

PD-ABE-990

MA 80059

SEP 16 1991

ACTION MEMORANDUM FOR THE ASSISTANT ADMINISTRATOR, LAC

FROM: Jeffrey W. Evans, Acting Director, LAC/DR

SUBJECT: Authorization of Regional Andean Counterdrug Management Information System (598-0801)

Action Requested: That you authorize the Andean Counterdrug Management Information System Project (598-0801) for \$950,000.

Background: In August 1989, President Bush approved an Andean Initiative to address the drug problem in both its domestic and international dimensions. A summit meeting in Cartagena, Colombia in February 1990 culminated in the Declaration of Cartagena, signed by President Bush and the Andean Presidents. The Declaration committed these countries to an integrated plan to address the narcotics problem confronting the hemisphere. The U.S. role involves an inter-agency effort which includes a substantial role for A.I.D., with \$925 million in Andean Counter-narcotics economic assistance budgeted through FY 1994, including \$175 million for FY 1991. Within the U.S.G., A.I.D. is responsible for monitoring and tracking the use of these funds.

The Bureau recognizes the need for a management information system (MIS) to assist host government and A.I.D. field missions to evaluate the impact of alternative development activities, and to meet host government, donor and U.S. interagency, Congressional and public demands for narcotics related information. The information is also essential to support the design, monitoring, evaluation, reporting and conditionality requirements of the Presidential Initiative. The International Narcotics Control Act (INCA) of 1990 requires the Executive Branch to monitor performance elements in addition to those previously required, including periodic determinations with respect to country compliance in implementing agreements. MIS support will be critical in developing host country data, much of which already exists, to help monitor and develop U.S. assistance under the Andean Counterdrug Initiative; to provide data for Congressional briefings and testimony; and to assure adherence to legislative requirements and conditionality prior to obligation of funds.

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A.I.D. regulations stipulate that projects be supported by a project paper. This action memorandum with its attachments serves as that document. It includes a project description, an implementation plan, a monitoring plan, project evaluation arrangements, an environmental statement, a project budget, a logical framework and a scope of work.

Appropriate project analyses have been completed for this activity. A feasibility study, carried out under an IQC, was completed in December 1990 and is available upon request from LAC/SAM. The relevant aspects of the study are included in the Annexes and incorporated into the attached Scope of Work. Statutory checklists are not required for regional projects.

Project Description: The purpose of the project is to establish a Management Information System (MIS) to provide evaluative information for host governments, A.I.D. and donors with respect to the impact of economic assistance for alternative development. This information will be utilized for joint assessments with host governments on progress, adjustment and allocation of economic assistance for alternative development.

The MIS will assist host governments and A.I.D. field Missions to evaluate the impact of narcotics-related assistance; to provide timely and comprehensive information on project and program monitoring and implementation; and to monitor progress and compliance toward achieving host government and U.S. Government goals with respect to counter-drug interventions and alternative development in the Andean Region. The contractor will work with A.I.D. mission staff and host country counterpart staff to establish information systems in host country counterpart agencies in Bolivia, Colombia and Peru, and to establish and maintain compatible information systems to bilateral USAID missions and AID/Washington.

The project will provide reports prepared collaboratively with host country counterparts on key aspects of economic assistance provided under the Andean Initiative. This information will be helpful to familiarize host government and donor officials with the broad economic stabilization context required for successful alternative development. These reports will include assessments of economic performance and information on the impact of the economic assistance by program or project. The contractor will assist host governments and Missions with program/project monitoring and evaluation requirements, including plans for baseline data collection activities. It will monitor adherence to relevant legislative requirements. This data will be provided for a computerized tracking system in Washington, and will be useful for providing information to Congressional oversight committees, the media and the public.

Project Budget. The level of effort was prepared as part of an IQC contract. The project budget was revised by LAC/SAM in coordination with LAC/DR and LAC/DP. It provides funding for technical assistance, office space and equipment, travel, publications and a contingency. The budget is included as Attachment B.

Implementation Plan: The schedule for project implementation will be as follows:

March 15, 1991	Project Approved
April 16, 1991	Project Authorized
April 30, 1991	Contract Signed
May 30, 1991	Contract Staff Recruited (Washington-based only)
June 15, 1991	Contractor submits Information System for AID approval
June 30, 1991	Field Offices opened, staff recruited, counterparts named
August 15, 1991	MIS is operational in field
January - March 1992	Project Evaluation
April 1, 1992	Contract funding for second year approved;
December 31, 1993	PACD

Monitoring Plan. The project will be managed by the Narcotics Coordinator in the LAC Bureau's Office of South America and Mexico Affairs, with the support of a project committee comprised of Bureau staff from LAC/DR and LAC/DP, as well as other Agency staff as appropriate. In addition to frequent contact to convey requirements for data and briefing material, monitoring will include timely reviews with the contractor, and quarterly reports which summarize project activities, expenditures and plans for future quarters. Frequent travel to the Andean countries will also be conducted to fulfill oversight responsibilities.

Evaluation and Audit Arrangements. \$10,000 of project funds have been allocated for the audit and evaluation. This portion will be obligated directly by A.I.D. for contractor services.

There will be a formal evaluation conducted in the second quarter of FY 1992 to review major activities of the project and to recommend future actions. The evaluation will be carried out with Direct Hire staff, supplemented with contractors funded by the project if necessary. The evaluation will incorporate the views of host country counterparts, LAC Bureau staff, field missions, PPC and other agencies and utilizers of the information provided under the project. It

will assess the degree of institutionalization of project activities within counterpart agencies, the effectiveness of links with A.I.D. offices, and/or the need for a follow-on or extension project.

An audit of the contractor will be conducted to assure compliance with relevant A.I.D. regulations.

Procurement of Contract Services. Project activities will be carried out under a contract. A waiver justifying sole source procurement has been approved and is attached. The LAC Bureau currently has a contract with Management Systems International (MSI) under an IQC to provide information for evaluating the Bureau portfolio. In view of MSI's familiarity with the project portfolios in the Andean region, and the urgent requirement for the information system for the Andean Counter-drug Alternative Development program, MSI will be the contractor for the project.

Procurement of goods and services by the contractor will comply with relevant A.I.D. procurement regulations. The procurement of technical services will be primarily from the U.S., although local subcontractors may be hired in the Andean countries in accordance with relevant procurement regulations. The procurement of goods in the Andean countries will follow Buy America guidelines. Local transactions below \$5000 may be authorized without waivers, in accordance with HB 18, Ch. 5B4C(2) and State 410442.

Source of Funding. The project is a regional LAC project funded through budget allocations from the three Andean countries under the Andean Narcotics Initiative allocation under NSD-18. The implementation contract will be for \$940,000, with an additional \$10,000 allocated for audit and evaluation.

Country funding allocations reflect the level of effort in terms of the complexity of programs and the related requirements of data collection and monitoring. Peru and Bolivia will provide \$350,000 each, and Colombia will provide \$250,000. First year funding will be \$500,000, contributed in \$250,000 tranches from Colombia and Bolivia. Second year funding of \$450,000 will be funded by Peru for \$350,000 (pending availability) and Bolivia for \$100,000.

Participation of Andean Countries. Project activities will commence in Washington as soon as funds are obligated. Activities in Bolivia, Colombia and Peru will commence only after the certification and determinations required by law are complete. No narcotics-related assistance can be obligated for the beneficiary countries until these legal requirements are met.

Conditions and Covenants. No conditions and covenants are necessary for the implementation of the proposed project.

Environmental Aspects. The LAC Environmental Officer has approved a recommendation for categorical exclusion of the project under A.I.D. environmental requirements (HB 3, Appendix 2D, Section 216.2 (c) (VII)).

Congressional Notification: A CN was submitted on March 22, and expired without objection on April 5, 1991.

Authority: Delegation of Authority No. 400 allows the Assistant Administrator for Latin America and the Caribbean to authorize a project, if the project (a) does not present significant policy issues; (b) does not require issuance of waivers that may only be approved by the Administrator; and (c) does not have a life of project in excess of ten years.

Recommendation: That you authorize the Andean Counterdrug Management Information System Project for \$950,000 over two years, by signing the attached authorization and Project Face Sheet.

attachments:

- A. Project Authorization
- B. Scope of Work for the MIS
- C. Budget Estimate for the MIS
- D. Logical Framework
- E. Waiver for Sole Source Procurement
- F. Environmental Determination

March 22, 1991

MEMORANDUM

TO: See Distribution
THROUGH: Norma Parker, LAC/SAM
FROM: Helen Soos, LAC/SAM *HS*
SUBJECT: Authorization of Andean Counterdrug Management Information System

Your clearance is requested for the attached authorization memo, which with its annexes serves as the project document for the subject project.

The CN was sent to the Hill on March 21. We intend to authorize the project immediately after it expires.

Distribution:

LAC/DPP:BSchouten
GC/LAC:TGeiger
~~LAC/BI:WSchoux~~
LAC/DR:EBrineman

Draft:LAC/SAM:HSoos:hs:X79163:Docid 9054a

AGENCY, FOR INTERNATIONAL DEVELOPMENT

PROJECT DATA SHEET

1. TRANSACTION CODE

A A = Add
 C C = Change
 D D = Delete

Amendment Number

DOCUMENT CODE

3

2. COUNTRY/ENTITY

LAC Regional

4. BUREAU/OFFICE

LAC

3. PROJECT NUMBER

598-0801

5. PROJECT TITLE (maximum 40 characters)

Andean Counterdrug Management Information System

6. PROJECT ASSISTANCE COMPLETION DATE (PACD)

MM DD YY
 1 2 0 1 9 3

7. ESTIMATED DATE OF OBLIGATION (Under 'B', below, enter 1, 2, 3, or 4)

A. Initial FY B. Quarter C. Final FY

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

A. FUNDING SOURCE	FIRST FY			LIFE OF PROJECT		
	B. FX	C. L/C	D. TOTAL	E. FX	F. L/C	G. TOTAL
AID Appropriated Total						
(Grant)	(500)	(0)	(500)	(950)	(0)	(950)
(Loan)	()	()	()	()	()	()
Other 1.						
U.S. 2.						
Host Country						
Other Donor(s)						
TOTALS	500	0	500	950	0	950

9. SCHEDULE OF AID FUNDING (\$000)

A. APPROPRIATION	B. Activity CODE	C. Special Int. CODE		D. OBLIGATION 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) ESF	PSMG	NAA		0	0	950,000		950,000	
(2)									
(3)									
(4)									
TOTALS									

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

11. SECONDARY PURPOSE CODE

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

A. Code

B. Amount

13. PROJECT PURPOSE (maximum 480 characters)

The purpose of the project is to establish a Management Information System (MIS) to provide evaluative information for host governments, A.I.D. and donors with respect to the impact of economic assistance for alternative development.

14. SCHEDULED EVALUATIONS

Interim MM YY MM YY Final MM YY
 0 6 9 2 1 0 9 3

15. SOURCE/ORIGIN OF GOODS AND SERVICES

000 941 Local Other (specify)

16. AMENDMENTS/NATURE OF CHANCE PROPOSED (This is page 1 of a ___ page PP Amendment.)

It is anticipated that there will be a competitively bid follow-on project, pending the recommendations of the evaluations and subject to the availability of funds.

17. APPROVED BY

Signature

James H. Michel

Title

Assistant Administrator, LAC

Date Signed

MM DD YY
 0 4 1 8 9 1

18. DATE DOCUMENT RECEIVED IN AID/W, OR FOR AID/W DOCUMENTS, DATE OF DISTRIBUTION

MM DD YY

ATTACHMENT A

PROJECT AUTHORIZATION

Name of Country/Entity: LAC Regional
Name of Project: Andean Counterdrug Management Information System
Number of Project: 598-0801

1. Pursuant to Section 531 of the Foreign Assistance Act of 1961, as amended, I hereby authorize the Andean Counterdrug Management Information System Project for the LAC Region involving planned obligations of not to exceed Nine Hundred Fifty Thousand United States Dollars (US\$950,000) in grant funds over a two year period from date of authorization, subject to the availability of funds in accordance with the A.I.D. OYB allotment process, to help in financing foreign exchange costs for the Project. The planned life of the Project (LOP) is two years from the date of initial obligation, and the planned LOP amount is \$950,000.

2. The Project consists of the development of a management information system (MIS) to provide information for critical management decisions and to monitor progress and compliance toward achieving host country and U.S. Government goals with respect to anti-drug interventions in the Andean Region. When installed, the MIS will provide information required to track Andean country compliance with NSD-18 conditionality and allow appropriate allocation, obligation and oversight by the host country and the LAC Bureau of approximately \$925 million in ESF programmed under the President's Andean Initiative. This system will provide information regarding the impact of the economic assistance on each of the programs funded, as well as the reduction of coca growth and trafficking in each country.

3. The Project Agreement(s) which may be negotiated and executed by the officer to whom such authority is delegated in accordance with A.I.D. regulations and Delegations of Authority shall be subject to the following essential terms and covenants and major conditions, together with such other terms and conditions as A.I.D. may deem appropriate:

a. Source and Origin of Commodities, Nationality of Services

Commodities financed by A.I.D. under the Project shall have their source and origin in the United States (Code 000), except as A.I.D. may otherwise agree in writing. Except for ocean shipping, the suppliers of commodities or services shall have the United States as their place of nationality, except as A.I.D. may otherwise agree in writing.

b. Waivers

A sole source waiver of competition has been approved for this Project on the basis of national security. (See attached waiver.)

Signature James H. Michel 4/18/91
James H. Michel
Assistant Administrator, LAC

Clearances:

GC/LAC:TGeiger	<u>JTG</u>	Date	<u>4/17/91</u>
LAC/SAM:NParker	(Draft)	Date	
LAC/DPP:BSchouten	(Draft)	Date	
LAC/DR/SA:PLapera	(Draft)	Date	
LAC/DR/SA:JEvans	(Draft)	Date	
SA/AA/LAC:KHarbert	<u>KK</u>	Date	<u>4/18/91</u>
ADAA/LAC:PBloom	<u>PB</u>	Date	<u>4/18/91</u>

Attachments a/s

Drafted by CThompson:LAC/DR/SA:Doc#3468P:2/26/91

SCOPE OF WORK
MANAGEMENT INFORMATION SYSTEM
FOR COUNTER-DRUG INTERVENTIONS
IN BOLIVIA, COLOMBIA AND PERU

I. Background

A.I.D. plays an important role in the counter-drug effort undertaken by the U.S. in the Andean region. Shaped through policies mandated by the Andean Strategy, the Cartagena Accord, the Enterprise for the Americas, and the Andean Trade Initiative, the President's Andean Initiative as agreed to in the Cartagena Accord is an ambitious one which is being closely monitored in terms of its impact on reducing coca production and developing alternative sources of income and employment. Interventions supported by A.I.D.'s missions are designed to foster alternative sources of employment, income and exports, and to encourage host government cooperation in interdiction efforts through conditionality with Economic Support Fund allocations. As interdiction efforts succeed in reducing the attractiveness of investment in the coca-based economy, A.I.D. and host government efforts are designed to provide alternative sources of economic production. It is anticipated that over time, and with the assistance of A.I.D.'s interventions, the economies in the Andean countries will benefit from a more diversified economic base and that foreign exchange and jobs formerly produced by the coca economy will be replaced.

Significant resources have been committed for A.I.D. activities in these countries, and there is a commensurate need for the Agency to demonstrate the impact of these resources. In addition, host governments have repeatedly requested evidence that U.S. assistance is being productively invested in alternative economic development as part of the international counter-drug effort. To date, the Agency has had to respond to information requests in an ad hoc manner. Host governments and A.I.D. need a systematic method of describing economic assistance activities throughout the region, and of reporting on the impact of various projects.

Andean governments and A.I.D. Field Missions in the Andean region which receive special funding related to alternative development (currently Colombia, Bolivia and Peru) are being requested to design interventions to foster non-coca related economic development. There is a paucity of basic, relevant data for designing projects and for crafting policy reform agendas and strategies. Host country and Mission effectiveness in this effort require a management information system which includes enhanced local monitoring and evaluation (M&E) capacity.

The Contractor will develop a management information system (MIS) to provide data and to meet the information and analysis needs of host governments and the Bureau for Latin America and the Caribbean (the Bureau).

II. Objective

The purpose of the contract is to establish a Management Information System (MIS) to provide evaluative information for host governments, A.I.D. and donors with respect to the impact of economic assistance for alternative development. This information will be utilized for joint assessments with host governments on progress, adjustment and allocation of economic assistance for alternative development.

Considerable data is available from host country sources which has been inadequately assessed for presentation to host country and donor officials. This information will be assessed, and supplemented as necessary through program/project evaluations.

The contractor will assist host governments and A.I.D. field Missions to evaluate the impact of narcotics-related assistance; to provide timely and comprehensive information; and to monitor progress and compliance toward achieving host government and U.S. Government goals with respect to anti-drug interventions in the Andean Region. The contractor will work with A.I.D. mission staff and host country counterpart staff to establish information systems in host country counterpart agencies in Bolivia, Colombia and Peru, and to establish and maintain linked information systems to bilateral USAID missions and AID/W.

The contractor will prepare reports collaboratively with host country counterparts on key aspects of economic assistance provided under the Andean Initiative. This information will be helpful to familiarize host government and donor officials with the broad economic stabilization context required for successful alternative development. These reports will include assessments of economic performance and information on the impact of the economic assistance by program or project. The contractor will assist host governments and Missions with program/project monitoring and evaluation requirements, including plans for baseline data collection activities. It will monitor adherence to relevant legislative requirements. This data will be provided for a computerized tracking system in Washington, and will be useful for Congressional oversight committees, the media and the public.

The management information system will provide the following:

1. Assist the mission and host country counter-part agency to catalogue and assess available information and to develop project-specific and program-level data to monitor and evaluate the impact of specific interventions;

2. Review socio-economic analysis and programmatic information available in host governments and donor countries which evaluates and demonstrates progress in shifting from a coca-based to a post-coca economy, as stated in the Cartagena Accord;
3. Establish an information system which enables host country counterpart agencies and missions to share and assess information. This information will assist host governments and A.I.D. in making program-level management decisions with respect to strategic planning, shaping intervention portfolios and funding requirements.
4. Link country-level information systems to AID/W's LAC Bureau to meet data requirements for monitoring this highly visible and sensitive Initiative.
5. Enhance the capacity of host government officials and Missions to communicate, in a systematic way, progress, issues and program adjustments to the U.S. and Andean governments. This will include provision of timely and meaningful data to monitor compliance with agreements and with implementation plans as well as strategies such as the "Transit and Secondary Source Countries."
6. Provide timely progress reports and facilitate Mission and AID/W response for information required by ONDCP, Congress, the press, USTR, the State Department and other U.S. consumers;

III. STATEMENT OF WORK

The Contractor's tasks are:

- 1) to develop and to install a management information system in collaboration with host governments, A.I.D. field Missions and AID's LAC Bureau;
- 2) to provide reports, analyses and information through this system;
- 3) to assist host governments and Missions with program/project monitoring and evaluation requirements, including plans for baseline data collection activities, to assure that the present and future project portfolios are adequately documented, evaluated and monitored; and
- 4) to provide management consulting with respect to the flow of information required for the effective programming and monitoring of the Andean Initiative.
- 5) to provide an operation manual or user's handbook for the efficient transfer of technology for host governments and to facilitate end-use. The manual should include a description of the operating system, table of contents, operating procedures, hardware, software used, staff operating requirements, glossary of terms, maintenance requirements, storage requirements, protection against data loss such as back-up systems required to protect information against power failure, high heat and humidity, excessive dust, etc.

The specific tasks performed by the Contractor will include:

A. Management Information Systems Construction and Operation

1. The Contractor will develop a comprehensive MIS plan, in consultation with counterpart agencies, USAID field missions and the LAC Bureau. It will submit this plan for A.I.D.'s approval. The plan will include hardware and software equipment requirements; evidence of systems compatibility; systems management and staff requirements; data collection, storage, and maintenance procedures; data assessment and analysis methodologies and a schedule for submitting reports.
2. The Contractor will assess the data available in the relevant countries, both host government sources and A.I.D. project and program information, including base line studies. The Contractor will evaluate this data in terms of the information requirements for monitoring the Andean Implementation Plan as set forth in Annex A.
3. The Contractor will work with counterpart agencies to enhance data collection and analysis requirements. Where appropriate, the Contractor will assist with the establishment of information systems which can be linked or fed into USAID mission information systems.
4. The Contractor will install a management information systems in host country counterpart agencies and in each field Mission in Bolivia, Peru and Colombia, and in the LAC Bureau. Relevant data will be computerized in a form which facilitates access and comparability with past performance, and with other country indicators. The Contractor will also develop a system for refining indicators to be measured and used in the MIS. No direct computer linkages with A.I.D. systems are anticipated: information will be transferred among compatible systems through disks. Information security shall be documented in terms of use-codes, restricted use, and data transfer measures.
5. The Contractor will conduct at least two workshops in the field with representatives of host country organizations, representatives of the Bureau, Mission staff, the Contractor team, and other persons contributing to data collection in the field to modify the indicators to suit the programs and data availability in each of the countries.
6. Using these sources, the contractor will develop a comprehensive monitoring and evaluation plan in collaboration with counterpart agencies and USAID missions. The plan will be approved by the Missions and the Project Manager in AID/W. The plan will detail the data currently available or to be obtained, their sources and periodicity, and the uses to which they will be applied. The plan will ensure that data are collected on a programmatic level, on a country level, and on a regional level with respect to coca growing regions. It will include both quantitative "hard" data as

well as anecdotal information intended to communicate progress to diverse audiences. Data collection will be routinized as possible. Collection procedures and timing will be specified in the plan.

7. The Contractor will help host countries and Missions develop and operate their own M&E systems for projects and programs addressed to alternative development. The Contractor will be available for project management information systems analysis as needed and will be a technical resource for the Missions.

8. The Contractor will ensure that the MIS runs efficiently and that an effective information network is established, within host countries, from each Mission to the Bureau and as necessary among the field and Bureau systems, with respect to alternative development.

9. The Contractor will respond in a timely manner to inquiries from the Project Manager concerning the host countries' and the Bureau's counter-drug efforts in Bolivia, Colombia and Peru, and may assist as appropriate in communicating these efforts in a comprehensive and effective manner.

10. The Contractor will prepare and publish reports and assessments as necessary, both in collaboration with host country counterparts, or on behalf of A.I.D., as requested.

B. Systems Reporting and Deliverables

1. The Contractor will provide analyses and assessment of critical areas of relevance to the alternative development program, such as migration, alternative employment, household socio-economic profiles or business surveys. The Contractor will review existing data sources, assess their reliability and advise host governments and missions with respect to the development of improved data sources funded through other activities.

2. The Contractor will provide quarterly reports to AID based on the MIS plan. The Contractor will also generate special reports from the data base as required to highlight specific issues and use the data base to answer special information requests from the Project Manager.

3. The Host Government, Missions, Bureau and Contractor will determine which information needs would be best addressed through special studies, periodic surveys, or evaluations. Upon approval by the Project Manger, the Contractor will ensure that those inquires are integrated into the MIS.

5. The Contractor will submit to A.I.D. the results of non-periodic surveys and special studies as called for in the MIS plan, including up-dated briefing books; and

6. The Contractor will submit, and periodically update, fact sheets and briefing papers describing the status and impact of alternative development interventions.

C. Program/Project Monitoring and Evaluation

1. The Contractor will assist host country counterpart agencies and missions to assure that the present and future project portfolios are adequately documented, evaluated and monitored. The Contractor will advise and assist with data collection activities and socio-economic analyses related to program/project monitoring and evaluation requirements, including plans for baseline data collection activities.

2. The Contractor will advise the Missions and host governments with respect to supplemental data needs for the existing project portfolios, if necessary.

3. The Contractor will advise and assist in the design of project monitoring and evaluation plans, baseline data collection requirements and socio-economic analyses required to monitor the impact of future A.I.D.-funded activities related to the Andean Initiative.

4. The Contractor will assist the Bureau in analyzing regional A.I.D. activities which support the Andean Initiative. The Contractor will provide a useful focal point for sharing "lessons learned" among countries.

D. Management consulting

1. The Contractor will assist host governments, Missions and the Bureau in reviewing their strategies and examining their project interventions, and in developing their capacity to carry out their respective roles under this project. As the crucial node for information flow on country counter-drug activities, the Contractor will be in a position to provide useful insights at both the programmatic and project level.

2. The Consulting Pool will be accessed to expedite installation of the MIS during the first year of the contract. Given the scope of work to be completed in this period -- and the likely time-lag necessary to hire local staff for the contract -- a considerable level of effort is expected for this task.

IV. Contractor Qualifications and Staffing

The Contract team will consist of five individuals: three employed on a full-time basis and two on a half-time basis. A pool of skilled short-term consultants will supplement the efforts of the team as necessary. The Team Leader and the Assistant to the Team Leader will be based in Washington. The three In-Country Data Analysts, will be hired to work in Bolivia Peru and Colombia. These positions may be adjusted in response to program requirements at A.I.D.'s initiative, and with the concurrence of the contractor. The pool of skilled consultants will be hired by the Contractor to provide special short-term assistance in strategic planning and systems design to the host governments, Missions and Bureau as needed.

A.I.D. will approve the selection of contract staff and consultants, in collaboration with host country counterpart agencies as appropriate. The team leader is designated as key personnel.

All contract staff are required to have academic or practical training in statistics, data processing and analysis based on socio-economic indicators, preferably in a developing country context. The team leader and country analysts will be required to have at least five years of experience working with data and socio-economic indicators. They will also be familiar with data processing technology. Finally, they must have experience in "process" consulting and working with people including host country nationals. The Assistant Team Leader will also be an information management specialist with experience in managing information systems.

Familiarity with basic computer software programs to be used in the MIS, such as Lotus 123 and dBase III+ will be required of all team members. They will also have experience in managing or operating management information systems. Consultants will also be familiar with data processing and information systems and possess requisite technical skills specific to their assigned task. The term "Contractor" includes all team members. All team members will possess Spanish and English language ability equal to FS-3 or better.

The Team Leader will hold a "secret" security clearance. Other team members will hold clearances as necessary.

The responsibilities and qualifications for the team members is described below:

Team Leader. The Team Leader will be responsible for managing all aspects of the contract, for producing the various reports, for communicating with contract staff and host government officials and with information consumers in Mission and Bureau staff.

The Team Leader may also be requested by A.I.D. to participate in briefings with Congressional staff. S/he will manage the logistics of the M&E system. Specifically, the Team Leader will:

1. be proficient at simplifying complex technical material and at presenting the product in a manner easily comprehensible to a wide range of anticipated consumers;
2. be experienced at managing a MIS of equivalent magnitude and with the relevant hardware and software;
3. be adept at handling not only hard data, but also less quantitative information, such as newspaper clipping services;
4. be available to travel to the field to advise on MIS systems in country, discuss data collection requirements and indicators, plan and evaluate analytical work and solve problems, as necessary.

Assistant to the Team Leader. The Assistant to the Team Leader will work with the Team Leader in the Contractor's Washington office. The Assistant will be responsible for all support services to the Team Leader, including correspondence, filing, operating systems maintenance, and running the office in the absence of the leader. In addition to the basic skills outlined above, the assistant will have experience in office management.

In-Country Data Analysts. The individuals located in Colombia, Bolivia, and Peru will be responsible for local data collection in collaboration with host country agencies, for transmission of data to the Contractor's office in Washington and for providing analysis and feedback on the critical trends and indicators and their continuing relevance. In addition, they will be responsible for operating the MIS for anti-drug interventions within their respective A.I.D. Missions. They will have experience operating MISs and display the qualities of a "self-starter". It is planned that the In-Country Data Analysts will have offices within their respective Missions.

Consulting Pool. The Consulting Pool will play two important roles in the project:

1. It will provide consulting services to the host governments, Missions and the Bureau with respect to anti-drug interventions -- helping to communicate programs, to engage in strategic program planning for their anti-drug efforts, and to develop MISs.

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2. The short-term consultants will help expedite installation of the system in view of the urgency to AID/LAC that the system be operational within six months of project initiation.

Included in the Consulting Pool should be individuals with extensive experience with MISs, with A.I.D. program and project analysis, with programmatic strategic planning, and -- if possible -- with AID/LAC's anti-drug portfolio. Assignment of individuals within the pool to specific tasks will be made by the Contractor and approved by A.I.D. Missions and the Bureau may also request assistance for specific tasks related to the anti-drug efforts.

All consultants and consultant travel will be approved by the A.I.D. project manager, who will coordinate the approval process as necessary within A.I.D.

V. Relationship with AID

The Contractor will be based in the U.S. (in Washington, D.C.) and maintain an office close to AID. The Contractor will also have access to an office within LAC/SAM, and will maintain a computer there. The Contractor will have a direct on-line computer connection between the computer in the LAC Bureau and the main office computer. Day to day project management will be the responsibility of the Team Leader who will, in turn, be responsible to a Narcotics Coordinator from LAC/SAM.

VI. Schedule for Service Delivery

The contract will be for a duration of two years, while the project completion date will be for two and one half years. During the first three months of the contract, the Contractor team will establish country offices, hire local staff, define the parameters of and a viable framework for the MIS, its structure and outputs, as well as its data requirements and the sources of that data. The Contractor will collect information useful for program decisions and Congressional presentations within three months of the effective date of the contract.

By the end of the first six months one field seminar will have been held, management consulting services will have been provided, Mission systems should be operational, baseline data should have been collected, and archetypes of fact sheets, briefing papers, and standard reports should have been produced.

During the second six months the Contractor will continue providing management consulting services as needed and will

run the system on real-time data flow. Special studies and surveys may also be performed, as needed. By the beginning of the second year a second seminar will have been held to modify systems in light of lessons learned from the first on-line experience, the system should be operational, and management consulting assistance should begin to taper off. By year two the MIS will operate at full capacity and be modified to suit emerging needs, as defined by the Bureau, the Missions and the Contractor.

VII. Level of Effort

To accomplish these tasks the following level of effort is anticipated:

1. Team Leader and In-Country Data Analysts in Peru and Bolivia. Full-time effort for the two-year period.
2. Assistant to the Team Leader and Data Analyst in Colombia. Half-time effort for the two-year period.
3. Consultant Pool. Approximately 167 days of consulting services are anticipated, broken-down as follows:
 - a. 56 days to get the MISs started in the three countries (three weeks in each of Bolivia and Peru and two weeks in Colombia);
 - b. 14 days for the two one-week seminars;
 - c. 35 days for strategic consulting assistance to the Missions (two weeks in each of Bolivia and Peru and one in Colombia).
 - d. 62 days for consulting assistance requested by the Contractor, the Missions, or the Bureau for assistance or special studies as part of the data collection.

It is expected that Items 3a, 3b, and 3c will be performed in the first year. Work performed pursuant to Item 3d will occur during the entire life of the project.

4. Travel. Round-trip travel between the U.S. and the three countries is difficult to predict. However, a tentative travel level would be as follows:
 - a. Between the U.S. and the three countries: 14 Washington-South America round-trips and 6 intra-South America round-trips, broken down as follows:

i. 3 US<-->SA for the two seminars (for one Consulting Pool member [first seminar only] and the Team Leader [both seminars]);

ii. 8 US<-->SA for the other consulting assignments listed above;

iii. 3 US<-->SA for visits (one each) from the In-Country Data Analysts to Washington;

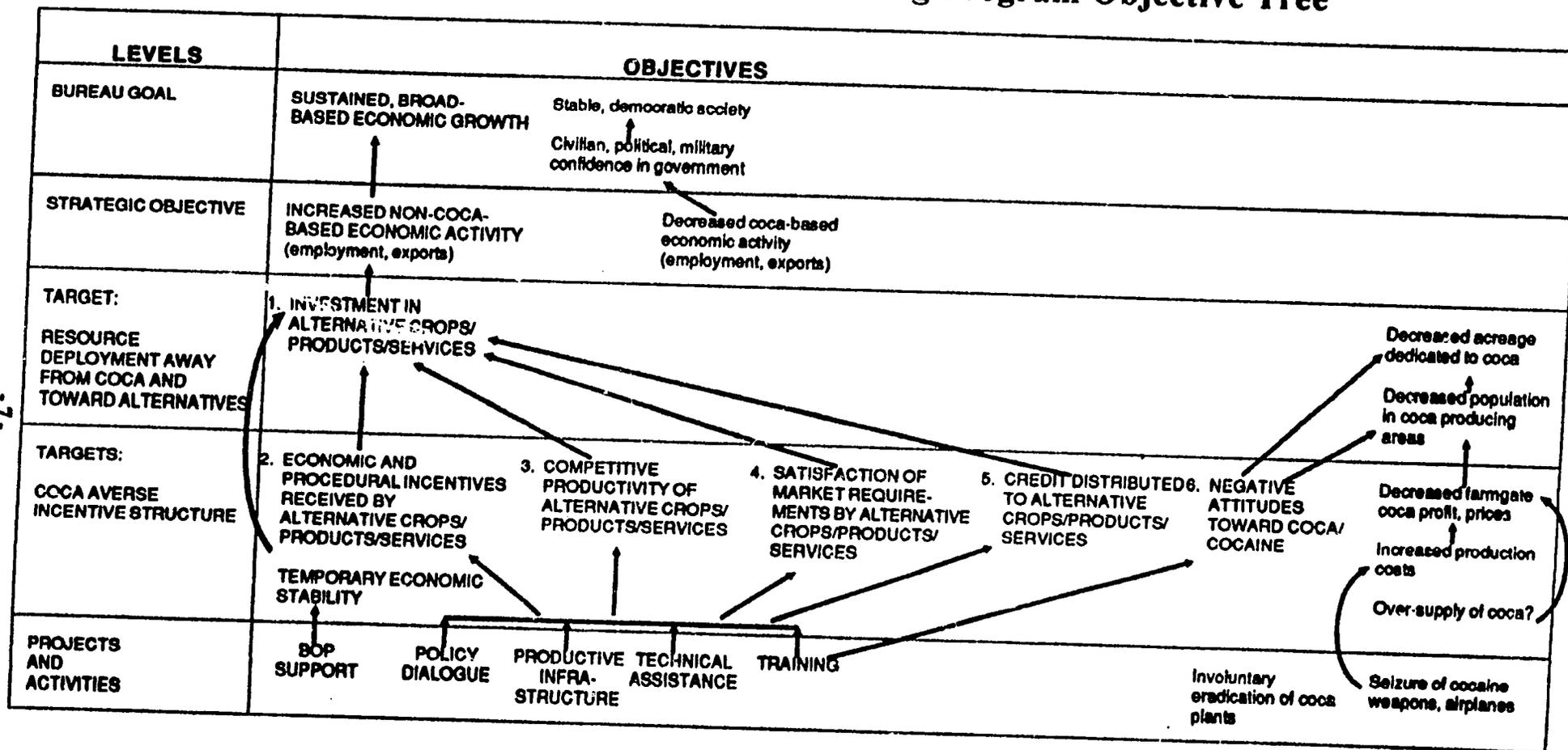
iv. 6 SA<-->SA for travel from two of the three countries to the third for the two seminars, and for coordination later in the project;

5. Office equipment. The Contractor will acquire the following equipment to perform the task:

a. personal computers and support equipment for each of the four offices and for counterpart agencies as necessary. It is expected that other office services/ equipment and minimal secretarial assistance will be provided by the Missions.

b. complete office equipment, including desks, paper, photocopying equipment, etc. for the Washington office.

Alternative Development/Counter Drug Program Objective Tree



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TENTATIVE DATA SOURCES FOR INDICATORS

GOAL	INDICATORS	DATA SOURCE
Growth = Increased GDP, Per Capita Income		World Bank Analyses
Sustained = Over Time		
Broad-based = Diversification (Ag, Man, Serv)		
STRATEGIC OBJECTIVE		
Export Earnings	ALTERNATIVES Country Level Program Level	Newspapers for leads AID projects' employment tracking
Employment		
TARGETS		
Investment in Alternatives		
Ag	Country Level	Newspapers for leads
Ag proc		
Man	Program Level	AID project's investment tracking
Serv		
Economic and Procedural Advantages for Alternatives		
Taxes	Country Level	Newspapers for leads
Exchange		
Interest	Program Level	Export organization records
Procedures		
Competitive Productivity of Alternat.		
Ag	Exp. Demo. Oper.	
Ag proc	Country Level	Technical assistance records
Man		
Serv	Program Level	
Satisfaction of Market Requirements by Alternatives		
Ag	Exp. Demo. Oper.	
Ag proc	Country Level	Newspapers for leads
Man		
Serv	Program Level	Export organization records
Credit distributed to alternatives		
Ag	Country Level	World Bank analysis
Ag proc		
Man	Program Level	Credit institution records
Serv		
Negative attitudes toward coca/cocaine		
Health	Country Level	Newspaper clippings
Ethics		
Economics	Program Level	Questionnaire
Productive Infrastructure for alternatives		
Capacity installed		
Short-term employment		
Use		
New crops/products/services		

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Bolivia Program Elements and Measures of Effectiveness Matrix IV-A

	Measures for Year One (4/1/91 - 3/31/92)	Measures for Years One to Five	Measures for Years Five and Beyond (Strategic Objective)
Economic Recovery '91 and '92 —Balance of Payments (BOP) Support	<ul style="list-style-type: none"> Funds disbursed pursuant to agreement *GOB engages in successful anti-drug interdiction efforts per conditionality External debt reduced by GOB 	<ul style="list-style-type: none"> External debt reduced by GOB *GOB commitment to anti-drug interdiction maintained. Land under coca cultivation decreased 	<ul style="list-style-type: none"> Ratio of coca-related jobs to non-coca jobs reduced Ratio of coca exports to non-coca exports reduced
Policy Reform II —GOB and private sector policy reform analysis capability improved	<ul style="list-style-type: none"> TA provided to GOB for policy analysis Three improved policies adopted by GOB 	<ul style="list-style-type: none"> X # improved policies implemented by GOB 	
Management Information System	Local counterpart selected. Monitoring and Evaluation System installed.	Reports issued on a timely basis identifying status and impact of narcotics-related assistance.	

*A.I.D. encourages GOB commitment to drug interdiction through economic assistance. However, directly influencing drug trafficking is beyond A.I.D.'s mandate. These indicators are more illustrative of the impact of efforts by DEA, GOB, and other players.

Planned Funding Levels (in U.S. \$000):

	FY 1991		FY 1992	
	Obligate	Disburse	Obligate	Disburse
Policy Reform II	1,200	800		
Economic Recovery 91	69,000	69,000		
Economic Recovery 92			100,000	100,000
Management Information System				

Bolivia Program Elements and Measures of Effectiveness Matrix: IV-B

(Part One)

Measures of Effectiveness Program Elements	Measures for Year One (4/1/91 - 3/31/92)	Measures for Years One to Five	Measures for Years Five and Beyond (Strategic Objective)
Chapare Project —Agricultural credit —Rural roads construction —Community infrastructure development —Forestry —Marketing —Adaptive AGR Research	<ul style="list-style-type: none"> • Chapare project amended • 500 loans provided for \$1.8 million. • 80 kms roads constructed • 40 community infrastructure projects completed in Chapare and associated high valleys • X # farmers adopting new technologies • Value of food marketed through project 	<ul style="list-style-type: none"> • Production of non-coca agricultural products in Chapare and associated high valleys increased • Community infrastructure in associated high valleys improved • Non-coca jobs increased via project • Relative attractiveness of non-coca investments increased • Legitimate economic activity in associated high valley increased 	Ratio of coca exports to non-coca exports reduced Ratio of coca-related to non-coca jobs reduced
BOP/PL-480 Short-term Employment Activities	<ul style="list-style-type: none"> • X # person-months of employment provided 		
New Alternative Development Project	<ul style="list-style-type: none"> • Alternative development project designed, approved, and obligated • Study completed of coca-related migration patterns • Feasibility study completed for design of watershed management program in associated high valleys. 		
Rural Roads II	<ul style="list-style-type: none"> • Environmental impact study completed • Areas identified with high economic potential to target for road construction • Jobs created through project • # X kms of roads built/improved 	Volume of persons and products transported between targeted communities increased	

Bolivia Program Elements and Measures of Effectiveness Matrix: IV-B

(Part Two)

Measures of Effectiveness Program Elements	Measures for Year One (4/1/91 - 3/31/92)	Measures for Years One to Five	Measures for Years Five and Beyond (Strategic Objective)
Rural Electrification II	<ul style="list-style-type: none"> • Project Paper signed • X communities connected to electricity grid • Areas identified with high economic potential to target for rural electrification • # person-months of employment created 	<ul style="list-style-type: none"> • Businesses utilizing electric power in operation in assisted communities • X # communities on electric grid 	Ratio of coca-related to non-coca jobs reduced Ratio of coca exports to non-coca exports reduced
Export Promotion Project —TA to export promotion organizations —Credit provision to exporters	<ul style="list-style-type: none"> • Follow-on project agreement signed • Key export promotion organizations serving X # clients • TA provided to export promotion organizations • Credit provided to X # export organizations 	<ul style="list-style-type: none"> • Exports increased among clients of export organizations • Relative attractiveness of non-coca exports increased 	
Microenterprise Development Project —Training —Credit	<ul style="list-style-type: none"> • Entrepreneurs trained, by gender • Loans made (avg. amount), by gender • # person-months of employment created 	<ul style="list-style-type: none"> • Jobs created through program 	
Strengthening Financial Markets —Training —Institutional Strengthening —Policy Reform	<ul style="list-style-type: none"> • X # persons trained • X # securities issued and traded • X # policy topics researched • X # policies adopted 	<ul style="list-style-type: none"> • Vibrant securities market established • Financial training program established • X # policies implemented 	

Note: Wherever feasible, data should be disaggregated by region (Province) of impact and by gender of beneficiary.

Peru Program Elements and Measures of Effectiveness Matrix: IV-A

Measures of Effectiveness Program Elements	Measures for One Year (4/1/91 - 3/31/92)	Measures for Years One Through Five	Measures for Years Five and Beyond (Strategic Objectives)
Economic Support and Recovery Program —Policy reform target to: <ul style="list-style-type: none"> • reschedule debt • increase confidence of foreign and domestic investors • adjust exchange rates • reform tax system • liberalize credit markets 	<ul style="list-style-type: none"> • Policy letter from GOP received • PAAD agreement signed by GOP • Funds dispersed • Three policy reforms adopted by GOP 	<ul style="list-style-type: none"> • BOP deficit reduced by GOP • Three policy reforms implemented. Possible indicators of achievement (depending on which policies are implemented) <ul style="list-style-type: none"> — interest rate ceilings removed; — effective controls on GOP spending; or — public sector deficit reduced • Investment in economy increased from X to Y • Real GDP increased from X to Y 	<ul style="list-style-type: none"> • Ratio of coca-related to non-coca jobs reduced • Ratio of coca exports to non-coca exports reduced
Policy Analysis, Planning and Implementation (No documentation available)	<ul style="list-style-type: none"> • Project Agreement signed 		

Planned Funding Levels (in U.S. \$000):

	FY 1991		FY 1992	
	Obligate	Disburse	Obligate	Disburse
Policy Analysis, Planning and Implementation Project	2,814	1,800	1,800	N.A.
Economic Stabilization and Recovery	50,843	50,843	109,050	109,050

Program Elements and Measures of Effectiveness Matrix: IV-B

Program Elements	Measures of Effectiveness	Measures for Year One (4/1/91 - 3/31/92)	Measures for Years One to Five	Measures for Years Five and Beyond (Strategic Objective)
Upper Hnallaga Area Development — Applied Agricultural Research — Agricultural Extension — Agricultural Credit — Infrastructure Development		<ul style="list-style-type: none"> • Project evaluation of activities directed at farmers completed • Pilot reforestation activities reactivated • X hectares in UHV switched from coca production to non-coca production • X number agricultural credit loans totaling Y \$ • X number of demonstration plots benefiting Y number of farmers • X number of field day demonstrations benefiting Y number of farmers • X number of poultry and livestock producers benefiting directly from technical assistance • X number of farmers receiving tractor and seed technical assistance • X number of special agricultural programs • Seed production and distribution by type and quantity • Certified seed distribution by type and quantity • X number and type of small scale community infrastructure works. • X number and type of large scale community infrastructure works. • X number of land titles registered • X number of fish farmers installed • X number of farmer associations receiving T.A. 	<ul style="list-style-type: none"> • X number of crop production packages being extended to farmers 	<p>Ratio of coca-related to non-coca jobs reduced</p> <p>Ratio of coca exports to non-coca exports reduced</p>
Selva Economic Revitalization Project (no documentation available)		<ul style="list-style-type: none"> • Project Paper approved 		
Selva Coastal Road Rehabilitation (no documentation available)		<ul style="list-style-type: none"> • Environmental assessment completed • Project Paper approved 		
Investment and Export Promotion (no documentation available)		<ul style="list-style-type: none"> • Project design completed and implementation initiated • ESF balance of payments local currency credit line established 		
National Employment Generation (no documentation available)		<ul style="list-style-type: none"> • Project design completed and implementation initiated • ESF balance of payments local currency credit line established 		

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Colombia Program Elements and Measures of Effectiveness Matrix: IV-A

Program Elements	Measures of Effectiveness	Measures for Year One (4/1/91 - 3/31/92)	Measures for Years One to Five	Measures for Years Five and Beyond (Strategic Objective)
<p>Economic Support</p> <ul style="list-style-type: none"> —Balance of Payments (BOP) support <p>Core Economic Opportunity Budget**</p> <ul style="list-style-type: none"> —Support for "Apertura" —Decentralization/Regional Economic Development —Development of Human Resources 		<ul style="list-style-type: none"> • Implementation of BOP agreement begun • GOC coordination group identifies initial activities supporting regional alternative development • funds disbursed pursuant to agreement • *GOC engages in successful anti-drug interdiction efforts per conditionality • Three improved policies adopted 	<ul style="list-style-type: none"> • External debt reduced by GOC • *GOC commitment to anti-drug interdiction maintained • *Coca/cocaine trafficking reduced • X # policies implemented 	<ul style="list-style-type: none"> • Ratio of coca-related jobs to non-coca jobs reduced • Ratio of coca exports to non-coca exports reduced
<p>Management Information System</p>		<p>Local counterpart selected. Monitoring and Evaluation System installed.</p>	<p>Reports issued on a timely basis identifying status and impact of narcotics-related assistance</p>	

* A.I.D. encourages GOC commitment to drug interdiction through economic assistance. However, directly influencing drug trafficking is beyond A.I.D.'s mandate. These indicators are more illustrative of the impact of efforts by DEA, GOC, and other players.

** This budget uses local currency generated to support its "Apertura" programs, its decentralization/regional economic development programs, and its human resource development programs. The Pesos are the property of the GOC and the USG does not manage their expenditure.

PROJECT BUDGET

Andean Counterdrug Management Information
System Project (598-0801)

(000 U.S. \$)

	<u>Year 1</u>	<u>Year 2</u>	<u>Total</u>
I. Long Term Staff	<u>190</u>	<u>190</u>	<u>380</u>
Home Office (Team Leader and Assistant - 1.5 years)	100	100	200
Field Staff (2.5 person years plus admin. support)	75	75	150
Short Term Experts	15	15	30
II. Travel	<u>35</u>	<u>20</u>	<u>55</u>
III. Equipment/Supplies	<u>60</u>	<u>30</u>	<u>90</u>
IV. Overhead	<u>150</u>	<u>135</u>	<u>285</u>
SUBTOTAL	<u>405</u>	<u>360</u>	<u>765</u>
V. Contingency/ Inflation (14%)	<u>65</u>	<u>65</u>	<u>130</u>
TOTAL	<u>500</u>	<u>440</u>	<u>940</u>
Audit and Evaluation	--	10	950

HSOos, 8943a, p.10

LOGICAL FRAMEWORK

Andean Counterdrug Management Information System (598-0801)

Goal: To promote legitimate economic activities in the context of broad-based economic growth and the evolution of stable, democratic societies in the Andean countries.

Objectively Verifiable Indicators:

- 1) Coca eradication and alternative development
 - 2) Overall economic growth and employment generation
- Source: Data compiled for Andean Implementation Plan

Purpose: The purpose of the project is to establish a Management Information System (MIS) to provide timely and comprehensive analytical and evaluative information with respect to the impact of counterdrug interventions in the Andean countries of Bolivia, Peru and Colombia.

Objectively Verifiable Indicators:

- 1) An integrated MIS installed and functioning in Washington and three Andean missions, and in host country counterpart agencies.
- 2) Meaningful data and analyses provided to monitor the impact of approximately \$925 million in ESF programmed under the President's Andean Initiative (from FY91 - FY 94) as well as related development assistance.

Source: Quarterly Contractor Reports

Major Outputs.

	<u>All Years</u>
Computerized Management Information System	1
Assessments of impact of economic policy and alternative development programs	12
Reports to communicate progress (to governments of Peru, Bolivia and Columbia, and U.S.)	6

A.I.D.-Financed Inputs (\$000):

	Life of Project
Technical Assistance	380
Travel	55
Equipment and Supplies	90
Audit and Evaluation	10
Overhead	285
Contingency/Inflation	130
TOTAL	950

Objectively Verifiable Indicators:

Indicators for Inputs and Outputs will be provided from Quarterly Contractor Reports.

FEB 14 1991

ACTION MEMORANDUM FOR THE ASSISTANT ADMINISTRATOR, LAC

FROM: LAC/SAM, Norma Parker *NJP*

SUBJECT: The President's Andean Counter-narcotics Initiative -
Determination to Waive Full and Open Competition
Requirements.

PROBLEM: Your approval is requested to waive full and open competition requirements for a management information system to support the implementation of President Bush's Andean Counter-narcotics Initiative.

BACKGROUND: In August 1989, President Bush signed National Security Directive 18 (NSD-18) assigning top priority to a full-scale attack on the drug problem in all its aspects. The Directive calls for aggressive pursuit of this national objective, noting "the strategy will succeed only if the programs are effectively coordinated and managed." NSD-18 led to a summit meeting with the Andean country presidents in Cartagena, Colombia in February 1990. A cooperative commitment to an integrated attack on the narcotics problem confronting the hemisphere was expressed in the Declaration of Cartagena, signed by President Bush and the Andean Presidents at the close of the Summit. The total amount budgeted for Andean Counter-narcotics economic assistance is approximately \$187 million in FY 1991, with at least another \$750 million programmed in FY 1992-94. The LAC Bureau has prime responsibility for monitoring and tracking the use of these funds by our USAID missions.

The LAC Bureau recognized the immediate need for a Management Information System (MIS) system to meet interagency and legislative demands for information to satisfy the design, monitoring and conditionality requirements of the Initiative. In September 1990, the LAC Bureau signed a contract with Management Systems International (MSI) under an IQC to: provide a framework for the narcotics-related MIS; and identify available data immediately useful for the design and monitoring of the LAC Bureau's Andean Counter-drug Alternative Development program. The contractor also provided a Scope of Work and level of effort for the full design and implementation of a narcotics related MIS. This work was completed, with required reports submitted to AID in December 1990.

When installed, the MIS will provide information required to:

- Track Andean country compliance with NSD-18 conditionality. The economic assistance is conditioned on the maintenance of sound economic policies. Valid and up-to-date performance information is essential to our budgetary decision-making.
- Allow appropriate allocation, obligation and oversight by the LAC Bureau of approximately \$925 million in ESF programmed under the President's Andean Initiative. This system will provide information regarding the impact of the economic assistance on each of the programs funded, as well as the reduction of coca growth and trafficking in each country.
- Provide required quarterly reporting on the narcotics-related program inputs and outputs required by the Office of National Drug Control Policy (ONDCP).
- Ensure adherence to various legislative requirements, particularly those requiring monitoring of performance elements, including periodic determinations with respect to country compliance in implementing agreements, human rights and effective control over the police and military in counter-narcotics actions.
- Monitor the implementation status of, and compliance with two new drug strategies for "Mexico" and "Potential Source and Transit Countries".
- Provide project design and monitoring information for the planned ONDCP computerized NSD-18 tracking system.
- Provide information for responses, briefings and testimony to Congressional oversight committees, the President's ONDCP, the media and public.

The collection of valid and reliable information is required immediately in order to fulfill the resource allocation, legislative and conditionality requirements associated with this Presidential Initiative. This need is accentuated by the International Narcotic Control Act (INCA) of 1990 which requires Executive Branch monitoring of performance elements in addition to those previously required, including periodic determinations with respect to country compliance in implementing agreements. MIS support is particularly urgent for the following undertakings: design and implementation of the FY 1991 Andean Counternarcotics Implementation Plan; preparation of Congressional briefings and testimony; and

assuring adherence to legislative requirements and bilateral agreement and strategy conditionality before obligation or release of funds. Attachment A illustrates the type of information to be provided by the MIS.

FINDINGS AND JUSTIFICATION: Pursuant to the Competition in Contracting Act, the provisions of Handbook 14 require that all AID direct contracts be fully and fairly competed. Those provisions, however, can be waived for an award when the designated Assistant Administrator determines that full and open competition procedures would impair foreign assistance objectives, and would be inconsistent with the fulfillment of the foreign assistance program. Full and open competition, including advertisement, for the procurement of services for the MIS would delay its implementation for a minimum of six months (and we have recently experienced cases of more than eight months). This is an unacceptable timeframe considering the Presidential and legislative factors described above.

This waiver authority may be used only when no other authority provided in FAR 6.302 or AIDAR 706.302 is suitable. Based on our review, we conclude that no other authority applies to Agency and Bureau need for MIS procurement under the Counter-drug and Alternative Development program. To conduct this program, our need is to make a direct award to a contractor who is already mobilized for the immediate implementation of the MIS.

Two principal foreign policy objectives would be impaired if we are unable to proceed immediately. These objectives are:

1. To allocate and obligate up to \$925 million in NSD-18 economic assistance based on interagency policy and performance conditionality, including \$187 million in FY 1991. Beginning with Bolivia (\$77 million) and Colombia (\$50 million) and later Peru (\$60 million subject to INCA determination), the MIS will provide specific summary reports on performance against conditionality to allow Agency allocation, obligation and disbursement decisions. Within the next four to six months, the interagency Policy Coordinating Committee (PCC), the LAC Bureau and other federal agencies must give final approval to allocations of the FY 1991 narcotics-related assistance, determine each country's eligibility under Section 481(h) to receive the 50% of such assistance withheld, and determine whether conditions precedent to disbursement of such assistance have been met.

2. To respond to numerous outside requests for information, briefings and/or testimony about the program, including requests from the ONDCP, Congress, oversight agencies such as the GAO, the media and public at large. The LAC Bureau's

LAC-IEE-91-28

ENVIRONMENTAL THRESHOLD DECISION

Project Location : LAC Regional
Project Title : Andean Counter-drug Management Information System
Project Number : 598-0801
Funding : \$ 950,000
Life of Project : FY-90 to FY-92
IEE Prepared by : Helen Soos, LAC/SAM

Recommended Threshold Decision : Categorical Exclusion
Bureau Threshold Decision : Concur with Recommendation
Comments :
Copy to : Jeffrey Evans, Acting Director, LAC/DR
Copy to : Helen Soos, LAC/SAM,
Copy to : Peter Lopera, LAC/DR
Copy to : Howard Clark, REA/SAM
Copy to : IEE File

James S. Hester Date 3/21/91
James S. Hester
Chief Environmental Officer
Bureau for Latin America
and the Caribbean

ENVIRONMENTAL DETERMINATION

Project Location: LAC Regional
Project Title and Number Andean Counterdrug Management Information System (598-0801)
Funding: \$950,000
Life of Project: 2 1/2 Years
Prepared by: Helen Soos, LAC/SAM

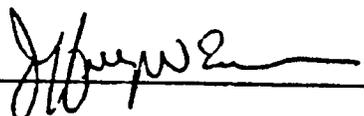
A. Activity Description: The purpose of the project is to establish a management information system (MIS) for host governments and donors with respect to the impact of economic assistance for alternative development. This information will be utilized for collaborative assessment with host governments on progress, adjustment and allocation of future year resources.

B. Discussion: A.I.D. funds will be used for technical services and procurement of equipment and supplies to establish a management information system. The activities, when weighed against the criteria of Section 216.2(c)(1)(i) and 216.2(c)(2)(i), (iii) and (v) of A.I.D.'s Environmental Procedures, are considered to qualify for a categorical exclusion for which the Initial Environmental Examination is generally not required.

From a broader perspective, the project is expected to enhance the effectiveness of host government and donor resources allocated to narcotics substitution and alternative development. This would have a positive environmental impact.

This statement is submitted for the Bureau Environmental Officer's review in accordance with Section 216.2(3).

C. Recommendation: Based on the above, it is recommended that a Categorical Exclusion be approved by the Bureau Environmental Officer.



Jeffrey W. Evans
Acting Director, LAC/DR

HSoos, 9148a