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December 30, 1993

Mr. Jaime Correa  
AID Project Officer  
Institutional Support  
Grant Program  
1515 Wilson Boulevard  
Rosslyn, VA 22209

Re: Quarterly Report No. 1  
Institutional Support Grant Program  
FAO-0801-A-00-3038-00

Dear Mr. Correa:

Attached herewith, please find two copies of the above referenced report. We stand ready to answer any questions that you may have.

May I take this opportunity to wish you and your staff a very happy new year. For all, we hope that 1994 will bring peace, prosperity and good health.

With best wishes,



Nora Bazzy  
Director Commodity Assisted  
Development & Emergency Response

cc: AID/POL/CDIE/DI (2 copies) ✓  
ISGP file

INSTITUTIONAL SUPPORT GRANT PROGRAM  
COOPERATIVE AGREEMENT NO. FAO-0801-A-00-3038-00  
QUARTERLY REPORT No. 1  
REPORTING PERIOD  
AUGUST 15 TO DECEMBER 31, 1993

The overarching goal of the Institutional Support Grant Program is to seek maximum possible use of PL 480 resources including monetized Title II food aid, consistent with program needs and Save the Children's (SC) development approach. The program purpose is to strengthen SC's institutional capacity to design and improve the delivery of food assisted programs both developmental and emergency.

The ISGP program proposal was submitted to the Office of Food for Peace in December 1992 and was revised in April 1993. After the successful negotiation of the program, the Cooperative Agreement was accepted and signed on September 14, 1993. The funding level was approved at \$3,333,330 which is broken down into \$2,500,000 from AID/FHA/FFP funds and \$833,330 from SC. The total annual budget level is \$666,667 (\$500,000 from AID and \$166,667 from SC).

The grant supports staff positions of the CADER Unit (Commodity Assisted Development & Emergency Response) in addition to operating costs, travel, training and consultancies. Positions funded under the grant include :

- \* Director (1)
- \* Deputy Directors (2)
- \* Senior Administrative Assistant (1)
- \* Administrative Assistant (1)

All these positions were already filled at the start of the term of the grant and are 100% funded under ISGP. However, starting in November 1993, the funding of the director's salary and benefits was reduced by 25% as this time has been and will be spent on other unrelated grant activities.

During this reporting period, the following major activities were completed:

- 1) Detailed implementation plan (DIP) for year 1 was prepared and submitted on September 23, 1993. The DIP delineates activities as well as benchmarks to be used in measuring program progress.
- 2) The Lebanon Title II emergency food distribution program was completely closed out in September 1993. In addition, Lebanon's MYOP for FY 1994 to FY 1996

"Food Security Program to Assist the Underserved Vulnerable Groups, the Displaced and the Destitute" was negotiated with both FFP and AID/Asia Near East Bureau. However, the program was not approved for FY 1994. Discussions with our field office are underway to revise the program and re-submit it for FY 1995.

- 3) Negotiations of the Sudan Title II emergency food distribution program were completed. The ITSH grant was awarded on December 11, 1993 for an approved program level of 9,500 MT. The commodities will be used to provide emergency relief to around 60,000 displaced persons living in areas near the Southern Kordofan border that can be reached from Um Ruwaba district.
- 4) Negotiations of the Ethiopia Title II regular food program under the approved MYOP for FY 1993-FY 1995 were completed. The program aims to achieve increased food security through disaster early warning and preparedness and the mitigation of chronic hunger, disease and poverty in northern Shewa administrative district. AID/FHA/FFP approved 1,620 MT of wheat and vegetable oil, though the add-on monetization activity to benefit the Afar Khillil was not approved. In addition to revenues generated from monetization (conducted by CARE), AID/FHA/FFP increased the current Section 202(e) grant to incorporate hard currency administrative and management costs of the FY 1994 program.
- 5) Negotiations of the Burkina Faso Title II 100% monetization program were conducted. This three-year program aims to increase the food security in 50 villages of Seno and Bazega provinces through the establishment and growth of food-related economic activities. Program status is pending FFP's approval.
- 6) Negotiations of the Angola emergency food distribution program led to the successful approval of the program in December. The program will provide 6,000 MT in emergency relief food distribution to 48,500 displaced and war affected people in Luanda and the provinces of Bengo, Melanje, Uige and Zaire. In addition, SC will provide seeds and tools to 8,663 families in the regions and will design an urban food for work project to upgrade the "bairro" and improve the health and sanitation of Luanda. However, AID/FHA/FFP decided to transfer the AER to WFP and the support costs to OFDA instead of Title II ITSH.

- 7) As a Middle East regional Title II monetization program concept (discussed with FFP in September) is not allowed under the current legislation, SC re-submitted, to AID/FHA/FFP in October, an alternative concept paper for a Title II initiative for the West Bank and Gaza strip. SC proposed to conduct a feasibility and market analysis of monetization and commodity swaps in the West Bank and Israeli markets. Subsequently, if findings were positive, SC would submit a MYOP and AER for FY 1995 funding. On November 22, 1993, AID/FHA/FFP decided to keep the proposal on file and should events occur that dictate a change in timing or content of AID/FFP strategy, then the concept paper will be reactivated.
- 8) During November and December, two SC staff members visited Sudan and Ethiopia. The purpose of the trip was to review the status of Title II programs in both countries. The trip report will be forwarded to AID/FHA/FFP by the end of January 1994.
- 9) The Director of the CADER unit participated in the October and November Consultative Group (Working Group on Procedures) meetings. The result was a draft concept paper entitled "Management by Objectives". This paper was discussed with AID/FHA/FFP and was subsequently submitted by CRS to Administrator Atwood on December 22, 1993.
- 10) The Associate Vice President of the CADER Unit participated in the Food Security Meeting organized by FHA/FFP and FAM on December 16 and 17th.

#### FINANCIAL REVIEW

	Approved Budget	Expenses 8-9/1993	Preliminary expenses 10/93	11/93
Personnel	280,322	28,556	28,556	28,556
Consultants	32,000	0	0	
Training	38,696	0	0	
Travel	47,000	3,500	3,989	4,124
Other	15,000	2,830	3,103	3,328
Evaluation	0	0	0	0
Sub total	413,018	34,886	35,648	36,008
Indirect csts	86,982	7,347	7,507	7,583
Grand Total	500,000	42,233	43,155	43,591