

-PD-ABE 045
FSN= 87692 -

ACTION MEMORANDUM FOR THE ASSISTANT ADMINISTRATOR, PRE

FROM: PRE/PD, David L. Cowles

SUBJECT: Authorizing Expenditures for UNIDO Vienna Conference

PROBLEM: Your signature is required to approve the expenditure of approximately \$75,212 for the purpose of providing UNIDO with technical assistance with which to conduct a workshop on Privatization Strategies for Development as this activity conforms to your letter of agreement dated January 4, 1989.

DISCUSSION: In your letter to UNIDO Director-General Domingo Siazon dated January 4, 1989 (Attachment A), the Bureau for Private Enterprise offered to provide UNIDO up to \$100,000 of services available through the Divestiture and Privatization project (940-0008). The offer was generally accepted by Dr. Mostafa Hamdy in his April 17, 1989 letter to you. A faxed message from Dr. Mostafa Hamdy dated July 26, 1989 (Attachment B) specifically requests a panel of seven advisors to conduct a workshop on Privatization Strategies for Development to be held on October 4-6, 1989 at the Vienna International Centre Conference facility.

The proposed panel will include Messers Paul Elicker, Ernest Wilson, Jorge Craniotis, Rodriguez Birion, Steve Savas, Marion Valle, and Dimitri Plionis. The total estimated cost for this task is approximately \$75,212 (See Attachment C).

RECOMMENDATION: In accordance with the agreement dated January 4, 1989 (Attachment A) to provide UNIDO with up to \$100,000 for technical assistance as it relates to the Bureau's Divestiture and Privatization project (940-0008), your signature is required to provide UNIDO with a panel of special advisors to conduct a workshop on Privatization Strategies for Development at a budgeted cost of approximately \$75,212 (See Attachment C.)

Clearance

RAnderson, PRE/PD
MKitay, GP/PRE
~~Supton, PPC/IO~~
BPowell, IO/T

[Handwritten initials and signatures]
APC/DC F. PERRY
(info)

ACTION MEMORANDUM FOR THE ASSISTANT ADMINISTRATOR, PRE

FROM: PRE/PD, David Cowles

VC

SUBJECT: Authorizing Expenditures for UNIDO Vienna Conference (Phase II)

PROBLEM: Your signature is required to approve the expenditure of approximately \$23,500 for the purpose of providing UNIDO with technical assistance with which to conduct a three day workshop at the end of November on privatization strategies for development. This activity conforms to your letter of January 4, 1989.

DISCUSSION: In your January 4, 1989 letter to UNIDO Director-General, Domingo Siazon (attached), the Bureau of Private Enterprise offered to provide UNIDO with up to \$100,000 of services through the Divestiture and Privatization Project (940-0008). The offer was accepted by Dr. Mostafa Hamdy in his April 17, 1989 letter to you.

The subsequent project proposal submitted by UNIDO is composed of two parts. Part 1 proposed that a panel of special advisors meet with UNIDO staff to prepare a policy framework in the field of privatization. In August 1989 you approved the expenditure of approximately \$75,200 for the technical services of the CFP to perform part 1 of the proposal and the workshop took place in early October.

Part 2 of the project proposal will be a follow-up workshop scheduled for November 28-30 in Vienna. Selected member countries will be invited to send policy decision makers to the workshop to discuss their interest in receiving privatization assistance from UNIDO within the policy framework. The total estimated cost for part 2 is approximately \$23,500. The combined cost for parts 1 and 2 is approximately \$98,700.

RECOMMENDATION: In accordance with the agreement dated January 4, 1989 to provide UNIDO with up to \$100,000 for technical services as it relates to the Bureau's Divestiture and Privatization project (940-0008), your signature is required below to provide UNIDO with the technical assistance to perform the follow up workshop recommended in part 2 of the project proposal.

Approval	<u>Original signed by:</u>
Disapproval	<u>Neal Peden</u>
Date	<u>November 6, 1989</u>

Clearance:

PRE/PD:RAnderson	<u>VC</u>
GC/PRE:MKitay	<u>MM</u>
IO/T:Chiller	<u>(info)</u>

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Attachme

A

ASSISTANT
ADMINISTRATOR

January 4, 1989

Mr. Domingo L. Siazon, Jr.
Director General
UNIDO
P.O. Box 300
Vienna International Centre
A-1400 Vienna, Austria

RECEIVED
13 JAN 1989
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OFFICE OF THE
DIRECTOR GENERAL

ACTION	
13 JAN 1989	
<i>[Signature]</i>	
<input type="checkbox"/>	ACTION COMPLETED
<input type="checkbox"/>	ACKNOWLEDGED
<input type="checkbox"/>	UNDO

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Dear Mr. Siazon:

The Agency for International Development welcomes the opportunity to work with the United Nations Industrial Development Organization on activities which will support and advance our mutual goals in privatization. As you are well aware, A.I.D. provides technical assistance in support of privatization to numerous countries in the developing world through the Center for Privatization (CFP). This organization was created and continues to operate pursuant to an A.I.D. contract with Analysis Group Incorporated (AGI).

The purpose of this letter is to set forth the procedures whereby the services of the CFP may be utilized, up to \$100,000 in value, on projects and activities of mutual interest to A.I.D. and UNIDO in the field of privatization. The work performed must be within the scope of work for the existing contract, a copy of which is provided for your information.

Upon identifying a potential privatization activity of interest, UNIDO should communicate directly with the A.I.D. project officer, David L. Cowles, by either cable or letter, to outline the particulars of the specific task. This initial communication should be as complete as possible and should include:

- a scope of work for the task;
- the anticipated level of effort required;
- an estimated budget, and;
- a statement of what logistical support will be provided by UNIDO and/or a host government.

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REGIST

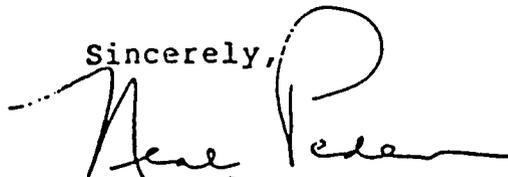
The project officer will assume responsibility for reviewing the proposed assignment to ensure that it falls within the

scope of work of the existing contract between A.I.D. and AGI, checking the budget, and resolving any other questions or issues relating to the task.

Once all issues are resolved, A.I.D. will direct the CFP to undertake the assignment by issuing a "task order," with a copy sent to UNIDO. Changes or modifications to the assignment will similarly be handled by communication between UNIDO and the A.I.D. project officer with the latter then directing the CFP's activities by issuing an appropriate "task assignment."

We believe that working in collaboration with UNIDO, we can form a powerful and effective partnership in support of the privatization efforts of the developing countries of the world. Please note, the current contract which established the CFP will expire on 30 September 1989. All jointly sponsored activities must be concluded by this date. This certainly does not preclude further collaboration between UNIDO and A.I.D. but simply recognizes that funding beyond this date is uncertain. Assuming the procedures outlined above are agreeable, we hope to receive your proposals and suggestions for joint action in the near future.

Sincerely,

A handwritten signature in black ink, appearing to read "Neal Peden". The signature is fluid and cursive, with a large, prominent initial "P" at the end.

Neal Peden

Assistant Administrator
Bureau for Private Enterprise

Enclosure

August 30, 1989

Dr. Mostafa H. A. Hamdy
Director
Industrial Institutions and Services Division
UNIDO, P.O. Box 400, Room D 1548
A-1400 Vienna, Austria

Dear Mr. Hamdy:

It is with great pleasure that I received and approve the services requested in your fax dated July 26th for the Center for Privatization to provide a panel of seven advisors to conduct a workshop on Privatization Strategies for Development to be held in Vienna, on October 4-6, 1989.

My understanding is that the total value of the above mentioned services will not exceed \$100,000; the figure mentioned in my letter to Mr. Domingo Siazon dated January 4, 1989.

I continue to remain confident that working in collaboration with UNIDO, we can form a powerful and effective partnership in support of the privatization efforts of the developing countries of the world.

Sincerely,

Original signed by
Neal Peden

Neal Peden
Assistant Administrator
Bureau for Private Enterprise

cc: Mr. Paul Elicker

Clearance:

RAnderson, PRE/PD SR

MKitay, GC/PRE M

~~BUpdon, PPC/IO~~ FRS PPC/DC F. Powell

BPowell, IO/T (info)

PRE/PD:DCowles:frg:doc0469c:03/21/89:7-5806

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