UNCLASSIFIED

PD-ACC-337

AGENCY FOR
INTERNATIONAL
DEVELOPMENT

ANNUAL BUDGET SUBMISSION

FY 1981

INDIA

MAY, 1979

DEPARTMENT
OF
STATE

BEST AVAILABLE

UNCLASSIFIED

FY 1981 ANNUAL BUDGET SUBMISSION

INDIA

USAID/NEW DELHI
MAY 1979

INDIA FY 1981
ANNUAL BUDGET SUBMISSION

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TABLE I - LONG RANGE PLAN BY APPROPRIATION ACCOUNT ($ Millions)

Development Assistance	FY 1979 Est.	FY 1980 Est.	FY 1981 REQUEST Minimum	FY 1981 REQUEST Current	FY 1981 REQUEST AAPL	PLANNING PERIOD 1982	PLANNING PERIOD 1983	PLANNING PERIOD 1984	PLANNING PERIOD 1985
Agriculture, Rural Dev. & Nutrition	80.0	92.0	65.0	105.0	145.0	148.0	2.0	2.0	-
Grants	-	8.0	5.0	5.0	5.0	3.0	2.0	2.0	-
Loans	80.0	84.0	60.0	100.0	140.0	145.0	-	-	-
Population	-	14.0	-	-	-	5.0	5.0	-	-
Grants	-	14.0	-	-	-	5.0	5.0	-	-
Loans	-	-	-	-	-	-	-	-	-
Health	10.0	26.0	35.0	35.0	35.0	35.0	35.0	-	-
Grants	-	6.0	10.0	10.0	10.0	5.0	5.0	-	-
Loans	10.0	20.0	25.0	25.0	25.0	30.0	30.0	-	-
Education	-	-	-	-	-	-	-	-	-
Grants	-	-	-	-	-	-	-	-	-
Loans	-	-	-	-	-	-	-	-	-
Selected Dev. Activities	-	3.0	-	-	-	-	-	-	-
Grants	-	3.0	-	-	-	-	-	-	-
Loans	-	-	-	-	-	-	-	-	-
SUBTOTAL FUNCTIONAL ACCOUNTS AND TOTAL DA ACCOUNTS	90.0	135.0	100.0	140.0	180.0	188.0*	42.0*	2.0*	-
Grants	-	31.0	15.0	15.0	15.0	13.0	12.0	2.0	-
Loans	90.0	104.0	85.0	125.0	165.0	175.0	30.0	-	-
AID/W ASSISTANCE PLANNING LEVEL					180.0	280.0	360.0	460.0	600.0
PL 480 (non-add):									
Title I	-	-	-	-	-	-	40.0	50.0	60.0
(of which TitleIII)	-	-	-	-	-	-	-	-	-
Title II	129.2	142.3	124.6	145.0	145.0	150.1	151.2	157.4	146.3
- VolAgs	(108.0)	(115.7)	(100.0)	(120.4)	(120.4)	(127.5)	(133.5)	(140.2)	(146.3)
- CLUSA	(21.2)	(26.6)	(24.6)	(24.6)	(24.6)	(22.6)	(17.7)	(17.2)	(-)
Regional Programs OPGs (Grants)	0.6	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Special Foreign Currency Appropriation (SFCA): Grants (Health) a/	-	20.0	-	-	-	-	-	-	-
Operating Expenses	1.5	2.0	2.1	2.1	2.1	2.3	2.5	2.8	3.0

*Budget required to fund active projects in FY 1981 to their completion.

a/Excludes SFCA costs of Third Country Training in India in support of USAID/Nepal.

TABLE III - PROJECT OBLIGATIONS BY APPROPRIATION ACCOUNT
FY 1979 - FY 1981
(Thousands $)

DECISION UNIT
386 INDIA 2

APPROPRIATION ACCOUNT/PROJECT NO./TITLE	L/G	FY 1979	FY 1980	FY 1981 Minimum	FY 1981 Current	FY 1981 AAPL
Agriculture, Rural Development & Nutrition		80,000	92,000	65,000	105,000	145,000
0462, Rural Electrification	L	58,000	-			
0466, Agricultural Dev. Credit (ARDC)	L	-	20,000	40,000	40,000	40,000
0467, Rajasthan Medium Irrigation	L	-	15,000	20,000	20,000	20,000
0470, Agricultural Research	G	-	8,000	5,000	5,000	5,000
0471, Fertilizer Promotion	L	22,000	49,000	-	40,000	80,000
Population		-	14,000	-	-	-
0468, Integrated Rural Health/Pop	G	-	14,000	-	-	-
Health		10,000	26,000	35,000	35,000	35,000
0455, Malaria Control	L	10,000	20,000	25,000	25,000	25,000
0468, Integrated Rural Health/Pop	G	-	6,000	10,000	10,000	10,000
Selected Development Activities		-	3,000	-	-	-
0465, Technologies for the Rural Poor	G	-	3,000	-	-	-
SUB TOTAL FUNCTIONAL ACCOUNTS:		90,000	135,000	100,000	140,000	180,000
TOTAL ALL DA APPROP. ACCOUNTS:		90,000	135,000	100,000	140,000	180,000

TABLE IV - PROJECT BUDGET DATA

DECISION UNIT 386 INDIA

PROJECT NUMBER	PROJECT TITLE	G/L	OBLIGATION DATE (FY) INITIAL	OBLIGATION DATE (FY) FINAL	DATE OF NEXT PLANNED NON-ROUTINE EVAL.	CUM. PIPELINE AS OF 9/30/78	FY 1979 OBLIG.	FY 1979 EXPEND.	FY 1979 CUM. PIPELINE	FY 1980 OBLIG.	FY 1980 EXPEND.	FY 1980 CUM. PIPELINE	FY 1981 AAPL OBLIG.	FORWARD FUNDED TO (MO/YR)	FUTURE YEAR OBLIGATIONS FY 1982	FUTURE YEAR OBLIGATIONS FY 1983 & BEYOND
	Agriculture, Rural Dev. & Nutrition					30,000	80,000	1,000	109,000	92,000	92,000	109,000	145,000		148,000	4,000
0462	Rural Electrification	L	79	79	10/81	-	58,000	-	58,000	-	1,000	57,000	-	6/83	-	-
0464	Gujarat Medium Irrigation	L	78	78	-	30,000	-	1,000	29,000	-	6,000	23,000	-	6/83	-	-
0466	Agricultural Dev. Credit (ARDC)	L	80	82	3/81	-	-	-	-	20,000	10,000	10,000	40,000	9/82	60,000	-
0467	Rajasthan Medium Irrigation	L	80	81	11/81	-	-	-	-	15,000	3,000	12,000	20,000	9/84	-	-
0470	Agricultural Research	G	80	84	1/83	-	-	-	-	8,000	1,000	7,000	5,000	9/83	3,000	4,000
0471	Fertilizer Promotion	L	79	82	12/80	-	22,000	-	22,000	49,000	71,000	-	80,000	12/81	85,000	-
	Population					-	-	-	-	14,000	3,000	11,000	-		5,000	5,000
0468	Integrated Rural Health/Pop	G	80	83	6/82	-	-	-	-	14,000	3,000	11,000	-	9/83	5,000	5,000
	Health					28,000	10,000	10,000	28,000	26,000	30,000	24,000	35,000		35,000	35,000
0455	Malaria Control	L	78	83*	6/81	28,000	10,000	10,000	28,000	20,000	28,000	20,000	25,000	9/82	30,000	30,000
0468	Integrated Rural Health/Pop.	G	80	83	6/82	-	-	-	-	6,000	2,000	4,000	10,000	9/83	5,000	5,000
	Selected Development Activities					2,000	-	500	1,500	3,000	2,000	2,500	-		-	-
0465	Technologies for the Rural Poor	G	78	80	-	2,000	—	500	1,500	3,000	2,000	2 500	-	3/83	-	-
	SUB-TOTAL FUNCTIONAL ACCOUNTS:					60,000	90,000	11,500	138,500	135,000	127,000	146,500	180,000		188,000	44,000
	TOTAL ALL DA APPROP. ACCOUNTS:					60,000	90,000	11,500	138,500	135,000	127,000	146,500	180,000		188,000	44,000

Estimated U.S. dollar cost ($000)

*Change from CP.

AID 1330-8 (8-79)

TABLE IV - PROJECT BUDGET DATA

DECISION UNIT 386 INDIA

PROJECT NUMBER	PROJECT TITLE	G/L	OBLIGATION DATE (FY) INITIAL	OBLIGATION DATE (FY) FINAL	DATE OF NEXT PLANNED NON-ROUTINE EVAL.	CUM. PIPELINE AS OF 9/30/78	FY 1979 OBLIG.	FY 1979 EXPEND.	FY 1979 CUM. PIPELINE	FY 1980 OBLIG.	FY 1980 EXPEND.	FY 1980 CUM. PIPELINE	FY 1981 AAPL OBLIG.	FORWARD FUNDED TO (MO/YR)	FUTURE YEAR OBLIGATIONS FY 1982	FUTURE YEAR OBLIGATIONS FY 1983 & BEYOND
	Regional Programs															
	Operational Program Grants (OPGs): (Project No.498-0251)															
	- Coop. Oilseed Processing Mgt. Dev. (CLUSA/NCDC)	G	78	78	3/80	475	-	175	300	-	200	100	-	8/81	-	-
	- Program Development Support (CLUSA/India)	G	79	79	-	-	204	47	157	-	58	99	-	12/81	-	-
	- Oilseed Growers' Coop. Project (CLUSA/NDDB)	G	79	79	10/80	-	386	94	292	-	160	132	-	6/82	-	-
	- International Year of the Child - (VolAgs)	G	80	80		-	-	-	-	150	100	50	-	12/80	-	-
	- New OPG's	G	80	n.a.		-	-	-	-	350	100	250	500	n.a.	500	
	Special Foreign Currency Appropriations (SFCA)															
	386-0406 St. John's Medical College & Hospital	G	78	78		9,850	-	900	8,950	-	950	8,000	-	4/86	-	-
	386-0469 Private Inst. Rural Health Support	G	80	80		-	-	-	-	20,000	5,000	15,000	-	9/83	-	-

Decision Unit India

Decision Package Minimum

DECISION PACKAGE NARRATIVE

USAID's Country Development Strategy Statement (CDSS) summarized the long range development goals of the GOI as articulated in its draft Five Year Plan: "to remove unemployment and severe under-employment, to improve the incomes of the poorest sections of the society and to provide "basic needs" services to the poor". These primary objectives are to be obtained while "achieving a higher rate of growth of the economy than in the past; moving towards a significant reduction in the present disparities of incomes ...; and ensuring the country's continued progress towards self-reliance". The Sixth Plan was endorsed both by the World Bank and by the Strategy Team assembled by A. I. D. in 1978 to advise on the desirable evolution of the U. S. assistance program to India. The Team after careful consideration of GOI plans stated that it "endorses this general strategy and finds the Plan an appropriate framework for A. I. D. assistance to help the poor majority."

USAID/India adopted in the CDSS a five point strategy to carry out its long term development goal "to increase productivity, incomes and welfare in rural areas with a focus on small and marginal farmers". These points were: (1) "that we adopt the Sixth Plan's basic strategy and overall targets", finding them fully acceptable to A. I. D. " (2) that we make a conscious choice "to work within GOI priorities and to respond primarily to Indian requests for assistance, as against imposing a U. S. program"; (3) "that we will provide assistance largely to mature Indian institutions of proven competence; (4) we will limit our interests to a relatively small number of large projects; and (5) "those projects will deal primarily with areas in which the U. S. has a comparative advantage".

USAID's goals and strategy led to a project program in the general field of rural development with a heavy emphasis on rural infrastructure; medium irrigation, minor irrigation credit, and rural electrification; agricultural inputs; agricultural and rural technological improvements; and minimum needs services in the health and population areas. A strong PL 480 Title II program is described later in this ABS.

In FY 1981 USAID will be implementing nine dollar-funded projects, four of which will have been initiated only in FY 1980; in fact all nine projects will be less than three years old reflecting the recent re-initiation of the program. In addition, we will be implementing A. I. D!s largest PL 480 Title II program through five U. S. voluntary agencies, and at least two major local currency-financed projects. Several of these projects involve a number of complex sub-project activities.

which will continue to occupy much attention from USAID staff. Since this portfolio is already a substantial one, USAID is recommending no new projects in FY 1981. The existing projects have been carefully selected for their support of the Sixth Plan and their conformance to the other elements of USAID's strategy. We will have just gotten underway in FY 1980 significant projects in Agricultural Research, and Integrated Rural Health and Population. We are confident that U.S. technical cooperation through these projects can make a difference as we believe it will in the Rajasthan Medium Irrigation Project also beginning in FY 1980. USAID's Minimum Package also contains funds for the continuing support for our Agricultural Credit and Malaria Control projects, each aimed at key elements of the Sixth Plan.

USAID's Minimum Package level for Title II Programs represents a retrogression to FY 1979 approved levels for CARE, CRS and LWR/CWS programs in support of maternal & child health, school feeding, and food for work programs. We are recommending full funding of the CLUSA oilseed cooperatives projects in view of the seriousness of a shortfall for the momentum of this development project.

A $100 million Development Assistance program for India represents a 25% cut in the program from that proposed to the Congress for FY 1980, a major regression in U. S. assistance to a democratic country which fits all of A. I. D. 's criteria for development support. Nevertheless, it would permit A. I. D. to meet its continuing project commitments with the exception of that for the Fertilizer Promotion project, a significant exception which will be discussed in the current and AAPL package discussions. The minimum package of Development Assistance and Title II commodities also would help the U. S. to maintain a small, positive net flow in resource transfers to India in FY 1981 although smaller than that projected for FY 1980.

The omission of the Fertilizer Promotion project from the "Minimum" package is not a reflection of its importance; USAID believes that the GOI strategy emphasizing increased fertilizer consumption to increase agricultural production to be an indispensible element permiting other projects and programs to focus on the poor and upon distributional inequalities. However, USAID believes that loss of A. I. D. financing for this project would be the least disruptive if the India program does not receive its full AAPL level.

Program and Workforce

USAID is projecting a very modest staff increase in FY 1981 oriented towards managing a project design process as well as monitoring its ongoing program which in that year will have a pipeline of approximately $150 million in addition to the Minimum package program of $100 million. USAID must mount a major project identification and design effort in FY 1980 and FY 1981 if we are to attain the program size projected in our CDSS for FY 1982 and 1983, and tentatively endorsed by AID/W. We anticipate that a substantial amount of the design work will be undertaken by short term consultants working directly with GOI counterparts although in close collaboration with USAID staff.

We are projecting for FY 1981 the addition of one American and three Indian professional officers, one American intern, an American secretary (USAID's second) to provide continuous secure coverage in one USAID location, and one Indian clerk-typist in recognition of the increasing workload. Two of the four officers, one American and one Indian, will be assigned to the Agricultural and Rural Development Office since six of the nine development projects then active will be in the agriculture sector as will be much of the design work for succeeding years. An Indian engineer, USAID's third, will help monitor the increasing construction workload. An Indian physician will augment the capability of the Health/Population Office to monitor a growing project portfolio as well as the large number of centrally-financed activities available in these sectors.

USAID frankly is concerned that our request for additional staff may be too modest in view of the increasing workload of what is projected to be the largest Development Assistance program and the largest PL 480 Title II program in the world. We have included the entire increase in personnel in the Minimum package since the additional workload implications of our current and AAPL packages are small. It is the considered judgement of the U. S. Diplomatic Mission that a small, competent group of American foreign service development officers augmented by Indian professional staff can best represent U. S. interests in India. This policy requires the ready availability of TDY staff, callable on short notice, and prepared to work without lengthy preparatory periods. The restrictions with regards to travel and contracting imposed now and apparently expected by AID/Washington to continue, may make this strategy more and more difficult to follow. USAID India needs large allocations of AID/Washington TDY time, personal services contract ceiling and backstopping attention as well as the small staff increase proposed in this ABS if we are to manage the program in accordance with U. S. foreign policy needs. We request that the necessary Washington budget and staff allocations be found for this purpose.

Decision Unit: India

Decision Package Current

DECISION PACKAGE NARRATIVE

The Minimum package will meet all of USAID's (conditional) commitments to the GOI with one major exception, the FY 1981 tranche of the Fertilizer Promotion Project. Fertilizer is perhaps the key component of the GOI's increased agricultural production strategy; without it other inputs and infrastructure investments will not attain their expected contribution. If fertilizer is not available in sufficient quantity it is the small and marginal farmers who will be most directly affected by the shortages. Landless laborers will be affected as well by the lessened employment opportunities. USAID omitted FY 1981 funding for the Fertilizer Promotion Project in the minimum package only because this project is the least disruptive in USAID's portfolio if the GOI must provide alternate funding.

Inclusion of the Fertilizer Promotion Project at a funding level of \$40 million provides two major advantages in addition to partially maintaining the tentative commitment described in the Fertilizer Promotion project paper. First, a \$140 million development program level will maintain the U. S. assistance program at approximately the same amount requested for FY 1980 in the Congressional Presentation. This together with the \$145 million PL 480 Title II Program and expenditures from the existing pipeline will permit a modest (in terms of the Indian economy) net resource flow to India estimated at \$135 million during FY 1981 after deducting the \$170 million in GOI repayments of previous development loans.

Second, a \$140 million Development Assistance program will permit the program to have a foreign exchange element of roughly 50%. (The Minimum package has a foreign exchange element of only 27%.) We believe that the U. S. Congress will find a 50% level to be more acceptable in view of India's expected foreign exchange holdings although the IBRD projects a probable drawdown beginning in 1981.

As mentioned above, the Current package projects a \$145 million PL 480 Title II program, essentially a continuation of the program requested in the recent USAID-endorsed FY 1980 Annual Estimate of Requirements (AERs). Although the GOI has requested that CARE support a higher level of school feeding recipients, CARE is holding down its request in view of recent GOI concerns about the management/monitoring costs of CARE programs and CARE's concern that it run an effective program. USAID concurs with CARE's judgement.

Decision Unit: India

Decision Package AAPL

DECISION PACKAGE NARRATIVE

USAID recommends for FY 1981 a Development Assistance program of $180 million and a PL 480 Title II program of $145 million for a total commitment level of $325 million. During the same year the GOI will make repayments to the U. S. Government of approximately $170 million. It is difficult to project actual A. I. D. /PL 480 expenditures in FY 1981 but we estimate approximately $335 million making the actual net resource flow approximately $165 million. This is relatively small in terms of the size of India's population and economy, but a pleasant change from the negative flow position of the United States in FY 1978 and FY 1979.

The specific action USAID will take in obtaining its AAPL level of funding will be to restore the financing of the Fertilizer Promotion Project to its full level of $80 million described in the Project Paper. This is significant because of the importance of adequate fertilizer supplies to small and marginal farmers and to India's drive for accelerated farm output. Even more important, however is that it will signal the commitment of the United States to an increasing level of assistance to India to help in financing the realistic but ambitious program of development which the GOI has set for itself.

The World Bank's annual economic report for the 1979 meeting of India Consortium members estimates gross donor aid flows in FY 1978/79 at $1,806.8 million, or 8.4% of the current development expenditures of the national and state governments combined. Net flows after deducting principal and interest payments to donor governments come to $742.9 million, or 3.5% of government expenditures. Foreign aid clearly is playing an important role at the margin to an immense Indian effort. The United States, with a net aid transfer of minus (-) $14.7 million in FY 1978/79 has not quite managed to offset its receipts of loan repayments. We expect this to change to a modest positive contribution in FY 1979/80.

To put our FY 1981 proposal in perspective the IBRD estimates that a gross resource flow in FY 1980/81 of $2.5 billion is needed in order to have a net resource transfer of $1.5 billion in support of the GOI's Development Plan.[1/] The expenditures in FY 1981 resulting from our FY 1981 AAPL Package proposal and prior year commitments are projected to be $335 million, or 13.4% of the gross flow. The U. S. net flow of $165 million would provide about 11% of the projected net requirement.

1/ The IBRD uses a $1.8 million net resource figure in its April 1979 Economic Report but has deducted only GOI principal and not interest payments to donor governments (approximately $350 million) in this estimate.

The United States, after careful consideration of GOI development plans, has concluded that the program is well worth supporting. India also qualifies in terms of its commitment to a truly democratic society, its devotion to human rights and its pledge to directly support the poor and to move to a significant reduction in present disparities of income.

Over 50% of the world's poorest people live in India. We noted in our CDSS that, "with its population of 650 million and a per capita GDP of around $160, India is by far the most important single arena in the struggle against world poverty". The job is for too large for any single donor to provide sufficient assistance - even at the margin. We believe the U. S. should provide an example to the OECD Consortium and to OPEC and Eastern Block governments, if sufficient funds are to be found to encourage the GOI strive to continue its ambitious but sound plans for economic development with emphasis on the rural poor, in India, the greatest reservoir of poverty in the world.

The United States is not the only donor with a negative resource flow in FY 1978/79. Belgium, France, Germany, Iraq and the USSR are in the same position as are several other small donors. Some of these countries would be encouraged by A. I. D. example and should be urged to do better.

A $180 million program is large in terms of AID's Development Assistance budget but small indeed by comparison with India's population and the GOI's budget. Nonetheless, we believe we have a project program that can make a difference, that by example can elicit similar increased effort from other donors, and that together with their contributions, can make a marginal addition to the GOI's development budget permiting faster and more equitable growth.

USAID sees no magic in a $180 million planning level which would allocate approximately 15% to India of planned bilateral assistance in FY 1981 (if the FY 79 Congressional Presentation ratio of bilateral to centrally funded assistance is assumed). This is small in comparison with India's population and the GOI's overall development effort. It is small even when compared to PPC's top-down exercise which allocated 33. 7% of A. I. D. 's FY 1985 planning level to India before applying the constraint of a 25% maximum limit. We therefore have submitted a PID for a FY 1981 shelf project to finance the foreign exchange costs of a phosphatic fertilizer plant at an approximate cost of $47 million, The goals and objectives of this project are the same as those of the Fertilizer Promotion Project earlier discussed with the added advantage of assisting the domestic productive sector.

In accordance with AID/W requests, 59% of USAID's FY 1981 AAPL proposed program is devoted to the financing of foreign exchange costs of development projects. This percentage, of course, would be increased if our shelf project proposal is added to the program. In future years we would prefer to select projects in accordance with AID's mandate and our more specific strategy with regard to India rather than use an arbitrary and nonsubstantive criterion such as foreign exchange. We will be examining project ideas for FY 1982 in this spirit.

Bureau Code: 04 Decision Code:

DECISION UNIT 386 INDIA

TABLE V - FY 1981 PROPOSED PROGRAM RANKING

RANK	DECISION PACKAGES/PROGRAM ACTIVITY — DESCRIPTION	TERM/ NEW/ CONT.	LOAN/ GRANT	APPROP. ACCT.	PROGRAM FUNDING ($000) INCR	PROGRAM FUNDING ($000) CUM	WORKFORCE USDH INCR	WORKFORCE USDH CUM	WORKFORCE FNDH INCR	WORKFORCE FNDH CUM
	DECISION PACKAGE - MINIMUM									
	*Terminated Projects with Pipeline									
	0462 Rural Electrification	T	L	FN	(57,000)	(57,000)				
	0464 Gujarat Medium Irrigation	T	L	FN	(23,000)	(80,000)				
	0465 Technologies for the Rural Poor	T	G	SD	(2,500)	(82,500)				
	(LC Projects --Special Foreign Currency			)						
	(Appropriations --excluding PL 480 Funded:			)						
	(St. John's Medical College (O) - $13,650 (FY 78);			)						
	(Private Inst. Rural Health Support (O)-$20,000 (FY80)			)						
	Sub-Total (Non-Add):				(82,500)					
	New and Continuing Projects a/									
1	- PL 480 Title II - CARE, CRS, CWS/LWR				(100,000)					
2	0467 Rajasthan Medium Irrigation	O	L	FN	20,000	20,000				
3	0470 Agricultural Research	O	G	FN	5,000	25,000				
4	0466 Agricultural Development Credit	O	L	FN	40,000	65,000				
5	0468 Integrated Rural Health/Pop.	O	G	HE	10,000	75,000				
6	**0455 Malaria Control	O	L	HE	25,000	100,000				
7	- PL 480 Title II - CLUSA VegOil				(24,600)					
	(L/C Projects--Special Foreign Currency		)							
	(Appropriation--excluding PL 480 funded:		)							
	(Third Country Training in India (0)-$650 (FY81))		)							
8	- Basic Workforce:				-	100,000	18	18	61	61
	Total Minimum Package and Related Workforce:				100,000		18		61	

* Unliquidated Balance as of 9/30/80.

**Approved PP as of 4/30/79.

a/ Excludes regional and centrally financed activities (e.g. OPGs) which require Mission monitoring.

AID 1330-9 (3-79)

Bureau Code: 04 Decision Code:

TABLE V - FY 1981 PROPOSED PROGRAM RANKING

DECISION UNIT 386 INDIA

RANK	DECISION PACKAGES/PROGRAM ACTIVITY DESCRIPTION	TERM/ NEW/ CONT.	LOAN/ GRANT	APPROP. ACCT.	PROGRAM FUNDING ($000) INCR	PROGRAM FUNDING ($000) CUM	WORKFORCE USDH INCR	WORKFORCE USDH CUM	WORKFORCE FNDH INCR	WORKFORCE FNDH CUM
	DECISION PACKAGE - CURRENT									
9	0471 Fertilizer Promotion	O	L	FN	40,000	140,000	-	18	-	61
10	- PL 480 Title II- CARE, CRS, CWS/LWR				(20,400)					
	- Workforce Increment Current Package:				-	140,000	-	18	-	61
	- Total Current Package and Related Workforce:				40,000		-		-	
	DECISION PACKAGE - AAPL									
11	0471 Fertilizer Promotion	O	L	FN	40,000	180,000	-	18	-	61
	- Workforce Increment AAPL Package:				-	180,000	-	18	-	61
	Total AAPL Package and Related Workforce:				40,000		-		-	

AID 1330-9 (3-79)

TABLE V.A. FOREIGN EXCHANGE AND LOCAL COSTS COMPOSITION -- FY 1979/1981 PROGRAM

($ Millions)

SECTOR AND PROJECT	FY 1979		FY 1980		FISCAL YEAR 1981					
					MINIMUM		CURRENT		AAPL	
	FX	LC	FX	LC	FX	LC	FX	LC	FX	LC
Agriculture, Rural Development & Nutrition										
0462 Rural Electrification (L)	-	58.0								
0466 Agricultural Dev. Credit (L)			-	20.0	-	40.0	-	40.0	-	40.0
0467 Rajasthan Medium Irrigation (L)			-	15.0	-	20.0	-	20.0	-	20.0
0470 Agricultural Research (G)			4.0	4.0	2.0	3.0	2.0	3.0	2.0	3.0
0471 Fertilizer Promotion (L)	22.0	-	49.0	-	-	-	40.0	-	80.0	-
Health and Population										
0455 Malaria Control (L)	10.0	-	20.0	-	25.0	-	25.0	-	25.0	-
0468 Integrated Rural Health and Population Support (G)			2.0	18.0	-	10.0	-	10.0	-	10.0
0469 Private Institutions Rural Health Support (G) (Special Foreign Currency Appropriation) (Non-Add)			(-)	(20.0)						
Selected Development Activities										
0465 Technologies for the Rural Poor (G)			3.0	-						
TOTAL FUNCTIONAL ACCOUNTS:	32.0	58.0	78.0	57.0	27.0	73.0	67.0	73.0	107.0	73.0
	90.0		135.0		100.0		140.0		180.0	
PL 480 Title II :	129.2		142.3		124.6		145.0		145.0	
- CARE, CRS, CWS/LWR	108.0		115.7		100.0		120.4		120.4	
- CLUSA Vegoil	21.2		26.6		24.6		24.6		24.6	
Operational Program Grants (Regional Funds)	0.6		0.5		0.5		0.5		0.5	

PROJECT SUMMARY

TABLE VI

NUMBER OF PROJECTS

	FY 77	FY 78	FY 79	FY 80	FY 81 MINIMUM	FY 81 CURRENT	FY 81 AAPL
Implementation at Beginning of Year	7	6	9	10	18	18	18
Moving from Design to Implementation During Year	-	4	3	8	1	1	1
Design for Future Year Implementation	1	3	7	3	5	5	6
SUBTOTAL	8	13	20	21	24	24	25
Number of Non-Project Activities	6	7	7	6	6	6	6
TOTAL	14	20	27	27	30	30	31

NUMBER OF PROJECTS MOVING FROM DESIGN TO IMPLEMENTATION BY PROJECT SIZE

AID'S CONTRIBUTION TO LIFE OF PROJECT COST	FY 77	FY 78	FY 79	FY 80	FY 81 MINIMUM	FY 81 CURRENT	FY 81 AAPL
Less than $1 Million	-	1	1	3	1	1	1
$1 To $5 Million	-	1	-	-	-	-	-
$5 To $15 Million	-	-	-	-	-	-	-
$15 To $25 Million	-	-	-	2	-	-	-
More Than $25 Million	-	2	2	3	-	-	-

TABLE VII

OPERATING EXPENSE FUNDED PERSONNEL IN POSITIONS

FUNCTIONS	FY 77				FY 78				FY 79				FY 80			
	USDH	FNDH	US CONT	FN CONT	USDH	FNDH	US CONT	FN CONT	USDH	FNDH	US CONT	FN CONT	USDH	FNDH	US CONT	FN CONT
Executive Direction	2.0	-	-	-	2.0	-	-	-	2.0	-	-	-	3.0	1.0	-	-
Program Planning	0.5	2.5	-	-	1.5	2.5	-	-	2.0	3.0	-	-	2.0	3.0	-	-
Project Design	1.0	-	-	-	4.0	6.0	-	-	4.0	10.0	-	-	5.0	12.0	-	-
Project Implementation	1.5	18.5	-	-	1.5	14.5	-	-	4.0	15.0	-	-	4.0	18.0	-	-
Financial Management	1.0	5.0	-	-	1.0	5.0	-	-	1.0	5.0	-	-	1.0	5.0	-	-
Mission Support	-	12.0	-	-	-	9.0	-	-	-	11.0	-	-	-	11.0	-	-
Non-Mission Specific	-	5.0	-	-	-	5.0	-	-	-	7.0	-	-	-	7.0	-	-
TOTAL ▶	6.0	43.0	-	-	10.0	42.0	-	-	13.0	51.0	-	-	15.0	57.0	-	-
PLUS: PASA's (O.E. & Program)	-				-				-				-			
LESS: JAO Details	-	Approved MODE			-	Approved MODE			-	Approved MODE			-			
MODE Requested	6.0	6.0			10.0	10.0			13.0	13.0			15.0			

FUNCTIONS	FY 81 AAPL				FY 81 MINIMUM				FY 81 CURRENT			
	USDH	FNDH	US CONT	FN CONT	USDH	FNDH	US CONT	FN CONT	USDH	FNDH	US CONT	FN CONT
Executive Direction	4.0	-	-	-	4.0	-	-	-	4.0	-	-	-
Program Planning	2.0	3.0	-	-	2.0	3.0	-	-	2.0	3.0	-	-
Project Design	5.0	13.0	-	-	5.0	13.0	-	-	5.0	13.0	-	-
Project Implementation	6.0	21.0	-	-	6.0	21.0	-	-	6.0	21.0	-	-
Financial Management	1.0	5.0	-	-	1.0	5.0	-	-	1.0	5.0	-	-
Mission Support	-	12.0	-	-	-	12.0	-	-	-	12.0	-	-
Non-Mission Specific	-	7.0	-	-	-	7.0	-	-	-	7.0	-	-
TOTAL ▶	18.0	61.0	-	-	18.0	61.0	-	-	18.0	61.0	-	-
PLUS: PASA's (O.E. & Program)	-				-				-			
LESS: JAO Details	-				-				-			
MODE Requested	18.0				18.0				18.0			

TABLE VIII

OPERATING EXPENSE SUMMARY

COST SUMMARIES	FY 77			FY 78			FY 79			FY 80		
	($000's)	RELATED WORKYRS.	UNIT COST	($000's)	RELATED WORKYRS.	UNIT COST	($000's)	RELATED WORKYRS.	UNIT COST	($000's)	RELATED WORKYRS.	UNIT COST
US Direct Hire	336.1	6.0	56.0	460.3	7.3	63.0	654.4	11.2	58.4	929.9	15.0	62.0
FN Direct Hire	224.0	43.6	5.1	251.0	41.9	6.0	269.5	44.5	6.1	354.7	57.0	6.2
US Contract Personnel	-	-	-	-	-	-	-	-	-	-	-	-
FN Contract Personnel	-	-	-	-	-	-	-	- -	-	-	-	-
Housing	61.1	7.0	8.7	115.8	10.5	11.0	168.0	12.0	14.0	193.6	13.0	14.9
Office Operations	195.9	XXXX	XXX	259.9	XXXX	XXX	370.5	XXXX	XXX	480.0	XXXX	XXX
TOTAL REQUEST ▶	817.1			1087.0			1462.4			1958.2		
Amount of Trust Fund Included in Total Requested	-			-			-			-		

COST SUMMARIES	FY 81 AAPL			FY 81 MINIMUM			FY 81 CURRENT		
	($000's)	RELATED WORKYRS.	UNIT COST	($000's)	RELATED WORKYRS.	UNIT COST	($000's)	RELATED WORKYRS.	UNIT COST
US Direct Hire	997.6	18.0	55.4	997.6	18.0	55.4	997.6	18.0	55.4
FN Direct Hire	410.0	61.0	6.7	410.0	61.0	6.7	410.0	61.0	6.7
US Contract Personnel	-	-	-	-	-	-	-	-	-
FN Contract Personnel	-	-	-	-	-	-	-	-	-
Housing	209.8	18.0	11.7	209.8	18.0	11.7	209.8	18.0	11.7
Office Operations	497.0	XXXX	XXX	497.0	XXXX	XXX	497.0	XXXX	XXX
TOTAL REQUEST ▶	2114.4			2114.4			2114.4		
Amount of Trust Fund Included in Total Requested	-			-			-		

AID 1510-5 (5-79)

Decision Unit: <u>India</u>

SUPPORTING NARRATIVE ON OPERATING EXPENSE BUDGET

USAID's operating expense budget presented in the ABS has been prepared in very conservative fashion in view of the budgetary restrictions anticipated by AID/Washington. We are conscious that we are a new and growing Mission and that, in a relatively static period, the necessary staff and budgetary resources must be found by limiting the requests of other Missions.

The increases in our budget requests, from FY 1979 to FY 1980 as well as from FY 1980 to FY 1981, are directly proportional to the planned increase in both USDH and FNDH staff. In FY 1978 USAID has a PL 480 Title II program of $112 million, a Development Assistance Program of $60 million, and no pipeline. In FY 1981 the Title II program will be $145 million, the Development Assistance program will be $180 million, and projects with a pipeline of $146 million will be under implementation. We believe our operating expense budget projection is modest by comparison to the projected workload. Our staffing request is described both in the Minimum Package Narrative and in the Supporting Narrative on Position Requirements.

Unit costs for U.S. Direct Hire personnel vary from year to year. This can be expected with a small staff such as ours, especially when a disproportionate number of assignments and/or home leaves fall in one year.

Our FY 1981 budget is expressed in terms of current costs. If a modest inflation factor of 6% is added to these costs, the FY 1980 budget should be $2.08 million rather than $1.96 million, and the FY 1981 budget would be $2.38 million rather than the $2.11 million projected in Table VIII. We have shown a significant increase in our international operational travel budget, from $79,000 in FY 1979 to $137,000 in FY 1981 because we expect to have to rely heavily on short term consultants and often must have the insights and experiences that only an AID officer can have. We would have preferred to budget a higher figure for TDYs but recognize the constraints within which we must operate.

We have been the most conservative in projecting our NXP procurement needs and have included (in Table XIII.B) only that equipment absolutely required by the expanding number of employees. We would have liked to budget for the equipment which would allow us to take better advantage of the systems being evolved in AID/Washington, for example, microfiche readers to tie into the DSB and PPC memory systems, and videotape systems to take better advantage of the increasing use by AID/Washington of this communications technology. (AID/Washington and the State Department may want to take a harder look at microfiche as a way to substantially cut pouch costs if hard copy reproducers are made available at each end.) We also would have liked to budget for word processing machines, a technology which the Embassy is planning to adopt in the near future and one which increases productivity tremendously.

Possibly the most serious potential omission is that we have not budgeted for additional vehicles in accordance with strong advice received from the Area Auditor General in the absence of any request to do so from the U.S. Embassy which services our transportation needs. USAID will have grown from 49 employees in FY 77 to 79 in FY 1981, an increase of 60%. During this time we will have added one sedan (for a new total of three) and may procure a carryall budgeted in FY 1979 if requested to do so by the Embassy. We hope to have a clearer estimate of Embassy requirements of AID prior to our detailed budget submission this fall.

TABLE VIII (B)

USAID/I, NEW DELHI

FY 80 Non-Expendable Property Procurement Plan
O/C 310, 311, 312 & 319

310. Office Furniture, Equipment & Furnishings

Item No.	DESCRIPTION	NUMBER OF AVAILABLE UNITS: Warehouse	Issued	On Order	Total	Units* to be Purchased: C	A	NR **	COST - $: Item	Freight	COMMENTS
1.	Calculator, electronic	1	16	4	21			4	1000	200	
2.	Photo Copier (PPC)	-	5	-	5			1	4700	500	
3.	Typewriter, elec. Selectric	3	28	6	37		4	2	4200	400	
4.	Typewriter, manual	1	9	6	16		3	3	1200	300	
5.	Dictaphone	-	2	-	2			1	500	100	
6.	Office Furniture - Sets	7	63	-	70	1		8	7200	-	
	TOTALS								18,800	1,500	

= Replacement based on condition of item.
= Replacement based on age.

** NR = New Requirements (Additions).

TABLE VIII
(B)

USAID / I, New Delhi

FY 80 Non-Expendable Property Procurement Plan
O/C 310, 311, 312 & 319

311- Household Furniture, Equipment & Furnishings

Item No.	DESCRIPTION	NUMBER OF AVAILABLE UNITS				Units* to be Purchased			COST - $		COMMENTS
		Warehouse	Issued	On Order	Total	C	A	NR	Item	Freight	
1.	Refrigerators	3	14	3	20		3	2	3000	1000	
2.	Hotwater heaters	9	22	-	31	5		10	2250	-	
3.	Cooking ranges	1	11	4	16			2	500	300	
4.	Washing machines	5	8	-	13			3	600	300	
5.	Dryers	4	8	-	12			3	600	300	
6.	Vacuum Cleaners	3	1	16	20			2	200	100	
7.	Rug Woolen	34	94	-	128	5		10	7500	-	
8.	Household Furniture- Sets	3	11	-	14	1		2	18000	-	
9.	Porch Furniture- Sets	-	2	-	2			2	600	-	
	TOTALS								33,250	2,000	

C = Replacement based on condition of item. Nb

A = Replacement based on age.

TABLE VIII
(B)

USAID/ I, New Delhi

FY 80 Non-Expendable Property Procurement Plan
O/C 310, 311, 312 & 319

312- Vehicles

Item No.	DESCRIPTION	NUMBER OF AVAILABLE UNITS				Units* to be Purchased			COST - $		COMMENTS
		Warehouse	Issued	On Order	Total	C	A	NR	Item	Freight	
1.	Chevy Nova	-	2	-	2		2		9000	2000	
	TOTALS								9,000	2,000	

= Replacement based on condition of item. Nh
= Replacement based on age.

TABLE VIII (B)

USAID/ I, New Delhi

FY 80 Non-Expendable Property Procurement Plan
O/C 310, 311, 312 & 319

319- Other

Item No.	DESCRIPTION	NUMBER OF AVAILABLE UNITS				Units* to be Purchased			COST - $		COMMENTS
		Warehouse	Issued	On Order	Total	C	A	NR	Item	Freight	
1.	Air conditioners 1-ton Air conditioners 1-1/2 ton	12	63	25	100			10 2	4500 1050	1000	
2.	Pump, water	2	6	-	8	2		2	1600	-	
3.	Transformers	28	57	-	85	8		8	1600	-	
	TOTALS								8,750	1,000	

C = Replacement based on condition of item.
A = Replacement based on age.

Nb

AGENCY FOR INTERNATIONAL DEVELOPMENT
MINSSION TO INDIA

International Operational Travel
(Line No. 52 of OE Budget - O/C 210)
FY 1980 - Mission Requested Travel

PURPOSE OF TRAVEL AND BUDGET

TRAVELER	Total Travel Cost	DESIGN Number of Trips	DESIGN Amount	IMPLEMENTATION Number of Trips	IMPLEMENTATION Amount	EVALUATION Number of Trips	EVALUATION Amount	OTHER PROJECT RELATED Number of Trips	OTHER PROJECT RELATED Amount	OTHER ADMINISTRATIVE Number of Trips	OTHER ADMINISTRATIVE Amount
1. USAID	58,000	2	1,000	-	-	-	-	17	32,500	7	24,500
Director											
To U.S.	7,000	-	-	-	-	-	-	-	-	2	7,000
To Other Points	4,000	-	-	-	-	-	-	-	-	2	4,000
All Other Staff											
To U.S.	17,500	-	-	-	-	-	-	5	17,500	-	-
To Other Points	16,000	2	1,000	-	-	-	-	12	15,000	-	-
Training	10,000	-	-	-	-	-	-	-	-	2	10,000
Invitational	3,500	-	-	-	-	-	-	-	-	1	3,500
2. Regional Offices	6,800	-	-	-	-	-	-	9	4,500	4	2,300
AAG/IIS	800	-	-	-	-	-	-	-	-	1	800
Other (Specify)											
RLA	2,000	-	-	-	-	-	-	4	2,000	-	-
RMO	2,000	-	-	-	-	-	-	4	2,000	-	-
ACO	2,000	-	-	-	-	-	-	1	500	3	1,500
3. AID/W Staff *	72,000	12	48,000	2	8,000	3	12,000	-	-	1	4,000
ASIA/Tech											
ASIA/PD											
ASIA/Other											
DSB											
Other AID/W											
TOTAL OE FUNDED	136,800	14	49,000	2	8,000	3	12,000	26	37,000	12	30,800

* AID/W project targeted TDYs are estimated at an average of three weeks.

DECISION UNIT India

DECISION PACKAGE

TABLE IX - SUPPORTING DATA ON PROPOSED PROGRAM RANKING
POSITION REQUIREMENTS - FY 1979 - 1981
(By Function, Organizational Unit, Position Title and Professional Speciality)

FUNCTION/ORGANIZATIONAL UNIT/ POSITION TITLE/PROFESSIONAL SPECIALITY	NUMBER OF POSITIONS									
	FY 1979		FY 1980		FY 1981					
					Minimum		Current		AAPL	
	USDH	FNDH	USDH	FNDH	USDH	FNDH	USDH	FNDH	USDH	FNDH
<u>Executive Direction</u>										
<u>Director's Office</u>										
Director	1		1		1					
Deputy Director			1		1					
All Other	1		1	1	2					
Sub-Total Executive Direction	2		3	1	4					
<u>Program Planning</u>										
<u>Program Office</u>										
Program Officer	1		1		1					
Program Management Specialist		1		1		1				
All Other		1		1		1				
<u>Food for Peace Office</u>										
Food for Peace Officer	1		1		1					
All Other		1		1		1				
Sub-Total Program Planning	2	3	2	3	2	3				

AID 1330-18 (3-79)

DECISION UNIT India

DECISION PACKAGE

TABLE IX - SUPPORTING DATA ON PROPOSED PROGRAM RANKING
POSITION REQUIREMENTS - FY 1979 - 1981
(By Function, Organizational Unit, Position Title and Professional Speciality)

FUNCTION/ORGANIZATIONAL UNIT/ POSITION TITLE/PROFESSIONAL SPECIALITY	NUMBER OF POSITIONS									
	FY 1979		FY 1980		FY 1981					
					Minimum		Current		AAPL	
	USDH	FNDH	USDH	FNDH	USDH	FNDH	USDH	FNDH	USDH	FNDH
<u>Project Design and Implementation</u>										
<u>Program Office</u>										
Asst. Prog. Officer	1		1		1					
Dev. Planning Officer		1		1		1				
All Other		1		1		2				
<u>Legal</u>										
Legal Officer		1		1		1				
All Other		1		1		1				
<u>Food for Peace</u>										
Asst. FFPO	1		1		1					
Nutrition Specialist		1		1		1				
Oilseeds Liaison Officer		1		1		1				
Program Specialists		4		5		5				
All Other		2		2		2				
<u>Agriculture & Rural Development</u>										
Agr. & Rural Development Officer	1		1		1					
Agr. Res. & Education Officer	1		1		1					
Agr. Economist		1		1		1				
Prog. Analyst		1		1		1				

TABLE IX - SUPPORTING DATA ON PROPOSED PROGRAM RANKING POSITION REQUIREMENTS - FY 1979 - 1981 (By Function, Organizational Unit, Position Title and Professional Speciality)	DECISION UNIT India DECISION PACKAGE

FUNCTION/ORGANIZATIONAL UNIT/ POSITION TITLE/PROFESSIONAL SPECIALITY	NUMBER OF POSITIONS									
	FY 1979		FY 1980		FY 1981					
					Minimum		Current		AAPL	
	USDH	FNDH	USDH	FNDH	USDH	FNDH	USDH	FNDH	USDH	FNDH
Project Design and Implementation (Contd.)										
Agriculture & Rural Development (Contd.)										
Agr. Eng. Specialist				1		1				
Senior Agriculturist				1		1				
Asst. Agr. Development Officer					1					
Agriculturist						1				
All Other		2		2		2				
Health & Population Office										
Public Health Physician	1		1		1					
IDI	1									
Asst. Health/Popu. Officer			1		1					
Popu. Specialist		1		1		1				
Malarialogist				1		1				
Public Health Physician						1				
IDI					1					
All Other		1		2		2				
Capital Development Office										
Capital Dev. Officer	1		1		1					
Asst. Cap. Dev. Officer	1		1		1					
Engineer		1		1		1				
Proj. Dev. Specialist		1		1		1				

AID 1330-18 (3-79)

TABLE IX - SUPPORTING DATA ON PROPOSED PROGRAM RANKING
POSITION REQUIREMENTS - FY 1979 - 1981
(By Function, Organizational Unit, Position Title and Professional Speciality)

DECISION UNIT India

DECISION PACKAGE

FUNCTION/ORGANIZATIONAL UNIT/ POSITION TITLE/PROFESSIONAL SPECIALITY	NUMBER OF POSITIONS									
	FY 1979		FY 1980		FY 1981					
					Minimum		Current		AAPL	
	USDH	FNDH	USDH	FNDH	USDH	FNDH	USDH	FNDH	USDH	FNDH
Project Design & Implementation (Contd.)										
Capital Development Office (Contd.)										
Engineer, Civil Works						1				
Irrigation Engineer			1		1					
All Other		2		2		2				
Cooley Loans										
Supervisory Loan Specialist		1		1		1				
Loan Specialist		1		1		1				
All Other		1		1		1				
Sub-Total Project Design & Impl.	8	25	9	30	11	34				
Financial Management										
Controller	1		1		1					
Supv. Financial Analyst		1		1		1				
Accountants		3		3		3				
All Other		1		1		1				
Sub-Total Financial Management	1	5	1	5	1	5				

TABLE IX - SUPPORTING DATA ON PROPOSED PROGRAM RANKING
POSITION REQUIREMENTS - FY 1979 - 1981
(By Function, Organizational Unit, Position Title and Professional Speciality)

DECISION UNIT India

DECISION PACKAGE

FUNCTION/ORGANIZATIONAL UNIT/ POSITION TITLE/PROFESSIONAL SPECIALITY	NUMBER OF POSITIONS									
	FY 1979		FY 1980		FY 1981					
					Minimum		Current		AAPL	
	USDH	FNDH	USDH	FNDH	USDH	FNDH	USDH	FNDH	USDH	FNDH
Mission Support										
Personnel Manager		1		1		1				
Property Management Specialist		2		2		2				
All Other		8		8		9				
Sub-Total Mission Support		11		11		12				
Non Mission Specific										
Area Audit Post										
Auditors		3		3		3				
All Other		1		1		1				
Training Branch										
Training Officer		1		1		1				
All Other		2		2		2				
Sub-Total Non Mission Specific		7		7		7				
Total increment	13	51	15	57	18	61	-	-	-	-
Cumulative Total	13	51	15	57	18	61	18	61	18	61

Decision Unit: India

SUPPORTING NARRATIVE ON POSITION REQUIREMENTS

In FY 1981 USAID expects to be adding $180 million in Development Assistance obligations and $145 million in Title II food assistance to an existing portfolio pipeline of $146 million. Despite (or perhaps because of) our assistance strategy pledge to "limit our interests to a relatively small number of large projects ...", our Project Summary shows a total of 31 project and non-project activities in FY 1981. Even this understates the workload. The Title II Program, for example, is included in the above figures as four major "non-project" activities. Yet the five U.S. voluntary agencies involved are supporting hundreds and thousands of activities ranging widely in size and complexity. (There are over 200,000 separate Title II feeding points in this $145 million program.)

Three of the 18 "projects" shown in the Project Summary as under implementation in FY 1981 will each have four to eight subprojects active in that year, multiplying the Agricultural Research Project workload for USAID's ARD Office and the Private Health Institutions Project implementation workload for the Health/Population Office. The workload of the Technologies for the Rural Poor Project will be spread through USAID depending upon the specific type of subproject activity.

USAID's staff is summarized as follows:

	FY 1979		FY 1980		FY 1981	
	USDH	FNDH	USDH	FNDH	USDH	FNDH
Executive Direction	2	-	3	1	4	-
Program Planning	2	3	2	3	2	3
Project Design and Implementation	8	25	9	30	11	34
Financial Management	1	5	1	5	1	5
Mission Support	-	11	-	11	-	12
	13	44	15	50	18	54
Third Country Training		3		3		3
Audit (AAG)		4		4		4
	13	51	15	57	18	61

Twelve of the fifteen positions by which USAID is projected to grow from FY 1979 to FY 1981 are for project design and implementation activities. USAID has a highly professional and experienced Indian staff, the vast majority of whom were in-place at the time the bilateral program was resumed in FY 1978. This staff has been able to absorb much of the increased workload associated with the new assistance program, permitting us to concentrate our requests for new positions specifically to design and implementation of the new program.

Our FY 1981 position increment proposal is described in the Minimum Package Narrative. We point out in that narrative that our modest request for three American and four Indian national positions is included entirely in the Minimum Package since the workload implications of our Current and AAPL packages are small. The major workload will come from the project portfolio of recently initiated projects which must be implemented in FY 1981, and from the need to indetify new projects for FY 1982 and beyond. The Minimum Package Narrative also points out that our proposed FY 1981 USAID staff will rely heavily upon short-term consultants to assist in design and technical inputs to our project identification activities. Necessary budget and staff allocations must be available for these purposes.

FY 1981 ANNUAL BUDGET SUBMISSION
PROJECT BUDGETS AND PERCENTAGES OF OBLIGATIONS
TO MEET SPECIAL CONCERNS
(BUDGETS IN THOUSANDS OF DOLLARS)

DECISION UNIT: 386 INDIA

TABLE X

PROJECT NUMBER AND TITLE: 3860462 RURAL ELECTRIFICATION

APPROPRIATION: AGRICULTURE, RURAL DEV. AND NUTRITION

A. BUDGET IN CP: FY 1979 - $ 58000 BUDGET IN ABS: FY 1979 - $____

FY 1980 - $ 0 FY 1980 - $____

FY 1981 - $ 0

B. OBLIGATIONS TO MEET SPECIAL CONCERNS AS PERCENTAGE OF BUDGET:

ADP ITEM	CONCERN CODE	------1979 BUDGET------ IN CP	IN ABS	------1980 BUDGET------ IN CP	IN ABS	1981 BUDGET IN ABS
2002	ENVR	100%	0 %	0%	___%	0 %
ADD	___		___%		___%	___%
ADD	___		___%		___%	___%

PROJECT NUMBER AND TITLE: 3860465 ~~APPLICATION OF SCI.&TECH. TO RURAL DEV.~~ TECHNOLOGIES FOR THE RURAL POOR

APPROPRIATION: SELECTED DEVELOPMENT ACTIVITIES

A. BUDGET IN CP: FY 1979 - $ 5000 BUDGET IN ABS: FY 1979 - $ 0

FY 1980 - $ 3000 FY 1980 - $____

FY 1981 - $ 0

B. OBLIGATIONS TO MEET SPECIAL CONCERNS AS PERCENTAGE OF BUDGET:

ADP ITEM	CONCERN CODE	------1979 BUDGET------ IN CP	IN ABS	------1980 BUDGET------ IN CP	IN ABS	1981 BUDGET IN ABS
346	ATNL	0%	___%	17%	___%	0 %
307	ENER	0%	___%	67%	50 %	0 %
344	RESD	0%	___%	33%	___%	0 %
ADD	___		___%		___%	___%
ADD	___		___%		___%	___%

FY 1981 ANNUAL BUDGET SUBMISSION
PROJECT BUDGETS AND PERCENTAGES OF OBLIGATIONS
TO MEET SPECIAL CONCERNS
(BUDGETS IN THOUSANDS OF DOLLARS)

PROJECT NUMBER AND TITLE: 3860467 RAJATHAN MEDIUM IRRIGATION — APPROPRIATION: AGRICULTURE, RURAL DEV. AND NUTRITION

A. BUDGET IN CP: FY 1979 - $ 0 — BUDGET IN ABS: FY 1979 - $____

FY 1980 - $ 15000 — FY 1980 - $____

FY 1981 - $ 20,000

B. OBLIGATIONS TO MEET SPECIAL CONCERNS AS PERCENTAGE OF BUDGET:

ADP ITEM	CONCERN CODE	1979 BUDGET IN CP	1979 BUDGET IN ABS	1980 BUDGET IN CP	1980 BUDGET IN ABS	1981 BUDGET IN ABS
1871	ENVR	0%	___%	100%	0 %	0 %
ADD	____		___%		___%	___%
ADD	____		___%		___%	___%

PROJECT NUMBER AND TITLE: 3860468 INTEGRATED RURAL HEALTH + POP — APPROPRIATION: HEALTH

A. BUDGET IN CP: FY 1979 - $ 0 — BUDGET IN ABS: FY 1979 - $____

FY 1980 - $ 6000 — FY 1980 - $____

FY 1981 - $ 10,000

B. OBLIGATIONS TO MEET SPECIAL CONCERNS AS PERCENTAGE OF BUDGET:

ADP ITEM	CONCERN CODE	1979 BUDGET IN CP	1979 BUDGET IN ABS	1980 BUDGET IN CP	1980 BUDGET IN ABS	1981 BUDGET IN ABS
297	LTRN	0%	___%	38%	0 %	0 %
ADD	PARA		___%		25 %	25 %
ADD	____		___%		___%	___%

FY 1981 ANNUAL BUDGET SUBMISSION
PROJECT BUDGETS AND PERCENTAGES OF OBLIGATIONS
TO MEET SPECIAL CONCERNS
(BUDGETS IN THOUSANDS OF DOLLARS)

PROJECT NUMBER AND TITLE: 3860468 INTEGRATED RURAL HEALTH + POP APPROPRIATION: POPULATION PLANNING

A. BUDGET IN CP: FY 1979 - $ 0 BUDGET IN ABS: FY 1979 - $____

FY 1980 - $ 14000 FY 1980 - $____

FY 1981 - $ 0

B. OBLIGATIONS TO MEET SPECIAL CONCERNS AS PERCENTAGE OF BUDGET:

ADP ITEM	CONCERN CODE	1979 BUDGET IN CP	1979 BUDGET IN ABS	1980 BUDGET IN CP	1980 BUDGET IN ABS	1981 BUDGET IN ABS
298	LTRN	0%	____%	16%	0 %	0 %
300	PARA	0%	____%	28%	25 %	0 %
ADD	____		____%		____%	____%
ADD	____		____%		____%	____%

PROJECT NUMBER AND TITLE: 3860470 AGRICULTURAL RESEARCH ~~EDUCATION~~ APPROPRIATION: AGRICULTURE, RURAL DEV. AND NUTRITION

A. BUDGET IN CP: FY 1979 - $ 0 BUDGET IN ABS: FY 1979 - $____

FY 1980 - $ 7700 FY 1980 - $ 8,000

FY 1981 - $ 5,000

B. OBLIGATIONS TO MEET SPECIAL CONCERNS AS PERCENTAGE OF BUDGET:

ADP ITEM	CONCERN CODE	1979 BUDGET IN CP	1979 BUDGET IN ABS	1980 BUDGET IN CP	1980 BUDGET IN ABS	1981 BUDGET IN ABS
348	RESA	0%	____%	100%	____%	100 %
347	XIIR	0%	____%	100%	____%	100 %
ADD	____		____%		____%	____%
ADD	____		____%		____%	____%

FY 1981 ANNUAL BUDGET SUBMISSION
PROJECT BUDGETS AND PERCENTAGES OF OBLIGATIONS
TO MEET SPECIAL CONCERNS
(BUDGETS IN THOUSANDS OF DOLLARS)

PROJECT NUMBER AND TITLE: 3860472 RURAL ENERGY

APPROPRIATION: SELECTED DEVELOPMENT ACTIVITIES

A. BUDGET IN CP: FY 1979 - $ 5000 BUDGET IN ABS: FY 1979 - $ 0

FY 1980 - $ 0 FY 1980 - $____

FY 1981 - $ 0

B. OBLIGATIONS TO MEET SPECIAL CONCERNS AS PERCENTAGE OF BUDGET:

ADP ITEM	CONCERN CODE	------1979 BUDGET------ IN CP	IN ABS	------1980 BUDGET------ IN CP	IN ABS	1981 BUDGET IN ABS
306	ENER	100%	0 %	0%	____%	0 %
ADD	____		____%		____%	____%
ADD	____		____%		____%	____%

PL 480 NARRATIVE

TITLE II SUMMARY TABLES

INDIA FY 81 ABS

PL 480 Narrative

USAID is recommending a 508,000 MT PL-480 Title II program for FY 1981. The program will be conducted by U.S. non-profit Voluntary Agencies operating in 22 of 23 States throughout India and will reach and assist more than 18.5 million persons in the budget year. Although the CDSS proposed a 30,000 MT Title I vegoil program in FY 1981, this has been deleted from the ABS. A Title I vegoil program would make a valuable contribution toward meeting a serious food gap, and would provide a non-inflationary means of expanding domestic resource availability for India's development programs. However, the recent decline in edible oil imports (from 1.2 million MT in 1977-78 to 800,000-900,000 MT in 1978-79) and India's current favorable balance of payments position make it difficult to meet other Title I programming criteria at this time. The case of Title I programs in FY 1982 and beyond will be reviewed in the next CDSS.

A. PL - 480 and Basic Needs in India

India's strategy for reducing poverty or meeting basic needs, and AID's assistance strategy, may usefully be considered in terms of a two-by-two table. On one axis of the table we can distinguish production-oriented policies and programs, which aim at generating increased output, employment and incomes, from service-oriented policies and programs, which seek to improve the welfare of the population through providing such things as education, health care, or welfare transfers. On the other axis of the table, we can distinguish programs aimed at affecting the poor directly and exclusively (targeted programs) from programs and policies which affect the poor less directly and exclusively, (i.e., through market mechanisms or through acess to services provided generally to the population):

	Non-Targeted	Targeted
Production-oriented	X X X	X X X
Service-oriented	X X X	X X X

As discussed in the CDSS (pp. 26-34), the GOI's strategy for meeting basic needs features a heavy emphasis on accelerated agricultural growth, particularly through the rapid expansion of irrigated acreage and fertilizer use (production-oriented, non-targeted); support for targeted production-oriented programs such as Food for Work and the Small Farmer Development Agency (SFDA), expansion of primary and adult education, rural health programs, and potable water supplies (service-oriented, non-targeted); and continuation of highly targeted service-oriented programs such as the Special Nutrition Program (SNP) for pre-school children and for expectant and nursing mothers in specific areas. The AID assistance strategy outlined in the CDSS (pp. 42, 43) calls for supporting GOI priorities in each of the four cells of the above table, selecting activities to be supported on the basis of Indian institutional maturity and U.S. comparative advantage.

The PL 480 Title II programs clearly meet the criterion of institutional maturity. The Title II program has been operating in India since 1951, and has supported the development of highly effective U.S. Voluntary Agency organizations in India. More importantly, it has fostered the evolution of similarly effective organizations in the State Governments through which the CARE programs operate and among the counterpart private agencies through which the Catholic Relief Services (CRS), Church World Services and Lutheran World Relief (CWS/LWR) programs work. The Cooperative League of the USA (CLUSA), the other U.S. Voluntary Agency involved, also has a long history of instituion-building in India and will base its oilseed processing and marketing program on the model of the highly successful milk producers cooperatives. Furthermore, the presence of experienced and highly qualified U.S. Voluntary Agency staff in India, together with U.S. food availabilities and fortification capacities, give the U.S. a strong comparative advantage in providing this type of assistance.

PL-480 Title II imports relate to the substance of the GOI and AID strategy in a number of ways. The school feeding (SF) programs (60 percent of the beneficiaries and 34 percent of the tonnages for the proposed FY 1981 program) help meet the daily food needs of disadvantaged school children, but also introduce an element of targeting into general education programs by providing an incentive for poor and institutionally deprived children to attend and remain in school. The maternal child health (MCH) programs (34 percent of the beneficiaries and 31 percent of the tonnages for FY 1981) play a similar role in skewing health and family planning services toward the nutritionally deprived, and likewise help meet nutritional needs for the target group. Both programs also represent a form of asset redistribution, because they help skew the formation of "human capital" toward the poor. The food for work (FFW) programs (5 percent of the beneficiaries and 26 percent of the tonnage) are targeted and production-oriented, since for the most part they create productive assets for the use of the beneficiaries; by increasing effective income they may also bring about some improvement in nutrition status. The CLUSA vegoil project (6 percent of the tonnage) is targeted toward a vertically integrated operation to bring greater economic returns to producers, and will contribute to addressing India's edible oil gap by organizing small farmers to produce and process oilseed. Thus all four types of Title II activity contribute to more equitable growth, whether through improved knowledge and skills (SF), improved health (MCH), rural infrastructure development (FFW) or increased income from oilseed production by small farmers (CLUSA) and at the same time provide supplementary food to poor people.

The Title II program also addresses the two important overall constraints to achievement of the GOI's basic needs objectives namely domestic resource availability and administrative capacity. The Title II food donations free GOI resources for other development purposes, and have thus far represented a source of additional resources which have been both dependable and substantial. Moreover, the U. S. Voluntary agencies have performed an important service in training large number of Indians in management and administration of large-scale and complex service programs, and in demonstrating cost-effective ways of organizing such programs.

For further discussion of the relationship between PL-480 Title II programs and AID's assistance strategy, see the CDSS, pp. 52-55.

B. India's Food and Nutrition Gaps

At current nutritional levels, India has closed the food gap for foodgrains. The Government holds stocks (primarily of wheat and rice) which are expected to reach 20 million metric tons by July 1979. This compares with foodgrain production estimated at 125.6 million MT in 1977-78 and which may reach 128 million MT this year. However, there is still a food gap for edible oil, as indicated by the estimated 1978-79 imports of 800-900,000 MT.

Foodgrain output is projected by the GOI to grow at about three percent per annum during the period of the current Five Year Plan (1978/79 to 1982/83), while oilseeds output is projected to grow at 4.5 percent. At these growth rates, foodgrain stocks could be maintained at current or slightly lower levells (depending on foodgrain allocations to food-for work programs), and India would achieve self-sufficiency in edible oil by the end of the planning period.

The USDA is dubious that GOI targets can be reached. The Agricultural Attache feels that the re-emergence of a foodgrain gap is a very strong possibility during the next five years. Wheat reserves are declining in spite of four excellent harvests. The failure of the summer monsoon would reduce severely rice production and cut deeply into government stocks of that cereal grain; this alone would cause the GOI to seriously consider imports. Two consecutively reduced harvests would almost certainly mean that the GOI would have to import foodgrains to replenish stocks and to meet consumption requirements, particularly when it is considered that over one million people are added to India's population each month.

USDA also believes that the best India can hope with regard to edible oils during the next five years would be to keep the production gap from growing; some economists in both the private and government sectors think it may double. USDA's more conservative estimate is that the gap could likely increase by 25 percent, requiring nonetheless an increase in edible oil imports.

The GOI's more optimistic projections of self-sufficiency in food grains and edible oils assume only a gradual improvement in nutritional intake, and do not imply the elimination of existing nutritional gaps. There would be major foodgrain shortages (or imports) today if the malnourished had the purchasing power to obtain an adequate diet.

Regional and individual variations in nutrition requirements make estimates of total nutrition requirements difficult. As a general indication of the problem, the GOI estimates that 46% of the population is still below the GOI poverty line defined as the availability of a recommended 2400 calories per day for each person. Even a 2400-calorie benchmark masks differences in availabilities among the major sources of calories in India, which is related to the quantity and quality of protein intake. Thus static pulses production has reduced per capita availability from 56 grams in 1968 to 44 grams in 1978, as compared with a recommended intake of 64 grams, while slow growth in oilseed and dairy production resulted in an increase of edible oil availability from 7 grams in 1968 to 10.8 grams in 1978, which is minor by comparison with the recommendation of 40 grams.

Malnutrition is a manifestation of poverty, and the magnitude of the nutritional gaps in India reflects the massiveness of India's poverty. By either the AID definition of the poverty line ($150 per capita income in 1969 prices) or the nutrition-based definition used by the GOI (daily intake of 2400 calories), about half of the developing world's poor (excluding China) live in India. The Draft Five Year Plan projects a reduction in the group below the poverty line from 46 per cent of the population in 1978 to 38 per cent in 1982-1983 and 27 per cent in 1987-1988. This will require successful implementation over the next decade of the kinds of policies and programs for equitable growth set forth in the Plan document. (For a detailed discussion of poverty and its determinants in India, see the CDSS, pp.1-16.)

This is clearly a massive and difficult undertaking, and no single policy, program or project can be decisive in the effort to meet basic needs on a sustained basis. This applies to the proposed Title II program as much as to other programs. But the fact that no single effort can be decisive does not imply that no single effort is important. A successful attack on poverty in India requires the coordination of a myriad of targeted and non-targeted production-oriented and service-oriented efforts over a long period of time. Every individual activity is significant as long as it makes a contribution to equitable growth and the meeting of basic needs commensurate with the resources utilized, and complements other activities aimed at the eradication of poverty. To insist that programs be undertaken or continued only if they are "significant" in the sense of meeting a major proportion of a particular gap or requirement would be to condemn all programs in India to insignificance, and to condemn India's poor-whether they are the 46 per cent of India's 650 million people according to the GOI poverty line or perhaps 80 per cent as defined by the AID poverty line - to perpetual poverty.

The Title II program in India must be seen in this perspective. It is obviously not decisive in reducing malnutrition in India, since it meets only a portion of the nutrition requirements of 18.5 million people, who represent only about 6 per cent of the estimated 290 million people whose nutritional needs are not now being met. It is nevertheless a highly significant program. At the level of the individual activities supported, the observations of the U.S. Voluntary Agencies, USAID, and the Title II evaluation team (discussed below) all indicate that most of the roughly 200,000 feeding or food-for-work activities going on at any one time are successful both in providing food to nutritionally deprived children and adults and in contributing to the achievement of the health, education, and rural development objectives discussed in the preceding section. As noted there, the program helps address India's domestic resources and institutional constraints, and its emphasis on targeted service-oriented programs complements AID's Development Assistance program for India, which emphasizes nontargeted and targeted production-oriented programs.

For more details on the objectives of the Title II programs and proposal for FY 1981, see the Section F. below on the Operational Plans of the U.S. Voluntary Agencies.

C. Assessment of the GOI's Food and Nutrition Strategy

The dominant role of agriculture in the Indian economy and the fact that the GOI's equity objectives are stated in terms of a poverty line based on nutrition levels implies that a thorough assessment of the GOI's food and nutrition strategy requires a review of virtually all of India's development plans and programs. Since this has been undertaken at some length elsewhere, this section will concentrate on priorities and prospects relating specifically to self-reliance in food and to reduction in nutritional gaps. 1/

Although the results for the 1978-1979 crop year are not yet certain indications are that foodgrain production may be a record 128 million MT, giving India excellent harvests in three out of the last four years. This excellent performance can be attributed to favorable weather (which is clearly a factor) plus the fact that Indian agriculture is now less vulnerable to the vagarities of the monsoon and is the process of moving to a higher growth path resulting from accelerated irrigation programs and the heavy increase in the use of chemical fertilizers. Relatively recent efforts to project India's food gap over the medium or long term base, however, come to somewhat pessimistic conclusions, based on the trend rate of growth of agricultural output during the past decade or so. India's foodgrain gap as projected by the USDA's world grains- oilseeds - livestock (GOL) model ranges from 2 to 17 million tons in 1985, depending on the assumptions used, and the International Food Policy Research Institute (IFPRI) has pro-

1/ See the India CDSS, pp. 17-38 and the April 1978 World Bank report ("Economic Situation and Prospects of India").

jected gaps of a similar magnitude for the 1980s and larger gaps for the 1990s. 2/

The World Bank, on the other hand, argues that the extremely rapid recent growth in foodgrain output (4.65 per cent per annum for 1973-1974 to 1977-1978, as compared with 2.52 per cent over the period 1949-1950 to 1977-1978) is primarily a result of increased use of inputs (irrigation and fertilizer), rather than abnormally favorable weather. 3/ Furthermore, depending upon GOI priorities (particularly with respect to irrigation and fertilizer use), the Bank projects that continued output growth for foodgrains conceivably could reach 4 per cent per annum as compared with the GOI Five Year Plan's projection of 3 per cent.

Weather could easily intervene to make India a net importer again. According to the projection model used by the USDA Agricultural Attache in New Delhi, the range in foodgrain output between years of "normal" weather and "bad" weather is about 11-12 million MT. 4/ Thus even though the weather in three of the past four years was "good" and one was "normal", a "bad" year could wipe out the current buffer stock of 10-12 million MT and reduce holdings to the 8-10 million MT operational stocks.

2/ USDA, Alternative Futures for World Food in 1985 (in three volumes), Foreign Agricultural Economic Report No. 146, April 1978, p. 82, and IFPRI, "Meeting Food Needs in the Developing World: The Location of the Task in the Next Decade", Washington D.C., February 1976.

3/ World Bank, "Economic Situation and Prospects of India, April 1979, Chapter 3.

4/ For details, see USDA (New Delhi), "Agricultural Highlights of India's Five Year Plan, 1978/79-1982/83," 8/8/78(IN 8055) and "India's Foodgrain Trade Outlook" (IN 8088).

An assessment of the GOI strategy and timetable for achieving more equitable consumption policies (and eliminating poverty and malnutrition) is even more difficult. The draft Five Year Plan document, as noted above, projects a 20-point decline by 1987-1988 in the percentage of the population below the calorie-based poverty line, and states that the GOI hopes to eliminate poverty so defined by the early 1990s. This would be a stupendous achievement, since it would mean meeting the nutrition requirements of the roughly 300 million people now below the poverty line, as well as meeting the nutrition needs of another 300 million likely to be added to the population by the end of the century. It will take a major effort simply to increase agricultural production to maintain current nutritional levels for this massive increase in population.

In terms of the two-by-two table above, the most crucial element is the rate and pattern of growth generated by the GOI's production-oriented policies and programs; these determine the magnitude of the resources available for targeted production-oriented programs and all service-oriented programs, and set the economy's rate of labor absorption and the basic distribution of income. Whether any growth path will result in a rapid employment growth and a wide distribution of benefits will in turn depend primarily on the appropriateness of the technologies employed and on the distribution of assets. The application of appropriate technologies in agriculture is well under way but that is not the case in industry, in spite of India's long history of encouragement for small-scale units. Direct and explicit asset distribution (as contrasted with implicit asset distribution through education, credit programs, etc.) is extremly difficult in a country which combines democratic policies with conservative social patterns. These constraints to any rapid shift in the pattern of growth are accompanied by pervasive institutional and administrative constraints to the implementation of targeted programs or the reform of non-targeted service=oriented programs, and all four cells of the table are affected by shortages of domestic financial resources.

D. Relationship of GOI Strategy to Title II Programs

There are a number of bright spots in GOI food and nutrition strategy in addition to the greatly improved prospects for food self-sufficiency (which is itself crucial to maintaining and increasing the real incomes of the urban and rural poor). In areas related most directly to Title II activities, perhaps the most encouraging development is the rapid expansion of GOI-supported food-for-work programs.

1. Food-for-Work

From 205,000 MT in 1977-1978, foodgrain releases from GOI stock for state programs increased to 1.3 million MT in 1978-1979, and are expected to reach 1.5 million MT in 1979-80.

The States have been able to use their experience gained from CARE Food-for-Work programs in utilizing this new indigenous resource. In view of the new GOI program most Title II Food-for-work program in the future will be in the voluntary sector through CRS and CWS/LWR. CARE is continuing a program with one State Government, Kerala.

2. Special Nutrition Program

The Special Nutrition Program (SNP) has also been expanding fairly rapidly. The program provides supplementary nutrition for pre-school children (below 6 years of age) and expectant and nursing mothers in urban slums, tribal areas, and "scheduled caste" (harijan) areas. It began in 1970-71 and had 3.7 million beneficiaries by 1973-1974, most of whom were under CARE and World Food Program (WFP) activities. By 1977-1978 coverage had expanded to 5.4 million, of whom 1.2 million were under government assistance, and by 1982-1983, the SNP is projected to expand to 10 million in one-fourth of the blocks (sub-districts) with high concentrations of scheduled castes and scheduled tribes; the number under government programs is projected at 3.2 million, or nearly three times the current level.

3. School Feeding

Finally, the mid-day meal or school feeding programs is projected to expand from 13 million at present to 17 million in 1982-1983 and 25 million by 1987-1988, or one-fourth of total school-going children from the "weaker sections" of society. Although the bulk of the current program is accounted for by the CARE school feeding (SF) program, most of the increase will be financed by the GOI and the State Governments.

A more thorough discussion of Title II relationships to the GOI Sixth Plan (1978-1982) can be found in the FY 1980 Annual Budget Submission, pp. 129-133.

E. Disincentive Effects

The problem of the "disincentive effects" of PL 480 programs has been a concern of economists and practitioners at least since 1960, when Chicago's T. W. Schultz published his classic article on the possible negative impact of PL-480 programs. 1/ This concern was echoed recently by the Board for International Food and Agricultural Development (Title XII Board), which recommended in its review of the India CDSS that PL-480 programs for India not be approved unless the case is made that that PL-480 programs would not damage Indian agriculture.

The standard argument for the "disincentive effects" of PL-480 is that the additional grain supplies made available under PL-480 programs will depress prices and thus reduce domestic food production in the recipient country and that these negative "price effects" may be compounded by a series of "policy effects" stemming from reduced pressure on the LDC government to accelerate agricultural development. The extent to which this argument holds for India has been the subject of series of increasingly sophisticated quantitative studies, which

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1/ T. W. Schultz, "Value of U.S. Farm Surplus to Underdeveloped Countries". Journal of Farm Economies 42 (December 1960), 1931-42.

been
have/reviewed and extended in a recent paper by Blandford and von Plocki, and discussed in a broader policy framework by Isenman and Singer.2/ The major issues in the quantitative studies have been the degree to which negative price effects are cushioned by the separation of commercial and concessional markets for food and offset by the expansionary impact of cheap food on real incomes in (economies in which the poor spend up to two-third of their incomes on foodgrains). Varying specifications of these relationships in the studies reviewed by Blandford and von Plocki had resulted in estimate of reduction in domestic food production ranging from 3 per cent to 30 per cent of the amount of the food aid. Their own conclusion, based on data for the period 1952-1968 when Title I deliveries reached from 5 to 10 million metric tons in same year is that food production fell by about 14 per cent of the amount of the food aid, and that PL-480 shipments resulted in a net increase in food availability of 66 per cent of the amount of the shipments (taking into account declines in imports and with drawals from storage as well as the production decline).

Isenman and Singer argue that all such studies even if their models and results are correct, confine their analyses to price effects on agricultural growth, and ignore policy effects as well as effects on nutrition and income distribution. The most significant policy effect of PL-480 is the assurance it provides concerning the availability of the basic "wage good" in a developing economy; this permits the government to follow more expansionary policies, and results in higher rates of savings, investment, and output growth. They also point out that, even if net food availability increases by only 66 per cent of the amount of the food aid, "two thirds of a loaf is better than none"; note that the lower food prices made possible by PL 480 imports provide incentives for more labor-intensive methods of production and composition of output. Their overall conclusion is that "the medium-term effect (of food aid) on overall output, employement and nutrition (as distinct from food grain production only) was strongly positive". 3/

2/ David Blandford and J.A. von Plocki, "Evaluating the disincentive Effect of PL-480 Food Aid: The Indian Case Reconsidered", Cornell University, Department of Agricultural Economics" July 1977; P. J. Isenman and H. W. Singer, "Food Aid: Disincentive Effects and Their Policy Implications", Economic Development and Cultural Change, 25 (January 1977), 205-237.

3/ Isenman and Singer op. cit. p. 6

The above suggests that any consideration of PL-480 programming within the context of concern for basic needs or equitable growth must deal with a broader range of factors than foodgrain prices and output alone. In the context of current Indian policies, large-scale Title I PL-480 programs would be necessary only in the case of weather-induced production short-falls, and could probably be justified both in narrow terms (negligible negative impact on foodgrain prices and production, i.e., no damage to Indian agriculture) and in broader terms (overall impact on equitable growth and basic needs). Although the CDSS took account of the possibility of large-scale weather-related Title I imports in FY 1982-1985, this ABS proposes only Title II programs through FY 1981; fiscal years beyond 1981 are not at issue.

In the case of the Title II program proposed for FY 1981, there are unlikely to be any disincentive effects on Indian agriculture, and the positive effects on agricultural output (particularly through the FFW and CLUSA programs) may be significant. As argued above, the positive effects on broader basic needs objectives should be substantial, and would far outweigh any localized disincentive effects. However, the disincentive effects should be virtually nonexistent in any case, for a number of reasons. First, the overall amount proposed (500,000 MT) is very small when compared with the operating and buffer stocks which are expected to reach 20 million MT in July 1979. Since the government has been able to defend its foodgrain support prices even in the face of stocks of this magnitude, an additional 500,000 MT could not have any impact on the market. Second, Title II commodities would have no impact on the foodgrain market specifically, since they consist entirely of fortified foods and vegetable oil. Third, the Title II commodities (with the exception of vegoil for the CLUSA program) do not affect supply or price in commercial markets, since they are provided for programs which would otherwise not be able to enter the market to purchase food. If anything in fact, the Title II programs probably increase commercial demands since they have encouraged the government to expand purchases or withdrawals from stocks for larger GOI-supported school feeding and Special Nutrition programs.

F. USAID Review of Voluntary Agency Operational Plans

Summary

The purpose of the Title II program in India is to use U.S. food to support projects that (a) improve the effective income of those who participate; (b) reach and improve the lives of the poor; (c) support humanitarian development and relief activities and resolve the urgent needs of the destitute and those affected by disasters.

The poor and destitute in India continue to be the target for USAID's recommended 508,000 MT PL-480 Title II program for FY-1981. The program is conducted by U.S. nonprofit Voluntary Agencies operating throughout India and will reach and assist 18.5 million persons in the budget year. Compared with USAID's recommended levels in 1980 AERs, this ABS proposes slight (5.3%) increase in terms of food for CRS, and maintains both CARE and CWS/LWR programs at 1980 AER levels during 1981. CLUSA's Title II is just beginning and should be on track at the 30,000 MT authorized in FY-81 in CLUSA's Transfer Authorization.

The PL-480 Title II Voluntary Agency program has been operating in India since 1951. It is linked with those USG policy and strategy objectives that support programs designed to improve the lives of the poor. Title II activities address projects in food production, nutrition, health, rural development and education. The program provides varying degrees of support to a broad array of projects, each of which addresses a definite need in priority sectors. These include: (a) development projects such as food-for-work projects in irrigation, construction of rural roads, low-cost housing, land clearing, afforestation and slum clearance; (b) maternal child health projects and provide support for applied nutrition programs, integrated child development programs,

integrated rural health schemes and day care centers; (c) school lunch programs, which play an important role in the GOI's effort to improve child nutrition, increase both matriculation and attendance at school and improved learning ability of students.. CARE works with State Governments. CRS and CWS/LWR support programs of counterpart private agencies.

1. Adequate In-Country Storage

The VolAgs have included specific statements in their FY-81 Operational Plans on in-country storage. The PL-480 program proposed is small compared to routine commercial agricultural imports and exports, and much smaller (.05%) still when compared to indigenous foodgrain production. We note that the VolAgs have been operating in India for more than 27 years and although problems have occurred, such as the recent port congestion difficulties, they were resolved in a satisfactory and more or less timely manner. We thus do not anticipate problems with in-country storage of Title II commodities. The Agricultural Attache agrees with this position.

2. CARE: (Cooperative for American Relief Everywhere)

CARE operates the largest Title II program in India through offices in 13 Indian States and the Delhi headquarters office with 9 Americans and 411 Indian staff members. The VolAg Food for Peace programs reach 87% of the total Title II recipients in India with 55% of the country's Title II imports.

CARE deals exclusively with the State Governments which provide funds to meet the VolAgency local administrative costs. All projects are in support of the needs determined by the GOI and the various State Governments who use the Title II program as an additional means of realizing GOI objectives. As CARE's Title II activities are closely linked with the respective State Government development plans, the State Government inputs are substantial which has resulted in CARE programs providing assistance to the largest percentage of recipients using a lower ration level to achieve program objectives.

CARE imports Title II commodities through six Indian ports. Working in cooperation with the State Governments, CARE makes every effort to dispatch commodities directly from the ports to inland consignees moving through a series of intermediate storage points at district, block and center level.

The procedural basis for each of the State programs where CARE operates is the Indo-CARE Agreement established in 1950. Prior to establishing a program in any State, the State Government acknowledges the terms of this Agreement in addition to agreeing to abide by a "List of Provisions" which outlines the mode of operation for their specific Title II program. Under the Indo-CARE Agreement the recipient State Government pays all costs incurred in the clearance, transport and storage of commodities, until the commodity reach the ultimate consumption point.

The Central Government provides final approval to all State CARE proposal and provides overall guidance on program directions. However, under the terms of agreements with GOI and State Governments, CARE retains full responsibility and control of the commodities up to the point of consumption by the beneficiaries.

CARE has maintained its program for MCH, SF and FFW for FY 1981 at USAID's recommended FY 1980 AER commodity and recipient levels and are as follows:

Category	Recipients (000's)	Commodity Tonnage
MCH	5,499	118,904 MT
SF	10,592	154,970 MT
FFW	30	6,000 MT
	16,121	279,874 MT

Although Storage facilities at all levels from port, intermediate storage points, and distribution levels are considered adequate, CARE continues to increase and improve upon its current facilities. Through the efforts of CARE and State Governments, twelve additional regional warehouses each with 250 metric ton capacity have been completed during FY 78 and 46 additional warehouses projected for future construction.

The VolAg has conducted number of training sessions for field officers, port officers and inventory personnel directed towards upgrading skills and keeping its personnel cognizant of program goals and targets for improved control and monitoring procedures. These are described in CARE's FY 1981 Operational Plan. The Food Monitoring and Control Manual has also undergone complete revision in the past year to streamlining existing procedures.

3. CRS (Catholic Relief Services)

CRS operates through the Indian Catholic Church hierarchy and various private and quasi-governmental agencies. The VolAg administers its programs through six zonal offices and New Delhi headquarters with 10 Americans and 145 Indian staff members. Program activities include: feeding preschool and school children, nursing and lactating women, and food-for-work schemes.

Although the CRS-sponsored programs are implemented primarily thru diocesan structures and other agencies registered in the country, CRS also has some agreements with the State Governments for specific school feeding programs which are carried out in conjunction with the State Municipal Corporations (city governments). CRS Food-for-Work projects are mostly short-term, and are not necessarily coordinated with Government planned programs. They are developed at the community level and consists of digging or deepening wells, building low-priced dwelling units, land development, and improvement in irrigation for the poorer strata.

CRS Title II commodities arrive in India through five (5) major Indian ports. The distribution system functions through a network of 186 consignees through whom foods are channelled to 7,000 distributors operating programs in various categories. Food is dispatched from the ports to the consignees, who in turn release stocks to the distributors on the basis of monthly requirements. Under the Indo-U.S. Agreement, the GOI provides duty free entry, storage and transportation to the consignees' godowns. After the foods are distributed, CRS is required to provide documentary proof to the GOI that the food has been distributed free of cost and irrespective of caste and creed.

At the district level, cooperation and technical assistance is often made available by local government officials and departments. In some cases the local government provides funds for administration and supervision.

(1) Maternal Child Health (MCH): CRS has proposed an increase of 6.4% (40,000 recipients) in their MCH program over their USAID-recommended FY 1980 AER. MCH recipients increase from 630,000 to 670,000 with a consequent increase of 2160 MT of commodities, from 34,020 MT to 36,180 MT.

(2) School Feeding - Mid Day Meals. Compared with the FY 1980 AER, CRS has programmed 30,000 additional recipients, a 5.9% increase from 505,000 to 535,000, with an increase of 1140 MT in commodity tonnage from 15,786 MT to 16,926 MT.

(3) Food for Work (FFW) - An additional 25,000 recipients have been proposed for coverage under FFW activities over the FY 1980 AER, from 675,000 recipients to 700,000 recipients (3.7%). This increase will require an additional commodity input of 3,725 MT, from 100,575 MT in FY 1980 to 104,300 MT in FY 1981.

(4) Other Child Feeding (OCF) - This category has been proposed for feeding 128,000 recipients as against 118,000 recipients in the FY 1980 AER. The additional 10,000 recipients will increase the commodity requirement by 780 MT, from 9,204 MT in FY 1980 AER to 9,984 MT in FY 1981.

(5) Individual Health Cases (IHC) - Compared with 110,000 IHC recipients in CRS' Mission-recommended FY 1980 AER, 124,000 recipients have been requested for FY 1981. These additional 14,000 recipients will require 1,092 MT of commodities, up from 8,580 MT in FY 1980 AER to 9,672 MT in FY 1981.

In-country storage facilities at port, consignee and distributor levels as outlined in the VolAg's Operational Plan appear to be adequate. In addition to the presently existing facilities totalling more than 40,000 metric ton capacity, CRS has completed construction of 12 additional warehouses thereby providing 22,500 square feet of additional storage area at total cost of Rs. 774,568 (US $95,000 approx.) to CRS during 1978. CRS/India has requested CRS/New York headquarters to provide approximately $81, 750 to construct an additional 8 consignee warehouses which will provide another 17, 420 square feet of covered storage area.

CRS continues its concerted efforts to further strengthen and improve its management capabilities through the continuing review and revision of its operational manuals and through a series of seminars, conferences and meetings with their Zonal Directors and Program Assistants. In turn, the zonal offices have conducted meetings for CRS-sponsored Consignees and Distributors to review and discuss the revised management and operating procedures. Twelve additional local staff members have been added to increase the monitoring, review and administrative capabilities.

4. CWS/LWR (Church World Service/Lutheran World Relief)

CWS/LWR administers its Title II operation in 12 Indian States through its three zonal administrative offices in Bombay, Calcutta and Madras and from the New Delhi headquarters office. The programs are administered through the VolAg's counterpart organization C.A.S.A. (Church's Auxiliary for Social Action) which is the development arm of the National Christian Council of India. C.A.S.A. supports programs of emergency reaction activities, nutrition development, community development agricultural development and urban slum removal, as well as social action and community organization. CWS/LWR Title II commodities are channelled through and programmed by this counterpart Agency whose Title II program activities are presently limited to maternal child health and food-for-work.

CWS/LWR consigned Title II shipments are received through three major ports of India and port clearance, handling and forwarding are accomplished through CASA's port officers. Commodities are shipped from the port to the contact persons (consignees) and their distributors. Rail-road transportation for all Title II commodities is provided by the GOI in accordance with the Indo-U.S. Agreement.

While CASA programs are not carried out directly through the government at any level, the Agency does maintain close contacts at the State and local levels. All projects operate with the non-objection of local government officials, particularly at the block and district levels. Frequently, local government officials provide expertise in the technical planning of projects such as field bunding, percolation and irrigation tanks, irrigation canals, etc. Such projects are checked at the local level for consistency with overall block development plans.

CWS/LWR recipient levels have remained unchanged since FY 1978. The total program will reach 150,000 recipients using 21,103 MT of commodities in FY 81 as follows:

Food for Work - 19,568 metric tons for 110,000 recipients

Maternal Child Health - 1,535 metric tons for 40,000 recipients.

Inland storage facilities are considered adequate to handle the receipt storage and distribution of the Title II commodities.

CWS/LWR - CASA have conducted intensive training programs for their field staffs, and through leading Indian management institutes have conducted management workshops for key staff members to strengthen management and operational capabilities. Three additional local staff members have been added to the Agency's field staff to increase monitoring and review capabilities. Updating/improvement of the CASA Food Operational Manual is continuing.

5. CLUSA (Cooperative League of the USA)

India's Oilseed production required for the production of edible oil is short of total requirements. With consumption of edible oil increasing at an average rate of approximately 1 million tons per year, and will continue at high levels unless a break through in oilseed production is achieved.

CLUSA's Title II program is limited to the importation of vegetable oil to provide a source of funding assistance in developing India's cooperative vegoil sector. The program is unique in that the commodity will be sold to generate the financial inputs required to develop an integrated production and marketing system owned and controlled by members of village-level farmer cooperatives.

With staff of 2 Americans and 12 Indians, CLUSA will administer the program in cooperation with its counterpart agency, the Oilseed and Vegetable Oil Wing of the National Dairy Development Board (OVOW/NDDB), and will also coordinate closely with the Indian Dairy Corporation (IDC) who will handle port formalities and clearance and provide the logistical support for movement of the commodity to inland distributions. The arriving vegetable oil shipments are presently programmed for delivery at Kandla Port in 55-gallon drums. Bulk deliveries may be considered after program operations are well established.

CLUSA and USAID will monitor the oil handling and sale, the operation of the special accounts into which all sales proceeds will be deposited, and the project activities supported by Title II resources.

To maintain project schedule, CLUSA plans to call forward 30,000 metric tons of vegoil in FY 81. CLUSA's T/A authorizes 30,000 MTs in FY 79, 30,000 MTs in FY 80, 30,000 MTs in FY 81 and 27,500 MTs in the first half of FY 82.

CLUSA states that in-country storage facilities are adequate for the quantities involved.

G. AID Interim Evaluation of India Program

In early 1979, AID/W contracted the services of the Community Systems Foundation (CSF) to undertake an interim evaluation of the PL-480 Title II program in India. The team arrived in New Delhi on February 26, 1979 and in seven weeks visited a good number of Title II supported projects in six States and met with officials and professionals involved.

This evaluation was "interim" in the sense that USAID wants this huge, varied program to be evaluated from conclusions based upon verifiable facts and measured accomplishments. We have a long term (18 months) effort to gather descriptive statistics and expect a follow up evaluation to occur in late 1980.

The Interim Evaluation Team did a good job in reviewing the issues and programs. Their first draft report explored

A) Program priorities;

B) Decision making at various levels of program responsibility;

C) the target groups;

D) Possible disincentive effects of the program on food production, and

E) Areas for improvement for consideration by the GOI, the VolAgs and USAID.

After reviewing their first draft with USAID and the VolAgs, the team indicated that there would be a number of changes, so we are not inclined to comment or draw conclusions at this stage. However, the following appeared to be strongly held conclusions by the team that will probably carry over into the final report.

1) The program is reaching the very poor in India. The team concluded that if the objective of the program is to

provide food to the poor, this is being accomplished.

2) The team felt school lunch deserved first priority in the program, that MCH as being implemented did not offer as beneficial impacts on recipients as school lunch programs are currently achieving.

3) That decision making should be decentralized to the greatest extent possible, with each level focusing upon only those questions and issues pertinent to their respective level of responsibility.

4) That the program does not have a disincentive effect on food production.

As the final report is due in AID/W at the end of May 1979, it should be available to those who participate in the review of this ABS.

H. Other Issues

1. School Lunch Program

The USG deemphasized Title II support in the early seventies for school lunch programs in favor of maternal child health and food for work on a worldwide basis. India, however, was partially exempted from this US policy because elementary school education had been given such priority by the Government of India. The GOI Sixth Five Year Plan continues with the mandate of 100% universalization of elementary education for all children by 1988. As a result, the GOI has contributed more financial assistance from its annual budget for State Government local food inputs and other program costs than in previous years. (From US $18-million approx. in FY 77 to $35 million in FY 79). The GOI has requested that CARE increase the number of school lunch beneficiaries but with a lower Title II commodity input per capita as the State Governments' indigenous food inputs have been increased.

The VolAgs' Operational Plans show that their school lunch programs reach the neediest groups, particularly in the tribal and rural areas, and the undernourished and under-privileged in the urban slums.

The Interim Evaluation Team's draft report strongly supports efforts to continue and expand the Title II supported school lunch program in India. USAID continues to believe that this program is worthy of Title II support and has included it as a major element in our FY 1981 ABS.

2. Food Exports

Exports of foodgrains are expected to remain a very low percentage of both domestic foodgrain production and of total exports. The GOI is very careful with regard to its decisions concerning the export of agricultural products because of potential criticism from both domestic and international sources. The Government is seeking export markets for some rice at this time because government-held stocks have been building up and supply currently exceeds demand. Wheat stocks, however, are slowly declining; we expect that the GOI will, in the near term, export wheat only to complete current agreements. Loans, sales and/or barter agreements were concluded during the recent period of excess stock with Bangladesh, Russia, Afghanistan, Pakistan, Vietnam and Indonesia.

India also will continue and attempt to improve its export of commercial crops, both food and fiber, that have traditionally earned foreign exchange, such as jute and jute products, tea, coffee, sugar, cashews and spices. The Government will pull back here as well, however, if this effort causes an inflationary rise in domestic prices.

3. CARE Monitoring Costs

The GOI has questioned State Government budgets that meet CARE's monitoring and administrative costs. Although a working accommodation for 1980 needs has been reached, the GOI has given notice that it will continue to review this question in future years. CARE feels that its funds and staff are at the minimum level required to administer its program and that it cannot reasonably reduce these costs below their current level. Therefore, if support funds are reduced by the GOI, CARE will propose lower levels for Title II in FY-81.

PL 480 TITLE II

SUMMARY OF FUNDING LEVELS BY VOLAG FOR FY 1980 AND 1981
($000's)

	FY 1980	FY 1981	
VolAg	Mission Recommended	VolAg Request	Mission Recommendation
CARE	72,132	73,322	73,322
CRS	39,979	43,323	43,323
CWS/LWR	3,612	3,693	3,693
CLUSA	26,610	24,630	24,630
Total:	142,333	144,968	144,968

NOTE: Above figures represent CCC Value of commodities and do not include ocean freight.

PL 480 TITLE II

SUMMARY OF COMMODITY LEVELS BY VOLAG FOR FY 1980 AND FY 1981

(In Metric Tons)

VolAg	FY 1980 Mission Recommendation	FY 1981 VolAg Request	FY 1981 Mission Recommendation
CARE	279,874	279,874	279,874
CRS	168,165	177,062	177,062
CWS/LWR	21,103	21,103	21,103
CLUSA	30,000	30,000	30,000
TOTAL:	499,142	508,039	508,039

PL 480 TITLE II

SUMMARY OF RECIPIENT LEVELS BY VOLAGS FOR FY 1980 and 1981

(In Thousand Numbers)

VolAg	FY 1980 Mission Recommendation	FY 1981 VolAg Request	FY 1981 Mission Recommendation
CARE	16,121	16,121	16,121
CRS	2,038	2,157	2,157
CWS/LWR	150	150	150
CLUSA	N.A.	N.A.	N.A.
TOTAL:	18,309	18,428	18,428

PL 480 TITLE II VOLUNTARY AGENCIES PROGRAM

SUMMARY OF FY 1981 PROPOSED ACTIVITIES (MISSION RECOMMENDED)

VolAg.	Maternal & Child Health (MCH)	School Feeding (SF)	Other Child Feeding (OCF)	Food for Work (FFW)	Individual Health Cases (IHC)	Others	Total
I. RECIPIENTS (No. of Beneficiaries in 000)							
CARE	5,499	10,592	-	30	-	-	16,121
CRS	670	535	128	700	124	-	2,157
CWS/LWR	40	-	-	110	-	-	150
CLUSA	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Total:	6,209	11,127	128	840	124	-	18,428
II. COMMODITIES (in Metric Tons)							
CARE	118,904	154,970	-	6,000	-	-	279,874
CRS	36,180	16,926	9,984	104,300	9,672	-	177,062
CWS/ LWR	1,535	-	-	19,568	-	-	21,103
CLUSA	-	-	-	-	-	30,000	30,000
Total:	156,619	171,896	9,984	129,868	9,672	30,000	508,039
III. DOLLAR FUNDING (in $ 000)[1/]							
CARE	31,598	40,530	-	1,194	-	-	73,322
CRS	10,629	4,559	2,642	22,933	2,560	-	43,323
CWS/LWR	446	-	-	3,247	-	-	3,693
CLUSA	-	-	-	-	-	24,630	24,630
Total:	42,673	45,089	2,642	27,374	2,560	24,630	144,968

1/ Excludes Ocean Freight.

TABLE XIII

PL 480 TITLE II

FY 1981 SUMMARY STATISTICAL TABLE

Country: INDIA

Sponsors Name: CARE, CRS, CWS/LWR and CLUSA

A. MATERNAL AND CHILD HEALTH.........TOTAL RECIPIENTS 6,209,000

No. of Recipients by Commodity	Name of Commodity	(Thousands) KGS	(Thousands) Dollars
670,000	S.F. Rice 1/	20,100	4,000
1,745,000	C.S.M.	35,254	9,730
3,996,000	SFB	77,457	15,414
393,000	SFF	7,786	1,713
483,900	NFDM	2,861	1,010
5,744,000	Oil	13,161	10,806
	Total MCH:	156,619	42,673

B. SCHOOL FEEDING.................TOTAL RECIPIENTS: 11,127,000

No. of Recipients by Commodity	Name of Commodity	(Thousands) KGS	(Thousands) Dollars
445,000	S.F. Rice 1/	10,035	1,997
1,025,000	C.S.M.	11,937	3,294
9,762,000	SFB	131,498	26,168
240,000	SFF	2,389	526
150,000	NFDM	135	48
11,127,000	Oil	15,902	13,056
	Total SF:	171,896	45,089

C. OTHER CHILD FEEDING............TOTAL RECIPIENTS: 128,000

No. of Recipients by Commodity	Name of Commodity	(Thousands) KGS	(Thousands) Dollars
128,000	S.F. Rice 1/	6,912	1,375
128,000	C.S.M.	2,304	636
128,000	Oil	768	631
	Total OCF:	9,984	2,642

(contd.)

D. FOOD FOR WORK.............TOTAL RECIPIENTS: 840,000

No. of Recipients by Commodity	Name of Commodity	(Thousands) KGS	Dollars
730,000	SFB	106,800	21,253
54,850	Bulgur	7,109	1,357
810,000	Oil	4,047	3,323
55,150	Corn	11,912	1,441
	Total FFW:	129,868	27,374

E. INDIVIDUAL HEALTH CASES.........TOTAL RECIPIENTS: 124,000

No. of Recipients by Commodity	Name of Commodity	(Thousands) KGS	Dollars
124,000	C.S.M. 1/	2,232	616
124,000	S.F. Rice 1/	6,696	1,333
124,000	Oil	744	611
	Total IHC:	9,672	2,560

F. OTHERS
CLUSA OILSEED GROWERS COOPERATIVE PROJECT...TOTAL RECIPIENTS:N.A.

No. of Recipients by Commodity	Name of Commodity	(Thousands) KGS	Dollars
N/A	VegOil	30,000	24,630
	Total OTHERS:	30,000	24,630

G. TOTAL.............................. 508,039 144,968

1/ Due to anticipated non-availability and budgetary constraints, value computed at SF Bulgur value.

TABLE XIII - FY 1981 - CARE

PL 480 TITLE II

Country: INDIA

Sponsor's Name: COOPERATIVE FOR AMERICAN RELIEF EVERYWHERE (CARE)

A. MATERNAL AND CHILD HEALTH..... TOTAL RECIPIENTS 5,499,000

No. of Recipients by Commodity	Name of Commodity	(Thousands) KGS	(Thousands) Dollars
1,075,000	CSM	23,194	6,402
3,956,000	SFB	76,147	15,153
393,000	SFF	7,786	1,713
483,900	NFDM	2,861	1,010
5,034,000	Oil	8,916	7,320
	Total MCH:	118,904	31,598

B. SCHOOL FEEDING.................. TOTAL RECIPIENTS 10,592,000

No. of Recipients by Commodity	Name of Commodity	(Thousands) KGS	(Thousands) Dollars
680,000	CSM	7,279	2,009
9,762,000	SFB	131,498	26,168
150,000	SFF	1,462	322
150,000	NFDM	135	48
10,592,000	Oil	14,596	11,983
	Total SF:	154,970	40,530

C. FOOD FOR WORK.................. TOTAL RECIPIENTS 30,000

No. of Recipients by Commodity	Name of Commodity	(Thousands) KGS	(Thousands) Dollars
30	SFB	6,000	1,194

D. TOTAL.................................. 279,874 73,322

TABLE XIII - FY 1981 - CRS

PL 480 TITLE II

Country: INDIA

Sponsor's Name: CATHOLIC RELIEF SERVICES (CRS)

A. MATERNAL CHILD HEALTH........ TOTAL RECIPIENTS: 670,000

No. of Recipients by Commodity	Name of Commodity	(Thousands) KGS	(Thousands) Dollars
670,000	C.S.M.	12,060	3,329
670,000	S.F. Rice 1/	20,100	4,000
670,000	Oil	4,020	3,300
	TOTAL MCH:	36,180	10,629

B. SCHOOL FEEDING..............TOTAL RECIPIENTS 535,000

No. of Recipients by Commodity	Name of Commodity	(Thousands) KGS	(Thousands) Dollars
345,000	C.S.M.	4,658	1,286
345,000	SF Rice 1/	9,315	1,854
345,000	Oil	932	765
	TOTAL :	14,905	3,905
Municipal Corporation Schools:			
Madras			
100,000	S.F.Rice 1/	720	143
100,000	Oil	270	222
New Delhi			
25,000	S.F.Flour	225	50
25,000	Oil	45	37
Baroda			
65,000	SF Flour	702	154
65,000	Oil	59	48
	TOTAL SF:	16,926	4,559

(contd.)

C. FOOD FOR WORK (FFW).........TOTAL RECIPIENTS: 700,000

No. of Recipients by Commodity	Name of Commodity	(Thousands) KGS	Dollars
700,000	S.F. Bulgur	100,800	20,059
700,000	Oil	3,500	2,879
	TOTAL FFW:	104,300	22,933

D. OTHER CHILD FEEDING (OCF)......TOTAL RECIPIENTS: 128,000

No. of Recipients by Commodity	Name of Commodity	(Thousands) KGS	Dollars
128,000	C.S.M.	2,304	636
128,000	S.F. Rice 1/	6,912	1,375
128,000	Oil	768	631
	TOTAL OCF:	9,984	2,642

E. INDIVIDUAL HEALTH CASES (IHC)....TOTAL RECIPIENTS: 124,000

No. of Recipients by Commodity	Name of Commodity	(Thousands) KGS	Dollars
124,000	C.S.M.	2,232	616
124,000	S.F. Rice 1/	6,696	1,333
124,000	Oil	744	611
	TOTAL IHC:	9,672	2,560

F. TOTAL.............................. 177,062 43,323

1/ Due to anticipated non-availability and budgetary constraints value computed at SF Bulgur value.

TABLE XIII - FY 1981 - CWS/LWR

PL 480 TITLE II

Country: INDIA

Sponsor's Name: CHURCH WORLD SERVICE AND LUTHERAN WORLD RELIEF

A. MATERNAL CHILD HEALTH...... TOTAL RECIPIENTS: 40,000

No. of Recipients by Commodity	Name of Commodity	(Thousands) KGS.	(Thousands) Dollars
40,000	SF Bulgur	1,310	261
40,000	Oil	225	185
	TOTAL MCH:	1,535	446

B. SCHOOL FEEDING........... TOTAL RECIPIENTS: NIL

C. OTHER CHILD FEEDING...... TOTAL RECIPIENTS: NIL

D. FOOD FOR WORK............ TOTAL RECIPIENTS: 110,000

No. of Recipients by Commodity	Name of Commodity	(Thousands) KGS	(Thousands) Dollars
54,850	Bulgur Wheat	7,109	1,358
55,150	Corn	11,912	1,440
110,000	Oil	547	449
	TOTAL FFW:	19,568	3,247

E. OTHER (Specify).................. TOTAL RECIPIENTS: NIL

F. TOTAL................................ 21,103 3,693

TABLE XIII - FY 1981 - CLUSA

P.L. 480 TITLE II

Country: INDIA

Sponsor's Name: Cooperative League of the USA (CLUSA)

A. OTHER..................TOTAL RECIPIENTS: N.A.

No. of Recipients by Commodity	Name of Commodity	(Thousands) KGS	(Thousands) Dollars
N.A.	Veg. Oil	30,000	24,630
	TOTAL OTHER:	30,000	24,630

PL 480 Title II/India

SUMMARY TABLE
FY 1982 thru FY 1985

FY	Recipients (000's)	MTs 1/	$ Value 1/ 2/
1982	18,428	505,539	150,062
1983	18,428	499,539	151,208
1984	18,428	490,039	157,410
1985	18,428	478,039	146,272

1/ Includes CLUSA - FY 1982, 27,500 MT ($22,578); FY 1983, 21,500 MT ($17,652); and FY 1984, 21,000 MT ($17,241). VolAg tonnage retained at FY 1981 level.

2/ $ value increased by 5% for each year due to anticipated price rise in commodities.

STATUS OF SFCA's FOR NEPALESE TRAINING IN INDIA AS OF SEPTEMBER 30, 1978

		$	Rs. Equiv.	Rate of Conversions a/
FY 1976 & T.Q. SFCA Transfers	:	200,000	1,842,000	@ Rs. 9.21
Less: FY 76/TQ Obligations (net)	:	128,115	1,179,939	@ Rs. 9.21
		71,885	662,061	
Add: FY 1977 SFCA Transfers	:	400,000	3,552,000	@ Rs. 8.88
		471,885	4,214,061	
Less: FY 1977 Obligations (net)	:	355,615	3,157,865	@ Rs. 8.88
		116,270	1,056,196	
Add: FY 1978 SFCA Transfers	:	400,000	3,464,000	@ Rs. 8.66
		516,270	4,520,196	
Less: FY 1978 Obligations (net)	:	378,672	3,279,300	@ Rs. 8.66
Unobligated Balance as of September 30, 1978	:	137,598	1,240,896 b/	
FY 1979 SFCA Transfers (as of May 1979)	:	400,000	3,292,000	@ Rs. 8.23
Est. FY 1979 Obligations	:	398,394	3,278,800	@ Rs. 8.23
Est. Balance 9/30/79	:	1,606	13,200	

a/ Treasury transfers to AID were effected at these exchange rates.

b/ 'Carryover authority' to use these unobligated balances in FY 1979 not provided by the FY 1979 Appropriation Act, therefore these balances remain unavailable for obligation.

THIRD COUNTRY TRAINING IN INDIA

NEPALESE PARTICIPANTS - FY1979

Field of Training	No.	Duration	Estimated Cost: Indian Rupees	Estimated Cost: *$ Equiv.
NEW PARTICIPANTS				
B.Sc.Agr (JTA's)	25	4 years	350,000	42,527
B.Sc.Agr (Fresh)	10	3 years	140,000	17,011
B.Sc.Agr Engg (Fresh)	10	5 years	140,000	17,011
B.Sc.Fisheries (Fresh)	5	4 years	70,000	8,505
M.Sc. Agriculture	8	2 years	128,000	15,553
Forestry, Diploma	5	2 years	160,000 a/	19,441
Education, M.Ed. Course	3	1 year	63,000	7,655
Agriculture Statistics	1	1 year	21,000	2,552
Plant Breeding	1	1 year	21,000	2,552
Agriculture Chemistry	1	1 year	21,000	2,552
Public Health Nursing, Diploma	2	1 year	20,000	2,430
Health Education, Diploma	3	1 year	63,000	7,655
B.Sc.Nursing (Post Basic)	2	2 years	40,000 a/	4,860
Soil Conservation	5	6 months	80,000	9,720
Computer Training	4	3 months	56,000	6,804
Radio Education & Technology	5	3 months	45,000	5,468
Vegetable/Fruit Production	1	6 months	20,000	2,430
Rice Production	1	6 months	20,000	2,430
Malariology Course	30 b/	2 months	240,000	29,162
Road Maintenance	2	6 months	32,000	3,888
Construction Management (Roads, Buildings and Bridges)	3	6 months	63,000	7,655
Construction and Maintenance of Small Scale Rural Irrigation and Drinking Water Systems	5	6 months	80,000	9,720
Quality Control of Construction Materials for Roads and Bridges	2	6 months	32,000	3,888
Study/Observation Tour	2	1 month	13,000	1,580
Sub-Total: (76LT/60ST)	136		1,918,000	233,049
CONTINUING				
B.Sc.Agr (Fresh, FY75)	1		- c/	
B.Sc.Agr (JTA's, FY75)	20		- c/	
B.Sc.Agr (JTA's, FY76)	17		- c/	
B.Sc.Agr (Fresh, FY76)	25		- c/	
B.Sc.Agr (JTA's, FY77)	24		244,800	29,745
B.Sc.Agr (Fresh, FY77)	25		350,000	42,527

Contd.

Field of Training	No.	Duration	Estimated Cost: Indian Rupees		Estimated Cost: *$ Equiv.
B.Sc.Agr (JTA's, FY78)	25		350,000		42,527
B.Sc.Agr & Agr.Engg(Fresh,FY78)	24		336,000		40,826
M.Sc.Agr (FY77)	9		-	c/	-
M.Sc.Agr (FY77)	2		40,000	d/	4,860
Ph.D.Statistics(FY78)	1		40,000	a/	4,860
Ph.D.Agronomy(FY78)	1		-	e/	-
B.Sc.Nursing (FY78)	2		-	c/	
M.Sc.Agr (FY78)	5		-	c/ e/	
Education, M.Ed. Course(FY78)	3		-	c/	
Health Education, Diploma(FY78)	2		-	c/	
Public Health Nursing (FY78)	2		-	c/	
Education Admn. (FY78)	1		-	c/ f/	
Construction Equipment Maintenance (Heavy Duty Mechanics, FY78)	4		-	c/	
			-		
Light Duty Mechanics (FY78)	6		-	c/	
Seed Technology (FY78)	5		-	c/ g/	
Plant Protection (FY78)	1		-	c/	
Decidious Fruit Diseases (FY78)	1		-	c/	
Bacterial Fertilizer (FY78)	1		-	c/ h/	
Mushroom Culture (FY78)	1		-	c/	
Poultry Sexing (FY78)	1		-	c/ i/	
Pesticidical Residual Analysis(FY78)	1		-	c/	
Agr. Extension (FY78)	3		-	c/ j/	
Fruit Nursery Management (FY78)	1		-	c/ k/	
Sub-Total:	214		1,360,800		165,345
TOTAL:	350		3,278,800		398,394
					or $400,000

Footnotes

* @ Rs. 8.23 to $1 as used in the Treasury Transfer Authorization

LT=Long Term (9 months or more)
ST=Short Term (Less than 9 months)

a/ Funding covers 24 months through completion in July 1981.

b/ 21 participants already completed their training; nine to start as soon as GOI program confirmation received.

c/ Fully funded in prior year.

d/ Funding covers 30 months extension (12 months and 18 months) for two participants thru completion in July 1981 and December 1981.

e/ One participant to start his program in July 1979.

f/ Participant to start his program on July 9, 1979.

g/ Participants to start their program on September 4, 1979.

h/ Participant to start her program on June 1, 1979.

i/ Participant to start his program in August 1979.

j/ Participants to start their program in September 1979.

k/ Participant to start his program on January 1, 1980.

THIRD COUNTRY TRAINING IN INDIA

NEPALESE PARTICIPANTS - FY1980

Field of Training NEW PARTICIPANTS	No.	Duration	Estimated Cost Indian Rupees	* $ Equiv.
B.Sc. Agr. (JTA's)	20	4 years	292,600	35,683
B.Sc. Agr. & Agr. Engg(Fresh)	20	4-5 years	292,600	35,683
M.Sc. Agriculture	12	2 years	200,450	24,445
Education, M.Ed. Course	3	1 year	65,550	7,994
Forestry, Diploma	3	2 years	50,350	6,140
B.Sc. Nursing (Post Basic)	2	2 years	20,900	2,549
Public Health Nursing, Diploma	4	1 year	41,800	5,098
Health Education, Diploma	4	1 year	87,400	10,659
Obstetrics & Gynecology, Diploma	4	1 year	95,000	11,585
Health Education, Family Planning	1	2 years	21,850	2,665
Agriculture Sciences	4	1 year	87,400	10,659
Program Management (Public Administration)	1	2 years	17,100	2,085
M.Sc. (Financial Management)	1	1 year	17,100	2,085
Construction Management (Roads, Buildings, Bridges)	2	1 year	43,700	5,329
Agriculture Sciences	8	3 months	73,150	8,920
Seed Training	4	3 months	36,100	4,402
Soil Conservation	4	6 months	66,500	8,110
Personnel Management	1	3 months	9,500	1,159
Business Auditing	1	3 months	9,500	1,159
Storage Construction	1	3 months	9,500	1,159
Seed Analysis	1	3 months	9,500	1,159
Program Budgeting	1	6 months	17,100	2,085
Forestry	2	6 months	33,250	4,055
Computer Training	4	3 months	58,900	7,182
Radio Education & Technology	3	3 months	28,500	3,476
Basic Malariology Course	20	2 months	167,000	20,365
Road Maintenance	2	6 months	33,250	4,055
Quality Control of Construction Materials for Roads & Bridges	2	6 months	33,250	4,055
Rural Development Management	5	6 months	85,500	10,427
Construction & Maintenance of Small Scale Rural Irrigation and Drinking Water Systems	5	6 months	85,500	10,427
Sub-Total:	145		2,089,800	254,854

(81LT/64ST) (Contd.)

Field of Training	No.	Duration	Estimated Cost: Indian Rupees		Estimated Cost: * $ Equiv.
CONTINUING					
B.Sc. Agr. (JTA's, FY 76)	17		-	a/	-
B.Sc. Agr. (JTA's, FY 77)	24		256,500		31,281
B.Sc. Agr. (Fresh, FY 77)	25		152,000	b/	18,536
B.Sc. Agr. & Agricultural Engg. (Fresh, FY78)	24		351,500		42,866
B.Sc. Agr. (JTA's, FY 78)	25		365,750		44,603
B.Sc. Agr. & Agrl. Engg. (Fresh FY79)	25		365,750		44,603
B.Sc. Agr. (JTA's, FY79)	25		365,750		44,603
Ph.D. Agronomy (FY 78)	1		20,000	c/	2,439
M.Sc. Agr. (FY77)	2		-	a/	
Ph.D Statistics (FY78)	1		-	a/	
Education Admn. (FY78)	1		-	a/	
Seed Technology (FY78)	5		-	a/	
Poultry Sexing (FY 78)	1		-	a/	
Agr. Extn. (FY78)	3		-	a/	
Fruit Nursery Management (FY78)	1		-	a/	
M.Sc. Agr. (FY79)	8		133,000		16,220
B.Sc. Nursing (Post Basic)(FY79)	2		-	a/	
Forestry, Diploma (FY79)	5		-	a/	
Education, M.Ed. (FY79)	3		-	a/	
Health Ed., Diploma (FY79)	3		-	a/	
Public Health Nursing, Diploma (FY79)	2		-	a/	
Agriculture Statistics (FY79)	1		-	a/	
Plant Breeding (FY79)	1		-	a/	
Agriculture Chemistry (FY79)	1		-	a/	
Soil Conservation (FY79)	5		-	a/	
Vegetable/Fruit Production (FY79)	1		-	a/	
Rice Production (FY79)	1		-	a/	
Road Maintenance (FY79)	2		-	a/	
Construction Management (Roads, Buildings and Bridges) (FY79)	3		-	a/	
Rural Irrigation and Drinking Water Systems (FY79)	5		-	a/	
Quality Control of Construction Materials for Roads & Bridges (FY79)	2		-	a/	
Sub-Total:	225		2,010,250		245,151
TOTAL:	370		4,100,050	or	500,005 / $500,000

Footnotes

*@Rs. 8.20 to US$1.00

ST=Short Term (Less than 9 months)

LT=Long Term (9 months or more)

a/ Fully funded in prior year.

b/ Additional funding for one trimester through completion.

c/ Funding covers 12 months through July 1981.

THIRD COUNTRY TRAINING IN INDIA

NEPALESE PARTICIPANTS - FY 1981

Field of Training			Estimated Cost	
NEW PARTICIPANTS	No.	Duration	Indian Rupees	*$ Equiv.
B. Sc. Agr. (JTA's)	20	4 years	308,000	37,561
B. Sc. Agr. & Engg (Fresh)	20	4-5 years	308,000	37,561
M. Sc. Agr.	12	2 years	211,000	25,732
Education, M. Ed. Course	3	1 year	69,000	8,415
Forestry, Diploma	3	2 years	53,000	6,463
Agriculture Sciences	4	1 year	92,000	11,220
B. Sc. Nursing (Post Basic)	2	2 years	22,000	2,683
Public Health Nursing, Diploma	4	1 year	44,000	5,366
Health Education, Diploma	4	1 year	92,000	11,220
Obstetrics & Gynecology, Diploma	4	1 year	100,000	12,195
M. Sc. (Financial Management)	1	1 year	18,000	2,195
Agriculture Sciences	12	3 months	115,000	14,024
Seed Training	5	3 months	47,500	5,793
Soil Conservation	5	6 months	87,500	10,671
Project Planning	1	6 months	18,000	2,195
Marketing Management	1	3 months	10,000	1,219
Marine Insurance	1	3 months	10,000	1,219
Financial Analysis	1	3 months	10,000	1,219
Statistical Evaluation	1	3 months	10,000	1,219
Forestry	10	6 months	175,000	21,341
Computer Training	4	3 months	62,000	7,561
Radio Ed. and Technology	3	3 months	30,000	3,659
Basic Malariology Course	20	2 months	176,000	21,463
Logistic Management	2	3 months	20,000	2,439
Mechanics (Light duty)	4	6 months	100,000	12,195
Mechanics (Heavy duty)	4	6 months	100,000	12,195
Auto Electrician	4	6 months	100,000	12,195
Rural Development Management	5	6 months	90,000	10,976
Construction & Maintenance of Small Scale Rural Irrigation and Drinking Water Systems	5	6 months	90,000	10,976
Sub-Total:	165		2,568,000	$ 313,170
(77LT/88ST)				
CONTINUING				
B. Sc. Agr. (JTA's, FY76)	17		- a/	
B. Sc. Agr. (JTA's, FY77)	24		270,000	32,927
M. Sc. Agr. (FY77)	2		- a/	
M. Sc. Agr. (FY78)	1		- a/	
Ph. D. in Agronomy (FY78)	1		20,000b/	2,438
B. Sc. Agr. & Agrl. Engg. (Fresh, FY78)	24		370,000	45,122

(Contd.)

Field of Training	No.	Duration	Estimated Cost: Indian Rupees	Estimated Cost: * $Equiv.
CONTINUING				
B. Sc. Agr. (JTA's, FY78)	25		385,000	46,951
B. Sc. Agr. (JTA's, FY79)	25		385,000	46,951
B. Sc. Agr. & Agr. Engg. (Fresh, FY79)	25		385,000	46,951
Forestry, Diploma (FY79)	5		- a/	
B. Sc. Nursing (Post Basic)(FY79)	2		- a/	
B. Sc. Agr. & Agr. Engg. (Fresh, FY80)	20		308,000	37,561
B. Sc. Agr. (JTA's, FY80)	20		308,000	37,561
M. Sc. Agr. (FY80)	12		211,000	25,732
Forestry, Diploma (FY80)	3		53,000	6,463
Education, M. Ed. Course (FY80)	3		- a/	
B. Sc. Nursing (FY80)	2		22,000	2,683
Public Health Nursing (FY80)	2		- a/	
Health Education, Diploma (FY80)	4		- a/	
Obstetrics & Gynecology (FY80)	4		- a/	
Health Education, Family Planning (FY80)	1		23,000	2,805
Agriculture Sciences (FY80)	4		- a/	
Program Management (Public Administration) (FY80)	1		18,000	2,195
M. Sc. (Financial Management) (FY80)	1		- a/	
Construction Management (FY80)	2		- a/	
Soil Conservation (FY80)	4		- a/	
Program Budgeting (FY80)	1		- a/	
Forestry (FY80)	2		- a/	
Road Maintenance (FY80)	2		- a/	
Quality Control of Construction Materials for Roads & Bridges (FY80)	2		- a/	
Rural Development Management (FY80)	5		- a/	
Rural Irrigation and Drinking Water Systems (FY80)	5		- a/	
Sub-Total:	251		2,758,000	$336,340
TOTAL:	416		5,326,000	$649,510
			or	$650,000

Footnotes

*@Rs. 8.20 to US $1.00

LT = Long Term (9 months or more)
ST = Short Term (Less than 9 months)

a/ Fully funded in prior year

b/ Funding covers 12 months through program completion in July 1982.