriate time periods for the utilization of funds granted by A.I.D. under an individual increment of assistance. It is anticipated that, subject to the provisions of this paragraph, A.I.D.'s total contribution to this Project will be U.S. \$20,130,829."

(B) SECTION 3.1, The Grant, is deleted in its entirety, and is replaced by the following new SECTION 3.1:

"To assist the Grantee to meet the costs of carrying out the Project, A.I.D., pursuant to the Foreign Assistance Act of 1961, as amended, agrees to grant the Grantee under the terms of this Agreement not to exceed Twenty Million, One Hundred and Thirty Thousand, Eight Hundred and Twenty Nine United States ("U.S.") Dollars (\$20,130,829) (the "Grant"). The Grant may be used to finance foreign exchange costs, as defined in Section 6.1, and local currency costs, as defined in Section 6.2, of goods and services required for the Project."

(C) Subsection (b) of SECTION 3.2, Grantee Resources for the Project, is deleted in its entirety, and is replaced by the following new Subsection 3.2(b):

"The resources provided by the Grantee for the Project will be not less than the equivalent of U.S. \$6,992,000, including costs borne on an "in-kind" basis."

(D) Subsection (a) of SECTION 3.3, Project Assistance Completion Date, is deleted in its entirety, and is replaced by the following new Subsection 3.3(a):

"The "Project Assistance Completion Date" (PACD), which is June 28, 1994, or such other date as the Parties may agree to in writing, is the date by which the Parties estimate that all services financed under the Grant will have been furnished for the Project as contemplated in this Agreement."

(E) SECTION 4.2, Additional Disbursement, is hereby amended by adding "(a) Development Communications Organizational Matters." before the first sentence, "Prior to any disbursement...", and by adding the following Subsections 4.2(b) and (c):

"(b) Disbursement for Short-term Technical Assistance and Extension of the Opex Director of the Public Enterprise Unit. Prior to any disbursement under the Grant, or to the issuance by A.I.D. of documentation pursuant to which disbursement may be made, to finance an extension of the OPEX Director of the Public Enterprise Unit or short-term technical assistance in support of the Public Enterprise Unit (except for \$25,000 to finance short-term Technical Assistance to establish a data base of financial productivity and organizational environment characteristics of Swazi parastatals), the Grantee shall provide, by September 15, 1990, except as A.I.D. may otherwise agree in writing, evidence, in form and substance satisfactory to A.I.D., that the Grantee has: (1) established the post of Assistant Director of the Public Enterprise Unit, without necessarily increasing the size of the Ministry of Finance or the Civil Service, and active recruitment for an individual to fill such post has begun; and (2) provided sufficient support staff, office facilities and equipment, and access to transportation for the effective functioning of the Unit."

"(c) Disbursement for Extension of the OPEX Director of Education of the Swaziland Institute of Accountants. Prior to any disbursement under the Grant, or to the issuance by A.I.D. of documentation pursuant to which disbursement may be made, to finance a further extension, beyond four months, of the OPEX Director of Education for the Swaziland Institute of Accountants, the Grantee shall provide, by June 15, 1990, except as A.I.D. may otherwise agree in writing, evidence, in form and substance satisfactory to A.I.D., that the Swaziland Institute of Accountants has formally established the position of Director of Education and is paying from its own resources a salary of not less than E16,000 per year to the individual occupying said position."

(F) Subsection (b) of SECTION 4.4, Terminal Dates for Conditions Precedent, is deleted in its entirety, and is replaced by the following new Subsection (b):

"If all of the conditions specified in Section 4.2. have not been met within the time set forth in such Section or in Project Implementation Letters, A.I.D., at its option, may cancel the then undisbursed balance of the Grant, to the extent not irrevocably committed to third parties, and may terminate this Agreement by written notice to the Grantee."

(G) ARTICLE 5, Special Covenants, is expanded by adding the following SECTION 5.8:

"SECTION 5.8, Counterpart to the OPEX Director of Education of the Swaziland Institute of Accountants. The Grantee will investigate the feasibility of establishing and filling a position for a Swazi to work as the counterpart to the current project-funded OPEX Director of Education of the Swaziland Institute of Accountants."

(H) Annex 1, AMPLIFIED PROJECT DESCRIPTION, attached to the original Project Grant Agreement, is deleted in its entirety and replaced by the "Revised" Annex 1, AMPLIFIED PROJECT DESCRIPTION, attached to this Amendment.

3. All other terms and conditions of the Project Grant Agreement, as amended, remain in full force and effect.

The Governments of the Kingdom of Swaziland and the United States of America, each acting through its respective duly authorized representatives, have caused this Amendment to be signed in their names and delivered as of the date first above written.



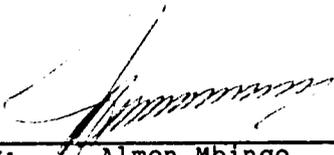
By: Elliot Bhembe
Title: A/Principal Secretary
Department of Economic
Planning and Statistics

Date: 20-12-89



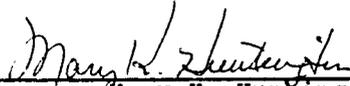
By: ArmaJane Karaer
Title: Charge d'Affaires

Date: 20/12/89



By: Almon Mbingo
Title: A/Principal Secretary
Ministry of Labour and
Public Service

Date: 20-12-89.



By: Mary K. Huntington
Title: Acting Director,
USAID/Swaziland

Date: December 20, 1989

AMPLIFIED PROJECT DESCRIPTION

Except as specifically provided herein, and within the limits of the definition of the Project set forth in Section 2.1, elements of the Amplified Project Description may be changed by written agreement of the authorized representative of the Parties named in Section 8.2 without formal amendment of this Agreement. This Annex is illustrative; it may be reviewed, changed, and updated periodically (e.g. following an evaluation) to reflect the dynamic nature of the project and expected modifications in implementation over time. The following Amplified Project Description reflects various modifications made to the project in December, 1989 including a three year extension of the project to June 28, 1994 and a \$500,829 increase in the authorized life of project funding.

Article I. General Project Description

This project is based on the proposition that well-qualified, development-oriented management and leadership in key institutions will continue to be crucial to accelerated economic and social development in Swaziland. This can only be achieved by long-term efforts to develop key institutions, particularly by training individuals with the technical and managerial skills necessary to direct them and by encouraging full participation of an informed public to use the institutions effectively and demand that they function efficiently for the good of the nation. This project will assist Swaziland to realize the full development potential of its human resources both in the modern sector and in the rural homesteads. The project consists of five interrelated program components: (1) Development of an Administrative/Leadership Cadre, (2) Development Orientation for Traditional Leaders and Rural Women's Associations, (3) Strengthening an institution base for Development Communications, (4) Establishing linkages between Swazi training institutions and U.S. institutions, and (5) Technology/Skills transfer and two project management components (6) Evaluation and Audit, and (7) Project management. The project will fund participant training, in-country training, technical assistance and commodities in support of activities planned under each of these components.

A. Goal

The Project's goal is to assist Swaziland to realize the full development potential of its human resources, both in the modern sector and on the rural homesteads. The validity of this goal rests on the assumption that meaningful development will occur only when indigenous institutions have acquired the necessary levels, both qualitative and quantitative, of human

resources to sustain the development process. The achievement of the goal will be reinforced by the underlying emphasis on human resources development in the other projects in USAID's portfolio. There are two measures by which progress towards achievement of the goal can be evaluated. By the end of the project, (a) Swazi institutions such as government ministries, the Swaziland Institute of Accountants, the University of Swaziland (UNISWA), and the Swaziland Broadcast and Information Services, should be staffed with better-qualified employees and operating at higher levels of efficiency and effectiveness and (b) the operations of these organizations should be planned and managed by Swazis with a minimum of expatriate assistance.

B. Purpose

The purposes of the project are (a) to expand the capacity of selected Swazis and Swazi institutions, both public and private, independently to plan and direct development activities and (b) to encourage an increased level of informed participation by the general Swazi population in a variety of such activities. The project will be implemented over a period of ten years, with incremental funding provided from FY 1984 to FY 1990. By 1994 it is expected that the following conditions will have been achieved:

- (1) Selected Swazi institutions will have an increased capacity and capability to carry out training functions using primarily Swazi personnel;
- (2) Returned participants will be working in the fields for which they were trained, with increased potential for promotion, and in positions with increasing responsibility for institutional, technological and policy development;
- (3) In-country trainees will be functioning at a higher level of skill and efficiency than before training;
- (4) Institutional linkages will be contributing to the development, organizational efficiency and operations of selected Swazi training institutions;
- (5) Traditional leaders and members of rural women's organizations will be more knowledgeable about development issues and will be playing an active role in the development of their areas;
- (6) Swazi capability will have been developed and will be operating within various public and private institutions to plan, prepare, disseminate and evaluate development messages through various communications media, resulting in large numbers of Swazis receiving development benefits because of information received through the media; and

(7) A significant number of new technologies will have been transferred, and operational efficiencies will have been brought about by or with the assistance of U.S. technical personnel.

The project will have a positive impact on other projects in the USAID/Swaziland program which integrate participant training and technology transfer to strengthen specific Swazi institutions.

C. Outputs

There are six quantifiable project outputs which will result in the above conditions by the end of the project:

- (1) An estimated 167 Swazis will have completed long-term academic training (417 person years); and an estimated 46 (114 person months) will have completed short-term, non-degree training.
- (2) Approximately 750 Swazis will have been trained in a total of about 40 in-country programs/courses.
- (3) At least 700 traditional leaders (chiefs, tindvunas, etc.) will have participated in more than one development-oriented workshop, seminar, and/or observation visit within or outside Swaziland.
- (4) At least 900 members of rural women's organizations will have attended more than one development-oriented workshop, seminar, and/or observation visit within or outside Swaziland.
- (5) Effective development information messages will have been prepared and delivered through various communications media, as measured by (i) 20 in-service workshops to train Swazis in the preparation and delivery of messages for radio, newspapers and other communications media and (ii) 3-5 institutions (GOS and non-governmental) strengthened to make development information available and effective and to participate in its broad dissemination; and
- (6) At least three U.S. training institutions will have established linkages with the same or a larger number of Swazi training institutions to provide technical support, training and other services.

D. Inputs

About 60 percent of the project funding will support long- and short-term training for Swazis in the U.S. and other African countries. Additional elements of the project focus on the development of efficient, effective Swazi institutions and on

methods of encouraging informed participation in the development process by Swazi organizations, groups and individuals active in the traditional setting. Activities planned during the extended Life of Project will continue the human resource development activities of the SWAMPD project, as well as other, previous USAID projects, and provide a bridge to USAID's future manpower development and private sector initiatives. The project is designed to improve institutional capabilities in both the public and private sectors, to emphasize leadership potential in the selection of Swazis for training, to realize the development potential of traditional Swazi leaders and indigenous rural organizations, and to utilize the communications media as an important tool for bringing the benefits of development to large numbers of Swazis.

The Project has five program components and two management components. Activities are planned in each component during the extended life of project. All planned and amended activities are consistent with the original project goal and purpose and do not, therefore, represent a change in the project's direction or in its End-of-Project Status indicators. Rather, the amendment increases the level of effort and expected outputs to allow USAID's manpower development efforts to continue uninterrupted through 1990 and to more sharply focus human resource development activities in support of private sector growth.

- (1) Development of an Administrative/Leadership Cadre
Amended LOP \$12,107,000

This component includes the formal training activities supported under the project.

- a. Long-Term Academic Training Abroad
Amended LOP \$11,209,000

An estimated 130 Swazis were expected to complete long-term training under the project. The extension of the PACD from 1991 to 1994 and an increase in the LOP budget for long-term academic participant training will increase the total number of Swazis trained abroad to approximately 167. This increase is the result of larger than expected classes between 1985-88 and the addition of a 1990 scholarship class of 18 participants. The 1990 scholarship class, which has already been selected, will be the last class of long-term participant trainees funded under this project. The 1991 class recruitment will also be completed.

- b. Short-Term Non-Degree/Technical Training Abroad
Amended LOP \$535,000

A total of 114 person months of short-term training is planned under the extended life of project for intensive, specialized

study in critical development areas for mid-level Swazis. Examples are training in investment, tax administration, and computer applications for business management. Approximately 18 additional person-months of short-term training, including short courses, seminars, workshops and study tours will be provided during the extended life of project.

c. In-Country Training
Amended LOP \$363,000

In-country training is the most cost-efficient means of training relatively large numbers of Swazis and providing focused training to address specific development problems. The in-country training (ICT) program will provide management training to upper and middle level managers in the public and private sectors. The amendment will extend the ICT program for one year under the Transcentury Corporation Contract (TCC). Five categories of training are planned for calendar year 1990: 1 three day seminar for Cabinet Ministers; 2 four day seminars for Principal Secretaries; one training module consisting of three one week courses for Government managers at the Director and Commissioner level (grade 26); one training module of three one week courses for Undersecretaries who, due to enrollment constraints, did not participate in the 1989 ICT program; and a one week follow up course for Undersecretaries who did attend the 1989 program.

(2) Development Orientation for Traditional Leaders
and Rural Women's Associations
Amended LOP \$805,000

The project objective in this area has been to improve the management capabilities of traditional leaders, increase their awareness and knowledge of development issues and activities, and encourage them to use their positions of leadership to support such activities carried out through modern-sector, GOS and non-governmental organizations. Planned as an experimental activity, the training undertaken during the 1985-89 period has produced positive results in an area of continuing importance. As the pace of modernization and industrialization quickens in Swaziland the role of the traditional sector, and the ways that local and traditional leaders choose to exercise their power, will increasingly influence national development.

This amendment continues support to the Community Development Section in the Office of the Tinkhundla and to the Home Economics Department in the Ministry of Agriculture and Cooperatives through 1990. A previously approved study tour to Botswana for Swazi Chiefs, and approximately 20 development workshops for community leaders are planned for 1990. Also, a

two week supervisory skills course for senior CD Officers will be conducted and junior CD Officers will receive follow-up training in training techniques (TOTs).

Also, the project will continue to support rural women's organizations, primarily by encouraging the linkage established between rural Swazi women's groups and TOTOTO Home Industries (THI) of Kenya and through limited support for home economics workshops. Two TOTOTO team members will return to Swaziland in 1990 to assist the Home Economics Section to evaluate the results of the follow-on workshops concluded in November 1989 and to assess the growth of rural women's business ventures. A reciprocal visit of Swazi women's leaders to Kenya is also planned.

(3) Development Communications
Amended LOP \$1,686,000

The development communications (DEVCOM) component has successfully trained a cadre of communication professionals and contributed to an increase in the access to and delivery of development messages (a 1988 survey found that over 60 percent of all radio programming was development oriented). A lingering problem, however, has been the difficulty of sustaining development communications training. The lack of a strong institutional training base, as envisaged in the project design (ie: a Center for Development Communications at the Swaziland Broadcast and Information Services) has led to consideration of alternative means of institutionalizing development communications training. Beginning in 1988, the project has supported the introduction of a development communications program at the University of Swaziland as a sustainable alternative for development communications training. Under this amendment, the Academy for Educational Development (AED), the contractor for the DEVCOM component, will provide and install equipment for broadcast training at UNISWA. AED will also provide short-term technical assistance in three areas: (1) ten days of a broadcast engineer to install radio training equipment at UNISWA; (2) up to two months of on-the-job training in broadcast management for senior officers at the Swaziland Broadcast and Information Services; and (3) a five week consultancy in the U.S. to identify and prepare potential teaching materials for use by UNISWA's English Department.

(4) Institutional Development/Linkages
Amended LOP \$300,000

Up to five institutional linkages between Swazi and U.S. training institutions were authorized under the project. Such arrangements provide benefits to and mutually strengthen each

participating institution. By December 1989, two linkages have been established and it is expected one or more additional linkages will be established during the extended life of project.

(5) Technology/Skills Transfer
Amended LOP \$2,735,000

The approach to institution building emphasized in the project is the development, through participant training, of a critical mass of knowledgeable Swazis capable of successfully directing Swaziland's development process. This is complemented by the provision of long-term and short-term U.S. expertise to various Swazi institutions. This component includes the provision of operational experts (OPEXers) and long- and short-term technical assistance to selected Swazi institutions. During the amended Life of Project OPEXers will work with the following Swazi institutions: (1) A "Special Recruitment Fund" set up to assist the University of Swaziland will provide two two-year lecturers to the Bachelor of Commerce Program (one in the field of accounting and one in the field of management) and continue support through June 1991 for a lecturer in plant breeding already working at the University's agricultural campus; (2) The Public Enterprise Unit in the Ministry of Finance is currently assisted with an OPEX Director whose contract runs through June 1991. Up to 12 additional months of OPEX assistance to the PEU is included conditioned on the Grantee satisfying the conditions described in Article 4, Section 4.2(b); (3) The OPEX Director of Education of the Swaziland Institute for Accountants will continue with that institution through June 1991 conditioned on the Grantee satisfying the condition precedent described in Article 4, Section 4.2(c). OPEX assistance to the PEU will not exceed a total of three years and for SIA will not exceed a total of four years.

It is recognized that additional OPEX assistance is required in accordance with overall project objectives. USAID and the GOS have specific recommendations for one additional OPEX position for a two-year period. Further analysis and negotiations to determine the highest priority area for this position is required. A final determination will be made no later than March 31, 1990.

Work in progress with the Ministry of Labor and Public Service will continue to be supported in 1990. Long-term technical assistance to the Ministry of Labor and Public Service will be extended for six months, provisional on demonstrated progress within the first three months of the extension, in implementing the Organizational Development and Management Training Program for MLPS. This will include the use of outside consultants to assess current skills of relevant MLPS staff and determine what further skills are needed to enable MLPS to effectively plan, manage and evaluate training for the public and private

sectors. The technical advisor will continue to assist the MLPS to operationalize the training plan process, and will assist in establishing a computerized data base in the Training and Localization Unit. The contractor will procure an IBM AT or equivalent personal computer and provide limited short-term technical assistance for this effort.

Short-term technical services will in some cases be the most appropriate response to GOS requests for assistance with specific tasks. An additional 14 months of short-term technical assistance are anticipated during the extended life of project. Four months of previously approved and funded short-term technical assistance will be provided to the Ministry of Finance to improve the GOS' capital budgeting process. Examples of other short-term technical support that could be provided include: consulting services for the Public Enterprise Unit contingent upon the satisfaction of the conditions in Article 4. Section 4.2(b) and consulting services for private business organizations.

(6) Evaluation and Analysis
Amended LOP \$236,000

A final evaluation is planned at the end of 1990, rather than the project's PACD in 1994, so that technical assistance, ICT and contractor performance can be effectively evaluated. Activities extending beyond the period of the TCC contract, (management participant trainees and OPEX personnel) will be transferred to USAID's follow-on manpower development project and will be evaluated within that context. A non-federal audit will be conducted in October 1993.

(7) Project Management Support
Amended LOP \$2,261,829

Included in this component are the Contractor Chief of Party (COP) and assistant Chief of Party. Also, USAID is authorized on behalf of the Project to procure the PSC services of an Assistant Project Manager. The Contractor COP and assistant COP will each be extended for one year. The PSC Assistant Project Manager is already fully funded until June 1991. After that, remaining SWAMDP management tasks will be handled by an Assistant Project Manager funded on a pro-rata basis by the SWAMDP and USAID's other human resource development projects.

Article II. Responsibility of the Parties

A. Implementation Schedule

The following revised implementation schedule presents the major implementation actions to take place during the remaining

life of project along with the responsible agents. The amendment extends the life of project by three years and increases several of the outputs. This illustrative project implementation schedule beginning in December 1989 depicts dates by which critical actions programmed in the amended project should be completed. The schedule is illustrative and may be subject to modification.

<u>Action</u>	<u>Completion Date</u>	<u>Responsible Party</u>
Project Amendment signed	December 18, 1989	USAID/GOS
Selection Process for 1991 class begins	December, 1989	USAID/TCC
Contract extension executed	January 13, 1990	USAID/TCC
B.Com OPEX begins at UNISWA	January 15, 1990	UNISWA
Traditional Leader workshops begin (2 per month)	January, 1990	TCC/GOS
Undersecretaries module begins	February, 1990	TCC/GOS
STTA to PEU	February, 1990	USAID/GOS
Ministers seminar held	February, 1990	TCC/GOS
Computer purchased for localization unit	February, 1990	TCC/GOS
DEVCOM equipment installed at UNISWA	March, 1990	AED/UNISWA
Follow-up course for Undersecretaries held	March, 1990	TCC/GOS
Additional OPEXer determined	March, 1990	TCC/GOS
Install DEVCOM training equipment at UNISWA	April, 1990	AED/UNISWA
1st PS seminar held	April, 1990	TCC/GOS
STTA to private sector starts	April, 1990	USAID
TOTOTO consultants arrive in Swaziland	May, 1990	TCC/GOS
Return of DEVCOM participants	June, 1990	AED
Satisfaction of Conditions Precedent	June, 1990	GOS

<u>Action</u>	<u>Completion Date</u>	<u>Responsible Party</u>
Linkage Developed	June, 1990	UNISWA/USAID
Swazi women to Kenya for TOTOTO study visit	August, 1990	TCC/GOS
Departure seminar for 1990 class	August, 1990	TCC/USAID
1990 class departs for training in US	August, 1990	TCC
2nd PS seminar held	September, 1990	TCC/GOS
Final project evaluation	October, 1990	USAID
OPEX to SIA departs	March, 1991	USAID
Opex to UNISWA departs	June, 1991	UNISWA
OPEX to PEU departs	June, 1992	USAID/GOS
1990 MA students return	June, 1992	USAID
Final project audit	October, 1993	USAID
1990 BA, PhD students return	June, 1994	USAID

B. Implementation Plan

(1) GOS Responsibilities

Activities under this project amendment will continue to be implemented by four GOS agencies -- The Ministry of Labor and Public Service (Participant and In-Country Training), The Ministry of Agriculture and Cooperatives Home Economics Section and the Community Development Section of the Tinkhundla (Rural Women and Traditional Leaders activities), and the Ministry of Interior, through the Swaziland Broadcasting and Information Service (Development Communications). An additional implementing agency is the Ministry of Finance, which houses the Public Enterprise Unit and is also receiving technical assistance in capital budget planning and implementation. A portion of the short-term technical assistance and long-term OPEX assistance to the PEU will be contingent upon the GOS establishing and filling the post of Assistant Director of the Public Enterprise Unit and providing sufficient support staff, office facilities and equipment, and access to transportation for the effective functioning of the Unit as provided in Article 4, Section 4.2(b). Similarly, continued support for the OPEX Director of Education of the Swaziland Institute of Accountants after February 28, 1990 will be contingent upon SIA's providing the position with a salary of at least 16,000 emalangi per year as provided in Article 4, Section 4.2(c).

Implementation of institutional linkages will necessarily be the responsibility of the specific Swazi training institution which undertakes such a relationship with a U.S. institution.

In general the GOS will be responsible for identifying suitable candidates for short-term non-degree technical training abroad and for participation in project-supported in-country, in-service training programs. The GOS will also be expected to accord special consideration to skills upgrading at all levels for Swazi women.

GOS responsibilities by project element are summarized below and represent its contribution to the project. The Ministry of Finance will be responsible for the timely budgeting and allocation of funds to finance the GOS contribution to the project.

(a) Development of an Administrative/Leadership Cadre (1) for long-term academic training abroad, the participant's airfare from Swaziland to the U.S. (Port of Entry) or to another African country, and return to Swaziland, as well as the participant's full salary during the first year of training and either a dependents' allowance or half-salary thereafter (except for the UNISWA staff Development Fellows); (2) for

short-term non-degree technical training abroad, international airfare and continuation of salary as well as release time for employees.

(b) Development Orientation for Traditional Leaders and Rural Women's Associations (1) Annual recurrent budgets for the Home Economics and the Community Development Departments sufficient to fund staff and operating expenses required to carry out training programs for rural leaders and women's organizations and (2) continuation of salary and release time from work for staff members participating in in-service training programs.

(c) Development Communications The provision of classroom space at UNISWA to house the radio broadcast training equipment and continuation of salary and release time from work for staff members participating in in-service training programs.

(d) Institutional Development Linkages The participation of professional and support staff and necessary facilities from the cooperating Swazi institutions for implementation of the linkage program(s).

(e) Technology/Skills Transfer (1) for OPEXers the basic GOS salary for the position to be filled, plus the additional benefits and services accorded to GOS employees of comparable rank, support staff including counterparts, office space, furnishings, supplies and equipment, the costs of operating and maintaining vehicles used in an official capacity, and residential housing and furnishings; (2) for long-term technical advisors, professional and support staff, supplemental commodity support (office equipment, access to computers, office supplies, etc.), the costs of operating and maintaining official vehicles, office space and furnishings, plus residential housing and furnishings; and (3) for short-term specialists, counterparts, support staff, office space and equipment and official transport.

(2) USAID Responsibilities

USAID/Swaziland will be responsible for the timely provision of the A.I.D. inputs to the project, including participant training and services, commodities and other support costs. This will include international transportation costs associated with Master's and PH.D research carried out in Swaziland. USAID will also manage the prime contracts entered into under the project, including the extension and amendment of these contracts when necessary.

(3) Procurement Plan

Implementation of the activities included in this amendment will require a one-year extension to the Transcentury

Corporation contract for the procurement of participant training and technical services, commodities and related support. An amendment to the AED contract to add incremental funding for the development communications activities will also be necessary. If required, source/origin waivers for commodity procurement will be requested when equipment and commodity lists, including specifications and up-to-date prices, are finalized by the Contractors.

Given the workload involved in managing other bilateral and regional human resources development projects, effective and efficient A.I.D. project management will require supplemental technical and administrative support for this project. Funds have therefore been budgeted to continue the services of an assistant project manager through the Project Assistance Completion Date.

Article III. Illustrative Financial Plan

A. Revised Financial Plan

The revised financial plan, Table 1 of this Annex, shows that the total estimated cost of the project, as amended, is \$27,122,829. This represents an increase of \$692,829 over the original LOP budget. The additional USAID contribution is \$500,829 and the additional GOS contribution is \$192,000. Overall, USAID contributes 74 percent of the total project cost and the GOS contributes 26 percent. Changes may be made to the Plan by written agreement of the representatives of the Parties identified in Section 8.2 without formal amendment of the Agreement, provided such changes do not cause (1) USAID's contribution to exceed the amount set forth under Section 3.1 or (2) the GOS's contribution to be less than the amount set forth under Section 3.2. Table 1 also indicates the distribution of foreign and local currency costs for both USAID and the GOS. USAID foreign currency costs are for the implementation contracts, funding of participants, and related commodity purchases. The local costs of in-country training courses, local support costs of technical advisors and local contractor field office expenses comprise the bulk of USAID local currency costs. The majority of the GOS contribution is in local currency, including participants' salaries, salaries of GOS staff involved in project implementation, and support for technical advisors. The main element in the GOS foreign currency requirement is international airfares for both long and short-term participants.

TABLE 1: SUMMARY COST ESTIMATE AND FINANCIAL PLAN (\$000)

	<u>USAID</u>			<u>GOS</u>			<u>Total</u>		
	<u>FX</u>	<u>LC</u>	<u>Total</u>	<u>FX</u>	<u>LC</u>	<u>Total</u>	<u>FX</u>	<u>LC</u>	<u>Total</u>
Particip. Training	12,194	629	12,823	831	4,151	4,982	13,025	4,780	17,805
Technical Services	6,648	448	7,095	30	1,670	1,700	6,678	2,125	8,803
Commodities	<u>115</u>	<u>97</u>	<u>212</u>	<u>160</u>	<u>150</u>	<u>310</u>	<u>275</u>	<u>240</u>	<u>515</u>
Total	18,957	1,174	20,131	1,021	5,971	6,992	19,978	7,145	27,123

B. Revised Project Budget

A revised summary project budget is shown in Table 2. The major increase in the project budget is for training, which includes both participant and in-country training. This increase is offset to some extent by decreases in expenditures for technical services and commodities.

TABLE 2: REVISED SUMMARY PROJECT BUDGET (\$000)

	<u>USAID</u>			<u>+ / (-)</u>	<u>GOS</u>		<u>+ / (-)</u>	<u>Total</u>	
	<u>Initial</u>	<u>Revised</u>	<u>Revised</u>		<u>Initial</u>	<u>Revised</u>		<u>Initial</u>	<u>Revised</u>
Part. Train	11,610	12,843	1,213	4,790	4,982	192	16,400	17,805	1,405
Tech Serv	7,340	7,076	(284)	1,700	1,700	-	9,040	8,796	(284)
Commod	<u>680</u>	<u>212</u>	<u>(468)</u>	<u>310</u>	<u>310</u>	-	<u>990</u>	<u>522</u>	<u>(468)</u>
Total	19,630	20,131	501	6,800	6,992	192	26,430	27,123	693

(Note: All numbers are rounded)

The USAID contribution is increased by \$500,829. Details of the revised USAID project budget are provided in Annex 2.

The GOS contribution is increased by \$192,000. The increases in the GOS budget are as follows:

	(\$000)
Foreign Exchange Participant Transportation	81
Local Currency Participant Salaries	<u>111</u> 192

These represent the costs associated with the 18 participants departing for long-term degree training in September 1990. It is anticipated that the salaries, and in some cases the airfares, of participants from the private sector will be paid by their employers.

C. USAID Obligation Schedule

The USAID contribution to the project has been obligated periodically from FY 84 through FY 89. The obligation of FY 90 funds that will occur simultaneously with the signing of this amended grant agreement will complete USAID's contribution to the project.

D. Methods of Implementation and Financing

Methods of implementation and financing will be unchanged in this amendment with the exception that USAID will directly manage the remaining short-term technical assistance to be provided under the project.

Article IV. Evaluation and Audit

A. Final Evaluation

A final evaluation and final audit are scheduled under this project modification. The final evaluation will assess all project activities undertaken up to that date and the performance of both prime contractors, AED and TCC. Efficacy of continued Opex support to the PEU and SIA will also be closely examined. The evaluation is scheduled for October 1990, two months prior to the departure of the TCC long-term TA team. Participation of team members is important for a thorough evaluation that not only measures the project's achievements but also provides lessons for future project design and implementation. SWAMDP activities scheduled after the evaluation, primarily management of long-term participant trainees, will be managed by the Contractor for the Swaziland Training and Institutional Development project, planned for an April 1990 obligation, and, therefore, will be evaluated under that project.

The final evaluation will determine the effectiveness of the SWAMDP Project in achieving its purposes to a) expand the capacity of selected Swazis and Swazi institutions to plan and direct development activities and b) encourage an increased level of informed participation by the general Swazi population

in a variety of such activities. The project will be assessed on the basis of the EOPS indicators and implementation of recommendations of the mid-term evaluation. Completion of project outputs, as modified by this amendment, will be assessed.

The cost of the final evaluation is estimated at \$100,000 and is included in funds added to the LOP budget through this amendment.

B. Audit

A non-federal audit is scheduled for December 1989. The audit is currently an audit of the TA team's in-country costs only. An audit of other project components and home office operations is being undertaken. A final audit is scheduled for May 1994 and is estimated to cost \$50,000. This amount is also included in the revised LOP budget of this amendment.

Swaziland Manpower Development Project
Detailed Project Budget (\$000)

Project Element	Original Project Budget	Earmarks/Expend. a/o 11/89	Planned Expend. to 6/94	Revised Project Budget	Variance +/-
Participant Trng					
LT General	1 9,800	9,021	2,112	11,133	1,333
Dev. Comm.	3 380	228		228	(152)
ST General	1 730	425	110	535	(195)
In-Country	1 240	179	149	328	88
Trad.Leaders	2 180	230	71	301	121
Dev. Comm.	3 160	244		244	84
Testing/Follow	1 120	54		54	(66)
Sub-total	11,610	10,381	2,442	12,823	1,213
Technical Svcs					
LT Opex	5 1,820	841	580	1,421	(399)
Advisors	5 680	742	170	912	232
Trad.Leaders	2 520	200		200	(320)
Dev. Comm.	3 160	896		896	736
Cont. Field Rep	7 980	1,681	400	2,081	1,101
Asst Proj Mngr	7 520	157	21	178	(342)
ST General	5 780	120	232	352	(428)
Trad.Leaders	2 350	273	21	294	(56)
Dev.Comm.	3 840	216	10	226	(614)
Instit.Linkages	4 500	200	100	300	(200)
Evaluation	6 190	86	150	236	46
Sub-total	7,340	5,412	1,684	7,096	(244)
Commodities					
Partic.Support	1 310	2		2	(308)
I-C Trng	1 30	30	5	35	5
Trad.Leaders	2 10	10		10	0
Dev. Comm.	3 170	82	10	92	(78)
Vehicles	7 70	23		23	(47)
Opex Support	5 90	40	10	50	(40)
Sub-total	680	187	25	212	(468)
Total	19,630	15,980	4,151	20,131	501

Key to Project Elements:

- 1-Development of Admin./Leadership Cadre
- 2-Development Orientation for Trad.Leaders & Rural Women's Assocs.
- 3-Development Communications
- 4-Institutional Development/Linkages
- 5-Technology/Skills Transfer
- 6-Evaluation
- 7-Project Management Support

Note: All numbers are rounded