



**Project  
Concern  
INTERNATIONAL**

PD-ABL-663  
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JULY 28, 1995

Ms. Janet Paz Castillo,  
Development Program Division,  
Office of Food for Peace,  
U.S. Agency for International Development,  
BHR/FFP, SA.8, Rm 325,  
Washington D.C. 20523-0809

Sub: Grant # FAO-0801-G-00-3017-00

Dear Ms. Castillo:

In accordance with the terms and conditions of PCI's Institutional Support Grant, enclosed are two copies of the Annual Work-Plan (August 1995 - August 1996).

If you require any additional information, please do not hesitate to contact me.

Sincerely,

Daniel E. Shaughnessy  
Executive Director

Copies to:

- 1) A.I.D. POL/CDIE/DI Washington D.C. 20523-1802
- 2) A.I.D. Office of Financial Management, FA/FM/CMPD/DCB, Room 700, SA-2, Washington D.C. 20523-0209.
- 3) The Grant Officer, Chief FAO Branch, Office of Procurement, A.I.D. 320 Twenty-First Street N.W. Washington D.C. 20523

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**INSTITUTIONAL SUPPORT GRANT  
# FAO-0801-G-00-3017-00 OF 8/19/1993  
ANNUAL WORK-PLAN: AUGUST 1995 - AUGUST 1996**

**I. SUMMARY OF GRANT:**

Project Concern's Institutional Support Grant (ISG) was approved on 8/19/93. This Grant is valid until August 19, 1996. As against the USG inputs of \$ 425,000 (Modification # 02 of 6/28/95), PCI has committed a contribution of over \$ 112,000 during the three year life of the project. By 3/31/95, PCI had expended over \$ 166,000 (both USG and PCI inputs combined).

At this time, PCI has received the second incremental funding and is fully engaged in applying the ISG resources to the budget and approved work plan which focusses on improved organizational capability in food aid, supporting the costs and activity of our U.S. based Food Aid Consultant and exploratory activities relating to new programs. The Food Aid Consultant provides training and guidance for both Headquarters and field PL 480 Title II food aid activities. Specifically the Food Aid Consultant is assigned to train staff, provide guidance, develop manuals and assist in program development and oversight. He is also involved in "in house" training of PCI staff in San Diego on food issues, with particular reference to monetization proceeds, food security, beneficiary contributions, inventory control and inventory reconciliation. Also, during his recent visit to Bolivia, the Food Aid Consultant provided on-the-spot training to those who undertake regular end-use checks and developed several systems and procedures for improved program monitoring. These activities will continue in the August 1995 - August 1996 period.

**ii. BACKGROUND INFORMATION OF GRANT:**

This Grant, though relatively small (\$ 100,000 per year for the first two years), has been extremely beneficial in bringing into food aid programming a PVO with long standing experience in the health field and which, otherwise, would not have had the opportunity to be involved in food aid. PCI is now completing the second full year of its ISG and has already progressed to the point where it is able to explore programming in other parts of the world. For PCI, ISG funding has allowed the organization to develop a managerial capacity at its PCI headquarters and, at the same time, provide guidance to its field programs. Detailed employee training sessions, development of manuals, conduct of internal reviews, and a range of other management and compliance activities have contributed considerably to PCI's capacity in Title II food programming. This, in turn, has led to an internal

capability to combine its health and food programs - something which is currently underway in Bolivia and which will be a part of PCI's focus in the Horn region. In the next year, PCI will build upon these approaches to achieve further institutional capability in food aid programming and management.

### III. PROGRAM IMPLEMENTATION:

#### A. Performance assessment:

##### 1. Accomplishments

PCI accomplishments under the ISG have been documented in detail in each of the quarterly progress reports. However, it is very important to note that PCI clearly views ISG resources as a "sound" investment. For a small amount of USG funds, PCI has benefitted in a manner consistent with BHR/FFP priorities as well. In PCI's case, it is increasingly able to use its health expertise to program food aid which, otherwise, was not happening. The ISG resources have acted as a "catalyst" to bring this about and to bring to food aid a cooperating sponsor with excellent potential for further high priority work in Title II. The progress reports detail this growth in capability.

In order to "double check" itself as it progressed, PCI contracted the services of a highly qualified independent Consultant (with prior experience with the A.I.D. Inspector General and the U.S. General Accounting Office) to undertake an internal review of PL 480 Title II food program in Bolivia. The report contained eleven Recommendations for improvement, compliance and strengthening. Following the review, PCI's Food Aid Consultant formulated a detailed Action Plan (establishing time frames and responsibility) for closure of each recommendation of the report. At this time, all the Recommendations of the review are closed and Title II program management in the field has earned the endorsement of the USAID Mission. These achievements are a direct result of ISG funding.

##### 2. Problems Encountered

PCI has not encountered constraints (environmental political, organizational or operational) during the implementation of this grant activity. Indeed, the ISG approach, with its flexibility and focus on improved institutional capabilities, is a model for grant funding that is able to avoid these types of constraints.

#### B. Current Plans:

- (i) As a health organization, PCI is committed to the use of emergency and regular food aid in health related programs (MCH, refugees and other

programs in the "relief to development" context). In view of the Horn of Africa policy emphasis as a "priority" area for PL 480 Title II food aid programming, PCI will identify two or three countries in this region for possible programs. This will involve senior staff visits to the region to meet with possible counterparts and USAID (including PVO officials who currently administer food aid programs). The primary intent of these assessments will be to identify areas where PCI involvement in food aid could have a beneficial impact and where PCI-supported food aid programs could be ideally integrated with child health and other related activities (where PCI has an extensive knowledge and experience). Possible PCI food initiatives could address regular programming as well as short-term emergency conditions (with emphasis on food security approaches). To accomplish the above tasks, PCI requested from BHR/FFP, an amendment to the existing ISG by changing the work plan and adding funds. This amendment has been approved and another is pending (refer to section (ii) below).

With the additional funds now made available, PCI will explore potential PL 480 Title II food aid activities in selected countries in the Horn of Africa, particularly Eritrea, Southern Sudan, Ethiopia and possibly others. For this purpose, PCI has already identified a highly experienced food program specialist who currently works in a PCI overseas operation. This person would be transferred to San Diego headquarters in August, 1995 and will be PCI's Director of Food Program Development. This individual has had considerable experience in dealing with food program development at federal/central and state/district/village levels. He has developed and directed food aid programs in India, Egypt, the Philippines, Gaza and Guatemala.

The Director for Food Program Development will make an initial assessment in selected countries in the Horn of Africa. During this assessment, he will meet with possible counterparts, host government officials and in-country PVO officials. Following the assessment, and if appropriate, food aid documents (on the basis of DPP guidelines) for programming PL 480 Title II food in US fiscal year 1996 will be formulated. Any subsequent program approval will be followed by further visits for program implementation.

- (ii) Since one of PCI's objectives under the ISG is to explore the possibility of coordinating food aid programming with other organizations, we have begun our preliminary Horn of Africa review (following the approval of the additional ISG funds). With this objective in mind, it is now clear that there is a strong potential for joint and collaborative work by PCI with smaller PVOs, which PCI would like to initiate and coordinate, with a view towards

**multi-functional programs, but through PCI as a single Cooperating Sponsor.**

PCI possesses extensive experience in collaborative programming and indigenous NGO development and would like to demonstrate a model food program activity in the Horn region which would emphasize other PVO collaboration and local NGO involvement. In this setting (if additional funding is approved):

- PCI, working with other or smaller PVOs, will organize an exploratory team. For this purpose, PVO specialists from various disciplines (health, nutrition, women in development etc.) would be identified for a visit and assessment to the Horn region.
- Following the identification of a survey team, a detailed "scope of work" will be formulated prior to an overseas visit.
- The on-site exploration will primarily concentrate on the following:
  - Identification of income generating (including health-related) activities that can be enhanced through food aid programming;
  - Identification of areas where agricultural production might be increased by PCI, using PL 480 Title II food as an incentive;
  - Analysis of health deficient areas with a particular emphasis on MCH needs and possible HIV/AIDS prevention programming where PVOs can collaborate and apply food aid resources, based upon its already existing HIV/AIDS expertise;
  - Identification of potential areas for collaborative efforts with UN agencies (in particular the World Food Program or refugee organizations); and
  - The development potential for local NGOs, including possible subgrants to such organizations or collaborating smaller U.S. PVOs.

All the above activities will be considered in the context of viable proposals for the use of PL 480 Title II food resources, that would be submitted in early 1996.

To complete the above tasks, PCI has recently requested BHR/FFP for an additional allocation of \$ 82,000 to the ISG. PCI can initiate the tasks outlined above within six to eight weeks from the date of approval. If the

requested funds are made available by August of 1995, PCI estimates the completion of all assignments by late 1995 or early 1996.

C. Monitoring, Evaluation and impact:

With nearly 35 years of international health program experience, including 20 years of being involved with USAID funded activities, PCI has extensive experience in monitoring and evaluating programs, as well as in assessing impact. This experience guides our approach to monitoring, evaluation and impact assessment.

**Monitoring:** In the case of monitoring, PCI takes a "hands on" approach. For example, the ISG-supported Food Aid Consultant visited La Paz, Santa Cruz and other food programming field locations in Bolivia for a three week training (March/April, 1995) and support visit. During this visit, the Food Aid Consultant spent considerable time with our warehouse personnel in La Paz and Santa Cruz. After inspection of the facilities and review of the records, the Food Aid Consultant recommended improved storage practices and designed systems and procedures for program effectiveness. Also, extensive training sessions were held both in La Paz and Santa Cruz on food aid management, inventory control and reporting procedures. In the company of PCI Field Officers, the Food Aid Consultant visited several food programming sites and identified areas for improvement. This on-the-job training was extremely useful to our Field Officers in Bolivia and is characteristic of PCI's approach to program monitoring.

**Evaluation:** PCI has extensive experience in evaluation, both from the view point of methodology, as well as application of results. PCI's long term involvement in USAID's Child Survival Program has created an evaluation capacity that has significant applicability to food aid. Knowledge of basic indicators, how to conduct "benchmark" surveys and the formulation and use of evaluation teams is very familiar to PCI. These techniques, as needed, will be applied to food aid and ISG-funded activities.

**Impact Assessment:** The overall goal of the ISG is to strengthen PCI's institutional capability to effectively utilize Title II of PL 480 as a development resource and to complement PCI's efforts to improve the health and nutrition of under-served populations worldwide. Since food and nutrition are essential elements in health activities, PCI is committed to a focussed involvement in Title II, and this focus has been primarily the result of the ISG program. As PCI progresses with the ISG, the impact of its influence will continue to be documented.

**D. Financial Report:**

- a) Enclosed is a copy of the last financial report (already transmitted to the Office of Financial Management) for the period ending 3/31/95. The statement shows that the actual expenditures (8/19/93 - 3/31/95) of all line items (with the exception of "Other direct costs") were within the "approved cost elements" of the Grant. In the case of "other direct costs", appropriate adjustments will be reflected in the upcoming quarterly statements.
- b) By July 31 PCI will submit pipeline analyses for the period ending 6/30/95. PCI does not anticipate any significant variance from the line items contained in the budget as approved.
- c) Since PCI is managing an ISG for the first time, senior management staff in coordination with accounting personnel review all expenditures monthly in order to ensure that they are within the approved budget line items of the grant.

**Attachment: Financial Report**

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PROJECT CONCERN INTERNATIONAL  
 PIPELINE ANALYSIS  
 GRANT - FAN-0801-G-00-3017  
 INSTITUTIONAL STRENGTHENING  
 FBR PERIOD - 08/19/93-03/31/95

	ACTUAL EXPENDITURES TO DATE (08/19/93/-03/31/95)			TOTAL AGREEMENT BUDGET (08/19/93/-08/18/96)			REMAINING OBLIGATED FUNDS (09/01/95/-08/18/96)		
	AID	PCI	TOTAL	AID	PCI	TOTAL	AID	PCI	TOTAL
PERSONNEL	87,578	13,434	101,012	155,758	66,064	221,822	67,190	52,630	121,819
CONSULTANTS	3,981	0	3,981	16,311	0	16,311	12,330	0	12,330
TRAINING	170	0	170	4,750	2,000	6,750	6,580	2,000	8,580
TRAVEL	9,712	487	10,199	28,000	0	28,000	18,288	(487)	17,801
PROCUREMENT	4,882	0	4,882	3,000	1,000	4,000	118	1,000	1,118
OTHER DIRECT COSTS	12,420	434	12,854	7,201	16,500	23,701	(5,219)	14,066	10,847
EVALUATION	0	0	0	16,300	3,360	19,660	16,300	3,360	19,660
INDIRECT COSTS	29,713	3,200	32,913	63,680	23,662	87,342	33,967	20,462	54,429
TOTAL	182,456	17,555	166,011	300,000	112,586	412,586	151,544	95,031	246,575

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