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USAID/NICARAGUA

FY 1996

ABS

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NICARAGUA ABS
TABLE OF CONTENTS

	PAGE
Mission Director's Narrative	1
Table I - Summary Plan by Appropriations	6
Table IA - Additional Appropriations	8
Table III - Summary Of Mission Strategic Objectives by Activities: FY 1994-1996	9
Table IV - Project Budget Data: FY 1994-1995	14
Table IVA - Activity Aggregate Analysis	19
Table IVB - Speical Interest Aggregate Analysis	21
Table IVC - AC/SI Summary Report	23
Table IVD - Special Issues Aggregation	34
Central and Regional Bureau Support Needs	35
OE Budget Request Nattative	37
Table VIII(a) - Operating Expense & Workforce. Data: FY 1994-1996	43
Table VIII(b) - Ceiling Information	46
Table VIII(d) - Consulting Services	49
Table VIII(e) Controller Breakout/Narrative	50
Automation Requirements Narrative	54
Table X - Microenterprise Data	58
Table XI - PL 480	60
Research Narrative Statement	61

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USAID/Nicaragua

Mission Director's Narrative

Overview

Since the re-opening of the AID Mission in Nicaragua in 1990, the promotion of democratic initiatives and economic growth have historically been the Mission's highest priorities. While our commitment to democratic initiatives is stronger now than ever, our focus on economic growth has undergone a shift -- paralleling that of the international donor community and the Government of Nicaragua -- from an emphasis on economic growth to an emphasis on the broadening of the benefits of economic growth. The reasoning for this change is quite simple: the GON has largely made the major macroeconomic adjustments needed as a prerequisite to grow but more needs to be done to ensure that the benefits of growth are distributed throughout society. Hence our traditional emphasis, our focus on balance of payments assistance has shifted into a wide variety of projects which include health, education, family planning, employment generation, environment, expansion of agricultural production and working with local and U.S. PVOs.

Since last year's Annual Budget Submission, Nicaragua has made major progress in all of AID's key strategic objective areas- particularly democratic initiatives and undertaking programs that will lead to economic growth. Following the political turmoil of the early fall of 1993, characterized by high-profile kidnappings and a transportation strike, the process of building democratic consensus in Nicaraguan society has made major strides forward. For example, all rebel groups have now formally laid down their arms, the GON has made substantial progress in developing a fair and equitable system to resolve property claims, the Government has a new Controller General, and the National Assembly is again functioning after a year-long hiatus. At the same time, the GON has completed a critical first step in its effort to broaden the benefits of economic growth by successfully negotiating a three-year ESAF agreement with the IMF, which was approved by the IMF Board of Directors in June 1994. The ESAF's approval and the World Bank's ERC II will clear the way for hundreds of millions of dollars of foreign assistance in the next three years that will play a critical role in expanding the benefits of economic growth to all aspects of Nicaraguan society.

There has also been similar improvements in basic social sector indicators. In health, infant mortality rates have dropped (over 20%) in the last few years, basic immunization coverage for children has exceeded all targets, use of family planning methods have increased, and it takes approximately half of the number of years in 1994 than it did in 1990 to produce a sixth grade graduate. Nonetheless, recent statistics estimate that the number of individuals falling below the poverty line has increased. Therefore, USAID is intensifying its efforts to expand basic health and education service delivery, provide resources to small producers, generate employment and increase access to productive opportunities for all levels of society.

FYS 94/95 Budget Composition

USAID/Nicaragua is moving forward with major new initiatives in FY 94/95 to encourage further progress in the areas of democracy and expanding economic opportunity. These steps include a substantial amendment for the **Strengthening Democratic Initiatives** (SDI) project, which supports broad civic education efforts that directly contribute to better understanding of democratic processes and individual responsibilities, and which provides assistance to human rights monitoring, key institutions such as the National Assembly and courts, labor, a free media, and other groups that are critical to the functioning of a democratic society.

In addition to an expanded SDI program, USAID/Nicaragua is complementing this effort by launching three other major democracy projects. The **Electoral Support** project will assist Nicaraguans in laying the groundwork for free and fair elections in 1996. The project will provide technical assistance in reviewing the legal framework for elections, planning and logistical support for the electoral process, and support for the work of international observers overseeing the election process. The **Municipal Decentralization and Development** project will support changes in municipal administration and regulations to encourage decentralization of authorities and encourage the autonomy of local governments. The project will also foster community participation and assist local governments develop the technical managerial and financial capacity of municipalities to increase revenues and plan investments. The **Financial Management Reform** project will help the GON increase the accountability and transparency of government by establishing an integrated financial management system for the GON, establishing norms for audit and by strengthening the office of the Comptroller General.

Major initiatives to promote more broadly-based economic growth include an expansion of the mission's largest grass-roots economic development project, **PVO Co-Financing**, which

finances sub-projects in the areas of microenterprises and community-based employment, as well as sustainable agriculture and improvements in maternal and child health. **The Private Agricultural Services** project, which supports efforts by private agricultural associations to improve services to their members -- including technology transfer, improved access to agricultural inputs, and marketing services -- and which includes recently privatized coffee, and livestock commissions that provide outreach to small producers as well as cooperatives and other local organizations.

USAID/Nicaragua will complement these efforts through the **Rural Savings Mobilization**, which will assist local credit unions and savings-and-loans to expand savings mobilization and investment in small towns and rural areas of Nicaragua.

Other new initiatives planned for the next two years include an amendment to fund a major new grass-roots environmental component for the **Natural Resources Management** project as well as a substantial increase in funding for the Mission's **Family Planning Expansion** project.

In addition, the Mission would continue to fund its ongoing portfolio which includes **Decentralized Health Services**, which seeks to assist the Ministry to devolve greater responsibility and authority for health services to the regional level and the **Basic Education Project** which provides textbooks, curriculum development and increased access to primary education. Through our **Economic Policy Analysis and Implementation** Project, the Mission is assisting the Government to move forward in resolving property disputes as well as providing assistance to the government to implement sound economic policies that promote broad-based sustainable economic growth.

The \$31.4 million of Sustainable Development funds budgeted for each of fiscal years 1995 and 1996 would provide minimally adequate funding to carry out the Mission's planned portfolio during those years, while allowing the Mission to largely meet its directives.

The structure of directives for FY 95 and FY 96, however, will lead to distortions in the pipelines of a number of projects. In particular, while the Mission's aggregate pipeline at the end of FY 96 would be equal to only about 17 months of expenditures, the high level of directives in the areas of democracy and the environment would force the Mission to obligate excessive funds to projects in these areas, resulting in correspondingly large pipelines. For example, at the end of FY 96, the SDI and Natural Resources Management projects would each have pipelines exceeding 36 months. At the same time, projects in areas without directives, such as Private Agricultural Services, and the

Private Sector Support would be forced to operate without the assurance of adequate funding to achieve their objectives. While the Mission's major thrust is democratic initiatives and the directive level is appropriate because of the number of new projects, due to the labor intensive nature and normal start-up period for these new activities, the pipelines will exceed the two-year requirement.

If the Mission were to receive an additional 10 percent in directive funding in its FY 95 OYB, Mission would allocate the additional resources to its highest priority area, democratic initiatives. Specifically, the Mission would ensure that the Electoral Support project was fully funded before the 1996 elections. If non-directive funding were made available, the Mission would assure adequate funding for the Private Sector Support Project and Private Agricultural Services.

If the opposite were to occur, a 5 percent decrease in the Mission's FY 95 OYB, the Mission would be forced to further deplete resources allocated to the broadening the benefits of economic growth objective, as this would be the only way to meet the FY 95 directives.

Finally, the recent increase in the environmental directive for Nicaragua (from \$4,200,000 to \$4,700,000 in FY 95) is simply not possible for the Mission to absorb. The only project that could theoretically obligate an additional \$500,000 in FY 95 is the PVO Co-financing project. However, this PVO Project currently has a backlog of high-quality microenterprise projects, which use economic growth funds, waiting to be funded. These requirements require that we continue to support microenterprise activities and not generate additional PVO proposals in the environmental area. The only other option would be to move up the timing of half of the proposed FY 96 \$1 million obligation to NRM to FY 95. While this would enable us to meet the FY 95 environmental objective, we could not then meet the FY 96 directive level.

On the other hand, the Mission's planned \$8 million increase to the Family Planning Expansion project means that it could absorb a higher directive level for population in fiscal years FY 95/96.

ESF and PL-480

While ESF resources used for cash transfer programs have played a critical role in the Mission's economic development strategy in the past four years, the near elimination of these resources for fiscal years 95 and 96 has forced the Mission to abandon any plans for future policy-based cash transfer assistance.

Instead, any ESF resources the Mission receives in FY 95 and FY 96 would be largely used to fulfill our commitment to CIAV, a housing improvement program developed by AIFLD, and the Strengthening Democratic Initiatives Project. If USAID/Nicaragua receives a full \$12 million, however, and legislative and policy conditions allow, \$4.5 million would be used to develop a new democracy activity: Strengthening Law Enforcement.

At the same time, the Mission is counting on a new three-year program of PL-480 Title III resources to be made available in FY 96, as the highly successful current PL-480 Title III program is only funded through the end of FY 95. This program will enhance food security, provide support to local PVOs, and assist in employment generation activities particularly in the poorest regions of the country- Regions I and VI.

NICARAGUA **TABLE I**
 FY 1996 Budget Planning Document

Appropriation Summary
 (U.S. Dollars Thousands)

Page: 1 Date: July 8, 1994
 10:35

Fund Source	Appropriation	Loan/Grant	Project #	Cum	PY DEOB	FY94	FY95	FY96	FY97
DP	*DEVELOPMENT ASSISTANCE FUND	G	524-0000	1,246		587			
			524-0305	1,400					
			524-0312	316					
			524-0313	8,831		5,169			
			524-0315	5,500		1,000			
			524-0316	1,000		2,000			
			524-0317	2,200		1,500			
			524-0318	3,000		1,700			
			524-0321	2,500					
			524-0324	5,000					
			524-0327	6,721		1,579			
			524-0329	12,500		3,805			
			524-0330			2,000			
			524-0339	2,000					
			524-0341			2,000			
			524-0346			2,000			
				Total for *DEVELOPMENT ASSISTANCE FUND			52,214	0	23,340
ES	*ECONOMIC SUPPORT FUND	G	524-OEOE	903					
			524-0000	945					
			524-0301	60,203					
			524-0307	62,800					
			524-0308	700					
			524-0309	235					
			524-0312	500					
			524-0313	1,000					
			524-0314	8,000					
			524-0315	1,500					
			524-0316	9,000		5,000			
			524-0317	3,300					
			524-0318	5,000					
			524-0333			40,000			
			524-0339	1,100					
			524-0349	5,000		4,200			
524-0351			1,600						
524-9000	3,500								
	Total for *ECONOMIC SUPPORT FUND			163,686	0	50,800	0	0	0
PN	*POPULATION PLANNING	G	524-0000	121					
			524-0312	3,484		2,000			
			524-0327	1,200					
	Total for *POPULATION PLANNING			4,805	0	2,000	0	0	0

6

Fund Source	Appropriation	Loan/Grant	Project #	Cum	PY DEOB	FY94	FY95	FY96	FY97
RP	REGIONAL PEACE AND PROSPERITY	G	524-0348				4,500		
			524-0316				1,100	1,400	
			524-0349				3,000	4,000	
			524-0351				3,400		
			524-0341					1,000	
	Total for REGIONAL PEACE AND PROSPERITY			0	0	0	12,000	6,400	0
ST	SUSTAINABLE DEVELOPMENT	G	524-0000				776	751	
			524-0312				1,940	3,000	
			524-0313				4,000	2,000	
			524-0314				1,981	1,000	
			524-0315				1,900	2,800	
			524-0316				2,500	4,000	
			524-0317				1,600	1,000	
			524-0318				2,000	1,500	
			524-0327				2,440	3,325	
			524-0329				1,000	4,000	
			524-0330				2,000	400	
			524-0339				2,000	2,000	
			524-0341				1,000	3,000	
			524-0346				2,000		
			524-0347				2,000	1,000	
			524-0352				2,439	1,800	
	Total for SUSTAINABLE DEVELOPMENT			0	0	0	31,576	31,576	0
			Total:	220,705	0	76,140	43,576	37,976	0

7

TABLE IA
ADDITIONAL APPROPRIATIONS

	FY 1993 Actual	FY 1994 Estimate	FY 1995 CP	FY 1995 Planned	FY 1996 Request
Housing Investment Guaranties					
Micro & Small Ent. Dev. (MSED)					
Enhanced Credit Program					
PL 480 Title II					
PL 480 Title III		13,000		13,000	15,000
Operating Expenses (U.S. \$)	3,684	3,167		3,684	3,500
Trust Funds (U.S. \$)	600	3,066		768	792

NICARAGUA (524)

FY 1996 Budget Planning Document
Strategic Objective Summary Report
Table III

Page: 1 July 11, 1994
11:05

SO No	Title Project	Obligations FY94	X Percentages FY95	Percentages FY96	Percentages FY97	FY94 Pct	FY95 Pct	FY96 Pct	FY97 Pct
01	INCREASED ECONOMIC ACCESS AND OPPORTUNITY								
	524-0313	1,861	1,440	720	0	36	36	36	36
	DP	1,861							
	ST		1,440	720					
	524-0315	500	703	1,148	0	50	37	41	50
	DP	500							
	ST		703	1,148					
	524-0317	750	800	500	0	50	50	50	50
	DP	750							
	ST		800	500					
	524-0318	850	880	750	0	50	44	50	50
	DP	850							
	ST		880	750					
	524-0347	0	2,000	1,000	0				
	ST		2,000	1,000					
	524-0352	0	244	342	0	10	10	19	19
	ST		244	342					
	Total:	3,961	6,067	4,460	0				
	S.O. PCT:	5.2	13.9	11.7	0.0				
	USDH FTE	FY94	FY95	FY96					
		5.1	5.2	5.6					
	Central Regional Costs for FY96			0					
02	IMPROVED MARKET EFFICIENCY AND PERFORMANCE								
	524-0315	500	703	1,176	0	50	37	42	50
	DP	500							
	ST		703	1,176					
	524-0317	750	800	500	0	50	50	50	50
	DP	750							
	ST		800	500					

SO No	Title Project	Obligations FY94	Obligations FY95	X Percentages FY96	Percentages FY97	FY94 Pct	FY95 Pct	FY96 Pct	FY97 Pct
524-0333	ES	20,000	0	0	0	50	50	50	50
524-0339	ST	0	2,000	2,000	0				
524-0352	ST	0	244	342	0	10	10	19	19
Total:		21,250	3,747	4,018	0				
S.O. PCT:		27.9	8.6	10.6	0.0				
USDH FTE		FY94 4.7	FY95 3.7	FY96 3.7					
Central Regional Costs for FY96				0					
03	IMPROVED MATERNAL AND CHILD HEALTH.								
524-0312	PN	2,000	1,940	3,000	0				
	ST	2,000	1,940	3,000					
524-0313	DP	1,602	1,240	620	0	31	31	31	31
	ST	1,602	1,240	620					
524-0327	DP	1,579	2,440	3,325	0				
	ST	1,579	2,440	3,325					
524-0352	ST	0	1,927	1,116	0	79	79	62	62
Total:		5,181	7,547	8,061	0				
S.O. PCT:		6.8	17.3	21.2	0.0				
USDH FTE		FY94 4.0	FY95 3.6	FY96 3.3					
Central Regional Costs for FY96				0					
04	EFFICIENCY OF BASIC EDUCATION.								
524-0329		3,805	1,000	4,000	0				

SO No	Title Project	Obligations FY94	Obligations FY95	Percentages FY96	Percentages FY97	FY94 Pct	FY95 Pct	FY96 Pct	FY97 Pct
	DP	3,805							
	ST		1,000	4,000					
	Total:	3,805	1,000	4,000	0				
	S.O. PCT:	5.0	2.3	10.5	0.0				
	USDH FTE	FY94	FY95	FY96					
		3.7	3.4	3.0					
	Central Regional Costs for FY96			0					
05	INCR. USE OF ENVIRONMENTALLY SOUND PRODUCTIVE & EX								
	524-0313	1,706	1,320	660	0	33	33	33	33
	DP	1,706							
	ST		1,320	660					
	524-0314	0	1,981	1,000	0				
	ST		1,981	1,000					
	524-0315	0	494	476	0	0	26	17	0
	DP								
	ST		494	476					
	524-0318	0	240	0	0	0	12	0	0
	DP								
	ST		240						
	524-0352	0	24	0	0	1	1	0	0
	ST		24						
	Total:	1,706	4,059	2,136	0				
	S.O. PCT:	2.2	9.3	5.6	0.0				
	USDH FTE	FY94	FY95	FY96					
		2.4	2.2	2.1					
	Central Regional Costs for FY96			0					
06	GREATER CONSENSUS ON DEMOCRATIC VALUES.								
	524-0316	7,000	3,600	5,400	0				
	DP	2,000							
	ES	5,000							
	RP		1,100	1,400					

11

SO No	Title Project	Obligations FY94	Obligations FY95	Percentages FY96	Percentages FY97	FY94 Pct	FY95 Pct	FY96 Pct	FY97 Pct
	ST		2,500	4,000					
524-0318		850	880	750	0	50	44	50	50
	DP	850							
	ST		880	750					
524-0330		2,000	2,000	400	0				
	DP	2,000							
	ST		2,000	400					
524-0333		20,000	0	0	0	50	50	50	50
	ES	20,000							
524-0341		2,000	1,000	4,000	0				
	DP	2,000							
	RP			1,000					
	ST		1,000	3,000					
524-0346		2,000	2,000	0	0				
	DP	2,000							
	ST		2,000						
524-0348		0	4,500	0	0				
	RP		4,500						
524-0349		4,200	3,000	4,000	0				
	ES	4,200							
	RP		3,000	4,000					
Total:		38,050	16,980	14,550	0				
S.O. PCT:		50.0	39.0	38.3	0.0				
USDH FTE		FY94	FY95	FY96					
		4.9	5.0	5.4					
Central Regional Costs for FY96				0					
99	OTHER ACTIVITIES IN SUPPORT OF AGENCY GOALS								
524-0000		587	776	751	0				
	DP	587							
	ST		776	751					
524-0351		1,600	3,400	0	0				
	ES	1,600							
	RP		3,400						

SO No	Title Project	Obligations FY94	Obligations FY95	X Percentages FY96	Percentages FY97	FY94 Pct	FY95 Pct	FY96 Pct	FY97 Pct
	Total:	2,187	4,176	751	0				
	S.O. PCT:	2.9	9.6	2.0	0.0				
	USDH FTE	FY94 1.2	FY95 0.9	FY96 0.9					
	Central Regional Costs for FY96			0					
Report Totals									
		76,140	43,576	37,976	0				
	S.O. PCT:	100.0	100.0	100.0	0.0				
	USDH FTE	26.0	24.0	24.0					
	Central Regional Costs for FY		96	0					

NICARAGUA (524)

FY 1996 Budget Planning Document

Table IV : Project Budget Data (U.S. \$000)

Page: 1 Date: July 8, 1994
10:32

Project Number	LOP AUTH	LOP PLAN	CUM OBLIG	CUM EXPENDs	--FY 1994 EST.--		----- FY 1995 Planned -----				----- FY 1996 Proposed -----				-- FY 1997 Prop--	
					Oblig ations	Expend itures	Oblig ations	Expend itures	Pipeline	Mortgage	Oblig ations	Expend itures	Pipeline	Mortgage	Oblig ations	Expend itures
524-0000	PROGRAM DEVELOPMENT AND SUPPORT															
	Initial FY 92		Final FY 97													
DP G	1,833	1,833	1,246	427	587	587			819	0			819	0		
ES G	945	945	945	945					0	0			0	0		
PN G	121	121	121	121					0	0			0	0		
ST G		2,300						776	587	189	1,524	751	776	164	773	
Sub Total:	2,899	5,199	2,312	1,493	587	587	776	587	1,008	1,524	751	776	983	773		
524-0301	ECONOMIC GROWTH AND DEVELOPMENT															
	Initial FY 90		Final FY 94													
ES G	75,000	60,203	60,203	57,778		1,940		485	0	0			0	0		
524-0305	ASSISTANCE FOR DISPLACED CHILDREN (NAPA)															
	Initial FY 90		Final FY 90													
DP G	1,400	1,400	1,400	1,352					48	0			48	0		
524-0307	DEMOBILIZATION, REPATRIATION/RESETTLEMT															
	Initial FY 90		Final FY 93													
ES G	62,800	62,800	62,800	6,900					55,900	0			55,900	0		
524-0308	AIFLD															
	Initial FY 90		Final FY 91													
ES G	700	700	700	698					2	0			2	0		
524-0309	NATIONAL ENDOWMENT FOR DEMOCRACY (NED)															
	Initial FY 90		Final FY 92													
ES G	235	235	235	233					2	0			2	0		
524-0312	FAMILY PLANNING EXPANSION/REGIONALIZATIO															
	Initial FY 91		Final FY 96													
DP G	316	316	316	246		70			0	0			0	0		

14

Project Number	LOP AUTH	LOP PLAN	CUM OBLIG	CUM EXPENDs	--FY 1994 EST.--		----- FY 1995 Planned -----				----- FY 1996 Proposed -----				-- FY 1997 Prop--	
					Oblig ations	Expend itures	Oblig ations	Expend itures	Pipeline	Mortgage	Oblig ations	Expend itures	Pipeline	Mortgage	Oblig ations	Expend itures
ES G	500	500	500	425		75			0	0			0	0		
PN G	4,000	5,484	3,484	655	2,000	1,684		1,169	1,976	0		1,570	406	0		
ST G	184	6,700					1,940		1,940	4,760		3,000	4,940	1,760		
Sub Total:	5,000	13,000	4,300	1,326	2,000	1,829	1,940	1,169	3,916	4,760	3,000	1,570	5,346	1,760		
524-0313	PVO CO-FINANCING															
	Initial FY 91	Final FY 98														
DP G	14,000	14,000	8,831	1,490	5,169	886		3,300	8,324	0		4,950	3,374	0		
ES G	1,000	1,000	1,000	86		914			0	0			0	0		
ST G	6,000	6,000					4,000		4,000	2,000	2,000		6,000	0		
Sub Total:	21,000	21,000	9,831	1,576	5,169	1,800	4,000	3,300	12,324	2,000	2,000	4,950	9,374	0		
524-0314	NATURAL RESOURCES MANAGEMENT															
	Initial FY 91	Final FY 97														
ES G	9,000	8,000	8,000	576		2,054		2,481	2,889	0		1,520	1,369	0		
ST G		3,000					1,981		1,981	1,019	1,000		2,981	19		
Sub Total:	9,000	11,000	8,000	576		2,054	1,981	2,481	4,870	1,019	1,000	1,520	4,350	19		
524-0315	PRIVATE AG SERVICES															
	Initial FY 91	Final FY 96														
DP G	5,500	6,500	5,500	282	1,000	3,438		1,600	1,180	0		1,180	0	0		
ES G	1,500	1,500	1,500	1,420		80			0	0			0	0		
ST G		5,000					1,900		1,900	3,100	2,800	1,919	2,781	300		
Sub Total:	7,000	13,000	7,000	1,702	1,000	3,518	1,900	1,600	3,080	3,100	2,800	3,099	2,781	300		
524-0316	STRENGTHENING DEMOCRATIC INSTITUTION															
	Initial FY 91	Final FY 98														
DP G	3,000	3,000	1,000	794	2,000	206			2,000	0		1,520	480	0		
ES G	14,000	14,000	9,000	5,125	5,000	3,005		4,813	1,057	0		1,057	0	0		
ST G	1,000	7,500					2,500		2,500	5,000	4,000		6,500	1,000		
RP G		2,500					1,100		1,100	1,400	1,400		2,500	0		
Sub Total:	18,000	27,000	10,000	5,919	7,000	3,211	3,600	4,813	6,657	6,400	5,400	2,577	9,480	1,000		
524-0317	PRIVATE SECTOR SUPPORT															
	Initial FY 91	Final FY 97														
DP G	3,700	3,700	2,200	884	1,500	1,782		1,034	0	0			0	0		
ES G	3,300	3,300	3,300	2,783		517			0	0			0	0		
ST G	3,500	3,500					1,600	311	1,289	1,900	1,000	1,095	1,194	900		
Sub Total:	10,500	10,500	5,500	3,667	1,500	2,299	1,600	1,345	1,289	1,900	1,000	1,095	1,194	900		

51

Project Number	LOP AUTH	LOP PLAN	CUM OBLIG	CUM EXPENDs	--FY 1994 EST.--		----- FY 1995 Planned -----				----- FY 1996 Proposed -----				-- FY 1997 Prop--	
					Oblig ations	Expend itures	Oblig ations	Expend itures	Pipeline	Mortgage	Oblig ations	Expend itures	Pipeline	Mortgage	Oblig ations	Expend itures
524-0318	DEV TRAINING & SUPPORT															
	Initial FY 91		Final FY 98													
DP G	4,700	4,700	3,000		1,700	800		2,982	918	0		918	0	0		
ES G	5,000	5,000	5,000	1,001		2,831		1,168	0	0		0	0	0		
ST G	10,300	10,300							2,000	8,300		1,500	2,477	1,023	6,800	
Sub Total:	20,000	20,000	8,000	1,001	1,700	3,631		2,000	4,150	2,918	8,300	1,500	3,395	1,023	6,800	
524-0321	EXPANDED PROGRAM OF IMMUNIZATION															
	Initial FY 91		Final FY 93													
DP G	2,500	2,500	2,500	2,442					58	0			58	0		
524-0324	ATLANTIC COAST ELECTRIFICATION															
	Initial FY 91		Final FY 94													
DP G	5,000	5,000	5,000	2,877		1,599		524	0	0			0	0		
524-0327	DECENTRALIZED HEALTH SERVICES															
	Initial FY 93		Final FY 99													
DP G	9,300	9,300	6,721	63	1,579	3,500		3,000	1,737	1,000		1,000	737	1,000		
PN G	1,200	1,200	1,200					1,200	0	0			0	0		
ST G	11,500	11,500							2,440	9,060		3,325	4,700	1,065	5,735	
Sub Total:	22,000	22,000	7,921	63	1,579	3,500		2,440	4,200	4,177	10,060	3,325	5,700	1,802	6,735	
524-0329	BASIC EDUCATION															
	Initial FY 92		Final FY 98													
DP G	17,305	17,305	12,500	1,657	3,805	5,600		3,900	5,148	1,000		1,700	3,448	1,000		
ST G	12,695	12,695							1,000	11,695		4,000	2,200	2,800	7,695	
Sub Total:	30,000	30,000	12,500	1,657	3,805	5,600		1,000	3,900	6,148	12,695	4,000	3,900	6,248	8,695	
524-0330	FINANCIAL MANAGEMENT REFORM															
	Initial FY 94		Final FY 96													
DP G	2,000	2,000			2,000			1,260	740	0		740	0	0		
ST G	2,400	2,400							2,000	400		400	664	1,736	0	
Sub Total:	4,400	4,400			2,000			1,260	2,740	400		400	1,404	1,736	0	
524-0333	ECONOMIC RECOVERY AND DEVELOPMENT I															
	Initial FY 94		Final FY 94													

16

Project Number	LOP AUTH	LOP PLAN	CUM OBLIG	CUM EXPENDS	--FY 1994 EST.--		----- FY 1995 Planned -----		----- FY 1996 Proposed -----		-- FY 1997 Prop--				
					Oblig ations	Expend itures	Oblig ations	Expend itures	Pipeline	Mortgage	Oblig ations	Expend itures	Pipeline	Mortgage	Oblig ations
ES G	40,000	40,000			40,000	40,000			0	0	0	0			
524-0339	ECONOMIC POLICY ANALYSIS Initial FY 93 Final FY 98														
DP G	2,000	2,000	2,000			26		1,974	0	0	0	0			
ES G	1,100	1,100	1,100			1,100			0	0	0	0			
ST G	4,900	4,900						2,000	353	1,647	2,900	2,000	2,135	1,512	900
Sub Total:	8,000	8,000	3,100			1,126		2,000	2,327	1,647	2,900	2,000	2,135	1,512	900
524-0341	MUNICIPAL DECENTRALIZATION & DEV. Initial FY 94 Final FY 99														
DP G		2,000				2,000			576	1,424	0		1,424	0	0
ST G		4,000						1,000		1,000	3,000	3,000	693	3,307	0
RP G		1,000								0	1,000	1,000		1,000	0
Sub Total:		7,000				2,000		1,000	576	2,424	4,000	4,000	2,117	4,307	0
524-0346	ELECTORAL SUPPORT Initial FY 94 Final FY 96														
DP G	2,000	2,000				2,000				2,000	0		2,000	0	0
ST G	2,000	2,000						2,000	750	1,250	0		1,250	0	0
Sub Total:	4,000	4,000				2,000		2,000	750	3,250	0		1,250	2,000	0
524-0347	RURAL SAVINGS MOBILIZATION Initial FY 95 Final FY 98														
ST G		3,000						2,000		2,000	1,000	1,000	1,000	2,000	0
524-0348	STRENGTHENING LAW ENFORCEMENT Initial FY 95 Final FY 99														
RP G		4,500						4,500		4,500	0		1,500	3,000	0
524-0349	CIAV/OAS HUMAN RIGHTS STRENGTHENING Initial FY 93 Final FY 95														
ES G	9,200	9,200	5,000	5,000	4,200	4,200			0	0			0	0	0
RP G		7,000						3,000	3,000	0	4,000	4,000	4,000	0	0
Sub Total:	9,200	16,200	5,000	5,000	4,200	4,200		3,000	3,000	0	4,000	4,000	4,000	0	0
524-0351	AIFLD HOME IMPROVEMENT														

17

Project Number	LOP AUTH	LOP PLAN	CUM OBLIG	CUM EXPENDS	--FY 1994 EST.--		----- FY 1995 Planned -----		----- FY 1996 Proposed -----		-- FY 1997 Prop--				
					Oblig ations	Expend itures	Oblig ations	Expend itures	Pipeline	Mortgage	Oblig ations	Expend itures	Pipeline	Mortgage	Oblig ations
		Initial FY 94	Final FY 96												
ES G		1,600			1,600	800									
RP G		3,400					3,400	1,700	1,700		1,700	0	0		
Sub Total:		5,000			1,600	800	3,400	2,500	1,700		1,700	0	0		
524-0352	GLOBAL FIELD SUPPORT														
		Initial FY 95	Final FY 96												
ST G	4,239	4,239					2,439	2,439	0	1,800	1,800	1,800	0	0	
524-9000	PROMOTING DEMOCRACY														
		Initial FY 89	Final FY 89												
ES G	5,000	5,000	3,500	2,959					541	1,500			541	1,500	
524-OEOE	OPERATIONAL EXPENSE														
		Initial FY 90	Final FY 91												
ES G	903	903	903						903	0			903	0	
Grand Total:	368776	407779	220705	99219	76140	77694	43576	41406	122102	67358	37976	45488	114590	29382	0

Appropriation Summary

DP	23340	18494	0	20150	2000	0	13432
ES	50800	57516	0	9747	1500	0	2577
PN	2000	1684	0	2369	0	0	1570
RP	0	0	12000	4700	6400	6400	7200
ST	0	0	31576	4440	57458	31576	20709

NOTE: In accordance with BPD Guidance, project obligations and expenditures have been reduced by the buy-in amount to Global. LOP Authorized, however, includes full project amounts

Comulative obligations, commulative expenditures, and pipelines for projects that are funded and administered by AID/W need verification. Our records show , for example, that the data for the project 524-0307 is not correct and the result is that the Mission's pipeline appears to be double the actual level.

18
10

TABLE IVB
NICARAGUA (524)

FY 1996 Budget Planning Document

Special Interest Aggregate Analysis
(U.S. Dollars Thousands)

Page: 1 July 8, 1994
10:41

Activity	FY 1994 Estimate		FY 1995 Planned		FY 1996 Proposed		FY 1997 Proposed		
	Amount	PCT OF Total Program	Amount	PCT OF Total Program	Amount	PCT OF Total Program	Amount	PCT OF Total Program	
I. Substantive									
A. Special Targets									
FBN	FEMALE SHARE OF BENEFITS	4,155	5.5 %	5,573	12.8 %	5,702	15.0 %	0	%
CHS	CHILD SURVIVAL	2,057	2.7 %	2,362	5.4 %	2,451	6.5 %	0	%
CPF	CAPITAL PROJECTS FINANCING	1,880	2.5 %	3,540	8.1 %	560	1.5 %	0	%
CON	CONSTRUCTION	0	2.5 %	0	8.1 %	0	1.5 %	0	%
DEC	DECENTRALIZATION	1,353	1.8 %	1,500	3.4 %	3,272	8.6 %	0	%
		41,003	53.9 %	1,734	4.0 %	1,714	4.5 %	0	%
PVX	PVO INSTITUTIONAL DEVELOPMENT.	1,279	1.7 %	1,632	3.7 %	1,658	4.4 %	0	%
INS	INSTITUTION BUILDING	5,934	7.8 %	7,379	16.9 %	3,840	10.1 %	0	%
SPR	SECTORAL POLICY REFORM	21,808	28.6 %	2,130	4.9 %	3,392	8.9 %	0	%
EPR	NONSECTORAL POLICY REFORM.	20,000	26.3 %	800	1.8 %	800	2.1 %	0	%
SFI	SOCIAL SECTOR FINANCING.	553	0.7 %	1,160	2.7 %	1,432	3.8 %	0	%
PSD	PRIVATE SECTOR DEVELOPMENT	300	0.4 %	366	0.8 %	486	1.3 %	0	%
B. Food, Agriculture & Rural Development									
IAS	INTEGRATED AGRICULTUREAL SYSTEMS	375	0.5 %	450	1.0 %	798	2.1 %	0	%
ALT	LAND TENURES	420	0.6 %	380	0.9 %	480	1.3 %	0	%
NFC	NUTRITION AND FOOD CONSUMPTION	1,124	1.5 %	1,600	3.7 %	2,372	6.2 %	0	%
C. Energy/Environment									
ESA	ENVIRONMENTALLY SUSTAINABLE AGROECOSYSTEMS	1,025	1.3 %	1,020	2.3 %	832	2.2 %	0	%
EVP	ENVIRONMENTAL POLICY	0	1.3 %	100	0.2 %	50	0.1 %	0	%
PST	PESTICIDE SAFETY FOR ENVIRONMENT	450	0.6 %	1,186	2.7 %	1,568	4.1 %	0	%
REF	REFORESTATION.	465	0.6 %	360	0.8 %	100	0.3 %	0	%
NFM	NATURAL FOREST MANAGEMENT.	0	0.6 %	1,604	3.7 %	800	2.1 %	0	%
SOC	SOIL CONSERVATION.	475	0.6 %	722	1.7 %	1,127	3.0 %	0	%
PPM	PARKS AND PROTECTED AREAS MANAGEMENT	0	0.6 %	2,005	4.6 %	1,000	2.6 %	0	%
CBI	IN SITU CONSERVATION OF BIODIVERSITY	0	0.6 %	1,113	2.6 %	560	1.5 %	0	%
CLZ	COASTAL ZONES.	0	0.6 %	417	1.0 %	210	0.6 %	0	%
WTL	WETLANDS	0	0.6 %	417	1.0 %	210	0.6 %	0	%
NRM	NATURAL RESOURCE MANAGEMENT.	0	0.6 %	1,113	2.6 %	560	1.5 %	0	%
II. Institutional Mechanisms									
A. PVO/NGOs									
PVU	PVO/NGOs, U.S.	8,116	10.7 %	5,955	13.7 %	5,711	15.0 %	0	%
PVL	PVO/NGOs, LOCAL.	5,500	7.2 %	8,717	20.0 %	7,544	19.9 %	0	%
PVO	PVO/NGOs, OTHER THAN U.S. OR LOCAL	6,200	8.1 %	5,000	11.5 %	4,000	10.5 %	0	%
B. Universities									
UNV	UNIVERSITIES (OTHER THAN HBC AND TITLE X)	210	0.3 %	108	0.2 %	162	0.4 %	0	%
III. Research and Development Activities									
A. Applied Research									
RSS	SOCIAL SCIENCE RESEARCH.	0	0.3 %	320	0.7 %	320	0.8 %	0	%

21

Activity	FY 1994 Estimate		FY 1995 Planned		FY 1996 Proposed		FY 1997 Proposed	
	Amount	PCT OF Total Program	Amount	PCT OF Total Program	Amount	PCT OF Total Program	Amount	PCT OF Total Program
B. Basic Research								
C. Development								
IV. Training								
TUS TRAINING, U.S.-BASED	850	1.1 %	880	2.0 %	750	2.0 %	0	%
TTH TRAINING, THIRD COUNTRY-BASED.	226	0.3 %	205	0.5 %	209	0.6 %	0	%
TIC TRAINING, IN-COUNTRY	5,590	7.3 %	4,510	10.3 %	5,575	14.7 %	0	%
TPU TRAINING, PUBLIC	2,959	3.9 %	2,294	5.3 %	2,792	7.4 %	0	%
TPV TRAINING, PRIVATE.	1,070	1.4 %	1,024	2.4 %	1,109	2.9 %	0	%

22

TABLE IVC

NICARAGUA

FY 1996 Budget Planning Document

**AC/SI Summary Report
(U.S. Dollars Thousands)**

Page: 1 July 8, 1994
10:46:06

Country		<u>% FY94</u>	<u>% FY95</u>	<u>% FY96</u>	<u>% FY97</u>	<u>FY 1994 Estimate</u>	<u>FY 1995 Planned</u>	<u>FY 1996 Request</u>	<u>FY 1997 Proposed</u>
524	NICARAGUA								
	Project Number: 524-0000 Title: PROGRAM DEVELOPMENT AND SUPPORT								
				Initial FY=92	Final FY=97				
	PDAS PROGRAM DEVELOPMENT AND SUPPORT								
	Total PDAS AC CODE:	100 %	100 %	100 %	0 %	587	776	751	
	Project Total	100 %	100 %	100 %	0 %	587	776	751	
	Total INOC AC CODE:	100 %	100 %	100 %	0 %				
	Project Number: 524-0312 Title: FAMILY PLANNING EXPANSION/REGIONALIZATIO								
				Initial FY=91	Final FY=96				
	PNSD FAMILY PLANNING SERVICE DELIVERY								
	FBN	100 %	100 %	100 %	0 %	2,000	1,940	3,000	
	PVL	100 %	100 %	100 %	0 %	2,000	1,940	3,000	
	Total PNSD AC CODE:	100 %	100 %	100 %	0 %	2,000	1,940	3,000	
	Project Total	100 %	100 %	100 %	0 %	2,000	1,940	3,000	
	Project Number: 524-0313 Title: PVO CO-FINANCING								
				Initial FY=91	Final FY=98				
	AGRM RESOURCE MGMT FOR AGRIC. PRODUCTION & PR								
	ESA	100 %	100 %	100 %	0 %	775	720	300	
	PVU	100 %	100 %	100 %	0 %	775	720	300	
	Total AGRM AC CODE:	15 %	18 %	15 %	0 %	775	720	300	
	EVMP ENVIRONMENTAL MGMT, PLANNING AND POLICY								
	PVX	20 %	20 %	20 %	0 %	186	144	40	
	REF	50 %	50 %	50 %	0 %	465	360	100	
	PVU	100 %	100 %	100 %	0 %	930	720	200	
	Total EVMP AC CODE:	18 %	18 %	10 %	0 %	930	720	200	
	HEDD DIARRHEAL DISEASE CONTROL/ORAL REHYDRATI								
	FBN	100 %	100 %	100 %	0 %	414	320	160	
	CHS	100 %	100 %	100 %	0 %	414	320	160	
	PVX	20 %	20 %	20 %	0 %	83	64	32	
	PVU	100 %	100 %	100 %	0 %	414	320	160	

23

Country		% FY94	% FY95	% FY96	% FY97	FY 1994 Estimate	FY 1995 Planned	FY 1996 Request	FY 1997 Proposed
Total	HEDD AC CODE:	8 %	8 %	8 %	0 %	414	320	160	
HEMH	WOMEN'S HEALTH								
	FBN	100 %	100 %	100 %	0 %	414	320	160	
	PVX	20 %	30 %	30 %	0 %	83	96	48	
	NFC	30 %	30 %	30 %	0 %	124	96	48	
	PVU	100 %	100 %	100 %	0 %	414	320	160	
Total	HEMH AC CODE:	8 %	8 %	8 %	0 %	414	320	160	
NUBF	BREASTFEEDING								
	FBN	100 %	100 %	100 %	0 %	414	240	160	
	CHS	100 %	100 %	100 %	0 %	414	240	160	
	PVX	20 %	30 %	30 %	0 %	83	72	48	
	PVU	100 %	100 %	100 %	0 %	414	240	160	
Total	NUBF AC CODE:	8 %	6 %	8 %	0 %	414	240	160	
NUGM	GROWTH MONITORING AND WEANING FOODS								
	FBN	100 %	100 %	100 %	0 %	362	240	140	
	CHS	100 %	100 %	100 %	0 %	362	240	140	
	PVX	20 %	20 %	20 %	0 %	72	48	28	
	PVU	100 %	100 %	100 %	0 %	362	240	140	
Total	NUGM AC CODE:	7 %	6 %	7 %	0 %	362	240	140	
PEBD	BUSINESS DEVELOPMENT PROMOTION								
	PVX	20 %	40 %	50 %	0 %	372	576	440	
	PVU	100 %	100 %	100 %	0 %	1,861	1,440	880	
	TIC	50 %	50 %	50 %	0 %	930	720	440	
Total	PEBD AC CODE:	36 %	36 %	44 %	0 %	1,861	1,440	880	
Project Total		100 %	100 %	100 %	0 %	5,169	4,000	2,000	

20

Project Number: 524-0314 Title: NATURAL RESOURCES MANAGEMENT Initial FY=91 Final FY=97

Country		% FY94	% FY95	% FY96	% FY97	FY 1994 Estimate	FY 1995 Planned	FY 1996 Request	FY 1997 Proposed
EVCB	CONSERVATION AND BIOLOGICAL DIVERSITY								
	EVP	10 %	10 %	10 %	0 %		97	50	
	NFM	80 %	80 %	80 %	0 %		777	400	
	PPM	100 %	100 %	100 %	0 %		971	500	
	CBI	80 %	80 %	80 %	0 %		777	400	
	CLZ	30 %	30 %	30 %	0 %		291	150	
	WTL	30 %	30 %	30 %	0 %		291	150	
	NRM	80 %	80 %	80 %	0 %		777	400	
Total	EVCB AC CODE:	50 %	49 %	50 %	0 %		971	500	
EVFR	FORESTRY								
	NFM	80 %	80 %	80 %	0 %		491	240	
	PPM	100 %	100 %	100 %	0 %		614	300	

Country		% FY94	% FY95	% FY96	% FY97	FY 1994 Estimate	FY 1995 Planned	FY 1996 Request	FY 1997 Proposed
	Total EVFR AC CODE:	30 %	31 %	30 %	0 %		614	300	
	EVMP ENVIRONMENTAL MGMT, PLANNING AND POLICY								
	NFM	80 %	80 %	80 %	0 %		317	160	
	PPM	100 %	100 %	100 %	0 %		396	200	
	CBI	80 %	80 %	80 %	0 %		317	160	
	CLZ	30 %	30 %	30 %	0 %		119	60	
	WTL	30 %	30 %	30 %	0 %		119	60	
	NRM	80 %	80 %	80 %	0 %		317	160	
	Total EVMP AC CODE:	20 %	20 %	20 %	0 %		396	200	
	Project Total	100 %	100 %	100 %	0 %		1,981	1,000	

Project Number: 524-0315 Title: PRIVATE AG SERVICES Initial FY=91 Final FY=96

AGCP	CROP PRODUCTION								
	PVX	50 %	50 %	50 %	0 %	200	380	560	
	INS	75 %	75 %	75 %	0 %	300	570	840	
	NFC	100 %	100 %	100 %	0 %	400	760	1,120	
	PST	50 %	50 %	50 %	0 %	200	380	560	
	SOC	50 %	50 %	50 %	0 %	200	380	560	
	PVL	100 %	100 %	100 %	0 %	400	760	1,120	
Total	AGCP AC CODE:	40 %	40 %	40 %	0 %	400	760	1,120	
AGRM	RESOURCE MGMT FOR AGRIC. PRODUCTION & PR								
	INS	50 %	50 %	50 %	0 %	50	48	70	
	IAS	75 %	75 %	75 %	0 %	75	71	105	
	NFC	100 %	100 %	100 %	0 %	100	95	140	
	ESA	50 %	50 %	50 %	0 %	50	48	70	
	PST	50 %	50 %	50 %	0 %	50	48	70	
	SOC	75 %	75 %	75 %	0 %	75	71	105	
Total	AGRM AC CODE:	10 %	5 %	5 %	0 %	100	95	140	
AGTE	AGRICULTURAL TRAINING AND EXTENSION								
	PVX	50 %	50 %	50 %	0 %	200	228	462	
	INS	50 %	50 %	50 %	0 %	200	228	462	
	IAS	75 %	75 %	75 %	0 %	300	342	693	
	NFC	100 %	100 %	100 %	0 %	400	456	924	
	ESA	50 %	50 %	50 %	0 %	200	228	462	
	PST	50 %	50 %	50 %	0 %	200	228	462	
	SOC	50 %	50 %	50 %	0 %	200	228	462	
	PVL	100 %	100 %	100 %	0 %	400	456	924	
Total	AGTE AC CODE:	40 %	24 %	33 %	0 %	400	456	924	
EVMP	ENVIRONMENTAL MGMT, PLANNING AND POLICY								
	PST	0 %	100 %	100 %	0 %		494	476	

25

Country		% FY94	% FY95	% FY96	% FY97	FY 1994 Estimate	FY 1995 Planned	FY 1996 Request	FY 1997 Proposed
Total	EVMP AC CODE:	0 %	26 %	17 %	0 %		494	476	
PETI	TRADE AND INVESTMENT PROMOTION								
	INS	100 %	100 %	100 %	0 %	100	95	140	
	NFC	100 %	100 %	100 %	0 %	100	95	140	
	PVL	50 %	50 %	50 %	0 %	50	48	70	
Total	PETI AC CODE:	10 %	5 %	5 %	0 %	100	95	140	
Project Total		100 %	100 %	100 %	0 %	1,000	1,900	2,800	
Project Number: 524-0316		Title: STRENGTHENING DEMOCRATIC INSTITUTION		Initial FY=91	Final FY=98				
DICE	CIVIC EDUCATION								
	PVU	100 %	100 %	100 %	0 %	1,540	792	1,998	
	TIC	80 %	80 %	80 %	0 %	1,232	634	1,598	
	TPU	80 %	80 %	80 %	0 %	1,232	634	1,598	
Total	DICE AC CODE:	22 %	22 %	37 %	0 %	1,540	792	1,998	
DICS	CIVIL SOCIETY								
	PVL	100 %	100 %	100 %	0 %	210	108	540	
Total	DICS AC CODE:	3 %	3 %	10 %	0 %	210	108	540	
DIHR	HUMAN RIGHTS								
	PVL	100 %	100 %	100 %	0 %	840	432	1,080	
	TIC	15 %	15 %	15 %	0 %	126	65	162	
	TPV	15 %	15 %	15 %	0 %	126	65	162	
Total	DIHR AC CODE:	12 %	12 %	20 %	0 %	840	432	1,080	
DILA	LABOR								
	PVU	100 %	100 %	100 %	0 %	980	504	1,080	
	TIC	30 %	30 %	30 %	0 %	294	151	324	
	TPV	20 %	20 %	20 %	0 %	196	101	216	
Total	DILA AC CODE:	14 %	14 %	20 %	0 %	980	504	1,080	
DILJ	LEGAL AND JUDICIAL DEVELOPMENT								
	PVU	5 %	5 %	5 %	0 %	147	76		
	TIC	2 %	2 %	2 %	0 %	59	30		
	TPU	2 %	2 %	2 %	0 %	59	30		
Total	DILJ AC CODE:	42 %	42 %	0 %	0 %	2,940	1,512		
DIME	FREE FLOW OF INFORMATION								
	UNV	100 %	100 %	100 %	0 %	210	108	162	
	TTH	20 %	20 %	20 %	0 %	42	22	32	
	TIC	80 %	80 %	80 %	0 %	168	86	130	

26

Country		% FY94	% FY95	% FY96	% FY97	FY 1994 Estimate	FY 1995 Planned	FY 1996 Request	FY 1997 Proposed
	Total DIME AC CODE:	3 %	3 %	3 %	0 %	210	108	162	
	DIPI REPRESENTATIVE POLITICAL INSTITUTIONS								
	PVU	100 %	100 %	100 %	0 %	280	144	540	
	TTH	5 %	5 %	5 %	0 %	14	7	27	
	TIC	5 %	5 %	5 %	0 %	14	7	27	
	TPU	10 %	10 %	10 %	0 %	28	14	54	
	Total DIPI AC CODE:	4 %	4 %	10 %	0 %	280	144	540	
	Project Total	100 %	100 %	100 %	0 %	7,000	3,600	5,400	

Project Number: 524-0317 Title: PRIVATE SECTOR SUPPORT

Initial FY=91 Final FY=97

INCO	TELECOMMUNICATIONS								
	PSD	100 %	100 %	100 %	0 %	300			
Total	INCO AC CODE:	20 %	0 %	0 %	0 %	300			
PEBD	BUSINESS DEVELOPMENT PROMOTION								
	PSD	100 %	100 %	100 %	0 %	450	880	550	
	PVU	0 %	40 %	10 %	0 %		352	55	
	TIC	100 %	100 %	100 %	0 %	450	880	550	
	TPV	10 %	10 %	10 %	0 %	45	88	55	
Total	PEBD AC CODE:	30 %	55 %	55 %	0 %	450	880	550	
PEFM	FINANCIAL MARKETS								
	INS	50 %	50 %	50 %	0 %	225	360	225	
	TIC	10 %	10 %	10 %	0 %	45	72	45	
	TPV	5 %	5 %	5 %	0 %	23	36	23	
Total	PEFM AC CODE:	30 %	45 %	45 %	0 %	450	720	450	
PETI	TRADE AND INVESTMENT PROMOTION								
	INS	100 %	100 %	100 %	0 %	300			
Total	PETI AC CODE:	20 %	0 %	0 %	0 %	300			
Project Total		100 %	100 %	100 %	0 %	1,500	1,600	1,000	

Project Number: 524-0318 Title: DEV TRAINING & SUPPORT

Initial FY=91 Final FY=98

EDID	HUMAN RESOURCE DEVELOPMENT FOR INDIVIDUA								
	INS	10 %	10 %	10 %	0 %	170	176	150	
	TUS	50 %	50 %	50 %	0 %	850	880	750	
	TTH	10 %	10 %	10 %	0 %	170	176	150	
	TIC	30 %	30 %	30 %	0 %	510	528	450	
	TPU	60 %	60 %	60 %	0 %	1,020	1,056	900	
	TPV	40 %	40 %	40 %	0 %	680	704	600	

27

Country		% FY94	% FY95	% FY96	% FY97	FY 1994 Estimate	FY 1995 Planned	FY 1996 Request	FY 1997 Proposed
	Total EDID AC CODE:	100 %	88 %	100 %	0 %	1,700	1,760	1,500	
	EVMP ENVIRONMENTAL MGMT, PLANNING AND POLICY								
	TIC	0 %	100 %	0 %	0 %		240		
	Total EVMP AC CODE:	0 %	12 %	0 %	0 %		240		
	Project Total	100 %	100 %	100 %	0 %	1,700	2,000	1,500	

Project Number: 524-0327 Title: DECENTRALIZED HEALTH SERVICES Initial FY=93 Final FY=99

HECS	CHILD SPACING/HIGH RISK BIRTHS								
	FBN	100 %	100 %	100 %	0 %	237	366	499	
	CHS	100 %	100 %	100 %	0 %	237	366	499	
	DEC	100 %	100 %	100 %	0 %	237	366	499	
Total	HECS AC CODE:	15 %	15 %	15 %	0 %	237	366	499	
HEDD	DIARRHEAL DISEASE CONTROL/ORAL REHYDRATI								
	FBN	100 %	100 %	100 %	0 %	158	244	333	
	CHS	100 %	100 %	100 %	0 %	158	244	333	
	DEC	100 %	100 %	100 %	0 %	158	244	333	
Total	HEDD AC CODE:	10 %	10 %	10 %	0 %	158	244	333	
HEIM	IMMUNIZATION								
	CHS	100 %	100 %	100 %	0 %	474	732	998	
Total	HEIM AC CODE:	30 %	30 %	30 %	0 %	474	732	998	
HEMH	WOMEN'S HEALTH								
	FBN	100 %	100 %	100 %	0 %	158	244	333	
	DEC	100 %	100 %	100 %	0 %	158	244	333	
Total	HEMH AC CODE:	10 %	10 %	10 %	0 %	158	244	333	
HESD	HEALTH SYSTEMS DEVELOPMENT								
	PSD	100 %	100 %	100 %	0 %	553	854	1,164	
	SPR	100 %	100 %	100 %	0 %	553	854	1,164	
	SFI	100 %	100 %	100 %	0 %	553	854	1,164	
Total	HESD AC CODE:	35 %	35 %	35 %	0 %	553	854	1,164	
Project Total		100 %	100 %	100 %	0 %	1,579	2,440	3,325	

Project Number: 524-0329 Title: BASIC EDUCATION Initial FY=92 Final FY=98

EDEC	BASIC EDUCATION FOR CHILDREN								
	DEC	0 %	10 %	10 %	0 %		100	400	

82

Country		<u>% FY94</u>	<u>% FY95</u>	<u>% FY96</u>	<u>% FY97</u>	<u>FY 1994 Estimate</u>	<u>FY 1995 Planned</u>	<u>FY 1996 Request</u>	<u>FY 1997 Proposed</u>
	INS	26 %	35 %	35 %	0 %	989	350	1,400	
	SPR	33 %	33 %	33 %	0 %	1,256	330	1,320	
	TIC	30 %	30 %	30 %	0 %	1,142	300	1,200	
	Total EDEC AC CODE:	100 %	100 %	100 %	0 %	3,805	1,000	4,000	
	Project Total	100 %	100 %	100 %	0 %	3,805	1,000	4,000	
<hr/>									
Project Number:	524-0330	Title: FINANCIAL MANAGEMENT REFORM		Initial FY=94	Final FY=96				
PSMG	PUBLIC SECTOR ADMINISTRATION AND MANAGEM								
	INS	100 %	100 %	100 %	0 %	2,000	2,000	400	
	Total PSMG AC CODE:	100 %	100 %	100 %	0 %	2,000	2,000	400	
	Project Total	100 %	100 %	100 %	0 %	2,000	2,000	400	
<hr/>									
Project Number:	524-0333	Title: ECONOMIC RECOVERY AND DEVELOPMENT I		Initial FY=94	Final FY=94				
PRNS	POLICY REFORM, NONSECTORAL N.E.C								
	PSD	100 %	100 %	100 %	0 %	40,000			
	SPR	50 %	50 %	50 %	0 %	20,000			
	EPR	50 %	50 %	50 %	0 %	20,000			
	Total PRNS AC CODE:	100 %	100 %	100 %	0 %	40,000			
	Project Total	100 %	100 %	100 %	0 %	40,000			
<hr/>									
Project Number:	524-0339	Title: ECONOMIC POLICY ANALYSIS		Initial FY=93	Final FY=98				
PEFM	FINANCIAL MARKETS								
	SPR	0 %	100 %	100 %	0 %		400	400	
	RSS	0 %	20 %	20 %	0 %		80	80	
	Total PEFM AC CODE:	20 %	20 %	20 %	0 %		400	400	
PETI	TRADE AND INVESTMENT PROMOTION								
	SPR	0 %	100 %	100 %	0 %		400	400	
	RSS	0 %	20 %	20 %	0 %		80	80	
	Total PETI AC CODE:	20 %	20 %	20 %	0 %		400	400	
PRNS	POLICY REFORM, NONSECTORAL N.E.C								
	EPR	0 %	100 %	100 %	0 %		800	800	
	SFI	0 %	20 %	20 %	0 %		160	160	
	ALT	0 %	10 %	10 %	0 %		80	80	
	RSS	0 %	20 %	20 %	0 %		160	160	
	Total PRNS AC CODE:	40 %	40 %	40 %	0 %		800	800	
PSMG	PUBLIC SECTOR ADMINISTRATION AND MANAGEM								

29

Country		% FY94	% FY95	% FY96	% FY97	FY 1994 Estimate	FY 1995 Planned	FY 1996 Request	FY 1997 Proposed
	Total PSMG AC CODE:	20 %	20 %	20 %	0 %		400	400	
	Project Total	100 %	100 %	100 %	0 %		2,000	2,000	
Project Number: 524-0341 Title: MUNICIPAL DECENTRALIZATION & DEV.		Initial FY=94		Final FY=99					
	DIDE DECENTRALIZATION/LOCAL GOVERNANCE								
	TIC	6 %	6 %	6 %	0 %	72	36	144	
	TPU	6 %	6 %	6 %	0 %	72	36	144	
	Total DIDE AC CODE:	60 %	60 %	60 %	0 %	1,200	600	2,400	
	DIPI REPRESENTATIVE POLITICAL INSTITUTIONS								
	CPF	35 %	35 %	35 %	0 %	280	140	560	
	DEC	100 %	100 %	100 %	0 %	800	400	1,600	
	TIC	6 %	6 %	6 %	0 %	48	24	96	
	TPU	6 %	6 %	6 %	0 %	48	24	96	
	Total DIPI AC CODE:	40 %	40 %	40 %	0 %	800	400	1,600	
	Project Total	100 %	100 %	100 %	0 %	2,000	1,000	4,000	
Project Number: 524-0346 Title: ELECTORAL SUPPORT		Initial FY=94		Final FY=96					
	DIEA ELECTORAL ASSISTANCE								
	PVO	100 %	100 %	100 %	0 %	2,000	2,000		
	TIC	25 %	25 %	25 %	0 %	500	500		
	TPU	25 %	25 %	25 %	0 %	500	500		
	Total DIEA AC CODE:	100 %	100 %	100 %	0 %	2,000	2,000		
	Project Total	100 %	100 %	100 %	0 %	2,000	2,000		
Project Number: 524-0347 Title: RURAL SAVINGS MOBILIZATION		Initial FY=95		Final FY=98					
	PEFM FINANCIAL MARKETS								
	Total PEFM AC CODE:	0 %	100 %	100 %	0 %		2,000	1,000	
	Project Total	0 %	100 %	100 %	0 %		2,000	1,000	
Project Number: 524-0348 Title: STRENGTHENING LAW ENFORCEMENT		Initial FY=95		Final FY=99					
	PSMG PUBLIC SECTOR ADMINISTRATION AND MANAGEM								
	Total PSMG AC CODE:	0 %	100 %	100 %	100 %		4,500		
	Project Total	0 %	100 %	100 %	100 %		4,500		
Project Number: 524-0349 Title: CIAV/OAS HUMAN RIGHTS STRENGTHENING		Initial FY=93		Final FY=95					
	DIHR HUMAN RIGHTS								
	ALT	10 %	10 %	10 %	0 %	420	300	400	

30

Country

		<u>% FY94</u>	<u>% FY95</u>	<u>% FY96</u>	<u>% FY97</u>	<u>FY 1994 Estimate</u>	<u>FY 1995 Planned</u>	<u>FY 1996 Request</u>	<u>FY 1997 Proposed</u>
	PVO	100 %	100 %	100 %	0 %	4,200	3,000	4,000	
Total DIHR AC CODE:		100 %	100 %	100 %	0 %	4,200	3,000	4,000	
Project Total		100 %	100 %	100 %	0 %	4,200	3,000	4,000	
Project Number: 524-0351		Title: AIFLD HOME IMPROVEMENT		Initial FY=94	Final FY=96				
DICS CIVIL SOCIETY									
	CPF	100 %	100 %	100 %	0 %	1,600	3,400		
	INS	100 %	100 %	100 %	0 %	1,600	3,400		
	PVL	100 %	100 %	100 %	0 %	1,600	3,400		
Total DICS AC CODE:		100 %	100 %	100 %	0 %	1,600	3,400		
Project Total		100 %	100 %	100 %	0 %	1,600	3,400		
Project Number: 524-0352		Title: GLOBAL FIELD SUPPORT		Initial FY=95	Final FY=96				
AGCP CROP PRODUCTION									
	PVX	0 %	50 %	50 %	0 %		12		
	INS	0 %	75 %	75 %	0 %		18		
	NFC	0 %	100 %	100 %	0 %		24		
	PST	0 %	50 %	50 %	0 %		12		
	SOC	0 %	50 %	50 %	0 %		12		
	PVL	0 %	100 %	100 %	0 %		24		
Total AGCP AC CODE:		0 %	1 %	0 %	0 %		24		
AGRM RESOURCE MGMT FOR AGRIC. PRODUCTION & PR									
	INS	0 %	50 %	50 %	0 %		12		
	IAS	0 %	75 %	75 %	0 %		18		
	NFC	0 %	100 %	100 %	0 %		24		
	ESA	0 %	50 %	50 %	0 %		12		
	PST	0 %	50 %	50 %	0 %		12		
	SOC	0 %	75 %	75 %	0 %		18		
Total AGRM AC CODE:		0 %	1 %	0 %	0 %		24		
AGTE AGRICULTURAL TRAINING AND EXTENSION									
	PVX	0 %	50 %	50 %	0 %		12		
	INS	0 %	50 %	50 %	0 %		12		
	IAS	0 %	75 %	75 %	0 %		18		
	NFC	0 %	100 %	100 %	0 %		24		
	ESA	0 %	50 %	50 %	0 %		12		
	PST	0 %	50 %	50 %	0 %		12		
	SOC	0 %	50 %	50 %	0 %		12		
	PVL	0 %	100 %	100 %	0 %		24		
Total AGTE AC CODE:		0 %	1 %	0 %	0 %		24		

31

Country

		<u>% FY94</u>	<u>% FY95</u>	<u>% FY96</u>	<u>% FY97</u>	<u>FY 1994</u> <u>Estimate</u>	<u>FY 1995</u> <u>Planned</u>	<u>FY 1996</u> <u>Request</u>	<u>FY 1997</u> <u>Proposed</u>
EVCB	CONSERVATION AND BIOLOGICAL DIVERSITY								
	EVP	0 %	10 %	10 %	0 %		2		
	NFM	0 %	80 %	80 %	0 %		20		
	PPM	0 %	100 %	100 %	0 %		24		
	CBI	0 %	80 %	80 %	0 %		20		
	CLZ	0 %	30 %	30 %	0 %		7		
	WTL	0 %	30 %	30 %	0 %		7		
	NRM	0 %	80 %	80 %	0 %		20		
Total	EVCB AC CODE:	0 %	1 %	0 %	0 %		24		
HECS	CHILD SPACING/HIGH RISK BIRTHS								
	FBN	0 %	100 %	100 %	0 %		49	36	
	CHS	0 %	100 %	100 %	0 %		49	36	
	DEC	0 %	100 %	100 %	0 %		49	36	
Total	HECS AC CODE:	0 %	2 %	2 %	0 %		49	36	
HEDD	DIARRHEAL DISEASE CONTROL/ORAL REHYDRATI								
	FBN	0 %	100 %	100 %	0 %		49	36	
	CHS	0 %	100 %	100 %	0 %		49	36	
	DEC	0 %	100 %	100 %	0 %		49	36	
Total	HEDD AC CODE:	0 %	2 %	2 %	0 %		49	36	
HEIM	IMMUNIZATION								
	CHS	0 %	100 %	100 %	0 %		122	90	
Total	HEIM AC CODE:	0 %	5 %	5 %	0 %		122	90	
HEMH	WOMEN'S HEALTH								
	FBN	0 %	100 %	100 %	0 %		49	36	
	DEC	0 %	100 %	100 %	0 %		49	36	
Total	HEMH AC CODE:	0 %	2 %	2 %	0 %		49	36	
HESD	HEALTH SYSTEMS DEVELOPMENT								
	SPR	0 %	100 %	100 %	0 %		146	108	
	SFI	0 %	100 %	100 %	0 %		146	108	
	PSD	0 %	100 %	100 %	0 %		146	108	
Total	HESD AC CODE:	0 %	6 %	6 %	0 %		146	108	
PEBD	BUSINESS DEVELOPMENT PROMOTION								
	PSD	0 %	100 %	100 %	0 %		220	378	
	PVU	0 %	40 %	10 %	0 %		88	38	
	TIC	0 %	100 %	100 %	0 %		220	378	
	TPV	0 %	10 %	10 %	0 %		22	38	
Total	PEBD AC CODE:	0 %	9 %	21 %	0 %		220	378	

37

Country		<u>% FY94</u>	<u>% FY95</u>	<u>% FY96</u>	<u>% FY97</u>	<u>FY 1994 Estimate</u>	<u>FY 1995 Planned</u>	<u>FY 1996 Request</u>	<u>FY 1997 Proposed</u>
PEFM	FINANCIAL MARKETS								
	INS	0 %	50 %	50 %	0 %		85	153	
	TIC	0 %	10 %	10 %	0 %		17	31	
	TPV	0 %	5 %	5 %	0 %		9	15	
Total	PEFM AC CODE:	0 %	7 %	17 %	0 %		171	306	
PETI	TRADE AND INVESTMENT PROMOTION								
	INS	0 %	100 %	100 %	0 %		24		
	NFC	0 %	100 %	100 %	0 %		24		
	PVL	0 %	50 %	50 %	0 %		12		
Total	PETI AC CODE:	0 %	1 %	0 %	0 %		24		
PNSD	FAMILY PLANNING SERVICE DELIVERY								
	FBN	0 %	100 %	100 %	0 %		1,512	810	
	PVL	0 %	100 %	100 %	0 %		1,512	810	
Total	PNSD AC CODE:	0 %	62 %	45 %	0 %		1,512	810	
Project Total		0 %	100 %	100 %	0 %		2,439	1,800	

33

TABLE IVD
NICARAGUA (524)
FY 1996 Budget Planning Document

Aggregation of AC/SI Codes for Special Issues
(U.S. Dollars Thousands)

Page: 1 July 8, 1994
 10:48

	FY 1994 Estimate	FY 1995 Planned	FY 1996 Request	FY 1997 Proposed
(1) Child Survival Funding	2,057	2,362	2,451	0
(2) Other Health	1,124	1,613	1,800	0
(3) Environment	2,881	5,893	4,727	0
(4) Energy	0	0	0	0

Refer to BPD Guidance Annex D for aggregation basis.

The above summaries are aggregations of ACs and SIs. Other aggregations consists of ACs Only and can be derived from AC section of the Aggregate Analysis Report.

CENTRAL SUPPORT NEEDS NARRATIVE

Central support needs for USAID/Nicaragua will total \$2,439,000 in FY 1995 and \$1,800,000 in FY 1996. In each fiscal year, however, centrally funded activities are projected to equal the budgeted level of \$800,000, with remaining central support consisting of Mission buy-ins from projects that have already budgeted for these activities. All centrally funded activities will be for population.

In FY 1995, of the total \$2,439,000, \$400,000 will be used for short-term technical assistance for privatization; \$19,000 will be used for technical assistance in the areas of pesticide, integrated pest management, forestry legislation and land tenure; \$400,000 will be used for technical assistance to address micronutrient deficiencies and for training and promotional activities in support of correct breast feeding practices and perinatal care; and \$100,000 will be used for fertilizer technical assistance. The balance of \$1,520,000, including \$800,000 of centrally funded support, will be used for the purchase of contraceptives and for population technical assistance.

In FY 1996, an additional \$700,000 will be used for privatization technical assistance and an additional \$300,000 will be used to continue technical assistance in the areas of micronutrient deficiencies, breast feeding, and perinatal care. The balance of \$800,000 will be used to purchase contraceptives.

The following tables list the activities that USAID/Nicaragua will be requesting from the central bureau in both FY 1995 and FY 1996:

FISCAL YEAR 1995

ACTIVITY	LEVEL OF FUNDING AVAILABLE	FUNDING MECHANISM USED	NO. OF FTEs TO PROVIDE SERVICES	
			WORKFORCE CATEGORY	DOLLARS
Short-term technical assistance in privatization	400,000	buy-in	financial analyst	300,000
Pesticide Advisor	3,000	buy-in	pesticide advisor	3,000
Integrated Pest Management Advisor	3,000	buy-in	pesticide advisor	3,000
Forestry Legislation	3,000	buy-in	forestry expert	3,000
Land Tenure	10,000	buy-in	economist	10,000
Technical Assistance for Communications Campaign Development for Family Planning	350,000	buy-in	communications expert	262,500
Training of nurses, physicians and community volunteers in delivery of family planning services	295,000	buy-in	family planning expert	221,250
Policy analysis and modeling on the impact of population and development	75,000	buy-in	economist	

Policy analysis and modeling on the impact of population and development	100,000	centrally-funded	economist	
Technical assistance in introducing Depo Provera and Norplant	100,000	centrally-funded	family planning expert	
Develop plain language brochure on findings of '92-'93 survey	5,000	centrally-funded	family planning expert	
Contraceptives for Ministry of Health and NGOs	235,000	centrally-funded	N/A	
HIV Economic Impact Analysis	120,000	centrally-funded	economist	
Condoms for HIV/AIDS control and prevention	240,000	centrally-funded	N/A	
Technical assistance for implementation of strategies that address micronutrient deficiencies	200,000	buy-in	health expert	150,000
Breast feeding and maternal and neonatal health	200,000	buy-in	health expert	150,000
NAPHTHOL	100,000	buy-in	fertilizer expert	

FISCAL YEAR 1996

ACTIVITY	LEVEL OF FUNDING AVAILABLE	FUNDING MECHANISM USED	NO. OF FTEs TO PROVIDE SERVICES	
			WORKFORCE CATEGORY	DOLLARS
Short-term technical assistance in privatization	700,000	buy-in	financial analyst	700,000
Contraceptives for Ministry of Health and NGOs	530,000	centrally-funded	N/A	
Condoms for HIV/AIDS control and prevention	270,000	centrally-funded	N/A	
Technical assistance for implementation of strategies that address micronutrient deficiencies	100,000	buy-in	health expert	75,000
Breastfeeding and maternal and neonatal health	200,000	buy-in	health expert	150,000

OE BUDGET REQUEST NARRATIVE, TABLE VIII

A. MAJOR FACTORS INFLUENCING BUDGET PROJECTIONS

In reviewing the attached tables for FY94, FY95 and FY96 OE budget projects, there are a number of key points which should be taken into consideration:

- New exchange rate projections for FY 95/FY 96;
- The Mission is currently purchasing the building it occupies;
- Demographic Changes in Mission staffing;
- Implementation of an FSN health benefits plan;
- Conversion of maintenance contractors to FSN PSC status;
- Savings on residential housing;
- Rapidly rising utility costs;
- Vehicle replacement; and
- Automation requirements resulting from IRM guidelines.

These points are discussed below and they explain the major variations in our OE budget from the request contained in the Action Plan and from one FY to the next.

EXCHANGE RATE PROJECTIONS (ACTION PLAN/BPD VARIANCE)

The USAID/Nicaragua operating expense budget request for FY'94 exceeds the Action Plan reporting by \$2,632,000. The difference is due to \$2,500,000 of trust funds now being budgeted for in this BPD for the purchase of the building (which has been approved by AID and OMB). The balance of \$132,000 represents the amount budgeted for NXP procurement, approval of which was obtained subsequent to the Action Plan reporting.

It should be noted that the BPD reporting for FY'95-96 significantly exceeds Action Plan reporting for these periods primarily due to changes in exchange rate assumptions (see Table I, below). Exchange rates assumed in the Action Plan were 9.0 cordobas per dollar and 11.0 cordobas per dollar respectively for years 1995 and 1996. Rates utilized in the BPD are 7.5 and 8.4 respectively for years 1995 and 1996. These rates are deemed to be a more accurate reflection of what prevailing rates will be than those assumed in our Action Plan. The effects of exchange rate differences along with other changes impacting on the now higher BPD levels are summarized below (see Table II).

TABLE I
BPD Verses Action Plan

	<u>FY'95</u>	<u>FY'96</u>	<u>TOTAL</u>
BPD	4,451,227	4,291,965	8,743,192
Action Plan	4,201,568	3,987,225	8,188,793
Difference	<hr style="width: 100%;"/> 249,659 =====	<hr style="width: 100%;"/> 304,740 =====	<hr style="width: 100%;"/> 554,399 =====

TABLE II
Reconciliation of Action Plan to BPD

	<u>FY'95</u>	<u>FY'96</u>	<u>TOTAL</u>
Action Plan	4,201,568	3,987,225	8,188,793
<u>Differences:</u>			
Change in Exchg. Rate Assumptions	360,000	496,000	856,000
Reduced NXP in BPD Reporting	(218,321)	(152,363)	(370,684)
Office Operations	56,992	(29,577)	27,415
Various	50,988	(9,320)	41,688
BPD	<u>4,451,227</u> =====	<u>4,291,965</u> =====	<u>8,743,192</u> =====

Annual rental payments are currently being budgeted for in the BPD projections. However, these budgeted costs could be a possible Agency resource to cover the overages noted above, should the building purchase take place in FY' 94 (see below).

BUILDING PURCHASE PROPOSAL AND OFFICE RENT

USAID began leasing an office complex in October 1990. Through a lease amendment an additional building was constructed and an air conditioning system and other significant improvements were made. During the course of the lease period the idea of buying the property (with Trust Funds) was proposed. In late May 1994 and after a protracted effort by USAID, authorization was received from the Office of Management and Budget (OMB) to proceed with the purchase. A USAID/Nicaragua representative has been engaged in negotiations with the owners of the property but has yet to agree on a mutually acceptable price. If no agreement can be reached before September 1994, a scheduled rental payment of \$278,126 will have to be made. As noted in the tables, sizeable rental payments will also fall due in FY95 and FY96. Owing to the late receipt of the authorization to proceed, USAID has not yet been able to reach a mutually agreeable settlement with the owner. Consequently, USAID is still obliged to retain the FY94 funds required to pay the rent and to assume payments will also fall due in FY95 and FY96. Should USAID be able to reach an agreement soon, it is understood that the funds being reserved for rental payments would become available to the Agency for other purposes (such as, perhaps, helping to offset the shortage caused by the revised exchange rate assumptions, described above).

DEMOGRAPHIC CHANGES

As the quality of living in Nicaragua continues to improve and the Mission matures we anticipate an increase in the number of couples with children living at post. In 1993, for example, there were only 41 dependents associated with the American Mission whereas today there are 61. The FY95 increase reflects known assignments and projects a family of 4 for all to-be-assigned positions. This transition in the basic profile of our small community is reflected in such expense categories as education allowance, COLA, and other benefits.

IMPLEMENTATION OF AN FSN HEALTH BENEFITS PLAN

The Mission anticipates an increase in the cost of funding its FSN staff by about \$122,720 per year¹ over current levels. This increase will take full effect in FY95 with the implementation of an FSN health benefits program which should help the Mission to retain good employees in an increasingly competitive labor market. *This plan will also have an impact on the cost of guard services (guards are Embassy employees and not a contract operation). The question of whether deferred compensation (retirement) and severance pay benefits for the FSN staff as "prevailing practice" is being reviewed by the Embassy in conjunction with State PER. While this could become a reality at some point in the future--perhaps in FY96--there is not enough information available at this time to warrant incorporating it into our FY95 or FY96 budget forecasts.*

CONVERSION OF MAINTENANCE CONTRACTORS TO FSN PSC STATUS

In 1991 USAID contracted with a firm to provide office building and residential maintenance services. In 1993 the contract was competed again and the same contractor was awarded the contract for an additional year. This FY and in anticipation of USAID's US-PSC GSO's departure, a thorough survey of general services operations was made. Three significant points became apparent as a result. The Nicaraguan owner of the maintenance contracting organization we had been using was ranked as the top candidate for the new GSO position, however, contracting him for the position would require USAID to cancel the contract (due to a conflict of interest). Hence, in order to retain the skills of the FSN staff that he had trained over the last three years, the Mission decided to convert these individuals into FSN-PSCs. In addition, and even without considering the large savings of replacing the US-PSC GSO with an FSN, there was an overall estimated decrease in costs after converting the contractor staff to FSN-PSC status.

¹This represents a cost of about \$1,200 per employee, per year. Currently, FSN employees are receiving monetized health insurance coverage in the amount of approx. \$320 per employee, per year.

This is due, in part, to the salary cut taken by the contracting organization owner (in exchange for longer term security) and the elimination of a profit and fees factor paid to the firm under the terms of the contract.

In short, the aggregate impact of this change is to delete expenses in the manpower contracts line item (U306) associated with these services and shift them to the FSN-PSC salary benefits line item (U304). There will be an estimated overall budget savings of approximately ten thousand dollars per year as a result of this transaction.

RESIDENTIAL HOUSING

USAID has managed to maintain a housing pool which exactly matches the number of USAID USDH and long-term personal services contractors assigned to Post. Other than during the summer turnover period, the houses remain fully occupied. During the next 18 months the leases of 16 USAID residence are due to expire. Mission management is intent on renegotiating the leases at somewhat lower levels and these savings, as well as reductions due to staffing decreases, are reflected in the FY96 budget projections.

UTILITIES

As part of Nicaragua's major structural adjustment efforts and increasing fiscal stringency, the Government of Nicaragua has been forced to remove subsidies from basic utilities. Hence, an analysis of our utility rates in the last three months reveal that these costs have taken a significant jump. It is expected that these rates will continue to rise until fair market prices are charged for all major utilities, including telecommunications. For example, in Oct. - Dec. 1993 the average monthly residential electrical bill was \$305. For the period Feb. - April 1994 the average was \$350, or almost a 15% increase. Table VIII(a) reflects this analysis and adds 10 percent to project expenses for FY95 and FY96.

VEHICLE REPLACEMENT

As should be expected, USAID/Nicaragua acquired almost an entirely new fleet of vehicles shortly after opening the Mission in 1990. The vehicles get heavy use and, as these vehicles age, it becomes necessary to replace them. FY95 reflects the purchase of four replacement vehicles in FY95 and one in FY96.

AUTOMATION REQUIREMENTS

[See separate narrative detailing this portion of the budget]

B. STAFFING - A REVIEW

USAID/N has been very fortunate in having a dedicated staff with little turnover during the last four years. As noted above, that situation is quickly changing. More detailed information on USAID's staffing follows.

1. Although LAC Bureau control guidance for 1995 and 1996 requested a reduction from 26 to 25 USDH positions in 1995 and, again, to 24 positions in 1996, USAID/Nicaragua has moved forward and will have met the 1996 objective by the end of FY94. Our tables reflect the anticipated lower level. USAID anticipates four IDIs in FY95 (which do not count against the Mission ceiling). Two of the IDIs are expected to arrive by August 1994. One IDI is at Post and the fourth will (hopefully) arrive by the end of the first quarter in FY95 will be filling vacant USDH slots.
2. USAID/Nicaragua currently has 13 USPSC positions (OE and project funded), 7 of which are in resident hire status. USAID anticipates reducing one additional position by the end of FY94 and an additional two during the first quarter of FY95.
3. The FSN Direct Hire ceiling for USAID/Nicaragua has been authorized at 5 direct-hire positions (ref. 90 State 259048). The Mission, however, only has a projected need for 3 positions which has been reflected on our 1994-1996 Ceiling Information summaries.
4. The FSNPSC ceiling includes an anticipated increase of 17 positions over current levels. 14 of the 17 additional positions relate to the conversion of maintenance contractors to PSC status, 1 of the 16 positions substitutes for two US-PSC positions which are being deleted, 1 of the 17 is a project funded employee to work under the Financial Management Reform Project, and 1 of the 17 positions relates to the conversion of an employee from FSN DH to FSN PSC status. Note that two of the FNPSC positions are project funded and three are TCN PSC's (one of the TCN positions is project funded and to be deleted in Dec. 1994).

WORKFORCE LEVELS AND STRATEGIC OBJECTIVES

USAID/Nicaragua is anticipating a drop to 24 positions in FY94 from the 27 authorized only a year ago. In June 1993 the Mission employed 12 OE funded US-PSC and TCN contractors and will have reduced that number to 5 by August 1994.

As the Mission has moved from a design to an implementation mode during the last year, there has been a modest increase, from 7 to 9, in the number of project funded US-PSC/TCN-PSC personal service contractor positions (subject to Bureau approval)

Likewise, the number of our FSN employees has steadily increased as the Mission has succeeded in filling all but a handful of the positions which it established in its early design of the Mission (senior level FSN positions remain difficult to fill).

The changes described above are appropriate for a maturing Mission conducting a sustainable development program. As we continue to fill vacant FSN positions, there has been a simultaneous reduction in the US-PSC staffing levels (as well as two USDH positions). USAID/Nicaragua's staffing levels, we believe, compare quite favorably against other Missions with comparably sized programs. USAID's ability to manage an over \$855 million program over the last four years can, in large part, be attributed to its dedicated staff (including a host of IDIs) and to a good training program. Given the continuing levels of assistance to Nicaragua, intense Congressional interest, a high degree of oversight of the program (USAID/Nicaragua has had more than 20 audits and evaluation during the last four years), and the shift in the portfolio to a greater focus on implementation, USAID/Nicaragua cannot realistically be expected to absorb further reductions. Without a maintenance of the existing USDH staffing levels, we would clearly be unable to meet the objectives described in our Action Plan. A reduction of staff beyond that already projected would extend current resource levels beyond their capacity, resulting in increased management vulnerabilities. USAID/Nicaragua recognizes the challenges placed on the agency to downsize. However, as a relatively new Mission with a broad mandate and a majority of recent project starts in our portfolio, we cannot absorb further staffing cuts. As reflected in our audit and other progress reports, USAID/Nicaragua is making an impact in this country and we would like to continue to do so. Simply stated, the momentum cannot be sustained unless adequate staffing and funding levels are maintained.

TABLE VIII (a)
 OPERATING EXPENSE BUDGET REQUEST
 BPC: 10400
 Mission: USAID/NICARAGUA

EXPENSE CATEGORY	FUNC CODE	FY 1994 ESTIMATE				FY 1995 REQUEST				FY 1996 REQUEST			
		OE	TF	TOTAL	UNITS	OE	TF	TOTAL	UNITS	OE	TF	TOTAL	UNITS
U.S. DIRECT HIRE:													
Other Salary	U105	0.0		0.0		0.0		0.0		0.0		0.0	
Education Allowances	U106	45,453.0		45,453.0	19.0	87,500.0		87,500.0	31.5	123,500.0		123,500.0	35.5
Cost of Living Allow.	U108	33,192.0		33,192.0		29,394.0		29,394.0	0.0	31,538.0		31,538.0	0.0
Other Benefits	U110	38,392.0		38,392.0		60,821.0		60,821.0	0.0	51,023.0		51,023.0	0.0
Post Assign Travel	U111	15,470.0		15,470.0	8.0	19,500.0		19,500.0	11.0	16,200.0		16,200.0	9.0
Post Assign Freight	U112	141,359.0		141,359.0	11.0	135,000.0		135,000.0	11.0	108,000.0		108,000.0	9.0
Home Leave Travel	U113	4,488.0		4,488.0	8.0	14,900.0		14,900.0	36.0	7,825.0		7,825.0	21.0
Home Leave Freight	U114	2,958.0		2,958.0	8.0	13,220.0		13,220.0	36.0	8,270.0		8,270.0	21.0
Education Travel	U115	1,676.0		1,676.0	3.0	1,600.0		1,600.0	2.0	1,600.0		1,600.0	2.0
R & R Travel	U116	19,836.0		19,836.0	45.0	11,600.0		11,600.0	32.0	24,000.0		24,000.0	60.0
Other Travel	U117	18,126.0		18,126.0	6.0	13,600.0		13,600.0	6.0	12,000.0		12,000.0	4.0
Subtotal	U100	320,950.0	0.0	320,950.0		387,135.0	0.0	387,135.0		383,956.0	0.0	383,956.0	
F.N. DIRECT HIRE:													
F.N. Basic Pay	U201	40,270.0		40,270.0	4.0	43,352.0		43,352.0	4.0	43,319.0		43,319.0	4.0
Overtime/Holiday Pay	U202	1,950.0		1,950.0	0.1	1,491.0		1,491.0	0.1	1,491.0		1,491.0	0.1
Other Code 11 - FN	U203	0.0		0.0	0.0	1,500.0		1,500.0	0.0	1,500.0		1,500.0	0.0
Other Code 12 - FN	U204	2,529.0		2,529.0	0.0	2,232.0		2,232.0	0.0	2,567.0		2,567.0	0.0
Benefits - Former FN	U205	0.0		0.0	0.0	0.0		0.0	0.0	0.0		0.0	0.0
Accrued Separation Liabilit	U206	0.0		0.0	0.0	0.0		0.0	0.0	0.0		0.0	0.0
Subtotal	U200	44,749.0	0.0	44,749.0		48,575.0	0.0	48,575.0		48,877.0	0.0	48,877.0	
CONTRACT PERSONNEL:													
U.S. PSC - S&B	U302	151,672.0		151,672.0	5.0	100,705.0		100,705.0	3.7	41,210.0		41,210.0	2.0
Other U.S. PSC Costs	U303	22,744.0		22,744.0	0.0	12,560.0		12,560.0	0.0	4,300.0		4,300.0	0.0
FN PSC - S&B	U304	1,112,791.0		1,112,791.0	104.5	1,640,719.0		1,640,719.0	128.0	1,649,332.0		1,649,332.0	128.0
Other FN PSC Costs	U305	19,405.0		19,405.0	0.0	23,978.0		23,978.0	0.0	23,978.0		23,978.0	0.0
Manpower Contracts	U306	130,800.0		130,800.0	14.0	0.0		0.0	0.0	0.0		0.0	0.0
Accrued Separation Liabilit	U307	0.0		0.0	0.0	0.0		0.0	0.0	0.0		0.0	0.0
Subtotal	U300	1,437,412.0	0.0	1,437,412.0		1,777,962.0	0.0	1,777,962.0	0.0	1,718,820.0	0.0	1,718,820.0	
HOUSING:													
Residential Rent	U401	545,020.0		545,020.0	27.3	529,580.0		529,580.0	27.0	512,780.0		512,780.0	25.0
Residential Utilities	U402	0.0	137,791.0	137,791.0	0.0	0.0	191,784.0	191,784.0	0.0	0.0	196,920.0	196,920.0	0.0
Maint/Repairs	U403	1,490.0	8,755.0	10,245.0	0.0	1,200.0	2,160.0	3,360.0	0.0	1,200.0	2,256.0	3,456.0	0.0
Living Quarters Allow	U404	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

54

Security Guards	U407	24,146.0	167,978.0	192,124.0	9.5		0.0	191,500.0	191,500.0	9.5		0.0	188,080.0	188,080.0	9.5
Official Res. Exp.	U408	400.0	0.0	400.0	0.0		0.0	0.0	0.0	0.0		0.0	0.0	0.0	0.0
Representation Allow.	U409	2,300.0		2,300.0	0.0								0.0	0.0	0.0
Subtotal	U400	573,356.0	314,524.0	887,880.0			2,500.0	0.0	2,500.0	0.0		2,500.0	0.0	2,500.0	0.0
OFFICE OPERATIONS:															
Office Rent	U501	278,126.0	0.0	278,126.0	0.0		295,577.0		295,577.0	0.0		300,517.0		300,517.0	0.0
Office Utilities	U502	0.0	51,566.0	51,566.0	0.0		0.0	58,668.0	58,668.0	0.0		0.0	60,228.0	60,228.0	0.0
Building Maint/Repair	U503	0.0	5,898.0	5,898.0	0.0		8,040.0	7,239.0	15,279.0	0.0		3,600.0	10,500.0	14,100.0	0.0
Equip. Maint/Repair	U508	9,919.0	4,337.0	14,256.0	0.0		5,004.0	12,100.0	17,104.0	0.0		6,000.0	15,000.0	21,000.0	0.0
Communications	U509	43,479.0	34,236.0	77,715.0	0.0		54,000.0	69,372.0	123,372.0	0.0		60,000.0	68,556.0	128,556.0	0.0
Security Guards	U510	22,777.0	75,430.0	98,207.0	13.0		0.0	123,812.0	123,812.0	13.0		0.0	129,112.0	129,112.0	13.0
Printing	U511	0.0	0.0	0.0	0.0		0.0		0.0	0.0		0.0		0.0	0.0
Site Visits – Mission	U513	25,443.0	3,439.0	28,882.0	78.0		19,900.0	3,600.0	23,500.0	65.0		15,176.0	3,750.0	18,926.0	64.0
Site Visits – AID/W	U514	25,821.0	0.0	25,821.0	8.0		8,400.0		8,400.0	2.0		7,000.0		7,000.0	2.0
Information Meetings	U515	4,703.0	0.0	4,703.0	3.0		3,050.0		3,050.0	3.0		1,500.0		1,500.0	1.0
Training Travel	U516	21,077.0	0.0	21,077.0	10.0		24,100.0		24,100.0	9.0		11,100.0		11,100.0	7.0
Conference Travel	U517	12,252.0	0.0	12,252.0	12.0		16,500.0		16,500.0	3.0		10,500.0		10,500.0	3.0
Other Operational Trl	U518	7,369.0	0.0	7,369.0	8.0		4,550.0		4,550.0	3.0		3,000.0		3,000.0	1.0
Supplies	U519	143,040.0	24,228.0	167,268.0			153,000.0	24,400.0	177,400.0			131,900.0	25,000.0	156,900.0	
FAAS	U520	54,913.0	0.0	54,913.0			57,659.0		57,659.0			60,404.0		60,404.0	
Consultant Contracts	U521	0.0	0.0	0.0	0.0		0.0		0.0	0.0		0.0		0.0	0.0
Mgmt/Prof Svcs Cont	U522	2,515.0	0.0	2,515.0	0.1		0.0		0.0	0.0		0.0		0.0	0.0
Spec. Studies/Analyses	U523	2,100.0	5,258.0	7,358.0	0.4		0.0	0.0	0.0	0.0		0.0	0.0	0.0	0.0
ADP H/W Lease/Maint	U525	27,450.0	0.0	27,450.0	0.0		25,000.0	0.0	25,000.0	0.0		25,000.0	0.0	25,000.0	0.0
ADP S/W Lease/Maint	U526	0.0	0.0	0.0	0.0		0.0		0.0	0.0		0.0		0.0	0.0
Trans/Freight – U500	U598	11,747.0	0.0	11,747.0	0.0		18,800.0		18,800.0	0.0		15,500.0		15,500.0	0.0
Other Contract Svcs	U599	20,215.0	46,584.0	66,799.0	0.0		18,000.0	83,040.0	101,040.0	0.0		18,000.0	93,000.0	111,000.0	0.0
Subtotal	U500	712,946.0	250,976.0	963,922.0			711,580.0	382,231.0	1,093,811.0			669,197.0	405,146.0	1,074,343.0	
NXP PROCUREMENT:															
Vehicles	U601	21,000.0		21,000.0	1.0		81,332.0		81,332.0	4.0		18,000.0		18,000.0	1.0
Residential Furniture	U602	1,400.0		1,400.0	0.0		6,934.0		6,934.0	0.0		16,608.0		16,608.0	0.0
Residential Equipment	U603	0.0		0.0	0.0		28,484.0		28,484.0	0.0		28,047.0		28,047.0	0.0
Office Furniture	U604	3,580.0		3,580.0	0.0		8,657.0		8,657.0	0.0		10,760.0		10,760.0	0.0
Office Equipment	U605	0.0		0.0	0.0		24,073.0		24,073.0	0.0		28,097.0		28,097.0	0.0
Other Equipment	U606	40,770.0		40,770.0	0.0		62,001.0		62,001.0	0.0		74,985.0		74,985.0	0.0
ADP H/W Purchases	U607	35,415.0		35,415.0	0.0		14,200.0		14,200.0	0.0		15,000.0		15,000.0	0.0
ADP S/W Purchases	U608	24,100.0		24,100.0	0.0		31,300.0		31,300.0	0.0		10,900.0		10,900.0	0.0
Trans/Freight – U600	U698	5,735.0		5,735.0	0.0		25,698.0		25,698.0	0.0		20,240.0		20,240.0	0.0
Subtotal	U600	132,000.0	0.0	132,000.0			282,679.0	0.0	282,679.0			222,637.0	0.0	222,637.0	
636(c) REQUIREMENTS	U900		2,500,000.0	2,500,000.0					0.0					0.0	
TOTAL OE COSTS		3,221,413.0	3,065,500.0	6,286,913.0			3,741,211.0	767,675.0	4,508,886.0			3,559,967.0	792,402.0	4,352,369.0	

44

Less "OE" FAAS	54,913.0		54,913.0								
					57,659.0		57,659.0		60,404.0	60,404.0	
TOTAL OE BUDGET REQUE U000	3,166,500.0	3,065,500.0	6,232,000.0		3,683,552.0	767,675.0	4,451,227.0		3,499,563.0	792,402.0	4,291,965.0
	=====	=====	=====		=====	=====	=====		=====	=====	=====

SPECIAL INFORMATION:

Program funded Accrued Separation Liability			0.0				0.0			0.0
Local Currency Usage - %			48.0%				53.8%			56.6%
Exchange Rate used in Calculations			6.8				7.5			8.4
Trust Fund End-of-Year Balance			2,500,000.0				0.0			0.0
USDH FTE			24.5				21.3			23.0

NAMING CONVENTION: 96OE2524.WK1

45

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+-----+
->          C E I L I N G   I N F O R M A T I O N          ->
+-----+
FY 94
+-----+
->                      Country                      ->
->                      524                          ->
->
-> US Direct          FSN Direct          US Direct Hire ->
-> Hire Ceiling      Hire Ceiling      Deleted Positions ->
->
->      24                      3                      0 ->
->
->
->      USPSC          FNPSC          PASA          IPA ->
-> Hire Ceiling      Hire Ceiling      Hire Ceiling      Hire Ceiling ->
->
->      12                      134                      1                      0 ->
->
-> COMMENTS: ->
-> ->
-> ->
+-----+

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46

CEILING INFORMATION				
FY 95				
	Country			
	524			
US Direct Hire Ceiling	FSN Direct Hire Ceiling	US Direct Hire Deleted Positions		
24	3	0		
USPSC Hire Ceiling	FNPSC Hire Ceiling	PASA Hire Ceiling	IPA Hire Ceiling	
10	131	1	0	
COMMENTS:				

47

CEILING INFORMATION				
FY 96				
	Country			
	524			
US Direct Hire Ceiling	FSN Direct Hire Ceiling		US Direct Hire Deleted Positions	
24	3		0	
USPSC Hire Ceiling	FNPSC Hire Ceiling	PASA Hire Ceiling	IPA Hire Ceiling	
9	130	1	0	
COMMENTS:				

48

Table VIII (e) - Controller Breakout/Narrative:

The Office of Finance is made up currently of 3 USDHs, 2 TCNs, 2 DHFSNs, 20 FSNs and 1 USPSC whom are funded out of operating expenses. The Deputy Controller and the Budget and Accounting Officer are scheduled to depart post in FY'95 and the Controller is due to depart in FY'96. The resulting lapses between the time personnel depart and the arrival times of replacements account for the changes in the FTE levels. Increases in the estimated costs for FY'95 and FY'96 over the FY'94 budget are due primarily to changes in the FSN local compensation plan which includes annual increases in basic pay of 15% and inclusion of a health plan for FSN employees (\$1,200 per employee annually). Other contributing factors relates to one time costs of bringing USDH replacements for the anticipated departures of staff mentioned above. Exchange rates used in developing this budget assumed 6.8 to 1.0; 7.5 to 1.0 and; 8.4 to 1.0 (cordobas to dollars) for FY' 94, 95 and 96 respectively. Should the actual exchange rate experience be significantly different, material variances will result due to the percentage of local currency usage at this Mission (50%; 50% and 60% for FY'94, 95 and 96 respectively). Moreover, it should be noted that no severance liability is being budgeted by the Mission at this point in time. Should severance pay become part of the local compensation plan in the future, the Mission would have to begin recognizing this cost and therefore begin accruing for such.

~~5-0~~ 49

TABLE VIII (e)
 CONTROLLED BUDGET BREAKOUT

BPC:

Mission:

EXPENSE CATEGORY	FUNC CODE	FY 1994 ESTIMATE				FY 1995 REQUEST				FY 1996 REQUEST			
		OE	TF	TOTAL	UNITS	OE	TF	TOTAL	UNITS	OE	TF	TOTAL	UNITS
U.S. DIRECT HIRE:													
Other Salary	U105	0.0		0.0	0.0	0.0		0.0	0.0	0.0		0.0	0.0
Education Allowances	U106	9,550.0		9,550.0	3.0	8,000.0		8,000.0	1.5	23,000.0		23,000.0	6.5
Cost of Living Allow.	U108	3,438.0		3,438.0	0.0	3,664.0		3,664.0	0.0	3,789.0		3,789.0	0.0
Other Benefits	U110	2,622.0		2,622.0	0.0	4,700.0		4,700.0	0.0	9,400.0		9,400.0	0.0
Post Assign Travel	U111	0.0		0.0	0.0	1,800.0		1,800.0	1.0	3,600.0		3,600.0	2.0
Post Assign Freight	U112	0.0		0.0	0.0	12,000.0		12,000.0	1.0	24,000.0		24,000.0	2.0
Home Leave Travel	U113	2,538.0		2,538.0	3.0	2,600.0		2,600.0	7.0	1,350.0		1,350.0	3.0
Home Leave Freight	U114	1,528.0		1,528.0	3.0	2,340.0		2,340.0	7.0	1,080.0		1,080.0	3.0
Education Travel	U115	1,113.0		1,113.0	2.0	0.0		0.0	0.0	0.0		0.0	0.0
R & R Travel	U116	2,132.0		2,132.0	4.0	1,200.0		1,200.0	3.0	3,200.0		3,200.0	8.0
Other Travel	U117	2,000.0		2,000.0	1.0	2,000.0		2,000.0	1.0	2,000.0		2,000.0	1.0
Subtotal	U100	24,921.0	0.0	24,921.0		38,304.0	0.0	38,304.0		71,419.0	0.0	71,419.0	
F.N. DIRECT HIRE:													
F.N. Basic Pay	U201	21,999.0		21,999.0	2.0	21,999.0		21,999.0	2.0	21,977.0		21,977.0	2.0
Overtime/Holiday Pay	U202	500.0		500.0	0.5	500.0		500.0	0.5	500.0		500.0	0.5
Other Code 11 - FN	U203	0.0		0.0	0.0	1,000.0		1,000.0	0.0	1,000.0		1,000.0	0.0
Other Code 12 - FN	U204	1,074.0		1,074.0	0.0	1,074.0		1,074.0	0.0	1,235.0		1,235.0	0.0
Benefits - Former FN	U205	0.0		0.0	0.0	0.0		0.0	0.0	0.0		0.0	0.0
Accrued Separation Lia	U206	0.0		0.0	0.0	0.0		0.0	0.0	0.0		0.0	0.0
Subtotal	U200	23,573.0	0.0	23,573.0		24,573.0	0.0	24,573.0		24,712.0	0.0	24,712.0	
CONTRACT PERSONNEL:													
U.S. PSC - S&B	U302	35,974.0		35,974.0	1.0	37,584.0		37,584.0	1.0	0.0	0.0	0.0	0.0
Other U.S. PSC Costs	U303	4,130.0		4,130.0	0.0	4,130.0		4,130.0	0.0	0.0		0.0	0.0
FN PSC - S&B	U304	372,081.0		372,081.0	22.0	412,747.0		412,747.0	22.0	416,534.0		416,534.0	22.0
Other FN PSC Costs	U305	16,600.0		16,600.0	0.0	17,478.0		17,478.0	0.0	17,478.0		17,478.0	0.0
Manpower Contracts	U306	22,498.0		22,498.0	2.4	0.0		0.0	0.0	0.0		0.0	0.0
Accrued Separation Lia	U307	0.0		0.0	0.0	0.0		0.0	0.0	0.0		0.0	0.0
Subtotal	U300	451,283.0	0.0	451,283.0		471,939.0	0.0	471,939.0		434,012.0	0.0	434,012.0	
HOUSING:													
Residential Rent	U401	94,800.0		94,800.0	5.0	94,800.0		94,800.0	5.0	94,800.0		94,800.0	5.0
Residential Utilities	U402	0.0	37,080.0	37,080.0	0.0	0.0	38,676.0	38,676.0	0.0	0.0	39,708.0	39,708.0	0.0
Maint/Repairs	U403	240.0	672.0	912.0	0.0	240.0	672.0	912.0	0.0	240.0	744.0	984.0	0.0
Living Quarters Allow	U404	0.0		0.0	0.0	0.0		0.0	0.0	0.0		0.0	0.0
Security Guards	U407	0.0	31,140.0	31,140.0	2.3	0.0	34,250.0	34,250.0	2.3	0.0	37,679.0	37,679.0	2.3
Official Res. Exp.	U408	0.0		0.0	0.0	0.0		0.0	0.0	0.0		0.0	0.0
Representation Allow.	U409	0.0		0.0	0.0	0.0		0.0	0.0	0.0		0.0	0.0
Subtotal	U400	95,040.0	68,892.0	163,932.0		95,040.0	73,598.0	168,638.0		95,040.0	78,131.0	173,171.0	

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 15

TABLE VIII (e)
 CONTROLLED BUDGET BREAKOUT
 BPC:
 Mission:

EXPENSE CATEGORY	FUNC CODE	FY 1994 ESTIMATE				FY 1995 REQUEST				FY 1996 REQUEST			
		OE	TF	TOTAL	UNITS	OE	TF	TOTAL	UNITS	OE	TF	TOTAL	UNITS
OFFICE OPERATIONS:													
Office Rent	U501	47,003.0		47,003.0		49,953.0		49,953.0		50,787.0		50,787.0	
Office Utilities	U502	0.0	8,715.0	8,715.0		0.0	9,915.0	9,915.0		0.0	10,179.0	10,179.0	
Building Maint/Repair	U503	997.0		997.0		2,582.0		2,582.0		2,383.0		2,383.0	
Equip. Maint/Repair	U508	0.0	2,409.0	2,409.0		0.0	2,891.0	2,891.0		0.0	3,549.0	3,549.0	
Communications	U509	7,348.0	5,786.0	13,134.0		9,126.0	11,724.0	20,850.0		10,140.0	11,586.0	21,726.0	
Security Guards	U510	0.0	16,597.0	16,597.0	2.2	0.0	20,924.0	20,924.0	2.2	0.0	21,820.0	21,820.0	2.2
Printing	U511	0.0		0.0	0.0	0.0		0.0	0.0	0.0		0.0	0.0
Site Visits - Mission	U513	0.0		0.0	0.0	0.0		0.0	0.0	0.0		0.0	0.0
Site Visits - AID/W	U514	16,008.0		16,008.0	3.0	3,000.0		3,000.0	2.0	0.0		0.0	0.0
Information Meetings	U515	2,615.0		2,615.0	2.0	0.0		0.0	0.0	0.0		0.0	0.0
Training Travel	U516	13,677.0		13,677.0	7.0	12,500.0		12,500.0	5.0	12,500.0		12,500.0	5.0
Conference Travel	U517	2,022.0		2,022.0	2.0	4,500.0		4,500.0	2.0	4,500.0		4,500.0	2.0
Other Operational Tvl.	U518	1,136.0		1,136.0	1.0	0.0		0.0	0.0	0.0		0.0	0.0
Supplies	U519	26,763.0		26,763.0	0.0	28,608.0		28,608.0	0.0	26,673.0		26,673.0	0.0
FAAS	U520	8,786.0		8,786.0	0.0	9,225.0		9,225.0	0.0	10,269.0		10,269.0	0.0
Consultant Contracts	U521	0.0		0.0	0.0	0.0		0.0	0.0	0.0		0.0	0.0
Mgmt/Prof. Svcs. Cont.	U522	0.0		0.0	0.0	0.0		0.0	0.0	0.0		0.0	0.0
Spec. Studies/Analyses	U523	0.0		0.0	0.0	0.0		0.0	0.0	0.0		0.0	0.0
ADP H/W Lease/Maint.	U525	7,329.0		7,329.0	0.0	4,000.0		4,000.0	0.0	4,250.0		4,250.0	0.0
ADP S/W Lease/Maint.	U526	0.0		0.0	0.0	0.0		0.0	0.0	0.0		0.0	0.0
Trans/Freight - U500	U598	1,880.0		1,880.0	0.0	3,008.0		3,008.0	0.0	2,635.0		2,635.0	0.0
Other Contract Svcs.	U599	3,416.0	7,873.0	11,289.0		3,042.0	14,034.0	17,076.0		3,042.0	15,717.0	18,759.0	
Subtotal	U500	138,980.0	41,380.0	180,360.0		129,544.0	59,488.0	189,032.0		127,179.0	62,851.0	190,030.0	
NXP PROCUREMENT:													
Vehicles	U601	3,360.0		3,360.0		13,013.0		13,013.0		3,060.0		3,060.0	
Residential Furniture	U602	172.0		172.0		593.0		593.0		2,072.0		2,072.0	
Residential Equipment	U603	0.0		0.0		2,440.0		2,440.0		3,500.0		3,500.0	
Office Furniture	U604	573.0		573.0		1,385.0		1,385.0		1,829.0		1,829.0	
Office Equipment	U605	0.0		0.0		3,852.0		3,852.0		4,776.0		4,776.0	
Other Equipment	U606	6,523.0		6,523.0		9,920.0		9,920.0		12,747.0		12,747.0	
ADP H/W Purchases	U607	9,456.0		9,456.0		3,791.0		3,791.0		4,005.0		4,005.0	
ADP S/W Purchases	U608	6,435.0		6,435.0		8,357.0		8,357.0		2,910.0		2,910.0	
Trans/Freight - U600	U698	1,204.0		1,204.0		4,343.0		4,343.0		3,481.0		3,481.0	
Subtotal	U600	27,723.0	0.0	27,723.0		47,694.0	0.0	47,694.0		38,380.0	0.0	38,380.0	
636(c) REQUIREMENTS	U900			0.0									
TOTAL OE COSTS		761,520.0	110,272.0	871,792.0		807,094.0	133,086.0	940,180.0		790,742.0	140,982.0	931,724.0	
Less "OE" FAAS		8,786.0		8,786.0		9,225.0		9,225.0		10,269.0		10,269.0	

5/2

TABLE VIII (e)
 CONTROLLED BUDGET BREAKOUT

BPC:

Mission:

EXPENSE CATEGORY	FUNC CODE	FY 1994 ESTIMATE				FY 1995 REQUEST				FY 1996 REQUEST			
		OE	TF	TOTAL	UNITS	OE	TF	TOTAL	UNITS	OE	TF	TOTAL	UNITS
TOTAL OE BUDGET REQUEST	U000	752,734.0	110,272.0	863,006.0		797,869.0	133,086.0	930,955.0		780,473.0	140,982.0	921,455.0	

SPECIAL INFORMATION:

Local Currency Usage - %	0.5	0.5	0.6
Exchange Rate used in Calculations	6.8	7.5	8.4
Trust Fund End-of-Year Balance	0.0	0.0	0.0
USDH FTE	3.0	2.7	2.9

NAMING CONVENTION: 96FMXXX.WK1

AUTOMATION REQUIREMENTS NARRATIVE

Two objectives will be accomplished with the establishment of this year's ABS for Information Technology: 1) to phase out our WANG VS computer as soon as possible; and 2) operate the new suite of corporate Information System Plan (ISP).

With the installation of the UNIX system and the conversion of WANG MACS to UNIX MACS the first objective will advance almost to completion, leaving the FSN Electronic Time and Attendance Reporting System (TATEL) as the only system in our VS environment. The Mission expects to complete its move to the LAN environment sometime during FY 95/96.

In order to meet the second objective, M/IRM provided the Mission with specific instructions which lay out the infrastructure standards for overseas ISP systems. Table VIII (c) contains the detailed hardware, software, and other requirements, which, to our best understanding, will allow USAID/Nicaragua to comply with the ISP.

Based on the Mission Staffing Pattern, Section 1 of Table VIII (c) provides information regarding the number of employees at the mission who now have a PC and those who need to have a PC in FY 94, 95 and 96.

Taking Section 1 as the base information, and following the guidelines provided in the FY 96 Budget Planning Document, we developed Section 2 of the table, which shows the unit data that details the core equipment and software requirements to comply with the ISP. M/IRM will prepare costs estimates from this data.

Additional requirements for the ISP are detailed in Section 3 - "Other ISP Requirements" of table VIII (c), this includes upgrades for the UNIX Sparcstation and servers; power protection equipment; concentrators needed for a new server; a Vines 5.52 license for 10 users to be used in a dedicated communications server, laser printers (HP Laserjet IVSi) not included in Section 2 but required in the guidelines; communication equipment and software; and software for the UNIX system like Oracle and Aucobol.

Finally table VIII (c) Section 4 includes NON-ISP requirements that are considered strategic for our Mission. Software licenses like CaLANdar, and Beyond Mail for windows will be purchased in order to fully automate our office environment in a move towards a paperless office. Additional software is being purchased or upgraded to replace old DOS licenses with windows ones. DOS 5.0 licenses are being upgraded to DOS 6.2 licenses. Also QEMM is being upgraded from v. 6 to v. 7. Other software is also being upgraded.

Hardware requirements included in this section, reflect the need to replace old and/or non repairable units. An example of this are 3 notebook computers, purchased in 1990. Also upgrades are being done in terms of memory requirements, data backups for the servers, 16 bit NIC cards, etc.

54 01

**PURCHASES
IN DOLLARS (\$000.0)**

NON-ISP REQUIREMENTS (List items in \$):

Harvard Graphics for Windows V 2.0 for LAN	
Microsoft Project for Windows V 4.0	
User licenses of Foxpro for Windows for LAN	
Upgrade CalANder for 80 users for Windows	
Upgrade B-Mail for 30 for Windows	
User licenses of B-Mail for Windows	
Upgrade Genifer V 4.0	
XTREE TOOLS FOR NETWORK V 2.0	
Upgrade Travel Manager V 5.0 for Windows	
Norton Utilities V 8.0 for Windows and Dos	
Upgrade for Norton Desktop 3.0	
CD Subscriptions	
QEMM Memory Managers	
Upgrade of DOS 5.0 to DOS 6.2	
Notebooks	
Tools Kit for Computer Maintenance	
Spare parts for Computers maintenance	
Color Scanner	
Bar Code Reader	
Miscellaneous	
Maintenance for Wang 5000 and PCs	
Windows 3.1 and Mouse Kit	
Simms Memory 4MB for 386 PCs	
Simms Memory 1MB for 386 PCs	
Lotus for Windows V4.0 for LAN (3 Lic. of 10 Users)	
Tape Drive Backup Unit 150MB	
External Tape SCSI 2GB/Servers	
SVGA Monitors 14"	
NIC 3COM 3C506-TP 16 Bits	
Upgrade for OMNIPAGE Professional Software	
Dual FDD 3.5" 1.44MB and 5.25" 1.2MB	
TOTAL NON-ISP REQUIREMENT	

(Must be equal to U524 + U525 + U607 + U608 on Table VII (a) and (g))

FY 1994 ESTIMATE			FY 1995 REQUEST			FY 1996 REQUEST		
OE/TF	PG	TOTAL	OE/TF	PG	TOTAL	OE/TF	PG	TOTAL
		0.0			6.3			0.0
4.2		4.2			2.8			0.0
2.5		2.5			2.5			0.0
		0.0			1.3			0.0
		0.0			0.7			0.0
1.2		1.2			1.2			0.0
		0.0			0.2			0.0
		0.0			0.4			0.0
		0.0			0.2			0.0
		0.0			0.3			0.0
		0.0			1.1			0.0
		0.0			0.9	0.9		0.9
3.7		3.7		0.7	7.5	0.4	0.2	0.8
		0.0		0.8	8.3	0.5	0.2	0.7
		0.0			8.0	5.0		5.0
1.5		1.5			0.5	1.0		1.0
		0.0			25.0	25.0		25.0
		0.0			1.8			0.0
		0.0			4.6			0.0
		0.0			0.0	20.0		20.0
15.6		15.6			0.0			0.0
7.1		7.1			0.0			0.0
3.6		3.6			0.0			0.0
21.1		21.1			0.0			0.0
5.1		5.1			0.0			0.0
0.8		0.8			0.0			0.0
6.0		6.0			0.0			0.0
5.3		5.3			0.0			0.0
2.2		2.2			0.0			0.0
4.8		4.8			0.0			0.0
2.5		2.5			0.0			0.0
67.0	0.0	67.0	71.9	1.6	73.3	52.8	0.3	53.2

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NAMING CONVENTION: 86ARXXX.VK1

NICARAGUA (524)

FY 1996 Budget Planning Document

Table X : Microenterprise Programs
Country Recap
(U.S. Dollars Thousands)

Title	FY 1993 Actual	FY 1994 Estimate	FY 1995 Planned	FY 1996 Proposed	
Local Currency Expenditures					
Loans to Microenterprise	0	63	64	64	
Training and Technical Assistance	0	150	150	150	
Institutional Development and Support	0	18	19	19	
Policy Regulatory Reform	0	0	0	0	
Other	0	0	0	0	
Local Currency Expenditure	Total:	0	231	233	233
ESF/SAI Dollar Obligations					
Loans to Microenterprise	0	210	619	770	
Training and Technical Assistance	0	117	117	118	
Institutional Development and Support	0	340	340	340	
Policy Regulatory Reform	0	0	0	0	
Other	0	0	21	8	
ESF/SAI Dollar Obligations	Total:	0	667	1,097	1,236
SDAP Dollar Obligations					
Loans to Microenterprise	0	0	0	0	
Training and Technical Assistance	0	0	0	0	
Institutional Development and Support	0	0	0	0	
Policy Regulatory Reform	0	0	0	0	
Other	0	0	0	0	
SDAP Dollar Obligations	Total:	0	0	0	0
Grand Total:		0	898	1,330	1,469

59 5

NICARAGUA (524)

FY 19 Budget Planning Document

TABLE XI : PL480 TITLE III

Page: 1 July 11, 1994
15:29

(Dollars in Millions, Tonnage in Thousands)

Commodity		Estimated FY 1994		Proposed FY 1995		Requested FY 1996	
		\$	MT	\$	MT	\$	MT
TALLOW	\$390/MTN	6.0	14.6	6.0	14.6	7.0	17.9
WHEAT	\$185/MTN	7.0	32.0	7.0	32.0	8.0	43.2
Total:		13.0	46.6	13.0	46.6	15.0	61.1

Note: Unit costs are AID/W projections for FY 1996.

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68 58

ANNEX J: RESEARCH NARRATIVE STATEMENT

The Mission primarily uses already proven methods and techniques to advance Nicaragua's social and economic development. Most investigations financed by the Mission are project designs or evaluations of assistance programs' operations or impacts, which would be excluded by OMB from the definition of "Research and Development."

The elements of USAID's activities that would most typically qualify as "Applied Research" for OMB's purposes would be background research on Nicaraguan society or major sectors of Nicaragua's economy, which would be potentially useful for a variety of purposes.

On the basis of these observations, USAID/Nicaragua's FY 1994 qualifying R&D activities are as follows.

BASIC RESEARCH

(None.)

FY 1994 APPLIED RESEARCH (by Special Interest Code)

EPR and RSS: \$200,000 under EPAI (524-0339) for economic research needed to design policy reforms in Nicaraguan public finance, financial regulation, and industrial promotion.

FCM and REN: \$800,000 under NRM (524-314) for ecological studies on Nicaragua's Caribbean Coast.

DEVELOPMENT

(None.)

67
55