



94824

UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT  
MISSION TO PAKISTAN

Cable : USAIDPAK  
Telex : 54270 PK  
Telephones : 824071-79

18 - Sixth Avenue, Ramna 5,  
Post Office Box 1028  
Islamabad, Pakistan

ENTERED

APR 27 1993

Section

27 January 1993

Mr. Ralph Seccombe  
Field Advisor  
United Nations International  
Drug Control Programme (UNDCP)  
P.O. Box 1051  
Islamabad

Subject: Grant No. 391-0485-G-00-3318-00

Dear Mr. Seccombe:

Pursuant to the authority contained in the Foreign Assistance Act of 1961, as amended, the Agency for International Development (hereinafter referred to as "A.I.D.") hereby grants to the United Nations International Drug Control Programme (hereinafter referred to as "UNDCP" or the "Grantee") the sum of \$190,000 to provide support for Awareness and Policy Meetings on Drug Control in Pakistan, as described in the Schedule of this grant and in Attachment 2, entitled "Program Description".

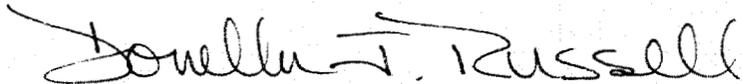
This grant is effective and obligation is made as of the date of this letter and shall apply to expenditures made by the Grantee in furtherance of program objectives during the period beginning with the effective date and ending July 15, 1993.

This grant is made to the Grantee on condition that the funds will be administered in accordance with the terms and conditions as set forth in Attachment 1 (the Schedule); Attachment 2 (the Program Description); and Attachment 3 (the Standard Provisions), all of which have been agreed to by your organization.

Grant No. 391-0485-G-00-3318-00  
United Nations International  
Drug Control Programme  
page 2

Please sign the original and all enclosed copies of this letter to acknowledge your receipt of the grant and return the original and all but one copy to me.

Sincerely,



Donella J. Russell  
Grant Officer  
Office of Contracts & Commodities  
Contracts Division

Attachments:

1. Schedule
2. Program Description
3. ~~Standard Provisions~~

ACKNOWLEDGEMENT

United Nations International Drug Control Programme

BY: 

TITLE: Field Adviser

DATE: 24 February 1993

Fiscal Data

PIO/T No.:	391-0485-3-10063
Appropriation No.:	72-110/11037
Budget Plan Code:	QESO-91-27391-KG13
Total Estimated Amount:	\$190,000
Total Obligated Amount:	\$190,000
Technical Office:	O/ARD
Project Officer:	Christine Sheckler, O/ARD
Paying Office:	O/FM, USAID/Pakistan Islamabad

## SCHEDULE

A. Purpose of Grant

The purpose of this Grant is to provide support for Awareness and Policy Meetings on Drug Control in Pakistan as more specifically described in Attachment 2 (the Program Description) of this Grant.

B. Period of Grant

The effective date of this Grant is January 27, 1993. The expiration of this Grant is July 15, 1993.

C. Amount of Grant and Payment

1. A.I.D. hereby obligates the amount of \$190,000 for purposes of this Grant.

2. Payment shall be made to the Grantee in accordance with procedures set forth in the Standard Provision entitled "Payment - Periodic Advance" in Attachment 3.

D. Grant Budget

1. Cost Element	Total Estimated Program <u>1/27/93-7/15/93</u>
Personnel	\$ 85,500
Travel/Per Diem	83,000
Other Direct Costs	<u>31,500</u>
Total	\$200,000
2. <u>Cost Sharing</u>	
USAID Share	\$190,000
UNDCP Share	<u>10,000</u>
Total	\$200,000

A.I.D. will provide funding in the amount of \$190,000. The Grantee agrees to expend from its own funds five percent of the total actual cost of the grant activities (estimated at \$10,000 based on a total program budget of \$200,000). The Grantee will also contribute approximately 4 person months of an International Project Coordinator.

3. Pre-Grant Expenses

Expenses incurred by the Grantee in furtherance of the objectives of this Grant between 10 January 1993 and the effective date of this Grant, not to exceed \$4,700, shall be reimbursed to the Grantee.

F. Special Provisions

1. Source and Origin of Goods and Services

The authorized geographic codes for procurement of goods and services under this Grant are 000 (U.S.) and Pakistan (391).

2. Technical Office

The cognizant A.I.D. technical office is the Office of Agriculture and Rural Development (O/ARD), USAID/Islamabad. The Grant is funded under the North West Frontier Area Development Project (Project No. 391-0485).

## PROGRAM DESCRIPTION

## A. CONTEXT

1. Description of the subsector

In the last decade Pakistan has been challenged by increasingly serious problems of drug dependence involving the use of opium, heroin, synthetic narcotics, cannabis resin, and pharmaceuticals. Despite ongoing efforts to control the supply of these drugs, availability has continued to accelerate with a resulting effect on virtually all geographical areas and strata of Pakistani society. The expanded use of heroin has been particularly dramatic, from almost no heroin abuse in 1980 to an estimated 1.2 million heroin addicts today.

On the supply side, the latest survey of opium poppy cultivation prepared by the Pakistan Narcotics Control Board reports that 23,732 acres were under poppy cultivation in the North West Frontier province during the 1991/1992 season. This resulted in an estimated yield of 181 metric tons of opium.

The estimated amount of heroin consumed in Pakistan is several times more than the approximately 18 tons that can be produced from the opium yield reported by the Pakistan Narcotics Control Board (PNCB) survey. This implies that Pakistan is a net importer of opium and/or heroin, mainly from Afghanistan. A number of heroin laboratories are operating in remote areas along the border between Pakistan and Afghanistan.

The middlemen in the drug trade are, because of the profits involved, able to extend considerable influence in their area of operation. Through credits, free seeds and other incentives they are able to influence farmers towards opium poppy cultivation. Through the use of their wealth, drug lords can gain respect and authority among the local population, and possibly gain political influence at high provincial and federal levels.

There are a large number of agencies involved in the fight against drugs, and lack of coordination and cooperation has emerged as a problem. Public awareness initiatives are being delivered through the Drug Abuse Prevention Resource Center and the Integrated Drug Demand Reduction Project. These efforts, however, need to be supplemented with other activities.

## 2. Host country strategy

The Government of Pakistan is developing a national narcotics control strategy. The preparation of a chapter on narcotics matters for inclusion in the Eighth Five-Year Plan (1993-98) is a major step forward in this regard. The chapter, now in draft form, proposes the establishment of a Policy Review Board and a Narcotics Interdiction Review Board. The plan spells out a detailed set of activities in the areas of demand reduction, supply reduction and law enforcement.

## 3. Prior or ongoing assistance

UNDCP hosted regional seminars on narcotics in Chiangmai, Thailand, in 1987 and in Swat, Pakistan, in 1989. In addition to these, a "Consultation on Drug Issues in Southwest Asia" took place in Islamabad in September 1992.

## 4. Institutional framework

The Ministry of Interior and Narcotics Control, Narcotics Control Division (NCD), has the overall responsibility for planning and coordination of anti-narcotics activities in Pakistan. The Pakistan Narcotics Control Board (PNCB) reports to NCD, and has as its primary responsibility the coordination of law enforcement efforts. The Drug Abuse Prevention Resource Center (DAPRC), under the jurisdiction of the Narcotics Control Division, has a general mandate "to provide public outreach services and education along with continuing research into drug problems nationally". The center has developed numerous materials and public awareness programs and campaigns.

## B. PROPOSED ACTIONS

### 1. Awareness Meeting

UNDCP, in collaboration with the Narcotics Control Division, intends to plan and organize a high-profile awareness-creating conference in or near Islamabad, involving key policy- and decision-makers, senior media representatives and senior representatives from organizations involved in drug control. Both national and international experts should participate and contribute. The event is provisionally scheduled for late May 1993. The purpose of the meeting is to create awareness about the seriousness of the situation Pakistan is facing with respect to drugs, with a focus on the effect of narcotics activity on national life, especially good governance.

The meeting should have a broad target audience in order to reach individuals and institutions working in fields where narcotics should be an issue. The meeting should involve the most senior federal and provincial officials and sessions should be chaired by the Minister of Narcotics Control. Consideration will

be given to the possibility of having the President or the Prime Minister present during opening and/or closing sessions. Other sessions may be chaired by the ministers responsible for Health, Youth, Religious Affairs, Sports, etc. An estimated 100-150 participants would be expected during working sessions and 150-200 during opening and closing sessions, with an estimated 15 regional/international participants.

Representatives from the media may be offered a two-day trip to poppy-growing areas before the conference.

## 2. Policy Meeting

UNDCP, in collaboration with the Narcotics Control Division, intends to plan and organize a policy-oriented meeting in or near Islamabad to run concurrently with the Awareness Meeting. The policy meeting is intended to bring together high-level Pakistani officials and policy-makers to identify critical issues in Pakistan's drug abuse control, find ways of resolving them and promote dialogue on the coordination of counter-narcotics efforts at the federal and provincial levels. This will include an examination of Pakistan's Special Development and Enforcement Plan (SDEP) which concentrates on poppy crop reduction programs. The meeting would be a follow-up to the Technical Consultation on Drug Issues in Southwest Asia, held in Islamabad in 1992, would relate to the Awareness Meeting and should help facilitate Pakistan's application of an integrated/masterplan approach to the narcotics problem. Provisionally the meeting is proposed to last up to three days and to be a national event, although some regional expert-level participation may be included.

## C. JUSTIFICATION

### 1. Problem to be addressed: the present situation

Although the Government of Pakistan has made noteworthy progress in creating institutional arrangements, in drafting anti-narcotics laws, in law enforcement and in engaging in crop substitution projects, this effort has so far neither sustained a reduction in the supply of narcotics nor a decline in demand. Poppy cultivation has steadily increased during the last 8-10 years, while drug addiction has witnessed a dramatic increase in the same period. The total number of addicts in Pakistan today is estimated to be around two and a half million.

There are at present 30 detoxification centers set up with donor assistance in Pakistan, and according to rough estimates about 50 NGOs are involved in rehabilitation of drug addicts, creation of public awareness and preventive education work.

The Integrated Drug Demand Reduction Project, funded by UNDCP, involves two major initiatives, one in the area of awareness

creation and preventive education, which includes providing factual information about drugs to the masses through media, school curricular interventions, etc., and the second in the area of treatment and rehabilitation of addicts which covers provision of counselling services, training of personnel in the rural areas, etc.

Given the gravity of the problem, the present counter-narcotic efforts in Pakistan do not seem sufficient to produce a major change in the supply of, or demand for, drugs. A best case future scenario would be that efforts are starting to pay off and the tide about to turn. A worst case scenario would be that the deteriorating situation witnessed during the last decade continues well into the future, with grave effects on the social fabric of the country.

## 2. Expected outcomes

Creating awareness of the implications of a worst case or bad case scenario is the basic justification for holding the proposed meetings; such awareness should facilitate action by all key sectors. A second objective is to contribute to an analysis of the national drug problem and to suggest solutions. By focusing on the potential costs of a worsening situation, it will be easier to judge the potential returns on investments in anti-narcotics activities today. Looking toward the future in the light of recent developments would also help identify what should be the Government's priority areas of anti-narcotics activities.

## 3. Target beneficiaries

The main target audience will be major policy- and decision-makers, the media, religious leaders and senior representatives from organizations working in drug-related areas in Pakistan. It is expected that the Awareness meeting will create public interest and discussions both on television and in newspapers, thus reaching a broad audience.

The proposed meetings will build on the previous regional seminars (see A.3.). Although participation will be partly regional, the proposed meetings will concentrate on the situation in Pakistan. The regional participants are expected mainly to provide important input to the seminars and should have experience with national counter-narcotics strategy planning or be experts in specific drug-related matters.

## 4. Strategy and implementation arrangements

The main strategy of the meetings will be to base the arrangements on two principles: (1) to seek the highest level of participation possible and (2) to seek as speakers the best and most prominent national and international experts available.

The Narcotics Control Division will provide guidance and

impetus to the project and will facilitate liaison with government and non-government institutions.

UNDCP will, in cooperation with the Narcotics Control Division and the Drug Abuse Prevention Center, take responsibility for arranging the meetings. UNDCP Vienna plans to provide the services of an employee for person months who, in conjunction with a locally hired consultant and the Drug Abuse Prevention Resource Center, will be responsible for implementation of the two meetings. Direction will be provided by NCD, UNDCP, an advisory committee convened by the NCD. UNDCP Vienna will provide guidance and input, assisting in the identification of, and contact with, potential speakers. UNDCP plans to make a comprehensive final report available within 60 days after the meetings.

5. Coordination arrangements and counterpart support capacity .

The Government of Pakistan is committed to the fight against drugs. The Narcotics Control Division sees a strong need for bringing persons from diverse areas of narcotics control together for formal and informal discussions and the need for focusing the nation's attention on the drug problem.

The Narcotics Control Division will provide policy input to the planning and conduct of the meetings, facilitate arrangements and liaison with other official agencies in Pakistan and, mainly through DAPRC, assist with logistical support. NCD will convene an advisory committee consisting of representatives from UNDCP, UNIC, IDDRP, DAPRC, USAID, and possibly others. The advisory committee is expected to be chaired by the NCD Secretary.

Other possible sources of inputs are USIS, NGOs and local expertise in the form of private persons or organizations. Ideas will also be sought from an informal advisory group, with members invited from organizations and departments such as PNCB/NCD, DAPRC, UNDP, INCB, USAID, the Narcotics Affairs Section of the U.S. Embassy, IDDRP and others (UNICEF, UNIC). This informal group will complement the advisory committee of NCD, monitoring progress and providing input.

STANDARD PROVISIONS FOR  
GRANTS TO PUBLIC INTERNATIONAL ORGANIZATIONS

- |                                  |                                     |
|----------------------------------|-------------------------------------|
| 1. Allowable Costs               | 7. Amendment                        |
| 2. Refunds                       | 8. Notices                          |
| 3. Revision of Grant Budget      | 9. Publications                     |
| 4. Termination Procedures        | 10. Audit and Records (U.N. Grants) |
| 5. U.S. Officials Not To Benefit | 11. Payment (Periodic Advance)      |
| 6. Nonliability                  |                                     |

1. ALLOWABLE COSTS (JULY 1988)

a. The grantee shall be reimbursed for costs incurred in carrying out the purposes of this grant which are reasonable, allocable, and allowable.

(1) Reasonable shall mean those costs that do not exceed those which would be incurred by an ordinarily prudent person in the conduct of normal business.

(2) Allocable shall mean those costs which are necessary to the grant.

(3) Allowable shall mean those costs which are reasonable and allocable, and which conform to any limitations set forth in this grant.

b. Prior to incurring a questionable or unique cost, the grantee is encouraged to obtain the grant officer's written determination as to whether the cost will be allowable.

2. REFUNDS (JULY 1988)

a. The grantee is encouraged to utilize interest bearing accounts where feasible and shall remit to AID all interest earned on funds provided by AID.

b. Funds obligated by AID but not disbursed to the grantee at the time the grant expires or is terminated shall revert to AID, except for such funds encumbered by the grantee by a legally binding transaction applicable to this grant. Any funds advance to but not expended by the grantee at the time of expiration or termination of the grant shall be refunded to AID except for such funds encumbered by the grantee by a legally binding transaction applicable to this grant.

c. If, at any time during the life of the grant, or as a result of final audit, it is determined that AID funds provided under this grant have been expended for purposes not

in accordance with the terms of this grant, the grantee shall refund such amount to AID.

3. REVISION OF GRANT BUDGET (JULY 1988)

a. The approved grant budget is the financial expression of the grantee's program as approved during the grant award process.

b. The grantee shall immediately request approval from the grant officer when there is reason to believe that within the next 30 calendar days a revision of the approved grant budget will be necessary for any of the following reasons:

(1) To change the scope or the objectives of the project and/or revise the funding allocated among project objectives.

(2) Additional funding is needed.

(3) The grantee expects the amount of AID authorized funds to exceed its needs by more than \$5,000 or five percent of the AID award, whichever is greater.

c. Except as required by other provisions of this grant specifically stated to be an exception from this provision, the Government shall not be obligated to reimburse the grantee for costs incurred in excess of the total amount obligated under the grant. The grantee shall not be obligated to continue performance under the grant (including actions under the "Termination Procedures" provision) or otherwise to incur costs in excess of the amount obligated under the grant, unless and until the grant officer has notified the grantee in writing that such obligated amount has been increased and has specified the new grant total amount.

4. TERMINATION PROCEDURES (JULY 1988)

This agreement may be terminated, in whole or in part, by either party at any time upon 30 days written notice of termination. Upon receipt of and in accordance with a termination notice from the grant officer, the grantee shall take immediate action to cease all expenditures financed by this grant and to cancel all unliquidated obligations if possible. Further, upon receipt of notice of termination, the grantee shall not enter into any further obligations under this grant. Except as provided below, no further reimbursement shall be made after the effective date of termination. The grantee shall within 30 days of the effective date of termination repay to the Government all unexpended AID funds which are not otherwise obligated by a legally binding transaction applicable to this grant. Should the funds paid by the Government to the grantee prior to the

effective date of termination be insufficient to cover the grantee's obligations in a legally binding transaction, the grantee may submit to the Government within 90 days after the effective date of termination a written claim for such amount. The grant officer shall determine the amount(s) to be paid by the Government to the grantee under such claim in accordance with the "Allowable Costs" provision of this grant.

5. U.S. OFFICIALS NOT TO BENEFIT (JULY 1988)

No member of or delegate to the U.S. Congress or resident U.S. Commissioner shall be admitted to any share or part of this grant or to any benefit that may arise therefrom.

6. NONLIABILITY (JULY 1988)

AID does not assume liability for any third party claims for damages arising out of this grant.

7. AMENDMENT (JULY 1988)

The grant may be amended upon mutual consent of the parties by formal modifications to the basic grant document or by means of an exchange of letters between the grant officer and an appropriate official of the grantee.

8. NOTICES (JULY 1988)

Any notice given by AID or the grantee shall be sufficient only if in writing and delivered in person, mailed, or cabled as follows:

To the AID grant officer, at the address specified in the grant.

To grantee, at grantee's address shown in the grant or to such other address designated within the grant.

Notices shall be effective when delivered in accordance with this provision, or on the effective date of the notice, whichever is later.

9. PUBLICATIONS (JULY 1988)

a. If it is the grantee's intention to identify AID's contribution to any publication resulting from this grant, the grantee shall consult with AID on the nature of the acknowledgement prior to publication.

b. The grantee shall provide the AID project officer with one copy of all published works developed under this grant and with lists of other written work produced under the grant.

c. Except as otherwise provided in the terms and conditions of the grant, the author or the recipient is free to copyright any books, publications, or other copyrightable materials developed in the course of or under this grant, but AID reserves a royalty-free nonexclusive and irrevocable right to reproduce, publish, or otherwise use, and to authorize others to use the work for U.S. Government purposes.

10. AUDIT AND RECORDS (U.N. GRANTS) (JULY 1988)

It is agreed that the grantee will furnish the U.S. government with a final report on activities carried out under this grant, including accounting for these funds in sufficient detail to enable AID to liquidate the grant. The report should be submitted to the U.S. Mission to the U.N. in New York for forwarding to the AID program office.

It is understood that financial records, including documentation to support entries on accounting records and to substantiate charges against the grant, shall be maintained in accordance with the Grantee's usual accounting procedures, which shall follow generally accepted accounting practices. All such financial records shall be maintained for at least three years after the final disbursement of funds under this grant.

Any funds disbursed by AID, but not committed by the Grantee prior to the expiration date shall be refunded to AID. Funds not used for the purpose of this Grant shall be refunded to AID by the Grantee.

11. PAYMENT (PERIODIC ADVANCE) (OCTOBER 1991)

a. Periodic advances shall be limited to the minimum amounts needed to meet current disbursement needs and shall be scheduled so that the funds are available to the grantee as close as is administratively feasible to the actual disbursements by the grantee for program costs. Cash advances made by the grantee to secondary recipient or the grantee's field organizations shall conform substantially to the same standards of timing and amount as apply to cash advances by AID to the grantee.

b. The grantee shall submit requests for advances (using SF-270, "Request for Advance or Reimbursement") at least monthly to the paying office specified in the grant letter. Requests shall state the estimated disbursements to be made during the period covered by the request, less the estimated balance of cash on hand at the beginning of the period and the advance amount being requested.

c. The grantee shall submit a "Financial Status Report" (SF-269A) quarterly, no later than 30 days after the end of

the period, to the paying office specified in the grant letter. The report shall show disbursements, advances received, and any cash remaining on hand for the period covered by the report. Within 90 days following the expiration of the grant, the grantee shall submit a SF-269A showing total disbursements, total advances received, and any cash remaining on hand, which will be refunded to AID.

d. If at any time, the AID Controller determines that the grantee has demonstrated an unwillingness or inability to: (1) establish procedures that will minimize the time elapsing between cash advances and the disbursement thereof, (2) timely report cash disbursements and balances as required by the terms of the grant, and (3) impose the same standards of timing of advances and reporting on any subrecipient or any of the grantee's overseas field organizations, the AID Controller shall advise the grant officer who may suspend or revoke the advance payment procedure.