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USAID/SWAZILAND

OPERATIONAL CLOSE OUT PLAN

**May 1995
(Updated July 1995)**

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Acronyms

BMEP	-	Business Management Extension Program
CAPM	-	Commercial Agricultural Production and Marketing
C&R	-	Communications and Records
CDIE	-	Center for Development Information & Evaluation
CY	-	Calendar Year
EPMT	-	Education Policy, Management and Technology
EXO	-	Executive Officer
FAAS	-	Foreign Affairs Administrative Support
FLAS	-	Family Life Association of Swaziland
FHS	-	Family Health Services
FSN	-	Foreign Service National
FY	-	Fiscal Year
HB	-	Handbook
LAN	-	Local Area Network
LOC	-	Library of Congress
MACS	-	Mission Accounting Control System
MOU	-	Memorandum of Understanding
NGO	-	Non-Governmental Organization
NXP	-	Non-Expendable Property
OE	-	Operating Expenses
PACD	-	Project Assistance Completion Date
PACR	-	Project Activity Completion Report
PASA	-	Participating Agency Servicing Agreement
PC	-	Peace Corps
PD&S	-	Project Development and Support
RCSA	-	Regional Center for Southern Africa
TDY	-	Temporary Duty
SBD	-	Swazi Business Development
SBGT	-	Swazi Business Growth Trust
STRIDE	-	Swaziland Training & Institutional Development
USAID	-	United States Agency for International Development
USDH	-	United States Direct Hire
USPSC	-	United States Personal Services Contract

Table of Contents

I	Introduction	1
II	Program Close Out	2
III	Staffing Plan	7
IV	In-Country General Support	8
V	Real Property	11
VI	Non-Expendable Property	13
VII	Records Management	15
VIII	Financial Plan	16
IX	Other Support Requirements	17

Annexes:

- A Program Budget
- B Project Completion Tasks
- C Participants
- D Personnel Phase Out Plan
- E AID-Owned Real Property
- F Leased Property
- G Vehicle Inventory
- H OE Budget
- I Administrative Completion Tasks

I. INTRODUCTION

USAID/Washington informally advised the Mission that the Agency's revised plans to reduce USAID presence abroad now included Swaziland, and that bilateral economic assistance must be phased down and out by the end of FY 1996. Subsequently, USAID/W and the Department of State received approval in an action memorandum, signed by the Secretary of State, to phase down USAID/Swaziland bilateral presence to closure by September 30, 1996. Since the Mission did not receive formal instructions to close down activities, the Mission has not been requested to prepare a Program Policy Plan, as provided in HB23, Ch13, for USAID/W review in order to issue a close out policy plan. The close out schedule will not require an early termination of any project; all will be completed according to design. Therefore, in lieu of preparing a formal policy plan for closing out assistance activities, the Mission has obtained USAID/W informal approval to include in this Operational Close Out Plan a section outlining those actions necessary to close out the USAID/Swaziland bilateral program.

The Mission will retain sufficient staff to complete all actions required to close the Swaziland program and operational support activities; the Mission will phase down in two stages over the next year and a half to a final management operation close out date of September 30, 1996.

The first stage, to be completed by December 31, 1995, will include reducing the mission staff to three USDH, one US Resident Hire, two USPSCs and 29 FSNs. It will concentrate on reducing the NXP and real property inventories to those levels necessary to support the smaller staff by redistributing NXP in good condition to other USAIDs in the region. The last phase, ending in the final September 1996 close out, will permit the orderly completion of all actions necessary to close the mission definitively on September 30, 1996. The final close out activities will include separation of the remaining FSN staff and disposal or redistribution of those non-expendable and real property remaining under USAID control.

The Phase Out Timetable, a monthly schedule of projected activities for the entire phase down period, is included as Annex I. Assuming that no unanticipated problems surface, USAID/Swaziland will close as planned no later than September 30, 1996.

II. PROGRAM CLOSE OUT

The project portfolio consists of six active bilateral projects, a PD&S project, and two inactive bilateral projects with unexpended balances which need to be de-obligated. There are no central or regionally-funded projects requiring special attention by USAID. This section of the close out plan describes the activities and schedules for closing six projects and transferring residual responsibilities for one remaining bilateral activity remaining after September 30, 1996. The plans provide that all USAID-funded personnel will depart post on or before the September 30, 1996 closing date.

The mission will terminate each bilateral project as the PACD expires. All projects will terminate prior to the end of FY 96, except for the Swaziland Training & Institutional Development (STRIDE) project which will terminate May 31, 1997. Please note that all STRIDE activities, other than the return of long-term participants, will be completed and in country presence will end by April 30, 1996.

The final Program Budget for Swaziland is attached as Annex A. All obligations needed to completed the bilateral program, excluding PD&S funds, were completed by July 31, 1995.

USAID has requested no project audits, and none are currently planned, except for those non-governmental audits, required by A-133 requirements, of NGOs operating under Cooperative Agreements. USAID expects to receive the audited annual financial statements, when required, from FLAS and SGBT. No other audit activity is planned.

An abbreviated check list of actions needed to close out projects is attached as Annex B. Detailed plans and pipeline analyses have been developed for each project to assure completion by the PACD. Project committees are regularly monitoring and reviewing remaining implementation and closeout activities, along with monthly expenditures.

No. 0228 Family Health Services (PACD 12/31/95)

The project finances assistance to the Family Life Association of Swaziland (FLAS), a non-governmental organization. Project inputs consist of technical assistance, provided by Pathfinder International, local cost support for the FLAS programs, and construction/renovation costs for two buildings. The project activities will terminate by the PACD, December 31, 1995. Construction activities are on, or ahead of schedule. A final evaluation of this project was scheduled for the first quarter of FY 96. However, given the workload on the FLAS staff during the last three months of project activity, together with Washington interest in a more complete evaluation of the project which has successfully integrated AIDS programs with family Planning, the Mission is now exploring the possibility of doing the evaluation in

January- February 1996, immediately after the project activities are completed.

**No. 0229 Commercial Agricultural Production and Marketing
(PACD 5/30/96)**

During its final phase, the project finances technical assistance, provided by Chemonics International, to two small commercial farmer organizations in production, marketing and organizational development. The project also financed some equipment for the University of Swaziland, Faculty of Agriculture and provided a grant to the Swazi Business Growth Trust to establish an Agro-Industrial Advisor position. The project is scheduled to terminate on May 31, 1996, the recently extended PACD. Chemonics operations will be completed by March 31, 1996, per a recently negotiated no cost extension to their contract. The USPSC Project Manager is funded through April 30, 1996 to complete closeout activities. USAID plans a final evaluation of this project in the second quarter of FY 96.

**No. 0230 Educational Policy, Management and Technology
(PACD 8/15/96)**

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This project was designed to improve the quality and efficiency of basic education. It is implemented by a contractor, the Institute for International Research, working with the Ministry of Education. The PACD is August 15, 1996, and the project is on schedule to close on time. Arrangements are being made to shorten the training period for one participant who was not scheduled to return until August 31, 1996. A final project evaluation is scheduled for April/May 1996.

**No. 0231 Swaziland Training and Institutional Development
(PACD 5/31/97)**

close
STRIDE is the last in a series of USAID funded manpower training projects in Swaziland. It financed academic training in the U.S. and short-term training in Swaziland, and a series of policy studies and initiatives related to improving the climate for private sector growth. STRIDE training efforts are concentrated on management and administration in the private and public sectors. The PACD is May 31, 1997, and the last two long-term participants are scheduled to return in December 1996. See Annex C for details. No participant was sent abroad for long-term training after USAID/W advised the Mission that the Swaziland bilateral program would be closed. The project is administered by AURORA whose contract expires at the May 31, 1997 PACD. AURORA will close its in-country operations, and the Chief of Party will depart by April 30, 1996. From then until the PACD, AURORA will provide final participant servicing and monitoring from its U.S. headquarters. USAID will advise the contractor that after the Swaziland mission closes, it must send all correspondence and reports on participants to the Regional Center for Southern Africa located in Botswana.

**No. 0234 Business Management Extension Program
(PACD 11/30/95)**

The project is implemented through a cooperative agreement with a non-profit organization (BMEP) which was created in 1986 to promote the development and growth of small businesses. BMEP provides training, technical assistance and small loans for working capital or equipment procurement. Due, primarily, to favorable changes in the exchange rate, and the fact that nearly all expenditures are in local currency, (Emalengeni), the project has a small pipeline to liquidate. The PACD has been extended from July 31, 1995 to the end of November, 1995 to allow BMEP to utilize the remaining money. The final evaluation of the project was completed in late 1994 and no further evaluation is planned.

**No. 0235 Swazi Business Development
(PACD 12/31/95)**

This project is implemented by the Swazi Business Growth Trust (SGBT), a private non-profit entity created under the project and planned to continue as a permanent Swazi institution after USAID support ends. The project provides business advisory and financial services to small firms deemed to have growth potential. USAID finances two technicians, provided by DAI, who serve as the SGBT Director and Deputy Director. In July 1995, USAID obligated a \$5 million endowment whose projected earnings will finance part of SGBT's operating expenses after the direct assistance project ends.

The project's PP Supplement and the grant agreement describe the USAID monitoring and oversight requirements necessary for seven years after the endowment is established. Monitoring will be provided by USAID/Swaziland until it closes; however, the PSC for the current project manager ends December 31, 1995 so USAID needs to name a substitute Project Manager to monitor the project for the nine months, January through September 30, 1996. An important part of USAID close out operations will be to transfer to the RCSA in Botswana responsibilities for monitoring and providing any necessary oversight of the SGBT and endowment fund operations. USAID, and subsequently the regional servicing office (RCSA), need to arrange for the minimal monitoring and oversight which will be needed through the year 2002.

No. 0510 Program Development and Support

USAID has allocated \$250,000 in FY 95 to the PD&S project and has requested \$200,000 for FY 96. In recent years, USAID has used PD&S primarily for project or program evaluations when there were insufficient funds within other projects. USAID plans to use the FY 96 PD&S account to determine how Swaziland might be able to participate in programs of the new Initiative for Southern Africa and to finance a final evaluation of the USAID bilateral program effectiveness. All commitment documents for FY 1996 funds should be issued before June 30, 1996. No commodities, for which USAID might have responsibility have been, or will be, financed by PD&S.

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Non-Bilateral Activities

Peace Corps PASA

What is returned for activity

USAID transferred \$200,000 in FY 94 and \$190,000 in FY 95 by OYB transfer to the G Bureau to finance a PASA with the Peace Corps. The PASA provided for the PC to do an Environment Education Project which will continue after USAID closes down. USAID and the Peace Corps signed an MOU outlining the purposes of the project. The funds have now been transferred to the PC, which will remain in Swaziland and use the funds in accordance with terms of the USAID/PC MOU. No requirement for USAID monitoring is foreseen.

Mashav Program

USAID made an OYB transfer of \$100,000 to the G Bureau to fund half the costs of assigning an Israeli technician, working under the AID/Israeli cooperation program, to Swaziland. The technician is scheduled to arrive in July 1995 for a two-year assignment as advisor to the Ministry of Agriculture. He will work with the CAPM contractor as an advisor to the project assisted farmer organizations until the CAPM project closes. For the remainder of his assignment, he will be engaged in similar activities under the direction of the Ministry of Agriculture and Cooperatives. The funding is in place; there are no monitoring responsibilities for USAID beyond the PACD of the CAPM project.

Special Self Help and Democracy & Human Rights

What is CAPM

\$100,000 for Self Help and \$25,000 for the DHR activities were included in USAID's FY 95 allowances. The U.S. Embassy handles all programming and monitoring of activities financed by these two funds, while USAID orders check payments and records obligations and expenditures in its official records. After USAID closes, the Embassy will need to forward its commitment and billing documents for these activities to the controller servicing post, to be designated. As an alternative, the USAID Controller is developing a draft Embassy/USAID InterAgency Agreement outlining a procedure which could be used as a basis for USAID to commit and advance funds to the Embassy and subsequently liquidate advances using fiscal reports submitted by the Embassy. Such a technique should reduce USAID servicing requirements and ease the workload for the gaining controller servicing station. It will be discussed in draft with the Embassy and with the controller servicing post, when designated. The Ambassador has asked his Washington offices for guidance on how to handle these programs in the post-USAID era. By June 1996, well before Swaziland FM operations end, the USAID Controller will develop the proposed agreement or other arrangements to support these programs.

Other

USAID has no active PL 480 program in Swaziland. There are, however, residual counterpart funds remaining for which USAID has

not received a final accounting. During FYs 87 and 88, USAID had a 416b Sugar Quota Compensation/Wheat Sales Program which generated counterpart. In 1993, USAID and the GOS agreed to reprogram the balance of 1.9 million Emalangeni, the equivalent of about \$540,000, for drought rehabilitation and recovery activities. The activities are largely completed. USAID will continue to press the Ministry of Economic Planning and Development for the required final accounting for these funds and expects that this will be completed by the end of FY 1995.

States

USAID manages, on behalf of the Government of Swaziland, a portfolio of twenty-four houses which were funded by several completed USAID projects. The houses are now occupied mostly by expatriate personnel associated with current USAID projects, such as EPMT, STRIDE, CAPM, SGBT, and FLAS. With the completion of USAID projects in 1995 and 1996, most of these properties will become excess. USAID is developing a plan to formally transfer most of the properties, including related project-funded furnishings and fixtures, to the GOS for its use and management to support their continuing economic development efforts. With the FY 95 signing of an endowment for SGBT, USAID will continue to have oversight responsibility for SGBT for seven years. The Mission, therefore, proposes to allow SGBT to continue to use the houses which they now occupy. *whw*

All houses should go back to GOS

USAID has or will request all contractors to submit copies of individual close out plans about six months prior to the scheduled closing date. USAID will carefully review each plan to ensure compliance with the general close out plan.

With guidance and assistance provided by a TDY C&R expert, scheduled to arrive in the first quarter of FY 1996, USAID will evaluate, sort, package and dispose of all project files in the Mission project offices, in accordance with HB21 instructions. Those files identified for retention will be transferred to U.S. Government storage facilities or to the RCSA in Botswana. Any remaining unofficial technical materials will either be taken by staff on departure or placed in the Mission Library. Late in the close out process, USAID will donate the remaining library materials to the University of Swaziland.

III. STAFFING PLAN

The USAID Director, Valerie Dickson-Horton, was sworn in as Director for the newly-established Regional Center for Southern Africa (RCSA) and transferred to Botswana on March 22, 1995. USAID/Washington (STATE 89108 dated April 15, 1995) designated the Program Officer, Jack Royer, as Acting Director effective March 22, 1995 to serve until the Mission closes on September 30, 1996, or until he is replaced.

has this been done

The Mission staffing at the beginning of CY 95 totalled 40, which included seven USDHs, one US Resident Hire, three USPSCs and 29 FSNs. By the end of CY 95, the total staff will have been reduced by four to a new total of 36. During the next nine months, the staff will gradually be reduced to a net of 12 who will remain until the Mission closes on September 30, 1996. Those employees remaining to the end will have received a minimum of six to nine months notice of their definitive separation dates, although USAID is requesting the authority to pay in lieu of notice as a retention incentive. For details of the Mission personnel phase out schedule, see Annex D. This schedule was developed based on the assumption that all employees would remain on the job until USAID terminated their services; however, higher than normal attrition rates will probably reduce the on-board numbers below those depicted in Annex D.

In developing its personnel phase out plan, USAID has coordinated with the Embassy to ensure compliance with provisions of the approved local compensation plan. USAID has also obtained the services of the Regional Personnel Officer (Embassy/Botswana) to assist in preparation of the phase out planning. The Ambassador has formally advised the Government of Swaziland that the USAID bilateral program will be closed. USAID will consult with the Ministry of Labor to ensure compliance with local labor laws. USAID will make final termination payments to its separated employees at a rate not less than that provided for in the approved Severance Pay Plan For National Employees, Swaziland as amended.

in this regard

94 State 154282 urged all closing missions to develop out-placement programs for their FSN staff. USAID plans to actively assist its FSN employees in their searches for new employment, most likely within the local development community. As the closing date nears, the Mission will contact several local institutions and create a resource file for employment opportunities. The Mission will also contact other USAIDs in the Africa region to advise of the availability of its professional staff members who are interested in working for another USAID.

The USAID Training Committee has evaluated locally available resources which might assist the FSN staff to become better qualified for subsequent employment. The Committee determined that a local professional and computer training institute offered appropriate courses which would benefit the staff and help them gain post-USAID employment. The Mission has budgeted sufficient OE funds for FY95 to finance its local FSN training program. USAID

canvassed the FSN staff regarding individual training requirements. Most of the staff requested additional computer training. USAID intends to meet those training requests within the constraints of its training budget; however, USAID will seek further adjustments to the OE budget, if required, to finance FSN training and placement efforts.

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USAID has contracted with a well-qualified training consultant to assist USAID in its efforts to help the FSN staff in finding substantive employment after USAID closes its operations. The consultant provide out-placement planning, office skills assessments, training, career counseling and personal counseling. The consultant will also assist the staff in preparing professional resumes and in training them to utilize modern employment interview techniques in a follow-on contract.

IV. IN-COUNTRY GENERAL SUPPORT

General Services

With a minimum staff of two USDH, one US Resident Hire, one US PSC and eight FSNs staying on board until the end of FY 96, requirements will remain for most of the general and administrative functions to support close out operations. USAID will continue to obtain selected administrative support services, primarily residential maintenance services, from the Embassy as outlined in the local FAAS agreement. FAAS charges totalled \$35,500 in FY 93 and \$39,990 in FY 94. These charges will increase to an estimated \$53,600 for FY 95, due in part to a special assessment of \$17,000 for Shared Health Unit services, which will be paid at post by USAID to the Embassy. With fewer people on board requiring FAAS support, the FAAS charges for FY 96 should decrease even though FY 95 workload levels will be used as a basis for cost computations. However, the total FAAS charge appears reasonable for those services USAID receives.

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The Executive and Controller Offices will remain essentially unchanged for FY 95 and most of FY.96; the Controller functions will be sharply reduced about mid-way through the fourth quarter of FY 96 following the transfer of the accounting records to another post and the projected departure of the Controller. When the last support personnel depart in September 1996, any residual functions normally handled by the Executive Office will of necessity be assumed by the Embassy; such service requirements should be minimal. USAID will develop a Memorandum of Understanding with the Embassy to provide for the handling of Cashier operations during the last few weeks of FY 96, processing USAID cables and pouch after FY 96, transmitting unpaid invoices to the regional accounting station after FY 96, and arranging for residual GSO support to make final disposition of any residual real property not otherwise disposed of during FY 96.

The residual financial management functions will be transferred to a regional servicing center, yet to be determined, prior to the Controller's departure. Other than the odd unpaid invoice which

would need to be forwarded to the to-be-designated servicing center, there should be no future financial transactions requiring handling by the Embassy, except for Special Self Help and Human Rights activities which are discussed under Program Close Out above.

By the end of CY 95, USAID will have reduced its NXP inventory to the level required to support those employees remaining to September 30, 1996. One leased property will be returned to the owners before the end of the second quarter of CY 95. Four of the seven USG-owned properties will be advertised for sale late in FY 95 or early FY 96. The remaining three houses will be either be sold or on the market before the end of FY 96. We plan to leave one inexpensive leased house to be used by the Acting Director to enable us to sell the remaining USAID-owned properties unencumbered by occupants. As discussed below, the Mission will continue to occupy the leased office building, part of the State-leased warehouse and one leased residential property until September 30, 1996.

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Although the Embassy provides part of USAID's support needs, it will not be adequately staffed to provide the extra administrative support required to close USAID operations. The incumbent Regional EXO, Anthony Vodraska, will transfer to the RCSA in Botswana, during August 1995. Although it now appears the EXO probably will be occupied full-time with helping to establish the new office in Botswana, current plans provide that he will TDY to Mbabane as required to oversee USAID close out operations. The Embassy has stated that USAID needs to provide a strong senior person, experienced in EXO and close out activities, to oversee the EXO operation during USAID's final year. USAID has obtained informal approvals with M/AS/OMS and the RCSA to hire the USPSC retired EXO, Mr. John Garney, currently working on the USAID/Botswana close out to replace Mr. Vodraska when he transfers to Botswana. USAID plans to augment the USPSC EXO supervision capabilities by continuing the duties of a former resident hire financial analyst, Malika Magagula, as Acting Deputy EXO who also serves as the Mission's contracting officer with a delegated warrant of \$50,000. The cost for a 14 month USPSC was not included in the last OE budget submission but is being factored into the current OE budget submission for FY 96 [it has been factored into the proposed FY 96 OE Budget, included as Annex H].

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Financial Management

The Controller's Office provides financial management support to USAIDs Swaziland and Lesotho. The combined annual program funding for these two countries in FY 94 was \$8.6 million, and the combined OE funding was \$1.7 million. The Controller also provides minimal residual financial support to USAIDs South Africa and Mozambique, support which will be terminated at the end of FY 95.

The Controller operates the Mission Accounting and Control System (MACS) utilizing a UNIX server. The Mission plans to discontinue MACS operations and voucher certification function in Swaziland effective July 31, 1996 or earlier depending on the Controller's

reassignment to another post. At that time all financial books, files and records will be transferred to the new accounting station. The UNIX server and peripheral equipment will be redistributed to a USAID to be determined by M/FM and M/AS/OMS. The schedule for Controller operations phase-down and close out is as follows:

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Answers*

Until May 31	Remain an operational accounting station and perform full Controller operations.
COB May 31	Perform month-end close out procedures. Extract Mission data from the data base and send tape to new accounting station by June 4, 1996.
June-July	Perform certifications using cuff records. Transfer older working files to new accounting station. Advise Contractors to promptly submit final billings to new accounting station.
COB July 31	Stop all controller functions. Separate all FSNs except Chief Accountant, Cashier and Voucher Examiner. Transfer remaining working files to new accounting station.
August 1 to September 30	Remaining staff will review all financial papers and forward to new accounting station. Final separation of Controller FSNs.

By the end of FY 96, USAID will have transferred all residual books and records pertaining to its financial management activities to the new accounting station. However, it is anticipated that the gaining Controller may need to provide some TDY servicing of USAID activities in Swaziland through the first quarter of FY 97.

Contractor Support

With the departure of the last project-funded institutional contractor employee in August 1996, all project funded residences and non-expendable property will have been transferred to the Government of Swaziland as grantees. Therefore, no contractor support will be required after the Mission closes. It is anticipated, however, that selected regionally or centrally-funded activities may be continued or new regional activities designed for Swaziland may be initiated. It must be recognized that the Swaziland Embassy does not plan on providing contractor support after FY 96; therefore, USAID/W or regional planners should consider how to provide any required administrative support when they plan for USAID-funded activities in Swaziland after September 30, 1996.

V. REAL PROPERTY

Residential property

The Mission residential property portfolio consists of seven USG-owned and three leased houses in Mbabane. See Annexes E and F for details.

When it became known that USAID activities in Swaziland were to be phased out, the Mission canvassed the other USG agencies in Mbabane to determine their interest in acquiring USAID-owned real properties. No USG agency has indicated any interest in acquiring any of the properties. Therefore, it appears the only alternative is to sell those properties on the open market. USAID has requested independent appraisals of four of its owned properties. USAID will evaluate the appraisals and propose recommendations for property disposal to M/AS/OMS for review and approval.

To initiate the property disposal process, USAID contacted a few persons knowledgeable about the Mbabane residential property resale market. This limited exploration indicated that the current market is somewhat slow, but those contacted were optimistic that it would improve. The causes of the slight downturn in the market were said to be an ample supply of quality properties available for sale, a shortage of mortgage money and an apparent reduction in the numbers of investors or foreign companies requiring quality housing. However, those contacted suggested that properties such as that in the USAID portfolio could be sold if the selling prices were set at levels just below the normal market value as opposed to the probably higher appraised value. Given the unfavorable real estate market it might take as much as 4-6 months to sell medium priced houses with higher valued houses remaining on the market for longer periods.

We were advised that owners generally do not sell their residential properties by requesting sealed bids or by using open auctions. The sealed bid method may not work in the Mbabane market since good qualified buyers apparently are not accustomed to this marketing technique. USAID EXO has begun discussions and planning with M/AS/OMS to select a disposal method that maximizes the highest return on the USAID property. USAID plans to attempt advertised competitive bidding through an Invitation for Bid (IFB) on the first four houses to determine market reaction to this type of disposal method. If acceptable bids cannot be obtained from this type of sale method then USAID will recommend to M/AS/OMS that real estate brokers be used on the unsold houses.

With the departure of the USAID Director on reassignment to the Regional Center, the most valuable property became available for sale. Based on final instructions from M/AS/OMS, USAID will initiate disposal procedures on this real property on a priority basis.

For the three leased residential properties, USAID will issue termination notices, in accordance with lease terms, and vacate the properties as the occupants leave post. The properties will be restored/reconditioned as required; this will be accomplished either through negotiations with the owners to make cash payments for required renovations or by leaving selected installed property in the residences in lieu of actual work, or by using a building

contractor to perform any agreed upon restorations or painting. The residences will be returned to the owners within the minimum amount of time and with the least possible cost.

Office and Warehouse

The USAID offices are located in leased space, costing about \$6,000 monthly, on the top floor of a modern commercial building across the street from the Central Bank Building which houses the U.S. Embassy. It consists of 1,320 square meters of office space configured in 34 offices, a supply room, conference room, computer room, Cashier's Cage, reception and open spaces and toilets. Entry to the offices is limited by USAID-financed PAC doors controlled by the USAID Receptionist. Other USAID-installed equipment includes the LAN, 54 split air conditioners/heaters, a Mitel SX-50 telephone system with 77 telephones, in addition to wall-to-wall carpeting.

USAID examined the feasibility of constricting its office space to accommodate a smaller staff when the lease expires on March 15, 1996, although it did not determine if the Owner would agree to a lease modification which would reduce his rental income. USAID determined that it would not be cost effective to move and reinstall parts of the PAC system, move a security wall, and relocate the LAN and UPS wiring to reconfigure the offices and reduce space requirements for a few months. Furthermore, USAID has a substantial quantity of project, administrative and financial records that have been relocated from the Warehouse to two vacant USAID offices in order to review files and make determinations on disposal methods in a temperature controlled and dust free environment. USAID has also relocated its expendable supplies and radio equipment that it will utilize over the next year into two vacant offices to minimize access to the Warehouse and better segregate items at the Warehouse for disposal or redistribution. Therefore, USAID intends to retain the present space and negotiate a lease extension for the six-month period remaining to the September 30, 1996 closing date. This will assure suitable office space for the wind-down of USAID activities in Swaziland.

At the time of lease extension, USAID will attempt to negotiate with the owner to leave the carpeting and those air conditioners/heaters in use at the end of its occupancy, in lieu of payment for returning the office to its original state as required by the lease. USAID has made substantial alterations to the office space since occupancy 10 years ago which we believe add substantial value. USAID will request IG/I&S/PSI advice on disposition of the PAC system.

USAID utilizes 295 square meters of enclosed space in the Embassy-leased GSO/Warehouse compound located several kilometers outside Mbabane. The lease, designated S-509-FBO-124, will terminate on December 31, 1997. USAID reimbursed the Embassy \$10,123 as its share of FY 94 costs for warehouse rental, utilities and guard services.

One small lot of project-financed commodities remains in the warehouse. USAID will effect appropriate disposition of this

*See memo
Date 3/20*

property within the next few months. USAID recently held an auction of NXP in conjunction with the Peace Corps and has greatly reduced the amount of property in the Warehouse. As the phasedown process continues, USAID will gradually reduce the remaining quantity of goods stored in the warehouse. As USDH staff depart post, furniture and equipment in their residences is being shipped to the RCSA under a redistribution plan approved by M/AS/OMS rather than being stored in the Warehouse. The minimal amount of property remaining at September 30, 1996 will be redistributed, sold or granted in the most expeditious manner possible along with the transfer of responsibility for USAID's share of the warehouse complex to the Embassy.

VI. NON-EXPENDABLE PROPERTY

At the end of FY 94, USAID had sufficient property on hand to support its staff of 40, listed in Annex D. The value of all NXP reported as of September 30, 1994 was \$1.4 million, including the following:

Office: Furniture & Equipment	\$ 285,274
Living Quarters: Furniture/Equipment	287,918
ADP Equipment & Accessories	509,476
Other	174,175
Motor Vehicles	<u>153,448</u>
Total	<u>\$1,410,291</u>

John
 USAID contracted for a USPSC Property Management Analyst following a review of the state of the Mission's property records by the new Regional Executive Officer. The conclusions in the Analyst's final report confirm Mission's concerns and indicate that a full comprehensive physical inventory and reconciliation of Mission NXP has not been done since 1991 notwithstanding the inventory reports signed and submitted to M/AS/OMS over the past few years. Furthermore, the state of the NXP automated and physical records is very poor making reconciliation of the comprehensive physical inventory conducted by the Analyst impossible. The Regional Executive Officer is working with the resident hire Acting Deputy EXO in her capacity as Accountable Property Officer to reconcile the inventory discrepancies over the next three months. A property survey board may need to be convened to review findings and approve adjustments to automated records. USAID will report a complete and accurate inventory as of September 30, 1995.

Subsequent to the informal notice from USAID/W that the Mission would phasedown, USAID began the process of disposing of property excess to its current requirements. The initial action authorized by M/AS/OMS was the transfer of three sets of household furnishings and appliances to Botswana for use by the Regional Center for Southern Africa. Anticipating that the RCSA requirements will greatly exceed USAID availabilities to accommodate the buildup to authorized staffing levels, USAID requested M/AS/OMS to provide a blanket authorization to transfer its good or better conditioned NXP, as it becomes available, to the RCSA. If the RCSA does not request the property, then it would become available for

redistribution to other Missions as coordinated and approved by M/AS/OMS. That property not transferred to the RCSA or other Missions will then be disposed of in accordance procedures outlined in HB23.

USAID has six vehicles in its inventory. See Annex G for details. All but one vehicle appear suitable for use by another Mission. USAID has transferred the 1991 Ford to Botswana where it is being used as the Regional Director's vehicle. USAID will request guidance from M/AS/OMS on disposition of the four transferrable vehicles. The remaining vehicle will be sold locally when USAID determines it is no longer required to support the closing program.

According to a recent NXP listing, USAID owns 70 PCs, two laptops, 52 printers, a Wang VS-65 and two UNIX Boxes, plus supporting peripherals and software. This equipment includes seven 486 PCs and two 486 Servers which should be eligible for transfer to other Missions when USAID no longer has need for them. USAID is planning on transferring the UNIX server, plus its backup unit, to an M/FM and M/IRM designated accounting station when the local Controller stops operating MACS, probably on or before July 31, 1996. The remaining ADP equipment will be sold or otherwise disposed of locally in accordance with provisions of HB23.

The current NXP listing indicates USAID owns 41 window air conditioner units, all installed in the USAID offices, and 38 split unit air conditioners, of which 13 are in the offices. USAID recently requested a local technician to evaluate the office air conditioners; he advised that most were several years old and not working at peak efficiency and should be replaced or repaired at a cost of about 70% of acquisition cost. Since local air conditioning requirements will shrink rather rapidly in the next few months, USAID decided not to repair or replace the equipment. USAID plans to negotiate with leased-property owners or USG-owned property purchasers to sell or otherwise transfer the air conditioners when the real property transfers. Therefore, it appears that USAID will have no air conditioning equipment available for transfer to other missions.

USAID has a Mitel SX-50 PABX telephone switch, plus a new backup unit, and 77 telephones. The Embassy has requested USAID to transfer the system, at no cost, when it closes down its operations. USAID will note this option when requesting disposal instructions from M/AS/OMS and may use this in consideration for Embassy services and assistance to be rendered in FY 97 after closure of the Mission as part of a yet to be negotiated Memorandum of Understanding (MOU).

The Mission has two types of security equipment in its inventory: installed equipment and radio equipment. The installed equipment includes three PAC doors, a window for the Receptionist and one for the Cashier. The radio equipment includes one base station, a repeater station, 9 mobile radios and antennae and 9 hand-held radios. The repeater is used by all local USG Agencies for the E&E Net; it cannot be removed until a replacement is found. The Mission will request instructions from IG/I&S/PSI on disposition of

this equipment.

USAID has an ample stock of expendable property and supplies, currently valued at about \$10,000. USAID has reduced its procurement of expendable supplies to minimum quantities and uses local suppliers to meet most expendable supply requests upon demand. This will enable USAID to maintain minimum stock levels through the end of FY 96. Unless instructed otherwise by M/AS/OMS, USAID intends to offer its remaining stocks to the RCSA, USAID/Mozambique or USAID/South Africa, the Missions nearest to USAID/Swaziland, to minimize the cost of the transfer.

All required property disposal documentation has or will be prepared and distributed as prescribed in HB23. USAID will prepare an interim report of inventory as of the end of the first large transfer of property now scheduled for August 1995. This will facilitate the reconciliation of the inventory records to the Controller's general ledger accounts and the submission of the prescribed reports at the end of FY 95. USAID has requested M/AS/OMS to provide a blanket authority enabling USAID to make rational and appropriate decisions on the method of property disposition to utilize during the final quarter of FY 96. A final report of inventory will be prepared and reconciled to the Controller's records by the USPSC EXO prior to his departure from post in early October 1996.

VII. RECORDS MANAGEMENT

USAID has more than one hundred 5-drawer file cabinets of official and working files, or sufficient materials to fill an estimated 625 record storage boxes. USAID also has about 220 linear feet of materials in the central library and in several mini-technical libraries. There are 387 boxes of retired records and files, including 40 pertaining to USAID/Mozambique, in the warehouse. This accumulation of files, records and library materials appears reasonable for a Mission as old as Swaziland. However, these materials must eventually be examined by a competent authority who can make a determination as to their disposition.

The Mission has a small safe in a secured room for its administratively controlled records. Those controlled records which must be retained after the Mission closes will be packed and shipped to Washington through the classified pouch. The remaining controlled records will be disposed of in accordance with prescribed disposal methods.

USAID has no one with the qualifications or time available to determine the proper disposition of unclassified records and materials, including the identification and designation of materials appropriate for use by PPC/CDIE or the LOC. Therefore, USAID will need to obtain the TDY services of an experienced C&R Specialist. Because of the large volume of files and records requiring attention, the phase out timetable, Annex I, plans for the Specialist to start the process of identification, classification and disposition of Mission files in the first quarter of FY 96. This process will include selecting and

has the been changed

preparing for shipment those files destined for RCSA or USAID/W. Files no longer required will be destroyed. Based on the guidance and training provided by the C&R Specialist, USAID will complete its ongoing file management program by August 1996. At that time, the USPSC EXO will arrange for the destruction of remaining files or their shipment to RCSA or Washington, as appropriate.

The USPSC EXO will submit to the Agency Records Management Officer (M/AS) a final report describing all actions taken to close-out Mission records. The report will include a detailed statement of the volume of records selected for residual operations, of records transferred to RCSA and USAID/W, and a final accounting of those records destroyed. A copy of shelf lists and a final volume count will be sent to the RCSA and to USAID/W.

VIII. FINANCIAL PLAN

Program

USAID plans to obligate \$10.8 million in FY 95 for its seven active projects and \$200,000 in FY 96 in PD&S to develop the Swaziland component of the new regional program. See Annex A. USAID has obligated \$3.3 million of the \$5.7 million allowed to date. There are a few actions which need to be taken to permit final project obligations early in the year, as follows:

- Project 230: obtain allowance and obligate funds
- Project 231: obligate funds
- Project 235: determine status of authorization for proposed \$5 million endowment
- Project 510: earmark and obligate.

OE Costs

USAID will require \$1.39 million in Operating Expense funding for FY 95 and \$1.39 million for FY 96 less FAAS costs to complete its phase out plans as discussed above. In revising the original estimates for FYs 95 and 96, the Mission considered the additional cost of severance pay. The revised budgets also provide for a TDY C&R Specialist and a long-term US PSC EXO. See Annex H for details of the revised FY 96 budget, which includes approximately \$609,251 to finance those costs directly attributable to close out operations.

IX. OTHER SUPPORT REQUIREMENTS

Africa Bureau Delegation of Authority No. 551 delegates to the Mission Director and other principal officers those authorities necessary for the administration and operation of the United States foreign assistance programs in Africa. The Assistant Administrator for Africa designated Swaziland as a Schedule A post, having at least seven USDH positions and all core staff, and headed by a Mission Director, by Action Memorandum dated March 19, 1989.

The USAID Director, Valerie Dickson-Horton, was recently sworn in as Director for the newly-established Regional Center for Southern Africa (RCSA) and transferred to Botswana on March 22, 1995. USAID/Washington (STATE 89108 dated April 15, 1995) designated the Program Officer, Jack Royer, as Acting Director effective March 22, 1995 to serve until the Mission closes on September 30, 1996, or until he is replaced. In this same message USAID/Swaziland was redesignated as a Schedule B post. Under DOA 551, the Mission will obtain concurrence for authorization and implementation actions from the Director of the RCSA. The Director of the RCSA has further redelegated certain implementation authorities to the USAID/Swaziland Acting Director without obtaining RCSA Director's concurrence.

As the Mission continues to reduce its staff and operations, it will need to call on RCSA for contracting and legal services. A yet to be designated USAID financial management operation will need to provide financial management support in the final months of the close out as well. USAID may also request the RCSA to provide short-term TDYs by the EXO and PDO staffs on an as-needed basis as identified by the Acting Director.

Specific administrative actions, not covered elsewhere in this plan, necessary for the orderly closure of USAID activities in Swaziland, are summarized in the Phase Out Timetable, Annex I. Any future actions involving Embassy staff, space or funding requirements may be negotiated and confirmed by a separate document, such as a Memorandum of Understanding.

OPERATIONAL CLOSE OUT PLAN

ANNEXES

ANNEX A

Project Name and No (PACD)	Funding Init FY Final FY	LOPS000 Auth or Plan	PROGRAM BUDGET SWAZILAND															
			FY 93 Actual				FY 94 Actual				FY 95 Plan				FY 96 Plan			
			OBL.	EXP	PIPE	MORT	OBL	EXP	PIPE	MORT	OBL	EXP	PIPE	MORT	OBL.	EXP	PIPE	MORT
FNS 0228 (12/31/95)	88 95	6815 6815	815	797	1338	3300	2000	1375	1963	1300	1300	2700	563	0	0	563	0	0
CAPH 0229 (05/31/96)	88 95	10833 10833	1453	2456	674	3000	1500	1120	1054	1500	1500	1950	604	0	0	604	0	0
EPMT 0230 (08/14/96)	89 95	7102 7102	1260	1248	1551	1543	1141	733	1959	402	402	1511	850	0	0	850	0	0
STRIDE 0231 (5/31/97)	90 95	11310 11310	2000	1691	5735	1970	224	1616	4343	1746	1746	3650	2439	0	0	1890	549	0 <i>-for 2 parks</i>
BNEP 0234 (12/31/95)	90 95	701 701	0	101	309	0	0	178	131	0	0	105	26	0	0	26	0	0
SDD 0235 (12/31/95)	91 95	11300 11300	1520	1621	2389	6585	1284	1585	2088	301	5301	7000	389	0	0	389	0	0
POIS 0510 (Cont)	N.A. N.A.	N.A. N.A.	200	200			105	105	0	0	250	250	0	0	200	200	0	0
SONARC OYB Trans.	93	386	386	80	306	0	0	250	56	0	0	56	0	0	0	0	0	0
P CORPS OYB Trans.	93	200					200	200		190	190	0	0	0	0	0	0	0
ISRAEL COOP. DEV.	95	110								110	110	0	0	0	0	0	0	0
OTB Transfer																		
TOTALS			7634	8194	12302	16398	6454	6962	11594	5249	10799	17522	4871	0	200	4522	549	0

**CHECK LIST FOR
PROJECT CLOSEOUT****GENERAL**

- Design and schedule final evaluation and audit.
- Verify all CPs and covenants have been completed.
- Verify that any required recipient contribution is accounted for.
- Prepare final PES and PACR and submit to CDIE.
- Assure that the official project file is complete and destroy working files.

CONTRACT/GRANT/CA

- Assure that final work plan covers closeout costs for expat personnel, e.g. airfares, shipment of HHE, per diems, etc.
- Assure that procedures are in place for termination of local personnel, termination notices, budget for severance pay, etc.
- Review award fee provisions in contract and assure completion by PACD.

Assure that plans are made for disposition of any substantial remaining stocks of expendable supplies.

- Plans for audit and close out before PACD of any local accounts controlled by the contractor.
- Assure that contractors' end of tour report is properly filed.
- Formally notify contractor of where to submit any vouchers after August 1996 closing of Mbabane Controller operation.

COMMODITIES

- Update and verify inventory of project funded commodities.
- Check that all commodities for transfer are properly titled.

PERSONNEL PHASE OUT PLAN

	12/94	6/95	12/95	6/96	9/96	DEPART
USDH						
DIR	Dickson-Norton	0	0	0	0	03/95
RLA	Alexander	0	0	0	0	02/95
RCO	Buchan	0	0	0	0	04/95
PRG	Royer	Royer	Royer	Royer	Royer	09/96
GDO	Foster-Gross	Foster-Gross	Foster-Gross	Foster-Gross	Foster-Gross	09/96
EXO	Vodraska	Vodraska	0	0	0	08/95
CON	Cooke	Cooke	Cooke	Cooke	0	07/96
FIN	Megagula	Megagula	Megagula	Megagula	Megagula	09/96
TOTAL	8	5	4	4	3	
VSPSC	EXO -					
CONTRACTS	Drew	0	0	0	0	05/95
PROJ.MGR	Goertz	Goertz	Goertz	0	0	12/95
PROJ MGR	Raile	Raile	Raile	0	0	12/95
PRI SECTOR	0	Jackson	0	0	0	08/95
SECRETARY	0	Kaminski	0	0	0	06/95
TOTAL	3	4	2	0	0	
FSH						
C&R	Aphane	Aphane	Aphane	Aphane	0	07/96
CASHIER	Dlamini, G	Dlamini, G.	Dlamini, G	Dlamini, G	0	08/96
BUDGET	Dlamini, M	Dlamini, M	Dlamini, M.2	Dlamini, M	0	07/96
ACCT	Dlamini, A.	Dlamini, A	Dlamini, A 3	Dlamini, A	0	07/96
ASST EXO	Loforte	Loforte	Loforte 9	Loforte	Loforte	09/96
CUSTODIAN	Lokothwayo	Lokothwayo	Lokothwayo 10	Lokothwayo	Lokothwayo	09/96
ACCT	Lukhele	Lukhele	Lukhele 4	Lukhele	0	07/96
SECRETARY	Mabuza, C	Mabuza, C	Mabuza, C 22	Mabuza, C	0	07/96
PERS ASST.	Mabuza, R	Mabuza, R	Mabuza, R 11	Mabuza, R	Mabuza, R	09/96
PROGRAM	Maher	Maher	Maher	Maher	Maher	09/96
RECEPTION	Malaza	Malaza	Malaza 12	Malaza	0	08/96
VOUCHER	Maseko	Maseko	Maseko 5	Maseko	0	08/96
TRAINING	Masuku, G	Masuku, G	Masuku, G	Masuku, G	0	07/96
CHIEF ACCT	Masuku, G T	Masuku, G T	Masuku, G T 6	Masuku, G T	0	08/96
SUPPLY	Mazibuko	Mazibuko	Mazibuko 13	Mazibuko	0	06/96
CONTRACT	McCue	McCue	McCue 14	McCue	0	06/96
COMPUTER	Mnisi	Mnisi	Mnisi 15	Mnisi	0	07/96
PROGRAM	Msibi	Msibi	Msibi	Msibi	0	08/96
SECRETARY	Mtshwa	0	0	0	0	02/95
COMPUTER	Mziyako	Mziyako	Mziyako 16	Mziyako	Mziyako	09/96
PROJ MGR	Nkambule, L	Nkambule, L.	Nkambule, L.	Nkambule, L.	0	08/96
SECRETARY	Nkambule, M	Nkambule, M	Nkambule, M 23	Nkambule, M	0	08/96
C&R	Sacolo	Sacolo	Sacolo 17	Sacolo	0	07/96
PROJ MGR	Sampson	Sampson	Sampson	Sampson	0	06/96
CHAUFFEUR	0	Shabalala	Shabalala 18	Shabalala	0	06/96
JANITOR	Shongwe, K	Shongwe, K	Shongwe, K 19	Shongwe, K	Shongwe, K	09/96
SECRETARY	Shongwe, E	Shongwe, E	Shongwe, E 24	Shongwe, E	0	08/96
DATA INPUT	Sibandze	Sibandze	Sibandze 20	Sibandze	0	07/96
VOUCHER	Twala	Twala	Twala 7	Twala	0	07/96
CHAUFFEUR	Zulu	Zulu	Zulu 21	Zulu	Zulu	09/96
TOTAL	29	29	29	29	18	
GRAND TOTAL	40	38	35	33	11	

P-7 CONT
 8-21 EXC
 22-24 SCOT
 25-29

AID-OWNED REAL PROPERTY

ID No.	PURCHASE DATE	LAND ACRES	HOUSE SQ. FT.	BEDROOM No.	COST \$	OCCUPANT
2002	4-23-75	1.27	1,764	4	43,050	Dickson-Horton
3003	5-13-77	2.10	1,652	4	43,175	Cooks
4004	6-30-77	2.30	1,904	4	56,772	Vodraska
5005	4-10-78	.50	1,441	4	54,353	Goertz
6006	4-10-78	.50	1,427	3	52,032	Foster-Gross
7007	12-5-78	.96	1,572	3	65,000	TDY
49	5-1-86	.59	1,246	4	56,696	ex-Alexander

LEASED PROPERTY

No.	OCCUPANT	EXPIRATION	TERMINATION NOTICE	NEIT PAYMENT	MONTHLY RENTAL \$
85-60	Buchan	8-31-95	30	3-1-95	806
86-65	Offices	4-30-96	90	5-1-95	5,994
86-67	Royer	8-31-95	0	3-1-95	806
87-71	Ralle	12-31-95	60	None	790
XX	Warehouse	1-1-98	XX	12-31-95	844

FOOTNOTES:

- (1) Computed at \$1.00/E 3.5.
- (2) USAID share of rent, utilities and guard services billed by State-issued SF-1081. FY 94 cost to USAID totalled \$10,123.

VEHICLE INVENTORY

ANNEX G

TAG No.	YEAR	ACQUISITION COST-\$	MAKE	TYPE	KILOMETERS	CONDITION
220	1993	20,054	Toyota	Land Cruiser	17,120	Excellent
221	1993	14,211	Toyota	PU	15,188	Excellent
226	1993	22,257	Toyota	Sedan	47,352	Excellent
227	1990	-0- (1)	Toyota	Sedan	48,448	Fair
250	1991	19,064	Ford	Sedan (2)	35,992	Good
260	1992	27,050	VW	Microbus	5,688	Excellent

FOOTNOTES:

- (1) Acquired July 1994 from USAID/Lesotho.
- (2) Assigned to USAID Director.

OPERATING EXPENSES
Preliminary Budget
FY 1996

EXPENSE CATEGORY	FUNC CODE	OE (\$)	UNITS	TOTAL (\$)
U.S. DIRECT HIRE:				
Other Salary	U105	0.0		0.0
Education Allowances	U106	4.7	1.0	4.7
Cost of Living Allow.	U108	0.0		0.0
Other Benefits	U110	0.0		0.0
Post Assign Travel	U111	3.0	1.0	3.0
Post Assign Freight	U112	64.5	3.0	64.5
Home Leave Travel	U113	16.0	2.0	16.0
Home Leave Freight	U114	5.8	3.0	5.8
Education Travel	U115	0.0		0.0
R & R Travel	U116	0.0		0.0
Other Travel	U117	4.0	1.0	4.0
Subtotal	U100	98.0		98.0
F.N. DIRECT HIRE:				
F.N. Basic Pay	U201	62.4	2.7	62.4
Overtime/Holiday Pay	U202	6.8	2.7	6.8
Other Code 11 - FN	U203	0.0		0.0
Other Code 12 - FN	U204	65.9		65.9
Benefits - Former FN	U205	0.0		0.0
Accrued Sep. Liability	U206	0.0		0.0
Subtotal	U200	135.1		135.1
CONTRACT PERSONNEL:				
U.S. PSC - S&B	U302	147.8	2.0	147.8
Other U.S. PSC Costs	U303	20.3		20.3
FN PSC - S&B	U304	284.6	23.8	284.6
Other FN PSC Costs	U305	184.2		184.2
Manpower Contracts	U306	0.0		0.0
Accrued Sep. Liability	U307	0.0		0.0
Subtotal	U300	637.0	0.0	637.0

EXPENSE CATEGORY	FUNC CODE	OE (\$)	UNITS	TOTAL (\$)
HOUSING:				
Residential Rent	U401	5.1	0.5	5.1
Residential Utilities	U402	24.2		24.2
Maint/Repairs	U403	45.0		45.0
Living Quarters Allow	U404	0.0		0.0
Security Guards	U407	53.6		53.6
Official Res. Exp.	U408	0.0		0.0
Representation Allow.	U409	1.5		1.5
Subtotal	U400	129.4		129.4
OFFICE OPERATIONS:				
Office Rent	U501	77.0		77.0
Office Utilities	U502	30.8		30.8
Building Maint/Repair	U503	43.5		43.5
Equip. Maint/Repair	U508	20.0		20.0
Communications	U509	88.6		88.6
Security Guards	U510	12.3		12.3
Printing	U511	0.0		0.0
Site Visits - Mission	U513	3.5	4.0	3.5
Site Visits - AID/W	U514	9.9	2.0	9.9
Information Meetings	U515	9.0	2.0	9.0
Training Travel	U516	9.0	2.0	9.0
Conference Travel	U517	12.4	2.0	12.4
Other Oper. Travel	U518	2.0	10.0	2.0
Supplies	U519	11.0		11.0
FAAS	U520	49.5		49.5
Consultant Contracts	U521	8.5		8.5
Prof. Services Cont	U522	0.0		0.0
Studies/Analyses	U523	0.0		0.0
ADP H/W Lease/Maint	U525	0.0		0.0
ADP S/W Lease/Maint	U526	0.0		0.0
Trans/Freight - U500	U598	0.0		0.0
Other Contract Svcs	U599	54.0		54.0
Subtotal	U500	441.0		441.0

EXPENSE CATEGORY	FUNC CODE	OE (\$)	UNITS	TOTAL (\$)
HOUSING:				
Residential Rent	U401	5.1	0.5	5.1
Residential Utilities	U402	24.2		24.2
Maint/Repairs	U403	45.0		45.0
Living Quarters Allow	U404	0.0		0.0
Security Guards	U407	53.6		53.6
Official Res. Exp.	U408	0.0		0.0
Representation Allow.	U409	1.5		1.5
Subtotal	U400	129.4		129.4
OFFICE OPERATIONS:				
Office Rent	U501	77.0		77.0
Office Utilities	U502	30.8		30.8
Building Maint/Repair	U503	43.5		43.5
Equip. Maint/Repair	U508	20.0		20.0
Communications	U509	88.6		88.6
Security Guards	U510	12.3		12.3
Printing	U511	0.0		0.0
Site Visits - Mission	U513	3.5	4.0	3.5
Site Visits - AID/W	U514	9.9	2.0	9.9
Information Meetings	U515	9.0	2.0	9.0
Training Travel	U516	9.0	2.0	9.0
Conference Travel	U517	12.4	2.0	12.4
Other Oper. Travel	U518	2.0	10.0	2.0
Supplies	U519	11.0		11.0
FAAS	U520	49.5		49.5
Consultant Contracts	U521	8.5		8.5
Prof. Services Cont	U522	0.0		0.0
Studies/Analyses	U523	0.0		0.0
ADP H/W Lease/Maint	U525	0.0		0.0
ADP S/W Lease/Maint	U526	0.0		0.0
Trans/Freight - U500	U598	0.0		0.0
Other Contract Svcs	U599	54.0		54.0
Subtotal	U500	441.0		441.0

EXPENSE CATEGORY	FUNC CODE	OE (\$)	UNITS	TOT (\$)
NXP PROCUREMENT:				
Vehicles	U601	0.0		0.0
Residential Furniture	U602	0.0		0.0
Residential Equipment	U603	0.0		0.0
Office Furniture	U604	0.0		0.0
Office Equipment	U605	0.0		0.0
Other Equipment	U606	0.0		0.0
ADP H/W Purchases	U607	0.0		0.0
ADP S/W Purchases	U608	0.0		0.0
Trans/Freight - U600	U698	0.0		0.0
Subtotal	U600	0.0		0.0
636(c) REQUIREMENTS	U900			0.0
TOTAL OE COSTS		1,440.5		1,440.5
Less "OE" FAAS		49.5		49.5
TOTAL		1,391.0		1,391.0

ADMINISTRATIVE COMPLETION TASKS

TASKS	ACTION AGENT	STATUS		
		START DATE	FINISH (✓)	
MARCH 1995				
A	Pack/Ship HHE Dickson-Horton	GSO	3/13	✓
B	Request M/AM/OMS approve transfer NXP to RCSA/Botswana	EXO	3/13	✓
B	Assemble/pack/ship residential NXP and vehicle to RCSA/Botswana	EXO	3/1	✓
B ^s	Request RPO to conduct a survey of retrenchment or severance benefits provided by comparator firms	RPO EXO	3/1	✓
C	Request authority sell real property	EXO	3/13	✓
C	Survey options for selling USAID real property	EXO	3/20	✓
E	Revise FY 95 OE Budget	CON	3/20	✓
APRIL 1995				
A	Conduct review of local retrenchment or severance plans with RPO	RPO EXO	4/3	✓
C	Issue lease termination notice: Buchan	EXO	4/3	✓
D	Order record storage boxes	EXO	4/3	✓
E	Confirm RIG Audit Management plan	CON	4/3	✓
C	Conduct informal property appraisers	EXO	4/3	✓
A	Pack/Ship UAB/HHE/POV Buchan	GSO	4/24	✓
B	Conduct NXP disposal auction	EXO	4/24	✓
MAY 1995				
B	Assemble/pack/ship residential NXP to RCSA/Botswana	EXO	5/1	✓
C	Obtain RLA approval on statement of work for local lawyer to assist in the sale of real estate	EXO	5/1	✓
C	Restore leased property (Buchan) and return to owner	EXO	5/1	✓

TASK CODES A - Personnel, B - Personal (NXP/EXP) Property, C - Real (Leased/Owned) Property; D - Records, E - Financial Management

TASKS	ACTION AGENT	STATUS	
		START DATE	FINISH (✓)
JUNE 1995			
C	Issue POs for real property valuations for residence no.'s 254 (ex-Dickson-Horton), 316.(ex-Baker), 347 (ex-Alexander)	EXO	6/12 ✓
B	Redistribute all USAID Mission Directors representational items and residential NXP to the RCSA for Regional Director	EXO	6/9 ✓
B	Redistribute 2 sets of residential furniture and appliances and 2 sets of office furniture to the RCSA plus other suitable NXP in Warehouse.	EXO	6/19 ✓
B	Reorganize NXP in Warehouse and transfer EXP supplies and records to USAID office for easier access and review	EXO	6/5 ✓
JULY 1995			
A	Develop a plan to accelerate attrition of FSN staff	EXO	7/24
A	Pack and ship Vodraska HHE to Botswana	EXO	7/17 ✓
A	Issue contract for US PSC EXO	EXO	7/3 ✓
A	US PSC EXO arrives	EXO	7/29
C	Review requirement for all project financed residences and develop a schedule and strategy for turning them over to the GOS	EXO	7/3 ✓
D	Request TDY C&R assistance	EXO	7/5 ✓
B	Inventory VS computer, peripherals and software for disposal	EXO	7/5 ✓
B	Request IRM instructions for computer and software disposal	EXO	7/6
B	Inventory security equipment	EXO	7/7
B	Request IG/I&S/PSI instructions for disposal security equipment	EXO	7/8

TASK CODES A - Personnel, B - Personal (NXP/EXP) Property, C - Real (Leased/Owned) Property; D - Records;

TASKS	ACTION AGENT	STATUS	
		START DATE	FINISH DATE (✓)
AUGUST 1995			
A	Pack and ship HHE/UAB. US PSC Jackson.	EXO	
C	Negotiate agreement with GOS on disposition of project financed real property	DIR	
A	Obtain and initiate post review of an enhanced severance package from PER/FSN.	RPO EXO	
C	Initiate discussions with owners of leased office space on extending the lease beyond 3/15/96 and restoration requirements	EXO	
C	Issue PO for legal services as part of real property disposal process.	EXO	
C	Request M/AS/OMS approval to extend office space lease	EXO	
C	Conduct property valuation of residence no 342 (ex-Vodraska)	EXO	
B	Initiate disposal via advertised sale of all VS equipment and selected 386 PCs.	EXO	
C	Prepare IFB for real property disposal and obtain RLA and M/AS/OMS clearance	EXO	
C	Obtain formal approval from M/AS/OMS to sale of USAID residence no.'s 254, 316, 342, 347	EXO	
C	Initiate title search locally and with M/AS/OMS for all USAID owned residences and obtain duplicates as required.	EXO	

TASK CODES A - Personnel, B - Personal (NXP/EXP) Property; C - Real (Leased/Owned) Property; D - Records, E - Financial Management

TASKS	ACTION AGENT	STATUS	
		START DATE	FINISH DATE (S)
NOVEMBER 1995			
A	Assure availability of proposed Training consultant.	EXO	
D	Review Procurement files, amend or terminate POs; closeout procurement files prior to FY 96	EXO	
B	Send report to M/AS/OMS detailing all representational items and NXP forwarded to RCSA	EXO	
B	Submit report of Annual Cost of Operating USAID Mission Director's Residence to M/AS/OMS .	EXO	
B	Send form AID 5-73 to M/AS/OMS listing all property disposed of in FY 95	EXO	
B	Ser 1 form AID 5-197 Motor Vehicle Record (4/92) showing vehicles redistributed to RCSA, Annual Mission Motor Vehicle Inventory, Form SF-82 Agency Report of Motor Vehicle Data and COBRA Report to M/AS/OMS	EXO	
B	Negotiate and draft an MOU with the Embassy and send to M/AS/OMS for review	EXO	

TASKS	ACTION AGENT	STATUS	
		START DATE	FINISH DATE
JUNE 1996			
A	Terminate FSN employee: McCue, L. Mazibuko, E. Sampson, A Shabaiala,	EXO	
E	Send AWACS date files, if required, to a mission to be determined	CON	
C	Issue lease termination notices for residence no. 246 (Rover) and the Warehouse	EXO	
A	Pack/ship UAB/HHE/POV COOKE	EXO	
C	Advertise and issue IFB for the sale of residence no 333 (Cooke)	EXO	
C	Evaluate bids received under IFB for sale of residence no. 127 (ex-Goertz) and submit top ranked offerors to RLA and M/AS/OMS for review	EXO	
C	Negotiate final sale agreement with top ranked offerors and initiate conveyancing process for residence no 127 (ex-Goertz)	EXO	
C	Notify landlord in writing of intention vacate office and terminate lease effective 9/30/96	EXO	
E	Transfer controller work files to a mission to be determined	CON	

TASK CODES A - Personnel, B - Personal (NXP/EXP) Property, C - Real (Leased/Owned) Property; D - Records, E - Financial Management

TASKS	ACTION AGENT	STATUS	
		START DATE	FINISH DATE
JULY 1996			
A	Terminate FSN employment Aphane, S Dlamini, A Dlamini, N Lukhele, M Mabuza, C. Masuku, G Mnisi, V Sacolo, S Sibandze, M Thwala, S	EXO	
C	Advertise and issue IFB for the sale of residence no s 128 (Foster-Gross)	EXO	
C	Evaluate bids received under IFB for sale of residence no 333 (Cooke) and submit top ranked offerors to RLA and M/AS/OMS for review	EXO	
C	Negotiate final sale agreement with top ranked offerors and initiate conveyancing process for residence no 333 (Cooke)	EXO	
B	Obtain quotes from shipping firms and issue POs for packing and shipping redistributed NXP items and vehicles to other missions	EXO	

TASKS	ACTION AGENT	STATUS	
		START DATE	FINISH (S)
AUGUST 1996			
A	Terminate FSN employment: Dlamini, G. Malaza Maseko Masuku, G T Msibi Nkambule, L Nkambule, M Shongwe, E	EXO	
B	Ship UNIX server and PCs to M/IRM designated post	EXO	
D	Ship project working files to Botswana	EXO	
D	Ship retired records to USAID/W and prepare final report to Agency records management officer	EXO	
B	Ship residual expendable property to a regional missions	EXO	
B	Conduct final NXP inventory of warehouse, residences and offices	EXO	
C	Evaluate bids received under IFB for sale of residence no 128 (Foster-Gross) and submit top ranked offerors to RLA and M/AS/OMS for review	EXO	
C	Negotiate final sale agreement with top ranked offerors and initiate conveyancing process for residence no. 128 (Foster-Gross)	EXO	
C	Draft termination agreement on office lease and obtain M/AS/OMS approval to terminate office lease	EXO	
B	Initiate packing and shipping of redistributed NXP and vehicles.	EXO	

TASK CODES A - Personnel, B - Personal (NXP/EXP) Property, C - Real (Leased/Owned) Property, D - Records,
E - Financial Management

44

TASKS	ACTION AGENT	STATUS	
		START DATE	FINISH (S)
SEPTEMBER 1996			
A	Terminate FSN employment: Loforte, N Lokothwayo, J. Mabuza, R Maher, A Mazibuko, E Mziyako, C. Shongwe, K. Zulu, B	EXO	
B	Conduct an auction to sell residual NXP not slated for redistribution	EXO	
B	Complete packing and shipping of all redistributed NXP items and vehicles	EXO	
D	Forward all lease files for office and residential property to M/AS/OMS	EXO	
D	Forward all real property original documents and complete files to M/AS/OMS	EXO	
B	Send Forms 5-73 and OF-132 listing all NXP disposed or redistributed in FY 96	EXO	
A	Pack/Ship UAB/HHE/POV Royer	EXO	
A	Pack/Ship UAB/HHE/POV Foster-Gross	EXO	
B	Dispose E&E radios and other security equipment per IG/I&S/PSI instructions	EXO	
C	Release Warehouse to U.S. Embassy	EXO	
C	Sign termination agreement for USAID office space.	EXO	
C	Restore leased residence no. 246 (Royer) and execute termination agreement	EXO	

TASK CODES A - Personnel, B - Personal (NXP/EXP) Property, C - Real (Leased/Owned) Property; D - Records,
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45

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SECTION AF-01

INFO LOG-00 AID-01 AMAD-01 A-01 OASY-00 TEDE-00 LAB-01
L-01 ADS-00 PER-01 DRL-09 /016W
-----AASA9F 271009Z /78

R 270905Z FEB 95
FM AMEMBASSY MBABANE
TO SECSTATE WASHDC 0090
INFO AMEMBASSY GABORONE

UNCLAS MBABANE 001054

STATE FOR AF/EX, AF/S AND AF/RA
USAID/W FOR AFR/AM, AFR/SA AND M/HR/EM

E O. 12356 N/A
TAGS: AMGT, EAID, WZ
SUBJECT SWAZILAND USAID BILATERAL PHASEDOWN

REF STATE 38947

1 THIS IS AN ACTION REQUEST

2 WE ARE SORRY TO SEE MS. VALERIE DICKSON-HORTON DEPART SWAZILAND AS USAID MISSION DIRECTOR FOR HER NEW ASSIGNMENT AS DIRECTOR OF THE REGIONAL CENTER FOR SOUTHERN AFRICA IN BOTSWANA. HOWEVER, WE ANTICIPATE CLOSE COLLABORATION WITH HER AT THE RCSA IN DEVELOPING FUTURE PROGRAMS AND PROJECTS WITH REGIONAL FOCUS THAT DIRECTLY BENEFIT SWAZILAND.

DUE TO MS DICKSON-HORTON'S IMMINENT REASSIGNMENT TO BOTSWANA AND THE COMPLETION OF MOST OF USAID'S PROJECTS IN CY 1995 AND 1996, THE FOLLOWING ACTIONS NEED TO BE TAKEN IN THE VERY NEAR FUTURE.

(A) THE POST NEEDS FORMAL INSTRUCTIONS FROM WASHINGTON AUTHORIZING THE PHASEDOWN OF USAID OPERATIONS IN SWAZILAND. ONCE RECEIVED, THE POST CAN PROCEED WITH FORMAL NOTIFICATION OF THE GOVERNMENT OF SWAZILAND AND THE PRESS.

(B) A RECENT VISIT BY GLORIA JUNGE, STATE DEPARTMENT REGIONAL PERSONNEL OFFICER, AND THE ON-GOING CONSULTANCY BY FORD BROWN, USAID PHASEDOWN/CLOSEOUT EXPERT, HAVE PROVED USEFUL IN FRAMING ISSUES, DEVELOPING ACTION PLANS AND WORKING WITH THE AFFECTED FSN STAFF. GIVEN THE ORDERLY PHASEDOWN OF OPERATIONS ASSOCIATED WITH NORMAL PROJECT ASSISTANCE COMPLETION DATES, WE FEEL THAT A SEPARATE RECOMMENDATION FROM THE USAID DIRECTOR FOR CLOSING OUT ASSISTANCE ACTIVITIES AND THE PREPARATION OF A USAID/W POLICY PLAN, AS PER USAID HANDBOOK 23, CHAPTER 13, IS UNNECESSARY. INSTEAD OF A FULL USAID/W POLICY PLAN, WE ARE REQUESTING CLARIFICATION ON THE EXCHANGE OF DIPLOMATIC NOTES AND PUBLIC ANNOUNCEMENTS. WE WILL INCLUDE OTHER ELEMENTS OF THE POLICY PLAN AND THE PROGRAM PLAN AS PART OF THE OPERATIONAL PHASEDOWN PLAN TO BE SUBMITTED TO WASHINGTON EARLY IN THE SECOND QUARTER OF THIS CALENDAR YEAR FOR REVIEW AND APPROVAL.

(C) WE ARE ALSO REQUESTING CLARIFICATION ON HOW THE SELF-HELP FUNDS AND DEMOCRACY AND HUMAN RIGHTS FUNDS WILL BE HANDLED WITHOUT A USAID PRESENCE AFTER FY 1996. THESE ARE ESSENTIAL INSTRUMENTS IN THE IMPLEMENTATION OF US GOVERNMENT GOALS AND OBJECTIVES.

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Printed By Mary E Hayes

IN SWAZILAND AND A TIMELY/SMOOTH DELINEATION OF POLICIES AND PROCEDURES TO BE FOLLOWED IS IMPORTANT

(D) IT WOULD BE MOST USEFUL FOR PLANNING PURPOSES TO UNDERSTAND BETTER HOW SWAZILAND WILL PLUG INTO USAID'S INITIATIVE FOR SOUTHERN AFRICA, PARTICULARLY IN REGARD TO OUR CORE INTERESTS AND GOALS OF PROMOTING FURTHER DEMOCRATIZATION, NURTURING SWAZILAND'S FREE MARKET ORIENTATION AND CONTRIBUTING TO SUSTAINABLE ECONOMIC DEVELOPMENT, FOSTERING RATIONAL MANAGEMENT OF THE ENVIRONMENT, AND PROMOTING US EXPORT AND INVESTMENT OPPORTUNITIES

(E) FINALLY, WE AWAIT THE FORMAL DESIGNATION OF AN ACTING USAID DIRECTOR FOLLOWING MS- DICKSON-HORTON'S DEPARTURE SPROTT

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48

To: John Tincoff@M.AS.OMS@AIDW
Cc:
Subject re: A Few Questions Of Clarification
Date Tuesday, June 13, 1995 8:12:12 EDT
Attach
Certify N
Forwarded by Kent Hickman@M AS OMS@AIDW

Forwarded to: John Tincoff@M AS.OMS@AIDW
cc: William Granger@M AS OMS@AIDW
Michael A. Rogal@M.MPI@AIDW
Forwarded date: Thursday, June 15, 1995 8:38:34 EDT
Comments by: Kent Hickman@M.AS.OMS@AIDW
Comments

John

There has been no change in the rules or we would have known about it. No one has contacted us about it, so there can't be an exception to the rules unless we are asked to grant one (or "told" as the case may be). I don't think it's appropriate for us to pursue something like this. Hicks and Peasley may well have left the impression they were agreeing with the Ambassador, but felt it inappropriate to pursue it. We have consistently ~~avoided~~ yielded yielding to pressure from State or Ambassadors except for the clearly ~~defined~~ ned policy that Byrne has given us. I would just tell Anthony that we haven't heard anything and that if it's to be pursued, it's the post's call.

kbh

=====
Forwarded to: WilliamG, KentH
cc:
Forwarded date: Thursday, June 15, 1995 7 44 52 EDT
Comments by: John Tincoff@M AS.OMS@AIDW
Comments

No comments?? Pls confirm. Tks.

=====
Forwarded to: WilliamG, KentH, VeronicaB
cc
Forwarded date: Tuesday, June 13, 1995 8:44:45 EDT
Comments by: John Tincoff@M.AS OMS@AIDW

----- [Original Message] -----

My thanks, John

... another matter, Ambassador Sprott while back at the Department and USAID/W made a number of high level appeals to John Hicks, AA/AFR, and Carol Peasley, DAA/AFR, about convincing Larry Byrne to at least allow overseas missions to dispose of 286 and 386 PCs via project contribution or grant-in-aid.

Weighing the developmental impact against the little to be gained from a sale convinced John and Carol they should discuss it with Larry especially for closeout Missions in which host country governments and PVOs may feel ndoned.

I want to follow that up to see if there has been discussions between Larry and John on this. I could e-mail Carol directly Before I do that, is there anyway you can find out if such a change in policy or rather an exemption to the policy for closeout missions has been discussed? If you can't do that easily let me know I will track it down through AFR Bureau



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INCOMING TELEGRAM

U S AGENCY FOR INT'L DEV. TELECOMMUNICATIONS CENTER

PAGE 01 MBABAN 01054 271006Z 5731 039035 AID4290 MBABAN 01054 271006Z 5731 039035 AID4290 ACTION AF-00

INFO POD-01 AFDP-06 REEN-02 ES-01 AAM-01 MPI 03 IRMO-01 AFSD-05 HOD-01 HEM 04 DAAM 01 AFFW-02 /028 A4 LW 27/1709Z ACTION OFFICE AFMS-02 INFO AFSA-04 AMAD 01 LAV-01 PPDC-01 /009 A0 26/1023Z INFO LOG-00 AID-00 AMAD-01 A-00 OASY-00 TEDE-00 LAB-01 L 00 ADS-00 PER-00 DRL-09 /016V --- AA9A9F 271009Z /38

R 270905Z FEB 95 FM AHEMBASSY MBABANE TO SECSTATE WASHDC 0090 INFO AHEMBASSY GABORONE UNCLAS MBABANE 001054

STATE FOR AF/EX AF/S AND AF/RA USAID/W FOR AFR/AM AFR/SA AND M/HR/EM E D 1235G N A TAGS AMGT EAID WZ SUBJECT SWAZILAND USAID BILATERAL PHASEDOWN

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(E) FINALLY WE AWAIT THE FORMAL DESIGNATION OF AN ACTING USAID DIRECTOR FOLLOWING M^R DICKSON HORTON S DEPARTURE PROT

Handwritten signature: Ford Brown

51

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U S AGENCY FOR
INTERNATIONAL
DEVELOPMENT

February 9, 1995

MEMORANDUM

TO: AA/M, Larry E. Byrne
FROM: M/MPI, *Caroline D. McGraw* McGraw
SUBJECT: Close-out of Swaziland, Estonia and Czech Republic

Attached for your information is a copy of the close-out memorandum on Swaziland which has been approved by the Secretary. The wording leaves more openings than I would like but I assume that we can clean this up in the process of approving the close-out plan when we get it.

Also attached is a copy of a draft memorandum, which I understand will probably be signed in the next couple of days, on closing out the programs in the Czech Republic and Estonia. In both cases, the proposal is to have the Enterprise Funds continue and the regional law and democracy program and a limited amount of funding for USIA activities. Since this close-out decision is being handled differently, i.e., the decision memorandum being issued by the Coordinator for East European Assistance, Ambassador Ralph Johnson, I am not sure what latitude we will have in tightening up the close-out provisions. Perhaps you have been involved in this already.

cc: Richard Nygard, M/B
Michael Rogal, M/MPI

Attachments: a/s



U.S. AGENCY FOR
INTERNATIONAL
DEVELOPMENT

(USAID)

1/21

'95 JAN 24 P12 09500948

95 J 13 P2 25

Handwritten mark

January 17, 1995

Orig to OIS.

Dist To:

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p The Administrator *40 HRL*

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S/P ACTION MEMORANDUM

S/S TO: The Secretary

S/S-S AF, FROM: A/AID - J. Brian Atwood *JA*

DRL EB SUBJECT: Approval to Phase-Down USAID/Swaziland

USAID
WIIS/shm

1995 Jan 14 P 2 53
Initiative for Southern Africa

SUMMARY: I am seeking your concurrence on a plan to eliminate the bilateral USAID program and direct-hire presence in Swaziland by the end of FY 1996. In the future, Swaziland will be eligible to benefit from the new Initiative for Southern Africa (ISA) and other USG developmental/emergency assistance.

DISCUSSION Some time ago, I sought your guidance and concurrence to eliminate USAID presence in 22 countries in order to concentrate our development efforts where we can have an identifiable impact and to live within the budget constraints on our management resources. For similar reasons, we now want to add Swaziland to the list.

Swaziland has a population of roughly one million and has made substantial progress in its economic and social development. In August 1992, the Africa Bureau commissioned the "Transition Management Study" (TMS) to identify more cost effective ways of delivering assistance to small country programs in southern Africa such as Swaziland. A key recommendation of the study was the reduction and eventual phase out of USAID's presence in Swaziland, with future assistance to Swaziland channeled through the new regional center which will manage the Initiative for Africa.

We propose that USAID bilateral presence in Swaziland phase down over FY 1995 and FY 1996. In the future, Swaziland will be eligible to participate in the Initiative for Southern Africa (ISA) which includes activities in agriculture and resource

53

Drafters: AFR/SA:Welliott/Blane:Swaziland\docs\phaseou2.Fct

Clearances:

AFR/SA:Jhale	(draft)	Date	10/25/94
AFR/SA:Jgoodwin	(draft)	Date	9/28/94
AFR/DP:Jgovan	(draft)	Date	9/28/94
AA/M:Lbyrne	<i>LS</i>	Date	10/31/94
DAA/AFR.Cpeasley	<i>CH</i>	Date	11/10
AA/AFR.Jhicks	<i>CH</i>	Date	1/10/95
ES:Awilliams	<i>WH</i>	Date	1/1/95
DA/AID:Clancaster		Date	
AF/S:Aglasple	<i>UP</i>	Date	1/2/95
AF:Gmoose	<i>UP</i>	Date	1/5/95

ES/CONTROL NUMBER - #95001945

1995 JUL 12 P 4 11

55

SWAZILAND

Rationale for Closure

In order to realize OE and staff savings, USAID plans to concentrate management of assistance to Swaziland in a regional center in Gaborone, Botswana.

Current Program

Strategic Objectives include the following: (1) increase the number of Swazis who direct, manage and participate in national development; (2) increase the number and size of viable Swazi-owned businesses; (3) stabilize population growth; and (4) prevention of HIV/AIDS transmission. The DA level in FY 1995 is \$5.7 million.

The Mission has seven ongoing projects, one of which will terminate in FY 1995, and five in FY 1996. The remaining project will closeout in FY 1997.

Plan and Schedule for Phase Down

With the exception of a possible \$5 million endowment to the Swazi Business and Growth Trust to assist micro and small enterprises, no new projects are being considered in Swaziland. No new bilateral funding will be obligated in FY 1995 and 1996 except that which facilitates the phase down.

At present, the Mission has 10 FTEs. By the end of FY 95, four will remain to manage final implementation of projects and disposal of USG assets through FY 1996.

USDH presence will not be required for the residual activities. For instance, there are a few USAID-sponsored Swazi students who will return to Swaziland from their studies in the United States during FY 1997. A \$500,000 Loan Portfolio Guarantee Program for Swaziland which was recently approved by USAID's Global Bureau will be jointly managed by USAID/W and the regional center in Gaborone once the bilateral mission closes.

MEMORANDUM

TO: Thomas Dine, Assistant Administrator AID/ENI

FROM: Ambassador Ralph Johnson, Coordinator for East European Assistance

SUBJECT: SEED Program Close-Out Plans

This is to confirm in writing my decision to close-out our Support for Eastern European Democracy (SEED) programs in Estonia and the Czech Republic. This decision -- which was arrived at in consultation with Embassy Country Teams, various offices with the Department of State, the ENI Bureau of USAID, other USG Agencies with activities funded under the SEED-program, and host country governments -- falls under my authority as Coordinator for East European Assistance.

In testimony last year, I informed Congress of the decision to phase out SEED programs in Estonia and the Czech Republic. We determined that the transition process in both countries is sufficiently advanced as to warrant close-out in the near term.

This decision is consistent with Congressional intention that the SEED program be temporary in nature. Consequently, programs should close-out once we established that a country's transition to democracy and a market economy is sufficiently advanced as to maintain the momentum without U.S. bilateral assistance. It is also consistent with the resource imperative to serve the highest priority needs of the region in the face of a constant or diminishing budget.

For most of the program in Estonia, FY95 is the final year of obligation. Enough of the program will be completed by the end of this calendar year to allow for the departure of the AID Representative. I would expect that at the end of FY96 two of the three non-USDH staff could be cut, but that both AID and the embassy in Tallinn would wish to maintain one FSN to facilitate monitoring of residual activities by AID/W, the AID Office in Warsaw, and by the Baltic Regional General Development Officer resident in Lithuania. Activities that will receive further funding beyond FY95 include the Baltic-American Enterprise Fund (which is only beginning its operations in the three Baltic countries this year), the newly announced regional Law and Democracy initiative to combat crime and corruption in Central and Eastern Europe and the NIS, and limited USIA-managed activities, such as the democracy commission small grants program.

In the Czech Republic, the final year of obligation for most of the program will be FY 1996. As in the case of Estonia, the Czech Republic would continue to benefit from the regional Law and Democracy program and a limited amount of funding for USIA-managed programs. All USDH staff will depart Prague by the closeout date of the end of FY 1997. When the last USAID direct

hire departs post in FY97 all activities should be completed except those just mentioned, the Housing Guarantee program and the Peace Corps small business program. The services of an in-country PSC or FSN will be needed for the continued monitoring of these residual activities. As in the case of Estonia, this individual should be supported by occasional visits by the AID Office in Warsaw: the AID office in Warsaw already has regional oversight responsibility for housing programs, so the transfer of remaining oversight responsibilities for the Czech program should be a simple operation.

Although our Ambassadors are fully aware of the above closeout schedule, I do intend to ensure that the formal concurrences required by NSDD-38 are obtained. I understand that your Bureau has already begun the process of developing more detail programmatic and operational close-out plans.

Udrafted: POrr/MMamlouk



US AGENCY FOR
INTERNATIONAL
DEVELOPMENT

*Call me
Jace 1/24/95*

February 9, 1995

MEMORANDUM

TO: AA/M, Larry E. Byrne
FROM: M/MPI, *Carol D. McGraw* McGraw
SUBJECT: Close-out of Swaziland, Estonia and Czech Republic

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Also attached is a copy of a draft memorandum, which I understand will probably be signed in the next couple of days, on closing out the programs in the Czech Republic and Estonia. In both cases, the proposal is to have the Enterprise Funds continue and the regional law and democracy program and a limited amount of funding for USIA activities. Since this close-out decision is being handled differently, i.e., the decision memorandum being issued by the Coordinator for East European Assistance, Ambassador Ralph Johnson, I am not sure what latitude we will have in tightening up the close-out provisions. Perhaps you have been involved in this already.

cc: Richard Nygard, M/B
Michael Rogal, M/MPI

Attachments: a/s

management, democracy and governance, business development and telecommunications. Management and oversight of ISA activities will be provided by staff at the new regional center in Gaborone, Botswana.

In addition, Swaziland also will be eligible for other USG developmental/emergency assistance, including the Peace Corps, disaster assistance, the Ambassador's Self-Help Fund, the Department of State's 116(e) human rights program, and the African Regional Electoral Assistance Fund.

A brief description and close-out plan for Swaziland is attached.

Recommendation: That you sign below thereby approving the plans to conclude USAID presence in Swaziland by the end of FY 1996.

Approved: JM / 1/24/95 W.A.

Disapproved: _____

Date. _____

Attachment:
Country Close-out Detail

Drafters:AFR/SA:Welllott/Blane:Swaziland\docs\phaseou2.Fct

Clearances:

AFR/SA:Jhale	<u> </u> (draft)	Date	<u>10/25/94</u>
AFR/SA Jgoodwin	<u> </u> (draft)	Date	<u>9/28/94</u>
AFR/DP:Jgovan	<u> </u> (draft)	Date	<u>9/28/94</u>
AA/M:Lbyrne	<u> </u> <i>MS</i>	Date	<u>10/31/94</u>
DAA/AFR:Cpeasley	<u> </u> <i>CH</i>	Date	<u>11/10</u>
AA/AFR:Jhicks	<u> </u> <i>CH</i>	Date	<u>1/10/95</u>
ES:Awilliams	<u> </u> <i>CH</i>	Date	<u>1/1/95</u>
DA/AID:Clancaster	<u> </u>	Date	<u> </u>
AF/S:Agaspie	<u> </u> <i>CH</i>	Date	<u>1/2/95</u>
AF:Gmoose	<u> </u> <i>CH</i>	Date	<u>1/5/95</u>

ES/CONTROL NUMBER - #95001945

1995 JAN 12 P 4 11

SWAZILAND

Rationale for Closure

In order to realize OE and staff savings, USAID plans to concentrate management of assistance to Swaziland in a regional center in Gaborone, Botswana.

Current Program

Strategic Objectives include the following: (1) increase the number of Swazis who direct, manage and participate in national development; (2) increase the number and size of viable Swazi-owned businesses; (3) stabilize population growth; and (4) prevention of HIV/AIDS transmission. The DA level in FY 1995 is \$5.7 million.

The Mission has seven ongoing projects, one of which will terminate in FY 1995, and five in FY 1996. The remaining project will closeout in FY 1997.

Plan and Schedule for Phase Down

With the exception of a possible \$5 million endowment to the Swazi Business and Growth Trust to assist micro and small enterprises, no new projects are being considered in Swaziland. No new bilateral funding will be obligated in FY 1995 and 1996 except that which facilitates the phase down.

At present, the Mission has 10 FTEs. By the end of FY 95, four will remain to manage final implementation of projects and disposal of USG assets through FY 1996.

USDH presence will not be required for the residual activities. For instance, there are a few USAID-sponsored Swazi students who will return to Swaziland from their studies in the United States during FY 1997. A \$500,000 Loan Portfolio Guarantee Program for Swaziland which was recently approved by USAID's Global Bureau will be jointly managed by USAID/W and the regional center in Gaborone once the bilateral mission closes.

MEMORANDUM

TO: Thomas Dine, Assistant Administrator AID/ENI

FROM: Ambassador Ralph Johnson, Coordinator for East European Assistance

SUBJECT: SEED Program Close-Out Plans

This is to confirm in writing my decision to close-out our Support for Eastern European Democracy (SEED) programs in Estonia and the Czech Republic. This decision -- which was arrived at in consultation with Embassy Country Teams, various offices with the Department of State, the ENI Bureau of USAID, other USG Agencies with activities funded under the SEED-program, and host country governments -- falls under my authority as Coordinator for East European Assistance.

In testimony last year, I informed Congress of the decision to phase out SEED programs in Estonia and the Czech Republic. We determined that the transition process in both countries is sufficiently advanced as to warrant close-out in the near term.

This decision is consistent with Congressional intention that the SEED program be temporary in nature. Consequently, programs should close-out once we established that a country's transition to democracy and a market economy is sufficiently advanced as to maintain the momentum without U.S. bilateral assistance. It is also consistent with the resource imperative to serve the highest priority needs of the region in the face of a constant or diminishing budget.

For most of the program in Estonia, FY95 is the final year of obligation. Enough of the program will be completed by the end of this calendar year to allow for the departure of the AID Representative. I would expect that at the end of FY96 two of the three non-USDH staff could be cut, but that both AID and the embassy in Tallinn would wish to maintain one FSN to facilitate monitoring of residual activities by AID/W, the AID Office in Warsaw, and by the Baltic Regional General Development Officer resident in Lithuania. Activities that will receive further funding beyond FY95 include the Baltic-American Enterprise Fund (which is only beginning its operations in the three Baltic countries this year), the newly announced regional Law and Democracy initiative to combat crime and corruption in Central and Eastern Europe and the NIS, and limited USIA-managed activities, such as the democracy commission small grants program.

In the Czech Republic, the final year of obligation for most of the program will be FY 1996. As in the case of Estonia, the Czech Republic would continue to benefit from the regional Law and Democracy program and a limited amount of funding for USIA-managed programs. All USDH staff will depart Prague by the closeout date of the end of FY 1997. When the last USAID direct

hire departs post in FY97 all activities should be completed except those just mentioned, the Housing Guarantee program and the Peace Corps small business program. The services of an in-country PSC or FSN will be needed for the continued monitoring of these residual activities. As in the case of Estonia, this individual should be supported by occasional visits by the AID Office in Warsaw: the AID office in Warsaw already has regional oversight responsibility for housing programs, so the transfer of remaining oversight responsibilities for the Czech program should be a simple operation.

Although our Ambassadors are fully aware of the above closeout schedule, I do intend to ensure that the formal concurrences required by NSDD-38 are obtained. I understand that your Bureau has already begun the process of developing more detail programmatic and operational close-out plans.

Udrafted: POrr/MMamlouk



(USAID)

1/28

U.S. AGENCY FOR
INTERNATIONAL
DEVELOPMENT

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January 17, 1995

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P The Administrator *40 MRL*

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S/P ACTION MEMORANDUM

S/S TO: The Secretary

S/S-S AF, FROM: A/AID - J. Brian Atwood *BA*

DRL EB SUBJECT Approval to Phase-Down USAID/Swaziland

USAID
WJIS/shm

1995 JAN 14 PM 2:53

INITIATIVE

SUMMARY: I am seeking your concurrence on a plan to eliminate the bilateral USAID program and direct-hire presence in Swaziland by the end of FY 1996. In the future, Swaziland will be eligible to benefit from the new Initiative for Southern Africa (ISA) and other USG developmental/emergency assistance.

DISCUSSION Some time ago, I sought your guidance and concurrence to eliminate USAID presence in 22 countries in order to concentrate our development efforts where we can have an identifiable impact and to live within the budget constraints on our management resources. For similar reasons, we now want to add Swaziland to the list.

Swaziland has a population of roughly one million and has made substantial progress in its economic and social development. In August 1992, the Africa Bureau commissioned the "Transition Management Study" (TMS) to identify more cost effective ways of delivering assistance to small country programs in southern Africa such as Swaziland. A key recommendation of the study was the reduction and eventual phase out of USAID's presence in Swaziland, with future assistance to Swaziland channeled through the new regional center which will manage the Initiative for Africa

We propose that USAID bilateral presence in Swaziland phase down over FY 1995 and FY 1996. In the future, Swaziland will be eligible to participate in the Initiative for Southern Africa (ISA) which includes activities in agriculture and resource

66

management, democracy and governance, business development and telecommunications. Management and oversight of ISA activities will be provided by staff at the new regional center in Gaborone, Botswana.

In addition, Swaziland also will be eligible for other USG developmental/emergency assistance, including the Peace Corps, disaster assistance, the Ambassador's Self-Help Fund, the Department of State's 116(e) human rights program, and the African Regional Electoral Assistance Fund.

A brief description and close-out plan for Swaziland is attached.

Recommendation: That you sign below thereby approving the plans to conclude USAID presence in Swaziland by the end of FY 1996.

Approved: JM/ 1/24/11 Wd.

Disapproved: _____

Date. _____

Attachment:
Country Close-out Detail

Drafters:AFR/SA.Welliott/Blane:Swaziland\docs\phaseou2.Fct

Clearances:

AFR/SA:Jhale	(draft)	Date	10/25/94
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AA/AFR:Jhicks	<i>CH</i>	Date	1/10/95
ES:Awilliams	<i>COH</i>	Date	1/1/95
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AF/S:Aglaspie	<i>ge</i>	Date	1/2/95
AF:Gmoose	<i>COH</i>	Date	1/5/95

ES/CONTROL NUMBER - #95001945

1995 JUN 12 P 4 11

68

SWAZILAND

Rationale for Closure

In order to realize OE and staff savings, USAID plans to concentrate management of assistance to Swaziland in a regional center in Gaborone, Botswana.

Current Program

Strategic Objectives include the following: (1) increase the number of Swazis who direct, manage and participate in national development; (2) increase the number and size of viable Swazi-owned businesses; (3) stabilize population growth; and (4) prevention of HIV/AIDS transmission. The DA level in FY 1995 is \$5.7 million.

The Mission has seven ongoing projects, one of which will terminate in FY 1995, and five in FY 1996. The remaining project will closeout in FY 1997.

Plan and Schedule for Phase Down

With the exception of a possible \$5 million endowment to the Swazi Business and Growth Trust to assist micro and small enterprises, no new projects are being considered in Swaziland. No new bilateral funding will be obligated in FY 1995 and 1996 except that which facilitates the phase down.

At present, the Mission has 10 FTEs. By the end of FY 95, four will remain to manage final implementation of projects and disposal of USG assets through FY 1996

USDH presence will not be required for the residual activities. For instance, there are a few USAID-sponsored Swazi students who will return to Swaziland from their studies in the United States during FY 1997. A \$500,000 Loan Portfolio Guarantee Program for Swaziland which was recently approved by USAID's Global Bureau will be jointly managed by USAID/W and the regional center in Gaborone once the bilateral mission closes.

M. G. Grace

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OUTGOING TELEGRAM

U S AGENCY FOR INT'L DEV TELECOMMUNICATIONS CENTER

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ORIGIN AID-00

STATE 309587 170355Z 1709 010948 AID6958

ORIGIN OFFICE AFSA 03
INFO AFDP 06 PRAA 01 PPAR 01 GC 01 GCAF-01 AAM 01 MPI 03
GMD 01 FAB-01 FM 01 AFSD 05 DAAM 01 FABP 02 AFFW 02
PPDC-01 /031 A4 LW 17/1403Z

ENDOWMENTS HAVE BEEN ESTABLISHED BY USAID AS A LEGITIMATE ASSISTANCE MECHANISM TO HELP COUNTRIES SUSTAIN WORTHWHILE ACTIVITIES FOLLOWING THE DEPARTURE OF U S DIRECT-HIRE STAFF USAID/SWAZILAND HAS IDENTIFIED SGBT AS THE BEST ACTIVITY TO ENDOW GIVEN ITS TRACK RECORD IN ASSISTING MICROENTERPRISES

INFO LOG-00 AF-00 TEDE 00 /002R

B ADEQUATE TIME FOR START UP GIVEN THE TIMING OF THE PLANNED MISSION PHASEDOWN IN SEPTEMBER 1996 A CONCERN WAS RAISED AS TO WHETHER THERE IS SUFFICIENT TIME FOR PROJECT IMPLEMENTATION IT WAS NOTED THAT THE SENIOR MANAGEMENT POSITIONS ARE STAFFED BY PERSONNEL FROM A U S CONTRACTOR THUS RAISING THE QUESTION OF WHETHER THE MANAGEMENT OF SGBT WILL BE ADEQUATE AFTER THE CONTRACT TEAM DEPARTS THE MISSION SHOULD FULLY ADDRESS THESE TIMING AND MANAGEMENT CONCERNS UNDER THE MANAGEMENT SECTION OF THE ENDOWMENT DOCUMENT

DRAFTED BY AID/AFR/SA BERNARD LANE LI
APPROVED BY AID/DAA/AFR CPEASLEY
AID/AFR/SA JBGODWIN AID/AFR/SA DTHOMAS
AID/AFR/DP JGOVAN AID/PPC/PC RMAHONEY
AID/AFR/GC DLUTEN AID/AFR/SD YLEE

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C IMPACT OF SGBT'S CREDIT AND TRAINING PROGRAMS ON THE INSTITUTIONS SUSTAINABILITY THE PROPOSED ENDOWMENT CALLS FOR SGBT TO COVER TRAINING COSTS FOR LESS SOPHISTICATED BORROWERS THIS TRAINING IS INTENDED TO RENDER SMALL AND MEDIUM SIZED ENTERPRISES (SMES) MORE CREDIT-WORTHY AND IS ESSENTIAL FOR MAXIMIZING PARTICIPATION FROM SMES TO THE EXTENT THAT EMPHASIS IS GIVEN AND FUNDS ARE SPENT ON TRAINING LESS IS AVAILABLE TO EXTEND AS CREDIT AT THE SAME TIME IN ORDER FOR REPAYMENT RATES TO REMAIN ACCEPTABLE PROVISION OF TRAINING TO SMES IS ESSENTIAL IT WAS SUGGESTED THAT

UNCLAS STATE 309507

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TAGS
SUBJECT SWAZILAND BUSINESS GROWTH TRUST ENDOWMENT
DECISION ON CONCEPT PAPER

MEASURES FOR OVERCOMING THIS DICHOTOMY BE FURTHER EXPLORED AND SUCH MEASURES COULD INCLUDE FOR INSTANCE CHARGING FEES TO FULLY COVER THE COSTS OF TRAINING BY YEAR 10

REF A STATE 205784 B MBABANE 3885

D USAID/W WISHES TO CALL SPECIAL ATTENTION TO THE FINANCIAL MANAGEMENT CONSIDERATIONS CONTAINED IN PAGES 6 THROUGH 12 OF THE ENDOWMENT GUIDELINES THESE CONSIDERATIONS WILL FORM AN IMPORTANT PART OF THE JUSTIFICATION FOR AND BASIS OF THE LEVEL OF FUNDING REQUESTED FOR THE ENDOWMENT

1 SUMMARY ~~AND~~ ISSUES MEETING WAS CONVENED ON AUGUST 18 1994 TO DISCUSS THE USAID/SWAZILAND PROPOSAL TO GRANT FIVE MILLION US DOLLARS TO THE SWAZI BUSINESS GROWTH TRUST (SGBT) FOR AN ENDOWMENT * CONTRIBUTING TO DISCUSSIONS WERE REPRESENTATIVES FROM AFR/SD GC/AFR AFR/DP PPC/PC AND

3 ACTION USAID/SWAZILAND IS PERMITTED TO FULLY DEVELOP AN ENDOWMENT DOCUMENT CONSISTENT WITH USAID GUIDELINES MISSION SHOULD ADDRESS CONCERNS CITED ABOVE AND CONSULT CLOSELY WITH PPC AND GC AS IT DEVELOPS THE ENDOWMENT DOCUMENT WHEN COMPLETED DOCUMENT SHOULD BE SUBMITTED TO AFR/SA WHICH WILL MANAGE THE REVIEW PROCESS

AFR/SA WHILE THE QUESTION OF FUNDING AVAILABILITY AND SEVERAL TECHNICAL CONCERNS WERE RAISED THERE WAS A GENERAL CONSENSUS THAT USAID/SWAZILAND SHOULD BE PERMITTED TO FULLY DEVELOP AN ENDOWMENT DOCUMENT PER USAID'S NEW GUIDELINES ON ENDOWMENTS, WITH APPROPRIATE CONSIDERATION OF GUIDANCE PROVIDED IN THIS CABLE, AND IN CONSULTATION WITH GC AND PPC THE ENDOWMENT DOCUMENT WILL BE SUBMITTED TO AND REVIEWED BY USAID/W FOLLOWING STANDARD PROJECT REVIEW PROCEDURES *

TALBOTT

SINCE THIS ACTIVITY WAS NOT INCLUDED IN THE RECENTLY SUBMITTED ACTION PLAN NOR IN OTHER PLANNING DOCUMENTS AND GIVEN THE COMPETING REQUESTS FOR BUREAU FUNDS THERE ARE NO FUNDS AVAILABLE CURRENTLY FOR THIS ACTIVITY THE AFRICA BUREAU HAS DECIDED THAT IF THE ENDOWMENT DOCUMENT

IS TECHNICALLY APPROVED AFR/DP WILL PURSUE THE OPTIONS OF RECOVERED FUNDS FROM PRIOR YEARS AND/OR FALLOUT FUNDS IN FY1995 TO FUND THIS ACTIVITY.

2 DISCUSSION OF ISSUES AND CONCERNS THE ISSUES AND CONCERNS BELOW WERE RAISED DURING THE ISSUES MEETING

A CONSISTENCY WITH PHASEDOWN OF MISSION SINCE USAID/SWAZILAND IS PHASING DOWN BY THE END OF 1996 THE QUESTION WAS RAISED OF WHETHER THE PROPOSED NEW ACTIVITY IS INCONSISTENT WITH EFFORTS TO COMPLETE ASSISTANCE EFFORTS IN SWAZILAND THE PHASEDOWN OF USAID/SWAZILAND PERTAINS TO THE CURTAILMENT OF U S DIRECT HIRE PRESENCE IN SWAZILAND AND THE COMPLETION OF BILATERAL ASSISTANCE THE PHASEDOWN WAS AGREED TO ON THE BASIS THAT DEVELOPMENT

ASSISTANCE COULD BE PROVIDED THROUGH THE REGIONAL CENTER AND THE INITIATIVE FOR SOUTHERN AFRICA (ISA) ALSO

*Rec'd m/maj
11/23 11:30 am*

UNCLASSIFIED

10

TO AID/AFR/SA - Bernard Lane
FROM AF/S - Mary Hayes
SUBJECT Phase-down Memo for Swaziland

The following reflect comments from AF/EPA and AF/S

- If you are truly seeking the Secretary's concurrence (i e , even a short memo acknowledging your memo), then this should be an action memo
- The last sentence of the summary should end with "developmental/emergency assistance" (deleting "as appropriate, for countries without a bilateral presence," which is confusing and doesn't really add anything to your point)
- Reasons for phasing-out AID/Swaziland should be spelled out more clearly in paragraph 2 of the discussion i e , A key recommendation of the study was to eliminate bilateral missions in small countries such as Swaziland (and Lesotho) and channel future assistance to these countries through a new regional center
- Just to be accurate, AREAF should be added to the list of developmental/emergency assistance programs for which Swaziland is eligible (end of first paragraph, page 2)

Finally, here is my understanding of the sequence of events concerning official notification to Swaziland of our phase-down plans After your memo goes to the Secretary, AID will make a public announcement of its plans (a press statement, perhaps) As close to the public announcement as possible, a joint State/AID cable will instruct the Ambassador and Mission Director to inform officially the government of Swaziland of our plans Let me know if this is incorrect



U S AGENCY FOR
INTERNATIONAL
DEVELOPMENT

The Administrator

INFORMATION MEMORANDUM

TO. The Secretary
FROM A/AID - J Brian Atwood
SUBJECT. Phase-Down Plans for USAID/Swaziland

SUMMARY I am seeking your guidance and concurrence on a plan to further reduce the number of countries in which USAID maintains direct-hire presence. I am now proposing to eliminate USAID presence in Swaziland by the end of FY 1996. In the future, Swaziland will be eligible to benefit from the new Initiative for Southern Africa (ISA) and other USG developmental/emergency assistance, as appropriate, for countries without a bilateral presence.

DISCUSSION Some time ago, I sought your guidance and concurrence to eliminate USAID presence in 22 countries in order to concentrate our development efforts where we can have an identifiable impact and to live within the budget constraints on our management resources. For similar reasons, we now want to add Swaziland to the list.

Swaziland has a population of roughly one million and has made substantial progress in its economic and social development. In August 1992, the Africa Bureau commissioned the "Transition Management Study" (TMS) to identify more cost-effective ways of delivering assistance to small country programs in southern Africa such as Swaziland. A key recommendation of the study was the reduction and eventual phase out of USAID's presence in Swaziland.

We propose that USAID bilateral presence in Swaziland phase down over FY 1995 and FY 1996. In the future, Swaziland will be

12

eligible to participate in the Initiative for Southern Africa (ISA) which includes activities of regional importance. Management and oversight of ISA activities will be provided by staff at the new regional center in Gaborone, Botswana. In addition, Swaziland also will be eligible for other USG developmental/emergency assistance, including the Peace Corps, disaster assistance, the Ambassador's Self-Help Fund, and the Department of State's 116(e) human rights program.

A brief description and phase-out plan for Swaziland is attached. I welcome your thoughts and suggestions on this matter.

Attachment. Country Phase-Out Detail

SWAZILAND

Rationale for Closure

In order to realize OE and staff savings, USAID plans to concentrate management of assistance to Swaziland in a regional center in Gaborone, Botswana.

Current Program

Strategic Objectives include the following: (1) increase the number of Swazis who direct, manage and participate in national development; (2) increase the number and size of viable Swazi-owned businesses; (3) stabilize population growth; and (4) prevention of HIV/AIDS transmission. The DA level in FY 1995 is \$5.7 million.

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Drafters:AFR/SA:Welllott/Blane:Swaziland\docs\phaseou2.Fct

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AF/S Aglaspie	<u></u>	Date	<u></u>
AF·Gmoose	<u></u>	Date	<u></u>

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APPR: CP ()
DRAFT: WD ()
CLEAR: WT ()
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AID/SA/PAD:WDARKINS:1SWAZI.CBL
11/07/95 7-001
AID/DAA/AFR:CPEASLEY

AFR/SA:WTHOMAS
AFR/SA:BLANE

AFR/SA.JHALE
M/MPI.MROGAL

PRIORITY MASERU
GABORONE PRIORITY

AIDAC

E.O. 12356: N/A

TAGS

SUBJECT: USAID POLICY GUIDANCE ON USAID/SWAZILAND
CLOSEOUT

REFS: (A) 93 STATE 380556
(B) BROWN (PPC)/ATWOOD MEMO DTD 6/15/94
(C) ATWOOD/CHRISTOPHER MEMO DTD 1/17/95

1 USAID/W ISSUED INITIAL GUIDANCE (REF. A) IN DECEMBER 1993 WHICH INCLUDED CRITERIA FOR CONTINUING PROJECT-FUNDED ACTIVITIES IN CLOSEOUT COUNTRIES SUBSEQUENTLY, THE USAID ADMINISTRATOR APPROVED A MEMORANDUM (REF. B) ON JUNE 15, 1995 WHICH SET FORTH THE CRITERIA FOR USAID-FINANCED ACTIVITIES IN COUNTRIES WITHOUT A USAID MISSION OR OFFICE. THE MEMO INCLUDED GENERAL CRITERIA AND CRITERIA FOR EXCEPTIONS TO POLICY. THE MEMO STATED THAT EXTENSIONS OF EXISTING PROGRAMS OR INITIATION OF NEW ACTIVITIES WILL BE TREATED AS EXCEPTIONS, REQUIRING SPECIFIC APPROVAL OF THE MANAGEMENT BUREAU, PPC AND THE REGIONAL BUREAU. IN GENERAL, THE CRITERIA FOR EXCEPTIONS ARE: RELEVANCE, IMPACT, CAPACITY, COST EFFECTIVENESS AND ACCOUNTABILITY, FOREIGN POLICY CONSIDERATIONS AND LIMITING APPROVALS.

2. THE INITIAL DECISION TO CLOSE USAID/SWAZILAND WAS

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APPROVED IN A MEMORANDUM (REF. C) TO SECRETARY CHRISTOPHER FROM ADMINISTRATOR ATWOOD DATED JANUARY 17, 1995. THE MEMO STATED THAT SWAZILAND WILL BE ELIGIBLE TO BENEFIT FROM THE INITIATIVE FOR SOUTHERN AFRICA (ISA) AND OTHER USG DEVELOPMENTAL/EMERGENCY ASSISTANCE. THE STATED RATIONALE FOR CLOSURE WAS TO REALIZE OPERATIONAL EXPENSE (OE) AND STAFF SAVINGS BY CONCENTRATING MANAGEMENT OF ASSISTANCE TO SWAZILAND IN THE REGIONAL CENTER FOR SOUTHERN AFRICA IN GABORONE, BOTSWANA.

3. THE DECISION TO CLOSE THE USAID BILATERAL PROGRAM IN SWAZILAND GREW OUT OF THE UNITED STATES GOVERNMENT'S INITIAL REFORMS IN THE DELIVERY OF FOREIGN ASSISTANCE AROUND THE WORLD. SPECIFICALLY, USAID HAS RESTRUCTURED THE DELIVERY OF FOREIGN ASSISTANCE IN THE SOUTHERN AFRICA REGION TO LIMIT ITS BILATERAL PRESENCE IN FEWER COUNTRIES. USAID HAS MADE THE DECISION TO CLOSE USAID/SWAZILAND ON SEPTEMBER 30, 1996. EXCEPT FOR PROJECTS WHICH HAVE BEEN SPECIFICALLY APPROVED OR EXEMPTED BY THE AA/M (THE CLOSEOUT COORDINATOR) THE SWAZI BILATERAL PROGRAM WILL TERMINATE ON THAT DATE.

4. IN ORDER TO REALIZE OPERATING EXPENSE AND STAFF SAVINGS, USAID PLANS TO CONCENTRATE MANAGEMENT OF ASSISTANCE TO SWAZILAND IN THE REGIONAL CENTER FOR SOUTHERN AFRICA (RSCA) IN GABORONE, BOTSWANA. SWAZILAND WILL BE ELIGIBLE TO PARTICIPATE IN THE INITIATIVE FOR SOUTHERN AFRICA (ISA) WHICH INCLUDES ACTIVITIES IN AGRICULTURE AND RESOURCE MANAGEMENT, DEMOCRACY AND GOVERNANCE, BUSINESS DEVELOPMENT AND TELECOMMUNICATIONS. IN ADDITION, SWAZILAND WILL BE ELIGIBLE FOR OTHER USG DEVELOPMENTAL/EMERGENCY ASSISTANCE, INCLUDING THE PEACE CORPS, DISASTER ASSISTANCE, THE AMBASSADOR'S SELF-HELP FUND, THE DEPARTMENT OF STATE'S 116(E) HUMAN RIGHTS PROGRAM, AND THE AFRICAN REGIONAL ELECTORAL ASSISTANCE FUND. MANAGEMENT AND OVERSIGHT OF ISA ACTIVITIES WILL BE PROVIDED BY STAFF AT THE RSCA.

5. THE USAID/SWAZILAND CLOSEOUT PLAN WAS REVIEWED BY THE AFRICA BUREAU ON SEPTEMBER 14, 1995. THE AFRICA BUREAU IS PREPARING THE USAID/SWAZILAND CLOSEOUT RECOMMENDATIONS MEMORANDUM FOR APPROVAL BY THE ASSISTANT ADMINISTRATOR FOR MANAGEMENT (AA/M) AND CLOSEOUT COORDINATOR, LARRY BR'NE. THIS HAS BEEN THE PROCEDURE FOLLOWED BY THE AFRICA BUREAU FOR ALL OF ITS CLOSEOUT PROGRAMS. WE BELIEVE THE AFRICA BUREAU CLOSEOUT MEMORANDUM'S RECOMMENDATIONS ON CONTINUING PROGRAMS IN SWAZILAND AFTER THE CLOSEOUT DATE WOULD BE STRENGTHENED, IF USAID/SWAZILAND COULD PROVIDE FULLER JUSTIFICATIONS OF THE PROJECTS (I.E., THE PEACE CORPS ENVIRONMENT EDUCATION PROJECT AND THE MASHAV PROGRAM)

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WHICH IT HAS PROPOSED TO CONTINUE PAST THE CLOSEOUT DATE OF SEPTEMBER 30, 1996. THE JUSTIFICATION STATEMENT SHOULD GIVE DECISION MAKERS A CONCISE UNDERSTANDING OF THE PURPOSE OF THE PROJECT, ITS ACHIEVEMENTS, POTENTIAL DEVELOPMENT IMPACT AND MANAGEMENT IMPLICATIONS OF CONTINUING PAST CLOSEOUT.

6. THE AFRICA BUREAU STRONGLY SUPPORTS USAID/SWAZILAND'S POSITION ON THE CONTINUATION OF THE PEACE CORPS ENVIRONMENTAL PROJECT AND THE MASHAV PROJECT BEYOND THE MISSION'S CLOSEOUT DATE. AS SOON AS WE ARE ABLE TO DEVELOP THE BRIEF SUMMARY TABLES AND JUSTIFICATIONS AS DESCRIBED ABOVE, THE AFR BUREAU'S CLOSEOUT RECOMMENDATIONS MEMORANDUM WILL BE PUT INTO THE CLEARANCE PROCESS AND FORWARDED FROM THE AA/AFR TO THE AA/M FOR APPROVAL. THE MANAGEMENT BUREAU WILL NOT MAKE ANY DECISIONS ON THE USAID/SWAZILAND CLOSEOUT PLAN RECOMMENDATIONS, UNTIL THEY HAVE BEEN RECEIVED OFFICIALLY THE AFR BUREAU. WE WILL KEEP YOU INFORMED AS THE CLEARANCE PROCESS PROCEEDS. PLEASE FEEL FREE TO LET US KNOW, IF FURTHER CLARIFICATION IS REQUIRED. WE APPRECIATE USAID/SWAZILAND'S CONTINUED ASSISTANCE IN THIS PROCESS.

7. THIS CABLE WAS CLEARED BY THE AFRICA BUREAU AND THE MANAGEMENT BUREAU.

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78