

PA-ABH-261
85713

TERTIARY EDUCATION LINKAGES PROJECT (TELP)

Project Number 674-0315

PROJECT PAPER

NOVEMBER 1993

APPENDIX 3A, Attachment 1
Chapter 3, Handbook 3 (TM 3:43)

AGENCY FOR INTERNATIONAL DEVELOPMENT
PROJECT DATA SHEET

1. TRANSACTION CODE
A A = Add
C = Change
D = Delete

Amendment Number _____

DOCUMENT CODE
3

COUNTRY/ENTITY
South Africa

3. PROJECT NUMBER
674-0315

6. BUREAU/OFFICE
Africa **06**

5. PROJECT TITLE (maximum 40 characters)
Tertiary Education Linkages Project

6. PROJECT ASSISTANCE COMPLETION DATE (PACD)
MM DD YY
11 21 03

7. ESTIMATED DATE OF OBLIGATION
(Under "B." below, enter 1, 2, 3, or 4)
A. Initial FY **94** B. Quarter **2** C. Final FY **99**

8. COSTS / \$000 OR EQUIVALENT \$1 =

A. FUNDING SOURCE	FIRST FY 94			LIFE OF PROJECT		
	B. FX	C. L/C	D. Total	E. FX	F. L/C	G. Total
AID Appropriated Total	4500		4500	50000		50000
(Grant)	(4500)	()	(4500)	(50000)	()	(50000)
(Loan)	()	()	()	()	()	()
Other U.S. L						
U.S. Z						
Host Country						
Other Donor(s)						
TOTALS	4500		4500	50000		50000

9. SCHEDULE OF AID FUNDING (\$000)

A. APPROPRIATION	B. PRIMARY PURPOSE CODE	C. PRIMARY TECH CODE		D. OBLIGATIONS TO DATE		E. AMOUNT APPROVED THIS ACTION		F. LIFE OF PROJECT	
		1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan
(1)						50000		50000	
(2)									
(3)									
(4)									
TOTALS						50000		50000	

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)

To increase access by black South Africans to tertiary education opportunities and resources and to improve academic, administrative, and research capacity in historically black tertiary education institutions.

14. SCHEDULED EVALUATIONS

Interim MM YY **11 19 05** | MM YY **06 09 08** | Final MM YY **11 10 03**

15. SOURCE/ORIGIN OF GOODS AND SERVICES
 000 941 Local Other (Specify) **935**

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

I concur in the proposed methods of implementation and financing as described in the Project Paper.

Gerald Hensley
Gerald Hensley, Controller

17. APPROVED BY

Signature: *Leslie A. Dean*

Title: Leslie A. Dean, Director

Date Signed: MM DD YY **11 10 03**

18. DATE DOCUMENT RECEIVED IN AID/W. OR FOR AID/W DOCUMENTS, DATE OF DISTRIBUTION
MM DD YY **11 12 03**

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LIST OF ACRONYMS

A.I.D.	Agency for International Development
AID/UC	Agency for International Development University Center
AID/W	Agency for International Development/Washington
ANC	African National Congress
AZAPO	Azanian People's Organization
BPED	Black Private Enterprise Development
CAAA	Comprehensive Anti-Apartheid Act of 1986
CBO	Community-based Organization
CEPD	Center for Educational Policy Development
CIP	Commodity Import Program
CP	Conservative Party
CPSP	Country Program Strategy Paper
DFA	Development Fund for Africa
DP	Democratic Party
ECPR	Executive Committee Project Review
EOPS	End of Project Status
FSN	Foreign Service National
GDP	Gross Domestic Product
HBCUs	Historically Black Universities and Colleges (U.S.)
HBI	Historically Black Institution (S.A.)
HBT	Historically Black Technikon (S.A.)
HBU	Historically Black University (S.A.)
HRDD	Human Resources Development Division
HWU	Historically White University
IFP	Inkatha Freedom Party
IRR	Internal Rate of Return
IQC	Indefinite Quantity Contract
LOP	Life of Project
MIS	Management Information System
NEPI	National Education Policy Investigation
NFA	Non-federal Audit
NGO	Nongovernmental Organization
OIT	Office of International Training
PAC	Pan-Africanist Congress
PACD	Project Activity Completion Date
PID	Project Identification Document
PIR	Project Implementation Review
PP	Project Paper
PSC	Personal Services Contractor
RCO	Regional Contracting Officer
RFP	Request for Proposals
RLA	Regional Legal Adviser
ROR	Rate of Return

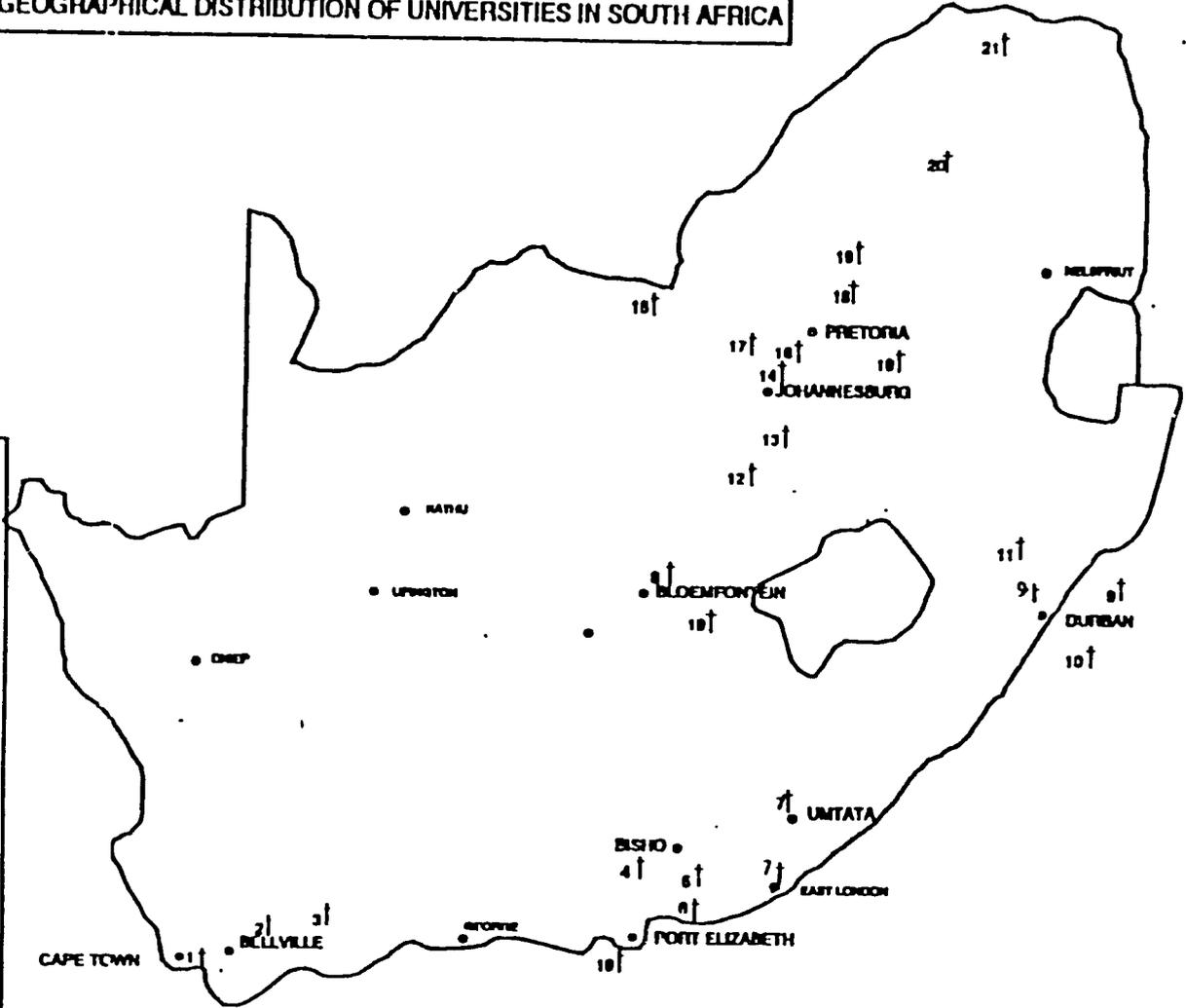
S.O.	Strategic Objective
SAG	South African Government
SAPSE	South African Primary Sector Education
SRC	Student Representative Council
STEP	Support to Tertiary Education Project
SUDS	Shelter and Urban Development Support
TA	Technical Assistance
TEC	Transitional Executive Council
TELP	Tertiary Education Linkages Project
TESA	Tertiary Education Sector Assessment
UDUSA	Union of Democratic University Staff Associations
USAID	United States Agency for International Development
USIS	United States Information Service
VISTA	Vista University
WID	Women in Development

5

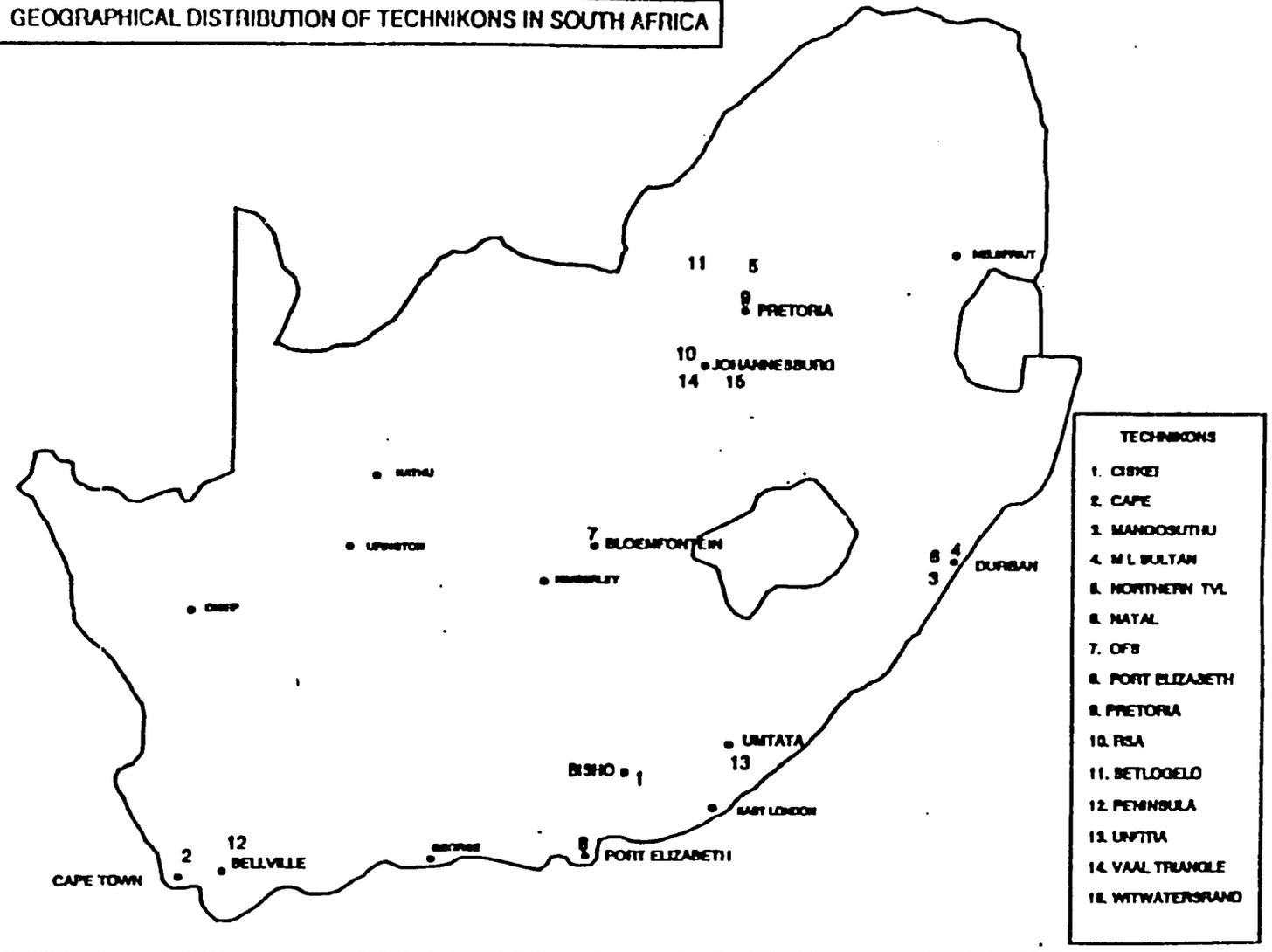
GEOGRAPHICAL DISTRIBUTION OF UNIVERSITIES IN SOUTH AFRICA

UNIVERSITIES

- 1 CAPE TOWN
- 2 WESTERN CAPE
- 3 STILLERBOSCH
- 4 FORT HARE
- 5 RHODES
- 6 PORT ELIZABETH
- 7 TRANSKEI
- 8 ORANGE FREE STATE
- 9 NATAL
- 10 DURBAN WESTVILLE
- 11 ZULULAND
- 12 POTCHERSTROM
- 13 NORTHERN CAPE
- 14 WITWATERSRAND
- 15 JOHANNESBURG
- 16 UNISA
- 17 PRETORIA
- 18 MEDUNSA
- 19 VESLIE
- 20 NORTHERN CAPE
- 21 VENDA



GEOGRAPHICAL DISTRIBUTION OF TECHNIKONS IN SOUTH AFRICA



- TECHNIKONS**
- 1. CISKEI
 - 2. CAPE
 - 3. MANDOSUTUJ
 - 4. M.L. BULTAN
 - 5. NORTHERN TVL
 - 6. NATAL
 - 7. OFB
 - 8. PORT ELIZABETH
 - 9. PRETORIA
 - 10. RSA
 - 11. BETLOOELD
 - 12. PENINSULA
 - 13. UMTATA
 - 14. VAAL TRIANGLE
 - 15. WITWATERSRAND

I. PROJECT RATIONALE AND DESCRIPTION

A. Background and Rationale

1. Background and Country Context

South Africa is a nation in a state of flux as it moves toward a new democratic society in a post-apartheid era. This state of flux affects all major social, political, and educational institutions -- particularly tertiary education. Moving through a dramatic transition process requires active involvement and participation by all institutions, with the overall goal of contributing substantively to the new democratic society. In the case of tertiary education, this process has been severely hampered by the harsh legacy of apartheid's denying equity to black South Africans in virtually every phase of education.

The Bantu Education Act of 1953 and the Extension of University Education Act of 1959 solidified separation by race, especially as separate institutions and different curricula were provided for various demographic groups. Access to quality primary and secondary education with the possibility of subsequent entrance to tertiary education was severely limited. As a result of inadequate curricula, resource-poor facilities, untrained or poorly prepared teachers and administrators, and strikes by students and teachers, consistently less than 40 percent of African students successfully complete the secondary school-leaving matriculation examination. In contrast, more than 95 percent of white students pass this examination. Because of the lower performance on the matriculation examination, limited space in a range of tertiary institutions, and inadequate finances and facilities, less than 10 percent of the black youth between 18 and 22 were enrolled in tertiary education in 1991 compared to approximately 60 percent for white youth.

The continuing legacy of apartheid still causes myriad problems in historically black tertiary education institutions. The absence of equity among institutions is a central concern. Direct expenditures for black students are frequently only 8-15 percent of those for white students. Organized strictly along racial lines, there is great inefficiency in the structure of tertiary education in South Africa. With white and black institutions situated within miles of each other, the white institutions are well-endowed, and the black institutions are limited in their ability to provide uniformly adequate quality curriculum and faculty in a range of subjects. Further, most black institutions have not engaged in systematic planning and admission procedures as they respond to political demands caused by apartheid. For example, university enrollments have doubled at some institutions since "open admissions" was a response to the political slogan "admit one, admit all."

Within black tertiary education institutions, few of the senior faculty and administrators have doctorates or other appropriate higher degrees. The percentage of those with master's degrees range from over 50 percent at some black institutions to less than 10 percent at colleges of education. For those who do possess terminal or master's degrees, there are limited opportunities to engage in research and professional development because of

poor facilities, enormous teaching loads, and other professional demands. For such senior administrators as deans, vice chancellors, and rectors, limited, if any, opportunities have been available to acquire managerial training and experience before being thrust into critical administrative positions. The result is that insufficient administrative, academic, and research infrastructures exist to provide efficient and effective quality educational environments.

Deficient professional background and education and limited institutional resources mean that many faculty and administrators have been unable to participate effectively in the ongoing dialogues, debates, research, and formation of educational policy and planning. Hence, the legacy of apartheid continues to stifle black participation and involvement in critical decision-making, planning, and program implementation so that even professionals in the black community are often only marginally involved in the transition to a new democratic society.

A new government, expected to be democratically-elected in 1994, is not likely to be in a position to bring immediate improvements in the tertiary education sector for the majority population. Even if a new government could allocate resources to tertiary education (against enormous competing demands, including basic education), black tertiary institutions would probably exhaust such government subsidies on recurring expenditures with very little, if any, left to help increase access and quality and otherwise transform themselves. Also, a time lag is likely to occur before a new government is able to organize and deliver tertiary education services that are responsive to the needs of the majority population.

Through the \$50 million, 10-year Tertiary Education Linkages Project (TELP), USAID/South Africa will contribute to the alleviation of the tertiary education problems described above through helping to establish a more equitable and effective tertiary education system, in which historically black institutions play a key role. For example, project assistance which develops and facilitates policy dialogue and analysis (to be used by critical decision-makers) and increases the number of well-trained black South African professionals engaged in education can help move historically black tertiary education institutions to the forefront in the new society. The proposed assistance funding level of \$50 million may seem small in comparison to the depth of the problems. TELP assistance, however, will provide valuable extra-budgetary resources through which capacity-building and transformation of institutions can be accomplished.

Lastly, the project will be implemented within the context of a complex series of political events that will define the transition to a democratic society, particularly during the next 12 to 18 months. Discussions continue at the multiparty negotiating forum (currently underway in South Africa) designed to establish a Transitional Executive Council (TEC), and a Government of National Unity following elections under a universal franchise. If these discussions and the elections, scheduled for April 27, 1994, are delayed, prolonged, or derailed, the transitions in various institutions would necessarily be affected. Moreover, political actions on campuses by students and faculty, the evolving nature of tertiary

education in a transitional period, and the assumption of leadership roles by new executives on campuses will affect tertiary education institutions during the next several years. Therefore, significant flexibility within project components will be absolutely necessary.

2. USAID Consultations with Stakeholders¹

In South Africa today, "transparency" is imperative for any program development effort that will involve community-based and other nongovernmental organizations. Groups that are to be actively involved in the program will participate willingly and enthusiastically only if they have been substantively involved in its conceptualization and development. To ensure active involvement and "ownership" in TELP by the targeted beneficiaries, USAID consulted a wide range of professional and other stakeholders in tertiary education for black South Africans.

The consultative process began in October/November 1991 when USAID funded the *Tertiary Education Sector Assessment (TESA)* to provide a comprehensive and in-depth analysis of the status of tertiary education in South Africa. A group of nine international and South African experts spent 10 weeks assessing the sector, then outlined recommendations for each of four subsectors (universities, technikons, technical colleges, and colleges of education) and identified high priority initiatives for consideration by potential donors. The consultations continued with a meeting of representatives of South African historically black tertiary education institutions in September 1992. In March 1993, USAID held a series of "Roundtable" meetings at which it presented to about 50 people the TELP concept paper and received feedback which guided the development of the Project Identification Document (PID). The Mission then distributed the PID to those who participated in the Roundtables for their review. This was in anticipation of planned meetings with the Project Paper (PP) Design Team.

Through a series of consultations, the PP Design Team received valuable feedback, which guided the development of the paper. The team's consultations included:

- Open invitation meetings in Pretoria, Cape Town, and Durban with educators and others who had participated in the March 1993 Roundtables;
- One meeting at the start and one meeting near the end of the design effort with

¹Stakeholders in TELP include, first, the targeted Historically Black Universities (HBUs) and technikons, their academic and administrative staffs, and students. The communities that these institutions serve are very important stakeholders. These include the private sector firms and nongovernmental organizations that will employ many of the graduates of the targeted institutions. It will also include the governmental agencies that will start to employ black South Africans in significant numbers for the first time under a new, democratically-elected government.

representatives of HBU and technikon² vice chancellors/rectors;

- Visits to and detailed discussions with administrative and academic staff of the University of the North, University of the Western Cape, University of Fort Hare, University of Durban-Westville, Peninsula Technikon, Mangosuthu Technikon, and Soweto College of Education; and
- Meetings and discussions with several nongovernmental and community-based groups, including the African National Congress, Center for Education Policy Development, Pan-Africanist Congress, South African Association for Academic Development, and the Union of Democratic University Staff Associations.

Not only were these consultations extremely valuable to the Design Team, they were well received by participating South African professionals, all of whom participated actively and who feel some sense of ownership in the project. This sense of ownership is very important to the implementation of TELP because, as a demand-driven project, its usefulness and effectiveness will depend on the value attached to it by the targeted beneficiaries.

Consistent with A.I.D. policy, USAID has not negotiated any aspect of this project with the current South African Government. As noted in Item III.B.4., however, USAID will confer, as appropriate, with a new, democratically-elected Government of South Africa. Consultation with stakeholders will continue during project implementation, through inclusion of a wide range of education experts in the review of proposals, through solicitation of their input on policy matters, and through open communications with targeted HBUs, technikons, and other tertiary education institutions.

3. Rationale

a. Problem Statement

Apartheid established, and its legacy perpetuates inequities in all spheres of South African education. Deficiencies in quality and limited access to tertiary education opportunities for black South Africans continue to limit the capacity of the tertiary sector to meet the pressing demand for professional and leadership skills development among black South Africans.

² Technikons are full-fledged educational institutions at the tertiary level. They were instituted to provide advanced technical education as well as to train certain categories of teachers for secondary schools and technical colleges. Technikons prepare students for a specific profession or career and aim at the practice, promotion, and transfer of technology. Admission to a technikon requires a minimum of a senior certificate; admission to a university requires passing a matriculation (college entrance) examination. Negotiations are underway for technikons to become degree-granting institutions.

The challenge is to move toward transformation of the tertiary education sector in general -- and the historically black institutions in particular -- through targeted project assistance in the areas of policy analysis and planning, capacity-building, and linkages.

b. USAID/South Africa Strategy

TELP is designed to support the strategic objectives defined in USAID/South Africa's March 1993 Strategy Concept Paper. With an unambiguous and unequivocal mandate from the Comprehensive Anti-Apartheid Act of 1986 (CAAA), as amended,³ the strategic goals of USAID/South Africa's program are, first, the dismantling of apartheid and, second, the preparation of South Africa's disadvantaged majority for leadership roles in a post-apartheid South Africa.

The Strategy Concept Paper's strategic objectives are:

Political Empowerment: Help the majority population to participate more fully in the political development and governance of a democratic, human rights-based South Africa.

Social Empowerment: Help to establish a more equitable and effective education system.

Economic Empowerment: Increase broad-based black ownership, employment, and participation in all levels of the South African economy.

TELP is designed to address each of these development problems, with special emphasis on the social empowerment objective -- i.e., helping to establish a more equitable and effective education system, in this case at the tertiary level. The project will provide technical and training assistance to those South African tertiary education institutions determined to have the highest potential impact on the project's goal of **improving equity through increased access to and enhanced quality of education in historically black tertiary education institutions in South Africa.**

TELP is a natural "next step" for USAID, given the program's long-standing support for disadvantaged South Africans at the tertiary level. For years, scholarships were the largest element in the aid program. Over time, the portfolio was expanded to assist other activities or groups working in tertiary education -- e.g., teacher training, faculty

³ Although the CAAA is still in effect, the U.S. Senate has passed and the U.S. House of Representatives is considering new South Africa-specific legislation that would repeal and supersede the CAAA. It is possible that this proposed legislation will be enacted into law before the end of calendar year 1993. TELP is consistent with the proposed legislation, as currently drafted.

associations, student counseling, and enrichment programs. Annex K summarizes the Mission's human resource development portfolio. TELP will position the Mission to do what has heretofore not been possible -- work directly with historically black tertiary institutions as they seek to meet the needs of the "new" South Africa.

The project starts with the recognition that it will be implemented during a period of major and unpredictable changes in the country's governance and social structure. Consequently, specific project elements are necessarily designed to be flexible and responsive to the evolving political, social, and economic environment in South Africa. TELP's elements in its early years include interventions in those areas determined to represent the highest priority needs for development assistance during the initial stages of a transition. Other elements of the project put into place processes and criteria designed to enable the project to respond to the most important needs of the day.

Short- to medium-term project interventions will be linked, to the extent possible, to the continuing transformation of and strategy development for an appropriate education system for the new South Africa. TELP will support a broad-based constituency for education policy transformation. The project's policy analysis and planning activities will complement other donor resources by strengthening the country's research and analysis infrastructure, enabling it to define and carry out a policy analysis and planning agenda that will make system transformation possible. Capacity-building and linkages activities will assist in empowering black South Africans to build a more equitable, higher quality tertiary system, to which more black South African men and women will have genuine access and substantive involvement.

Finally, the project represents an attempt to contribute to USAID/South Africa's overarching strategic objective of political, social, and economic empowerment of black South Africans. As one of several projects financed by A.I.D., along with support from USIS programs and other public/private donors, TELP is a targeted, yet critical element of an overall, multi-donor development effort. Only a combination of efforts, coordinated effectively, will allow the long-term and sustained impact necessary for South Africa's present and future development needs.

c. Authority to Provide Assistance Directly to HBUs and Technikons

The Executive Committee Project Review (ECPR) guidance cable (STATE 171729) from A.I.D.'s Bureau for Africa responded to USAID's request for authority to provide assistance directly to South African tertiary education institutions, which are funded by the South African Government. Paragraph 3.C., stated, "The ECPR determined that the Agency will explore the extent of policy and legislative changes which are required to permit direct assistance to South African universities, and that AFR/SA will reach a consensus on the required changes with all necessary parties so that if at all possible, an amended policy will be in place at the time of PP approval."

The Mission is compelled to underscore the fact that without the policy change that authorizes it to provide assistance directly to South African tertiary education institutions, implementation of TELP is not possible. The proposed South Africa-specific U.S. legislation (see footnote 3) under consideration by the U.S. Congress would permit direct support to universities as envisioned under TELP.

4. Other Donors Financing Education

During the past year, special efforts have been made to coordinate donor efforts among the various international governments, the private sector, and foundations. Formal donor coordination meetings occur on a monthly basis, with informal technical contacts made more frequently. All major donors emphasize assistance to disadvantaged black South Africans, with over 40 percent of the funding going to education. **Other donors have not focused, however, on major tertiary education interventions of the kind envisaged by TELP, in which policy analysis and planning, capacity-building, and linkages are the planned components.** Major donors include:

- International governments, including most European and Scandinavian countries, Australia, Taiwan, Japan, Canada, and the European community;
- Private sector and multinational organizations (for example, the Anglo-American Chairman's Fund, IBM, Johnson and Johnson, and others);
- A range of South African foundations such as the Independent Development Trust, the Urban Foundation of South Africa, Kagiso Trust, and most major American foundations such as Ford, Carnegie, Mellon, and Kellogg; and
- International organizations such as the World Council of Churches.

Although the World Bank, the International Monetary Fund, and various other specialized United Nations agencies do not yet operate in South Africa, this is expected to change very soon given the recent lifting of sanctions. With a Government of National Unity commencing after the scheduled April 1994 election, these and other major organizations will likely become quite involved in South Africa. Early indications are that the World Bank will be willing to provide major loans to improve the overall education infrastructure, including tertiary education institutions.

B. Project Objectives

Equity among tertiary education institutions is the overarching goal of TELP. Technical assistance and training aimed at promoting and sustaining progress toward equity in tertiary education in South Africa represents the project's central theme, designed as it is to redress the inequities caused and accentuated by decades of apartheid. Equity encompasses those conditions which ensure fairness regarding access to, the quality of

conditions within, and the outcomes or results of black tertiary education in universities and technikons. Hence, **equity, access, and quality** will be emphasized in all components and phases of TELP.

1. Project Goal

To improve equity through increased access to and enhanced quality of education in historically black tertiary education institutions in South Africa.

2. Project Purpose

To increase access by black South Africans to tertiary education opportunities and resources and improve academic, administrative, and research capacity in historically black tertiary education institutions.

3. Summary Description

The project's purpose will be achieved through providing technical assistance, training, and limited commodities support to South Africa's HBUs and technikons. TELP's assistance is focused on these particular tertiary education institutions because together they train the large majority of black tertiary-level students at residential institutions, and they provide the bulk of the country's highest priority professional and academic training programs for disadvantaged South Africans. After helping institutions establish strategic plans, TELP resources will be concentrated on strengthening the targeted academic disciplines. Specifically, project activities (e.g., professional development, student academic support and career counseling, research skills, and limited equipment/supplies) will all be used in a coordinated fashion to strengthen academic disciplines.

a. Components

TELP activities will be carried out under the project's three components: policy analysis and planning, capacity-building, and linkages.

Policy analysis and planning involves the detailed examination of critical issues in tertiary education with the aim of presenting options and programs designed to ensure a more equitable and efficient tertiary education system. Some of the notable issues for policy analysis and planning include: (1) student and professional access to and quality within various institutions; (2) the roles of various types of tertiary institutions; (3) rationalization¹ of the system; (4) financial resource formulas and distributions; (5) restructuring and

¹ Rationalization refers to a more equitable distribution of resources and reduced redundant costs caused by the maintenance of the apartheid system.

curriculum design; (6) strategic planning; (7) definition of institutional missions; (8) degree requirements and accreditation; and (9) articulation⁵ within the tertiary education sector.

Capacity-building is the process by which institutions are established, expanded, and/or made more effective. Within the context of TELP, this includes the following types of support: (1) improving administrative, academic, and research infrastructures; (2) developing and implementing strategic plans; (3) supporting priority strategic disciplines (mathematics, science, and engineering; oral and written English; public administration and management; commerce and economics); (4) promoting professional development; (5) enhancing student development; (6) strengthening curriculum development and pedagogy; and (7) supporting such emerging areas as lifelong learning.

Linkages are those mutually cooperative activities designed to enable two or more institutions to address broad-based problems, share resources, and engage in joint activities related to policy analysis and planning and capacity-building. Linkages will be established or enhanced among South African tertiary institutions and between South African institutions and colleges and universities in the United States. Cooperative linkages will focus on those activities identified under the policy analysis and planning and capacity-building components of TELP.

Tables A, B, and C summarize the project's components and provide illustrative examples of project activities that will take place under each. Since HBUs and technikons are at varying levels of development, some activities shown for the specified phases of the project will begin earlier for some institutions.

⁵ Articulation refers, in part, to the mobility of students among tertiary education institutions which is made possible through the transferability of course work and credits.

TABLE A

TELP PROJECT MATRIX			
	PHASE 1	PHASE 2	PHASE 3
PROJECT COMPONENT	Project Start-up (Year 1)	Initiation/Expansion of Major Activities (Years 2 and 3)	Continuous and New Activities (Years 4 - 10)
Policy Analysis and Planning	<ul style="list-style-type: none"> ◆ National and regional workshops/conferences ◆ Institutional/local workshops, conferences ◆ Institutional research and policy development projects ◆ Needs assessments and establishment of baseline data 	<ul style="list-style-type: none"> ◆ National and regional workshops/ conferences ◆ Regional and local workshops ◆ Research on critical policy analysis and planning ◆ Institutional seminars and workshops ◆ Institutional research and policy development projects ◆ Short-term training in South Africa or the United States 	<ul style="list-style-type: none"> ◆ Research on critical policy analysis and planning ◆ Study of critical emerging policy areas

TABLE B

TELP PROJECT MATRIX			
	PHASE 1	PHASE 2	PHASE 3
PROJECT COMPONENT	Project Start-up (Year 1)	Initiation/Expansion of Major Activities (Years 2 and 3)	Continuous and New Activities (Years 4 - 10)
Capacity-building	<ul style="list-style-type: none"> ◆ Strategic planning for institutional capacity-building (including needs assessments and establishment of baseline data) ◆ Professional development (and other selected capacity-building activities) ◆ Applied and basic research 	<ul style="list-style-type: none"> ◆ Applied research on capacity-building ◆ Strategic planning for institutional capacity-building ◆ Development of administrative, academic, and research infrastructures ◆ Professional development for administrators and faculty ◆ Applied and basic research in priority academic disciplines ◆ Student development ◆ Programs for human resource development ◆ Programs for teaching excellence 	<ul style="list-style-type: none"> ◆ Development of administrative, academic, and research infrastructures ◆ Applied and basic research in priority academic disciplines ◆ Professional development for administrators and faculty ◆ Student development ◆ Critical emerging areas

TABLE C

TELP PROJECT MATRIX			
	PHASE 1	PHASE 2	PHASE 3
PROJECT COMPONENT	Project Start-up (Year 1)	Initiation/Expansion of Major Activities (Years 2 and 3)	Continuous and New Activities (Years 4 - 10)
Linkages	<ul style="list-style-type: none"> ◆ Financial grant support to selected existing linkages ◆ Mutual information exchange between selected South African institutions and U.S. HBCUs 	<ul style="list-style-type: none"> ◆ Consortia for applied research to develop administrative, academic, and research infrastructures ◆ Capacity-building for basic and applied research priority disciplines ◆ Programs for public administration ◆ Administrative and faculty fellowships and practicums ◆ Professional association linkages ◆ Student linkages ◆ Community service outreach 	<ul style="list-style-type: none"> ◆ Administrative and faculty fellowships and practicums ◆ Professional association linkages ◆ Student linkages ◆ Community service outreach ◆ Critical emerging areas

b. Addressing USAID's Areas of Enhanced Focus

USAID's areas of enhanced focus are elections, violence mitigation, public administration/governance, economic policy and management, and private sector development. Through activities under the three project components, TELP will indirectly address elections and violence mitigation as enhanced areas of focus. It will directly address public administration/governance, economic policy and management, and private sector development.

In regard to elections and violence mitigation, TELP will promote and support the transformation of HBUs and technikons into more open and inclusive institutions that serve as "agents of change." The project's linkages component will promote cooperation and collaboration among HBUs and technikons. It also will promote and facilitate more open communications between the tertiary education sector and other sectors of society with which tertiary education institutions regularly interact -- e.g., NGOs, private business firms and organizations, or political parties. In doing so, TELP will enable tertiary education institutions to contribute to the creation of an environment that is conducive to free and fair elections, and that is less prone to violent resolution of conflict.

TELP will directly address public administration/governance, economic policy and management, and private sector development under its capacity-building component. It will finance and provide technical assistance that focuses on the key academic disciplines of mathematics, science, and engineering; public administration and management; commerce and economics; and verbal and written communication skills. Project inputs will be directed to building HBU and technikon capacity to develop and carry out quality teaching and research programs in these key academic disciplines.

c. Description of Beneficiaries

TELP's direct beneficiaries will be historically black universities and technikons. The underlying intent is to contribute to the transformation of these institutions from their apartheid-determined identities and roles to institutions that provide the opportunity for equitable access to high quality education for all South Africans.

The academic staff, administrative staff, and students of these institutions are also direct beneficiaries. Strengthening the targeted institutions can be done only through strengthening the technical and professional skills of staff and the learning skills and subject mastery of students. The overwhelming majority of project beneficiaries will be black South Africans. In a limited number of cases, white South Africans also may be direct beneficiaries of the project's assistance. Their participation -- as academic and administrative staff of targeted HBUs and technikons -- will be possible when the institution applying for assistance has satisfactorily met all of the project's stated criteria. This will include the criterion for demonstrated commitment to and tangible progress on social redress and affirmative action within the institution.

Indirect beneficiaries include the communities to which these institutions, with their increased services capacities, will provide a wider range and higher quality of outreach services. TELP will encourage and facilitate the development and implementation of programs that enable HBUs and technikons to carry out community service projects. It also will help the targeted institutions to restructure and redirect their curricula, pedagogy, and research programs to subject and problem areas that are relevant and responsive to the needs of their surrounding and client communities.

While historically white tertiary education institutions are not direct beneficiaries of TELP assistance, the project's design envisages their participation in the project's activities through linkage arrangements proposed by, and implemented with targeted HBUs and technikons. In such linkages, TELP resources would be granted to the HBU or technikon, enabling it to participate in the linkage with equal standing, rather than in the more traditional "junior partner" role. Although all tertiary education institutions in South Africa could use additional resources, TELP will focus its resources on HBUs and technikons. Therefore, the historically white institutions will be expected to commit their own resources to any linkage arrangements with HBUs or technikons.

Black South African women constitute a special-emphasis beneficiary group. Because of their gross under-representation in tertiary education, TELP aims to ensure that its activities contribute significantly to redress of long-standing gender discrimination in South Africa, especially as it has disproportionately affected black women. For all training or other professional development experiences supported by the project, a target of **40 percent** of those participating will be women. Regarding any activity for which the existing pool of eligible women is too small to achieve the 40 percent participation requirement, special preparatory training or professional development initiatives will be taken to expand the existing pool.

Finally, the emerging democratic nation as a whole will be an indirect beneficiary of TELP. Significant strengthening of the targeted institutions will contribute enormously to the evolution of a national workforce that produces goods and services that are competitive in international trade markets. It also will contribute to the expansion of an informed citizenry, without which no democracy can survive.

d. Assistance to the Ministry of Education under the New Democratically-Elected Government

A new, representative government, elected under universal franchise and committed to the establishment and maintenance of a nonracial, nonsexist democracy, also will benefit directly from the project's assistance. USAID will engage in dialogue with the new Ministry of Education to determine, first, whether the new Ministry's programs respond to the identified needs of TELP's targeted beneficiaries, and second, whether TELP's inputs could effectively assist the Ministry in carrying out its programs. While the areas of assistance would be defined in dialogue with the ministry, TELP's inputs might include technical

assistance and training to conduct a comprehensive tertiary education "transformation needs assessment," developing an education management information system, or training Ministry staff in tertiary education planning and management.

4. End-of-Project Status (EOPS)

The conditions that will indicate achievement of the project purpose and the end-of-project status are:

Policy Analysis and Planning

- National/regional policy planning and analysis conducted with black South Africans playing key roles;
- Increased articulation within the tertiary education sector; and
- Progress toward a more rationalized tertiary education system.

Capacity-building

- Strategic planning guiding institutional development and program enhancement;
- Departments and faculty at HBUs and technikons upgraded in selected disciplines;
- Increased enrollment, retention, and output of black students at HBUs and technikons;
- Increased numbers of black South Africans, including women, in key faculty and administrative positions at HBUs and technikons;
- Increased involvement of black staff in applied and theoretical research;
- Black graduates from HBUs and technikons better prepared for professional and technical fields; and
- Increasing numbers of black students graduating in science, mathematics, and engineering; economics and commerce; and public administration and management.

Linkages

- Increased cooperation and sharing among all tertiary institutions to the benefit of HBUs and technikons and black students;
- Increased linkages among South African tertiary education institutions to promote more efficient use of resources;

- Increased linkages between South African institutions and U.S. colleges/universities to promote exchange of state-of-the-art tertiary education technologies;
- Increased collaborative activities between HBUs and technikons in South Africa and Historically Black Colleges and Universities (HBCUs) in the United States;
- Increased linkages among various national and international educators and professional organizations; and
- Linkages allow local groups to provide input for policy development and planning at various levels.

C. Project Components

1. Policy Analysis and Planning

Policy analysis and planning is the component that requires the most immediate attention. It is also recognized as the area in which substantial change must occur for other project activities to be successful. This sense of urgency stems from the need to promote and assist in the definition of national, regional, and institutional visions for tertiary education. South African educators recognize the need to define visions on critical issues regarding the tertiary education system, among which are the structure of the system, rationalization among the components, methods of finance, enrollment and matriculation requirements, and curriculum restructuring. Recently the Education and Training Forum was established to investigate ways in which the nineteen different education departments can be rationalized and brought under one authority. The forum has included representatives of all education groups, within and outside of government.

Black tertiary education institutions are at varying stages of awareness of national and regional policy analysis and planning. For example, academic and administrative staff at some institutions have participated in such national and regional policy fora and debates as those initiated by the National Education Policy Investigation (NEPI), the Union of Democratic University Staff Associations (UDUSA), or the Center for Education Policy Development (CEPD). Staff at other institutions have not participated in such fora. Some institutions have embarked upon systematic strategic planning for institutional development and transformation, while others have not yet started or only recently have begun.

Thus, one of TELP's initial endeavors during the first year of implementation will be to fund activities that attempt to inform tertiary education professionals of the status of policy analysis and planning at national, regional, and institutional levels. This can be achieved by a one- or two-day national conference followed by two- or three-day regional fora, wherein those integrally involved with policy analysis and planning share their knowledge of national reports and plans, prototypes from various regions, or strategic planning initiatives at the

institutional level. Concrete plans should surface through these workshops, resulting in a synthesis of the various salient projects and reports into an "evolving document" that could be disseminated among conference participants and universities, technikons, and other tertiary institutions as appropriate.

Several policy analysis and planning topics warrant more study. Issues centering around current and emerging questions of restructuring the tertiary education system are a prime example. Thus, a priority area for early project funding will be **policy research and critical issues papers** that consider the following kinds of questions:

- How can restructuring eliminate the many redundancies and inefficiencies of apartheid education while enhancing quality in black institutions?
- How might institutions merge totally or in select program areas to share human, fiscal, and physical resources?
- Are there effective roles for community colleges in the tertiary education sector?
- Might such colleges provide viable avenues for adults and students who need academic enhancement skills to pursue degrees in universities and technikons?

Other comprehensive policy research areas that the project will be prepared to fund include:

- Rationalizing a system based on a binary structure (universities and technikons grant degrees; colleges of education grant diplomas) or a trinary system, in which new and enhanced roles will exist for universities, technikons, and colleges of education;
- Developing models for a single, unified tertiary education system;
- Restructuring the tertiary sector to include semesters/quarters/modules of credit and transferability among institutions in pursuing degrees;
- Developing prototypes for articulation agreements among various institutions so students and faculty can study and work at various sites;
- Promoting avenues of access to tertiary education particularly for adult learners, nontraditional students, and women;
- Analyzing government subsidy formulas among various types of tertiary sites;
- Strengthening human resource development for a new democratic society; and
- Restructuring comprehensive curricula and matriculation requirements for degrees.

While these illustrations focus largely on macro- or national- level issues, regional and institution-specific policy analysis and planning issues are also critical. Certain policy matters must be examined with a deliberately regional and institutional focus, especially in light of historic and currently strong provincial and local considerations. Research and dialogue at these levels are, therefore, fundamental to the overall policy analysis and planning process. Specific areas of importance include:

- Defining visions and subsequent strategic directions for individual institutions to serve the evolving needs of the tertiary sector;
- Promoting human resource development programs for communities and regions;
- Strengthening institutional governance and administration;
- Improving academic program definition and structuring;
- Supporting professional and student development;
- Promoting achievement and management of staff and student diversity;
- Initiating affirmative action programs for the majority population and women; and
- Developing community outreach programs.

Forward-looking policy analysis and planning through ongoing dialogue, debate, and fora will significantly promote TELP's equity goal. Therefore, the project will support policy analysis and planning activities undertaken, for example, by university and technikon policy units or nongovernmental organizations involved in tertiary education policy development. Table A summarizes the types of activities to be supported under this component of the project.

2. Capacity-building

TELP's capacity-building component primarily addresses critical institutional strengthening needs. There is consensus among South Africans that black tertiary education institutions simply do not have the capacity to meet today's demands for a quality education. Moreover, the demands for the kind of education that both meets today's human resource development needs *and* responds to the high expectations anticipated during the post-apartheid period will require long-term capacity-building.

South African educators, students, and community leaders voice concerns about the absence of institutional and regional programs to facilitate the transition from secondary to tertiary education, to develop educational and financial support programs for student

retention, and to teach from a curriculum directed to the skills development needs of professionals entering a technology-based industrialized economy. Another area of concern is that present administrative and academic infrastructures have not achieved the overall capability needed to provide quality teaching, research, and community outreach while meeting the high demand for access by the majority population.

Based on these concerns, TELP gives highest priority to the following areas under the capacity-building component:

- Applied research and strategic planning for capacity-building;
- Professional development of academic and administrative staff;
- Key academic disciplines and research;
- Student development; and
- Limited provision of activity-specific equipment or supplies.

a. Applied Research and Strategic Planning

TELP will support the following types of activities regarding **applied research and strategic planning** for capacity-building:

- Applied and developmental research on the need for, and approaches to capacity-building at local institutions, as a distinct activity and as part of strategic planning endeavors at individual institutions;
- Targeted activities -- e.g., needs assessments and/or examinations of shared experiences and "lessons learned" from other countries -- to initiate and continue strategic planning through faculty and professional staff training, defining mission statements and targeting areas of special interest; and
- Selected methods to develop and/or enhance administrative and academic infrastructures, including organizational development, communication, team-building, governance, intergroup dynamics, and the introduction and effective use of various forms of computer and other technologies.

b. Professional Development

Apartheid effectively excluded or limited opportunities for education and professional development among South Africa's majority population. As a result, black tertiary education professionals generally do not have skills comparable to those of white professionals in South Africa. In a post-apartheid education system, staff at black South African institutions will

need to be fully equipped to administer the institution's programs and to provide high quality instruction and community outreach services. Achieving administrative efficiency and effectiveness to provide quality tertiary education is the desired goal. Thus, the following types of professional development activities will be supported:

- Develop and enhance the programs of centers or institutes for human resource development for administrators, academic staff, and students, initiate organizational development, advance quality administration and instruction, facilitate negotiations between administrators and faculty, serve as liaison among various groups within institutions;
- Develop and enhance the programs of centers or institutes for teaching excellence at the targeted HBUs and technikons to focus on effective methods of teaching and pedagogy, communication and intergroup skills, student evaluation, curriculum and instructional development, studies and applied models for students with special learning needs, modules for pre- and in-service teachers, facilitation of faculty exchanges, and similar issues for various regions;
- Provide seminars, workshops, and training programs for administrators which include units on planning, budgeting, personnel evaluation, management of diverse demographic groups, team-building, and collaborative program development by academic and administrative staff;
- Develop fellowships and practicums for mid-level administrators with presidents, rectors, provosts, and vice chancellors; and
- Organize workshops and seminars for academic and related professional staff on content and knowledge within the academic subject areas, curriculum development skills, pedagogical skills, professional mentoring, academic mentoring and guidance of students, and program management skills for academic staff who also have administrative positions (e.g., deans, department heads, committee or task force chairs).

c. Key Academic Disciplines and Research

Significant improvement in the quality of instruction, program content, student mastery, academic and career counseling, and research in key academic disciplines are high priority development assistance areas for TELP. That is, both teacher and student development needs must be addressed. The key TELP academic disciplines are: mathematics, science, and engineering; public administration and management; commerce and economics; and verbal and written communication skills development. Strengthening the capacity of tertiary education institutions to develop and provide high quality training and research in these academic disciplines is essential if the historically black tertiary education institutions are to achieve their full potential as change agents for the social, political, and

economic empowerment of black South Africans.

Therefore, TELP will provide technical and training assistance to **strengthen key academic discipline research and instruction** in the following areas:

- Curriculum and instructional/pedagogical program development;
- Programs for improving capacities and skills in areas such as critical thinking skills development, interactive teaching methods, and instructional techniques for reaching under-prepared students;
- Applied and basic research in priority academic disciplines;
- Applied and basic research in the field of education, including current and emerging areas such as lifelong learning and distance education, identification of causal factors, and subsequent paradigms in black student academic excellence and black student underachievement;
- Applied and basic research on psycho-social dynamics which can facilitate intergroup relations among diverse demographic populations; and
- Dissemination of research, through such media as conference presentations, reports, articles, video and audio cassettes, computer software, and other innovative methods.

d. Student Development

Capacity-building is also needed in areas that vitally affect students. Student development includes both academic support (skills development and "bridging" activities) and guidance and counseling. Academic development is needed for entering students who have general academic deficiencies; who require assistance in subjects that require mastery of tertiary-level mathematics or science skills; and those who require specialized assistance in communication skills development, study skills development, and support to overcome individual learning difficulties. In addition, there is a special demand for student guidance and counseling, which is either nonexistent or is at a very low level of development. Special initiatives are needed to enhance students' participation in the study and subsequent professional engagement in TELP's priority academic disciplines. Often students and academic staff do not know the range of career options available to future professionals in these disciplines.

TELP will provide finance, training, and technical assistance for such **student development activities** as:

- Special initiatives to enhance students' learning and participation in priority academic fields through academic support, bridging, and tutoring programs;

- Workshops, seminars, and short-term training programs for staff charged with academic and/or career counseling and mentoring;
- Pilot activities aimed at developing new approaches or methods for bridging the secondary/tertiary skills gap that affects many black students;
- Development of specially designed instructional materials for students requiring substantial academic remediation;
- Development and implementation of oral and written communication programs;
- Collaborative efforts between HBUs and technikons and the private sector to develop practical training/ internship programs and job placement; and
- Mentoring programs that link students with professionals in the surrounding community.

e. Limited Equipment/Supplies Support

Capacity-building also will require some level of direct provision of supplies or equipment to tertiary education institutions for the support tools needed to train students for professional and leadership roles in a technology-based, industrialized economy. While TELP assistance in this area will be limited, the project is prepared to help procure selected and specifically targeted supplies and equipment. In response to requests and solid justification on a case-by-case basis, the project will provide instructional materials; computers and related software; audiovisual equipment and aids; and laboratory resources for the sciences, communication and/or language areas, and business and commerce. For example, while the project would not support a request for general provision of audiovisual equipment, it might support the supply of video equipment that is an integral part of a proposal designed to develop and enhance communication skills. Similarly, it might provide computers and related software as part of a package of inputs in response to a proposal to design curriculum materials for science and language classes and research.

3. Linkages

The linkages financed by TELP will support activities carried out under the policy analysis and planning and capacity-building components. Institutional linkages are those mutually cooperative activities designed to enable two or more institutions to address broad-based issues, share resources, and engage in joint endeavors.

The project will provide training and technical assistance support to **facilitate existing linkages and promote development of new linkages** among South African HBUs and technikons, and between these HBUs and technikons and colleges and universities in the United States, particularly HBCUs. Within existing linkages and in those to be developed in

the future, there is a strong imperative for mutually cooperative and equitable relationships. Black institutions recognize that this will require that they "bring to the table" appropriate resources to play a full partner role, whether with other HBUs and technikons, historically white tertiary education institutions in South Africa, or colleges in the United States. Under this component, TELP will assist South African HBUs and technikons to enter into linkages on a full partner basis.

a. Existing Linkages

Institutional linkages are certainly not new to HBUs and technikons in South Africa. Several linkage arrangements exist between two or more institutions in the same region of the country. For example, the University of Durban-Westville, the University of Natal, the University of Zululand, M.L. Sultan Technikon, and Mangosuthu Technikon all have initiated discussions leading to preliminary linkages in public administration and joint teaching arrangements. The University of the North and the University of Fort Hare have begun discussions about linkages, collaborative conferences, and sharing of resources. The University of Fort Hare also has begun such discussions with the University of the Transkei. Similarly, in the Cape Town area, the University of the Western Cape, the University of Cape Town, and Peninsula Technikon recently initiated library linkages in which books and reference materials are shared among consortium members.

South African HBUs and technikons also participate in a number of linkages with U.S. colleges and universities. While some of these linkages exist more in name than in substance, others constitute the kind of working collaboration envisaged under TELP. Under some linkages, faculty exchanges have occurred in areas including the sciences, social sciences, education, and the humanities. At least one South African HBU has established a set of policy guidelines to govern its linkages with overseas institutions.

It is USAID/South Africa's intention not to replace financial resources committed (or planned to be committed) by partners in existing linkages. Rather, TELP support should be (1) additive and (2) considered under the review process and against the funding criteria detailed in the Implementation Plan section.

b. Potential Linkage Areas between/among South African Institutions

Areas in which TELP will support well-designed linkages among South African institutions include:

- Establishing, operating, or enhancing research consortia in priority areas, such as policy analysis and planning, priority academic disciplines, models and paradigms to facilitate the transition from secondary school to tertiary education and among tertiary institutes, longitudinal studies of student retention and future professions, and educational mapping to identify future pools of students and professionals;

- Strengthening administrative and academic infrastructures and human resources and technical assistance sharing within a region;
- Collaborating in professional and/or student development initiatives to include cooperative bridges or academic support programs;
- Implementing community outreach programs;
- Developing or enhancing programs of centers/institutes for public administration to address regional and local needs in areas such as public/business/education administration and comprehensive professional development, to identify emerging needs in restructured public and educational institutions, and to foster research and dialogue in public administration;
- Developing and enhancing centers/institutes of excellence for research, training, and policy analysis regarding the participation of women at all levels of responsibility and authority in tertiary education; and
- Establishing linkages between tertiary education institutions and business firms or business associations, enabling students to engage in internships and practicums in their study areas. (The value of such linkages is direct student exposure and preparation for the "real" professional world; it also provides opportunities for the business community to provide direct feedback to the education institutions on the preparedness of the students and to become more actively involved as a stakeholder in the tertiary education system.)

c. Potential Linkages between South African and U.S. Institutions

Project training and technical assistance inputs will allow HBUs and technikons to draw on the experience and expertise of U.S. higher education faculty and administrators. Linkages will be established based on the extent to which the development needs are properly defined, and the linkages are designed and operated to the mutual and equitable benefit of all participating institutions. With reference to potential research linkages, for example, jointly conducting, sharing, and disseminating state-of-the-art research and findings applicable to the South African context would be the aim.

Given the historic isolation of black South Africans because of apartheid, linkages among black South African tertiary education institutions and comparable organizations in the United States represent a very important element of the project. Organizations of mathematicians, scientists, sociologists, educators, public administrators, university planners, and accountants would be vehicles for sharing current and future-oriented thinking in their respective areas. Such linkages also would enable South Africans to participate in fellowships and practicums within the various American associations.

Linkages that enhance student development are another priority for increasing the overall quality of the education experience at HBUs and technikons. Linkages with U.S. institutions that enable South African students to pursue graduate and professional study and research are appropriate. Other areas include leadership development, student governance, internships and practicums, and the development of intergroup communications skills. Also, cooperative linkages could be established between Student Representative Councils (SRCs) in South Africa and similar student groups in the United States. Developing leadership skills and fostering understanding of alternative international models of student governance and involvement in tertiary education are other important areas for TELP assistance.

Linkages between or among South African and U.S. institutions also will focus on activities carried out under the policy analysis and planning and capacity-building components. Following are illustrative examples:

- Cooperative policy studies on tertiary education financing options, impact of language skills on learning at the tertiary level, articulation between universities and other tertiary education institutions;
- Academic and administrative staff exchange between South African and U.S. institutions for the purpose of upgrading South African and U.S. professional skills in curriculum development, teaching methods, or research design in math, science, engineering, public administration, commerce, and English;
- Collaboration between a consortium of South African HBUs and technikons and a consortium of U.S. HBCUs in developing more effective academic counseling and career guidance programs for students; and
- Linkages between South African and U.S. student organizations to develop strategies for effective participation by students in strategic planning and governance of the tertiary education institution.

II. COST ESTIMATE AND FINANCIAL PLAN

TELP is conceived as a 10-year project with an authorized funding level of \$50 million. Financing mechanisms will be based on a combination of those which historically have dominated Mission programming, primarily unsolicited Handbook 13 grants to universities, technikons, and NGOs; IQCs; buy-ins to centrally funded projects; purchase orders; and other competitively-selected contractors (see Table D).

Table D. Illustrative Methods of Implementation and Financing

Type of Assistance	Method of Implementation	Method of Financing	Amount
Grants	S.A. education institutions/NGOs, new democratic government	Direct Pay	\$5.5 million
Technical Assistance	Contracts/PSCs/Purchase Orders/IQCs/Buy-ins	Direct Pay	\$12.7 million
Linkages and Training	Contracts/PSCs/Purchase Orders IQCs/Buy-ins	Direct Pay	\$26.1 million
Equipment and Commodities	Contracts	Direct Pay	\$3.5 million
Evaluation/Audit	Direct Contract/IQCs	Direct Pay	\$2.2 million

Before obligating funds to universities, technikons, and NGOs, each proposed grantee's grant-worthiness will be assessed and financial management practices will be reviewed by the Mission, generally using one of the Mission's IQC contracts with a local certified public accounting firm. Financial reviews also will be conducted during the implementation of grants to monitor the eligibility of costs and to review supporting documentation. Finally, those grantees falling under the Recipient Audit Program will be audited as required by A.I.D. policy. Included in the project budget are funds to cover Non-Federal Audit (NFA) requirements, as may be necessary.

A Summary Cost Estimate and Financial Plan appears as Table E and specific year-by-year obligation and expenditure plans are shown in Tables F and G. All costs, except those associated with expatriate technical assistance, international travel, training in the U.S., other costs related to linkages with U.S institutions, and limited equipment and commodity procurement, will represent local currency costs. The first five line items in the budgets relate directly to the three assistance components (policy analysis and planning, capacity-

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TABLE E**SUMMARY COST ESTIMATE AND FINANCIAL PLAN
(\$000s)**

BUDGET CATEGORY	FX	AID	LC*	PROJECT TOTAL
Technical Assistance	6500		1000	7500
Training	5000		5000	10000
Linkages	4250		7000	11250
Strengthening Grants Administered by USAID/SA	1650		3000	4650
Educational Equipment and Commodities	1500		1500	3000
Project Management	1775		1410	3185
Application Review Panels	—		160	160
Evaluations/Audits	600		70	670
Monitoring and Evaluation Contractor	800		410	1210
Subtotal	22075		19550	41625
Contingency	1110		983	2093
Inflation	3330		2952	6282
Total	26515		23485	50000

* Local currency represents the conversion of U.S. Dollars into South African Rand for the procurement of goods and services in South Africa.

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TABLE F

Illustrative Budget Plan for the TELP Activity (\$000)

Estimated Fiscal Year Obligations

Budget Category	FY 94	FY95	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03	Total
Technical Assistance	700	2150	2485	1800	1280	360					8775
Training	980	2995	3192	2300	1546	687					11700
Linkages	1300	3500	4395	3174	2050						14419
Strengthening Grants Administered by USAID/SA	450	1559	1491	1037	907						5444
Educational Equipment and Commodities	220	800	935	835	500	250					3540
Project Management	560	726	783	573	563	509					3714
Application Review Panels	20	39	46	37	26	20					188
Evaluations/Audits			406		410						816
Monitoring/Evaluation Contractor	270	231	267	244	218	174					1404
TOTAL	4500	12000	14000	10000	7500	2000					50000

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TABLE G
Illustrative Budget Plan for the TELP Activity (\$000)

Estimated Fiscal Year Expenditures

Budget Category	FY 94	FY95	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03	Total
Technical Assistance	500	2000	2000	1600	1000	400					7500
Training	800	2700	2700	1800	1400	600					10000
Linkages	750	2400	2200	2000	1600	1000	600	400	200	100	11250
Strengthening Grants Administered by USAID/SA	200	1200	1000	750	500	500	200	200	100		4650
Educational Equipment and Commodities	200	700	800	700	400	200					3000
Project Management	535	575	575	400	400	370	330				3185
Application Rivew Panels	20	20	20	20	20	20	20	20			160
Evaluations/Audits			120		200			150		200	670
Monitoring and Evaluation Contractor	220	110	110	110	110	110	110	110	110	110	1210
SUBTOTAL	3225	9705	9525	7380	5630	3200	1260	880	410	410	41625
Contingency (5%)	175	485	476	366	282	160	63	44	21	21	2093
Inflation (5% compounded)		510	1018	1239	1301	941	450	379	207	237	6282
TOTAL	3400	10700	11019	8985	7213	4301	1773	1303	638	668	50000

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building, and linkages) of the project. Strengthening Grants will be used by USAID/South Africa to help develop new policy options and practices in tertiary education at the institutional, regional and national levels. The grants will address the collective needs and the sector identified in the Project Paper and act as a catalyst for action. The last four budget line items relate to the management and evaluation of the project.

III. IMPLEMENTATION PLAN

TELP is a multifaceted human resources and institutional development project that is to be carried out over a 10-year period, in a country which is undergoing dramatic social, political, and economic change. Although clearly targeted to a specific group of beneficiary institutions in the overall tertiary education sector, and focused on the highest priority development assistance needs of those beneficiaries, the project's implementation will still consist of a broad range and continuing series of discrete but closely interrelated management and services delivery actions. Efficient use of the project's inputs requires planned implementation of activities. The ongoing and uncertain transition, however, that will characterize South Africa over the life of this project requires considerable flexibility and responsiveness in the implementation plan.

These implementation planning imperatives are addressed by planning the project in implementation phases that allow for review and refocusing of the project's activities as the evolving situation demands; defining clear roles and responsibilities for the project's implementing entities; maintaining focus on the targeted beneficiary institutions; providing the project's services in accordance with carefully defined participation criteria; operating under the established implementation methodology; and giving due attention to two special implementation issues: use of HBCUs (III.F.1) and activities to enhance the participation of women (III.F.2).

A. Implementation Phases

To remain relevant and responsive to the evolving social and political transition of South Africa over the next five to ten years, the project must be able to review continually its Implementation Plan, making the adjustments needed to ensure that the paramount tertiary education strengthening needs of the day are being addressed.

Activities in the early stages of the project can be planned with an acceptable level of certainty that they will be responsive to the tertiary education sector's transformation needs. In the later years, however, project activities will have to be initiated and reformulated as required to address the sector's needs as they evolve. The project is to be implemented in three phases. Consistent with the Mission's events-based program strategy, these phases are not rigid time lines; they are intended to provide frames of reference for planning and carrying out project activities in response to the evolving political situation.

Therefore, Phase I, the first year of the project, is that period leading up to and including the election of the Government of National Unity, and the settling in of that government to its popularly mandated governance responsibilities. Phase II, roughly the second and third years of the project, is centered around the development and adoption of the new constitution, which will define the distribution of powers between the national and regional authorities; it is also the period in which it can be reasonably expected that the new Government of South Africa will become fully consolidated. In Phase III, about the fourth

year to the end of the project, the new government will be making public policy choices, and implementing new programs.

As described in Section I.C., Project Components, activities in Phase I will be largely under the policy analysis and planning component. While some capacity-building activities may be supported at HBUs and technikons which are at relatively higher levels of institutional development, most Phase I activities will focus on helping to bring about a policy environment in which the targeted institutions can effectively pursue transformation strategies. Phase II will concentrate heavily on capacity-building activities, which will draw on TELP inputs to develop and carry out those programs that start to transform the targeted institutions. Phase III will continue activities begun during the earlier phases under all components. Because of the many changes likely to occur between the start of the project and the start of that phase, however, it is anticipated that significant review and refinement will be needed to define project activities that remain relevant and responsive to the needs of the new nation.

Phase I - Year 1 of the Project

Implementation activities will include:

- Establishing project responsibilities for USAID/South Africa staff, the Technical Support Contractor, and the Monitoring and Evaluation Contractor;
- Publicizing the availability of the project's services to the targeted tertiary education institutions;
- Publishing criteria and guidelines for applying for and receiving the project's services;
- Setting up Application Review Panels to receive, review, and advise USAID on the funding of applications for assistance;
- Processing applications received during Year 1; and
- Initiating technical assistance, training, and commodities assistance in response to applications approved for assistance.

Phase II - Years 2 and 3 of the Project

Implementation activities will include:

- Continuing assistance begun during Phase I;
- Financing professional development programs for academic and administrative staff, and student academic development and career counseling and guidance programs;

- Facilitating academic and administrative staff and student exchange programs between South African and U.S. tertiary education institutions:
- Supporting policy conferences, seminars, and workshops at the institutional level, and short-term training programs in South Africa and the United States;
- Assisting the targeted institutions in carrying out research and dissemination activities;
- Using the services of NGOs and other service providers to examine and formulate options on emerging political and economic policy issues;
- Supporting the programs of such special-focus entities as women's resource centers, institutes for public administration and management, and centers for excellence in teaching; and
- Supporting community outreach programs conducted by HBUs and technikons.

Phase III - Years 4 through End of Project

Implementation activities will include:

- Continuing assistance begun during Phases I and II;
- Evaluating the project's performance and impact to date; and
- Reviewing and refining the project's design, program content, and implementation as needed to respond to the tertiary education sector's evolving transformation and strengthening needs.

B. Roles and Responsibilities of Participants

Management and coordination of the project's several simultaneously implemented, distinct, but closely interrelated activities require clear definition of the roles and responsibilities of the various implementing entities, including grantees and contractors, Application Review Panels, a Policy Consultative Forum, USAID/South Africa, and, at some point, the post-apartheid Government of South Africa.

1. Implementing Entities: Grantees and Contractors

The breadth, depth, duration, funding levels, and high visibility of services provided under TELP will give it a profile unmatched by other in-country projects in the Mission's program. Also, the program's comprehensiveness, operational environment, and

multifaceted nature of its activities will require the Mission to draw on the project management, technical assistance, and training services of grantees, in-country contractors, and expatriate contractors, as needed.

a. Grantees: South African HBUs, Technikons and NGOs

The project will provide a variety of grants to HBUs, technikons, and NGOs. It should be noted that TELP grants to NGOs will be to finance services provided by the NGOs in carrying out project activities. NGOs will not be direct beneficiaries of TELP; USAID has other project options for providing capacity-building or other assistance to NGOs. Funding for TELP grants will be approved by USAID with the advice of the Application Review Panels, in accordance with the application process described later in this section. Illustrative examples of activities for which grants will be awarded include: planning and conducting a strategic planning workshop; conducting a study of critical tertiary education policy options; designing and implementing a program for expanding the participation of women in high-level administrative and academic staff positions; and operation of an academic development or career guidance program for students.

Under the technical direction and oversight of the USAID Project Manager or assigned staff, the grantee will carry out activities as specified in the grant. Standard grant provisions will include timely completion of grant activities, coordination with other TELP activities as needed, management of and accounting for grant funds, evaluation of the activity, and reporting of outcomes to USAID.

b. Contractors

(1) Technical Support Contractor

To assist in planning, providing administrative and logistics support, and coordinating project activities carried out under selected grants and technical services contracts, USAID will competitively select a Technical Support Contractor. As with all TELP activities, the role of the Technical Support Contractor will be reviewed and refined as needed over the life of the project to ensure that its services remain relevant and responsive to the evolving situation.

The contractor's duties will include:

- Providing organizational and logistics support to HBUs and technikons in conducting workshops, training courses, and other implementation activities, particularly when an organization's ability to participate depends on external assistance or support;
- Providing workshops on the preparation of applications for TELP assistance;
- Assisting USAID staff with convening the Application Review Panels;

- Ensuring dissemination of project information to participating organizations and throughout the tertiary education sector in South Africa; and
- Procurement support services to USAID, as needed.

(2) Technical/Training Services Contractors

As technical or training services contractors, some South African NGOs and private contractors, and some U.S. technical and training services contractors, because of the nature and/or scale of their contracts, will come under the direct management, coordination and logistics support of USAID itself. First, USAID will execute and manage a contract with a South African and/or U.S. contractor for the project's monitoring and evaluation activities. Also, USAID will directly manage and support grants or contracts with scopes of work involving high-profile policy analysis and planning issues. Illustrative examples include a grant to the Education Policy Unit of an HBU or technikon or consortium of HBUs and/or technikons to study alternatives for South African public/private sector collaboration in funding tertiary education in post-apartheid South Africa. Another example would be a grant to a national-level NGO to study national or regional policies on language medium of instruction at the tertiary level.

For these technical/training services contracts, USAID will develop and issue requests for proposals, competitively select the contractors, execute the contracts, and provide management oversight, technical direction, and other support as needed.

2. USAID/South Africa

USAID's Human Resources Development Division (HRDD) will oversee, manage, provide technical direction, and coordinate the activities of all participating organizations. HRDD will be responsible for overall project monitoring, preparing the documentation needed for the semiannual Project Implementation Reviews (PIRs), arranging periodic independent evaluation of the project, and generally directing the use of the project's inputs to achieve its specified goal and purpose. HRDD will work with the Mission Controller to ensure effective planning, management, and auditing of the project budget. It will work with the Regional Contracting Officer (RCO) in procuring contracted technical assistance, training, and limited procurement services as needed. It also will work with the RCO and the Regional Legal Advisor (RLA) in preparing and executing grants to South African organizations selected to carry out approved implementation activities. HRDD will coordinate project evaluations with the Program Office.

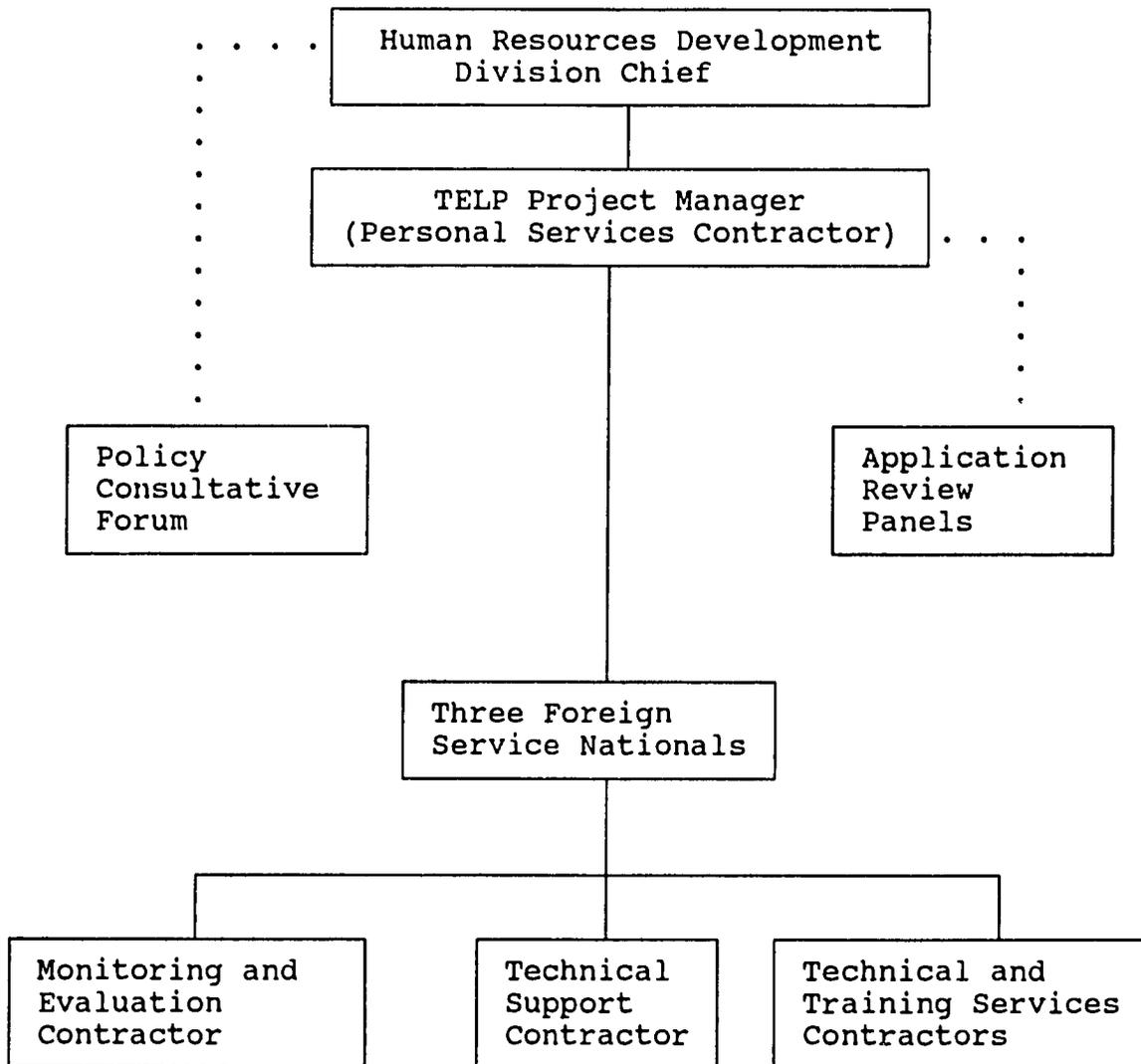
HRDD will assign, as TELP Project Manager, a senior Personal Services Contractor (PSC) who is experienced in tertiary education program development and management and institutional strengthening. The Project Manager will be assisted by up to three Foreign Service National staff to whom s/he will assign specific responsibility for oversight and management of the work of one or more of the project's implementing entities, i.e., technical

support contractor, grantees, and technical or training services contractors.

The Project Manager, with the assistance of assigned HRDD staff and the Technical Support Contractor, will carry out the following project management and support tasks:

- Develop an annual implementation plan;
- Establish an informal Policy Consultative Forum through which the project will seek policy advice and guidance from appropriate South African educators and other nongovernmental and private sector professionals;
- Establish, convene as necessary, represent the Mission on, and respond to the recommendations of the project's Application Review Panels;
- Write and coordinate the execution of TELP grants to HBUs, technikons, and NGOs;
- Solicit and procure the services of a Technical Support Contractor, Monitoring and Evaluation Contractor, and Technical and Training Services Contractors as needed to implement project activities; and
- Monitor, coordinate, and provide technical direction to all participating grantees and services contractors.

The following chart depicts the project's management structure.



3. Application Review Panels and Policy Consultative Forum

a. Application Review Panels

Application Review Panels will be established to assist and advise USAID in selecting the activities to be funded by the project. The panels will be made up of South African professionals who, on the basis of their training, professional experience, and current endeavors, are able to assess the feasibility and competitiveness of applications for assistance from prospective beneficiaries, or applications for grants from prospective implementing entities. Individuals invited by the Mission to participate on the panels will include not only educators from the tertiary sector, but also representatives from nongovernmental organizations/community-based organizations (CBOs) involved in tertiary education, professional associations, private sector representatives (especially from key industrial firms or such business support organizations as chambers of commerce), and representatives from philanthropic organizations.

The composition of these panels will be guided by the project's goal to improve equity through increased access to and enhanced quality of education in historically black tertiary education institutions in South Africa. Consequently, membership on the panels will reflect the country's demographic composition. Further, with specific reference to gender equity, the project targets a participation rate of 40 percent women constituting the membership of all panels. Given women's historic under-representation in tertiary education, and the consequent probability that the pool from which women panelists will be drawn is much smaller than that for men, the project will provide, as needed, workshops to train less experienced women for their roles on the review panels, in addition to general orientation sessions that the Mission will conduct for all panelists.

Within the first three months of the project, USAID will develop a directory of South African educators and other professionals who are stakeholders in tertiary education for black South Africans. The directory might start with the many people consulted by USAID during the design of the project. It will list persons identified to serve on Review Panels based on their past or current professional involvement in tertiary education, but it will not be limited to professional educators. It will very deliberately include professionals from nongovernmental organizations involved in tertiary education strengthening, from philanthropic organizations, from key industries (especially those which are large employers of graduates in the priority academic disciplines), and eventually from the democratically-elected government. USAID will make a concerted and sustained effort to include in the directory professionals from "emerging institutions," especially those developing as a result of new initiatives at the regional as well as national levels. The Mission also will make every effort to include persons who, while fully prepared and capable of serving on the Review Panels, have not had the prominence to be included in the small group of high-demand professionals who are selected regularly for such roles.

With members drawn from the directory, the Application Review Panels will meet as

required and on a timely basis to review applications for assistance. They might meet at fixed intervals such as quarterly or semiannually, or they might be convened as needed to review a particular category of applications. It is anticipated that the panels will operate on both a regional and national basis. Panelists will be paid for their efforts.

To avoid actual, potential or perceived conflicts of interests, no institutional or organizational representative will be directly or indirectly involved in any manner in the processing, consideration, review, or approval of any application or proposal for assistance from his or her institution or organization or from a consortia that includes his or her institution.

b. Policy Consultative Forum

On an informal and as-needed basis, USAID will continue the broad-based consultation approach used very effectively during the conceptualization and design stages of the project. Through a Policy Consultative Forum, the Mission will seek the advice and guidance of South African educators and other stakeholders in tertiary education for black South Africans. In contrast to the specified scope of work to be carried out by the Application Review Panels, persons participating in the Policy Consultative Forum will not be asked to perform any series of tasks. They will instead be consulted by the Mission for guidance on project policy matters. This will be done through (1) specially convened meetings on matters of particular import or urgency, or (2) through written and oral communications between the Mission and those South Africans most able to provide project policy guidance.

4. South African Government

Under existing CAAA legislation and A.I.D. policy, USAID/South Africa does not engage with the South African Government (SAG) nor, as a general rule, support institutions that are "financed or controlled" by the SAG. In May 1992, A.I.D. policy was modified to allow USAID to support the South African tertiary education sector so long as funds were channeled through NGOs. Subsequent to that policy modification, the Mission has sought authority to provide assistance directly to selected South African tertiary education institutions.

As the political transition unfolds, and when a new, democratically-elected government is established, USAID will engage in dialogue with appropriate representatives of that new government to determine, inter alia, the government's general participation and specific role in implementation of TELP.

C. General TELP Criteria

USAID/South Africa will develop specific criteria for selection of the various activities to be supported by TELP. In general, however, activities to be supported by TELP must:

- **Promote, enhance, or support equity among racial groups and equity between men and women as the country is transformed from an apartheid state to a nonracial, nonsexist, democratically-governed nation;**
- **Increase access of black South Africans to high-quality education in targeted tertiary education institutions;**
- **Be targeted to identified priority institutional strengthening needs and priority academic disciplines;**
- **Be technically and operationally feasible in the political, social, and economic transition of South Africa over the next 10 years;**
- **Demonstrate commitment to and progress toward achieving equity within participating organizations, by means of established and operational affirmative action or social redress programs;**
- **Show substantial involvement by all stakeholders in any activity for which project assistance is requested; this includes involvement in the conceptualization, planning, and implementation of the activity;**
- **Demonstrate political non-partisanship, and encourage dialogue across political divisions;**
- **Have strong potential for, and include specific measures to ensure, sustainable impact on the targeted beneficiaries;**
- **Demonstrate attention to cost-effectiveness of the planned activity, as indicated by specific cost-containment provisions; make efficient use of the project's inputs, including achievement of all possible multiplier and beneficiary spread effects; and**
- **Include an evaluation plan that specifies measures for ongoing monitoring and evaluation of the activity, and for assessing impact at project end.**

D. Implementation Methodology

1. Sequence of Implementation Actions

TELP will be a demand-driven project, i.e., it will provide training, technical assistance, and limited commodities support to targeted South African tertiary education institutions in response to their applications for the project assistance. To prepare the targeted institutions to make their applications, USAID will publicize the project's services to targeted HBUs and technikons, disseminating the criteria and guidelines for requesting the services. It also will provide technical assistance as needed to those institutions that may need help to articulate their assistance needs in a way that will be competitive with the applications of other targeted institutions.

Project services under each component will be triggered by USAID's approval of funding of an activity for which assistance has been requested. The sequence for implementation of a given project activity will be as follows:

- a. A South African university, technikon, or consortium of these, from the project's historically disadvantaged target group, requests TELP assistance in, for example, designing a curriculum for an applied research methods course.
- b. The application, in keeping with guidelines established by USAID, will be submitted to the Mission's Project Manager. The Project Manager and other USAID staff as assigned will review the application to ensure first that it qualifies for the project's assistance. If it simply does not qualify, it will be returned to the institution with an explanation as to why it cannot be considered for TELP assistance. If it qualifies, the Project Manager will forward it to the Application Review Panel for consideration. Or, HRDD staff will assist the applying institution to revise and resubmit a potentially worthwhile but originally poorly presented application.
- c. USAID will convene an appropriate Application Review Panel to consider a number of applications.
- d. The Project Manager will forward completed applications to the Application Review Panel for consideration.
- e. Applications will be reviewed by the Review Panel, and funding recommendations will be forwarded to USAID. The Project Manager will inform applicants as to whether their applications have been recommended to USAID for funding. If the application has not been recommended, notification to the applicant will include an explanation.
- f. With the advice of the Review Panel, USAID will make funding decisions on

the basis of available funds, and overall Mission program priorities. The Project Manager will provide feedback to the Review Panel explaining the basis for USAID's decision to fund or not to fund each recommended activity.

g. The Project Manager also will provide feedback on funding decisions directly to the applicants.

h. Upon approval of an activity, USAID will provide the necessary support through the Technical Support Contractor, a technical or training services contractor, a grant to a South African tertiary education institution or NGO, or the resources supplied by an A.I.D. global project. In certain cases, USAID may solicit/procure the assistance requested in the proposal through issuing Requests for Proposals from qualified service providers.

i. The USAID Project Manager will oversee the services delivery or performance of all implementing entities, i.e, the Technical Support Contractor, technical/training services contractors, and South African grantees, to ensure effective and timely completion of all contract or grant deliverables.

For the project's overall Implementation Schedule, see Annex F.

2. Projection/Estimate of Activities to be Financed

As indicated in Section I, Project Rationale and Description, the project will operate with considerable design flexibility to ensure relevance and responsiveness throughout the transition. Further, as indicated earlier in this section, projections of activities in this demand-driven project are estimates based on reasonable expectations of the rate at which and areas in which the targeted institutions will be requesting the project's assistance. Illustrative suggestions on the pace and nature of project implementation during the three phases, under each of the three project components, follow:

PHASE I - Year 1

Policy Analysis and Planning

- Three training workshops on policy analysis and planning at the tertiary level;
- Three regional conferences of HBUs and/or technikons on defining and setting regional planning and analysis priorities;
- One national conference of HBUs and/or technikons on defining the national policy analysis and planning agenda for the black tertiary education sector; and

- Two policy analysis and planning research projects carried out by selected tertiary education NGOs.

Capacity-building

- Three regional training workshops on strategic planning for tertiary education institutions;
- Three professional development seminars or short-term training courses at HBUs or technikons; and
- Three research projects by HBUs and/or technikons.

Linkages

- Financial/grant support to selected linkages already in existence among South African institutions and between South African and U.S. institutions;
- One U.S. HBCU information dissemination trip to South Africa; and
- One South African HBU and technikon study tour to the United States.

PHASE II - Years 2 and 3

Policy Analysis and Planning

- Three training workshops on strategic planning at the tertiary institution level;
- Three regional conferences of HBUs/technikons on promoting HBU/technikon participation in ongoing regional policy analysis and planning dialogues or fora;
- One national conference of HBUs/technikons on promoting HBU/technikon participation in ongoing national policy analysis and planning dialogues or fora;
- One policy analysis and planning research project carried out by selected tertiary education NGOs; and
- One observation/study tour to the United States for selected officials of up to 10 HBUs/technikons, to study policy analysis and planning as conducted at U.S. colleges and universities, including HBCUs.

Capacity-building

- Four pure or applied research projects undertaken at HBUs or technikons in the priority academic disciplines;
- Initiation or continuation of institutional strategic planning efforts at up to 10 HBUs or technikons;
- Six professional development seminars/workshops for targeted HBU/technikon academic and administrative staff in their professional specialization;
- Six professional development workshops for academic and/or administrative staff charged with academic or career counseling and guidance for students;
- Ten workshops/seminars on strengthening written and oral communication skills for students;
- Enhancement or strengthening program for a center/institute for human resources development at a selected HBU or technikon; and
- Enhancement or strengthening program for a center for teaching excellence at a selected HBU or technikon.

Linkages

- Three linkages between two or more institutions in the same region in the area of applied research capacity-building;
- Twenty individual faculty exchanges with other institutions in South Africa;
- Ten individual faculty exchanges with institutions in the U.S.;
- Ten faculty practicums or attachments with private businesses or business support organizations in South Africa;
- Ten professional association linkages between U.S. professional associations and long-standing or emerging South African associations;
- Four community outreach linkages between HBUs, technikons, community-based organizations, NGOs, and private sector firms or organizations within a region; and
- One strengthening or enhancement program for a center for public administration at a selected HBU or technikon.

PHASE III - Years 4 - 10

Reasonable estimates of activities for this phase of the project consist only of a continuation of the kinds of activities undertaken during the first two phases. The activities that will actually take place during this phase will be planned during the third year of the project in light of the social, political, and economic conditions prevailing at the time. The project will need to maintain its relevancy in an evolving situation, and continue to provide services directed to strengthening the black tertiary education sector.

E. Procurement Plan

Given the ready availability and accessibility of goods and services locally and the fact that certain needed goods and/or services are only available locally, it is expected that most procurement of goods and services will occur in South Africa. Moreover, the Comprehensive Anti-Apartheid Act of 1986 (CAAA), as amended, requires that in procuring goods and services in South Africa, the recipient (of an A.I.D. grant or contract) shall, to the maximum extent practicable, award contracts to individuals or organizations which are disadvantaged by apartheid and responsive and appropriate providers of goods and services.

For procurement outside of South Africa, U.S. procurement will occur in accordance with DFA guidance, to the extent practicable in achieving TELP project objectives. DFA latitude for procuring goods and services from Code 935 countries, as required for compatibility or other compelling reasons, will be used as necessary or appropriate.

It is envisaged that an assortment of A.I.D. direct contracting, Education Indefinite Quantity Contracts, buy-ins to AID/W centrally funded technical service projects, and Handbook 13 Grants will be used to provide all project-funded assistance, goods, and services. A.I.D. direct contracting will be competed in the following three manners: (1) open competition, (2) competition limited to Gray Amendment entities; and (3) competition limited to HBCUs (for which a waiver will be sought). All Handbook 13 grants will be developed, negotiated, and awarded directly by USAID/South Africa. These procurement and assistance mechanisms will provide A.I.D. with sufficient control over the integrity of the procurement under TELP, guarantee financial accountability, and provide a proactive position to ensure that project interventions are implemented in a timely manner and in accordance with project design.

Also, in accordance with standard Mission policy, the Project's Action Plan will be reviewed several times each year, detailing proposed obligations for the TELP Project, including procurement of technical services and delineating grant recipients. This will enable the Mission to respond creatively and flexibly to a range of factors and to develop well thought out plans for procurement.

In procuring U.S. technical and training services under all components of the project, the Mission plans to procure a minimum of 35 percent of the contracting cost of such services from U.S. HBCUs which perform the prime contractor role. When prime contractors are other than U.S. HBCUs, the prime contractor will ensure that a minimum of 35 percent of the technical and training services required be subcontracted to U.S. HBCUs or other Gray Amendment entities (See Annex I). A waiver will be prepared by USAID/South Africa and submitted to AID/W to permit a subcontracting requirement beyond the 10% level stipulated in Gray Amendment legislation. USAID/South Africa will work closely with AID/Washington's University Center and with the Gray Amendment community to ensure that this minimum level of participation is achieved over the life of the project.

A PSC will be awarded, preferably to an individual with extensive experience and knowledge of U.S. HBCUs, to assist the Mission in managing the project and monitoring its impact. Also, up to three FSN staff will be recruited to help manage this activity. These individuals will be contracted directly by the Mission Executive Officer.

Procurement of a limited amount of educational materials and equipment is anticipated. No direct procurement of capital equipment or vehicles will occur under this project.

Since a significant portion of the funds may be provided through Handbook 13 grants, substantive special provisions relating to affirmative action in employment and/or the empowerment of South Africa's disadvantaged majority will be included, as appropriate, in the individual grant agreements. Some of these conditions are mandated by the CAAA. Relevant language related to this aspect of individual grant agreements is described in detail in Annex G. Similarly, a discussion of Gray Amendment considerations and the required certification by the Director, USAID/South Africa, is included in Annex I.

F. Special Issues

1. Use of U.S. Historically Black Colleges and Universities (HBCUs)

This Project Paper reaffirms the PID's provisions that: 1) U.S. HBCUs and other historically black educational organizations will be very substantially involved in the project, and 2) U.S. technical assistance teams will be required to include substantial black education organization participation and encouraged to provide for substantial individual African-American participation.

HBCU's offer a wide array of technical assistance capabilities needed by South African tertiary education institutions which can be funded under TELP. In fact, HBCUs could compete successfully for services contracts in a large majority of activities envisaged for the project. There are certain areas in which HBCUs will have a comparative advantage in assisting historically disadvantaged tertiary education institutions in South Africa. For example, HBCU's have a decided advantage in the area of professional development of

academic and administrative staff to enable them to serve a student body that often enters the institution not fully prepared for study at the tertiary level. Other areas are staff development in the areas of intergroup and interethnic relations, maximum use of scarce resources, and alternative approaches to education and learning.

USAID/South Africa will ensure that the important and unique experience and capabilities of HBCUs are fully used throughout the project. This is especially important given HBCUs' history of continuous challenge to the barriers of social, economic, and political disadvantage in the United States. This positions them to make a special contribution to a project that has as its goal **improving equity through increased access to and enhanced quality of education in historically black tertiary education institutions in South Africa**. HBCUs will be an integral part of TELP as they provide technical assistance; serve as lead institutions in some activities; collaborate in research and community development; share human and, where appropriate, physical resources; and become linkage partners in still others. Annex J briefly describes the factors that make HBCU participation particularly valuable to the implementation of TELP.

a. HBCU Contracting Involvement

HBCUs will have the opportunity to compete for all contracts under the project; certain contracts will be competed only among Gray Amendment entities and other contract competition will be limited, through waiver authority, to HBCUs.

Given the importance of maintaining a prominent role for HBCUs, i.e., ensuring that their unique capabilities and historical experiences are brought to bear through TELP on the transformation of South African tertiary education, at least 35 percent of the cost of contracted services will be contracted with HBCUs in the prime contractor role.

Contracts with offerors that are not either HBCUs or Gray Amendment entities also will have a minimum of 35 percent of the cost of its services subcontracted to HBCUs or other Gray Amendment entities (as permitted under waiver authority to be sought).

USAID/South Africa will work closely with AID/W and with the HBCU community to ensure that this minimum level of participation is achieved over the life of the project. Portions of this effort could be facilitated through the University Center, the AID/W unit which has the most direct relationships with U.S. tertiary education organizations and institutions, and with selected institutions in developing countries.

While black South African educators value the planned participation of HBCUs in implementation of TELP, they readily acknowledge that, in general, they are less well informed about the overall capacities of HBCUs than about those of the larger and better endowed universities in the United States. During the first twelve months of the project, TELP will undertake two activities designed to increase mutual awareness between HBUs and technikons in South Africa and HBCUs in the United States.

b. Awareness-building between HBUs and Technikons in South Africa and Gray Amendment entities in the United States

In response to the acknowledged lack of awareness and knowledge of some South African educators of the institutional strengths and technical assistance capabilities of Gray Amendment entities, and their interest in learning more about them, TELP will support **awareness-building** trips (described below) within the first twelve months of the project. The trips will actually serve a twofold purpose. First, Gray Amendment entities will share the technical expertise, methodologies, and practices they have developed in the areas (e.g., strategic planning; policy analysis and planning; key academic disciplines; student development; etc.) identified for assistance under this project. Second, they will enable black South African educators to make first-hand assessments of the capabilities of U.S. HBCUs and other Gray Amendment entities.

c. Gray Amendment Entity Information Dissemination Trip to South Africa

TELP will fund an information dissemination trip to South Africa for representatives from a competitively selected group of Gray Amendment entities. The institutions and individuals participating in this trip will share technical information and practices developed by their respective institutions. All Gray Amendment entities will be eligible to compete for subsequent technical services contracts under TELP.

While selection criteria for participation in this trip will be defined in an appropriate "invitation" to Gray Amendment entities, the Project Paper envisions that institutions that want to participate in this activity will need to demonstrate:

- Experience and/or existing capability to provide technical assistance services in developing countries in general, in Africa, and/or in Southern Africa;
- Prior to the trip, that its institutional capacities and its information dissemination effort is targeted to the specific training and technical assistance needs of TELP;
- A willingness and commitment to provide resources and ongoing efforts to develop long-term sustainable linkages;
- That the assignment of the information dissemination responsibilities on this trip is to representatives of the institution who can thoroughly describe the technical information and practices developed by the institution; it is expected that women will have equal access to the opportunities to represent these institutions; and
- A broad involvement of appropriate staff and faculty in the preparation and presentation of the information, and evidence that representatives will be involved directly in any technical services subsequently offered by the institution.

While the exact format of the information dissemination effort will be described in USAID/South Africa's "invitation" to Gray Amendment entities, options might include "trade fairs" in major regions/cities in South Africa, information dissemination workshops at selected tertiary education institutions, or seminars on the technical assistance mechanism (in which USAID officials would make presentations directed to Gray Amendment entities representatives visiting from the United States and participating South African educators). It is expected that the touring team will consist of both male and female representatives. Mandatory orientation sessions will be provided to the representatives prior to their departure for South Africa.

d. HBU and Technikon Observation/Study Tour to the United States

The information dissemination trip to South Africa by representatives from selected U.S. Gray Amendment entities will be followed by an observation/study tour to the United States by representatives of the targeted HBUs and technikons in South Africa. While the selection criteria will be defined by USAID/South Africa in an "invitation" to the South African institutions, each interested institution should be prepared to:

- Demonstrate that its assistance needs can be addressed through activities that fall within the parameters of TELP;
- Demonstrate evidence of strategic planning geared toward the restructuring of the institution and ensuring gender equity;
- Describe its TELP-specific information-gathering needs; and
- Assign responsibility for this tour to staff who are fully prepared to gather the TELP-relevant information, and subsequently advise his/her institution and other South African tertiary education institutions on the general and specific capabilities of Gray Amendment entities in the United States. It is expected that women will have equal access to the opportunities to represent the institutions.

USAID staff will be prepared to assist institutions in preparing their responses to the "invitation" as needed. It is expected that the touring team will consist of both male and female representatives. Mandatory orientation sessions will be provided to the representatives prior to their departure for the United States.

The format of the observation/study tour in the United States also will be defined by USAID/South Africa; options may include visits to office/campuses of selected Gray Amendment entities; "trade fairs" in selected cities, which would provide an opportunity for the large majority of Gray Amendment entities to demonstrate their capabilities to South African educators directly; a workshop/seminar in Washington, D.C. at which USAID/South Africa and AID/W officials could provide a clear explanation of the principles and mechanics



of contracting for TELP services to U.S. Gray Amendment entities representatives and visiting South African educators. Upon return to South Africa, the HBU and technikon representatives will brief and provide general feedback to USAID/South Africa on the information they have gathered regarding services that Gray Amendment entities might offer through TELP.

As a result of these reciprocal trips, many Gray Amendment entities will have made their capacities known to South African educators, and black South African educators will be better prepared to make informed decisions related to Gray Amendment entities participation when selecting technical services for the project's various activities. To capture and retain the information gained during these visits, USAID, with the assistance of contractors as needed, will develop a substantive data bank of Gray Amendment entities institutional program capabilities which are particularly appropriate for TELP and for human resources and institutional development activities in South Africa in general. Examples of information to be included in the data bank include specialized program offerings, professional faculty/staff available for TELP services, and ongoing research programs that are relevant to South Africa's research needs. The data bank will be a resources information base for TELP, the USAID/South Africa program, and the South African tertiary education sector. It will be designed to avoid duplication of the existing database of Gray Amendment entities capabilities in general.

2. Activities to Enhance the Participation of Women

Patriarchal in structure, South Africa is clearly a society that assigns many tasks on the basis of gender. Women are expected to play certain roles, have certain responsibilities, and remain subordinate to men. Women's rights as an issue and agenda item are only now becoming public and accepted. To an extent, women's issues have historically had to be subsumed under the larger human rights struggle. To redress historical discrimination against women, TELP will give attention to the special needs of women in all of its human resources and institutional development activities. In addition, it will support some activities directed specifically to empower women to play their full and equitable roles as tertiary education is transformed. Illustrative examples of the kind of women-specific activities that TELP will fund are described below:

a. Role Modeling

Females in South Africa need role models. Established black professional women are obvious role models for younger professional women, but often, established professional women also need networking and role modeling to reinforce their own goals and aspirations. Because of this need, special mentoring programs will be an integral part of TELP. Mentoring can be in the form of a permanent structured program established in the tertiary institutions, or it can occur through a series of workshops which focus on special issues and use role models with expertise and experience in the areas under examination.

b. Curriculum Development

Curriculum development activities will incorporate gender modules (e.g., accomplishments of women, changing roles of women) into the curriculum in social sciences, sciences, and other appropriate disciplines.

c. Women's Resource Center Programs

A major problem with gender issues is the lack of resources for, and access to information. Black women, and African women in particular, need to develop scholarly research about their own experience and locate outlets for dissemination of the findings. To date, few black women, again, African women in particular, have been successful in publishing relevant materials. Most research on the condition and developmental needs of black women has been conducted by white researchers -- women and men -- on behalf of black women.

Black women in tertiary education need to be able to define their own information needs and to conduct and disseminate the research that provides that information. Working as a group able to share such information and collaborate on projects which focus on women/gender issues will be a critical factor in women's ability to develop and carry out their own strategies for empowerment.

Women's resource centers at HBUs and technikons represent one avenue for marshalling the project's resources to achieve the important objective of empowering women. Such a center already exists at the University of Durban-Westville, and other institutions have expressed an interest in establishing them. Under its capacity-building component, TELP will assist in developing and implementing appropriate programs at such centers. Such programs might include workshops, conferences, and symposia for purposes of information sharing or for specialized training as needed. TELP also will assist women at HBUs and technikons to strengthen their networking capacities. Under the linkages component, the project will facilitate collaborations among South African institutions and between South African and U.S. higher education institutions, especially HBCUs, around the issue of strengthening the capabilities and roles of women in tertiary education in South Africa.

IV. MONITORING AND EVALUATION PLAN

The Monitoring and Evaluation component of TELP will require an innovative approach and methodology to support immediate project implementation and USAID/South Africa's longer-term project and program requirements. The unique South African political context -- a society in transition -- and TELP design features require a monitoring and evaluation plan that allows for flexibility in project implementation while providing reliable indications of goal and purpose achievement and development impact. The monitoring and evaluation plan will use objective goal-oriented and contextual fourth generation participatory methodologies. The development of an information system through regular activities and specific studies that can provide the Mission and other stakeholders with timely data and assessments will be an important aspect of the plan. It is important to underline, however, that the Mission will maintain traditional responsibilities for monitoring the TELP Project.

A. Implementation and Contracting Plan

1. Objective Goal-Oriented Evaluation

At the project goal level but more importantly at the purpose level, the more traditional A.I.D. goal achievement and objective evaluation methodology will be used. The purpose of this approach is to track progress of all the individual project components, and to aggregate up to the purpose level. This will consist of a series of external (to the project) objective formative evaluations and four summative evaluations.

A series of formative evaluations will occur annually for the first three years of the project to ensure constant feedback for Mission management, and to ensure that the monitoring and information system is operating smoothly. Summative evaluations are scheduled to be performed every two or two and one-half years during the 10-year life of the project.

2. Contextual and Participatory Evaluation

At the project component level, a participatory and contextual methodology, referred to as 4th generation evaluation, involving participation of major stakeholders in the design and implementation, will be used. Evaluation, using this methodology, becomes part of the change process within the project. This methodology regards external influences, and contextual variables as determinants in the development process and uses the active and substantial participation by host country stakeholders as part of the design, monitoring, and evaluation process. All three TELP project components, i.e., policy analysis and planning, capacity-building, and linkages, will use this participatory approach in the evaluation plan. This will serve as an integral Mission management tool, providing rapid feedback, and allowing for flexibility in implementation requirements and project design to meet changing needs.

The Mission will contract under TELP for a full range of evaluation services. An evaluation contractor will be responsible for the establishment of an overall evaluation plan and a project management information system. These will include, inter alia, the following:

- Collecting baseline data and developing indicators, as required within the three project components;
- Developing a system to monitor and track progress toward achievement of project targets, and a methodology for evaluating impact of individual project components;
- Conducting one longitudinal study to track progress of TELP participants and institutions including academic and administrative staff, and students;
- Developing a needs assessment for the policy analysis and planning component; the assessment will examine the current need for training, policy information dissemination, coordinating and negotiating fora for tertiary education, and an attitudinal survey of key stakeholders (to be conducted in Year 1, with follow-up in Years 3 and 5); and
- Providing technical assistance to grantees and other implementing entities in all project components to develop impact evaluation methodologies, indicators and proposals.

B. Audits

It is anticipated that TELP will not require federal audits, as much of the project resources may be disbursed under Handbook 13 grants in accordance with OMB Circular A-133 and guidelines issued by the A.I.D. Inspector General. A small provision is made for two non-federal audits and possibly one standard federal audit given the political context of South Africa and high visibility of the project and USAID's program. This will be decided during the course of project implementation.

V. SUMMARY OF ANALYSES

A. Technical Analysis

This analysis assesses the appropriateness of the project's design and implementation plan to the stated development problem and the defined goal and purpose of the project. It explains the selection of institutions targeted for assistance, and it identifies those constraints or challenges that the project will face in the context in which it will operate. The analysis also discusses project design alternatives that were considered. These considerations will guide the conclusion of the analysis as to the technical feasibility and appropriateness of the project as designed and planned for implementation.

In South Africa's ongoing political, social, and economic transition, tertiary education has a pivotal role in preparing the country's citizens, especially its long-disadvantaged majority black population, to participate fully in the functioning of a new, democratic system of governance. Historically black tertiary education institutions face the daunting challenge of providing professional development and leadership training for black South Africans who will have the unprecedented opportunity to participate in running an industrialized economy that employs advanced technologies and management techniques. TELP's goal is to improve equity through increased access to and enhanced quality of education in historically black tertiary education institutions in South Africa.

South Africa's tertiary education sector is divided into the following subsectors (which are described in the full analysis): universities, technikons, technical colleges, and colleges of education. The institutions in all of these subsectors play important roles in the sector as a whole, and they all have pressing development and strengthening needs. TELP does not have the resources to address the needs of all of these institutions. Further, it is not technically feasible for a single project to address the range and depth of those needs. Therefore, TELP will target its assistance to those institutions best positioned to support the mandate of the Comprehensive Anti-Apartheid Act and the USAID program goal of hastening the demise of apartheid and preparing disadvantaged South Africans for leadership roles in post-apartheid South Africa.

As indicated in the full Technical Analysis, the institutions best positioned to support that legislative mandate and strategic objective are South Africa's HBUs and technikons. They offer the full-time, residential academic training and professional development programs that have the greatest potential for producing the cadre of black professionals and leaders that will be needed under a new, democratically-elected, nonracial, nonsexist government.

Also, the targeted HBUs and technikons have begun, at their own initiative, the process of transforming themselves from institutions defined and controlled by the dictates of apartheid to tertiary education institutions empowered to offer quality teaching, research and community outreach programs that serve the human resources development needs of the new

nation. Taking advantage of the stage of development that these institutions have reached, TELP will support and facilitate that transformation. Limiting its focus to these institutions will enable it to achieve its planned outcomes.

Based on exhaustive consultations with South Africans and other experts in the field, a determination has been made that TELP's proposed interventions are entirely feasible and constitute the most appropriate development assistance response to the historically black institutions' strengthening and transformation needs. The project will contribute substantively to transforming the institutions from apartheid-created institutions to quality tertiary education institutions that develop and conduct teaching, research and community outreach programs, in response to the learning needs of their communities and to the human resources development needs of South Africa's industrialized, technology-driven economy. The Project Rationale and Description presented in Section I and the Implementation Plan presented in Section III define a technically sound and fully appropriate project response to a major development challenge that must be addressed in an uncertain and evolving environment.

B. Administrative Analysis

This analysis examines the preparedness of the project's implementing entities to carry out their respective project activities, considering each entity's resources for playing its anticipated role. In the case of USAID/South Africa, the analysis will consider the planned use of contractors and grantees to provide technical services. The analysis will draw a conclusion as to the adequacy of the administrative structures and resources for implementing the project as planned.

The project's targeted HBUs and technikons are all fully-fledged tertiary education institutions providing training to tens of thousands of South Africans. The resource bases of these institutions are measurably different, and the levels of success attained in serving student bodies and other constituent groups vary. Each in turn, however, has demonstrated a capacity to deliver academic, research, and other training-related services.

The targeted HBUs and technikons have professional staff in place and provide educational offerings that coincide with TELP objectives and project components. Their needs are mainly for assistance to enable them to increase their capacities in administrative and academic program development and management, for the purpose of achieving equity, sustaining higher service delivery standards, and more effectively providing skills that meet human resources requirements in the new South Africa.

It must be acknowledged that HBUs and technikons as a group of targeted beneficiaries have limited staff capacity to undertake new initiatives, but they clearly need to take such initiatives to achieve their institutional transformation goals. Most, if not all, key administrative and academic staff at the various institutions have reached their workload capacity for maximum productivity. These capacity limitations are the very conditions the

project's assistance will address. The point of this acknowledgement is that, in providing assistance, the project must also ensure that beneficiary institutions are provided the added resources they need to undertake any new activity, i.e., TELP will often need to fund administrative support mechanisms that underpin implementation activities. Despite limits on their capacity to undertake additional activities without additional resources, the targeted HBUs and technikons have a high level of "institutional will" to increase their capacities, increase the quality of their programs, and extend the reach of the services to their communities.

USAID/South Africa, through the Human Resources Development Division (HRDD), will have overall responsibility for project implementation, management, and monitoring. HRDD's staff will be augmented by a senior Personal Services Contractor (PSC) Project Officer and up to three FSN staff, all funded by the project. Such an arrangement will constitute sufficient administrative capacity to provide for effective management and programming of project funds. The Mission will hire a Technical Support Contractor to assist with aspects of project implementation. Such a firm will be assigned a cluster of project management activities -- e.g., logistics support to HBUs and technikons, proposal preparation assistance to beneficiaries, coordination of program activities, and other responsibilities as delegated.

After a democratically-elected post-apartheid government is established, it is expected that direct dialogue will begin between USAID/South Africa and the new government. When sufficient information is available to permit effective assessments of the legitimacy of the new government and the policy orientation and administrative capacity of a national Ministry of Education, the Mission will consider direct support to relevant government agencies of some education activities.

There is ample evidence of sufficient administrative capacity within USAID to manage TELP. There is also available local and international technical support and services capability to carry out the project's activities. While the tertiary education institutions have little capacity to take on new responsibilities and tasks without additional resources to support them, they do have the capability and very high motivation for using the project's technical and administrative support assistance to achieve their institutional strengthening and transformation goals.

C. Social Soundness Analysis

The Social Soundness analysis of the TELP Project examines the unprecedented conditions of a nation in transition from apartheid to democratic governance, and from a social order based on racial privilege to an order based on equity for all citizens. It considers the prevailing socio-cultural context in which the project will operate, and it analyzes the project's impact on targeted beneficiaries. It also discusses issues that may affect the project. Finally, it draws a conclusion as to the social soundness of the project in the evolving socio-political setting.

South Africa is a nation undergoing major political, social, and economic change. It is on the precipice of installing the first government elected under universal franchise. Government firmly in the control of the white minority will be replaced by government representative of the country's entire population, without regard to race. Social relationships also will change dramatically; no longer will the legal system reserve privileges to white South Africans while denying basic human and civil rights to black South Africans.

The *de facto* transition from apartheid to nonracial democracy will not occur on the effective date of a new constitution. Despite the change in the law, many white South Africans who have enjoyed the privileges bestowed by apartheid will resist the change. Many black South Africans who have suffered the inequity entrenched in apartheid law will expect quick and comprehensive redress. For social redress efforts to work effectively, black South Africans must be prepared to take advantage of the opportunities offered by the new society. This will require immediate and sustained human resources and institutional development programs targeted to the black majority.

There are both direct and indirect beneficiaries of the project. **The direct institutional beneficiaries** are targeted historically black universities and technikons; **the direct individual beneficiaries** are the men and women on the academic and administrative staffs, and the students at the targeted HBUs and technikons.

Through all of the project's components, academic and administrative staff and students will have opportunities to develop new skills, refine existing skills, gain new knowledge and experience, and improve intragroup and intergroup relations. There will be particular gains for women, who, through the reinforcement and development of affirmative action and social redress programs under TELP, will enjoy greater access to previously denied professional development career opportunities. Students will benefit directly from those project activities that support student development programs, which might include mentoring, career counseling and guidance, training in communication skills, development of skills for personal empowerment, and opportunities to be involved in institutional empowerment and community outreach programs.

TELP's individual beneficiaries are intended to reflect South Africa's racial demographics. The country's population is made up of several distinct groups. Apartheid classified these ethnic groups as African, Colored (mixed race), Indian, and White. The South African Institute of Race Relations' 1992/93 *Race Relations Survey* reports the following population distribution in South Africa in 1992:

African	29,889,600
White	5,129,900
Colored	3,354,200
Indian	<u>1,007,300</u>
TOTAL	<u>39,381,000</u>

Apartheid resulted in a political, social, and economic hierarchy that maintained white South Africans as the privileged group and all people of color as underprivileged. **Because**

of its equity goal, TELP must recognize that apartheid also forced its hierarchy upon the black community. While the relative positions of Coloreds and Indians might be debated, it is unarguable that Africans were, by design, at the very bottom of the hierarchy from the political, social, and economic perspectives. TELP acknowledges in its implementation the still markedly disadvantaged and underprivileged position of Africans at the national, regional, and institutional levels. In directing its assistance to individual beneficiaries, the project will be guided by South Africa's racial demographics, and by a commitment to redress the political, social, and economic hierarchy imposed by apartheid. In pursuit of its equity goal, TELP's "Benefits Hierarchy" will be African, Colored, Indian, and White.

The overwhelming majority of project beneficiaries will be black South Africans. In a limited number of cases, white South Africans also may be beneficiaries of the project's assistance. Their participation as academic and administrative staff of targeted HBUs and technikons will be possible when the institution applying for assistance has satisfactorily met all of the project's stated criteria, including the criterion for demonstrated commitment to and tangible progress on social redress and affirmative action within the institution.

Another direct beneficiary of the project will be the new Government of South Africa. A new, representative government, elected under universal franchise and committed to establishment and maintenance of a nonracial, nonsexist democracy will benefit from the project's assistance once USAID has determined that its policies and programs are committed to empowerment of black South Africans to assume leadership roles in all areas of South African society.

TELP's indirect beneficiaries include the communities served by targeted HBUs and technikons in their community outreach efforts. The new nation as a whole will benefit indirectly as a result of TELP's impact on equity and on the political, social, and economic empowerment of the country's historically disadvantaged majority. Historically white tertiary education institutions also are indirect beneficiaries of TELP assistance; project design envisages their participation in project activities through linkage arrangements proposed by, and implemented with, targeted HBUs and technikons.

The project is socially sound for South Africa's present and near-term future. It is consistent with and supportive of South Africa's ongoing transition from apartheid to a nonracial, nonsexist democracy. Because of the uncertainties of the social and political environment over the coming year, TELP is designed with the flexibility to remain relevant and responsive to new social and political realities as they emerge. The project's inputs will be directed to facilitating South Africa's transition from apartheid to a democratic, nonracial, nonsexist society. Its activities are designed to assist the targeted HBUs and technikons in transforming themselves into quality tertiary education institutions. The project's outcomes will include HBUs and technikons far more capable of providing quality education to their students, conducting and disseminating relevant and valued research, and empowering their communities to participate equitably and contribute substantively to the operation of the country's new political, social, and economic systems.

D. Women in Development (WID)

The WID analysis considers the situation of women in South African society in general, and in tertiary education in particular, noting the priority assigned to women's issues on the larger political and human rights agenda. The analysis notes those interventions planned by TELP to ensure due attention to the special human resources development needs of women, and draws a conclusion as to whether the project's design and planned implementation adequately address those special needs.

Patriarchal in structure, South African society allocates roles and tasks on the basis of gender. Women are expected to play certain roles, have certain responsibilities, and remain subservient to men. It is the man who often determines the size of her nuclear family, her day to day interactions, her career path, the level attained in that career path, the degree of autonomy and self-sufficiency which she can achieve, and her geographic mobility. One argument suggests that a cause for the posture of male dominance over women is apartheid's barring of black men from leadership roles in the social, economic and political life of the country. Feeling powerless and degraded by this experience, black males try to compensate by dominating women as an expression of power.

Females are often socialized in the schools to assume certain subordinate roles. Several women interviewed stated that they or their friends have been discouraged from taking courses which would prepare them for a "non-traditional career" (e.g., science or math). Instead, they are steered into domestic and clerical-type courses. This discouragement is primarily from male teachers, although there have been some instances of female teachers doing the same.

In the professional arena, women have been hesitant to apply for the non-traditional, high-level, senior administrative positions and other positions in which they have been underrepresented. This may be in part the result of low self-confidence and self-esteem, but it is also influenced by the fact that women historically and socially have been confined to the lower level of the occupational structure. Some women have suffered tremendous professional and personal trauma when they attempted to enter male-dominated professions.

The black women of South Africa do not constitute a homogeneous group. Thus, several factors which affect their lives must be considered when dealing with the gender issue. Some women, left to fend for themselves without husbands or men, have contested the prevailing ideology of male dominance. They have assumed roles that defy the presumed stereotypes about the subservience of women.

They are fiercely independent and demand gender equality in matters pertaining to their personal lives and their families. Additionally, since the liberation movement plays a key role in the lives of a significant number of black women, they often challenge the presumed male leadership for not being sensitive to women's issues. Others, for financial reasons and otherwise, are quite willing to submit to the rule of their male partners.

Male oppression of women exists across all cultural groups affected by the dominant ethos of apartheid. In other words, patriarchy is a constituent part of the apartheid ideology.

The affected cultures dictate that women are the "weaker sex", that they are inferior to men and, therefore, subordinate to them. Thus, some women often consider themselves dependent, adhering to the directives of males, whether brothers, fathers or husbands.

Within the South African tertiary education system (whether black or white), the inequities between genders is widespread. The higher the level of education provided, the fewer women there are teaching. The same type of imbalance exists, but to a greater degree, on the administrative staffs. The exclusion of women is not always a deliberate action, and in some instances it may not be conscious. The supervisors, chairs, and administrators of selection boards involved with hiring are usually male and, until recently, tended to be overwhelmingly white. Their routine and consistent selection of males for staff positions perpetuates the under-representation of women.

Among the students, gender distribution in the various tertiary institutions changes as students progress toward completion of their degree requirements. The explanation offered in official documents is the high drop-out rates. Women are more susceptible to drop-out because of the need to care for children, pregnancy, the need to become employed to support family, personal demands, discouragement from people in leadership positions (e.g., teachers, parents), and lack of interest in the area of study.

Efforts are being made to redress some of the inequities in certain HBUs and technikons. Unfortunately, some administrators and educators, even in discussions of affirmative action, tend to assume a strong posture when addressing racial/ethnic inequities, but take a more reserved position about equity for women. This lower priority for action on gender equity is itself a result of the under-representation of women. Men generally have attached less importance and given less attention to women's professional involvement and professional development needs. To ensure that women's development needs are given equitable attention and action priority, more women need to be prepared systematically for professional areas and positions historically closed or less accessible to them. They must then be given the opportunity to move into these areas and positions, and grow professionally under the guidance or mentoring of their male and other women colleagues.

TELP will make resources available to the beneficiary institutions to give the necessary attention and action priority to gender-equity issues. Also, the selection criteria for all activities to be funded by the project will require demonstration of an institutional commitment to and action on matters of gender equity.

Special mentoring programs will be an integral part of the project. The mentoring can be in the form of a permanent structured program established in the tertiary institutions, or it can occur through a series of workshops which focus on special issues and use role models with expertise and experience in the areas under examination.

Curriculum development activities also will include gender modules (e.g., accomplishments of women, changing roles of women) in the curriculum in social sciences, sciences and other appropriate disciplines.

A major problem with gender issues is the lack of resources and access to

dissemination of information. Women's resource centers at HBUs and technikons represent one way to marshal project resources to achieve the important objective of empowering women. TELP will assist in developing and implementing at such centers programs which might include workshops, conferences, symposia for purposes of information-sharing, or for specialized training as needed. TELP will also assist women at HBUs and technikons to strengthen their networking capacities. Under the linkages component, the project will facilitate collaborations among South African institutions and between South African and U.S. higher education institutions, especially HBCUs.

TELP is designed to give the necessary attention to the special development needs of women. In tertiary education, women, especially black women, are dramatically underrepresented on academic and administrative staffs. As students, they are underrepresented in the priority academic disciplines identified for TELP assistance. Giving due priority to gender equity, TELP's design includes targets for women's participation in all project activities, including participation on its Application Review Panels. Also, the project's Implementation Plan provides for special initiatives in role modeling, curriculum development, and assistance to the programs of women's resource centers. The performance of implementing entities in meeting the targets and carrying out the special initiatives must be closely monitored and evaluated over the life of project.

E. Economic Analysis

South Africa's economy is large by African standards with gross domestic product (GDP) in 1992 equal to US\$113.2 billion.⁶ Government expenditures amounted to 37 percent of GDP or about US\$41.884 billion. For the 1992/93 budget year, government appropriations for universities and technikons totalled roughly \$931 million.⁷ Based on 1989/1990 shares, roughly 14.7 percent of these funds or \$137 million is spent in the historically black universities and technikons (HBU/HBT).⁸ TELP will provide US\$50 million targeted for selected tertiary education activities. As such, the project does not attempt to invest heavily in substantive tertiary changes, but rather hopes to provide the framework for tertiary education policy dialogue and restructuring, as well as the means for HBUs/HBTs to improve access and quality in selected academic disciplines.

This analysis estimates the expected cost/benefit relationship for the project. Costs consist of three major components: a direct A.I.D. contribution of \$50 million, a local contribution of \$16.67 million (25 percent of total costs), and an estimated future cost flow for sustaining the project's efforts, estimated at \$3.33 million per year starting in 2000. Together these costs total \$94.13 million for the period 1994-2009, or \$64.18 million when

⁶J. Hartley, "Economic Trends Report," USEmbassy/Pretoria, June, 1993, p. 2.

⁷Race Relations Survey (1992/93), p. 586.

⁸Allocation percentages calculated from J. Hendry and I.A. Bunting, "South African Universities: 1985-1990," University of Capetown, 1993, and I.A. Bunting and J. Hendry, "South African Technikons: 1988-1990," University of Capetown, 1993.

the obligation stream is discounted to 1994.⁹

1. Benefits

Two benefit streams are estimated and included in the formal analysis: the estimated savings from a rationalization of the tertiary education sector resulting in part from the policy analysis and capacity building work with the HBUs/HBTs under TELP; and the potential increased investment flows expected to result from increased political and economic stability which could again result in part from the analytical and capacity building work under TELP. While these are the only benefit streams estimated here, it should be remembered that numerous other benefits are expected to result directly and indirectly from the work under TELP.

a. Rationalization of the Tertiary Education Sector

The process of eliminating the effects of and distortions resulting from the legacy of apartheid will require, among many other things, the rationalization of government operations. Education is a case in point. Educational structures were developed along racial lines while the administration of institutions and resources overlap, contradict, and detract from each other. The country supports 15 different educational governing bodies. Tertiary institutions are often located within kilometers of each other and have parallel education programs originally designed to serve different populations. The need to expand primary, secondary and tertiary educational access and maintain quality within the system will require enormous capital investments and increased current account allocations in a time of restrained government resources. Some of these funds can be found by rationalizing the current system.

TELP will support the critical process of policy analysis and planning which will contribute to the identification of needs and mechanisms to rationalize the funding, structure, and purpose of tertiary institutions. Two sets of benefits are expected from this work, along with the discipline-specific capacity building activities planned for the historically black institutions (HBIs), i.e., universities and technikons. First are savings which would be generated by improvements of various efficiency measures for the HBIs relative to the total university and technikon system. Second are savings generated by improvements of the efficiency of the entire system.

The Base Scenario is that TELP will generate impacts equivalent to a thirty percent (30%) relative improvement by the HBIs and a 4.5 percent improvement for the entire university and technikon system.¹⁰ These base impact estimates imply a 3.68 percent savings

⁹For this and the subsequent analysis, a ten percent (10%) discount rate is used.

¹⁰These base impact estimates were discussed with Dr. Fred Hayward of the American Council on Education (ACE) who knows both the U.S. and South African tertiary education systems. According to Dr. Hayward, these base impact estimates are reasonable, and probably conservative. A further discussion can be found in the full Economic Analysis, Annex E.5.

rate for total university and technikon expenditures, 1.89 percent from savings for educational program expenditures and 1.79 percent savings on overhead expenditures. These savings are approximately 34 percent attributable to the relative improvements in HBI performance and 66 percent attributable to the overall improvements in the system. For calculating the benefits from these savings, it is assumed that this 3.68 percent savings rate is gradually phased in over the period from 1996 through 2006.

These efficiency improvements result in a cost savings for the university and technikon systems of \$308.4 million in absolute terms, or \$118.3 million when these savings are discounted to 1994 values.

b. Increased Investment from Stability

Uncertainty regarding the future political and economic course of a post-apartheid South Africa is frequently cited as a major reason for the decline in domestic investment in recent years. Until this uncertainty is resolved and stability is reasonably assured, it is likely that domestic and foreign investment will be relatively slow to develop. Aside from the structural problems inherent in a highly inequitable economic system, the lack of stability is probably the largest single factor hindering economic growth. This uncertainty and investors' concerns regarding future stability are included in investment costs as a "risk" factor. The more uncertain the situation, the more likely instability is, and the more dramatic the instability, the more costly are investments and the likelihood of a positive net return from an investment is reduced.

Before the full flow of investments and efficiencies can be realized from the breakdown of apartheid and the lifting of international sanctions, the expectation and fact of stability must be firmly in place. TELP's activities in policy analysis and capacity building can be expected to add to the stability of the country. The tertiary educational institutions contribute to the intellectual, political, and economic ideas of the upper levels of the labor force, which in turn play a critical role in influencing the overall stability of the country.

The estimated benefit stream from improved stability in the Base Scenario assumes a four percent reduction in the cost of investment phased- over the period from 1999 through 2006. This reduction in the "risk premium" will follow and be additive to the effects from the transition to a majority-led government and the lifting of international sanctions. An estimated cost elasticity of investment of -1.9 is used to estimate the percentage increase in investment resulting from the cost reductions. The final step is to allocate some portion of this increased investment to the effects of tertiary education and to TELP. As a base scenario, it is assumed that 5 percent of the decreased cost of investment is a result of efforts in the tertiary education sector and that TELP is responsible for 10 percent of that. Thus, TELP would be responsible for 0.5 percent of the increased investment.

These assumptions result in a flow of up to \$4.2 m per year of increased investment due to TELP. For the entire period of the analysis, the absolute value of these flows is \$31.24 million, or \$10.85 million when they are discounted to 1994.

2. Benefit-Cost Relationships

To complete the analysis, it is necessary to pull together the information on cost and benefit flows to examine their relationship in discounted terms. The various summary estimates are computed using costs based on both the obligation and expenditure flows. The flow of net benefits is negative through 1998, but turns positive in 1999. On a cumulative basis, the project as a whole shows a positive net discounted benefit by 2002. Through the year 2009, the total net discounted benefits on an obligation basis are \$64.93 million or \$67.63 million on an expenditure basis. As shown in the table "Cost/Benefit Summary, Base Case," the respective benefit-cost ratios are 2.012 and 2.100, while the respective internal rates of return (IRR) are 23.2% and 25.1%. Clearly under these assumptions, TELP is economically viable and justified.

In order to examine the robustness of this conclusion, two additional scenarios were examined—a Worst Case Scenario and a Best Case Scenario. These scenarios are defined by using the Base Case values of the key impact variables as a mid-point for a ± 50 percent band for expected impact. The Worst Case Scenario is designed by taking the minimum value of all impact variables, while the Best Case Scenario is designed by taking the maximum value of all impact variables. The tables, "Cost/Benefit Summary, Worst Case" and "Cost/Benefit Summary, Best Case," present the analyses' results.

The Worst Case Scenario results in minimum level of Net Discounted Benefits of just under \$2.5 million, a benefit-cost ratio of 1.04 and an IRR of 10.7%, while the Best Case Scenario results in a minimum net benefit of over \$124 million dollars, a benefit-cost ratio of over 2.9 and an IRR of 31.5%. Thus, even in the Worst Case Scenario, the expected benefits of TELP sufficiently outweigh the costs sufficiently to justify A.I.D.'s investment in this activity.

COST/BENEFIT SUMMARY			
Base Case			
Cost Basis	Discounted		IRR
	Net Benefits	Ben-Cost Ratio	
Obligations Basis	64.93	2.012	23.2%
Expenditure Basis	67.63	2.100	25.1%

COST/BENEFIT SUMMARY			
Worst Case			
Cost Basis	Discounted		IRR
	Net Benefits	Ben-Cost Ratio	
Obligations Basis	2.48	1.039	10.7%
Expenditure Basis	5.19	1.084	11.5%

COST/BENEFIT SUMMARY			
Best Case			
Cost Basis	Discounted		IRR
	Net Benefits	Ben-Cost Ratio	
Obligations Basis	124.53	2.940	31.5%
Expenditure Basis	127.23	3.070	34.3%

F. Political Analysis

The April 1994 elections will be one of the critical events guiding USAID's overall program strategy, including the TELP Implementation Plan. TELP is designed for implementation in phases, the first of which is centered around successful democratic elections and the installation of the first government elected in South Africa under universal franchise. While a sequence of political and governance developments is planned to follow the elections, the pace and specific directions of those developments cannot be predicted. TELP's phased and flexible design will enable the project to make program refinements and implementation adjustments to ensure that the project remains relevant and responsive to the tertiary education sector's transformation needs over the coming years.

South Africa's future will be determined largely by the political power-sharing arrangement that results from the deliberations now underway between the Nationalist Party, which seats the current government, and the other highly polarized political parties. The extent to which a new political dispensation will involve genuine sharing of power by contending parties in the country's governance system will be a factor that significantly affects the project's implementation. The distribution of political power in post-apartheid South Africa could be either enabling or constraining for the tertiary education sector's HBUs and technikons, to which TELP targets its assistance.

A central government, committed to a national vision of tertiary education based on equity, access, and quality, could give the tertiary education sector the political latitude it needs to tackle the ineffectiveness, inefficiency, and inequity caused by apartheid. Operating within this unprecedented latitude, tertiary education institutions could free themselves from the authoritarian ideological fundamentalism of the apartheid system without compromising national tertiary education imperatives that promote the common good. In an environment of academic freedom and autonomy for the tertiary education sector, a strong central government is more likely to allow inter-institutional collaboration, which would enable institutions to learn "best practices" from each other. TELP's capacity-building and linkages components will promote and facilitate such collaboration among institutions in South Africa, as well as between South African institutions and U.S. colleges and universities, especially HBCUs. The project's capacity-building and linkages components are likely to operate more effectively and efficiently in a single, more unified, easier to rationalize tertiary education system than in one differentiated and fragmented by regional authorities over tertiary education policies, standards, and certifications.

In South African society as a whole today, politically motivated violence is a phenomenon which all contending political parties recognize must be addressed if a democratic nation is to grow out of the current negotiations. Most have committed themselves, however, to preventing acts of violence (and the consequent cycles of retaliation they often trigger) from being a means by which detractors of the multiparty negotiations can derail them.

The general fear remains that as the planned April 1994 date for election of a

Government of National Unity approaches, political violence may indeed be escalated by those who still feel threatened by the likely outcome of a universally franchised, democratic election. It is hoped, however, and anticipated by many, that political violence will abate following the elections, when all parties will have had their opportunity to gain a share in the new political dispensation. Consequently, it is anticipated that political violence will not continue to be the disruptive force it has been over the past two-three years. Indeed, if it were determined by USAID to be politically prudent, the project could be carried out with significant effect even if the present levels of "township" violence continued. If, however, sustained patterns of violence developed on the campuses of HBUs and technikons, the project's feasibility could be severely reduced.

As is the case with USAID/South Africa's overall program strategy, a political analysis of TELP must be event-based rather than calendar-based. Many of the events that will virtually determine the country's political future over the planned life of this project will occur during the coming year. If those events -- formation of a Transitional Executive Council, election in April 1994 of a Government of National Unity, and drafting of a new constitution -- proceed as planned, the project will very likely operate in an environment conducive to achieving its stated goal and purpose.

If this planned transition were effectively derailed, the present government and/or de facto apartheid would likely remain in place, almost certainly resulting in heightened political conflict and escalating violence. Under that scenario, the project's phased design would allow for review and adjustment, or even redefinition of project activities if needed. -

However, at present there appears to be sufficient commitment to and momentum toward a democratically-elected government. With the likely prospect of a new, democratic government in place before the middle of 1994, and with potentially higher expectations from the majority population for improvements in equity, access, and quality of tertiary education, services to be provided through TELP are being offered at the right time. Its program content and design are fully feasible in, and appropriate to the present and foreseeable political context of South Africa.

SOUTH AFRICA, INCLUDING THE HISTORICALLY WHITE UNIVERSITIES IN EXCEPTIONAL CASES, THEREBY INCREASING THE OPPORTUNITIES FOR BLACK SOUTH AFRICANS TO RECEIVE RELEVANT QUALITY TERTIARY EDUCATION IN AREAS WHICH WILL BE OF IMPORTANCE TO THE FUTURE DEVELOPMENT OF THE COUNTRY.

THEY EMPHASIZED THAT ONLY LIMITED PROJECT ASSISTANCE IN POLICY ANALYSIS, STRATEGIC PLANNING, AND DEVELOPMENT OF LINKAGES WOULD GO TO WHITE OR OPEN UNIVERSITIES, AND ONLY WHEN THE PRIMARILY BENEFIT OF THE ACTIVITY WOULD ACCRUE TO THE DISADVANTAGED MAJORITY. THEY EMPHASIZED THAT GRANTS FOR CAPACITY BUILDING WOULD BE LIMITED TO HISTORICALLY BLACK INSTITUTIONS. THEY ALSO NOTED THE IMPORTANCE OF THE ROLE THAT U.S. HISTORICALLY BLACK COLLEGES AND UNIVERSITIES (HBCUS) WILL PLAY IN THE IMPLEMENTATION OF THE TELP PROJECT: FIRST, THROUGH CONTRACTING SET-ASIDES FOR GRAY AMENDMENT ENTITIES; SECOND, THROUGH LINKAGE ARRANGEMENTS WITH SOUTH AFRICAN UNIVERSITIES; AND THIRD, THROUGH REQUIRING THAT ANY PROPOSAL FOR FUNDING UNDER THE PROJECT HAVE A SIGNIFICANT ROLE FOR U.S. HBCUS AND/OR OTHER GRAY AMENDMENT INSTITUTIONS.

3. FOLLOWING THESE OPENING REMARKS, THE ECPR DISCUSSED THE FOLLOWING ISSUES AND GENERATED THE FOLLOWING GUIDANCE, WHICH IS BEING PROVIDED TO THE FIELD TO ASSIST IN PP DESIGN:

A. SELECTION CRITERIA AND PROJECT IMPLEMENTATION MECHANISMS

THE PID DOES NOT CLEARLY IDENTIFY MECHANISMS WHICH WILL BE USED BY THE PROJECT TO ENSURE THAT ASSISTANCE IS FOCUSED TO BEST UTILIZE PROJECT RESOURCES. INTER ALIA, THE PID DOES NOT DESCRIBE HOW INSTITUTIONS OR INDIVIDUALS WILL BE SELECTED FOR ASSISTANCE OR HOW CRITICAL PRIORITIES FOR POLICY FORMULATION OR STRATEGIC PLANNING WILL BE CHOSEN. THE ECPR EMPHASIZED THE IMPORTANCE OF FOCUS, UNDERSCORING THAT THE BULK OF PROJECT RESOURCES SHOULD BE DIRECTED AT BUILDING THE CAPACITY OF BLACK INSTITUTIONS IN SOUTH AFRICA. GC/AFR SPRIGGS NOTED THAT THE DESIGN OF THE

PROJECT MUST WALK A FINE LINE BETWEEN DESIRE TO RESPOND TO DEMANDS OF THE TARGET COMMUNITY AND THE NEED TO EMPHASIZE AREAS OF PARTICULAR INTEREST TO THE MISSION, SUCH AS TRAINING IN PUBLIC ADMINISTRATION, WHICH WILL BE OF CRITICAL IMPORTANCE TO MEETING THE OBJECTIVES OF THE CAAA.

A-AA/AFR HICKS REQUESTED THAT THE PP FULLY ADDRESS THE ROLE OF THE QUOTE GOVERNMENT OF THE DAY ENDQUOTE, E.G. THE SAG, IN PROVIDING ASSISTANCE TO THE TERTIARY EDUCATION

SECTOR IN SOUTH AFRICA, AS WELL AS THE INVOLVEMENT OF OTHER DONORS, INCLUDING ANY WORLD BANK PLANS TO DO ANALYTICAL WORK IN THE SECTOR, AND HOW THIS WOULD AFFECT THE TELP PROJECT. A-AA/AFR ALSO REMINDED THE MISSION OF UNCLAS SECTION 02 OF 02 STATE 171729

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THE BUREAU'S POLICY TO FOSTER THE USE OF U.S. HBCUS, AND THE MISSION WAS URGED TO WORK CLOSELY WITH GC/AFR, WITH THE OFFICE OF PROCUREMENT, AND WITH THE UNIVERSITY CENTER OF R&D/ED IN ACCESSING HBCUS UNDER THE TELP PROJECT.

THE ECPR DIRECTED THAT THE PROJECT PAPER IDENTIFY AND EXPLAIN THE CHOICE OF INSTITUTIONS AND AREAS OF POLICY FORMULATION/PLANNING WHICH WILL BE TARGETED BY THE PROJECT, TO THE EXTENT THAT THEY CAN BE IDENTIFIED AT THE TIME OF PROJECT DESIGN, AND IDENTIFY ILLUSTRATIVE CRITERIA UNDER WHICH SUCH CHOICES WILL BE MADE. THE PP NEEDS TO ADDRESS POTENTIAL CONFLICT OF INTEREST ISSUES WHICH MAY ARISE WHEN AN ADVISORY COMMITTEE COMPRISED OF POTENTIAL GRANTEEES ADVISES THE MISSION ON WHICH INSTITUTIONS SHOULD RECEIVE ASSISTANCE. LASTLY, THE PP NEEDS TO CLEARLY ADDRESS HOW COOPERATION AND COORDINATION AMONG SOUTH AFRICAN TERTIARY EDUCATION INSTITUTIONS WILL BE FOSTERED.

B. ASSISTANCE TO WHITE UNIVERSITIES

CONCERN WAS RAISED AT THE ISSUES COMMITTEE OVER WHETHER ANY ASSISTANCE UNDER THE PROJECT SHOULD BE MADE AVAILABLE TO HISTORICALLY WHITE INSTITUTIONS. IT WAS ARGUED THAT SINCE ASSISTANCE TO BLACK UNIVERSITIES IS THE FOCUS OF THE PROJECT, THAT ASSISTANCE SHOULD BE MADE AVAILABLE TO WHITE UNIVERSITIES ONLY IN THE CONTEXT OF GRANTS TO CONSORTIA WHERE THE LEAD INSTITUTIONS ARE HBCUS, AND ONLY WHEN SUCH ASSISTANCE IS JUSTIFIED ON THE BASIS OF IMPACT ON THE MAJORITY POPULATION OF SOUTH AFRICA. THE MISSION REPRESENTATIVES NOTED THAT, WHILE CAPACITY BUILDING GRANTS WILL BE DIRECTED ONLY AT HISTORICALLY BLACK INSTITUTIONS, THE MISSION NEEDS TO BE FREE TO DETERMINE WHEN AND THE EXTENT TO WHICH IT WAS NECESSARY TO DIRECT SOME PROJECT RESOURCES TO OPEN OR HISTORICALLY WHITE UNIVERSITIES IN ORDER TO MEET PROJECT OBJECTIVES.

A-AA/AFR HICKS NOTED THAT, GIVEN THE LIMITED AMOUNT OF RESOURCES AVAILABLE FOR INTERVENTIONS IN THE SECTOR, EMPHASIS SHOULD BE PLACED ON THE AREA OF GREATEST NEED, I.E. HISTORICALLY DISADVANTAGED INSTITUTIONS; AND THAT THE FOCUS OF THE PROJECT AND THE IDENTIFIED PRIORITY NEED ARE

TO ASSIST BLACK TERTIARY INSTITUTIONS. WHILE THE ECPR ACCEPTED THAT THE MISSION SHOULD HAVE FLEXIBILITY TO PROVIDE SOME LIMITED PROJECT FUNDING TO WHITE INSTITUTIONS, THE MISSION WAS DIRECTED TO ENSURE THAT, TO THE MAXIMUM EXTENT POSSIBLE, SUCH FUNDS FLOW THROUGH BLACK INSTITUTIONS, AND DO NOT DISPLACE FUNDING WHICH SHOULD BE PROVIDED BY THE SOUTH AFRICAN GOVERNMENT OR THAT COULD BE PROVIDED BY THE WHITE INSTITUTIONS THEMSELVES. IN ORDER TO AVOID ANY AMBIGUITY, THE PP NEEDS TO CLEARLY REFLECT THAT THE TARGET OF THE PROJECT IS THE MAJORITY POPULATION IN SOUTH AFRICA, AND THAT TO THE EXTENT THAT ANY RESOURCES ARE PROVIDED TO WHITE INSTITUTIONS, SUCH ACTIVITY SUPPORTS THE OBJECTIVES OF A MAJORITY GOVERNMENT AND THE MAJORITY POPULATION.

C. CHANGE TO US POLICY

THE MISSION IS REQUESTING, THROUGH THE PID AND PREVIOUS CABLE TRAFFIC, A MODIFICATION TO CURRENT AID POLICY WHICH PROHIBITS DIRECT ASSISTANCE TO ORGANIZATIONS WHICH ARE FUNDED BY OR CONTROLLED BY THE SAG, INCLUDING SOUTH AFRICAN TERTIARY EDUCATION INSTITUTIONS. THE ISSUES COMMITTEE HAD RECOMMENDED THAT THE ECPR EXPLORE THE EXTENT TO WHICH AID POLICY COULD BE MODIFIED VIS-A-VIS HISTORICALLY BLACK SOUTH AFRICAN TERTIARY EDUCATION INSTITUTIONS ONLY.

THE ECPR DETERMINED THAT THE AGENCY WILL EXPLORE THE EXTENT OF POLICY AND LEGISLATIVE CHANGES WHICH ARE REQUIRED TO PERMIT DIRECT ASSISTANCE TO SOUTH AFRICAN UNIVERSITIES, AND THAT AFR/SA WILL REACH A CONSENSUS ON THE REQUIRED CHANGES WITH ALL NECESSARY PARTIES SO THAT, IF AT ALL POSSIBLE, AN AMENDED POLICY WILL BE IN PLACE AT THE TIME OF PP APPROVAL.

4. THE MISSION IS DIRECTED TO PROCEED WITH FINAL DESIGN OF THE TELP PROJECT, IN CONFORMITY TO THE GUIDANCE SET FORTH ABOVE. AFR/W IS PREPARED TO ASSIST THE MISSION IN DESIGN ACTIVITIES.

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TERTIARY EDUCATION LINKAGES PROJECT

LOP FUNDING: \$50 MILLION
Termination date: FY 2003

LOGICAL FRAMEWORK MATRIX

PROJECT GOAL	INDICATORS OF GOAL ACHIEVEMENT	MEANS OF VERIFICATION	ASSUMPTION
<p>To improve equity through increased access to and enhanced quality of education in black tertiary education institutions.</p>	<ul style="list-style-type: none"> • National policies create an environment conducive to increasing equity in tertiary education. • Differences between education received at historically black and historically white tertiary education institutions diminish. • Employment of black graduates of S.A. tertiary education institutions increases overall. • Employment of black graduates increases in key industries, public sector agencies, and professional areas from which they were largely excluded under apartheid. 	<ul style="list-style-type: none"> • Universities enrollment statistics annual report surveys and reports from SAIRR, before Foundation and others. • Impact evaluation reports. • Special studies. • Annual reports of tertiary institutions. • Private industry records on employment and advancement. 	<ul style="list-style-type: none"> • Quality Education contributes to increased employment opportunities. • Political, economic & social progress continue. • Quality of education at historically white tertiary institutions will not deteriorate.

PROJECT PURPOSE	END OF PROJECT STATUS	MEANS OF VERIFICATION	ASSUMPTIONS
<p>To increase access by black South Africans to tertiary education opportunities and resources; and improve academic, administrative and research capacity in historically black tertiary education institutions.</p>	<p>Policy Analysis & Planning:</p> <ul style="list-style-type: none"> . National/regional policy planning and analysis conducted with black South Africans playing key roles. . Increased articulation within the tertiary education sector. . Progress toward a more rationalized tertiary education system. <p>Capacity Building:</p> <ul style="list-style-type: none"> . Increased enrollment, retention, and output of black students at HBUs and technikons. . Black students graduate from HBUs and technikons better prepared for professional and technical fields. . Strategic planning guiding institutional development and program enhancement. . Increased numbers of black students are graduating in science, math and engineering (SME); economics and commerce; and public administration and management. 	<ul style="list-style-type: none"> . Annual Race Relations Survey by SAIRR. . Tertiary institutions annual reports. . Contractors quarterly reports. . Periodic project evaluation reports. . Student organization reports. . Discussions with black tertiary institution leaders. . Project Management Staff reports. . Recruitment and employment records. 	<ul style="list-style-type: none"> . Economic, political and social climate remains receptive to project implementation. . Participating tertiary institutions remain committed to the promotion of change. . Diverse elements of society are willing to discuss tertiary education and institutional changes.

PROJECT PURPOSE	END OF PROJECT STATUS	MEANS OF VERIFICATION	ASSUMPTIONS
	<ul style="list-style-type: none"> <li data-bbox="502 224 901 358">. Departments and faculty at HBUs are upgraded in selected disciplines. <li data-bbox="502 386 901 597">. Increased numbers of black South Africans, including women, in key faculty and administrative positions at HBUs and technikons. <li data-bbox="502 625 901 748">. Increased involvement of black staff in applied and theoretical research. <p data-bbox="502 776 642 800">Linkages:</p> <ul style="list-style-type: none"> <li data-bbox="502 829 901 1040">. Increased cooperation and sharing among all tertiary institutions to the benefit of HBUs and technikons and black students. <li data-bbox="502 1068 901 1247">. Increased linkages among various national and international educators and professional organizations. 		

PROJECT PURPOSE	END OF PROJECT STATUS	MEANS OF VERIFICATION	ASSUMPTIONS
	<ul style="list-style-type: none"> <li data-bbox="519 225 950 411">. Increased linkages among South African tertiary education institutions to promote more efficient use of resources. <li data-bbox="519 440 950 671">. Increased linkages between South African HBUs and U.S. colleges/universities to promote exchange of state-of-the-art tertiary education technologies. <li data-bbox="519 700 950 959">. Increased collaborative activities between HBUs and technicians in South Africa and Historically Black Colleges and Universities (HBCUs) in the United States. <li data-bbox="519 987 950 1145">. Linkages allow local groups to provide input for policy development and planning at various levels. 		

OUTPUTS	MAGNITUDE OF OUTPUTS	MEANS OF VERIFICATION	ASSUMPTIONS
<ul style="list-style-type: none"> . Increased numbers of trained faculty in SME; economics and finance; public administration and planning; ESL. 	<ul style="list-style-type: none"> . 300 	<ul style="list-style-type: none"> . Contractor/grantee Reports. 	<ul style="list-style-type: none"> . Academic Support Programs at tertiary institutions are effective;
<ul style="list-style-type: none"> . Increased numbers of women professionals trained in SME; economics and finance; public administration and planning; and ESL. 	<ul style="list-style-type: none"> . 120 (of the 300 above) 	<ul style="list-style-type: none"> . Periodic project evaluation reports. . Annual reports of tertiary institutions. 	<ul style="list-style-type: none"> . Creating consortia of regional tertiary institutions subscribing to the criteria for TELP support is workable.
<ul style="list-style-type: none"> . Improved training materials, curricula, and pedagogical practices. 	<ul style="list-style-type: none"> . at 10 institutions in the targeted academic disciplines. 		
<ul style="list-style-type: none"> . Educational linkages, cooperation and resource sharing among tertiary educational institutions. 	<ul style="list-style-type: none"> . Linkages/cooperation resource sharing in three academic disciplines; five student academic/support areas; and two administrative areas at the regional level (Cape/Natal/Transvaal) and/or at the national level. 	<ul style="list-style-type: none"> . Annual Race Relations Survey by SAIRR. 	
<ul style="list-style-type: none"> . Data, analyses and policy options for strengthening tertiary education at the institutional, regional and national levels. 	<ul style="list-style-type: none"> . 30 policy options at institutional level . 12 policy at the regional level . 10 policy options at the national level 		

OUTPUTS	MAGNITUDE OF OUTPUTS	MEANS OF VERIFICATION	ASSUMPTIONS
. Improved research and research dissemination capacity at HBUs.	. 8-10 institutions.		
. HBU professional development programs for academic and administrative staff.	. 50 programs.		
. Student development programs ("bridging;" counselling and guidance; practicums; internships.	. 100 programs.		
. Models, pilot activities and programs for tertiary education improvements designed, tested and implemented in such areas as alternative tertiary education institutions, e.g., community colleges.	. 40 programs		
. Better equipped SME departments, laboratories and libraries at selected black HBUs.	. 10 institutions		
. Strategic plans for tertiary education institutions.	. 12 institutions		

INPUTS	AID FINANCING (\$ 000)	MEANS OF VERIFICATION	ASSUMPTIONS
1. Technical Assistance	\$8,775	. Aid disbursement records	. Effective linkages between U.S. institutions, historically black and white South African tertiary institutions can be established.
2. Financial Management Support for SA and U.S. University Linkages	\$14,419	. Periodic project evaluations	
3. Project Management Assistance	\$3,902	. Project audits	
4. Educational Materials and equipment Libraries Supported Laboratories Equipped Education Materials/ equipment	\$3,540		
5. Strengthening Grants	\$5,444		
6. Training	\$11,700		
7. Evaluation/Audits	\$2,220		

STATUTORY CHECKLISTS

A.I.D. PROJECT STATUTORY CHECKLIST

Introduction

The statutory checklist is divided into two parts: 5C(1) - Country Checklist; and 5C(2) - Assistance Checklist.

The Country Checklist, composed of items affecting the eligibility for foreign assistance of a country as a whole, is to be reviewed and completed by AID/W at the beginning of each fiscal year. In most cases responsibility for preparation of responses to the Country Checklist is assigned to the desk officers, who would work with the Assistant General Counsel for their region. The responsible officer should ensure that this part of the Checklist is updated periodically. The Checklist should be attached to the first PP of the fiscal year and then referenced in subsequent PPs.

The Assistance Checklist focuses on statutory items that directly concern assistance resources. The Assistance Checklist for FY 1993 includes items previously included under separate "project assistance," "nonproject assistance," and "standard item" checklists. The Assistance Checklist should be reviewed and completed in the field, but information should be requested from Washington whenever necessary. A completed Assistance Checklist should be included with each PP; however, the list should also be reviewed at the time a PID is prepared so that legal issues that bear on project design are identified early.

The Country and Assistance Checklists are organized according to categories of items relating to Development Assistance, the Economic Support Fund, or both.

These Checklists include the applicable statutory criteria from the Foreign Assistance Act of 1961 ("FAA"); various foreign assistance, foreign relations, anti-narcotics and international trade authorization enactments; and the FY 1993 Foreign Assistance Appropriations Act ("FY 1993 Appropriations Act").

These Checklists do not list every statutory provision that might be relevant. For example, they do not include country-specific limitations enacted, usually for a single year, in a foreign assistance appropriations act. Instead, the Checklists are intended to provide a convenient reference for provisions of relatively great importance and general applicability.

Prior to an actual obligation of funds, Missions are encouraged to review any Checklist completed at an earlier phase in a project or program cycle to determine whether more recently enacted provisions of law included on the most recent Checklist may now apply. Because of the reorganization and consolidation of checklists reflected here, such review may be particularly important this year. Space has been provided at the right of the

Checklist questions for responses and notes.

5C(1) - COUNTRY CHECKLIST

Listed below are statutory criteria applicable to the eligibility of countries to receive the following categories of assistance: (A) both Development Assistance and Economic Support Funds; (B) Development Assistance funds only; or (C) Economic Support Funds only.

A. COUNTRY ELIGIBILITY CRITERIA APPLICABLE TO BOTH DEVELOPMENT ASSISTANCE AND ECONOMIC SUPPORT FUND ASSISTANCE

1. Narcotics Certification

(FAA Sec. 490): (This provision applies to assistance provided by grant, sale, loan, lease, credit, guaranty, or insurance, except assistance relating to international narcotics control, disaster and refugee relief assistance, narcotics related assistance, or the provision of food (including the monetization of food) or medicine, and the provision of non-agricultural commodities under P.L. 480. This provision also does not apply to assistance for child survival and AIDS programs which can, under section 542 of the FY 1993 Appropriations Act, be made available notwithstanding any provision of law that restricts assistance to foreign countries.) If the recipient is a "major illicit drug producing country" (defined as a country producing during a fiscal year at least five metric tons of opium or 500 metric tons of coca or marijuana) or a "major drug-transit country" (defined as a country that is a significant direct

source of illicit drugs significantly affecting the United States, through which such drugs are transported, or through which significant sums of drug-related profits are laundered with the knowledge or complicity of the government):

(1) has the President in the April 1 International Narcotics Control Strategy Report (INSCR) determined and certified to the Congress (without Congressional enactment, within 45 calendar days, of a resolution disapproving such a certification), that (a) during the previous year the country has cooperated fully with the United States or taken adequate steps on its own to satisfy the goals and objectives established by the U.N. Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances, or that (b) the vital national interests of the United States require the provision of such assistance?

N/A

(2) with regard to a major illicit drug producing or drug-transit country for which the President has not certified on April 1, has the President determined and certified to Congress on any other date (with enactment by Congress of a resolution approving such certification) that the vital national interests of the United States require the provision of assistance, and has also certified that (a) the country has undergone a fundamental change in government, or (b) there has been a fundamental change in the conditions that were the reason why the President had not made a "fully cooperating" certification.

N/A

2. **Indebtedness to U.S. citizens** (FAA Sec. 620(c): If assistance is to a government, is the government indebted to any U.S. citizen for goods or services furnished or ordered where: (a) such citizen has exhausted available legal remedies, (b) the debt is not denied or contested by such government, or (c) the indebtedness arises under an unconditional guaranty of payment given by such government or controlled entity?

N/A

3. **Seizure of U.S. Property** (FAA Sec. 620(e)(1)): If assistance is to a government, has it (including any government agencies or subdivisions) taken any action which has the effect of nationalizing, expropriating, or otherwise seizing ownership or control of property of U.S. citizens or entities beneficially owned by them without taking steps to discharge its obligations toward such citizens or entities?

N/A

4. **Communist countries** (FAA Secs. 620(a), 620(f), 620D; FY 1993 Appropriations Act Secs. 512, 543): Is recipient country a Communist country? If so, has the President: (a) determined that assistance to the country is vital to the security of the United States, that the recipient country is not controlled by

NO

the international Communist conspiracy, and that such assistance will further promote the independence of the recipient country from international communism, or (b) removed a country from applicable restrictions on assistance to communist countries upon a determination and report to Congress that such action is important to the national interest of the United States? Will assistance be provided either directly or indirectly to Angola, Cambodia, Cuba, Iraq, Libya, Vietnam, Iran or Syria? Will assistance be provided to Afghanistan without a certification, or will assistance be provided inside Afghanistan through the Soviet-controlled government of Afghanistan?

N/A

5. **Mob Action (FAA Sec. 620(j)):** Has the country permitted, or failed to take adequate measures to prevent, damage or destruction by mob action of U.S. property?

No

6. **OPIC Investment Guaranty (FAA Sec. 620(l)):** Has the country failed to enter into an investment guaranty agreement with OPIC?

N/A (Assistance is not to South African Government)

7. **Seizure of U.S. Fishing Vessels (FAA Sec. 620(o); Fishermen's Protective Act of 1967 (as amended) Sec. 5):** (a) Has the country seized, or imposed any penalty or sanction against, any U.S. fishing vessel because of fishing activities in international waters? (b) If so, has any deduction required by the Fishermen's Protective Act been made?

No

8. **Loan Default (FAA Sec. 620(q); FY 1993 Appropriations Act Sec. 518 (Brooke Amendment)):** (a) Has the government of the recipient country been in default for more than six months on interest or principal of any loan to the country under the FAA? (b) Has the country been in default for more than one year on interest or principal on any U.S. loan under a program for which the FY 1990 Appropriations Act appropriates funds?

a) No; b)No

9. **Military Equipment (FAA Sec. 620(s)):** If contemplated assistance is development loan or to come from Economic Support Fund, has the Administrator taken into account the percentage of the country's budget and amount of the country's foreign exchange or other resources spent on military equipment? (Reference may be made to the annual "Taking Into Consideration" memo: "Yes, taken into account by the Administrator at time of approval of Agency OYB." This approval by the Administrator of the Operational Year Budget can be the basis for an affirmative answer during the fiscal year unless significant changes in circumstances occur.)

N/A

10. **Diplomatic Relations with U.S. (FAA Sec. 620(t)):** Has the country severed diplomatic relations with the United States? If so, have relations been resumed and have new bilateral assistance agreements been negotiated and entered into since such resumption?

No

11. **U.N. Obligations (FAA Sec. 620(u)):** What is the payment status of the country's U.N. obligations? If the country is in arrears, were such arrearages taken into account by the A.I.D. Administrator in determining the current A.I.D. Operational Year Budget? (Reference may be made to the "Taking into Consideration" memo.)

While South Africa has been deprived of its UN vote because of arrearages, it has been taken into consideration by the Administrator in approving the Agency OYB.

12. **International Terrorism**

a. **Sanctuary and support (FY 1993 Appropriations Act Sec. 554; FAA Sec. 620A):** Has the country been determined by the President to: (a) grant sanctuary from prosecution to any individual or group which has committed an act of international terrorism, or (b) otherwise support international terrorism, unless the President has waived this restriction on grounds of national security or for humanitarian reasons?

a) No; b) No

b. Airport Security (ISDCA of 1985 Sec. 552(b)). Has the Secretary of State determined that the country is a high terrorist threat country after the Secretary of Transportation has determined, pursuant to section 1115(e)(2) of the Federal Aviation Act of 1958, that an airport in the country does not maintain and administer effective security measures?

No

13. Discrimination (FAA Sec. 666(b)): Does the country object, on the basis of race, religion, national origin or sex, to the presence of any officer or employee of the U.S. who is present in such country to carry out economic development programs under the FAA?

No

14. Nuclear Technology (FAA Secs. 669, 670): Has the country, after August 3, 1977, delivered to any other country or received nuclear enrichment or reprocessing equipment, materials, or technology, without specified arrangements or safeguards, and without special certification by the President? Has it transferred a nuclear explosive device to a non-nuclear weapon state, or if such a state, either received or detonated a nuclear explosive device? If the country is a non-nuclear weapon state, has it, or or after August 8, 1985, exported (or attempted to export) illegally from the United States any material, equipment, or technology which would contribute significantly to the ability of a country to manufacture a nuclear explosive device? (FAA Sec. 620E permits a special waiver of Sec. 669 for Pakistan.)

The situation remains the same as last year; the Department of State has not determined that any of the events under sec. 669 or 670 of the FAA that would trigger the imposition of sanctions have occurred.

15. Algiers Meeting (ISDCA of 1981, Sec. 720): Was the country represented at the Meeting of Ministers of Foreign Affairs and Heads of Delegations of the Non-Aligned Countries to the 36th General Assembly of the U.N. on Sept. 25 and 28, 1981, and did it fail to disassociate itself from the communique issued? If so, has the President taken it into account? (Reference may be made to the "Taking into Consideration" memo.)

No

16. **Military Coup (FY 1993 Appropriations Act Sec. 513):** Has the duly elected Head of Government of the country been deposed by military coup or decree? If assistance has been terminated, has the President notified Congress that a democratically elected government has taken office prior to the resumption of assistance?

N/A

17. **Refugee Cooperation (FY 1993 Appropriations Act Sec. 538):** Does the recipient country fully cooperate with the international refugee assistance organizations, the United States, and other governments in facilitating lasting solutions to refugee situations, including resettlement without respect to race, sex, religion, or national origin?

Discussions are in process with the South African Government to allow the UNHCR to broaden its mandate to include Mozambique refugees.

18. **Exploitation of Children (FAA Sec. 116(b)):** Does the recipient government fail to take appropriate and adequate measures, within its means, to protect children from exploitation, abuse or forced conscription into military or paramilitary services?

Yes

B. COUNTRY ELIGIBILITY CRITERIA APPLICABLE ONLY TO DEVELOPMENT ASSISTANCE ("DA")

1. **Human Rights Violations (FAA Sec. 116):** Has the Department of State determined that this government has engaged in a consistent pattern of gross violations of internationally recognized human rights? If so, can it be demonstrated that contemplated assistance will directly benefit the needy?

No

2. **Abortions (FY 1993 Appropriations Act Sec. 534):** Has the President certified that use of DA funds by this country would violate any of the prohibitions against use of funds to pay for the performance of abortions as a method of family planning, to motivate or coerce any person to practice abortions, to pay for the performance of involuntary

sterilization as a method of family planning, to coerce or provide any financial incentive to any person to undergo sterilizations, to pay for any biomedical research which relates, in whole or in part, to methods of, or the performance of, abortions or involuntary sterilization as a means of family planning?

No

C. COUNTRY ELIGIBILITY CRITERIA APPLICABLE ONLY TO ECONOMIC SUPPORT FUNDS ("ESF")

Human Rights Violations (FAA Sec. 502B): Has it been determined that the country has engaged in a consistent pattern of gross violations of internationally recognized human rights? If so, has the President found that the country made such significant improvement in its human rights record that furnishing such assistance is in the U.S. national interest?

No; N/A

5C(2) - ASSISTANCE CHECKLIST

Listed below are statutory criteria applicable to the assistance resources themselves, rather than to the eligibility of a country to receive assistance. This section is divided into three parts. Part A includes criteria applicable to both Development Assistance and Economic Support Fund resources. Part B includes criteria applicable only to Development Assistance resources. Part C includes criteria applicable only to Economic Support Funds.

CROSS REFERENCE: IS COUNTRY CHECKLIST UP TO DATE? Yes

A. CRITERIA APPLICABLE TO BOTH DEVELOPMENT ASSISTANCE AND ECONOMIC SUPPORT FUNDS

1. **Host Country Development Efforts** (FAA Sec. 601(a)): Information and conclusions on whether assistance will encourage efforts of the country to:
- (a) increase the flow of international trade; (b) foster private initiative and competition; (c) encourage development and use of cooperatives, credit unions, and savings and loan associations;
 - (d) discourage monopolistic practices; (e) improve technical efficiency of industry, agriculture, and commerce; and (f) strengthen free labor unions.
- (a) Yes
(b) Yes, it will encourage development of universities and other higher education institutions serving the majority population in South Africa.
(c) No
(d) No
(e) No
(f) No

2. **U.S. Private Trade and Investment** (FAA Sec. 601(b)): Information and conclusions on how assistance will encourage U.S. private trade and investment abroad and encourage private U.S. participation in foreign assistance programs (including use of private trade channels and the services of U.S. private enterprise).
- Per DFA guidance, procure- from the U.S. will be utilized to the greatest extent practicable. Gray Amendment entities, particularly Historically Black Colleges and Universities, will be substantial involved in the project.

3. Congressional Notification

a. **General requirement (FY 1993 Appropriations Act Sec. 522; FAA Sec. 634A):** If money is to be obligated for an activity not previously justified to Congress, or for an amount in excess of amount previously justified to Congress, has Congress been properly notified (unless the Appropriations Act notification requirement has been waived because of substantial risk to human health or welfare)?

Congress has ben properly notified of this activity.

b. **Notice of new account obligation (FY 1993 Appropriations Act Sec. 514):** If funds are being obligated under an appropriation account to which they were not appropriated, has the President consulted with and provided a written justification to the House and Senate Appropriations Committees and has such obligation been subject to regular notification procedures?

N/A

c. **Cash transfers and nonproject sector assistance (FY 1993 Appropriations Act Sec. 571(b)(3)):** If funds are to be made available in the form of cash transfer or nonproject sector assistance, has the Congressional notice included a detailed description of how the funds will be used, with a discussion of U.S. interests to be served and a description of any economic policy reforms to be promoted?

N/A

4. **Engineering and Financial Plans (FAA Sec. 611(a)):** Prior to an obligation in excess of \$500,000, will there be: (a) engineering, financial or other plans necessary to carry out the assistance; and (b) a reasonably firm estimate of the cost to the U.S. of the assistance?

N/A

5. **Legislative Action (FAA Sec. 611(a)(2)):** If legislative action is required within recipient country with respect to an obligation in excess of \$500,000, what is the basis for a reasonable expectation that such action

No South African legislation is required to accomplish purpose of project.

will be completed in time to permit orderly accomplishment of the purpose of the assistance?

6. **Water Resources** (FAA Sec. 611(b); FY 1993 Appropriations Act Sec. 501): If project is for water or water-related land resource construction, have benefits and costs been computed to the extent practicable in accordance with the principles, standards, and procedures established pursuant to the Water Resources Planning Act (42 U.S.C. 1962, et seq.)? (See A.I.D. Handbook 3 for guidelines.)

N/A

7. **Cash Transfer and Sector Assistance** (FY 1993 Appropriations Act Sec. 571(b)): Will cash transfer or nonproject sector assistance be maintained in a separate account and not commingled with other funds (unless such requirements are waived by Congressional notice for nonproject sector assistance)?

N/A

8. **Capital Assistance** (FAA Sec. 611(e)): If project is capital assistance (e.g., construction), and total U.S. assistance for it will exceed \$1 million, has Mission Director certified and Regional Assistant Administrator taken into consideration the country's capability to maintain and utilize the project effectively?

N/A

9. **Multiple Country Objectives** (FAA Sec. 601(a)): Information and conclusions on whether projects will encourage efforts of the country to: (a) increase the flow of international trade; (b) foster private initiative and competition; (c) encourage development and use of cooperatives, credit unions, and savings and loan associations; (d) discourage monopolistic practices; (e) improve technical efficiency of industry, agriculture and commerce; and (f) strengthen free labor unions.

(a) Yes

(b) Yes, it will encourage development of indigenous HBIs.

(c) No

(d) No

(e) No

(f) No

10. **U.S. Private Trade** (FAA Sec. 601(b)): Information and conclusions on how project will encourage U.S. private trade and investment abroad and encourage private U.S. participation in foreign assistance programs (including use of private trade channels and the services of U.S. private enterprise).

U.S. firms and institutions will participate in many of the studies and provide technical assistance under TELP. U.S. universities, Historically Black Colleges and Universities, will be substantially involved in the project.

11. **Local Currencies**

a. **Recipient Contributions** (FAA Secs. 612(b), 636(h)): Describe steps taken to assure that, to the maximum extent possible, the country is contributing local currencies to meet the cost of contractual and other services, and foreign currencies owned by the U.S. are utilized in lieu of dollars.

N/A

b. **U.S.-Owned Currency** (FAA Sec. 612(d)): Does the U.S. own excess foreign currency of the country and, if so, what arrangements have been made for its release?

N/A

c. **Separate Account** (FY 1993 Appropriations Act Sec. 571). If assistance is furnished to a foreign government under arrangements which result in the generation of local currencies:

N/A

(1) Has A.I.D. (a) required that local currencies be deposited in a separate account established by the recipient government, (b) entered into an agreement with that government providing the amount of local currencies to be generated and the terms and conditions under which the currencies so deposited may be utilized, and (c) established by agreement the responsibilities of A.I.D. and that government to monitor and account for deposits into and disbursements from the separate account?

N/A

(2) Will such local currencies, or an equivalent amount of local currencies, be used only to carry out the purposes of the DA or ESF chapters of the FAA (depending on which chapter is the source of the assistance) or for the administrative requirements of the United States Government?

N/A

(3) Has A.I.D. taken all appropriate steps to ensure that the equivalent of local currencies disbursed from the separate account are used for the agreed purposes?

N/A

(4) If assistance is terminated to a country, will any unencumbered balances of funds remaining in a separate account be disposed of for purposes agreed to by the recipient government and the United States Government?

N/A

12. Trade Restrictions

a. Surplus Commodities (FY 1993 Appropriations Act Sec. 520(a)): If assistance is for the production of any commodity for export, is the commodity likely to be in surplus on world markets at the time the resulting productive capacity becomes operative, and is such assistance likely to cause substantial injury to U.S. producers of the same, similar or competing commodity?

N/A

b. Textiles (Lautenberg Amendment) (FY 1993 Appropriations Act Sec. 520(c)): Will the assistance (except for programs in Caribbean Basin Initiative countries under U.S. Tariff Schedule "Section 807," which allows reduced tariffs on articles assembled abroad from U.S.-made components) be used directly to procure feasibility studies, prefeasibility studies, or project profiles of potential investment in, or to assist the establishment of facilities specifically designed for, the manufacture for export to the United States or to third country markets in direct competition with U.S. exports, of

N/A

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16. **Metric System** (Omnibus Trade and Competitiveness Act of 1988 Sec. 5164, as interpreted by conference report, amending Metric Conversion Act of 1975 Sec. 2, and as implemented through A.I.D. policy):

Does the assistance activity use the metric system of measurement in its procurements, grants, and other business-related activities, except to the extent that such use is impractical or is likely to cause significant inefficiencies or loss of markets to United States firms? Are bulk purchases usually to be made in metric, and are components, subassemblies, and semi-fabricated materials to be specified in metric units when economically available and technically adequate? Will A.I.D. specifications use metric units of measure from the earliest programmatic stages, and from the earliest documentation of the assistance processes (for example, project papers) involving quantifiable measurements (length, area, volume, capacity, mass and weight), through the implementation stage?

N/A

17. **Women in Development** (FY 1993 Appropriations Act, Title II, under heading "Women in Development"): Will assistance be designed so that the percentage of women participants will be demonstrably increased?

Yes, as part of a broader effort to enhance WID impact in S.A.

18. **Regional and Multilateral Assistance** (FAA Sec. 209): Is assistance more efficiently and effectively provided through regional or multilateral organizations? If so, why is assistance not so provided? Information and conclusions on whether assistance will encourage developing countries to cooperate in regional development programs.

N/A; other organizations have not focused on the type of interventions envisioned by this project.

19. **Abortions** (FY 1993 Appropriations Act, Title II, under heading "Population, DA," and Sec. 524):

a. Will assistance be made available to any organization or program which, as determined by the President, supports or participates in the management of a program of coercive abortion or involuntary sterilization? No

b. Will any funds be used to lobby for abortion? No

20. Cooperatives (FAA Sec. 111): Will assistance help develop cooperatives, especially by technical assistance, to assist rural and urban poor to help themselves toward a better life? No

21. U.S.-Owned Foreign Currencies N/A

a. Use of currencies (FAA Secs. 612(b), 636(h); FY 1993 Appropriations Act Secs. 507, 509): Are steps being taken to assure that, to the maximum extent possible, foreign currencies owned by the U.S. are utilized in lieu of dollars to meet the cost of contractual and other services. N/A

b. Release of currencies (FAA Sec. 612(d)): Does the U.S. own excess foreign currency of the country and, if so, what arrangements have been made for its release? N/A

22. Procurement

a. Small business (FAA Sec. 602(a)): Are there arrangements to permit U.S. small business to participate equitably in the furnishing of commodities and services financed?

Yes. Small business will be able to compete, as appropriate, in project direct contracting, which will be competed in three manners: open; limited to Gray Amendment entities; and limited to HBCUs.

b. U.S. procurement (FAA Sec. 604(a) as amended by section 597 of the FY 1993 Appropriations Act): Will all procurement be from the U.S., the recipient country, or developing countries except as otherwise determined in accordance with the criteria of this section?

c. **Marine insurance** (FAA Sec. 604(d)): If the cooperating country discriminates against marine insurance companies authorized to do business in the U.S., will commodities be insured in the United States against marine risk with such a company?

N/A

d. **Non-U.S. agricultural procurement** (FAA Sec. 604(e)): If non-U.S. procurement of agricultural commodity or product thereof is to be financed, is there provision against such procurement when the domestic price of such commodity is less than parity? (Exception where commodity financed could not reasonably be procured in U.S.)

N/A

e. **Construction or engineering services** (FAA Sec. 604(g)): Will construction or engineering services be procured from firms of advanced developing countries which are otherwise eligible under Code 941 and which have attained a competitive capability in international markets in one of these areas? (Exception for those countries which receive direct economic assistance under the FAA and permit United States firms to compete for construction or engineering services financed from assistance programs of these countries.)

N/A

f. **Cargo preference shipping** (FAA Sec. 603): Is the shipping excluded from compliance with the requirement in section 901(b) of the Merchant Marine Act of 1936, as amended, that at least 50 percent of the gross tonnage of commodities (computed separately for dry bulk carriers, dry cargo liners, and tankers) financed shall be transported on privately owned U.S. flag commercial vessels to the extent such vessels are available at fair and reasonable rates?

N/A

g. **Technical assistance** (FAA Sec. 621(a)): If technical assistance is financed, will such assistance be furnished by private enterprise on a contract basis to the fullest extent practicable? Will the

Yes; U.S. universities, particularly Historically Black Colleges and Universities will be substantially involved in providing technical assistance.

facilities and resources of other Federal agencies be utilized, when they are particularly suitable, not competitive with private enterprise, and made available without undue interference with domestic programs?

Yes; project will possibly utilize USIS facilities and resources (e.g., tele-conferencing), as appropriate.

h. U.S. air carriers

(International Air Transportation Fair Competitive Practices Act, 1974): If air transportation of persons or property is financed on grant basis, will U.S. carriers be used to the extent such service is available?

Yes

i. Termination for convenience of U.S. Government (FY 1993 Appropriations Act Sec. 504): If the U.S. Government is a party to a contract for procurement, does the contract contain a provision authorizing termination of such contract for the convenience of the United States?

Yes

j. Consulting services

(FY 1993 Appropriations Act Sec. 523): If assistance is for consulting service through procurement contract pursuant to 5 U.S.C. 3109, are contract expenditures a matter of public record and available for public inspection (unless otherwise provided by law or Executive order)?

N/A

k. Metric conversion

(Omnibus Trade and Competitiveness Act of 1988, as interpreted by conference report, amending Metric Conversion Act of 1975 Sec. 2, and as implemented through A.I.D. policy): Does the assistance program use the metric system of measurement in its procurements, grants, and other business-related activities, except to the extent that such use is impractical or is likely to cause significant inefficiencies or loss of markets to United States firms? Are bulk purchases usually to be made in metric, and are components, subassemblies, and semi-fabricated materials to be specified in metric units when economically available and technically adequate? Will A.I.D. specifications use metric units of measure from the earliest programmatic stages, and from the earliest

N/A

documentation of the assistance processes (for example, project papers) involving quantifiable measurements (length, area, volume, capacity, mass and weight), through the implementation stage?

1. Competitive Selection

Procedures (FAA Sec. 601(e)): Will the assistance utilize competitive selection procedures for the awarding of contracts, except where applicable procurement rules allow otherwise?

Yes; except for certain procurements and grant awards where competition is limited to Gray Amendment firms or HBCUs.

23. Construction

a. Capital project (FAA Sec. 601(d)): If capital (e.g., construction) project, will U.S. engineering and professional services be used?

N/A

b. Construction contract (FAA Sec. 611(c)): If contracts for construction are to be financed, will they be let on a competitive basis to maximum extent practicable?

N/A

c. Large projects, Congressional approval (FAA Sec. 620(k)): If for construction of productive enterprise, will aggregate value of assistance to be furnished by the U.S. not exceed \$100 million (except for productive enterprises in Egypt that were described in the Congressional Presentation), or does assistance have the express approval of Congress?

N/A

24. U.S. Audit Rights (FAA Sec. 301(d)): If fund is established solely by U.S. contributions and administered by an international organization, does Comptroller General have audit rights?

N/A

25. Communist Assistance (FAA Sec. 620(h)). Do arrangements exist to insure that United States foreign aid is not used in a manner which, contrary to the best interests of the United States, promotes or assists the foreign aid projects or activities of the Communist-bloc countries?

Yes.

31. **Military Personnel** (FY 1993 Appropriations Act Sec. 503): Will assistance preclude use of financing to pay pensions, annuities, retirement pay, or adjusted service compensation for prior or current military personnel? Yes

32. **Payment of U.N. Assessments** (FY 1993 Appropriations Act Sec. 505): Will assistance preclude use of financing to pay U.N. assessments, arrearages or dues? Yes

33. **Multilateral Organization Lending** (FY 1993 Appropriations Act Sec. 506): Will assistance preclude use of financing to carry out provisions of FAA section 209(d) (transfer of FAA funds to multilateral organizations for lending)? N/A

34. **Export of Nuclear Resources** (FY 1993 Appropriations Act Sec. 510): Will assistance preclude use of financing to finance the export of nuclear equipment, fuel, or technology? Yes

35. **Repression of Population** (FY 1993 Appropriations Act Sec. 511): Will assistance preclude use of financing for the purpose of aiding the efforts of the government of such country to repress the legitimate rights of the population of such country contrary to the Universal Declaration of Human Rights? Yes

36. **Publicity or Propaganda** (FY 1993 Appropriations Act Sec. 516): Will assistance be used for publicity or propaganda purposes designed to support or defeat legislation pending before Congress, to influence in any way the outcome of a political election in the United States, or for any publicity or propaganda purposes not authorized by Congress? No

37. **Marine Insurance** (FY 1993 Appropriations Act Sec. 560): Will any A.I.D. contract and solicitation, and subcontract entered into under such contract, include a clause requiring that U.S. marine insurance companies have a fair opportunity to bid for marine insurance when such insurance is necessary or appropriate? Yes

38. **Exchange for Prohibited Act** (FY 1993 Appropriations Act Sec. 565): Will any assistance be provided to any foreign government (including any instrumentality or agency thereof), foreign person, or United States person in exchange for that foreign government or person undertaking any action which is, if carried out by the United States Government, a United States official or employee, expressly prohibited by a provision of United States law? No

39. **Commitment of Funds** (FAA Sec. 635(h)): Does a contract or agreement entail a commitment for the expenditure of funds during a period in excess of 5 years from the date of the contract or agreement? No

40. **Impact on U.S. Jobs** (FY 1993 Appropriations Act, Sec. 599):

(a) Will any financial incentive be provided to a business located in the U.S. for the purpose of inducing that business to relocate outside the U.S. in a manner that would likely reduce the number of U.S. employees of that business? No

(b) Will assistance be provided for the purpose of establishing or developing an export processing zone or designated area in which the country's tax, tariff, labor, environment, and safety laws do not apply? If so, has the President determined and certified that such assistance is not likely to cause a loss of jobs within the U.S.? No

(c) Will assistance be provided for a project or activity that contributes to the violation of internationally recognized workers rights, as defined in section 502(a)(4) of the Trade Act of 1974, of workers in the recipient country?

No

B. CRITERIA APPLICABLE TO DEVELOPMENT ASSISTANCE ONLY

1. **Agricultural Exports (Bumpers Amendment)** (FY 1993 Appropriations Act Sec. 521(b), as interpreted by conference report for original enactment): If assistance is for agricultural development activities (specifically, any testing or breeding feasibility study, variety improvement or introduction, consultancy, publication, conference, or training), are such activities: (1) specifically and principally designed to increase agricultural exports by the host country to a country other than the United States, where the export would lead to direct competition in that third country with exports of a similar commodity grown or produced in the United States, and can the activities reasonably be expected to cause substantial injury to U.S. exporters of a similar agricultural commodity; or (2) in support of research that is intended primarily to benefit U.S. producers?

N/A

2. **Tied Aid Credits** (FY 1993 Appropriations Act, Title II, under heading "Economic Support Fund"): Will DA funds be used for tied aid credits?

No

3. **Appropriate Technology** (FAA Sec. 107): Is special emphasis placed on use of appropriate technology (defined as relatively smaller, cost-saving, labor-using technologies that are generally most appropriate for the small farms, small businesses, and small incomes of the poor)?

Yes, in the provision of education related technology

4. Indigenous Needs and Resources
(FAA Sec. 281(b)): Describe extent to which the activity recognizes the particular needs, desires, and capacities of the people of the country; utilizes the country's intellectual resources to encourage institutional development; and supports civic education and training in skills required for effective participation in governmental and political processes essential to self-government.

Yes, TELP will directly support all of these objectives through its 3 components.

5. Economic Development (FAA Sec. 101(a)): Does the activity give reasonable promise of contributing to the development of economic resources, or to the increase of productive capacities and self-sustaining economic growth?

Yes; there is direct correlation between strong tertiary education and economic productivity.

6. Special Development Emphases (FAA Secs. 102(b), 113, 281(a)): Describe extent to which activity will: (a) effectively involve the poor in development by extending access to economy at local level, increasing labor-intensive production and the use of appropriate technology, dispersing investment from cities to small towns and rural areas, and insuring wide participation of the poor in the benefits of development on a sustained basis, using appropriate U.S. institutions; (b) encourage democratic private and local governmental institutions; (c) support the self-help efforts of developing countries; (d) promote the participation of women in the national economies of developing countries and the improvement of women's status; and (e) utilize and encourage regional cooperation by developing countries.

(a) Yes; community out-reach is supported in the PP.

(b) Yes

(c) Yes

(d) Yes

(e) No

7. Recipient Country Contribution
(FAA Secs. 110, 124(d)): Will the recipient country provide at least 25 percent of the costs of the program, project, or activity with respect to which the assistance is to be furnished (or is the latter cost-sharing requirement being waived for a "relatively least developed" country)?

N/A; in the absence of a bilateral agreement. However, many of the higher education institutions to be assisted are likely to make program financial contributions, in-kind or in-cash.

8. Benefit to Poor Majority (FAA Sec. 128(b)): If the activity attempts to increase the institutional capabilities of private organizations or the government of the country, or if it attempts to stimulate scientific and technological research, has it been designed and will it be monitored to ensure that the ultimate beneficiaries are the poor majority? Yes

9. Abortions (FAA Sec. 104(f); FY 1993 Appropriations Act, Title II, under heading "Population, DA," and Sec. 534): No

a. Are any of the funds to be used for the performance of abortions as a method of family planning or to motivate or coerce any person to practice abortions? No

b. Are any of the funds to be used to pay for the performance of involuntary sterilization as a method of family planning or to coerce or provide any financial incentive to any person to undergo sterilizations? No

c. Are any of the funds to be made available to any organization or program which, as determined by the President, supports or participates in the management of a program of coercive abortion or involuntary sterilization? No

d. Will funds be made available only to voluntary family planning projects which offer, either directly or through referral to, or information about access to, a broad range of family planning methods and services? No

e. In awarding grants for natural family planning, will any applicant be discriminated against because of such applicant's religious or conscientious commitment to offer only natural family planning? No

f. Are any of the funds to be used to pay for any biomedical research which relates, in whole or in part, to No

methods of, or the performance of, abortions or involuntary sterilization as a means of family planning?

g. Are any of the funds to be made available to any organization if the President certifies that the use of these funds by such organization would violate any of the above provisions related to abortions and involuntary sterilization?

No

10. Contract Awards (FAA Sec. 601(e)): Will the project utilize competitive selection procedures for the awarding of contracts, except where applicable procurement rules allow otherwise?

Yes

11. Disadvantaged Enterprises (FY 1993 Appropriations Act Sec. 563): What portion of the funds will be available only for activities of economically and socially disadvantaged enterprises, historically black colleges and universities, colleges and universities having a student body in which more than 40 percent of the students are Hispanic Americans, and private and voluntary organizations which are controlled by individuals who are black Americans, Hispanic Americans, or Native Americans, or who are economically or socially disadvantaged (including women)?

The Mission plans to procure a minimum of 35 percent of U.S. technical and training services from U.S. HBCUs or other Gray Amendment entities. A waiver will be prepared by USAID/SA to permit a subcontracting requirement beyond the 10% level stipulated in Gray Amendment legislation.

12. Biological Diversity (FAA Sec. 119(g)): Will the assistance: (a) support training and education efforts which improve the capacity of recipient countries to prevent loss of biological diversity; (b) be provided under a long-term agreement in which the recipient country agrees to protect ecosystems or other wildlife habitats; (c) support efforts to identify and survey ecosystems in recipient countries worthy of protection; or (d) by any direct or indirect means significantly degrade national parks or similar protected areas or introduce exotic plants or animals into such areas?

N/A

13. Tropical Forests (FAA Sec. 118; FY 1991 Appropriations Act Sec. 533(c) as referenced in section 532(d) of the FY 1993 Appropriations Act):

N/A

a. A.I.D. Regulation 16: Does the assistance comply with the environmental procedures set forth in A.I.D. Regulation 16?

Yes

b. Conservation: Does the assistance place a high priority on conservation and sustainable management of tropical forests? Specifically, does the assistance, to the fullest extent feasible: (1) stress the importance of conserving and sustainably managing forest resources; (2) support activities which offer employment and income alternatives to those who otherwise would cause destruction and loss of forests, and help countries identify and implement alternatives to colonizing forested areas; (3) support training programs, educational efforts, and the establishment or strengthening of institutions to improve forest management; (4) help end destructive slash-and-burn agriculture by supporting stable and productive farming practices; (5) help conserve forests which have not yet been degraded by helping to increase production on lands already cleared or degraded; (6) conserve forested watersheds and rehabilitate those which have been deforested; (7) support training, research, and other actions which lead to sustainable and more environmentally sound practices for timber harvesting, removal, and processing; (8) support research to expand knowledge of tropical forests and identify alternatives which will prevent forest destruction, loss, or degradation; (9) conserve biological diversity in forest areas by supporting efforts to identify, establish, and maintain a representative network of protected tropical forest ecosystems on a worldwide basis, by making the establishment of protected areas a condition of support for activities involving forest clearance or degradation,

N/A

and by helping to identify tropical forest ecosystems and species in need of protection and establish and maintain appropriate protected areas; (10) seek to increase the awareness of U.S. Government agencies and other donors of the immediate and long-term value of tropical forests; (11) utilize the resources and abilities of all relevant U.S. government agencies; (12) be based upon careful analysis of the alternatives available to achieve the best sustainable use of the land; and (13) take full account of the environmental impacts of the proposed activities on biological diversity?

c. Forest degradation: Will assistance be used for: (1) the procurement or use of logging equipment, unless an environmental assessment indicates that all timber harvesting operations involved will be conducted in an environmentally sound manner and that the proposed activity will produce positive economic benefits and sustainable forest management systems; (2) actions which will significantly degrade national parks or similar protected areas which contain tropical forests, or introduce exotic plants or animals into such areas; (3) activities which would result in the conversion of forest lands to the rearing of livestock; (4) the construction, upgrading, or maintenance of roads (including temporary haul roads for logging or other extractive industries) which pass through relatively undergraded forest lands; (5) the colonization of forest lands; or (6) the construction of dams or other water control structures which flood relatively undergraded forest lands, unless with respect to each such activity an environmental assessment indicates that the activity will contribute significantly and directly to improving the livelihood of the rural poor and will be conducted in an environmentally sound manner which supports sustainable development?

N/A

d. Sustainable forestry: If assistance relates to tropical forests, will project assist countries in developing a systematic analysis of the appropriate use of their total tropical forest resources, with the goal of developing a national program for sustainable forestry? N/A

e. Environmental impact statements: Will funds be made available in accordance with provisions of FAA Section 117(c) and applicable A.I.D. regulations requiring an environmental impact statement for activities significantly affecting the environment? N/A

14. Energy (FY 1991 Appropriations Act Sec. 533(c) as referenced in section 532(d) of the FY 1993 Appropriations Act): If assistance relates to energy, will such assistance focus on: (a) end-use energy efficiency, least-cost energy planning, and renewable energy resources, and (b) the key countries where assistance would have the greatest impact on reducing emissions from greenhouse gases? N/A

15. Debt-for-Nature Exchange (FAA Sec. 463): If project will finance a debt-for-nature exchange, describe how the exchange will support protection of: (a) the world's oceans and atmosphere, (b) animal and plant species, and (c) parks and reserves; or describe how the exchange will promote: (d) natural resource management, (e) local conservation programs, (f) conservation training programs, (g) public commitment to conservation, (h) land and ecosystem management, and (i) regenerative approaches in farming, forestry, fishing, and watershed management. N/A

16. Deobligation/Reobligation (FY 1993 Appropriations Act Sec. 515): If deob/reob authority is sought to be exercised in the provision of DA assistance, are the funds being obligated for the same general purpose, and for countries within the same region as N/A

originally obligated, and have the House and Senate Appropriations Committees been properly notified?

17. Loans

a. Repayment capacity (FAA Sec. 122(b)): Information and conclusion on capacity of the country to repay the loan at a reasonable rate of interest. N/A

b. Long-range plans (FAA Sec. 122(b)): Does the activity give reasonable promise of assisting long-range plans and programs designed to develop economic resources and increase productive capacities? N/A

c. Interest rate (FAA Sec. 122(b)): If development loan is repayable in dollars, is interest rate at least 2 percent per annum during a grace period which is not to exceed ten years, and at least 3 percent per annum thereafter? N/A

d. Exports to United States (FAA Sec. 620(d)): If assistance is for any productive enterprise which will compete with U.S. enterprises, is there an agreement by the recipient country to prevent export to the U.S. of more than 20 percent of the enterprise's annual production during the life of the loan, or has the requirement to enter into such an agreement been waived by the President because of a national security interest? N/A

18. Development Objectives (FAA Secs. 102(a), 111, 113, 281(a)): Extent to which activity will: (1) effectively involve the poor in development, by expanding access to economy at local level, increasing labor-intensive production and the use of appropriate technology, spreading investment out from cities to small towns and rural areas, and insuring wide participation of the poor in the benefits of development on a sustained basis, using the appropriate U.S. institutions; (2) help develop cooperatives, especially by technical

(1) No
(2) Yes, assist with increasing community outreach programs
(3) Yes, through HBIs and NGOs
(4) Yes, women involvement in every activity mandated
(5) No

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assistance, to assist rural and urban poor to help themselves toward better life, and otherwise encourage democratic private and local governmental institutions; (3) support the self-help efforts of developing countries; (4) promote the participation of women in the national economies of developing countries and the improvement of women's status; and (5) utilize and encourage regional cooperation by developing countries?

19. Agriculture, Rural Development and Nutrition, and Agricultural Research (FAA Secs. 103 and 103A):

a. Rural poor and small farmers: If assistance is being made available for agriculture, rural development or nutrition, describe extent to which activity is specifically designed to increase productivity and income of rural poor; or if assistance is being made available for agricultural research, has account been taken of the needs of small farmers, and extensive use of field testing to adapt basic research to local conditions shall be made.

N/A

b. Nutrition: Describe extent to which assistance is used in coordination with efforts carried out under FAA Section 104 (Population and Health) to help improve nutrition of the people of developing countries through encouragement of increased production of crops with greater nutritional value; improvement of planning, research, and education with respect to nutrition, particularly with reference to improvement and expanded use of indigenously produced foodstuffs; and the undertaking of pilot or demonstration programs explicitly addressing the problem of malnutrition of poor and vulnerable people.

N/A

c. Food security: Describe extent to which activity increases national food security by improving food policies and management and by strengthening national food reserves, with particular concern for the needs of the

N/A

poor, through measures encouraging domestic production, building national food reserves, expanding available storage facilities, reducing post harvest food losses, and improving food distribution.

20. **Population and Health (FAA Secs. 104(b) and (c)):** If assistance is being made available for population or health activities, describe extent to which activity emphasizes low-cost, integrated delivery systems for health, nutrition and family planning for the poorest people, with particular attention to the needs of mothers and young children, using paramedical and auxiliary medical personnel, clinics and health posts, commercial distribution systems, and other modes of community outreach.

N/A

21. **Education and Human Resources Development (FAA Sec. 105):** If assistance is being made available for education, public administration, or human resource development, describe (a) extent to which activity strengthens nonformal education, makes formal education more relevant, especially for rural families and urban poor, and strengthens management capability of institutions enabling the poor to participate in development; and (b) extent to which assistance provides advanced education and training of people of developing countries in such disciplines as are required for planning and implementation of public and private development activities.

(a) TELP, through its goal and project components will make formal education, at tertiary level, more relevant.

(b) TELP's capacity-building component supports priority strategic disciplines such as public administration and management, commerce and economics, and is an essential part of providing disadvantaged South Africans with the education and training necessary to plan and implement development activities.

22. **Energy, Private Voluntary Organizations, and Selected Development Activities (FAA Sec. 106):** If assistance is being made available for energy, private voluntary organizations, and selected development problems, describe extent to which activity is:

N/A

a. concerned with data collection and analysis, the training of skilled personnel, research on and development of suitable energy sources, and pilot projects to test new methods of energy production; and facilitative of

N/A

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research on and development and use of small-scale, decentralized, renewable energy sources for rural areas, emphasizing development of energy resources which are environmentally acceptable and require minimum capital investment;

b. concerned with technical cooperation and development, especially with U.S. private and voluntary, or regional and international development, organizations; Yes

c. research into, and evaluation of, economic development processes and techniques; Yes

d. reconstruction after natural or manmade disaster and programs of disaster preparedness; No

e. for special development problems, and to enable proper utilization of infrastructure and related projects funded with earlier U.S. assistance; Yes

f. for urban development, especially small, labor-intensive enterprises, marketing systems for small producers, and financial or other institutions to help urban poor participate in economic and social development. No

23. Capital Projects (Jobs Through Export Act of 1992, Secs. 303 and 306(d)): If assistance is being provided for a capital project, is the project developmentally sound and will the project measurably alleviate the worst manifestations of poverty or directly promote environmental safety and sustainability at the community level? No

C. CRITERIA APPLICABLE TO ECONOMIC SUPPORT FUNDS ONLY N/A

1. Economic and Political Stability (FAA Sec. 531(a)): Will this assistance promote economic and political stability? N/A

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To the maximum extent feasible, is this assistance consistent with the policy directions, purposes, and programs of Part I of the FAA?

2. **Military Purposes** (FAA Sec. 531(e)): Will this assistance be used for military or paramilitary purposes? N/A

3. **Commodity Grants/Separate Accounts** (FAA Sec. 609): If commodities are to be granted so that sale proceeds will accrue to the recipient country, have Special Account (counterpart) arrangements been made? (For FY 1993, this provision is superseded by the separate account requirements of FY 1993 Appropriations Act Sec. 571(a), see Sec. 571(a)(5).) N/A

4. **Generation and Use of Local Currencies** (FAA Sec. 531(d)): Will ESF funds made available for commodity import programs or other program assistance be used to generate local currencies? If so, will at least 50 percent of such local currencies be available to support activities consistent with the objectives of FAA sections 103 through 106? (For FY 1993, this provision is superseded by the separate account requirements of FY 1993 Appropriations Act Sec. 571(a), see Sec. 571(a)(5).) N/A

5. **Cash Transfer Requirements** (FY 1993 Appropriations Act, Title II, under heading "Economic Support Fund," and Sec. 571(b)). If assistance is in the form of a cash transfer: N/A

a. **Separate account:** Are all such cash payments to be maintained by the country in a separate account and not to be commingled with any other funds? N/A

b. **Local currencies:** Will all local currencies that may be generated with funds provided as a cash transfer to such a country also be deposited in a special account, and has A.I.D. entered into an agreement with that government setting forth the amount of the local currencies to be generated, the terms and N/A

conditions under which they are to be used, and the responsibilities of A.I.D. and that government to monitor and account for deposits and disbursements?

c. U.S. Government use of local currencies: Will all such local currencies also be made available to the U.S. government as the U.S. determines necessary for the requirements of the U.S. Government, or to carry out development assistance (including DFA) or ESF purposes?

N/A

d. Congressional notice: Has Congress received prior notification providing in detail how the funds will be used, including the U.S. interests that will be served by the assistance, and, as appropriate, the economic policy reforms that will be promoted by the cash transfer assistance?

N/A

6. Capital Projects (Jobs Through Exports Act of 1992, Sec. 306, FY 1993 Appropriations Act, Sec. 595): If assistance is being provided for a capital project, will the project be developmentally-sound and sustainable, i.e., one that is (a) environmentally sustainable, (b) within the financial capacity of the government or recipient to maintain from its own resources, and (c) responsive to a significant development priority initiated by the country to which assistance is being provided. (Please note the definition of "capital project" contained in section 595 of the FY 1993 Appropriations Act.)

N/A

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Initial Environmental Examination

Country: South Africa

Project Title and Number: Tertiary Education Linkages
Project (674-0315)

Funding: FY 1994-2003; US\$ 50 Million

IEE Prepared by: Dennis Wendel
Project Development Officer
USAID/SA

Recommended Action: Positive Determination
Negative Determination
Categorical Exclusion X

Summary of Findings:

A categorical exclusion to the requirements for an Initial Environmental Examination is justified on the basis of CFR Part 216.2 (c)(1)(i) and 216.2 (c)(1)(ii). The Tertiary Education Linkages Project TELP will provide technical assistance for analysis and development of policy options, support for strengthening faculty and selected departments at tertiary education institutions and support for the development of linkages among tertiary education institutions to enhance the effectiveness and utilization of tertiary education facilities and resources.

Under 22 CFR Part 216.2(c)(1)(i), an Initial Environmental Examination can be excluded when: "The action does not have an effect on the natural or physical environment". Under 22CFR Part 216.2(c)(1)(ii), an examination may not be necessary when: "A.I.D. does not have knowledge of or control over, and the objective of A.I.D. is furnishing assistance, does not require, either prior to approval of financing or prior to implementation of specific activities, knowledge of or control over, the details of specific activities that have an effect on the physical and natural environment for which financing is provided by A.I.D.".

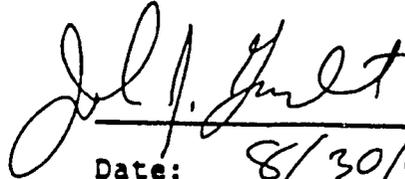
The TELP activity will finance technical assistance, analytical activities and policy planning, support programs for strengthening the academic capabilities of faculty and academic departments, primarily math, sciences and public and business administration, economics, and academic linkages programs to support the effective utilization of tertiary education resources. The broad utilization of the technical assistance and other support programs to be provided under TELP will enhance the understanding and qualifications of graduates of tertiary education programs in South Africa. The TELP activities will have no direct relationship with the physical or natural environments. It is also not possible at this time to predict how the enhanced understanding of technical and other issues that will be the outcome of strengthening activities for tertiary

education institutions, will be applied.

This project meets the criteria for Categorical Exclusions and will not have an effect on the natural or physical environment.

Concurrence:

Bureau Environmental Officer:
John J. Gaudet, AFR/ARTS/FARA



Date:

8/30/93

Clearance:

GC/AFR:



Date:

9/6/93

Annex E

Project Analyses

1. Technical Analysis

This analysis assesses the appropriateness of the project's design and implementation plan to the stated development problem and the defined goal and purpose of the project. It explains the selection of institutions targeted for assistance, and it identifies those constraints or challenges the project will face in the context in which it will operate. The analysis also discusses project design alternatives that were considered. These considerations will guide the conclusion of the analysis as to the technical feasibility and appropriateness of the project as designed and planned for implementation.

a. Political Context

As stated in Section I.A.1., the Background and Country Context, South Africa is a nation in a tremendous state of flux. Moving toward a democratic society with the overall purpose of equity among all social, political, and educational institutions is a herculean undertaking. The involvement of major institutions, however, is mandatory in the process of democratization of the society. Active participation by the citizenry and all stakeholders in various institutions is fundamental to an authentic democratic society.

The tertiary education sector clearly has a pivotal role in preparing the country's citizens, especially its long disadvantaged majority black population, to participate fully in the functioning of a new, democratic system of governance. Historically black tertiary education institutions face the daunting challenge of providing professional development and leadership training for the large majority of black South Africans who will have the opportunity to participate in an unprecedented way in the operation of an industrialized economy that runs on advanced technologies and management techniques. To meet that challenge, there must be significantly improved equity for black South Africans, achieved through increased access and enhanced quality of education in historically black education institutions. TELP's goal is help these institutions to meet the challenge.

b. Targeting TELP Assistance

TELP will target its assistance to those institutions best positioned to support the mandate of the Comprehensive Anti-Apartheid Act and the USAID program goal of hastening the dismantling of apartheid and preparing South Africa's disadvantaged majority for leadership roles in post-apartheid South Africa. As described in detail in the Tertiary Education Sector Assessment (TESA), South Africa's tertiary education sector is divided into the following subsectors: universities, technikons, technical colleges, and colleges of education. The institutions in all of these subsectors play important roles in the sector as a whole, and they all have pressing development and strengthening needs.

TELP does not have the resources to address the needs of all of these institutions. With a proposed life-of-project funding level of \$50 million, the project can make a meaningful contribution of discretionary (extra-budgetary) resources that will enable targeted institutions to undertake institutional transformation initiatives. But, this level of resources will not support the overall development effort needed to address South Africa's tertiary education transformation needs. Project inputs must be carefully targeted and used so as to have meaningful impact on the problems they are intended to address. To ensure effective use of authorized funding, the project is designed to focus on those tertiary education institutions most able to use it effectively to achieve the stated goal and purpose.

Further, it is not technically feasible for a single project to address the entire range and depth of the tertiary education sector's development needs. Therefore, the project's services are targeted to those institutions which:

- Remain disadvantaged by the policies and practices of apartheid;
- Serve a sufficient percentage of the black students enrolled in tertiary education programs to contribute significantly to achieving the project's equity goal;
- Offer the teaching, research, and community outreach programs most likely to produce the graduates that will constitute the black community's professional and leadership cadre in post-apartheid South Africa;
- Are now at the threshold of transformation from low-quality, apartheid, government-controlled institutions to high quality, community-oriented, tertiary education institutions.

(1) Targeted HBUs and Technikons

In 1991, the total population of full time residential students attending South African universities, according to the Department of National Education's Education Realities in South Africa, 1991 (Table 4, Page 19), was 323,889. Blacks constituted only 76,145 of this total. Furthermore, of the total number of black students, 55,227, or 72 percent attended the following universities: University of Boputhatswana; University of Durban-Westville; University of Fort Hare; University of the North; University of the Transkei; University of the Western Cape; University of Venda; University of Zululand.

Technikons in 1991 enrolled 104,652 students and of that total 39,917 were black students. Furthermore, of the total black students, 13,897 were at the following four technikons: Northern Transvaal, Mangosuthu, M.L. Sultan, and Peninsula. Excluding the 19,411 black students enrolled in distance education programs with the Republic of South Africa Technikon, those enrolled at the four technikons listed above constituted 68 percent of the black technikon students.

Further, most of these institutions have begun, at their own initiative, the process of

transforming themselves from institutions defined and controlled by the dictates of apartheid to quality tertiary education institutions empowered to offer quality teaching, research, and community outreach programs to serve the human resource development needs of the new nation. Among the historically black institutions in the tertiary education sector, the staff and students of the targeted black universities and technikons are the opinion leaders and change agents who will lead the sector's overall transformation. Taking advantage of the stage of development that these institutions have reached, TELP will support and facilitate that transformation. Limiting its focus to these institutions will enable it to address a manageable set of development assistance needs, achieve its planned outcomes, have a meaningful impact on South Africa's tertiary education sector, and make a contribution to South Africa's transition from apartheid to a democratic society.

(2) VISTA University and the University of South Africa

VISTA University is a relatively new institution which began operation in January 1982. With seven urban campuses around the country, VISTA offers degree programs, in Art, Economics and Management Science, Education, Law, and Science. In 1991, VISTA enrolled 26,727, or 16 percent, of black university students in tertiary education programs. It has not, however, outgrown its apartheid roots. It was created by the South African Government as an urban alternative to the racially segregated rural institutions created by law in the late 1950s and early 1960s and is perceived as an expansion of Bantu education at the tertiary level. With all the attendant problems of that origin, i.e., heavy government control, inadequacy of human and institutional resources, VISTA unfortunately remains the option of last resort for black South African students seeking university entrance.

Presently there are various educational organizations that are working toward the development of community colleges in the country. Some see VISTA campuses as ideal for housing community colleges because of their location in the black townships, as well as the fact that they already have an academic base which can be developed to serve the purposes of community colleges.

UNISA is a distance education college with a long history of serving the tertiary education needs of part-time, continuing education students. UNISA provides an important distance education opportunity to students who for various reasons cannot pursue on-campus or full-time study. In 1991, it enrolled 63,586, or 38 percent, of all black students enrolled in tertiary education programs. Its students often pursue programs intermittently and their studies are often spread over extended periods.

Although these two institutions together enroll most of the black students engaged in tertiary education, they have far less capacity at this point in their development to play the leadership development role envisaged for institutions targeted for TELP assistance. They are not likely to produce the leadership cadre that TELP aims to develop. Consequently, they are not included in the universities targeted by TELP.

(3) Historically White Universities

South Africa's historically white universities consist of six Afrikaans-medium and four English-medium universities. The Afrikaans-medium institutions are: Potchefstroom University, Rand-Afrikaans University, Stellenbosch University, University of the Orange Free State, University of Port Elizabeth, and University of Pretoria. According to Education Realities in South Africa, 1991, the Afrikaans-medium institutions enrolled 3,778 black students, 2.3 percent of all black students enrolled at South African universities in that year.

The English-medium institutions are Rhodes University, University of Cape Town, University of Natal, and Witwatersrand University. Starting in the early 1980s, the English-medium universities defied apartheid laws by practicing "open admissions", i.e., admission of black students without the required permission of the government. They led the way in making quality tertiary education more readily available to black students. The numbers of black students on these campuses have increased steadily over the past decade, but black student enrollees still constituted a very small percentage of all black students enrolled at South African universities in 1991. The English-medium universities enrolled 14,229 black students, 8.5 percent of all black students enrolled at South African universities in 1991. Together, the historically white universities enrolled just less than 11 percent of the black students at South African universities for the year.

Although enrollment of black students in Afrikaans and English-medium institutions has continued to increase, they still serve a very small percentage of the black students engaged in tertiary education. Further, because these institutions were favored by the apartheid system, they are far better endowed than the HBUs. Therefore, TELP's equity goal would not be effectively served by targeting assistance to these institutions. These institutions will have, however, an increasingly important role to play in providing expanded opportunity for quality education to black students in a more rationalized, nonracial, tertiary education system in post-apartheid South Africa. For that reason, as indicated in Section I.B.3, Summary Description, and in Section III, Implementation Plan, historically white institutions will be important indirect beneficiaries of the project's assistance.

(4) Colleges of Education

Colleges of education play an extremely important role in the tertiary education sector and their strengthening and eventual transformation is essential to raising the equality of education offered at primary, secondary, and tertiary education levels in South Africa. As is the case with technical colleges, the programs of these institutions are still very directly determined by the South African Government. These institutions have not developed to the stage of initiating the transformation process. Further, the size of this subsector is simply too large to be addressed by TELP -- South Africa has 101 colleges of education, only 12 of which have predominantly white student bodies. TELP cannot undertake capacity-building on this scale; however, activities under the project's policy analysis and planning component will benefit colleges of education to the extent that these activities lead to a more rationalized and higher quality system of tertiary education overall. Also, colleges of education will be

indirect TELP beneficiaries when they participate in project-supported linkages with HBUs and technikons.

(5) Technical Colleges

Technical colleges serve the postsecondary training needs of an important part of the overall tertiary education audience, but they do not present training at the levels and in the academic disciplines needed for black South Africans' professional and leadership development. Further, most aspects of their operations, including course offerings, curricula, and staffing are still prescribed by the appropriate South African Government Department of Education. As regards their place in the overall tertiary education system, technical colleges are actually closer to secondary schools than to the other tertiary education institutions. Articulation between technical colleges and the other institutions is virtually impossible without significant loss of time for the student. Because the programs of these institutions contribute only marginally, if at all, to the black professional and leadership development needs that TELP aims to address, they are not included among the project's targeted institutions.

c. Project Design Key Elements

TELP is designed as a demand-driven project that makes technical assistance, training, and limited equipment and supplies support available to HBUs and technikons under its three implementation components -- policy analysis and planning, capacity-building, and linkages. The project's service will be triggered by approved applications for assistance from the targeted institutions. The project is planned in three sequential phases to maintain the implementation flexibility that will be needed to respond to the unfolding events of South Africa's ongoing political, social, and economic transition. To ensure timely and effective delivery of the project's services, USAID will procure the services of a Technical Support Contractor and an appropriate number of Technical and Training Services Contractors. It also will make grants to South African HBUs, technikons, NGOs, and consortia of two or more of these, to implement activities that support the project's goal and purpose. USAID will establish Application Review Panels to assist in screening applications for assistance, and to make recommendations for funding decisions. Drawing on the input of a Policy Consultative Forum, USAID will continue the broad-based consultations used effectively in the conceptualization and design of the project.

d. Constraints on/Challenges to the Project

(1) Legacy of Apartheid

Apartheid was designed to impede the ability of black South Africans to achieve their full human development potential. As a system for political, social, and economic control of the black majority by the white minority, apartheid reserved for whites a privileged position in all facets of the human experience, certainly including education, at all levels. Having imposed on blacks an underprivileged position in all possible areas, apartheid's continuing

legacy is not only inequity of opportunity, but also underpreparedness by black South Africans to take maximum advantage of unprecedented opportunities in schools at all levels and in the workplace.

Therefore, when all apartheid laws and structures have been removed, black South Africans will require comprehensive and sustained human resources development assistance to put them in a position to participate as equals with their historically privileged white compatriots. The magnitude and urgency of this need would constitute a serious constraint for TELP if the project's design did not limit the categories of tertiary education institutions the project seeks to assist, and if it did not prioritize the human resources development and institutional strengthening needs it aims to address.

(2) Uncertainty of Political Developments

The uncertainty of political developments in South Africa over the next two-three years represents a potential constraint on the project's ability to plan deployment of inputs, expenditure of funds, and achievement of desired outcomes. The Political Analysis examines the impact of the distribution of governing power between the central government and regional authorities under South Africa's new constitution. It concludes that TELP could be implemented more effectively under a central government committed to creating a rationalized, national education system that equitably provides opportunities for quality education to all South Africans. To the extent that regional education authorities were more inclined to give priority to narrower education priorities, TELP's prospects for achieving its equity goal would be lessened.

The Political Analysis examines possible scenarios. If, under one scenario, the democratization process was derailed, the consequent instability and political violence would severely impede the project's ability to operate. The analysis concludes, however, that it is far more likely that a democratically elected government will replace the apartheid government within the first year of the project. Therefore, the project should proceed as planned to start addressing as early as possible the institutional strengthening/transformation needs of South Africa's HBUs and technikons.

In the event that election of the democratic government proceeds more slowly than planned, or in directions not currently anticipated, the project's implementation is planned in phases that will allow for re-examination and reformulation of project activities as needed. This built-in flexibility will enable the project to remain relevant and responsive to the evolving political context in which it will be implemented.

(3) Funding Limitations

A newly elected Government of South Africa will not likely be in a position to commit significantly higher levels of funding to tertiary education than has the current government. Even assuming that a new government will allocate funds equitably to tertiary education, black tertiary education institutions will still exhaust their subsidies on the

recurring expenditures that must be made to operate the institution on a day-to-day basis. Very little, if any, of their ordinary budgets can be allocated to activities designed to increase capacity or otherwise transform their institutions.

TELP's proposed funding of \$50 million over the life of this 10-year project may seem to be a small contribution, given the magnitude and urgency of the problems faced by historically black tertiary education institutions. In actuality, it provides extremely important extra-budgetary resources to these institutions to undertake capacity-building and transformation of institutions. The challenge to the project is to ensure that TELP's resources are effectively and efficiently used to achieve the project's planned outcomes. The proposed Monitoring and Evaluation Plan will put in place the mechanisms for tracking use of the project's input over the course of the project.

e. Appropriateness of the Project's Interventions

As designed, TELP is not only feasible, it is a fully appropriate development assistance response to historically black tertiary education institutions' development needs, as assessed in the USAID/South Africa's 1992 Tertiary Education Sector Assessment (TESA), and as identified in the April 1993 PID. It also responds directly to the assistance needs and priorities identified by the many South African tertiary education specialists consulted by USAID over the course of the project's conceptualization and design.

TELP's purpose is to increase access by black South Africans to tertiary education opportunities and resources and improve academic, administrative, and research capacity in historically black tertiary education institutions. To achieve this purpose, the project will provide a variety of management, technical assistance, and training services to the targeted HBUs and technikons. The project's assistance is directed to the targeted institutions and to their academic and administrative staff and students as the primary beneficiaries. The communities these institutions serve, and by extension, the emerging democratic nation as a whole, constitute the indirect beneficiaries. The project aims to achieve an incidence of benefit that is fully consistent with the country's population and gender demographics.

Activities carried out under the policy analysis and planning component will enable academic and administrative staff and students at HBUs and technikons to participate more broadly and capably in the ongoing policy debates and dialogues that are shaping the country's future.

The project's capacity-building activities will provide desperately needed assistance to these institutions in such critical areas as strategic planning; professional development for academic and administrative staff; research and dissemination; teaching, research, and curriculum development in high priority academic disciplines; and academic and career counseling for students.

The linkages component will provide a vehicle for the targeted institutions to strengthen their capacity-building efforts by sharing resources and lessons learned with other

South African tertiary education institutions, and with colleges and universities in the United States, especially historically black colleges and universities.

By providing management and logistics support to the targeted institutions as needed, the project will enable these institutions to take full advantage of its assistance. As a result, the project will contribute substantively to transforming South Africa's HBUs and technikons from apartheid-defined institutions to quality tertiary education institutions. These transformed institutions will then develop and conduct teaching, research, and community outreach programs in response to the learning needs of their communities and the human resources development needs of South Africa's industrialized, technology-driven economy.

Given the substantial professional and student development needs of the targeted institutions, training will be a major project activity. This training will be provided through seminars, workshops, and short-term training courses in South Africa, thereby being more responsive to the institution's urgent staff development needs and being more cost-effective than training outside the country. Long-term academic training could, indeed, be used to address certain high priority staff development needs at HBUs and technikons, such as degree training in counseling and guidance. However, there was general consensus among USAID officers and the South African educators consulted that this approach would not be the most technically sound for this project. TELP's goal is to promote equity of opportunity for participants, and given that all training of individuals is to be done within the context of a specific institutional-strengthening activity, the consensus opinion was that this could be done far more effectively and at lower cost through short-term, in-country training. If a compelling case is made for selected long-term training to meet a legitimate institutional-strengthening need of a targeted institution, that training might be provided under another Mission project.

f. Alternative Design Options Considered

The tertiary education institutional context having been described, what follows is a brief explanation of the assistance targeting mechanisms explored, and a rationale for abandoning each in preference for working directly with a limited number of HBUs and technikons.

(1) Targeting a Single Institution:

The approach of focusing TELP resources on a single institution, would indeed benefit the institution selected. The beneficiary institution could wisely be selected that would produce a significant number of black graduates. Coupled with training efforts, both from TELP and other existing Mission education projects, the number of graduates would be increased, and possibly strong linkages could be established with U.S. higher education institutions. This approach would then produce more trained individuals, build institutional capacity, and would create linkages.

The drawback and limitation, however if this mechanism were to be followed, is that

policy dialogue in particular, and in-country institutional linkages would not be affected. The positive results described in the last paragraph would not only be isolated, but also limited. Sector improvements (e.g., broad equity and access improvements, rationalization, and articulation) which respond to the needs identified in the Tertiary Education Sector Assessment (April 1992), would not result. Therefore, TELP resources would not be maximized.

(2) Funding Most-in-Need:

The effects of apartheid, particularly economic effects, have produced a class of institutions which face shortages of resources, over-crowdedness, a less trained faculty, and a student body which in general is less prepared, and has a higher drop-out rate. Those that do continue, generally take longer to complete their studies.

TELP's resources would certainly make an impact on a small number of black institutions, to a lesser extent analogous to the situation described above. Therefore, TELP could demonstrate a positive impact, at the conclusion of the project. However, the disadvantage of this approach is that the needs of this sub-group of institutions is so vast, that TELP's resources would be absorbed without producing significant sectoral or national gains (e.g., policy changes, capacity building, institutional linkages). The impact of such an investment by USAID, on a smaller number of institutions, would not be cost effective. A catalyst for change in the tertiary education field would not emerge, thus TELP's resources would not be maximized.

(3) Funding of White Institutions:

Intellectually, the proposition of TELP concentrating its resources on traditionally white institutions has been explored. TELP's resources could be focused on efforts to integrate (desegregate) the student body, and to provide academic support services in order to increase student success rates of the black student population. A comparative advantage of white institutions is their academic strength and resource wealth (e.g., libraries, laboratories, guidance and counseling, and a greater diversity of academic disciplines). Another advantage is the white universities' absorptive capacity, given their significantly lower student-teacher ratios.

The disadvantages in this approach are financial, political, affective, and practical ones. One approach to address the equity issue would be for TELP to finance bursaries. Approximately 85 to 90 percent of African university students are dependent on an annual grant (bursary) in order to attend a university. Although student fees at South African universities had been relatively low, the situation changed in 1987 due to reduced subsidies to all universities. Most universities have raised fees substantially in recent years, with normal increases in the 15 to 20 percent per annum range. Consequently, an expanded bursaries program under TELP would be unaffordable, particularly since accommodation and per diem expenses would have to be factored in, and would detract resources from

institutional policy-level changes that could eventually have a greater impact.

Politically and affectively, it is reported that the environment for Africans, in these universities, is tense due to the apartheid system, and not conducive to proper learning. As explained in the Social Soundness Analysis, de jure abolishment of apartheid will not necessarily translate to de facto changes. There is continued resistance to the enrollment of African students at the Afrikaans universities; at the same time, African students are reluctant to attend these institutions. Increasing tension between white and African students and concerns by the faculty with "standards" are matters of ongoing discussion at the English-medium institutions. Some faculty are indignant at the prospect of teaching increasing numbers of less prepared students. The concerns of white students have to do with a watering down of the curriculum to accommodate the needs of African students and the perceived preferential treatment of Africans in the areas of admissions, bursaries, accommodation, and academic support programs that divert resources from other essential programs.

These conditions exacerbate the already alarmingly high drop out or failure rate among African students, documented at 56 percent by Hofmeyer and Spence (1989). Therefore, a strong TELP investment in white institutions would be risky and unwise.

(4) Funding of Colleges of Education:

TELP funding of colleges of education would have a positive effect on the quality and quantity of teachers available in general. The multiplier effect is certainly attractive and would do much to impact the field of education.

The disadvantage in funding colleges of education, like earlier examples, is that the goals of TELP would not be realized. National policy, and broad institutional linkages envisioned would not be realized. A concentration on one particular field (pedagogy) would narrow the impact desired when, in fact, various critical academic disciplines have been identified (under the capacity-building component of the project).

g. Conclusion

Based on exhaustive consultations with South Africans and other experts in the field, a determination has been made that TELP's proposed interventions are entirely feasible and constitute the most appropriate development assistance response to the historically black institutions' strengthening and transformation needs. The project will contribute substantively to transforming the institutions from apartheid-created institutions to quality tertiary education institutions that develop and conduct teaching, research, and community outreach programs in response to the learning needs of their communities and to the human resources development needs of South Africa's industrialized, technology-driven economy. The Project Rationale and Description presented in Section I and the Implementation Plan presented in Section III define a technically sound and fully appropriate project response to a major development challenge that must be addressed in an uncertain and evolving

environment.

2. Administrative Analysis

This analysis examines the preparedness of the project's implementing entities to carry out their respective project activities, considering each entity's resources for playing its anticipated role. In the case of USAID/South Africa, the analysis will consider the planned use of contractors and grantees to provide technical services. The analysis will draw a conclusion as to the adequacy of the administrative structures and resources for implementing the project as planned.

a. Targeted Beneficiaries: HBUs and Technikons

The USAID/South Africa program in South Africa is rightly described as unique. The fact that all funds are channeled through NGOs rather than a government ministry is a key distinctive feature. The Mission's program of assistance to education of black South Africans has thus far been limited to funding key NGOs which are important now, and will continue to make innovative contributions to tertiary education development in a post-apartheid South Africa. As the pace of change accelerates, the Mission intends to become more directly engaged in institutional development. The purpose is to enable tertiary education organizations to meet more effectively the demands placed on a new, nonracial system, with special attention focused on those organizations likely to play a vital role in meeting the training requirements of the disadvantaged majority. Accordingly, TELP's programs and activities are directed at South Africa's historically black universities and technikons, which collectively provide training for the largest segment of the black population. These targeted beneficiaries, like all organizations in South Africa today, are highly susceptible to the new pressures and different realities emanating from the dramatic changes in the environment within which they operate.

The Mission has amassed a wealth of experience in assessing the capabilities of NGOs. As targeted beneficiaries under other projects, NGOs have generally demonstrated their administrative capacity to implement programs satisfactorily and to manage funds appropriately. Collectively they comprise a vibrant and effective sector in South Africa, making USAID/South Africa's unique aid program successful. The notable Mission NGO program achievements have been confirmed by numerous internal assessments and external evaluations.

With the initiation of TELP, USAID will commence direct funding of activities at tertiary education institutions. Future grant awards to black universities and technikons will expand considerably the pool of Mission-funded local institutions. Since some of the NGOs funded by USAID have worked with tertiary education institutions, the Mission has some experience -- although one step removed as required by the CAAA -- of working with such institutions.

The targeted HBUs and technikons are all full-fledged tertiary education institutions providing training to tens of thousand of South Africans. The resource bases of these institutions are measurably different, and the levels of success attained in serving student

bodies and other constituent groups vary. Each in turn, however, has demonstrated a capacity to deliver academic, research, and other training, related services. In addition to the knowledge gained indirectly through NGOs about HBU and technikon capabilities, the Mission has acquired experience and insight into institutional capacities as a result of the nearly two-year process of TELP design consultations and site visitations. This period of extensive interaction culminates with the general conclusion that adequate administrative capacity exist for effective participation in the project. The targeted HBUs and technikons have professional staff in place and provide educational offerings that coincide with TELP objectives and project components. Their needs are mainly for assistance in raising management performance and academic programming to achieve equity, sustain higher service delivery standards, and better provide skills that meet human resources requirements in the new South Africa.

It should be acknowledged that HBUs and technikons as a group of targeted beneficiaries have limited staff capacity to undertake new initiatives, but they clearly need to take such initiatives to achieve their institutional transformation goals. Most, if not all key administrative and academic staff at the various institutions have worked under the strain of often excessive workloads. Some universities and technikons are coping reasonably well, while others clearly have reached their outer limits and are close to the point of a diminished quality of training. These capacity limitations are the very conditions that the project's assistance will address. The point of this special acknowledgement is that, in providing assistance, the project also must ensure that beneficiary institutions are given the added resources they will need to undertake any new activity -- i.e., TELP will often need to fund administrative support mechanisms that underpin implementation activities.

Despite limits on their capacity to undertake additional activities without additional resources, the targeted HBUs and technikons have a high level of "institutional will" to increase their capacities, the quality of their programs, and to extend the reach of their services to their communities.

TELP funds will be used to provide institutional-strengthening and transformation support to targeted HBUs and technikons. Funds will also be used to finance the services of selected NGOs to implement appropriate project activities. Given the availability of capable services providers in the NGO community, and the technical and management capacity available from private sector services providers, TELP funds can be effectively programmed primarily through local services providers, in support of the targeted tertiary education institutions. To ensure the project's financial management integrity, pre-award audits and/or financial reviews of contractor and grantee organizations will be conducted as needed.

b. USAID/South Africa

The Comprehensive Anti-Apartheid Act (CAAA) explicitly barred USAID from working with the SAG. The net effect was the development of a unique approach whereby the entire program to date has been implemented through hundreds of grant agreements with indigenous NGOs which have the access, credibility, and grassroots support often lacking

with government institutions. In the process, USAID/South Africa has developed the management systems and administrative capacity to achieve a successful development program. The Mission's program of directly funding local organizations is, by its nature, very labor intensive. USAID/South Africa has been able to rely on its staff to meet its organizational objectives. Mission familiarity with local capabilities acquired through more than seven years of working closely with specific NGOs and the nearly two-year process of transparent consultations have substantially aided the Mission in guiding TELP project design efforts.

USAID/South Africa, through the Human Resources Development Division (HRDD), will have overall responsibility for project implementation, management, and monitoring. HRDD's staff will be augmented by a senior Personal Services Contractor (PSC) Project Officer and up to three FSN staff, all funded by the project. Such an arrangement will constitute sufficient administrative capacity to provide for effective management and programming of project funds. The Mission will hire a Technical Support Contractor to assist with aspects of project implementation. Such a firm will be assigned a cluster of project management activities including logistics support to U.S./HBCUs, proposal preparation assistance to beneficiaries, coordination of program activities, and other responsibilities as delegated.

In the division of functions and activities contemplated, the Mission will procure the services of a Technical Support Contractor to assist with project management and support tasks as described in the Implementation Plan. USAID also will award contracts and grants for technical assistance and training services as needed to carry out the project's activities. The high political profile of development assistance activities in South Africa demands that USAID exercise continuing management oversight of the project. Additionally, this project's duration and level of funding dictates that obligation, disbursement, and management of A.I.D. funds have the Mission's close monitoring and oversight.

The USAID/South Africa development portfolio has thus far been implemented with only minimal reliance on the large-scale technical assistance contracts which characterize most USAID Missions. Given the political sensitivities involved, reliance on contractors for technical services was not as useful an option in the early years of the program, and only one or two contractors were used in pilot activities. Through the years, there has been increasing use of commercial firms. This trend may continue as the Mission's workload multiplies. In the selection of organizations to be contracted to provide services under the project, USAID/South Africa will employ criteria that facilitate identification of services providers with demonstrated management capacity and program-specific expertise to perform assigned tasks in a rapidly changing South African environment. The Mission enters the selection process with the benefit of lessons learned from using institutional contractors for some of its other projects (e.g., BPED, SUDS, and STEP).

c. The New Government

After a democratically elected post-apartheid government is established, it is expected

that direct dialogue will be initiated between USAID/South Africa and the new government. While working toward the normalization of relations, including the possible signing of traditional bilateral agreements, the Mission will channel assistance directly to tertiary education institutions, thus building upon its successful approach of working through NGOs. This pragmatically takes cognizance of the realities of the unknown time lag that will occur before a new government will be able to create viable and optimal arrangements for the delivery of tertiary education services that are responsive to the needs of the majority population. It is recognized, however, that at some point in time, when sufficient information is available to permit effective assessments of the legitimacy of the new government and the policy orientation and administrative capacity of a national Ministry of Education, the Mission will want to consider direct support to relevant government agencies of some education activities. Under TELP, several areas of programming, especially strategic planning and policy analysis, lend themselves naturally to such consideration.

d. Conclusion

USAID has sufficient administrative capacity to manage TELP. Also, local and international technical support and services capability is available to carry out the project's activities. While the tertiary education institutions have little capacity to take on new responsibilities and tasks without additional resources to support them, they do have the capability and very high motivation for using the project's technical and administrative support assistance to achieve their institutional- strengthening and transformation goals.

3. Social Soundness Analysis

The Social Soundness analysis of the TELP Project examines the unprecedented conditions of a nation in transition from apartheid to democratic governance, and from a social order based on racial privilege to an order based on equity for all citizens. It considers the prevailing socio-cultural context in which the project will operate, and it analyzes the project's impact on targeted beneficiaries. It also discusses issues that may affect the project. Finally, it draws a conclusion as to the social soundness of the project in the evolving socio-political setting.

a. Socio-Cultural Context

The social soundness of the TELP Project is viewed in terms of the social, economic and political conditions resulting from forty years of apartheid rule. It also takes into consideration the current context of transition to a democratic society, and the tensions, raised expectations and potential for development which accompanies that transition.

A fundamental goal of the apartheid system, from the election of the Nationalist Party in 1948 to the early 1980s, was to educate the white population to the highest possible levels in order to produce a highly-skilled labor force to meet the demands of a modern industrial economy. On the other hand, there was an intensification of the apartheid state intervention to control the circulation of black labor through its redistribution. Special legislation was promulgated such as influx control, Bantu Authorities Act, and the Group Areas Acts, aimed at controlling the rapid mobility of black labor into the urban areas.

At the level of education, the apartheid state promulgated the Bantu Education Acts, which asserted control over the education of blacks through segregation, fragmentation of the education system and the differentiation of curricula. Similar legislation was passed for separate "colored" and Indian education systems. In other words, there were four racially-based systems of education.

Around 1980, the English-medium universities declared themselves "open" universities, admitting black students without the South African Government's permission. While this gave black students more access to tertiary education, it remains the case that about 80 percent of all black students engaged in full-time residential study at South African universities and technikons are enrolled at historically black tertiary education institutions.

Throughout the sixties, the South African economy experienced a massive economic expansion, and deep qualitative changes in the form of capital accumulation. There was a rapid centralization and concentration of capital, and a deepening of the nature of exploitation of black labor. This situation was fuelled by large injections of foreign capital which made possible the transition shift from labor-intensive to capital-intensive industries as the manufacturing sector, as opposed to mining and agricultural sectors, constituted the core of the economy. Unfortunately, the burgeoning industrial manufacturing sector of the economy. The apartheid government, urged on by the business sector, relaxed the non-white

labor force. In addition, the state tried to minimize the shortage of skilled labor by recruiting skilled white immigrants from Europe without visible success.

A process of "job deskilling" and "floating the color-bar" was selectively instituted to respond to the imperative of capitalist development and increasing profitability. This process entailed a procedural change in the racial division of labor, the Job Reservation Act, could now be occupied by blacks, skilled white manpower. These non-white workers were not paid the same or comparable salary to their white counterparts. They received a lower-wage rate. As E.G. Malherbe said in 1966, it was the constant shifting of boundaries between the work done by whites and the work done by non-whites". For black South Africans, especially Africans, the government's goal was the development of a semi-to-low-skilled group of workers who must sell their labor to white-controlled industries.

b. Beneficiaries

TELP will have both direct and indirect beneficiaries, and it will have both institutional and individual beneficiaries. Its institutional beneficiaries are targeted historically black universities and technikons. Its individual beneficiaries are intended to reflect South Africa's racial and gender demographics. It must be noted that the targeted beneficiaries are strongly supportive not only of the project's stated goal and purpose, but also of its program content and implementation plan. Through USAID's consultative process, these beneficiaries have been integrally involved at all stages of project conceptualization and design.

In defining the beneficiaries of TELP, one must be cognizant of the **multiethnicity** of South Africa. The country's population is made up of several distinct groups. Apartheid classified these ethnic groups as African, Colored (mixed race), Indian, and White. Being in transition, South Africa has not yet fully adapted its nomenclature to reflect the nonracialism it aims to achieve. To date, therefore, it is difficult to escape apartheid's race classifications. South Africa's population is still viewed in terms of the following 1992 racial groups: African (Sotho-Tswana, Tsonga, Venda, Xhosa, Zulu); White (Afrikaans-speakers and English-speakers); Colored (mixed-race); and Indian.

The South African Institute of Race Relations' 1992/93 Race Relations Survey reports the following population distribution in South Africa in 1992:

African	29,889,600
White	5,129,900
Colored	3,354,200
Indian	<u>1,007,300</u>
TOTAL	<u>39,381,000</u>

Apartheid resulted in a political, social, and economic hierarchy between white South Africans as the privileged group and all people of color as the underprivileged group. Because of its equity goal, TELP must recognize that apartheid also forced its hierarchy upon the black community. While the relative positions of Coloreds and Indians might be debated, it is unarguable that Africans are, by design, at the very bottom of that hierarchy from the political, social, and economic perspectives. Therefore, equity considerations compel this project to acknowledge and be guided in its implementation by the still markedly disadvantaged and underprivileged position of Africans at the national, regional, and institutional levels.

(1) Direct Beneficiaries

Targeted historically black universities and technikons will be the **direct institutional beneficiaries** of TELP under all three project components. Activities under the policy analysis and planning component will empower the targeted institutions to be more integrally involved in the national, regional, and institution-level dialogues, debates, and fora that are currently formulating and/or examining the policy planning options that will shape South Africa's future. The project's various capacity-building activities will enable HBUs and technikons to provide higher quality teaching, research, and community outreach programs. Linkages with other tertiary education institutions in South Africa and with institutions in the United States will help the targeted institutions to gain from sharing resources, and learning from the experiences of other institutions and professional associations.

In directing its assistance to individual beneficiaries, the project will be guided by south Africa's race and gender demographics, and by a commitment to redress the political, social, and economic hierarchy imposed by apartheid. In pursuit of its equity goal, TELP's "benefits hierarchy" will be: African, Colored, Indian, and White. In a limited number of cases, white South Africans may be direct beneficiaries of the project's assistance. Their participation, as academic and administrative staff of targeted HBUs and technikons, will be possible when the institutions applying for assistance have satisfactorily met all of the project's stated criteria. This will include the criterion for demonstrated commitment to and meaningful action on social redress and affirmative action within the institution.

The men and women on the academic and administrative staffs, and the students at the targeted HBUs and technikons will be TELP's **direct individual beneficiaries**. Through all of the project's components, academic and administrative staff and students will have opportunities to develop new skills, refine existing skills, gain new knowledge and experience, and improve intragroup and intergroup relations. There will be particular gains for women, who, through the reinforcement and development of affirmative action and social redress programs under TELP, will enjoy greater access to previously denied professional development career opportunities.

Students will benefit directly from those project activities which support student development programs, including mentoring, career counseling and guidance, training in communication skills, development of skills for personal empowerment, and opportunities to

be involved in institutional empowerment and community outreach programs.

Another direct beneficiary of the project will be the new **Government of South Africa**. A new, representative government, elected under universal franchise and committed to establishment and maintenance of a nonracial, nonsexist democracy, will benefit from the project's assistance once USAID has determined that its policies and programs are committed to empowerment of black South Africans to assume leadership roles in all areas of South African society.

(2) Indirect Beneficiaries

TELP's targeted HBUs and technikons have begun the process of transforming themselves from apartheid-created institutions to tertiary education institutions that aim to serve the human resources development, institutional development, and community development needs of the communities in which they are located and/or constitute their constituency. TELP will help the institutions to reach out to those communities, making the latter indirect beneficiaries of the project's assistance. Such community outreach programs might include continuing education programs for adult learners, "street law" programs, community workshops on such critical areas as mediation of conflict, and managing family finances.

While historically white tertiary education institutions are not direct beneficiaries of TELP assistance, the project's design envisages their participation in the project's activities through linkage arrangements proposed by, and implemented with targeted HBUs and technikons. In such linkages, TELP resources would be granted to the historically black university or technikon, enabling it to participate in the linkage with equal standing, rather than in the more traditional "junior partner" role. The historically white institutions will be expected to commit their own resources to the effort. Their involvement will be for the purpose of promoting their efforts to transform themselves into institutions that have academic and administrative staffs and student bodies which reflect South Africa's race and gender demographics.

The new nation as a whole will benefit indirectly as a result of TELP's impact on equity and on the political, social, and economic empowerment of the country's historically disadvantaged majority.

c. Participation

South Africa's disadvantaged community, faculty and student participation were essential in designing the TELP project and will be essential in order for TELP supported HBUs and technikons to continue to operate within South Africa's disadvantaged society past the lifetime of the project. All grants should begin with the commitment to social redress and show substantial involvement of disadvantaged South African stakeholders, e.g., in conceptualization, planning and implementation of the activity.

d. Socio-cultural Feasibility

Black South Africans, HBUs and technikons have, during detailed consultations, welcomed the TELP project. They feel that it is both timely and appropriate to the socio-cultural environment. Also, the current initial development phase of the new Transitional Executive Council offers promise for the legitimizing of the current educational system. However, TELP realizes that the lack of legitimacy of the current system may translate into lack of a future system producing other impediments which must be addressed by the project.

Because of the uncertainties of the social and political environment, punctuated by internecine violence, over the coming year, TELP is designed with the flexibility to remain relevant and responsive to the new social and political realities as they emerge. Its activities are designed to assist targeted HBUs and technikons in transforming themselves into equitable and quality tertiary education institutions.

e. Impact

The immediate impact of the TELP project will be to improve the retention of disadvantaged students and to arrest the decline in quality of tertiary education among overburdened HBUs and technikons. The TELP project will have a positive impact on skills, particularly English and other targeted academic areas of disadvantaged black South African university and technikon students. HBUs and technikons will be strengthened through all of the project components. However, the longer-term impact will be to eliminate the disparity between black and white tertiary education, and to create a generation of black South Africans who possess the skills and self-confidence to participate in a democratic society.

The three components of the project, policy analysis and planning, capacity-building and linkages, will create a ripple effect. The latest information, techniques and methods of education will be available to the target institutions and spread beyond to other institutions. This will make an immediate impact on HBUs and technikons conditioned by decades of receiving inferior or inadequate resources. Also, the linkages developed between the colleges of education will improve the quality of these institutions, as new, innovative teaching methodologies are adopted.

The project's outcomes will include HBUs and technikons that are far more capable of providing quality education to their students, conducting and disseminating relevant, valued research whose multiplier effect is to empower their communities. It is to be hoped that those communities would participate equitably and contribute substantively to the conduct and operation of the country's new social, political and economic infrastructure.

f. Issues

The de facto transition from apartheid to non-racial democracy will occur on the effective date of a new democratic constitution. Despite the change in the law, many white South Africans who have enjoyed power and privilege bestowed by apartheid will resist the

change. Many black South Africans who have suffered the inequity entrenched in apartheid law will expect quick and comprehensive redress. For social redress efforts to work effectively, black South Africans must be prepared to confront the social and economic structure of white supremacy that has resulted in the massive inequalities in the social system, by consciously and actively transforming it.

Furthermore, black South Africans must take advantage of the opportunities offered by the new democratic society based on the type of political dispensation concluded. This will require immediate and sustained human resources and institutional development programs targeted to the black community. It will be critical, particularly for access and equity considerations, that such a future political dispensation be truly democratic and allow the fullest participation by civil society in the shared governance of all societal matters. It will also be critical that the future government be empowered to intervene in the education sector to attempt the redress of past social inequities spawned by apartheid.

g. Conclusion

The project is socially sound for South Africa's present and near-term future. It is consistent with and supportive of South Africa's ongoing transition from apartheid to a nonracial, nonsexist democracy and its inputs will be directed to facilitating that transition. Because of the uncertainties of the social and political environment over the coming year, TELP is designed with the flexibility to remain relevant and responsive to the new social and political realities as they emerge. Its activities are designed to assist targeted HBUs and technikons in transforming themselves into quality tertiary education institutions. The project's outcomes will include HBUs and technikons that are far more capable of providing quality education to their students, conducting and disseminating relevant and valued research, and empowering their communities to participate equitably and contribute substantively to the operation of the country's new political, social, and economic systems.

4. Women in Development

The WID analysis considers the situation of women in South African society in general, and in tertiary education in particular, noting the priority assigned to women's issues on the larger political and human rights agenda. The analysis notes those interventions planned by TELP to ensure due attention to the special human resources development needs of women, and draws a conclusion as to whether the project's design and planned implementation adequately address those special needs.

Women play a key role in South African society. Black women are often the major entrepreneurs in their community's market places. Many work to provide family income along with their husbands; many are the sole supporters of the family. This is in addition to primary or complete responsibility for care and upkeep of the home, and nurturing of the children. Any effective program of social, political, and economic empowerment must give high priority to empowering the women. Because of historic and continuing disenfranchisement of women, TELP must give special attention and commit special resources to the development needs of women. It will do so in light of the following conditions which characterize the state of women in South African society in general, and in tertiary education in particular.

a. Women in South African Society

Patriarchal in structure, South African society allocates roles and tasks on the basis of gender. Women are expected to play certain roles, have certain responsibilities, and remain subservient to men. It is the man who often determines the size of her nuclear family, her day to day interactions, her career path, the level attained in that career path, the degree of autonomy and self-sufficiency which she can achieve, and her geographic mobility. One argument suggests that a cause for the posture of male dominance over women is apartheid's barring of blackmen leadership roles in the social, economic and political life of the country. Feeling powerless and degraded by this experience, black males try to compensate by dominating women as an expression of power.

Females are often socialized in the schools to assume certain subordinate roles. Several women interviewed stated that they or their friends have been discouraged from taking courses which would prepare them for a "non-traditional career" (e.g.science, math). Instead they are steered into domestic and clerical-type courses. This discouragement is primarily from male teachers, although there have been some instances of female teachers doing the same.

In the professional arena, women have been hesitant to apply for the non-traditional, high-level, senior administrative positions and other positions in which they have been underrepresented. This may be in part the result of low self-confidence and self-esteem, but it is also influenced by the fact that women historically and socially have been confined to the lower level of the occupational structure. Some women have suffered tremendous

professional and personal trauma when they attempted to enter male-dominated professions.

The blackwomen of South Africa do not constitute a homogeneous group. Thus, several factors which affect their lives must be considered when dealing with the gender issue. Some women, left to fend for themselves without husbands or men, have contested the prevailing ideology of male dominance. They have assumed roles that defy the presumed stereotypes about the subservience of women.

They are fiercely independent and demand gender equality in matters pertaining to their personal lives and their families. Additionally, since the liberation movement plays a key role in the lives of a significant number of black women, they often challenge the presumed male leadership for not being sensitive to women's issues. Others, for financial reasons and otherwise, are quite willing to submit to the rule of their male partners.

Male oppression of women exists across all cultural groups affected by the dominant ethos of apartheid. In other words, patriarchy is a constituent part of the apartheid ideology. The affected cultures dictate that women are the "weaker sex", that they are inferior to men and, therefore, subordinate to them. Thus, some women often consider themselves dependent, adhering to the directives of males, whether brothers, fathers or husbands.

b. Women in Tertiary Education

In the professional arena, women have been hesitant to apply for the nontraditional, high-level, senior administrative positions and other positions in which they are underrepresented. This may be in part the result of a lack of confidence and self-esteem, but it is also influenced by the fact that women have historically been confined to the lower level and traditional positions; some women have suffered tremendous professional and personal trauma when they attempted to enter new areas. Examples of intentional ostracizing and informal exclusion abound, and the women are sometimes attacked by their oppressed sisters who argue that they are attempting to disrupt the status quo. Some of the arguments against inclusion of women are "men are less comfortable to 'act as men' when women are around"; "women have traditional roles and should do those."

Within the South African tertiary educational system (whether black or white), the inequities between genders is widespread. The higher the level of education being provided, the fewer women there are teaching. Data from a research project on race and gender in tertiary institutions, published in 1993, reveal the following sample. The chart clearly makes the point for women in general, and while the numbers are not desegregated by race, all indications are that black, particularly African, women are more seriously affected than white women by this phenomenon.

TABLE ONE: PERCENT OF INSTRUCTION/RESEARCH PROFESSIONALS WITH PERMANENT APPOINTMENTS BY GENDER, 1989

UNIVERSITY	MALE %	FEMALE %
Western Cape	68.3	31.7
Durban-Westville	68.6	31.4
Zululand	70.7	29.3
North	81.8	18.2

Source: SAPSE 1989

TABLE TWO: PERCENT OF PROFESSORS AND ASSOCIATE PROFESSORS BY GENDER, 1989

UNIVERSITY	MALE %	FEMALE %	FEMALE AS % TOTAL FEMALE STAFF
Western Cape	90.5	9.55	.4
Durban-Westville	90.3	9.7	5.1
Zululand	93.2	6.8	4.5
North	91.0	9.0	12.9

Source: SAPSE 1989

The same kind of imbalance exists, but to a greater degree, on the administrative staffs. The exclusion of women is not always a deliberate action, and in some instances it may not be conscious. The supervisors, chairs, and administrators of the selection boards responsible for hiring are usually male and, until recently, tended to be overwhelmingly white. Their routine and consistent selection of males for staff positions perpetuates the underrepresentation of women.

Among the students, gender distribution in the various tertiary institutions changes as students progress toward completion of their degree requirements. For example, at Fort Hare the gender distribution of students shows a concentration of females at the first-year level of study. Their numbers decline at higher levels. The trend at Fort Hare appears at other tertiary institutions. The explanations offered in official documents is the high drop-out rates. Women are more susceptible to dropout because of the need to care for children (in the absence of the parents for example), pregnancy, the need to become employed to support

family, personal demands, discouragement from people in leadership positions (e.g., teachers, parents) and lack of interest in the area of study.

Efforts are being made to redress some of the inequities in certain HBUs and technikons. Unfortunately, on the part of some administrators and educators, even in discussions of affirmative action, there is the tendency to assume a strong posture when addressing racial/ethnic inequities, but a more reserved position regarding equity for women.

c. Women's Issues on the Political Agenda

Women's rights as an issue and agenda item in South Africa is only now becoming public and accepted. To an extent, women's issues have been subsumed under the larger struggle -- human rights and dismantling of apartheid. Despite the lack of publicity acknowledging it, many of the women's organizations became activists for the larger struggles. When occupied with political issues that are not gender-specific, neither women nor men give due attention to women's issues. Committed to activism on more comprehensive political issues, they often address women's issues as part of, and subordinate to, the broader issue(s).

While aggressive action for social redress regarding racial inequity is currently a very high priority in South African institutions, including tertiary education institutions, action on gender inequity is consistently less of a priority. These institutions readily acknowledge that underrepresentation of women on academic and administration staffs results from undervaluing their achievements and potential contributions, and from limiting their opportunities to participate at higher levels of responsibility and authority. Still, affirmative action to ensure that women have equal opportunity, and that they are prepared as needed to take full advantage of that opportunity, has a lower action priority than does action regarding racial equity.

This lower priority for action on gender equity is itself a result of the underrepresentation of women. Men have generally attached less importance and given less attention to women's professional involvement and professional development needs. To ensure that women's development needs are given equitable attention and action priority, more women need to be systematically prepared for professional areas and positions that have been historically closed or made less readily accessible to them. Then, they must have the opportunity to move into these areas and positions, and grow professionally under the guidance or mentoring of their male and other women colleagues.

d. TELP's Interventions

TELP will make resources available to the beneficiary institutions to give the necessary attention and action priority to gender-equity issues. Also, the selection criteria for all activities to be funded by the project will require demonstration of an institutional commitment to and action on matters of gender equity. Further, TELP's Implementation Plan includes the following special initiatives to address the particular development needs of

women in the targeted HBUs and technikons:

(1) Role Modeling

There is a severe need for role modeling for females. Established black professional women are obvious role models for younger professional women. Often, however, the established professional women need networking and role modeling to reinforce their own goals and aspirations. Therefore, special mentoring programs will be an integral part of the project. The mentoring can be in the form of a permanent structured program established in the tertiary institutions, or it can occur through a series of workshops which focus on special issues and use role models with expertise and experience in the areas under examination.

(2) Curriculum Development

Curriculum development activities will incorporate gender modules (e.g., accomplishments of women, changing roles of women) into the curriculum in social sciences, natural sciences, and other appropriate disciplines.

(3) Women's Resource Center Programs

A major problem with gender issues is the lack of resources for and access to information. Black women, and African women in particular, need to develop scholarly research about their own experience and locate outlets for the dissemination of the findings. To date, few black women, again, African women in particular, have been successful in getting materials published. Most research on the condition and developmental needs of black women has been conducted by white researchers -- women and men -- on behalf of black women.

Black women in tertiary education need to be able to define their own information needs and to conduct and disseminate the research that provides that information. Women, as a group able to share such information and collaborate on projects which focus on women/gender issues, will be a critical factor in their ability to develop and carry out their own strategies for empowerment.

Women's resource centers at HBUs and technikons represent one avenue for marshalling the project's resources to achieve the important objective of empowering women. Such a center already exists at the University of Durban-Westville, and other institutions have expressed interest in establishing them. Under its capacity-building component, TELP will assist in developing and implementing programs at such centers. Such programs might include workshops, conferences, symposia for purposes of information-sharing, or for specialized training as needed. TELP also will assist women at HBUs and technikons to strengthen their networking capacities. Under the linkages component, the project will facilitate collaborations among South African institutions and between South African and U.S. higher education institutions, especially HBCUs.

e. Conclusion

In South African society, women occupy a position that is politically, socially, and economically subordinate to that of men. Yet they play very important roles in all sectors of the social system. In tertiary education, women, especially black women, are dramatically underrepresented on academic and administrative staffs. As students, they are underrepresented in the priority academic disciplines identified for TELP assistance. Giving due priority to gender equity, TELP's design includes targets for women's participation in all project activities, including participation on its Application Review Panels. Also, the project's Implementation Plan provides for special initiatives in role modeling, curriculum development, and assistance to the programs of women's resource centers.

TELP is designed to give the necessary attention to the special development needs of women. The performance of implementing entities in meeting the targets and carrying out the special initiatives must be closely monitored and evaluated over the life of project.

5. Economic Analysis

South Africa's economy is large by African standards with gross domestic product (GDP) in 1992 equal to US\$113.2 billion.¹ Government expenditures amounted to 37 percent of GDP or about US\$41.884 billion. For the 1992/93 budget year, government appropriations for universities and technikons totalled roughly \$931 million.² Based on 1989/1990 shares, roughly 14.7 percent of these funds or \$137 million is spent in the historically black universities and technikons (HBU/HBT).³ TELP will provide US\$50 million targeted for selected tertiary education activities. As such, the project does not attempt to invest heavily in substantive tertiary changes, but rather hopes to provide the framework for tertiary education policy dialogue and restructuring, as well as the means for HBUs/HBTs to improve access and quality in selected academic disciplines.

This analysis estimates the expected cost/benefit relationship for the project. Costs (see section {a} below) consist of three major components: a direct A.I.D. contribution, a local contribution, and an estimated future cost flow for sustaining the project's efforts. Two potential benefit streams (see section {b} below) are estimated and included in the formal analysis: the estimated savings from a rationalization of the tertiary education sector resulting in part from the policy analysis and capacity building work with the HBUs/HBTs under TELP; and the potential effects of increased political and economic stability which could again result in part from the analytical and capacity building work under TELP. While these are the only benefit streams estimated here, it should be remembered that there are likely to be numerous other benefits resulting directly and indirectly from the work under TELP.

a. Costs

TELP's costs consist of three components: the direct A.I.D. contribution, totalling \$50.0 million; a local contribution of twenty-five percent of the total project costs, totalling \$16.67 million; and an estimated continuing recurrent cost of five percent of the other project costs to sustain the project's effects after the end of the project, equalling \$3.33 million per year or \$27.47 million during the first fifteen years following the initial obligation of the project. Table E.5.1 presents these annual costs on an obligation and estimated expenditure basis.

b. Benefits

The first of the two benefit streams is the potential savings resulting from the

¹J. Hartley, "Economic Trends Report," USEmbassy/Pretoria, June 1993, p. 2.

²Race Relations Survey (1992/93), p. 586.

³Allocation percentages calculated from J. Hendry and I.A. Bunting, "South African Universities: 1985-1990," University of Capetown, 1993, and I.A. Bunting and J. Hendry, "South African Technikons: 1988-1990," University of Capetown, 1993.

rationalization of the tertiary education system, while the second is the potential investment increase which could result from improved political and economic stability.

TABLE E.5.1

Fiscal Year	TELP COMPONENT AND TOTAL COSTS (US\$ MILLIONS)						
	USAID		25% Local Contribution		Other	Total	
	Oblig.	Expend.	Oblig.	Expend.	Costs	Oblig.	Expend.
1994	4.50	3.40	1.50	1.13	0.00	6.00	4.53
1995	12.00	10.70	4.00	3.57	0.00	16.00	14.27
1996	14.00	11.00	4.67	3.67	0.00	18.67	14.67
1997	10.00	9.00	3.33	3.00	0.00	13.33	12.00
1998	7.50	7.20	2.50	2.40	0.00	10.00	9.60
1999	2.00	4.30	0.67	1.43	0.00	2.67	5.73
2000	0.00	1.80	0.00	0.60	0.93	0.93	3.33
2001	0.00	1.30	0.00	0.43	1.60	1.60	3.33
2002	0.00	0.60	0.00	0.20	2.53	2.53	3.33
2003	0.00	0.70	0.00	0.23	2.40	2.40	3.33
2004	0.00	0.00	0.00	0.00	3.33	3.33	3.33
2005	0.00	0.00	0.00	0.00	3.33	3.33	3.33
2006	0.00	0.00	0.00	0.00	3.33	3.33	3.33
2007	0.00	0.00	0.00	0.00	3.33	3.33	3.33
2008	0.00	0.00	0.00	0.00	3.33	3.33	3.33
2009	0.00	0.00	0.00	0.00	3.33	3.33	3.33
Total	50.00	50.00	16.67	16.67	27.47	94.13	94.13

(1) Rationalization of the Tertiary Education Sector

The process of eliminating the effects of and distortions resulting from the legacy of apartheid will require, among many other things, the rationalization of government operations. Education is a case in point. Educational structures were developed along racial lines while the administration of institutions and resources overlap, contradict, and detract from each other. The country supports 15 different educational governing bodies. Tertiary institutions are often located within kilometers of each other and have parallel education programs originally designed to serve different populations. The need to expand primary, secondary and tertiary educational access and maintain quality within the system will require enormous capital investments and increased current account allocations in a time of restrained government resources. Some of these funds can be found by rationalizing the current system.

TELP will support the critical process of policy analysis and planning which will

contribute to the identification of needs and mechanisms to rationalize the funding, structure, and purpose of tertiary education institutions. This section first examines some indicators of institutional efficiency in both the historically black and white institutions. These indicators and projected changes in them expected to come as a result of TELP's analytical agenda and activities, as well as the direct assistance activities to HBUs/HBTs, are then used to develop the stream of estimated savings resulting from TELP's activities.

c. Current Situation

Table E.5.2 presents two indicators of the cost-efficiency of selected universities and technikons for 1989. The first indicator is the Time-to-Complete (in years) a standard three year program in each institution. This measure is derived from the variables affecting the throughput of students in the institutions, e.g., course drop rates, drop-out rates, pass/fail rates, etc. The second measure is the Cost-to-Complete the standard three year program. This measure is derived by multiplying the Time-to-Complete by total expenditures per student-year for each institution. Thus, this measure captures not only the throughput information, but also the wide differential in expenditure levels per student-year across the different institutions. The expenditures per student-year include not only expenditures related to educational programs, but also expenditures on overhead items.

The efficiency measures for the universities follow a consistent pattern, the HBUs have a consistently more inefficient throughput of students than the university system on average and of the selected HWUs presented in Table E.5.2. While the characteristics and practices of the universities influence these throughput measures, they are also influenced by the quality and background of the institutions' student bodies. At the same time, however, the HBUs (except Durban-Westville) have lower Costs-to-Complete the standard three year programs than the system in general and the selected HWUs due to the low level of expenditures per student at the HBUs relative to the other institutions.

The situation vis-a-vis the Technikons, however, is not so straight forward. The historically black technikon in Northern Transvaal has indicators suggesting an amazingly high degree of inefficiency both in terms of throughput (over 20 years to complete a three year course) and costs (over \$61,000 to complete the standard three year degree). Excluding the Northern Transvaal, however, two of the three remaining HBTs (Mangosuthu and Peninsula) have below average time-to-complete, but above average costs-to-complete, while the remaining HBT (M.L. Sultan) follows the same pattern as the HBUs, i.e., a higher than average time-to-complete, but below average cost-to-complete. The selected HWTs, all have time-to-complete indicators below the system average and cost-to-complete indicators above the system average.

TABLE E.5.2

TIME AND COST TO COMPLETE THREE YEAR PROGRAM, BY INSTITUTION IN 1989 (US\$)			
Institutions	Time	US\$/St/Yr	Cost
Universities			
Selected Historically Black			
Durban-Westville	5.473	5,283	28,911
North	5.077	3,596	18,254
Western Cape	4.923	2,955	14,546
Zululand	4.861	4,042	19,647
Selected Historically White			
Cape Town	3.823	6,724	25,703
Natal	3.788	6,325	23,961
Rhodes	4.025	6,447	25,951
Witwatersrand	4.089	5,562	22,743
All Residential	4.358	4,737	20,641
Technikons			
Selected Historically Black			
Northern Transvaal	20.315	3,006	61,062
Mangosuthu	4.476	3,048	13,643
M.L. Sultan	5.619	1,456	8,180
Peninsula	5.348	2,470	13,209
Selected Historically White			
Cape	4.073	3,085	12,563
Natal	4.212	3,922	16,520
Pretoria	4.474	3,007	13,452
Witwatersrand	5.127	3,040	15,589
All Technikons	5.543	2,191	12,143

Table E.5.3 shows the composition of the costs per student-year at the various institutions under consideration, i.e., expenditures per student for educational programs, total expenditures, and the institution's overhead rate, i.e., the percentage by which total expenditures exceed educational expenditures. As seen in this table both the HBUs' educational and total expenditures per student are lower than the system average and the same expenditures in the HWUs. The one exception to this is Durban-Westville where total expenditures per student exceed the system average due to an overhead rate in excess of 100 percent. Despite this pattern of per student expenditures, the HBUs' overhead rates exceed the system average and the same rates in the HWUs.

The technikons present a much more consistent and balanced pattern of expenditures per student, especially for expenditures for educational programs, with the exception of M.L. Sultan where educational expenditures per student are low compared to the other sample institutions. A greater differential and disparity in terms of total expenditures per student exists however between the two groups of institutions. As a result, the overhead rates for the HWTs exceed the overall system average and those for the HBTs, except for Northern Transvaal.

(a) Estimating the Savings

The key variables influencing the cost-efficiency indicators discussed above are the year-end pass rates which determine the degree to which students must repeat course work, drop-out rates, the basic level of expenditure per student for educational programs, and the overhead rates. For purposes of this analysis, the variables of interest are the pass rates, the drop-out rates, and the overhead rate. Drop-out rates for South Africa's tertiary education system are not directly available; however, it is possible to derive an estimate of these rates from the relationship between enrolled credits, degree credits earned, and the general pass rate.⁴ Table E.5.4 shows the current levels of these variables.

Using this set of variables it is possible to examine TELP's potential effects on improving the tertiary education system's efficiency through two mechanisms. First, given TELP's focus on the HBUs/HBTs and the fact that these institutions tend to be below the system average in terms of the key variables affecting the efficiency indicators, the analysis looks at the effects of "closing the gap" between the institutional variables and the system average by some given percentage. For example, if a given institution pass rate is 50 percent and the system average pass rate is 70% and we want to close 40 percent of the gap, the new pass rate would be 58 percent (= 50% + 40%(70%-50%). Once all the variables are adjusted, they are then used to calculate a new time-to-complete and total cost per student-year for each institution which are then used to calculate the percentage change in the institution's time-to-complete and the total cost per student-year, i.e. the institutional savings rate from these changes. These institutional savings rates are then weighted by relative student enrollments and institutional groups' (HBU, HWU, HBT, HWT) budgetary shares to find the overall savings rate for each unit of expenditures for universities and technikons. This rate is then multiplied by the total level of expenditures in order to derive a monetary value for these savings.

⁴The drop-out rates are derived as follows: The relationship between degree credits earned and enrolled credits for a given academic year implies a credit failure rate. This credit failure rate can come from either failing to reach the final exam stage (dropping out) or taking, but not passing the final exam. The drop-out rate would then be given by the difference between the credit failure rate and the examination failure rate. Formally, let d_i be the drop-out rate, DC_i be the number of degree credits earned, EC_i be the number of enrolled credits, and P_i be the pass rate, all for year i , then the estimated drop-out rate would be given by $d_i = \max\{0, (1 - DC_i/EC_i) - (1 - P_i)\}$.

TABLE E.5.3

PER STUDENT EDUCATIONAL AND TOTAL EXPENDITURES AND OVERHEAD RATES BY INSTITUTIONS FOR 1989 (US\$)			
Institutions	Educational	Total	Overhead
Universities			
Selected Historically Black			
Durban-Westville	2,639	5,283	100.20%
North	2,422	3,596	48.47%
Western Cape	2,085	2,955	41.69%
Zululand	2,859	4,042	41.39%
Selected Historically White			
Cape Town	5,101	6,724	31.81%
Natal	4,950	6,325	27.79%
Rhodes	4,606	6,447	39.97%
Witwatersrand	4,424	5,562	25.72%
All Residential	3,453	4,737	37.16%
Technikons			
Selected Historically Black			
Northern Transvaal	2,027	3,006	48.29%
Mangosuthu	2,467	3,048	23.52%
M.L. Sultan	1,166	1,456	24.87%
Peninsula	2,176	2,470	13.52%
Selected Historically White			
Cape	2,108	3,085	46.35%
Natal	2,662	3,922	47.35%
Pretoria	2,037	3,007	47.63%
Witwatersrand	1,872	3,040	62.42%
All Technikons	1,524	2,191	43.77%

TABLE E.5.4

KEY VARIABLES FOR ESTIMATING EFFICIENCY INDICATORS, BASE VALUES BY INSTITUTION						
Institutions	Credit Failure Rate	Drop Rates		Pass Rates		Overhead Rate
		Year 1	Other Yrs	Year 1	Other Yrs	
Universities						
Selected Historically Black						
Durban-Westville	33.87%	0.00%	4.87%	45.00%	71.00%	100.20%
North	23.77%	0.00%	0.00%	50.00%	65.00%	48.47%
Western Cape	34.99%	0.00%	4.99%	59.00%	70.00%	41.69%
Zululand	35.01%	0.00%	6.01%	62.00%	71.00%	41.39%
<i>Enrollment- Weighted Average</i>	<i>31.57%</i>	<i>0.00%</i>	<i>3.71%</i>	<i>53.94%</i>	<i>68.95%</i>	<i>56.03%</i>
Selected Historically White						
Cape Town	19.03%	0.00%	4.03%	78.00%	85.00%	31.81%
Natal	18.33%	0.00%	2.33%	77.00%	84.00%	27.79%
Rhodes	21.03%	0.00%	4.03%	71.00%	83.00%	39.97%
Witwatersrand	22.98%	0.00%	4.98%	72.00%	82.00%	25.72%
<i>Enrollment- Weighted Average</i>	<i>20.48%</i>	<i>0.00%</i>	<i>3.93%</i>	<i>74.94%</i>	<i>83.45%</i>	<i>29.08%</i>
All Residential	27.10%	0.00%	5.10%	67.00%	78.00%	37.16%
Technikons						
Selected Historically Black						
Northern Transvaal	87.90%	47.90%	57.90%	60.00%	70.00%	48.29%
Mangosuthu	32.98%	0.98%	0.98%	68.00%	68.00%	23.52%
M.L. Sultan	40.88%	0.00%	8.88%	53.00%	68.00%	24.87%
Peninsula	40.58%	0.00%	1.58%	52.00%	61.00%	13.52%
<i>Enrollment- Weighted Average</i>	<i>48.64%</i>	<i>8.96%</i>	<i>14.85%</i>	<i>46.35%</i>	<i>55.69%</i>	<i>25.56%</i>
Selected Historically White						
Cape	23.84%	0.00%	3.84%	73.00%	80.00%	46.35%
Natal	25.51%	0.00%	4.51%	70.00%	79.00%	47.35%
Pretoria	27.21%	0.00%	8.21%	66.00%	81.00%	47.63%
Witwatersrand	39.75%	4.75%	9.75%	65.00%	70.00%	62.42%
<i>Enrollment- Weighted Average</i>	<i>30.08%</i>	<i>1.48%</i>	<i>7.09%</i>	<i>67.91%</i>	<i>77.01%</i>	<i>51.90%</i>
All Technikons	42.63%	0.00%	6.63%	55.00%	64.00%	43.77%

The second set of estimated savings come from efficiency improvements in the overall tertiary educational system. This case uses a similar technique to that described above, but is "closing the gap" between the performance variables and their "ideal values." The revised values are then used to calculate a weighted average savings rate from the efficiency improvements which is again used to calculate a monetary value for these savings.

(b) Estimated Savings

As described above, there are two sources of savings from the efforts to improve the efficiency of the tertiary education sector. First are the savings derived from improving the performance of the historically black institutions (HBIs, the HBUs and HBTs) relative to the system as a whole, i.e., reduce the HBI's failure rates relative to the average university and technikon failure rates, as well as reducing these institution's overhead rates relative to the average overhead rates. TELP's general policy analysis component and the HBI capacity building components are both expected to contribute to these improvements. The selection of disciplines to be strengthened under TELP will help to generate such improvements since, looking at all universities, the success (pass) rates in these disciplines are all below the average success rate, except for engineering where there is a clear self-selection process in enrollments.⁵ The second set of savings are derived from improving the performance of the total university and technikon systems through TELP's policy analysis and strategic planning components.

The base for the analysis assumes that TELP will be able to "close the gap" between the HBI's failure and overhead rates and the system average failure and overhead rates by 30 percent for the first set of savings. The Base Scenario for the second set of savings assumes that basic tertiary education reform and restructuring will result in a 15 percent improvement in the overall rates. The base assumption is that TELP's analytical work and assistance will be responsible for 30 percent of those improvements. Thus, the Base Scenario is that TELP will be responsible for a 4.5 percent performance improvement in the entire university and technikon system.^{6,7}

⁵For all residential universities in all areas the average success rate was 76% in 1990. The success rates by discipline, along with the percent of enrollment in parentheses, were as follows: Math Sciences, 67% (5%); Life & Physical Sciences, 74% (8%); Engineering, 87% (4%); Business and Commerce (Management), 71% (11%); Social Sciences, 72% (15%). These data are from Hendry & Bunting (1993), Table 28.

⁶Sensitivity analysis of these assumptions impact on overall economic performance is contained in the next section.

⁷These base impact estimates were discussed with Dr. Fred Hayward of the American Council on Education (ACE) who knows both the U.S. and South African tertiary education systems. According to Dr. Hayward, these base impact estimates are reasonable, and probably conservative.

These base impact estimates imply a 3.68 percent savings rate for total university and technikon expenditures—1.89 percent from savings for educational program expenditures and 1.79 percent savings on overhead expenditures. These savings are approximately 34 percent attributable to the relative improvements in HBI performance and 66 percent attributable to the overall improvements in the system. For calculating the benefits from these savings, it is assumed that this 3.68 percent savings rate is gradually phased in over the period from 1996 through 2006.

Table 5.E.5 shows the estimated benefits from rationalization. The second and third columns show the rate at which the savings are phased into effect, while the fourth column shows the effective savings rate for each year. The fifth column contains the absolute dollar value of savings (\$931 million x Effective Savings Rate), and the sixth column contains the value of those savings discounted to 1994 values.⁸ As seen in this table, the absolute value of these savings over the period through 2009 total \$308.4 million, or \$118.3 million when discounted to 1994 values.

TABLE E.5.5

ESTIMATED RATIONALIZATION BENEFITS (US\$ MILLIONS)					
Fis. Yr.	Phasing of Savings		Effective Rate	Absolute Amount	Discounted Amount
	Year	Cumulative			
1994	0.0%	0.0%	0.00%	0.0	0.00
1995	0.0%	0.0%	0.00%	0.0	0.00
1996	5.0%	5.0%	0.18%	1.7	1.42
1997	7.5%	12.5%	0.46%	4.3	3.22
1998	10.0%	22.5%	0.83%	7.7	5.27
1999	10.0%	32.5%	1.20%	11.1	6.92
2000	10.0%	42.5%	1.56%	14.6	8.22
2001	15.0%	57.5%	2.12%	19.7	10.11
2002	10.0%	67.5%	2.48%	23.1	10.79
2003	10.0%	77.5%	2.85%	26.6	11.26
2004	10.0%	87.5%	3.22%	30.0	11.56
2005	7.5%	95.0%	3.50%	32.6	11.41
2006	5.0%	100.0%	3.68%	34.3	10.92
2007	0.0%	100.0%	3.68%	34.3	9.93
2008	0.0%	100.0%	3.68%	34.3	9.02
2009	0.0%	100.0%	3.68%	34.3	8.20
Total				308.4	118.26

⁸The discount rate used here and elsewhere in this analysis is ten percent (10%).

(1) Increased Investment from Stability

Uncertainty regarding the future political and economic course of a post-apartheid South Africa is frequently cited as a major reason for the decline in domestic investment in recent years. Until this uncertainty is resolved and stability is reasonably assured, it is likely that domestic and foreign investment will be relatively slow to develop. Aside from the structural problems inherent in a highly inequitable economic system, the absence of stability is probably the largest single factor hindering economic growth. This uncertainty and investors' concerns regarding future stability are included in investment costs as a "risk" factor. The more uncertain the situation, the more likely instability is, and the more dramatic the instability, the more costly are investments and the likelihood of a positive net return from an investment is reduced.

Before the full flow of investments and efficiencies, can be realized from the breakdown of apartheid and the lifting of international sanctions, the expectation and fact of stability must be firmly in place. TELP's activities in policy analysis and capacity building can be expected to add to the stability of the country. The tertiary educational institutions contribute to the intellectual, political, and economic ideas of the upper levels of the labor force, which in turn play a critical role in influencing the overall stability of the country.

The estimated benefit stream shown in Table E.5.6 assumes that there will be a four percent reduction in the cost of investment phased over the period from 1999 through 2006; thus, this reduction in the "risk premium" will follow and be additive to the effects from the transition to a majority-led government and the lifting of international sanctions (Cost columns). The estimated cost elasticity of investment is -1.9, i.e. for every 1 percent reduction in the cost of investment, investment levels increase by 1.9 percent.⁹ This relationship is used to estimate the percentage increase in investment resulting from the cost reductions (Percent Change in Investment columns). The next two columns of the table show the total investment implied by these cost changes.¹⁰

The final step is to allocate some portion of this increased investment to the effects of tertiary education and to TELP. As a base situation, it is assumed that 5 percent of the decreased cost of investment is a result of efforts in the tertiary education sector and that TELP is responsible for 10 percent of that. Thus, TELP would be responsible for 0.5 percent of the increased investment. The investment flows resulting from these parameters are shown in the last columns of Table E.5.6.

⁹Peter R. Fallon, Ataman Aksoy, Yvonne Tsikata, Pedro Belli and Luiz A. Pereira da Silva, "South Africa: Economic Performance and Some Policy implications," Informal Discussion Papers on Aspects of the Economy of South Africa, February 18, 1993. {Fallon, et. al. (1993)}, pp. 104.

¹⁰These estimated values use a base level of investment of \$10,566 for 1992.

TABLE E.5.6

INCREASED INVESTMENT FROM IMPROVED STABILITY (US\$ MILLIONS)									
Fis. Yr.	Percent Change in				Increased Investment				
	Cost		Investment		Total		Due to TELP:		
	Year	Cumulative	Year	Cumulative	Year	Cumulative	Year	Cumulative	
1994	0.00%	0.0%	0.00%	0.00%	0.0	0.0	0.00	0.00	
1995	0.00%	0.0%	0.00%	0.00%	0.0	0.0	0.00	0.00	
1996	0.00%	0.0%	0.00%	0.00%	0.0	0.0	0.00	0.00	
1997	0.00%	0.0%	0.00%	0.00%	0.0	0.0	0.00	0.00	
1998	0.00%	0.0%	0.00%	0.00%	0.0	0.0	0.00	0.00	
1999	-0.50%	-0.5%	0.95%	0.95%	100.4	100.4	0.50	0.50	
2000	-0.50%	-1.0%	0.95%	1.91%	101.3	201.7	0.51	1.01	
2001	-0.50%	-1.5%	0.95%	2.88%	102.3	304.0	0.51	1.52	
2002	-0.50%	-2.0%	0.95%	3.85%	103.3	407.3	0.52	2.04	
2003	-0.50%	-2.5%	0.95%	4.84%	104.2	511.5	0.52	2.56	
2004	-0.50%	-3.0%	0.95%	5.84%	105.2	616.7	0.53	3.08	
2005	-0.50%	-3.4%	0.95%	6.84%	106.2	723.0	0.53	3.61	
2006	-0.57%	-4.0%	1.09%	8.00%	122.6	845.6	0.61	4.23	
2007	0.00%	-4.0%	0.00%	8.00%	0.0	845.6	0.00	4.23	
2008	0.00%	-4.0%	0.00%	8.00%	0.0	845.6	0.00	4.23	
2009	0.00%	-4.0%	0.00%	8.00%	0.0	845.6	0.00	4.23	

d. Cost/Benefit Relationship

To complete the analysis, it is necessary to pull together the information developed above and examine the relationship between the discounted cost and benefit flows related to the project. The first section below looks at these relationships for the Base Case Scenario. The second section presents the results of a sensitivity analysis and looks at the cost/benefit relationships in the projected Worst and Best Case Scenarios.

(1) Base Case Scenario

Table E.5.7 presents the annual cost, benefit and net benefit flows in both absolute (undiscounted) and discounted form for the Base Case Scenario. Net benefits are shown using costs based on both the obligation and expenditure cost flows. The net benefit flow is negative through 1998, but turns positive in 1999. On a cumulative basis, the project as a whole shows a positive net discounted benefit by 2003. Through the year 2009, the total net discounted benefits on an obligation basis are \$64.93 million or \$67.63 million on an expenditure basis. As shown in Table E.5.10, the respective benefit-cost ratios are 2.012 and 2.100, while the respective internal rates of return (IRR) are 23.2% and 25.1%.

(2) Sensitivity Analysis

Sensitivity analysis examines the effects of varying the key assumptions of the analysis on the bottom line results. This is typically expressed in the form of an elasticity which indicates the percentage change expected in one variable, resulting from a one percent change in another variable. This section presents the elasticities of the specific discounted benefit flows, total discounted benefits, and total net discounted benefits relative to the key variables influencing these benefit flows. The assumed impacts associated with three scenarios (Base Impact, Minimum Impact, and Maximum Impact) are then summarized and used to generate Worst Case and Best Case estimates of TELP's expected net economic impact.

Table E.5.8 presents the elasticities of the various discounted benefit streams with respect to the four impact variables involved in the analysis.

TABLE E.5.7

ANNUAL COST/BENEFIT DATA										
Fis. Yr.	UnDiscounted Values					Discounted Values				
	Total Costs		Total	Net Benefits		Total Costs		Total	Net Benefits	
	Oblig.	Expend.	Benefits	Oblig.	Expend.	Oblig.	Expend.	Benefits	Oblig.	Expend.
1994	6.00	4.53	0.00	(6.00)	(4.53)	6.00	4.53	0.00	(6.00)	(4.53)
1995	16.00	14.27	0.00	(16.00)	(14.27)	14.55	12.97	0.00	(14.55)	(12.97)
1996	18.67	14.67	1.71	(16.95)	(12.95)	15.43	12.12	1.42	(14.01)	(10.71)
1997	13.33	12.00	4.28	(9.05)	(7.72)	10.02	9.02	3.22	(6.80)	(5.80)
1998	10.00	9.60	7.71	(2.29)	(1.89)	6.83	6.56	5.27	(1.56)	(1.29)
1999	2.67	5.73	11.64	8.97	5.91	1.66	3.56	7.23	5.57	3.67
2000	0.93	3.33	15.57	14.64	12.24	0.53	1.88	8.79	8.26	6.91
2001	1.60	3.33	21.23	19.63	17.89	0.82	1.71	10.89	10.07	9.18
2002	2.53	3.33	25.17	22.64	21.84	1.18	1.56	11.74	10.56	10.19
2003	2.40	3.33	29.12	26.72	25.79	1.02	1.41	12.35	11.33	10.94
2004	3.33	3.33	33.07	29.74	29.74	1.29	1.29	12.75	11.47	11.47
2005	3.33	3.33	36.17	32.84	32.84	1.17	1.17	12.68	11.51	11.51
2006	3.33	3.33	38.50	35.17	35.17	1.06	1.06	12.27	11.21	11.21
2007	3.33	3.33	38.50	35.17	35.17	0.97	0.97	11.15	10.19	10.19
2008	3.33	3.33	38.50	35.17	35.17	0.88	0.88	10.14	9.26	9.26
2009	3.33	3.33	38.50	35.17	35.17	0.80	0.80	9.22	8.42	8.42
Total	94.13	94.13	339.68	245.55	245.55	64.18	61.47	129.11	64.93	67.63

TABLE E.5.8

ELASTICITIES OF DISCOUNTED BENEFIT STREAMS WITH RESPECT TO IMPACT VARIABLES				
Variable	Rationalization Benefits	Stability Benefits	Total Benefits	Net Benefits
HBI Relative Improvement	0.352	0.000	0.313	0.508
General Tertiary System Improvement	0.593	0.000	0.527	0.856
Percent Reduction in Investment Costs	0.000	-1.035	-0.115	-0.187
TELP Contribution to Reduced Investment Costs	0.000	1.000	0.111	0.181

To define the Worst and Best Case Scenarios for the analysis, the Base Case values of the key impact variables discussed above are used as a mid-point for a ± 50 percent band for expected impact. Table E.5.9 lays out the specific values for each of the four impact variables. The Worst Case Scenario is designed by using the minimum value of all impact variables, while the Best Case Scenario is designed by using the maximum value of all impact variables. Table E.5.10 contains the summary benefit-cost measures resulting from the Base Case Scenario, while Tables E.5.11 and E.5.12 contain the summary benefit-cost measures for the Worst and Best Case Scenarios, respectively.

As can be seen from these tables the Worst Case Scenario results in minimum level of Net Discounted Benefits of just under \$2.5 million, a benefit-cost ratio of 1.04 and an IRR or 10.7%, while the Best Case Scenario results in a minimum of over \$124 million dollars, a benefit-cost ratio of over 2.9 and an IRR of 31.5%. Thus, even in the Worst Case Scenario, the expected benefits of TELP sufficiently outweigh the costs sufficiently to justify USAID's investment in this activity.

TABLE E.5.9

BASE, MINIMUM AND MAXIMUM IMPACT VARIABLE VALUES			
Impact Variable	Base Value	Minimum Value	Maximum Value
<i>Rationalization</i>			
HBI Relative Improvement	30.00%	15.00%	45.00%
General System Improvement	4.50%	2.25%	6.75%
<i>Stability</i>			
Percent Reduction in Investment Cost	4.00%	2.00%	6.00%
TELP Contribution to Reduced Investment Cost	0.50%	0.25%	1.00%

TABLE E.5.10

COST/BENEFIT SUMMARY			
Base Case			
Cost Basis	Discounted		IRR
	Net Benefits	Ben-Cost Ratio	
Obligations Basis	64.93	2.012	23.2%
Expenditure Basis	67.63	2.100	25.1%

TABLE E.5.11

COST/BENEFIT SUMMARY			
Worst Case			
Cost Basis	Discounted		IRR
	Net Benefits	Ben-Cost Ratio	
Obligations Basis	2.48	1.039	10.7%
Expenditure Basis	5.19	1.084	11.5%

TABLE E.5.12

COST/BENEFIT SUMMARY			
Best Case			
Cost Basis	Discounted		IRR
	Net Benefits	Ben-Cost Ratio	
Obligations Basis	124.53	2.940	31.5 %
Expenditure Basis	127.23	3.070	34.3 %

6. Political Analysis

This political analysis considers the historic political events that are unfolding at the time that TELP is being planned, and which will undergo a pivotal period during the planned first year of the project. It examines the extent to which the anticipated distribution of political power between the national and regional governmental authorities might impact on the project's implementation, and it considers the phenomenon of political violence. It draws a conclusion regarding the various political scenarios and regarding the feasibility of TELP operating under the most likely scenarios.

The April 1994 election will be one of the critical events guiding USAID's overall program strategy, including the TELP Implementation Plan. Designed for implementation in phases, the first phase is centered around successful democratic elections and the coming to power of the first government elected in South Africa under universal franchise. While a sequence of political and governance developments is planned to follow the election, the pace and specific directions of those developments cannot be predicted. TELP's phased and flexible design will enable the project to make any program refinements and implementation adjustments needed to ensure that the project remains relevant and responsive to the tertiary education sector's transformation needs over the coming five to 10 years.

South Africa's future will be determined largely by the political power-sharing arrangement that results from the deliberations now underway between the Nationalist Party, which seats the current government, and the other highly polarized political parties. The extent to which a new political dispensation will involve genuine sharing of power by contending parties in the country's governance system will be a factor that significantly affects the project's implementation. The distribution of political power in post-apartheid South Africa could be either enabling or constraining for the tertiary education sector's HBUs and technikons, to which TELP targets its assistance.

a. Defining the Power-sharing Arrangement: Current Multiparty Talks

Currently, at Johannesburg's World Trade Center, traditionally polarized political and racial groupings are struggling to find some common ground for sharing political power under a new, democratically-elected government and under a newly crafted constitution. The Nationalist Party has seated the government under minority franchise since the institution of apartheid in 1948. The other political parties seeking a role in government are the African National Congress (ANC), the Pan-Africanist Congress (PAC), Azanian Peoples' Organization (AZAPO), Conservative Party (CP), Democratic Party (DP), Inkatha Freedom Party (IFP), and Volksunie. These parties are gradually moving, although sometimes in an on-again/off-again fashion, toward a Government of National Unity. Some groups at the extreme ends of the political spectrum have disengaged from the process, but may have the politics of negotiation and compromise forced upon them by the groups that make up the large middle of that spectrum.

New alliances seem destined to evolve among the groups working toward the formation of the Transitional Executive Council followed by the Government of National Unity. Each group or alliance will want to register its "independent" position to influence the shaping of the new constitution and the government's five-year life.

A critical and very divisive question before the multiparty negotiations is that regarding distribution of authority between the new central government and the country's various regions. The answer to that question will have implications for TELP.

b. Central Authority as an Enabling Factor for Transformation of Tertiary Education

A governance system in which a democratically-elected, representative government retains the authority to set national policy, make decisions on distribution of resources, and generally determine education standards could be an enabling factor in the implementation of TELP. Under such a system of governance, transformation of tertiary education in South Africa would be a more readily achievable objective. For example, rationalization and articulation among institutions would result in dramatically more efficient use of resources. Under a single, unified tertiary education system, an almost certain objective of a new government, more equitable distribution of material resources would take place. Transfer of course credits among institutions would promote greater mobility for student and faculty exchange, allowing for a much freer flow of ideas.

Statutory arrangements entrenching academic freedom and autonomy for tertiary education institutions can be worked out best by a legislative center. A centrally determined, less localized tertiary education system would allow for development and use of alternative approaches to tertiary education, needed to overcome the strait-jacketed approach that prevailed under the apartheid system. Such a system would allow for the development and use of tertiary education models that provide more entry and exits points to the postsecondary education experience, a critical need for pursuing this project's equity goal. TELP's policy analysis and planning component could contribute effectively to study, analysis, and experimentation in this kind of environment, which a national authority is likely to allow.

A central government, committed to a national vision of tertiary education based on equity, access, and quality, could give the tertiary education sector the political latitude it needs to tackle the ineffectiveness, inefficiency, and inequity caused by apartheid. Operating in this unprecedented latitude, tertiary education institutions could free themselves from the authoritarian ideological fundamentalism of the apartheid system without compromising national tertiary education imperatives that promote the common good. In an environment of academic freedom and autonomy for the tertiary education sector, a central government is more likely to allow inter-institutional collaboration, which would enable institutions to learn "best practices" from each other. TELP's capacity-building and linkages components would promote and facilitate such collaboration among institutions in South Africa, as well as between South African institutions and U.S. colleges and universities, especially HBCUs.

The project's capacity-building and linkages components are likely to operate more effectively and efficiently in a single, more unified, easier to rationalize tertiary education system than in one differentiated and fragmented by regional authorities over tertiary education policies, standards, and certifications.

Although it cannot be assured, it is likely that a centralized government, armed by the mandate of elections held under universal franchise, would develop a more tolerant, even supportive attitude and policy toward NGOs. This would replace the traditional distrust that the apartheid government has had toward NGOs, and that more narrowly based regional authorities could likely have. TELP could therefore operate in an environment that is more conducive to promoting and using the capacity of NGOs to contribute to policy planning and analysis dialogue at the national and regional levels, and to strategic planning at the institutional level.

Pursuant to its equity goal, TELP also could help to achieve necessary redress within the NGO sector. With increasing South African Government repression during the early 1980s of politically affiliated or "tagged" organizations, NGOs emerged as less partisan players in tertiary education in the late 1980s. Most of these organizations developed under the leadership of white South Africans. Given their greater capacity, owed directly to their politically, socially, and economically advantaged positions, white South Africans were far more able to secure funding from private sector contributors and external donor organizations. Their funding opportunities were enhanced if they declared their intent to empower black South Africans -- in the communities they served and/or within their organizations. Although committed to addressing the varied human resource development needs of black South Africans, these white South Africans have largely retained control and direction of those NGOs. In its TELP funding decisions, USAID/South Africa can enhance and expand the leadership and direct involvement of black South Africans in the important contributions that NGOs will be able to make under the enabling environment that a central government is likely to put in place.

c. Conflict and Violence as a Factor

Because of long-standing mistrust and antagonisms developed during apartheid years, divisions between and within racial groups have become deeply entrenched habits or mind sets. These habits often result in instinctively opposing positions on or in response to national, regional, and local issues. They are present in every facet of the country's political and social activities -- in civic associations, labor unions, and on secondary school, college, technikon, and university campuses, with involvement by both institutional staff and students. These divisions all too often evolve into intense conflict and often impede successful implementation of worthwhile activities and projects.

University and technikon campuses are very politicized. University councils (governing boards), student representative councils, staff associations, and community-based civic associations have assumed a different character from their traditional, more education-focused roles. Their activities often are guided by their declared political affiliations. The

tensions and intolerance often generated by this political positioning has in some cases been a real constraint on the education process. For example, the University of the North has been a very embattled campus over much of the past three to five years, a situation which certainly impeded its institutional development during those years. In contrast, the University of Fort Hare, having responded to student demands articulated in a very confrontational manner in 1991, is now undergoing a transformation process that might well not have occurred without the catalyst of a student revolt.

In South African society as a whole today, politically motivated violence is a phenomenon that all contending political parties recognize must be addressed if a democratic nation is to grow out of the present negotiations. However, most have committed themselves to not allowing acts of violence (and the consequent cycles of retaliation they often trigger) to be a means by which detractors of the multiparty negotiations can derail them.

The general fear remains that as the planned April 1994 date for election of a Government of National Unity approaches, political violence may indeed escalate as a final effort by those who still feel threatened by the likely outcome of a universally, franchised, democratic election. It is expected, however, that political violence will abate following the elections, when all parties have had the opportunity to share in the new political dispensation. Consequently, it is anticipated that political violence will not continue to be the disruptive force it has been over the past two to three years. Indeed, if it were determined by USAID to be politically prudent, the project could be carried out with significant effect even if the present levels of "township" violence continued. If, however, sustained patterns of violence developed on the campuses of HBUs and technikons, the project's feasibility could be severely reduced.

d. Conclusion

As is the case with USAID/South Africa's overall program strategy, a political analysis of TELP must be event-based rather than calendar-based. Many events that will virtually determine the country's political future over the planned life of this project will occur during the coming year. If those events -- formation of a Transitional Executive Council, election in April 1994 of a Government of National Unity, and drafting of a new constitution -- proceed as planned, the project very likely will operate in an environment conducive to achieving its stated goal and purpose.

If this planned sequence of events is effectively derailed, the present government and/or de facto apartheid would likely remain in place, almost certainly resulting in heightened political conflict and escalating violence. Under that scenario, the project's phased design would allow for review and adjustment, or even redefinition of project activities if needed.

At present, however, there appears to be sufficient commitment to and momentum toward a democratically-elected government. With the likely prospect of a new, democratically elected government in place before the middle of 1994, and with higher

expectations from the majority population for improvements in equity, access, and quality of tertiary education, resources to be provided through TELP are being offered at the right time. Its program content and design are fully feasible in and appropriate to the present and foreseeable political context of South Africa.

ANNEX F

Implementation Schedule

<u>Event</u>	<u>Action By</u>	<u>Date</u>
Project Authorized	A.I.D./W	12/93
Recruit PSC and FSN Staff	USAID/SA	1-3/94
Project Resources Announcement	USAID/SA	1/94
U.S. Information Exchange in South Africa (Visit in 6/94)	USAID/SA A.I.D./UC	1-6/94
Issue RFP for Technical Support Contract	USAID/SA RCO	1/94
Develop Directory of Application Review Panelists	USAID/SA	2-4/94
Issue RFP for Monitoring and Evaluation Contract	USAID/SA	2-6/94
Evaluate/Negotiate/Award Technical Support Contract RCO	USAID/SA	5-6/94
Evaluate/Negotiate/Award Monitoring and Evaluation Contract RCO	USAID/SA	5-6/94
First HBU/Technikon Proposals Processed	USAID/SA	4/94
HBUs and Technikons Information Exchange in U.S. (Visit in 10/94)	USAID/SA	6-10/94
US/HBCU Set-Asides Identified	USAID/SA	11/94
Review Project Relationship to New SAG	USAID/SA	1/95
First Major Project Evaluation	USAID/SA	11/95
Recruit PSC	USAID/SA	1/98

Second Major Evaluation (Mid-term)	USAID/SA	6/98
Recompete/Award Technical Support Contract	USAID/SA	1-6/99
Third Major Evaluation	USAID/SA	11/2000
Final Project Evaluation	USAID/SA	11/2003

**ANNEX G:
PROCUREMENT NOTE ON SPECIAL CONDITIONS
RELATING TO HANDBOOK 13 GRANTS**

A significant portion of TSF funds may be provided through Handbook 13 grants. In such cases, the following conditions (the first of which is required under the CAAA) related to procuring goods and services will be included in all grants:

1. Procurement

a. Scope: This provision is applicable to the extent that local cost financing is otherwise authorized by the Agreement. It does not require procurement in South Africa where offshore procurement would otherwise occur.

b. Policy: In the procurement of goods and services in South Africa, the Recipient shall, to the maximum extent practicable, award contracts to individuals who or organizations which are disadvantaged by apartheid and are responsive and appropriate providers of goods and services.

c. Definitions: Individuals and organizations disadvantaged by apartheid shall mean: (1) South African individuals of black, "colored," or Asian descent whose principal place of business is in the Republic of South Africa; and (2) private partnerships or commercial firms which are incorporated in or organized under the laws of the Republic of South Africa, whose principal place of business is in the Republic of South Africa, and which are more than 50 percent beneficially owned by South African persons of black, "colored" or Asian descent. The Republic of South Africa includes the so-called "independent" and "self-governing" homelands.

2. Competition

Except as otherwise provided in Sub-Section 1.b above, all procurement transactions shall be conducted in a manner to provide, to the maximum extent possible, free and open competition.

The procurement plan of this project has been developed with full consideration for maximally involving Gray Amendment organizations in the provision of goods and services. Should there be any direct contracts or grants to U.S. NGOs or commercial firms, A.I.D. will give every consideration to contracting or subcontracting with Gray Amendment organizations. A further discussion of Gray Amendment considerations and the required Certification by the Director, USAID/South Africa, is included as Annex I to this Project Paper.

ANNEX I: Gray Amendment Certification

Legislative Requirement

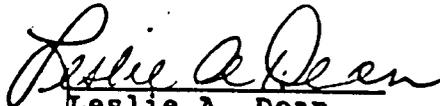
The Gray Amendment (Section 579 of P.L. 101-167, the Foreign Operations, Export Financing and Related Programs Appropriations Act, 1990) requires AID to ensure participation in AID projects by business concerns which are owned and controlled by socially and economically disadvantaged individuals, historically black colleges and universities, colleges and universities having a student body in which more than 40 percent of the students are Hispanic American and private voluntary organizations which are controlled by individuals who are socially and economically disadvantaged, including women (referred to herein as Gray Amendment entities).

AIDAR Notice 90-2, implementing Section 579 of the Foreign Assistance Appropriations Act, requires that for any contract in excess of \$500,000 (except for a contract with a disadvantaged enterprise) not less than 10 percent of the dollar value of the contract must be subcontracted to Gray Amendment entities, unless the contracting officer certifies that there are no contracting opportunities or unless the Administrator approves an exception.

Certification

Elements of this project may be appropriate for minority or Gray Amendment organization contracting. The procurement plan of this project has been developed with full consideration of maximally involving Gray Amendment organizations in the provision of required goods and services. The Mission will make every effort to identify disadvantaged enterprises, particularly women and minority-owned firms, which can manage technical assistance and evaluation services planned in the project. Where possible, qualified Gray Amendment firms will be given consideration under buy-in options for services required.

Furthermore, the Mission will, in the case of any contract in excess of \$500,000 to which the Gray Amendment is applicable, include a provision requiring that no less than 10 percent of the value of the contract be subcontracted to Gray Amendment entities unless the contracting officer certifies that there is no realistic expectation of U.S. subcontracting opportunities, or unless the prime contractor is a Gray Amendment entity.


Leslie A. Dean
Director

Date: 11/9/93

Clearance: RLA: DKeene *AK*

ANNEX J

Use of U.S. HBCUs

1. The Evolution of the Historically Black Colleges and Universities (HBCUs)

With their roots in the black church, HBCUs survived periods of resource scarcity and hostile external political forces, and still developed into high quality colleges and universities. With beginnings as technical and normal (teacher training) schools for freed and/or enslaved Africans, these institutions later evolved to meet the growing demands of higher education. They were among the first United States' institutions to undertake technical assistance projects in the less developed world - notably Africa, Latin America and the Caribbean. This technical assistance took the form of training international students at United States institutions, establishing schools and colleges abroad, and launching agricultural training projects in these countries. There currently exist 117 HBCUs offering undergraduate, graduate, and specialized professional training in all major academic disciplines.

Due to the institution of slavery, the majority of African-Americans lived (and presently live) in the Southern part of the United States. Soon after the collapse of this most oppressive period in U.S. history, a number of philanthropic and religious organizations were - for the first time - legally able to provide education to this large population of freed slaves. A few of the universities in the northern states had historically accepted a limited number of African-Americans. However, religious groups, such as the northern Presbyterians, were in the forefront in building institutions of African-American education. The Presbyterians founded the first college for African-Americans in the northern state of Pennsylvania in 1854, prior to the Civil War, and shortly after founded two additional institutions in the South. To accommodate the massive number of unskilled, unemployed freed slaves, institutions were established in every southern state.

In 1890 the U.S. Congress passed the second Morrill Act which required states with dual systems of higher education to provide land grant institutions for both the black and white communities. Nineteen black higher education land grant institutions were established. They were founded as non degree-granting agricultural, mechanical, and industrial institutions.

At the beginning of the 20th century, virtually all of the black colleges were predominantly controlled by white administrators and faculty. This situation began to change after World War One when African-American veterans returned from the war. There was a large cadre of people with varied training who were able to assume faculty, staff, and administrative positions. Thus, diversity in HBCUs evolved. HBCUs have a tradition of a predominantly African-American orientation since the majority of the student population served were and remain African-American. However, these institutions also have a tradition of welcoming culturally diverse groups into their institutions. For many non-white immigrant groups, the black institutions were the only ones which provided opportunities for education and academic employment. Most of the historically white institutions (especially those in the South)

would not, prior to federally forced desegregation, permit non-whites entrance as staff or students into their institutions. Those few institutions which did accept the immigrants, who were people of color, as staff members placed them in lower level positions.

Growing out of a need to provide quality education to a community that did not have access to established higher education institutions, HBCUs today offer training in a variety of academic, technical, and professional subject areas. The HBCU community includes four-year private and public institutions, comprehensive universities with graduate/professional training schools; two-year private and public institutions (junior colleges and community colleges); teacher training colleges, and technical (technology-based skills training) colleges and some gender-specific institutions.

Constituting only three percent of the nation's approximately 3,600 institutions of higher learning, HBCUs enroll approximately 20 percent of the African-American students attending college in the United States. Also, of the 260,000 students enrolled in HBCUs in 1990, approximately 18 percent represented other ethnic groups -- i.e., white Americans, 13 percent; Hispanic Americans, 1 percent; Asian Americans, 2 percent; students from outside the United States, 3 percent. During the 1989-90 period, more than one in four African-American bachelor degree recipients in the United States received their degree from HBCUs. As a percentage of all degrees awarded to African-Americans, HBCUs awarded 4.2 percent of all Associate Degrees; 26.7 percent of all Bachelor Degrees; 15 percent of all Master Degrees; 12.5 percent of all PhD Degrees. They also awarded 16.3 percent of all first professional degrees -- e.g., Doctor of Medicine (MD); Doctor of Jurisprudence (JD); Master of Business Administration (MBA); Master of Social Work (MSW).

These awards were made in some 240 major/minor areas of study, including such diverse areas as Education; Engineering (all specialization areas), Natural Sciences (e.g., biology, chemistry, physics); Public Administration; Library Science; Computer Science; Social Work. The degree awards were also in such specialized professional areas as Marine Biology; Hotel Management, Agribusiness, and Student Counseling. HBCUs also offered advanced and terminal degrees in such traditional professional areas as Accounting, International Business, Dentistry, Architecture, Engineering, Law, Medicine and Allied Health Sciences.

As indicated, most academic courses or programs offered at the majority U.S. higher education institutions are also available at one or more of the HBCUs in the United States. The professional capabilities of HBCU academic and administrative staff also are comparable to those of their counterparts at the majority universities. HBCU faculty/staff regularly conduct and disseminate pure and applied research, and have provided technical assistance to governments, NGOs, professional groups and educational institutions throughout the world. Consequently, HBCUs constitute a very comprehensive and particularly relevant source of technical assistance and training services to be delivered to black South African tertiary education institutions.

Today, as in the past, HBCUs assume a major share of the nation's responsibility for providing educational opportunities for African-Americans and other ethnic minorities. These

institutions historically have been very involved in institutional and community empowerment. Serving many of the less academically prepared college-bound population, including those who require remedial training, these institutions provide career-launching education, bridging programs, and professional training to students who come from varied backgrounds, but who become competitive, during their studies at HBCUs, in the larger professional arena. Many HBCU graduates have gone on to play major leadership roles in public and private sector endeavors across a wide range of professional areas.

Although most of the historically black institutions were founded in the late 1800s and the early 1900s, a new group of black institutions joined the ranks of African-American tertiary education institutions during the past 50 years. They are often known as "predominantly black" institutions rather than "historically black" since they do not have the same historical origins.

2. HBCU Technical Assistance Capabilities and Experience

In the mid to late 19th century, black colleges and their graduates were the pioneers of education and training in many parts of Africa. One of the first African graduates from a U.S. institution was Solomon C. Fuller. Fuller completed his undergraduate study at one of the HBCUs, and later, with further study from a predominantly white institution, became the first black neurosurgeon in the United States. Other African graduates became religious leaders, statesman, lawyers, and agriculturalists and served in all major professions. Most of the African graduates returned to their countries and made substantial contributions to their nations. In the post-colonial period, some became prime ministers or held presidential positions, including Kwame Nkrumah (Ghana) and Nnandi Azikiwe (Nigeria).

In addition to contributing to the leadership base of foreign states, HBCUs conducted relevant research applicable to the needs of less industrialized nations, managed technical assistance projects, and assisted in institution-building activities. In spite of the disadvantages in, first, obtaining the opportunity to compete, and, second, competing on an equitable basis with the majority institutions in the United States, many HBCUs have developed and carried out technical assistance programs for education institutions in developing countries. Many of the programs have been funded by A.I.D. They include linkages with higher education institutions around the world, research projects funded by various A.I.D. Missions, and training programs under the Office of International Training (OIT). Finally, having developed into strong higher education institutions while confronting a socio-political and economic situation with some similarity to that in which South African HBUs and technikons exist today, U.S. HBCUs offer a unique and appropriate technical assistance capacity to institutions targeted by TELP.

ANNEX K

Description of Human Resources Development Portfolio

The Mission's Project and Human Resources Development Office responds directly to the call for social empowerment in the Mission's sub-goal: to increase the political, economic and social empowerment of South Africa's disadvantaged majority. Operationally, the Office will help establish a more equitable and effective education system (S.O.2).

The following is a listing of the Office's targets, and a brief illustration of the types of activities supported by the Mission.

a. Innovative Approaches:

The Mission has funded a variety of innovative interventions, ranging from direct support, to non-formal schools, to curriculum development, to teacher training. Many of the NGO's being funded are regarded as leaders in their field, promoting activities which may well be replicated under a more forward-looking government Department of Education. Initiatives supported by USAID are having an impact far beyond their immediate audience, as teachers and materials developed are unofficially being disseminated.

Model testing and pilot demonstration are explicit parts of the education portfolio. A major objective is to develop, evaluate, and disseminate new and innovative approaches in basic education. Evaluation concerns are written directly into grant agreements to ensure that experiences captured by NGO's are properly documented and where applicable, are made available to a wider audience.

b. Alternative Policies:

The Mission promotes activities which help develop alternate educational policies and ensures that they are actively considered by decision-makers at both primary and tertiary education levels. Activities supported include a computer modelling exercise undertaken by the Research Triangle Institute in conjunction with the Education Foundation, a South African NGO. The intent of these and similar exercises is not to be prescriptive; rather, to suggest a variety of options, with their corresponding budgetary implications, which South African policy makers may wish to consider during the reconstruction of their own educational system. The policy studies helps introduce a measure of fiscal reality and analytical rigor to a policy formulation process which could easily be derailed by ideological rhetoric or unrealistic expectations.

c. Institutional Capacity:

Institutional building in education has been limited to funding several key NGO's which are important now and will likely continue to make innovative contributions to educational development in a post-apartheid South Africa. As the pace of

change accelerates, the Mission anticipates becoming more directly engaged in institutional development. The target will be to enable education institutions to better meet demands placed on a new, non-racial system, with special attention focused on those institutions which are most likely to play a vital role in meeting the training requirements of the disadvantaged majority.

d. Targeted Training:

Training is emphasized throughout the portfolio, and is considered vital to the process of allowing disadvantaged South Africans to develop and administer a more effective educational system. The essential goal is to increase the number of qualified and skilled black South Africans engaged in education. In addition to the impact expected from the projects listed below, it is worthwhile to mention that approximately 1,100 South Africans have obtained university degrees through two previous USAID/SA training programs. A total of \$86 million dollars has been invested in the Training for Disadvantaged South Africans (TDSA) and the South African Bursaries Program (SAB).

Formal training in education, as well as in other sectors which the training office supports, involves trade-offs and hard decisions among many competing demands. Long-term training is being funded; the focus is now largely on two-year Master's degrees rather than the much lengthier undergraduate programs emphasized in the past.

The Mission's three major education projects are cited below:

Project	Purpose	Current LOP Funding	End Date
Education Support and Training	To support indigenous non-governmental initiatives which test improved models for basic education for disadvantaged South Africans and confront the waste of human resources caused by the apartheid education system.	\$19 million	9/24/96
South African Basic Education Reconstruction	Increased development and use of innovative educational models and policy systems which improve the quality of primary education for historically disadvantaged South Africans.	\$20 million	9/30/98
Support to Tertiary Education	To prepare and empower black South Africans and selected institutions for positions of leadership and importance in order to promote peaceful change and a transition to a non-racial democracy that is envisioned in the nation's future.	\$110 million	6/30/2000

ANNEX L

Monitoring and Evaluation Plan

1. Relationship Between the TELP Design and the Mission Strategic Objectives

USAID/South Africa's goals are defined by the Comprehensive Anti-Apartheid Act of 1986 (CAAA), namely to support the dismantling of apartheid and to help black South Africans prepare for a leadership role in post-apartheid South Africa. Based on these dual goals, the Mission developed the following, as a sub-goal: "to increase black political, economic and social empowerment." In the field of education, which addresses the social aspect of the sub-goal, the Mission has adopted as a strategic objective "to help establish a more equitable and effective education system." This strategy statement is then aided by four targets.

The Tertiary Education Linkages Project (TELP) specifically addresses the strategic objective and associated targets, by focusing on improving equity through increased access and enhanced quality of education in select historically black universities and technikons. Operationally, TELP's interventions will include the development of innovative educational approaches, alternative educational policies and active policy dialogue, and the augmentation of capacity and skills in priority academic disciplines. The activities and tasks associated with the TELP project components will provide the benchmarks and indicators for monitoring progress and measuring impact. Of particular importance in monitoring and evaluating TELP's progress and impact is the event versus calendar notion explained in the Mission's strategy concept paper. South Africa's political environment, rather than a chronological measure, to a large extent, will dictate TELP's path and pace; and therefore, a more fluid approach to monitoring and evaluation will be required.

TELP's monitoring and evaluation plan will directly assist the Mission in tracking progress towards program-level objectives (i.e., strategic objective no. 2), and also will track progress towards achievement of the project tasks and activities. The monitoring and evaluation plan will specify indicators of impact associated with individual component-level interventions. In so doing, the Plan is utilized as a management tool, providing rapid feedback to Mission managers, which will either reaffirm the original TELP design and rationale, or suggest that design or implementation modifications be made due to South Africa's fast-changing political environment. The monitoring and evaluation plan will be executed by an external evaluator; the Mission will retain its traditional project monitoring role.

2. Africa Bureau Definition of Development Impact in the South African Context of a Society In Political Transition

The Africa Bureau and the Development Fund for Africa specify that AID's development interventions have a positive impact on people's lives, and that impact can be demonstrated (i.e., is measurable) and attributed to AID investments. Impact in this context is defined as the economic, social, and political change which results from an intervention

positively affecting quality of life, such as improvement in income, health, and education status, for a nation or a sub-set of the population.

For South Africa generally and TELP specifically, it is proposed that the Bureau's definition and use of people-level impact be retained, but that it be tempered with the reality that TELP and USAID/South Africa's program will not be in a position to demonstrate the same type of project impact as more traditional AID development projects. Three main reasons can be cited for this. First, the political situation makes it difficult to foresee reforms of the educational system, particularly those reforms concerning centralized versus regional responsibility for fiscal and budgetary matters. Secondly, TELP is concerned with institutional strengthening and capacity building to empower disadvantaged South Africans in the political, social, and economic arenas. Thirdly, because of the varieties and numbers of interventions proposed for TELP, there will be difficulties in aggregating clusters of "outcomes" which will, together, comprise impact.

The overall project design of TELP, in conjunction with this impact evaluation methodology, incorporates elements of what is termed a constructivist and participatory approach to evaluation. It involves the stakeholders, AID and implementing entities in the design, implementation, and evaluation process. Evaluation becomes an integral part of, and an advocate for the change process, in addition to functioning as independent auditor and fact-finder.

This methodology responds more readily to the needs of the very transitional and evolving political context of South Africa as the constructivist approach regards external influences and contextual variables as important determinants and features affecting outcomes, and examines the changing perceptions of the stakeholders. This approach also attempts to make explicit relationships and causal hypotheses as to how the proposed intervention will affect the target groups and beneficiaries, institutions, and sectors within the confines of the proposed project interventions and exogenous factors and variables. It may also challenge original design assumptions and causal relationships during implementation and re-validate project design, or dictate rational change.

3. Two Types of Project Evaluation Methodologies

TELP incorporates the following two evaluation methodologies in its design and implementation plan: (a) objective, goal-oriented evaluation, and (b) fourth generation participative evaluation. At the project goal level, TELP is but one of a number of actors that will influence outcomes. While it is important to keep goal level objectives in view, the monitoring and evaluation plan is concerned primarily with project level attainment of associated objectives, activities and their collective impact on project beneficiaries.

a. Objective Goal-oriented Evaluation

At the project level, the more traditional AID objective achievement evaluation methodology will be used. The purpose of this approach is to track progress of all individual project

components and associate impact, which will aid and contribute to the attainment of Mission's purpose and goals. This methodology will consist of a series of external and objective formative (process) evaluations and four summative (outcome) evaluations. The formative evaluations will occur annually for the first three years of the project to ensure constant feedback for Mission management, and to affirm that the monitoring and information system is operating smoothly. Summative evaluations are scheduled to be performed every two or two and one-half years during the 10-year life of the project.

b. Contextual and Participatory Evaluation

At the project component level, a participatory and constructivist approach will be used, involving stakeholders. This methodology regards external influences, and contextual variables as determinants in the development process, and uses the active and substantial participation by host country stakeholders as part of the design, monitoring, and evaluation process. Evaluation becomes part of the change process as the constructivist approach examines the perceptions of the stakeholders to find areas of agreement or disagreement that may affect project design and implementation, and project objectives and assumptions.

This participatory monitoring and evaluation approach will be used in all three TELP project components (i.e., policy analysis and planning, capacity building, and linkages). Technical assistance will be required to enable grantees and other implementing entities to carry out their critical roles.

Monitoring and evaluation will be used to validate project design during implementation and provide the Mission with a management information tool and a quick feedback mechanism. At a process level, monitoring and evaluation will provide checkpoints and the opportunity to reformulate, if necessary, the causal hypotheses and rationales which underlie the bases for TELP interventions. At the impact level, TELP monitoring and evaluation will assist in the attribution and causality of development impact for select groups and hierarchy of beneficiaries. This will include a variety of qualitative and quantitative indicators and indices.

4. Implementation and Contracting Plan

The Mission will contract for a full range of monitoring and evaluation services. As noted in Section IV, Monitoring and Evaluation Plan, and within this annex, the Mission will retain control, and fulfill its traditional project monitoring responsibilities.

The contractor will be responsible for the following activities:

- Formulating and submitting to the Mission an overall monitoring and evaluation plan and work schedule; and
- Developing a project Management Information System (MIS).

The monitoring and evaluation plan and its MIS should include the following activities:

- Collecting baseline data and developing measurable objectives and outcome indicators, as required within the three project components;
- Developing a system to monitor and to track progress toward achievement of project objectives, and a methodology for evaluating impact of individual project components;
- Conducting one longitudinal study to track progress of TELP participants and institutions, including academic and administrative staff, and students;
- Assist in the development of a needs assessment for the policy analysis and planning component; the assessment will examine the current need for training; policy information dissemination; coordinating and negotiating fora for tertiary education; and an attitudinal survey of key stakeholders (to be conducted in Year 1, with follow-up in Years 3 and 5); and
- Providing technical assistance to grantees and other implementing entities in all project components to develop impact evaluation methodology, and outcome indicators.

5. Targets and Indicators

a. Project Purpose Level

Tracking the project's progress in completing the various implementation activities will be relatively easy. However, it is a more challenging task to demonstrate the criticality of those activities to observed outcomes, and to attribute those outcomes to TELP interventions. A minimum requirement for reliable attribution of outcomes later in the project will be a comparison of those outcomes with the baseline situation that exists at the start of the project. Therefore, one of the earlier tasks of a monitoring and evaluation contractor will be the collection of baseline data and development of indicators that will be used in the ongoing monitoring and evaluation of project activities. For the policy analysis and planning component, this will require an assessment of the current need for training, policy information dissemination, coordinating and negotiating fora and an attitudinal survey of key stakeholders.

For the capacity-building and linkages components, TELP will provide the inputs for HBUs and technikons to increase overall institutional efficiency and effectiveness. While criticality and attribution for these activities can be more readily established at the component level, aggregation of indicators up from the project activities level to the purpose level, to monitor progress and assess impact, will be more difficult.

In order to maximize criticality and attribution at the purpose level, a basket of indicators will be constructed and weights assigned during the first year of implementation.

During the first year of TELP implementation, the front-loading of the policy analysis and planning component means that indicators one through five below will be the primary factors and hence indicators influencing progress towards purpose level achievement. Their importance over time will diminish as the capacity-building and linkages components come on-stream, and TELP supported rationalization occurs. Hence, the importance and weights attached to indicators numbers six through eight will increase from 0 to a significant percentage. Using a combination of quantitative efficiency, quality, and access measures, this basket of indicators will monitor progress and assess impact in terms of improved allocation of resources to and within HBUs and technikons and in terms of strengthening their institutional capacity as a result of TELP interventions. They will be assessed at the institutional and perhaps departmental (e.g., academic and administrative staff level) if appropriate, against a baseline of indicators characterizing those institutions in 1993 or relative to other comparable institutions not being direct TELP beneficiaries (control group).

At the project level, indicators that will be used are:

- Increasing tertiary sector share of the national education budget for HBUs and technikons;
- Changes in the subsidy formula at the national or perhaps subsequently regional level to increase share for those institutions that accept increases in black enrollments (selecting appropriate base year will be important);
- Increased articulation in the education system, as measured by increased access by black South Africans to tertiary education;
- Increased number of black men and women appointed to academic and administrative positions in HBUs, technikons and historically white universities (HWUs);
- Improvements in student/faculty ratios and black enrollment rates in TELP targeted institutions and academic disciplines;
- Increased enrollment rates of black students at HWUs (an indirect outcome of TELP, but important so as not to marginalize the project's interventions); and
- Improving pass rates and reducing drop-out rates for black South Africans in HBUs and technikons targeted by TELP compared to comparable institutions not being direct TELP beneficiaries (control group).

b. Project Component Level

The provision of technical assistance by a monitoring and evaluation contractor at the project component level will develop situation-specific indicators that can be used to support quantitative and qualitative analyses at the project purpose level. It will not, however, be

possible in all cases to aggregate these to the purpose level. The following are illustrative of the quantitative and qualitative requirements for impact evaluation for the individual TELP elements.

(1) Policy Planning and Analysis

This project component will consist of a variety of activities and interventions to enable individual researchers, education policy units and selected NGOs to participate in and support institutional policy dialogue and negotiating fora. Dissemination of applied and incisive educational research to support policy dialogue with decision-makers will be an integral aspect and determinant of TELP impact, particularly in the early years of implementation. While these activities are small in scale, they have the potential to affect wide-ranging policy, program and budget decisions in tertiary education and assist in making progress particularly towards the project goal of enhancing equity and access. An enhanced and more rational and articulated tertiary education sector will also be a pre-condition for the success of TELP's capacity-building and linkage project components. Baseline data for the tertiary sector will be established by a contractor and monitored throughout the life of the project. A needs assessment survey for policy analysis and a longitudinal study will examine attribution of changes to TELP interventions at this component level.

Following are indicators to be used in monitoring activities under the Policy Planning and Analysis component:

(a) Process indicators for policy planning and dialogue:

- strategy and process assessed and concurred with for issues identification, research capacity and training requirement, dissemination and dialogue development;
- select number of educational reform issues identified, researched and provided to national and regional coordinating groups both formal and informal; (could include informal fora such as a "ad hoc committee of university presidents" or other fora to discuss as proposed recently by the Ford Foundation);
- number of policy-related issues supported by TELP interventions actively considered by policy-makers and fora;

(b) Capacity created and utilized for policy analysis:

- selected policy units identified, created and/or supported;
- effective technical and managerial training provided for policy analysis;

(2) Capacity-Building and Linkages

The project's design includes a hierarchy of beneficiaries and outlined selection

criteria for participation in the capacity building and linkages components of TELP. This hierarchical plan will be used in selecting the primary institutional beneficiaries and in turn those black South Africans that enter those universities and technikons. Within those institutions and populations, TELP has further identified beneficiaries as research, administration, and academic faculties. A specific target of 40 percent participation of women has also been identified for all TELP activities. Secondary beneficiaries have been enumerated as the communities that are served by those institutions.

The role of evaluation for this component is to ask the question to what extent are these institutions better off after several years of TELP assistance. A process needs to be instituted to design and implement these interventions to answer that question at the discrete activity level. This has been described above and situation-specific indicators developed. TELP also needs to be able to use a standard in terms of resource allocation and utilization. In order to answer questions related to impact, institutional and individual norms need to be established and monitored over the life of TELP. It is proposed that a longitudinal survey be established to answer the questions as outlined below using for institutions generally accepted indicators for efficiency and quality.

Following are institutional indicators to be used as benchmarks of capacity-building.

- improvement in unit costs of education per student (definition to be agreed) at B.A. and advanced levels;
- improvement in academic completion rates within established comparable periods;
- decline in repeater rates;
- resources (i.e., financial and staff) increased in academic and administrative priority areas;
- priority academic disciplines selected by TELP exhibit similar institutional efficiencies; and
- gender target of 40 percent participation by women achieved in all activities.

The participants benefiting from TELP should be followed in a longitudinal study assessing the selection and academic and social support process of the university and technikon, academic testing of skills learned, earnings and attitudinal behavior before during and after training. Ability to use skills in the work place and earnings would be tracked as part of the study. Programs responding to TELP criteria such as academic support and community outreach would be part of the study.

c. Longitudinal Study of TELP Participants and Beneficiaries

A monitoring and evaluation contractor will be responsible for undertaking a

longitudinal study of the academic and professional career path of selected university and technikon students and administrative and academic staff, and the effectiveness of academic bridging programs supported by TELP components in increasing access to tertiary education and improving completion rates. This will provide both quantitative and qualitative analyses of TELP impact at the purpose level.

6. Audit Plan

It is anticipated that TELP will not require federal audits, as much of the project resources may be disbursed under Handbook 13 grants in accordance with OMB Circular A-133 and guidelines issued by the A.I.D. Inspector General. A small provision is made for two non-federal audits and possibly one standard federal audit given the political context of South Africa and high visibility of the project and USAID's program. This will be decided during the course of project implementation.