AGENCY FOR INTERNATIONAL DEVELOPMENT

Fiscal Year 1977
Submission to the Congress

Asia Programs

February 1976

ASIA DEVELOPMENT ASSISTANCE

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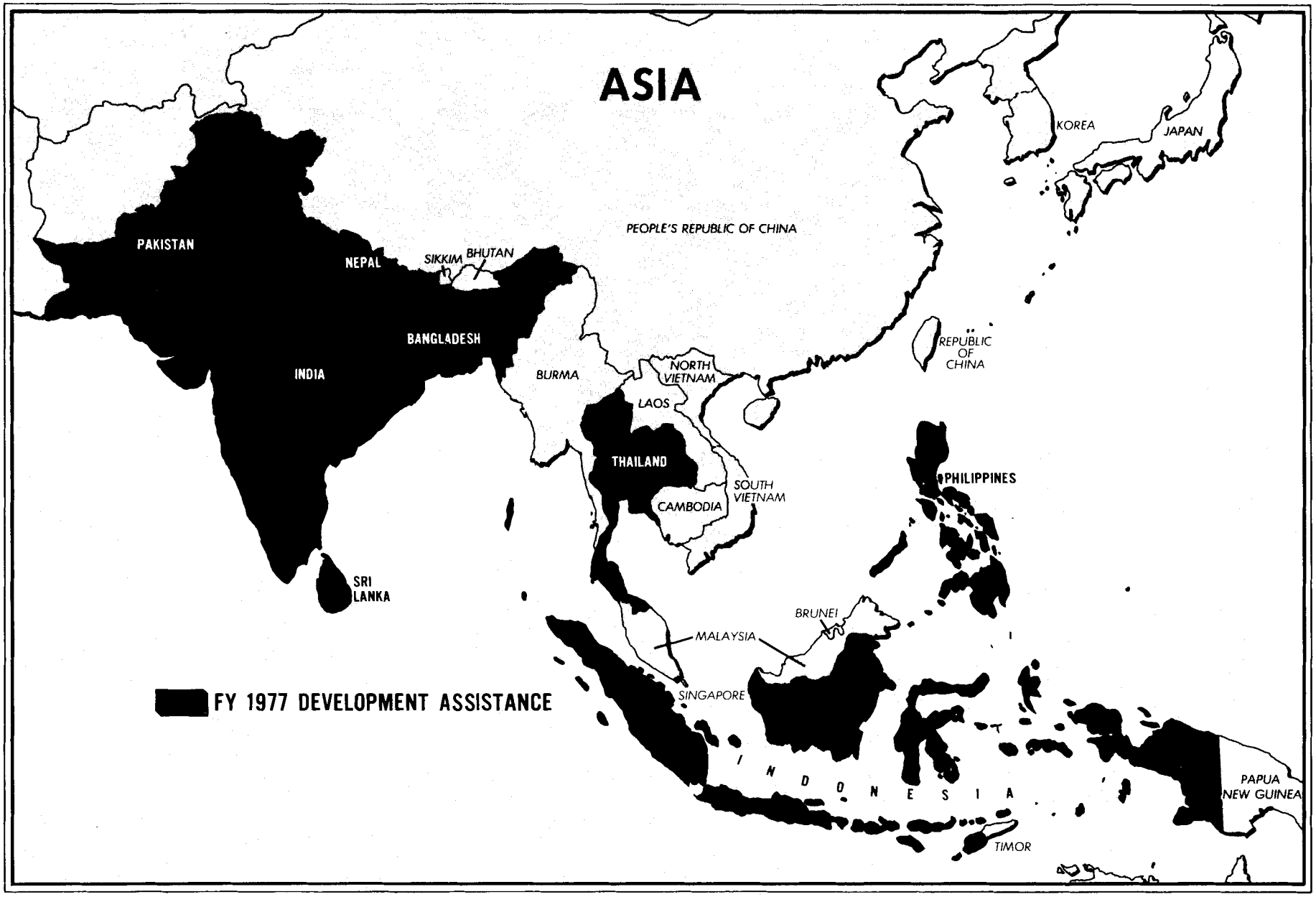
ASIA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PEOPLE'S REPUBLIC OF CHINA
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SRI LANKA
BRUNEI
MALAYSIA
SINGAPORE
I N D O N E S I A
PAPUA NEW GUINEA
TIMOR
FY 1977 DEVELOPMENT ASSISTANCE

DEVELOPMENT ASSISTANCE - ASIA

U.S. Interests In Asia

Our interests in the region are economic, political, and humanitarian:

-- economic in encouraging the development of trade and investment relationships. U.S. exports to the eight Asian program countries have grown from $1.3 billion in 1960 to $3.1 billion in 1974. The total value of U.S. private direct investment stock in all of Asia (including Japan with 42% the total value) was estimated at over $7.8 billion at the end of 1974;

-- political in promoting political stability by encouraging progressive political and social change;

-- humanitarian in identifying with the countries' development aspirations.

Well-planned and well-managed bilateral aid programs are a necessary component of a total U.S. approach to the developing countries of Asia. As such, they:

-- are supportive of general U.S. economic and political foreign policy interests;

-- provide direct, identifiable proof of the United States' concern for the countries' development problems and goals;

-- represent a modest cost input towards meeting the total development needs of the region;

-- have an impact on Asia's total development assistance needs beyond their cost because they are planned in association with the aid of other developed countries and multilateral agencies like the World Bank and Asian Development Bank which receive major U.S. contributions;

-- help achieve action by the countries on major development concerns which in the countries' development planning might otherwise be omitted.

PROGRAM SUMMARY
(In millions of dollars)

FISCAL YEAR	Total	Food and Nutrition	Population Planning and Health	Education and Human Resources Development	Selected Development Problems	Selected Countries and Organizations	Other Programs
1975							
Loans	226.5	196.5	25.0	5.0	-	-	-
Grants	353.5	11.5	22.1	6.7	.4	1.0	311.8 1/
Total	580.0	208.0	47.1	11.7	.4	1.0	311.8 1/
					Development Activities under Sec. 106		
1976							
Loans	260.0	227.2	18.3	5.0	9.5		
Grants	61.5	13.7	32.9	10.1	4.8		
Total	321.5	240.9	51.2	15.1	14.3		
Transition Quarter							
Loans	57.3	47.3	7.5	-	2.5		
Grants	13.7	2.7	7.5	2.9	.6		
Total	71.0	50.0	15.0	2.9	3.1		
1977							
Loans	268.9	212.8	38.2	17.9	-		
Grants	66.9	14.5	35.0	10.5	6.9		
Total	335.8	227.3	73.2	28.4	6.9		

1/ $280.9 of this amount is IPR funding for Indochina; $27.5 represents flood relief for Pakistan; $.3 is disaster relief funding for the Philippines; and $3.1 is IPR funding for regional programs.

Regional Setting

The United States is proposing development assistance in FY 1977 for eight Asian countries, three in East Asia (Indonesia, Philippines, and Thailand) and five in South Asia (Bangladesh, India, Nepal, Pakistan, and Sri Lanka). There are major differences among these countries but the overall picture is one in which the vast majority of the people receive less than their minimal average daily nutritional requirement, lead short lives and are enslaved by ignorance and poverty:

-- Shortfalls between daily per capita nutritional requirements and actual consumption range from 20.4% in Bangladesh to 2.3% in Sri Lanka. The Philippines which has the highest per capita GNP ($270) has a 14.2% nutritional shortfall;

-- It is estimated that in order to overcome these shortfalls, a 3.3% annual growth rate in food production will be required over the next 15 years. Food production for the most recent 10-year period achieved only a 2.5% annual growth rate. Compounding the problem are ineffective food distribution systems in many countries;

-- Population growth has seriously diminished the additive effect of per capita food production increases. Highest average annual population growth rates are 2.9% for the Philippines and Pakistan, and 2.7% for Bangladesh;

-- Life expectancy falls generally in the 47-52 year range although Nepal is lowest with 44 years and Sri Lanka has the highest life expectancy--66 years;

-- Infant mortality rates lie between 132 and 146 deaths per 1,000 live births in Bangladesh, India, Pakistan, and Indonesia. Nepal has the highest rate or 152 per thousand. Sri Lanka's mortality rate is the lowest at 46 per thousand;

-- Literacy rates are under 50% for India, Bangladesh, Pakistan and Nepal -- the last two countries have 16% and 12% rates respectively;

-- Inadequate education opportunities perpetuate inadequate manpower skills. As of 1971, less than 40% of the school-age children were receiving either a primary or secondary education in Bangladesh, India, Indonesia, Nepal and Pakistan;

-- Poverty is the most extensive in the world. The lowest per capita GNP (1973) in the region is $70 for Bangladesh with Nepal's $90 next. Four countries have $100-$150 per capita incomes. Thailand and the Philippines have the highest incomes with $240 and $270 respectively;

-- Women in Asia are most heavily constrained by the limitations of poverty. Fields of employment are closed and educational opportunities are limited. Literacy among women is especially low, estimated at 9% in Pakistan. The productivity of women is minimal compared with their potential.

Special Problems for Development

The rate at which development can proceed in parts of Asia is likely to be adversely affected by the following factors:

-- Economic disruption in the region has resulted from increased oil and food prices, worldwide inflation and recession:

** World demand and prices for primary products exported by the Asian countries have generally decreased during 1975;

** Costs of imported goods essential for development have continued to increase during the same period;

** The worsening of the terms of trade has created severe balance of payments problems and reduced foreign exchange availability for development. Our aid is not directly addressed to these balance-of-payment problems but they are a limiting factor in the overall rate of development progress.

-- Political instability has brought martial law in Bangladesh;

-- U. S. foreign investment in South Asia has been discouraged by the poor investment climate, including ineffective promotion by governments in the region.

The FY 1977 Asia Program

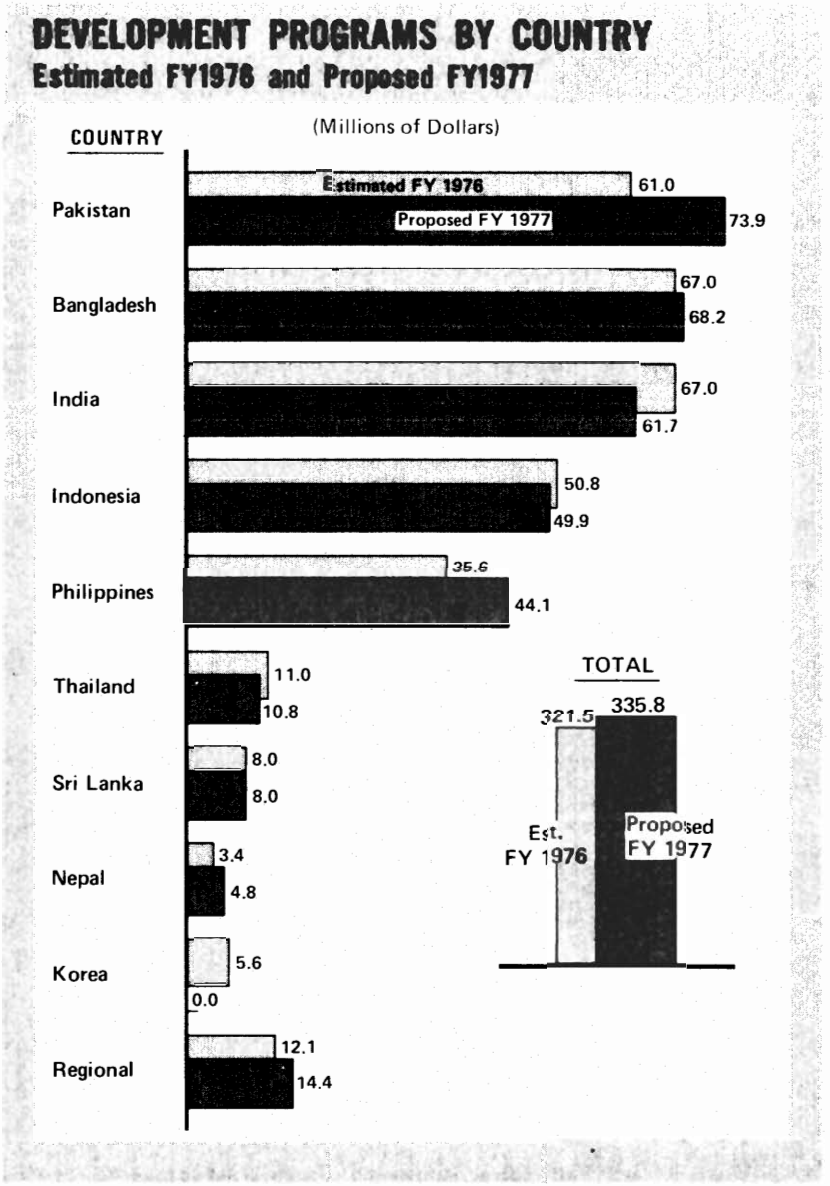
A.I.D.'s proposed program will continue the progress already made in the transition of program content and management in accordance with the 1973 Congressional mandate:

-- Primary emphasis will be placed on activities in the sectors of concentration (Food and Nutrition, Population and Health, Education and Human Resources) which impact on the poor majority by making them more active participants in the development process;

-- The major objective of the U.S. development effort in Asia is to help, as part of an expanding international campaign, in closing the food gap so that present and future generations in the poor countries will be assured this basic necessity for life;

-- Greater attention will be paid to activities that seek to improve the participation of women in development;

-- Private and voluntary agencies will play a significantly larger role in implementing the program.



DEVELOPMENT ASSISTANCE - ASIA

Food and Nutrition

A.I.D.'s principal development priority is to support efforts to establish a favorable balance between food supply and food requirements in program countries. Of our total FY 1977 program request, 68% is concentrated on increasing agricultural production to fill the food gap and its related goal of improved nutrition.

Assistance will be directed to benefit the small and medium-scale farmers and will take the form of:

- -- new and expanded irrigation systems;
- -- agricultural inputs such as fertilizer, seeds and pesticides;
- -- research directed towards higher-yielding and more disease-resistant foodgrains;
- -- creating more effective extension services to disseminate research results to the farmer;
- -- additional grain storage and handling facilities;
- -- training for the agricultural teachers and technicians required to staff the research and extension support services;
- -- planning assistance to improve the identification and design of agricultural projects at the local level;
- -- farm-to-market road construction;
- -- development of fisheries as a source of improved nutrition.

Population Planning and Health

Most Asian governments recognize the need to reduce population growth rates and provide for improved health conditions. They also realize that the solution to the problem requires long-term economic and social changes.

A.I.D. population programs will assist the governments of Bangladesh, Pakistan, Philippines, Indonesia, Thailand and Nepal to provide family planning services to their poor majorities by means of:

- -- cost effective systems for delivery of family planning and maternal/child health information;
- -- reliable supplies of contraceptives;
- -- improved demographic information, follow-up evaluation, and planning methods to enable population planning policy formulation.

Assistance in health programs will enable the governments of the Philippines, Indonesia, Sri Lanka, Thailand and Nepal to deliver better health services to their populations by means of:

- -- expanded basic health services in rural areas;
- -- provision of potable water in provincial towns and villages;
- -- control measures for malaria and other communicable diseases;
- -- community immunization programs to reach outlying areas.

Education and Human Resources Development

Recognizing that improved education can increase productivity of the poor majority, assistance will be provided Pakistan, Indonesia, Thailand, Nepal, Philippines and India to:

- -- reduce the number of dropouts from primary school;
- -- ensure higher enrollment rates for girls;
- -- provide training opportunities in development skills for both women and men.

Sec. 106 Development Activities

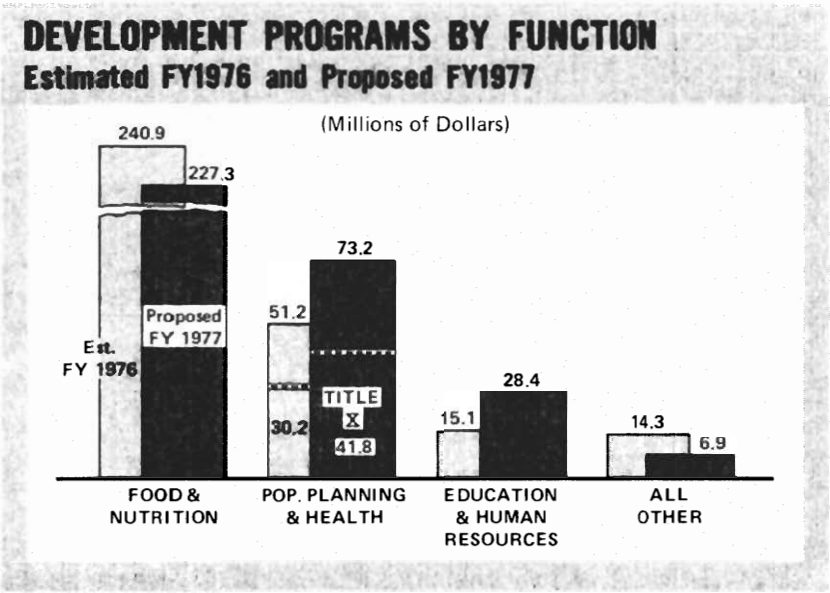
Activities in support of overall programs to aid the poor, improve the status of women and meet other A.I.D.-supported goals will be carried out in the Asian countries through:

-- support to private voluntary organizations in carrying out programs in rural areas;

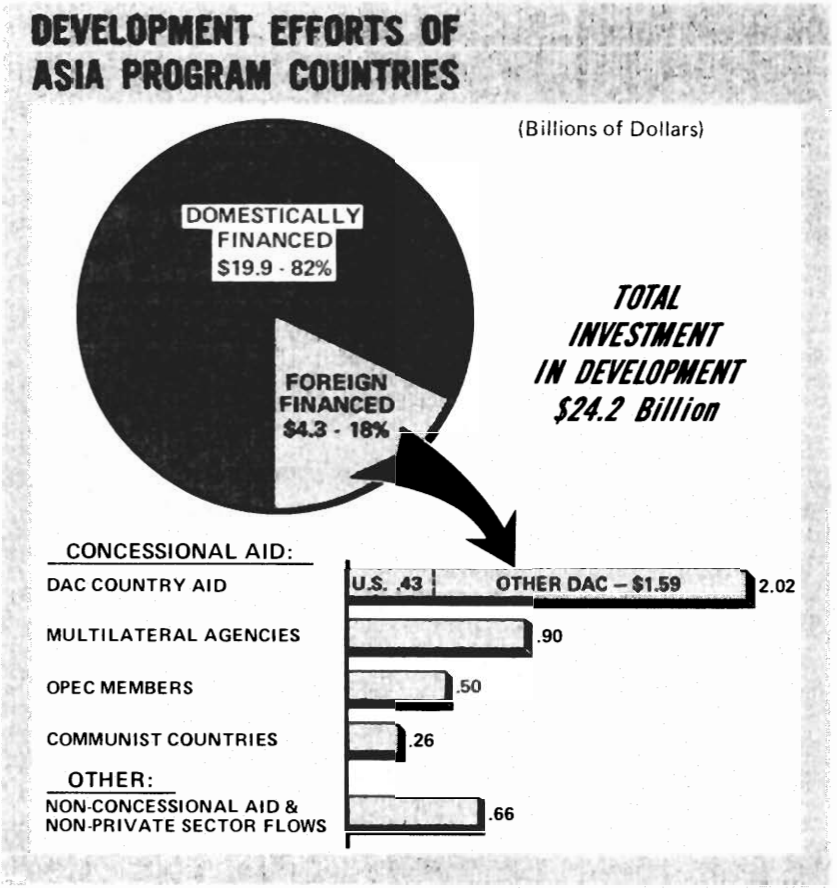
-- research studies;

-- technical assistance services;

-- support to organizations carrying out regionwide programs.



The chart below places in perspective the development efforts of the Asia program countries in relation to the foreign financing they receive. Data are for 1974.



REGION: ASIA

TABLE I

SUMMARY OF PROGRAM BY COUNTRY AND APPROPRIATION
FY 1975
(In thousands of dollars)

COUNTRY	Total	Food and Nutrition	Population Planning and Health	Education and Human Resources Development	Selected Development Problems	Selected Countries and Organizations	Other Programs
Bangladesh	61,973	60,007	1,651	-	315	-	-
Indonesia	43,255	37,297	4,418	1,540	-	-	-
Korea	20,356	8,858	5,560	5,838	100	-	-
Nepal	2,538	1,156	968	414	-	-	-
Pakistan	95,995	40,787	27,238	470	-	-	27,500
Philippines	55,310	49,269	5,675	50	-	-	316
Sri Lanka	8,000	8,000	-	-	-	-	-
Thailand	4,077	2,071	1,069	937	-	-	-
Regional Development	18,271	600	29	2,502	-	974	14,166
Cambodia	54,561	-	-	-	-	-	54,561
Laos	24,336	-	349	-	-	-	23,987
Vietnam	191,338	-	116	-	-	-	191,222
Total	580,010	208,045	47,073	11,751	415	974	311,752

SUMMARY OF PROGRAM BY COUNTRY AND APPROPRIATION
FY 1976, TRANSITION QUARTER (TQ), FY 1977
(In thousands of dollars)

REGION: ASIA

TABLE I

COUNTRY	Total			Food and Nutrition			Population Planning and Health			Education and Human Resources Development			Development Activities under Sec. 106			Other Programs		
	1976	TQ	1977	1976	TQ	1977	1976	TQ	1977	1976	TQ	1977	1976	TQ	1977	1976	TQ	1977
Bangladesh	66,969	23,731	68,200	59,869	20,466	59,000	4,600	765	8,290	-	-	-	2,500	2,500	910	-	-	-
India	67,000	200	61,700	66,500	100	61,200	-	-	-	500	100	500	-	-	-	-	-	-
Indonesia	50,801	2,450	49,905	27,800	300	31,400	16,401	1,950	10,705	6,600	200	7,800	-	-	-	-	-	-
Korea	5,592	-	-	292	-	-	-	-	-	300	-	-	5,000	-	-	-	-	-
Nepal	3,450	920	4,775	1,100	400	1,700	1,350	320	2,275	1,000	200	800	-	-	-	-	-	-
Pakistan	61,108	35,884	73,944	49,300	26,344	35,123	8,858	9,540	26,421	450	-	12,400	2,500	-	-	-	-	-
Philippines	35,559	1,763	44,041	20,700	500	27,300	14,759	1,263	16,641	100	-	100	-	-	-	-	-	-
Sri Lanka	8,000	-	8,000	8,000	-	3,000	-	-	5,000	-	-	-	-	-	-	-	-	-
Thailand	10,987	2,362	10,830	7,100	1,600	8,000	3,487	662	2,030	400	100	800	-	-	-	-	-	-
Regional Development	12,085	3,675	14,400	245	300	600	1,785	500	1,800	5,775	2,325	6,050	4,280	550	5,950	-	-	-
Total	321,551	70,985	335,795	240,906	50,010	227,323	51,240	15,000	73,162	15,125	2,925	28,450	14,280	3,050	6,860	-	-	-

SUMMARY OF A.I.D. PERSONNEL BY COUNTRY
(U.S. Nationals on Duty at End of Fiscal Year)

REGION: ASIA

TABLE II

A.I.D. Organization/Country	A.I.D. DIRECT HIRE* (Full-time Employees in Permanent Positions)			PARTICIPATING AGENCY TECHNICIANS			CONTRACTOR TECHNICIANS			TOTAL		
	FY 1975 Actual	FY 1976 Estimated [a]	FY 1977 Proposed[a]	FY 1975 Actual	FY 1976 Estimated	FY 1977 Proposed	FY 1975 Actual	FY 1976 Estimated	FY 1977 Proposed	FY 1975 Actual	FY 1976 Estimated	FY 1977 Proposed
Bangladesh	23	29	30	-	-	-	4	24	26	27	53	56
India	8	6	6	-	-	-	-	-	14	8	6	20
Indonesia	49	49	40	1	-	6	14	23	23	64	72	69
Korea	17	12	7	-	-	-	15	21	-	32	33	7
Nepal	21	21	20	-	-	-	8	29	30	29	50	50
Pakistan	36	43	42	7	8	19	7	10	8	50	61	69
Philippines	61	76	76	5	4	5	45	26	34	111	106	115
Sri Lanka	2	3	3	-	-	-	-	-	-	2	3	3
Thailand	35	26	21	6	-	-	15	43	52	56	69	73
Asia Regional	21	12	12	-	5	-	41	75	88	62	92	100
TOTAL	273	277	257	19	17	30	149	251	275	441	545	562

[a]Authorized as of December 31, 1975.

*Includes personnel funded under both program and operating expenses.

SUMMARY OF PARTICIPANTS BY COUNTRY

REGION: Asia

(Programmed During Fiscal Year)

TABLE III

COUNTRY	NONCONTRACT			CONTRACT			TOTAL		
	FY 1975 ACTUAL	FY 1976 ESTIMATED	FY 1977 PROPOSED	FY 1975 ACTUAL	FY 1976 ESTIMATED	FY 1977 PROPOSED	FY 1975 ACTUAL	FY 1976 ESTIMATED	FY 1977 PROPOSED
Bangladesh	13	77	104	-	-	-	13	77	104
India	5	100	100	-	-	-	5	100	100
Indonesia	183	241	342	53	25	-	236	266	342
Korea	75	33	-	3	-	-	78	33	-
Nepal	24	43	53	-	41	57	24	84	110
Pakistan	36	64	56	-	-	2	36	64	58
Philippines	124	132	180	4	-	-	128	132	180
Sri Lanka	3	-	-	1	-	-	4	-	-
Thailand	107	195	188	10	-	-	117	195	188
Asia Regional	-	-	-	4	50	77	4	50	77
TOTAL	570	885	1,023	75	116	136	645	1,001	1,159

ECONOMIC AND SOCIAL DATA

REGION: ASIA

TABLE IV a

COUNTRY	POPULATION					HEALTH			EDUCATION				
	TOTAL (Mid-1975)	ANNUAL GROWTH RATE	PERCENT IN URBAN AREAS		PERCENT OF LABOR FORCE IN AGRICULTURE	NUMBER OF PEOPLE PER DOCTOR	LIFE EXPECTANCY	INFANT DEATHS PER 1,000 LIVE BIRTHS	PRIMARY AND SECONDARY STUDENTS				LITERACY RATE
									1960	1971	1960	1971	
	MILLIONS	PERCENT	1960	1975			YEARS		THOUSANDS		AS PERCENT 5-19 AGE GROUP		PERCENT
Bangladesh	80.6	2.7	5	7	80[E]	9,350	47	132	5,100[a]	7,730[b]	23[a]	29[b]	22
India	613.7	2.3	18	21	72	4,250	51	134	37,000	73,300[c]	24	38[c]	34
Indonesia	139.5	2.1	15	19	62	25,800	48	146	9,700	15,600	31	33	60[E]
Nepal	12.6	2.3	3	5	94	96,900	44	152	190	550[d]	6	15[d]	12
Pakistan	69.3	2.9	20	27	57	3,920	50	136	4,200[a]	6,200	22[a]	28	16
Philippines	43.4	2.9	30	36	51	2,680	58	68	4,900	9,400[b]	44	65[b]	83
Sri Lanka	13.7	2.0	18	24	41	6,020	66	46	2,200	2,700[d]	63	61[d]	84
Thailand	41.9	2.6	13	17	72	8,520	58	81	4,200	7,200[e]	44	46[e]	82

NOTE: Data for developing countries often represent approximate orders of magnitude rather than precise measurements, and may not be fully comparable between countries. Where year is not stated, data are the most recent information available.
E - Estimate. a - 1965. b - 1972. c - 1968 estimate. d - 1969. e - 1973.

ECONOMIC AND SOCIAL DATA

REGION: ASIA

TABLE IV b

COUNTRY	PER CAPITA GROSS NATIONAL PRODUCT		AGRICULTURAL PRODUCTION		INTERNATIONAL COMMODITY TRADE				
	1973[a]	AVERAGE ANNUAL GROWTH RATE 1965-1973[b]	AVERAGE ANNUAL GROWTH RATE 1970-75		EXPORTS (F.O.B.)		MAIN EXPORTS	IMPORTS (C.I.F.)	
			TOTAL	PER CAPITA	1970	1974		1970	1974
	DOLLARS	PERCENT	PERCENT		$ MILLIONS		ITEM	$ MILLIONS	
Bangladesh	70	-1.6	1.0	-1.5	259[c]	347	Jute, tea	549[c]	1,096
India	120	1.5	2.0	-0.2	2,026	3,925	Jute, tea	2,125	5,043
Indonesia	100	4.5	4.1	1.5	1,108	7,426	Petroleum	1,002	3,842
Nepal[d]	90	-0.1	n.a.	n.a.	53[E]	65[E]	Rice, jute	60[E]	70[E]
Pakistan	150	2.5	0.6	-2.3	723	1,113	Cotton, jute	1,151	1,732
Philippines	270	2.6	3.8	0.6	1,062	2,671	Sugar, coconut prod., rubber	1,210	3,436
Sri Lanka	110	2.0	-1.6	-3.7	342	521	Tea, coconut prod., rubber	388	691
Thailand	240	4.5	5.2	1.9	710	2,466	Rice, rubber, corn	1,293	3,144

E - Estimate. n.a. - Not available.

a - Estimates in the IBRD 1975 Annual Report. Briefly described, 1973 GNP data in national currencies, expressed in average 1965-71 domestic prices, were converted to U.S. dollar equivalents at an average 1965-71 exchange rate, and then adjusted for inflation of the U.S. dollar from the 1965-71 base period to 1973. b - Estimates in the IBRD 1975 World Atlas. c - 1972. d - Trade data are for 1969 and 1973.

ECONOMIC AND SOCIAL DATA

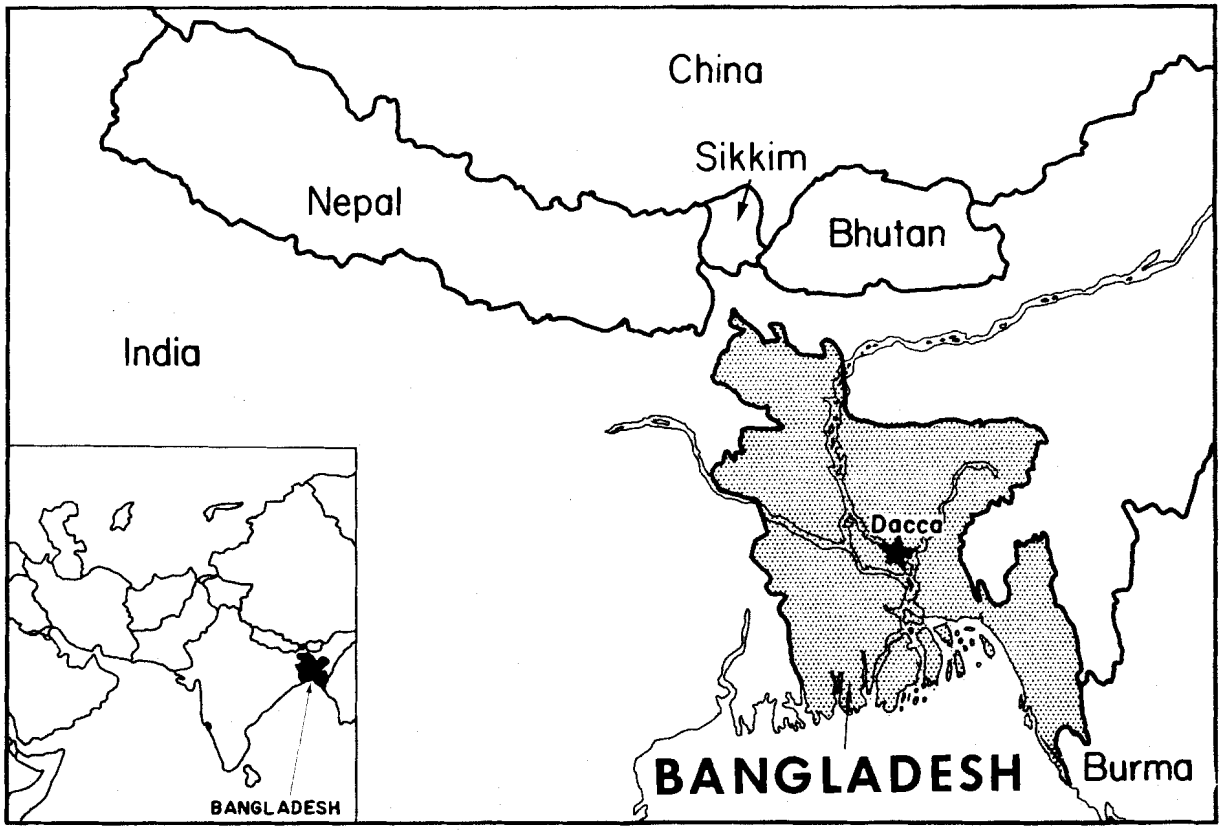
REGION: ASIA

TABLE IV c

COUNTRY	GOLD & FOREIGN EXCHANGE[a]			CENTRAL GOVERNMENT FINANCES[b]							
				EXPENDITURES						DOMESTIC REVENUES	
				TOTAL		DEFENSE EXPENDITURES					
				AMOUNT		AS % OF TOTAL EXPENDITURES		AS % OF GNP[c]			
	1973	1974	1975	1973	1974[E]	1973	1974[E]	1973	1974[E]	1973	1974[E]
	$ MILLIONS			$ MILLIONS		PERCENT		PERCENT		$ MILLIONS	
Bangladesh	135	136	228(Jun)	959	1,211	7.0	8.1	0.9	0.9	423	673
India	1,142	1,325	1,391(Aug)	11,814	13,989	17.6	19.0	3.0	3.0	9,405	11,036
Indonesia	807	1,492	781(Oct)	2,668	4,614	16.9	15.3	2.9	3.0	2,322	4,209
Nepal	121	133	112(May)	93	124	7.0	6.3	0.6	0.6	58	69
Pakistan	480	461	498(Oct)	1,969	2,977	26.5	23.1	6.3	6.6	1,255	1,523
Philippines	1,038	1,504	1,449(")	1,274	2,069	13.0	12.0	1.6	1.8	1,119	1,601
Sri Lanka	87	78	70(")	704	828	3.1	3.1	0.9	0.8	551	652
Thailand	1,306	1,858	1,886(")	1,576	1,748	18.5	20.2	3.2	3.0	1,299	1,908

a - Official reserves, gross basis, end of period. b - Converted to U.S. dollar equivalents at 1974 exchange rates. Data are in current prices that reflect the impact of inflation. c - Derived from current price data in national currencies.
E - Estimate.

Bangladesh



BASIC DATA

Population *(millions - mid-1975)*	80.6
Annual Growth Rate *(percent)*	2.7
Population in Urban Areas *(Percent - 1975)*	7
Labor Force in Agriculture *(Percent)*	80
Per Capita GNP *(dollars - 1973)*	70*
Life Expectancy *(years)*	47
People Per Doctor	9,350
Literacy Rate *(percent)*	22
Students as % of 5 - 19 Age Group *(Primary and Secondary)*	29

* - Estimate in IBRD 1975 Annual Report.

BANGLADESH

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BANGLADESH

Bangladesh is one of the world's poorest and least developed countries:

-- It must make tremendous strides in food production and population control before it can offer hope for improved standards of living to its impoverished millions;

-- Foreign assistance has and must continue to play a vital role in helping Bangladesh to deal with its problems;

-- The quality of Bangladesh's own commitment to development remains the basic determinant of whether or not equitable growth will occur.

Objectives of U.S. Assistance

The objective of U.S. assistance is to help promote social and economic progress for all Bengalees while paying special attention to the needs of the poorest--the small farmers and landless:

-- Increased production and employment in the agriculture sector are essential to improve individual welfare for nearly all Bengalees;

** The largest share of U.S. aid is directed to increasing productivity in Bangladesh agriculture with emphasis on creation of employment opportunities;

-- An equally important, longer-term objective is to assist in the reduction of the population growth rate.

Socio-Economic Setting

A period of political instability followed the coup d'etat against President Mujibur Rahman in August 1975:

PROGRAM SUMMARY
(In thousands of dollars)

FISCAL YEAR	Total	Food and Nutrition	Population Planning and Health	Education and Human Resources Development	Selected Development Problems	Selected Countries and Organizations	Other Programs
1975							
Loans	60,000	60,000	-	-	-	-	-
Grants	1,973	7	1,651	-	315	-	-
Total	61,973	60,007	1,651	-	315	-	-
					Development Activities under Sec. 106		
1976							
Loans	60,000	58,000	-	-	2,000		-
Grants	6,969	1,869	4,600	-	500		-
Total	66,969	59,869	4,600	-	2,500		-
Transition Quarter							
Loans	22,500	20,000	-	-	2,500		-
Grants	1,231	466	765	-	-		-
Total	23,731	20,466	765	-	2,500		-
1977							
Loans	57,500	57,500	-	-	-		-
Grants	10,700	1,500	8,290	-	910		-
Total	68,200	59,000	8,290	-	910		-

-- Several changes of government occurred in rapid succession, and the armed forces experienced considerable turmoil;

-- Bangladesh is now governed by a Martial Law Administration.

BANGLADESH

It is recognized that the political stability of Bangladesh continues to be fragile and that further stresses may occur:

-- As long as the situation permits, the United States will continue to provide assistance to mitigate suffering from hunger and disease and to work through the Bangladesh Aid Group to provide resources for economic development.

The short-term economic outlook has improved as a result of ideal weather and far-reaching monetary and fiscal reforms adopted in May 1975:

-- Near-perfect monsoon rainfall and absence of natural disasters during 1975 have set the stage for a record-breaking rice harvest;

-- In May 1975 the Bangladesh Government devalued its currency sufficiently to make jute exports, its major foreign exchange earner, competitive again;

-- Strict controls on credit expansion and severe reduction in deficit financing of the government budget were enforced;

-- Inflation has been greatly reduced with the sharp decrease in the price of rice, the main staple.

The Martial Law Administration has acted to promote agricultural production:

-- To help maintain some incentive to farmers to grow more food at a time when bumper harvests have driven prices down sharply, the Government has implemented a food procurement program;

-- An effort has been made by the Bangladesh Government to obtain additional foodgrain storage to support the procurement drive through a program of warehouse repair and rental.

Further, the new government has taken steps to encourage private investment and has removed some administrative bottlenecks to development. Yet, Bangladesh's absorptive capacity for the assistance available remains limited.

This is particularly the case in the key area of population control:

-- Detailed plans exist to provide family planning programs to meet the increasing demand for contraceptives and clinical services:

** However, until recently the Bangladesh Government had moved very slowly in assigning administrators and authorizing the recruitment and training of field workers;

** Support for innovative indigenous and foreign private and voluntary efforts had been given reluctantly, if at all.

The Bangladesh Aid Group, in which the United States participates as a major donor, is working to identify and recommend policy changes which can lead to more effective use of aid.

FY 1977 Program

Bangladesh's dilemma is that it does not produce enough food to adequately nourish its rapidly growing population:

-- The interaction of these forces bears most heavily on the poorest members of society; this basic fact determines the most critical needs which outside assistance can supply: productivity - increasing investments for agriculture and supplies and training for family planning.

BANGLADESH

The economic assistance we are seeking for Bangladesh in FY 1977 includes $68.2 million in A.I.D. funds, consisting of:

-- $57.5 million in development loans;

-- $2.4 million in technical assistance grants;

-- $8.3 million in Title X population grants.

Food and Nutrition

For FY 1977, A.I.D. is requesting $57.5 million for loans to commence one new rural electrification project and provide additional funding for actions begun in FY 1976 to improve productivity in agriculture:

-- Electrification of irrigation pumps and small market towns engaging in processing and marketing of agricultural products will be supported by a new loan of $16 million:

** The loan will be designed to increase the production and marketing of food and generate increased income in rural areas.

-- A second loan of $14 million is planned for a small-scale irrigation program expressly designed to benefit small farmers and landless laborers:

** In FY 1977 A.I.D. will continue financing of production and installation of handpumps for irrigation under a program begun in FY 1976;

** A.I.D. loan proceeds make it possible for the Bangladesh Government to provide a credit package to individual small farmers for the pumps and for fertilizer and high-yielding seeds as a starter for the planting season:

*** Beyond the increased production and income created by allowing crops to be grown during the previously idle dry season, handpumps can help a marginal farmer retain ownership of his land and avoid the slide into landlessness and penury;

*** Because they require manual labor for their operation, handpumps also expand employment opportunities for the landless.

Bangladesh's best hope of an early significant improvement in productivity in agriculture is through major increases in fertilizer consumption. For this reason, A.I.D. has focused considerable attention on fertilizer supply:

-- In FY 1977, we plan a loan of $27.5 million for agricultural inputs which will be structured to encourage and support institutional changes needed to guarantee better retail access to fertilizers for the smaller farmer:

-- In FY 1975, we committed loan funds together with six other donors to build a fertilizer plant utilizing Bangladesh's ample reserves of high quality natural gas. The plant is planned to begin production in 1978;

-- For the last three years, we have provided loan assistance to enable the Bangladesh Government to procure needed supplies of urea and triple-super phosphate to supplement its own production.

Rural Public Works

For the landless, who comprise 30%-40% of rural Bangladesh's population (about 6-8 million workers with 18 million dependents), employment opportunities during the post-harvest seasons are urgently needed:

-- Bangladesh has had long experience with seasonal public works projects using both cash and food to pay workers to build and maintain transportation and irrigation/flood control infrastructure. A.I.D. is developing fixed-cost reimbursement methods as a basis for providing loan financing in FY 1976 to support the labor-intensive rural works program;

-- Food-for-work projects begun in FY 1976 in which payment is made with grant Title II food under CARE monitorship--also on a reimbursement basis--will be expanded in FY 1977.

Population

The present number of inhabitants in Bangladesh is estimated at 80 million, crowded into a space the size of Wisconsin:

-- A population growth rate of 2.7% means that every year approximately 2.2 million additional people are added to the nation's population;

-- Bangladesh's population is dense, yet difficult to reach with information and services--illiteracy approaches 80% and transport and communications are poorly developed;

-- It is clear that the imbalance between population and food supply already constitutes one of the nation's most serious health problems, in the form of diseases and high child mortality (about 25% of all children born alive die before their fifth birthday) related to chronic malnutrition which affects at least half the population;

-- The high dependency burden (45% of the population is under 18 years of age) means extremely heavy social costs for even minimal health and education.

The Bangladesh Government has in the past failed to assign adequately high priority to meeting the needs of those fertile couples who wish to limit the size of their families. New impetus has been given to population programs by the new government. Hopefully, these efforts will lead to a significantly improved availability of contraceptive supplies and services, particularly in the rural areas:

-- A.I.D. and other donors have provided substantial assistance, but the U.S. role has been limited to provision of contraceptives and some research and training support;

-- In FY 1977, we plan to provide $8.3 million for family planning under Title X.

Other FY 1977 Grants. Ongoing grant-financed projects in agriculture and private and voluntary agency co-financing for monitoring of an expanded Title II food-for-work program will require $2.4 million during FY 1977.

FY 1977 PL 480 Food Assistance

The United States, together with other food aid donors, is cooperating with the Bangladesh Government in directing food assistance to uses that foster development as opposed to mere consumption. In particular, we are exploring ways in which food assistance would:

-- Encourage production incentives and price support efforts;

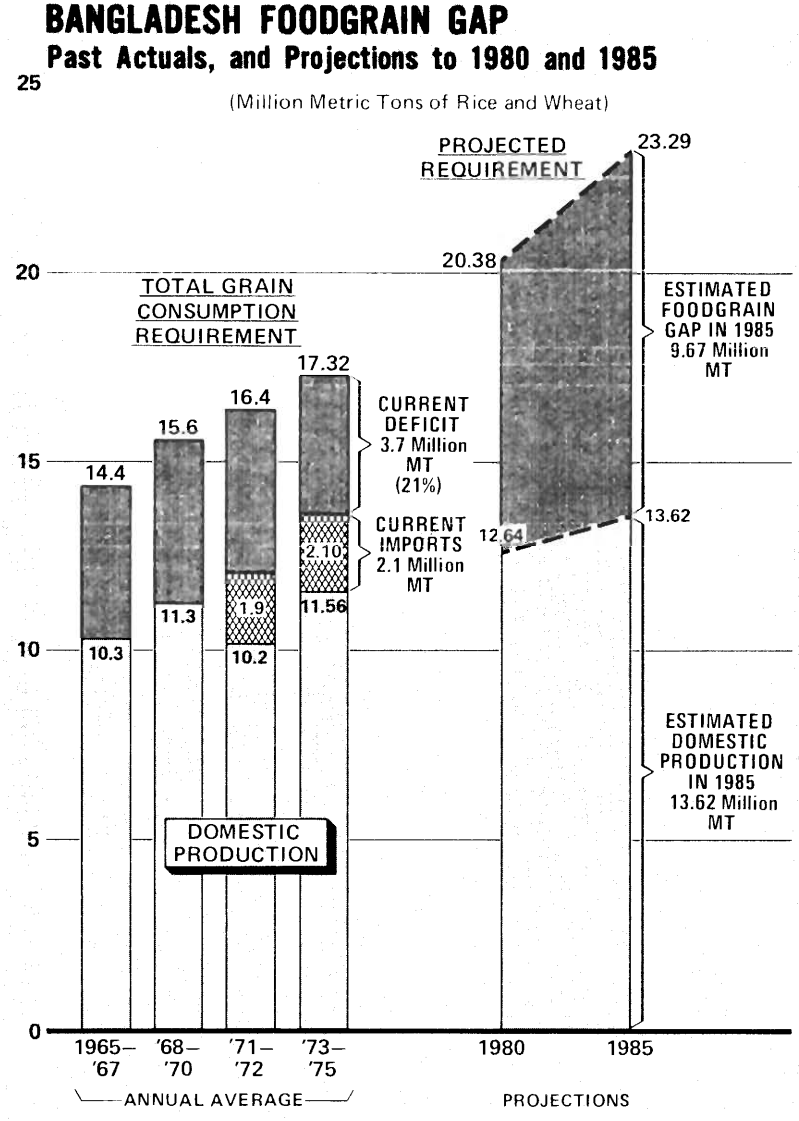
-- Contribute to the building of an adequate national food reserve system.

As a first step in this direction, we are directing increasing Title II food assistance to the Bangladesh Government's food-for-work program. We are requesting $24.9 million of PL 480 Title II grant commodities for FY 1977, including $10.5 million for the World Food Program.

On the basis of past experience, we estimate that Bangladesh's total FY 1977 foodgrain imports will be in the range of 1.5 to 2.0 million tons.

-- Of this amount, a total of $133.5 million is being requested for PL 480 Title I commodities. This will cover an estimated 500,000 metric tons of wheat, 150,000 tons of rice, and 50,000 tons of vegetable oil.

The following chart represents an estimate of the current and projected foodgrain gap: the shortfall of domestic production and imports below minimum nutritional consumption standards. Based on a population growth rate of 2.7%, minimum nutritional requirements of 2,310 calories per capita per day, and the average annual grain production growth rate of 1.5% achieved during the past decade, the foodgrain gap will grow from its current 5.8 million metric tons to 9.7 million metric tons by 1985. This amounts to about 70% of the projected production level. Just to maintain per capita consumption at its current average level, 21% below minimum nutritional requirements, would require imports totaling 4.8 million metric tons. The graph illustrates the urgency and importance of the three major elements of the U.S. assistance program: (1) population control projects to help lower future consumption requirements in a voluntary, humanitarian manner, (2) agricultural development projects to increase the growth rate of domestic production, and (3) PL 480 food imports in order to reduce malnutrition and starvation in the interim. To the extent these efforts are not successful, the foodgrain gap will be closed involuntarily by the classic "Malthusian" checks on population growth: poverty and misery, disease, famine and war.



COUNTRY: BANGLADESH

GRANT ACTIVITY SUMMARY

(In thousands of dollars)

TABLE V

Project Title	*	Project Number	FY of Initial Obligation	FY of Scheduled Final Obligation	Through FY 1975			Estimated FY 1976			Estimated Transition Quarter	Proposed Program FY 1977	Future Year Obligations	Estimated Total Cost
					Obligations	Expenditures	Unliquidated Obligations 6/30/75	Obligations	Expenditures	Unliquidated Obligations 6/30/76				
Food and Nutrition								1,869			466	1,500		
Development Services and Training	*	388-11-190-002	1974	1977	1,000	89	911	500	500	911	-	500	-	2,000
Agricultural Research	*	388-11-110-003	1976	1978	-	-	-	1,000	320	680	347	726	488	2,561
Project Studies Grant		388-11-190-008	1974	1974	1,000	-	1,000	-	268	732	-	-	-	1,000
Food for Work	*	388-11-821-017	1976	1980	-	-	-	369	250	119	119	274	774	1,536
Population Planning and Health								4,600			765	8,290		
Population/Family Planning	*	388-11-580-001	1973	1978	7,049	3,521	3,528	4,600	5,000	3,128	765	8,290	10,000	30,704
Development Activities Under Section 106								500			-	910		
Private Voluntary Organizations Co-Financing	*	388-15-999-010	1975	1977	290	-	290	500	550	240	-	910	-	1,700
							Total	6,969	6,888	5,810	1,231	10,700		

*Detailed project narrative—See Table VI.

Country: BANGLADESH

GRANT ACTIVITY DATA

TABLE VI

TITLE	FUNDS	PROPOSED OBLIGATION ($000)	
Development Services and Training	Food and Nutrition	FY 77 500	
NUMBER 388-11-190-002	PRIOR REFERENCE p. 48, FY 1976 NESA PDB	INITIAL OBLIGATION FY: 1974	SCHEDULED FINAL OBLIGATION FY: 1977

Project and Course of Action: To enable the Government of Bangladesh to obtain high priority technical assistance and training to plan, implement, and effectively manage agricultural and rural development programs and projects. Skilled manpower to design, plan, implement, and evaluate development projects is limited, particularly at the middle management level. Assistance provided under this grant helps finance technical and advisory services, academic and professional training, and upgrade the institutional and administrative capacity of the Bangladesh Government's development administration.

Progress to Date: This project became fully operational in late FY 1975 following resolution of problems concerning Bangladesh Government contracting and participant training procedures.

A U.S. consultant has advised on plans for developing the Agricultural Research Institute's Joydebpur research station. Another has reviewed the appropriateness of Bangladesh's present agricultural research program and assisted in preparing a comprehensive field research program. A team from the University of California has finished a comprehensive plant protection study. A long-term technician has started work on development and dissemination of agricultural techniques that are more appropriate to Bangladesh conditions. Three technicians from the International Voluntary Services are advising the Bangladesh Government on agricultural research, extension, and cooperatives. A number of additional technical services contracts are under negotiation. Under the participant training component, about 39 short-term and 28 long-term participants are or will soon be undergoing training in the United States and third countries in such fields as rural development, agricultural research, fertilizer plant maintenance, water management, plant protection, and fertilizer distribution and marketing.

FY 1977 Program: The $500,000 proposed for this activity will fund contracts for two long-term advisors ($150,000) and up to 15 man-months of short-term consultations ($120,000); short-term training in the United States for 12 participants and in third countries for ten participants ($190,000); and other costs such as conferences and seminars ($40,000).

U.S. DOLLAR COST (In Thousands)

	Obligations	Expenditures	Unliquidated
Through 6/30/75	1,000	89	911
Estimated FY 76	500	500	
Estimated through 6/30/76	1,500	589	911
Estimated Transition Quarter	-	Future Year Obligations	Estimated Total Cost
Proposed FY 77	500	-	2,000

Cost Components	OBLIGATIONS								
	Estimated FY 76			Estimated Transition Quarter			Proposed FY 77		
	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total
U.S. Technicians . .	-	290	290	-	-	-	-	270	270
Participants	190	-	190	-	-	-	190	-	190
Commodities	-	-	-	-	-	-	-	-	-
Other Costs	20	-	20	-	-	-	40	-	40
Total Obligations . .	210	290	500	-	-	-	230	270	500

PRINCIPAL CONTRACTORS/ AGENCIES

Personal Services contractors, International Voluntary Services, University of California, and others

Country: BANGLADESH

GRANT ACTIVITY DATA

TABLE VI

TITLE	FUNDS	PROPOSED OBLIGATION ($000)	
Agricultural Research	Food and Nutrition	FY 77 726	
NUMBER 388-11-110-003	PRIOR REFERENCE p.49, FY 1976 NESA PDB	INITIAL OBLIGATION FY: 1976	SCHEDULED FINAL OBLIGATION FY: 1978

Project Target and Course of Action: To develop and upgrade a functioning and effective agricultural research system for foodcrops other than rice. This is done by upgrading the Bangladesh Agricultural Research Institute (ARI) into an adequately staffed and equipped institution producing research results to enable small farmers to increase production of non-rice crops. In addition, the project develops the coordination capability of the Agriculture Research Council (ARC).

With the exception of rice research, Bangladesh is not as yet implementing major advanced research on problems facing farmers in growing food crops. Wheat, legumes, vegetables and oilseeds are important nutritionally and can also increase farm income through increased cropping intensity on the limited land available for agriculture.

Progress to Date: The Bangladesh Government has developed a program to upgrade ARI's staff and facilities while simultaneously implementing crop research experiments. ARI is establishing integrated programs for research on wheat, vegetables, legumes and cropping systems. The most advanced program is wheat research: i.e. in FY 1975 the testing program led to the Bangladesh Government's decision to import 1,200 tons of Tanori 71 wheat seed from Mexico for distribution to farmers. This year, ARI's operating budget was quadrupled to approximately $1.2 million equivalent.

The Bangladesh Government has completed three-fourths of the basic construction for the laboratory and administrative complex at ARI's new Joydebpur headquarters.

A.I.D. approved a combined loan/grant in FY 1976. The loan agreement finances completion of and equipping the Joydebpur research station's laboratory/administration buildings and farm, as well as housing for researchers. The grant finances advisory services to help ARI plan and implement advanced research programs for food crops other than rice, as well as advice on research station development. A.I.D also provides funds to the Agricultural Development Council for logistic support of foreign technicians and contracts with Bengalee institutions for agricultural research experiments.

FY 1977 Program: The $726,000 proposed for this activity will fund up to 7 resident technicians and up to 8 man-months of consultant services ($423,000); 5 new and 4 continuing Ph.D participants in the U.S. and 8 participants in third country programs, ($127,000) and local staff support costs and financing of advanced field research experiments ($176,000).

U.S. DOLLAR COST (In Thousands)

	Obligations	Expenditures	Unliquidated
Through 6/30/75	-	-	-
Estimated FY 76	1,000	320	
Estimated through 6/30/76	1,000	320	680
Estimated Transition Quarter	347	Future Year Obligations	Estimated Total Cost
Proposed FY 77	726	488	2,561

OBLIGATIONS

Cost Components	Estimated FY 76 Direct AID	Estimated FY 76 Contract/Other Agency	Estimated FY 76 Total	Estimated Transition Quarter Direct AID	Estimated Transition Quarter Contract/Other Agency	Estimated Transition Quarter Total	Proposed FY 77 Direct AID	Proposed FY 77 Contract/Other Agency	Proposed FY 77 Total
U.S. Technicians	-	503	503	-	122	122	-	423	423
Participants	150	-	150	105	-	105	127	-	127
Commodities	168	-	168	-	-	-	-	-	-
Other Costs	-	179	179	-	120	120	-	176	176
Total Obligations	318	682	1,000	105	242	347	127	599	726

PRINCIPAL CONTRACTORS/AGENCIES

To be selected.

Country: BANGLADESH

GRANT ACTIVITY DATA

TABLE VI

TITLE	FUNDS	PROPOSED OBLIGATION ($000)	
Food for Work	Food and Nutrition	FY 77 274	
	PRIOR REFERENCE	INITIAL OBLIGATION	SCHEDULED FINAL OBLIGATION
NUMBER 388-11-821-017	Sec.113 notification transmitted January 1976	FY: 1976	FY: 1980

Project Target and Course of Action: To provide employment for the rural poor in work for food provided under Title II of PL 480. Participating workers are paid for constructing rural earthworks which contribute to increased agricultural production. This project has a technical assistance component administered by CARE and the Bangladesh Government.

The project provides employment for the rural poor through the construction and maintenance of labor-intensive rural earthwork projects (irrigation canals, flood coastal embankments, land reclamation, roads, tanks, etc.). A unique feature of this project is that it operates on a reimbursable basis: Title II wheat replenishes Bangladesh Government stocks paid out as wages for work on these projects after the work performed has been certified by CARE. Up to 450,000 tons of Title II donated wheat will be utilized for this project over five years.

A grant to CARE covers CARE's cost of providing technical assistance to the Bangladesh Government in implementing and monitoring the project. Over the project's life, the Bangladesh contribution is expected to total the equivalent of $12,150,000 including project implementation costs, inland logistics, and partial funding of CARE's in-country operating costs.

Progress to Date: The project was conceived in late FY 1975 and preparatory actions were begun by CARE and the Bangladesh Government to permit project implementation at the beginning of the winter dry season. As of mid-FY 1976, the Bangladesh Government had submitted 1,500 proposed projects and CARE had established six regional offices and 18 mobile jeep teams for surveying and monitoring the projects. Pre-project surveys began December 1, 1975. By the end of FY 1976, 400 to 600 food-for-work projects are expected to be completed.

FY 1977 Program: The $274,000 proposed for this project provides partial funding for 10 resident CARE personnel and up to three man-month consultant services for overseeing and evaluating the planned implementation of 900 to 1,100 food-for-work projects ($264,000), and for miscellaneous local costs ($10,000). Approximately 100,000 metric tons of wheat used as payment of wages on these projects will be provided through the PL 480 Title II program.

U.S. DOLLAR COST (In Thousands)

	Obligations	Expenditures	Unliquidated
Through 6/30/75	-	-	-
Estimated FY 76	369	250	
Estimated through 6/30/76	369	250	119
Estimated Transition Quarter	119	Future Year Obligations	Estimated Total Cost
Proposed FY 77	274	774	1,536

Cost Components	OBLIGATIONS									PRINCIPAL CONTRACTORS/ AGENCIES
	Estimated FY 76			Estimated Transition Quarter			Proposed FY 77			
	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total	
U.S. Technicians . .	-	220	220	-	119	119	-	264	264	CARE
Participants	-	-	-	-	-	-	-	-	-	
Commodities	-	140	140	-	-	-	-	-	-	
Other Costs	-	9	9	-	-	-	-	10	10	
Total Obligations . .	-	369	369	-	119	119	-	274	274	

Country: BANGLADESH

GRANT ACTIVITY DATA

TABLE VI

TITLE	FUNDS	PROPOSED OBLIGATION ($000)	
Population/Family Planning	Population Planning and Health	FY 77 8,290	
	PRIOR REFERENCE	INITIAL OBLIGATION	SCHEDULED FINAL OBLIGATION
NUMBER 388-11-580-001	p. 51, FY 1976 NESA PDB	FY: 1973	FY: 1978

Project Target and Course of Action: To develop a nationwide family planning program. Emphasis is on countrywide availability of contraceptives, increasing number of acceptors, management in the area of organization and in movement of supplies, and training and operational research.

Progress to Date: The objectives of a one-year's contraceptive requirement in-country and a one-year's contraceptive pipeline have been achieved and adequate provision has been established to ensure sustained delivery. Actual contraceptive usage is still low, however, There are presently about 12,000 multipurpose field workers who personally dispense contraceptives. To increase this effort the Government has authorized employment of an additional 18,000 field workers, but administrative inertia and budgetary constraints have delayed rapid recruitment. Another program has been established to support a national commercial distribution and marketing program. Further, a new Division of Population Control and Family Planning in the Ministry of Health has been established to streamline the organizational structure and to enhance effectiveness of population and family planning activities. Other recent actions of the Government to make contraceptives easily available to everyone include making contraceptives available at no cost from Government program personnel and service facilities and marketing contraceptives at highly subsidized prices through drug stores. Overall program progress in FY 1976 has been slower than planned. Hopefully, the Bangladesh Government will take steps in FY 1977 to speed implementation of the program.

FY 1977 Program: In addition to contraceptives, assistance will be given to: increase evaluation and operational research capability; enhance the integration of women workers into the family planning program; establish fertility control training in four medical colleges; and to fund participant training. The $8,290,000 proposed will finance oral contraceptives and condoms ($5,580,000); evaluation and operational research ($300,000); medical equipment and supplies such as laprascopes, sterilizers, and mini-laparotomy kits to medical college clinics ($1,500,000); up to 25 long-term participants and 40 short-term trainees ($350,000); in-country training of 1,500 field personnel ($100,000); four long-term contract technicians and 30 man-months of short-term consultants ($380,000); and other costs for travel, population seminars/conference costs, and miscellaneous expenses ($80,000).

U.S. DOLLAR COST (In Thousands)

	Obligations	Expenditures	Unliquidated
Through 6/30/75	7,049	3,521	3,528
Estimated FY 76	4,600	5,000	
Estimated through 6/30/76	11,649	8,521	3,128
Estimated Transition Quarter	765	Future Year Obligations	Estimated Total Cost
Proposed FY 77	8,290	10,000	30,704

OBLIGATIONS

Cost Components	Estimated FY 76			Estimated Transition Quarter			Proposed FY 77		
	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total
U.S. Technicians . .	–	350	350	–	–	–	–	380	380
Participants	288	–	288	–	–	–	350	–	350
Commodities	3,952	–	3,952	765	–	765	7,080	–	7,080
Other Costs	10	–	10	–	–	–	480	–	480
Total Obligations . .	4,250	350	4,600	765	–	765	7,910	380	8,290

PRINCIPAL CONTRACTORS/ AGENCIES

To be selected.

Country: BANGLADESH

GRANT ACTIVITY DATA

TABLE VI

TITLE	FUNDS	PROPOSED OBLIGATION ($000)	
Private Voluntary Organizations Co-Financing	Development Activities under Sec. 106	FY 77 910	
NUMBER 388-15-999-010	PRIOR REFERENCE p. 53, FY 1976 NESA PDB	INITIAL OBLIGATION FY: 1975	SCHEDULED FINAL OBLIGATION FY: 1977

Project Target and Course of Action: To engage the expertise of U.S. and Bengalee private voluntary organizations (PVOs) in small-scale, mutually funded development projects to benefit principally the rural poor.
Private U.S. voluntary organizations have played a leading role in responding to Bangladesh disasters. The relief and rehabilitation period provided the knowledge, experience and acceptance of voluntary agencies in Bangladesh, as well as experience in working with A.I.D. This opportunity provided an excellent foundation on which to build a continuing, development-oriented relationship between the voluntary agencies, the Bangladesh Government, and A.I.D. Hence this project was established to increase the overall value (and cost effectiveness) of controlled voluntary agency projects related to and evaluated in terms of mutual Bengalee/A.I.D development priorities and serving as potential models for major projects. Thirty percent of the costs of each specific project activity are borne by the PVOs themselves, with the balance provided by A.I.D.

Progress to Date: The project began in late FY 1975. As of mid-FY 1976, nine project proposals had been received from eight different voluntary agencies. A project with International Voluntary Services has been funded to establish cooperative systems in three thanas (counties) which will provide resources and extension services to local farmers. Two of the other proposals are currently under review for funding approval: (1) YWCA proposal to establish a Woman's Crafts Training Center which will also provide information on family planning and nutrition and (2) a CARE proposal to establish cooperative systems in seven thanas capable of adequately maintaining financial accounts and providing high quality training and technical assistance to farmers. In late FY 1975, A.I.D. sponsored a course in Dacca on project design and evaluation to better equip Bengalee officials and voluntary agency representatives in development orientation.

FY 1977 Program: The $910,000 proposed for this activity will be combined with PVO contributions for development projects directed principally toward the least privileged in rural areas. Cooperatives, integrated rural development programs, and other agriculturally oriented projects are expected to comprise most of the activities undertaken. The U.S. contribution will finance project commodities such as seeds, fertilizers and farm equipment ($800,000) and other costs ($110,000) including local administration and subgrants to Bengalee private agencies.

U.S. DOLLAR COST (In Thousands)

	Obligations	Expenditures	Unliquidated
Through 6/30/75	290	-	290
Estimated FY 76	500	550	
Estimated through 6/30/76	790	550	240
Estimated Transition Quarter	-	Future Year Obligations	Estimated Total Cost
Proposed FY 77	910	-	1,700

Cost Components	OBLIGATIONS								
	Estimated FY 76			Estimated Transition Quarter			Proposed FY 77		
	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total
U.S. Technicians . .	-	-	-	-	-	-	-	-	-
Participants	-	-	-	-	-	-	-	-	-
Commodities	-	450	450	-	-	-	-	800	800
Other Costs	-	50	50	-	-	-	-	110	110
Total Obligations . .	-	500	500	-	-	-	-	910	910

PRINCIPAL CONTRACTORS/ AGENCIES

International Voluntary Services and others to be determined.

SUMMARY OF ACTIVE DEVELOPMENT LOANS
Authorized as of 12/31/75
(In thousands of dollars)

COUNTRY: Bangladesh

TABLE VII

Loan No.	Title	Date		Grace Period (years)	Life of Loan (years)	Interest Rate (%)		Currency of Repayment	Amount Authorized	As of 12/31/75		
		Authorized	Loan Agreement			Grace Period	Amortization			Amount Disbursed	Principal Repayments	Interest Collected
388-T-002	Agricultural Inputs II	12-31-74	1-15-75	10	40	2	3	U.S. $	30,000	21,041		-
388-T-003	Ashuganj Fertilizer	1-29-75	2-12-75	10	40	2	3	U.S. $	30,000	6,122		-
388-T-006	Agricultural Research	12-23-75		10	40	2	3	U.S. $	4,000	-		-

SUMMARY OF ESTIMATED DEVELOPMENT LOAN AUTHORIZATIONS

Balance FY 1976 and Transition Quarter (1/1/76 - 9/30/76)

(In Thousands of Dollars)

COUNTRY: Bangladesh

TABLE VIIa

TITLE	AMOUNT
Karnaphuli Third Unit	2,500
Agricultural Inputs III	26,000
Small-Scale Irrigation - Phase I	14,000
Rural Works	6,000
Coastal Embankments	8,000
Agricultural Inputs IV	20,000
Feasibility Studies	2,000

SUMMARY OF PROPOSED DEVELOPMENT LOANS

FY 1977
(In Thousands of Dollars)

COUNTRY: Bangladesh

TABLE VIII

TITLE	AMOUNT
Agricultural Inputs V	27,500
Rural Electrification	16,000
Small Scale Irrigation - Phase II	14,000

Country: BANGLADESH

LOAN ACTIVITY DATA

TABLE IX

TITLE	FUNDS	PROPOSED OBLIGATION ($000)
Agricultural Inputs V	Food and Nutrition	27,500
	KIND OF LOAN: Projects	INITIAL OBLIGATION: FY: 1977

Goal: To increase foodgrain production.

Purpose: To increase the overall use of fertilizer and other agricultural inputs and to increase the proportions of agricultural inputs used by small farmers (within the pilot districts).

Background: More intensive cultivation of existing land is the primary means by which Bangladesh can hope to narrow the foodgrain gap and provide jobs for its rapidly expanding rural labor force. The key ingredients to growing more food on the same land are: water control (irrigation and drainage), agricultural inputs (fertilizer, pesticides, etc.) and high-yielding foodgrain varieties and improved agricultural practices resulting from adaptive research.

In recent years, fertilizer availabilities in Bangladesh have been limited by worldwide shortages and high prices. In addition, the country's largest fertilizer factory was closed for nearly a year to repair it after an explosion. Small farmers have suffered unduly from fertilizer shortages and high prices.

Small farmers will benefit greatly from increased fertilizer availabilities, but it has also become apparent that procedures used to distribute fertilizers at the local level reduce availabilities and hinder the smaller farmers in obtaining sufficient fertilizer at a reasonable price. We believe that by modifying the distribution procedures, while at the same time removing other constraints against increased use, small farmers will gain a greater share of available inputs. Overall fertilizer use will increase, and more foodgrain will be produce. Experience gained in earlier agricultural input loans is being used to formulate and implement the new allocation procedures, which are first being applied in selected regions of Bangladesh.

Major Outputs: Major outputs under the project include: reforms of distribution system to increase fertilizer use (particularly by small farmers) in the pilot zones, continued reduction of subsidies by the Bangladesh Government, maintenance of reserve stocks of urea and triple superphosphates, additional storage space for fertilizer and distribution and sale of improved varieties of seed for wheat, vegetables and oilseeds.

Host Country and Other Donors:

Host Country	The equivalent of $9.0 million for the distribution and marketing system as well as an amount yet to be determined for additional construction of storage facilities.
United Kingdom	Possible financing of additional storage facilities.
United Kingdom, Sweden, Norway, Canada and Japan	Have contributed to meeting fertilizer import requirements.

A.I.D. Financed Inputs (in $000)

COMMODITIES: Fertilizer imports (TSP) and other imports (principally improved seed)	27,500
Total	27,500

Country: BANGLADESH

LOAN ACTIVITY DATA

TABLE IX

TITLE	FUNDS	PROPOSED OBLIGATION ($000)
Rural Electrification	Food and Nutrition	16,000
	KIND OF LOAN	INITIAL OBLIGATION
	Project	FY: 1977

Goal: To improve the standard of living for rural people.

Purpose: To establish a rural electrification system with the capability to plan, implement, maintain, evaluate and expand rural electrification systems.

Background: Although Bangladesh has adequate electrical generating capacity for immediate needs in urban areas utilizing principally domestic hydropower and natural gas resources, in most other areas it is dependent on imported diesel and gasoline fuels for running tube wells, low lift pumps, and for other commercial uses. Economical irrigation is a vital part of the effort to increase food grain production, especially rice, and electrification of pumps in concentrated areas is necessary to achieve this objective. In the case of Bangladesh, constraints on rural electrification are both lack of capital for initial investment in electrification and limited administrative capacity.

Major Outputs: By mid-1977, a feasibility study will have identified maximum benefit areas and recommended optimum standards and rate structures. Bengalee staff will be trained for the rural electrification scheme which will be operational at the end of three years. By the same time electricity distribution lines will have been installed. The Bengalees should then be able to prepare proposals for further rural electrification with financial assistance from international sources. Upon completion of this project, electrification subprojects should serve approximately 3,400 irrigation pumps contributing to approximately 85,000 tons of additional annual grain production worth about $14 million at recent prices.

Host Country and Other Donors:

Host Country	About one-third of the costs of the project to cover reimbursement of direct procurement of imported commodities.
Kuwait	$16.7 million commitment for rural electrification.
Asian Development Bank	$20.0 million loan for distribution improvement in the Chittagong area.

A.I.D. Financed Inputs (in $000)

PERSONNEL: 3 man-years management advisory services	175
CONTRACT: Design and supervision of construction	2,475
CAPITAL FINANCE: Direct procurement of imported commodities and partial reimbursement for construction costs	13,350
Total	16,000

Country: BANGLADESH

LOAN ACTIVITY DATA

TABLE IX

TITLE	FUNDS	PROPOSED OBLIGATION ($000)
Small Scale Irrigation - Phase II	Food and Nutrition	14,000
	KIND OF LOAN: Project	INITIAL OBLIGATION FY: 1977

Goal: To increase foodgrain production.

Purpose: To establish in small farmers a capability to produce additional foodgrains, principally rice and wheat in the winter season.

Background: Small farmers have not generally enjoyed the benefits of surface irrigation or tube wells to enable them to produce winter crops. In more than half of the cultivable land area of Bangladesh, it is possible to irrigate small plots with handpumps drawing ground water within 20 feet of the surface. Larger farmers will use mechanized pumps for irrigation in such areas, but small farmers have difficulty even paying for handpumps. The project draws upon the experience of the United Nations International Childrens Emergency Fund (UNICEF) with handpump manufacture and distribution.

Major Outputs: This project complements outputs under the Phase I Small Scale Irrigation project in FY 1976, providing an additional 160,000 handpumps with a capacity to irrigate 80,000 acres. The number of handpumps to be provided under the two loans are:

	1976-77	1977-78	1978-79	1979-80	Total
Phase I	80,000	80,000			160,000
Phase II		20,000	100,000	40,000	160,000
			Total		320,000

Host Country and Other Donors:

Host Country	About $5.9 million to cover in-country transport of raw materials and pumps, local manufacturing costs, and credit for seed, fertilizer, etc.
UNICEF and IBRD	Close coordination with similar projects being carried out by these organizations.

A.I.D. Financed Inputs (in $ 000)

COMMODITIES: Raw materials (pig iron, coke, and pipe screen) for 160,000 handpumps; credit for small farmers' purchases of handpumps; and local costs of promoting use of handpumps.	14,000
Total	14,000

Bangladesh

TABLE X

(U.S. Fiscal Years · Millions of Dollars)

PROGRAM	U.S. OVERSEAS LOANS AND GRANTS OBLIGATIONS AND LOAN AUTHORIZATIONS						REPAYMENTS AND INTEREST	TOTAL LESS REPAYMENTS AND INTEREST
	1971 a/	1972	1973	1974	1975	TOTAL 1946-1975	1946-1975	
I. ECONOMIC ASSISTANCE – TOTAL	-	286.3	161.1	79.8	303.8	811.9	0.3	811.6
Loans	-	-	-	73.2	297.3	355.3	0.3	355.0
Grants	-	286.3	161.1	6.6	6.5	456.6	-	456.6
a. A.I.O. and Predecessor Agencies	-	199.1	101.7	28.9	62.0	387.8	-	387.8
Loans	-	-	-	25.0	60.0	85.0	-	85.0
Grants	-	199.1	101.7	3.9	2.0	302.8	-	302.8
(Security Supporting Assistance)	(-)	(-)	(-)	(-)	(-)	(-)		
b. Food for Peace (PL 480)	-	87.2	59.4	50.9	241.8	424.1	0.3	423.8
Title I - Total	-	-	-	48.2	237.3	270.3	0.3	270.0
Repayable in U.S. Dollars - Loans	-	-	-	48.2	237.3	270.3	0.3	270.0
Payable in Foreign Currency - Planned for Country Use	-	-	-	-	-	-	-	-
(Loans)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
(Grants)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Title II - Total Grants	-	87.2	59.4	2.7	4.5	153.8	-	153.8
Emergency Relief, Econ. Development, & World Food	-	87.2	59.4	2.7	4.5	153.8	-	153.8
Voluntary Relief Agencies	-	-	-	-	-	-	-	-
c. Other Economic Assistance	-	-	-	-	-	-	-	-
Peace Corps	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
(Loans)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
(Grants)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
II. MILITARY ASSISTANCE – TOTAL								
Credits or Loans								
Grants								
a. MAP Grants								
b. Credit Sales under FMS								
c. Military Assistance Service-funded (MASF) Grants								
d. Transfers from Excess Stocks								
e. Other Grants								
III. TOTAL ECONOMIC AND MILITARY ASSISTANCE								
Loans								
Grants								
Other U.S. Government Loans and Grants				3.3	3.3	2.8	0.5	
a. Export-Import Bank Loans				3.3	3.3	2.8	0.5	
b. All Other Loans				-	-	-	-	

NO MILITARY ASSISTANCE

NO PROGRAMS PRIOR TO FY 1975

a/ Data prior to FY 1972 included in Pakistan.

(Millions of Dollars)

ECONOMIC PROGRAMS OF OTHER DONORS

A. ASSISTANCE FROM INTERNATIONAL AGENCIES - COMMITMENTS

	FY 1974	FY 1975	FY 1946-75
TOTAL	107.1	328.8	674.0
IBRD - World Bank	-	54.9	54.9
Int'l. Dev. Association	74.1	181.0	468.0
Asian Dev. Bank	17.3	82.1	115.2
UN Development Program	2.1	1.4	3.6
Other UN	13.6	9.4	32.3

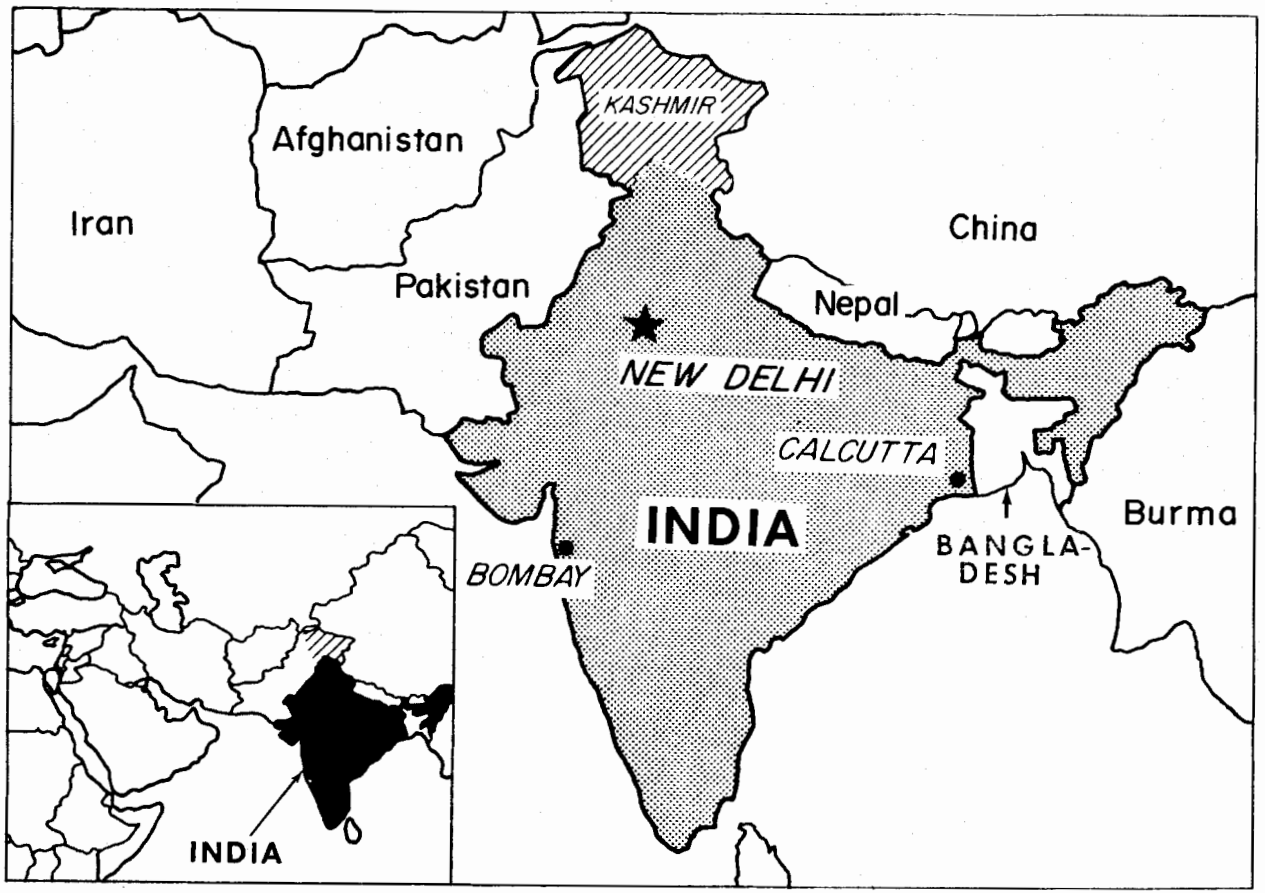
B. O.A.C. COUNTRIES (EXCLUDING U.S.) OFFICIAL BILATERAL GROSS EXPENDITURES

Donor	CY 1973	CY 1974	CY 1960-74
TOTAL	170.5	241.7	542.2
Canada	54.9	48.6	129.9
Germany	53.9	55.2	119.8
Japan	29.0	21.3	67.6
Sweden	10.2	19.2	56.7
Australia	4.1	31.9	47.1
Netherlands	2.5	18.2	28.8
U.K.	6.5	15.1	27.9
Other	9.4	32.2	64.4

C. ASSISTANCE FROM COMMUNIST COUNTRIES (LOANS AND GRANTS EXTENDED)

	CY 1974	CY 1975	CY 1954-75
TOTAL	54	56	413
USSR	28	46	300
Eastern Europe	26	10	102
China, People's Rep. of	-	-	11

India



BASIC DATA

Population *(millions - mid-1975)*	613.7
Annual Growth Rate *(percent)*	2.3
Population in Urban Areas *(Percent - 1975)*	21
Labor Force in Agriculture *(Percent)*	72
Per Capita GNP *(dollars - 1973)*	120*
Life Expectancy *(years)*	51
People Per Doctor	4,250
Literacy Rate *(percent)*	34
Students as % of 5 - 19 Age Group *(Primary and Secondary)*	38

* - Estimate in IBRD 1975 Annual Report.

INDIA

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INDIA

Objective of U.S. Assistance

The objective of A.I.D.'s development assistance program is to support Indian efforts to increase agricultural production and rural employment.

Socio-Economic Setting

The Indian economy experienced its fourth successive year of sluggish economic growth in 1974-75:

-- The average growth rate of the economy fell slightly below the population growth rate of 2.3%;

-- Per capita income in 1974-75 was only 6% higher than ten years earlier;

-- Domestic inflation was compounded by substantial increases in the cost of imports, particularly petroleum, during the past two years;

-- Monetary expansion, which had been running at a rate of 15% in 1973-74, was brought under severe counterpressure by the imposition of tight credit restrictions and was reduced to 6%;

-- The trade deficit totaled $1.7 billion in 1974-75 and is estimated to rise to $1.8 billion in 1975-76.

There have been recent improvements in India's foodgrain production, but the inadequacy of food supply remains a critical problem:

-- Foodgrain production in 1974-75 is estimated to total approximately 102 million metric tons, which is below the record crop of 108 million tons set in the 1970-71 crop season;

-- Current estimates, based on summer monsoon rains and the increased availability of fertilizer, project record foodgrain crop of about 113 million tons in the 1975-76 crop season.

PROGRAM SUMMARY
(In thousands of dollars)

FISCAL YEAR	Total	Food and Nutrition	Population Planning and Health	Education and Human Resources Development	Selected Development Problems	Selected Countries and Organizations	Other Programs
1975							
Loans	-	-	-	-	-	-	-
Grants	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-
					Development Activities under Sec. 106		
1976							
Loans	65,000	65,000	-	-	-		-
Grants	2,000	1,500		500			
Total	67,000	66,500	-	500	-		-
Transition Quarter							
Loans	-	-	-	-	-		-
Grants	200	100	-	100	-		-
Total	200	100	-	100	-		-
1977							
Loans	60,000	60,000	-	-	-		-
Grants	1,700	1,200	-	500	-		-
Total	61,700	61,200	-	500	-		-

Despite these encouraging signs in foodgrain production, the Indian Government will still need to import food in order to build up its buffer stocks and to stabilize food prices:

-- The Government estimates that it will require imports of five to six million tons of foodgrains to meet its total 1975-76 food requirements;

-- These large imports will substantially reduce India's already low foreign exchange reserves.

India's agricultural development strategy emphasizes the following principal policies and programs:

-- expanding foodgrain production by 4.2% and designing special programs to reach the small farmers and landless rural families;

-- rebuilding foodgrain buffer stocks which were nearly depleted as a result of production shortfalls of 1972 and 1973;

-- increasing the land area under cultivation by developing new irrigation projects and expanding groundwater development;

-- expanding the availability and better utilization of agricultural inputs such as seeds, fertilizer, pesticides and credit.

The achievement of this strategy will require substantial external assistance from donor nations in view of the serious deterioration in India's balance of payments over the past two years:

-- The balance of payments deficit for Indian Fiscal Year (IFY) 1975-76 is estimated at $2.6 billion;

-- This enormous deficit is likely to persist for some time given India's sizeable requirements for fuel, food, fertilizer and other essential imports.

FY 1977 Program

A.I.D. plans to assist India in its development efforts in FY 1977 with $60 million in development loans and $1.7 million in development assistance grants directed primarily at India's Food and Nutrition Sector.

A.I.D. assistance in FY 1977 would be specifically directed towards:

-- A development loan of $30 million to assist the Government of India improve foodgrain storage and milling facilities at major ports;

-- A development loan of $30 million, in cooperation with the World Bank and other donors, to help finance the development of comprehensive agricultural programs under the auspices of the Government of India's Command Area Development Scheme designed to benefit the small and medium-scale farmers;

-- $1.7 million in grant funds to finance specialized high-level advisory services, participant training and the foreign exchange cost of per diem and travel in the United States of Indian scientists engaged in collaborative work with American scientists. The aim is to help meet critical human resource needs in such areas as food production, nutrition and educational technology.

FY 1977 PL 480 Food Assistance

PL 480 Title II grants will include:

-- About $71.8 million in high protein food supplements that will be distributed by U.S. voluntary agencies primarily through maternal/child health, school-feeding, and food-for-work programs;

INDIA

-- $2.6 million of food supplements directed to the World Food Program for supplementary nutrition programs affecting vulnerable groups.

PL 480 Title I credit sales of about 475,000 MT of wheat are planned with an estimated value of $61.1 million.

TABLE V

GRANT ACTIVITY SUMMARY

(In thousands of dollars)

COUNTRY: INDIA

Project Title	*	Project Number	FY of Initial Obligation	FY of Scheduled Final Obligation	Through FY 1975			Estimated FY 1976			Estimated Transition Quarter	Proposed Program FY 1977	Future Year Obligations	Estimated Total Cost
					Obligations	Expenditures	Unliquidated Obligations 6/30/75	Obligations	Expenditures	Unliquidated Obligations 6/30/76				
FOOD AND NUTRITION								1,500			100	1,200		
Development Services and Training	*	386-11-995-452	1976	1980	-	-	-	1,500	-	1,500	100	1,200	4,500	7,300
EDUCATION AND HUMAN RESOURCES DEVELOP.								500			100	500		
Development Services and Training	*	386-11-995-452	1976	1980	-	-	-	500	-	500	100	500	1,500	2,600
							Total	2,000	-	2,000	200	1,700		

*Detailed project narrative—See Table VI.

Country: INDIA

GRANT ACTIVITY DATA

TABLE VI

TITLE	FUNDS	PROPOSED OBLIGATION ($000)	
Development Services and Training	Food and Nutrition, Education and Human Resources Development	FY 77 1,700	
NUMBER 386-11-995-452	PRIOR REFERENCE p.66, FY 1976 NESA PDB	INITIAL OBLIGATION FY: 1976	SCHEDULED FINAL OBLIGATION FY: 1980

Project Target and Course of Action: To assist the Government of India meet critical human resource needs in priority areas such as agriculture, education, and rural development; to meet related training needs; and to facilitate the work of the United States-Indian Subcommissions on Science and Technology and Education and Cultural Affairs. Some specific areas of training are science education, agricultural research, nutrition research, food processing, educational technology and environmental studies.

The purpose of U.S. assistance is to provide highly specialized training in priority areas where Indian institutions are not capable of providing the kind of training required; and to provide funds to cover the foreign exchange costs of per diem and travel of Indian scientists engaged in collaborative work with American scientists. Maximum operational responsibility for United States training and technical services will be placed on the Government of India.

Progress to Date: The United States-Indian Joint Commission and its various sub-commissions were formed and met early in FY 1976. As result of the activities generated by the Joint Commission, A.I.D. and the Government of India should reach agreement in late FY 1976 on the modalities for funding: (a) study grants for Indian scientists working on collaborative research with U.S. scientists, which the Government of India will match for U.S. scientists working in India; (b) participant training grants in support of other Joint Commission activities; (c) short-term training in specialized fields, and (d) short-term consultant services as required.

FY 1977 Program: A total of $1,700,000 is proposed, including $1,200,000 under Food and Nutrition and $500,000 under Education and Human Resources Development. The project will finance: 140 man-months of short-term consultant services in agricultural research, food processing, nutrition research and educational technology ($700,000); short-term training for approximately 100 participants ($500,000); and travel and per diem costs of Indian scientists while in the United States ($500,000).

U.S. DOLLAR COST (In Thousands)

	Obligations	Expenditures	Unliquidated
Through 6/30/75	-	-	-
Estimated FY 76	2,000	-	
Estimated through 6/30/76	2,000	-	2,000
Estimated Transition Quarter	200	Future Year Obligations	Estimated Total Cost
Proposed FY 77	1,700	6,000	9,900

Cost Components	OBLIGATIONS									PRINCIPAL CONTRACTORS/ AGENCIES
	Estimated FY 76			Estimated Transition Quarter			Proposed FY 77			
	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total	
U.S. Technicians . .	-	1,000	1,000	-	100	100	-	700	700	To be selected
Participants	500	-	500	100	-	100	500	-	500	
Commodities	-	-	-	-	-	-	-	-	-	
Other Costs	500	-	500	-	-	-	500	-	500	
Total Obligations . .	1,000	1,000	2,000	100	100	200	1,000	700	1,700	

SUMMARY OF ESTIMATED DEVELOPMENT LOAN AUTHORIZATIONS

Balance FY 1976 and Transition Quarter (1/1/76 - 9/30/76)

(In Thousands of Dollars)

COUNTRY: INDIA

TABLE VIIa

TITLE	AMOUNT
Agricultural Inputs	65,000

SUMMARY OF PROPOSED DEVELOPMENT LOANS

FY 1977
(In Thousands of Dollars)

COUNTRY: India

TABLE VIII

TITLE	AMOUNT
Foodgrain Storage	30,000
Command Area Development	30,000

Country: INDIA

LOAN ACTIVITY DATA

TABLE IX

TITLE	FUNDS	PROPOSED OBLIGATION ($000)
Foodgrain Storage	Food and Nutrition	30,000
	KIND OF LOAN: Project	INITIAL OBLIGATION FY: 1977

Goal: To provide more adequate food supplies for India's population.

Purpose: To provide more efficient handling and storage facilities for domestic and imported foodgrains, to stabilize supply, and to reduce losses in handling and storage.

Background: The Food Corporation of India (FCI) is the Government of India agency responsible for procurement and distribution of foodgrains. The FCI operates some 200,000 licensed "fair price" shops, which are used primarily by low-income groups for their basic food purchases. The FCI depends on inefficient port facilities, bagging by hand labor, and inadequate storage facilities, which result in loss of grain as well as inability to maintain buffer supplies against poor crop years due to natural causes. The FCI is now embarking on a program to improve facilities at major ports as part of its effort to perform its vital functions more efficiently. The World Bank is assisting in the preparation of necessary plans for such facilities; these plans will be completed during 1976.

Major Outputs: Over the three-year life of the loan, the key outputs will be construction of modern bulk grain storage and handling facilities at major port sites to be identified by an IBRD study currently scheduled for completion by mid-1976.

Host Country and Other Donors: Indian Government contributions will cover at least 25% of project costs.

A.I.D. Financed Inputs (in $000)

COMMODITIES: Equipment and imported material for a bulk handling and storage facility	5,000
CAPITAL FINANCE: Part of local costs of materials and construction	25,000
Total	30,000

Country: INDIA

LOAN ACTIVITY DATA

TABLE IX

TITLE	FUNDS	PROPOSED OBLIGATION ($000)
Command Area Development	Food and Nutrition	30,000
	KIND OF LOAN: Project	INITIAL OBLIGATION FY: 1977

Goal: To increase agricultural production and improve incomes of small farmers.

Purpose: To develop water resources in coordination with other agricultural inputs in a selected area farmed principally by small and marginal farmers.

Background: The Government of India Fifth Five-Year Plan recognizes that a coordinated effort of both water resource development and the provision of fertilizers, pesticides, improved seeds, credit, extension services, mechanization, and marketing and processing facilities is required to increase production of foodgrains significantly. The Indian vehicle for implementing this coordinated effort is the command area development scheme, which is established at the site of an existing irrigation system. This scheme separates the problem of increasing production into two areas: (1) development of water resources, and (2) on-farm development. Under the latter, provision is made for increased on-farm uses of modern agricultural inputs. The Indian Government has identified 51 command area development schemes covering approximately 13 million hectares. It is estimated that about 5 million small farmers are included in these currently planned schemes.

Major Outputs: Over the three-year life of the loan, key outputs will be: (1) construction and/or improvement of major and secondary irrigation, drainage and erosion control systems and access roads in a command area cultivated predominantly by small and marginal farmers; (2) construction and/or improvement of on-farm water distribution and control structures and layout and leveling of plots to facilitate irrigation and drainage on small farms within the command area.

Host Country and Other Donors:

Host Country	Approximately one-half of all project costs.
World Bank	Financing two command area projects and making detailed studies of four more.
West German Government	Negotiating to finance a command area.

A.I.D. Financed Inputs (in $000)

CAPITAL FINANCE: Part of local costs of developing 100,000 hectares	30,000
Total	30,000

India

TABLE X

(U.S. Fiscal Years · Millions of Dollars)

PROGRAM	U.S. OVERSEAS LOANS AND GRANTS OBLIGATIONS AND LOAN AUTHORIZATIONS 1971	1972	1973	1974	1975	TOTAL 1946-1975	REPAYMENTS AND INTEREST 1946-1975	TOTAL LESS REPAYMENTS AND INTEREST
I. **ECONOMIC ASSISTANCE – TOTAL**	444.5	113.5	81.7	137.3	249.3	9,146.1	3,759.8	5,386.3
Loans	352.2	0.7	14.7	65.6	143.0	6,895.8	3,759.8	3,136.0
Grants	92.3	112.8	67.0	71.7	106.3	2,250.1	-	2,250.1
a. **A.I.D. and Predecessor Agencies**	205.9	5.6	16.6	14.6	19.9	3,790.6	1,128.2	2,662.4
Loans	196.0	-	14.7 a/	14.6 a/	19.9 a/	3,326.0	1,128.2	2,197.8
Grants	9.9	5.6	1.9	-	-	464.6	-	464.6
(Security Supporting Assistance)	(-)	(-)	(-)	(-)	(-)	(-)		
b. **Food for Peace (PL 480)**	234.8	104.6	64.2	71.2	227.7	5,010.8	2,468.2	2,542.6
Title I - Total	156.2	-	-	-	121.6	4,062.4	2,468.2	1,594.2
Repayable in U.S. Dollars - Loans	128.3	-	-	-	121.6	545.4	38.9	506.5
Payable in Foreign Currency - Planned for Country Use	27.9	-	-	-	-	3,517.0	2,429.3	1,087.7
(Loans)	(27.9)	(-)	(-)	(-)	(-)	(2,725.1)	(2,429.3)	(295.8)
(Grants)	(-)	(-)	(-)	(-)	(-)	(791.7)	(-)	(791.7)
Title II - Total Grants	78.6	104.6	64.2	71.2	106.1	948.4	-	948.4
Emergency Relief, Econ. Development, & World Food	32.1	40.7	10.3	8.2	36.7	218.4	-	218.4
Voluntary Relief Agencies	46.5	63.9	53.9	63.0	69.4	730.0	-	730.0
c. **Other Economic Assistance**	3.8	3.3	0.9	51.5	1.7	344.7	163.4	181.3
Peace Corps	3.8	2.6	0.9	0.5	0.2	44.8	-	44.8
Other	-	0.7	-	51.0 b/	1.5 b/	299.9 b/	163.4	136.5
(Loans)	(-)	(0.7)	(-)	(51.0)	(1.5)	(299.3)	(163.4)	(135.9)
(Grants)	(-)	(-)	(-)	(-)	(-)	(0.6)	(-)	(0.6)
II. **MILITARY ASSISTANCE – TOTAL**	0.1	*	*	0.2	0.1	129.4	13.4	116.0
Credits or Loans	-	-	-	-	-	27.3	13.4	13.9
Grants	0.1	*	*	0.2	0.1	102.1	-	102.1
a. **MAP Grants**	0.1	*	*	0.2	0.1	94.8	-	94.8
b. **Credit Sales under FMS**	-	-	-	-	-	27.3	13.4	13.9
c. **Military Assistance Service-funded (MASF) Grants**	-	-	-	-	-	-	-	-
d. **Transfers from Excess Stocks**	-	-	-	-	-	7.3	-	7.3
e. **Other Grants**	-	-	-	-	-	-	-	-
III. **TOTAL ECONOMIC AND MILITARY ASSISTANCE**	444.6	113.5	81.7	137.5	249.4	9,275.5	3,773.2	5,502.3
Loans	352.2	0.7	14.7	65.6	143.0	6,923.1	3,773.2	3,149.9
Grants	92.5	112.8	67.0	71.9	106.4	2,352.2	-	2,352.2
Other U.S. Government Loans and Grants	12.4	15.0	-	8.6	22.9	555.8	582.9	-27.1
a. Export-Import Bank Loans	12.4	15.0	-	8.6	22.9	550.6	577.0	-26.4
b. All Other Loans	-	-	-	-	-	5.2	5.9	-0.7

(Millions of Dollars)

ECONOMIC PROGRAMS OF OTHER DONORS

A. ASSISTANCE FROM INTERNATIONAL AGENCIES - COMMITMENTS

	FY 1974	FY 1975	FY 1946-75
TOTAL	501.9	853.3	5,150.1
IBRD - World Bank	52.0	209.0	1,436.5
Int'l. Finance Corp.	-	9.5	45.5
Int'l. Dev. Association	390.0	631.3	3,428.1
UN Development Program	3.1	3.5	110.8
Other UN	56.8	-	129.2

B. D.A.C. COUNTRIES (EXCLUDING U.S.) OFFICIAL BILATERAL GROSS EXPENDITURES

Donor	CY 1973	CY 1974	CY 1960-74
TOTAL	603.7	689.4	5,664.3
U.K.	121.1	176.5	1,547.8
Germany	167.7	141.9	1,490.1
Canada	59.7	109.2	1,001.8
Japan	126.5	120.0	845.4
Netherlands	26.8	34.7	154.2
France	34.0	22.4	132.9
Other	67.9	84.7	492.1

C. ASSISTANCE FROM COMMUNIST COUNTRIES (LOANS AND GRANTS EXTENDED)

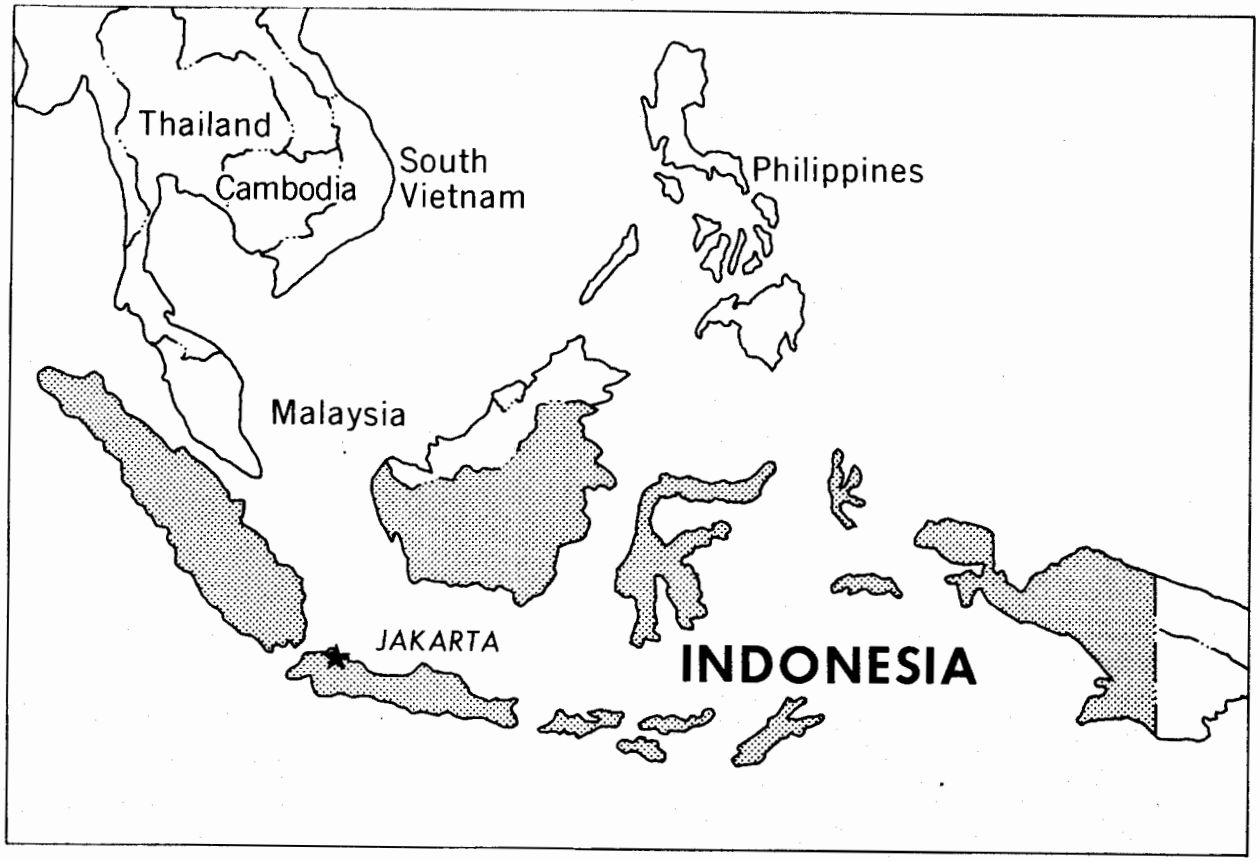
	CY 1974	CY 1975	CY 1954-75
TOTAL	-	-	2,430
USSR	-	-	1,943
Eastern Europe	-	-	487

* Less than $50,000.

a/ Represents capitalized interest on prior year loans.

b/ Includes $54.1 million in capitalized interest under the Emergency Food Aid Act; in FY 1974, $51.0 million; in FY 1975, $1.5 million.

Indonesia



BASIC DATA

Population *(millions - mid-1975)*	139.5
Annual Growth Rate *(percent)*	2.1
Population in Urban Areas *(Percent - 1975)*	19
Labor Force in Agriculture *(Percent)*	62
Per Capita GNP *(dollars - 1973)*	100*
Life Expectancy *(years)*	48
People Per Doctor	25,800
Literacy Rate *(percent)*	60
Students as % of 5 - 19 Age Group *(Primary and Secondary)*	33

* - Estimate in IBRD 1975 Annual Report.

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Objectives of U.S. Assistance

Indonesia remains a moderate Western-leaning voice in international affairs, in spite of dramatic and potentially threatening political changes in Southeast Asia. Its importance to the United States was emphasized by President Ford on his visit to Jakarta in December 1975.

-- Indonesia, with over 140 million people, is the fifth largest country in the world;

-- Indonesia has demonstrated flexibility and moderation as an Organization of Petroleum Exporting Countries (OPEC) member:

** It did not participate in the 1973 Arab oil embargo;

** Its October 1975 price increase was less than 2% in the face of an OPEC recommendation of 10%.

-- Indonesia is an increasingly important supplier of U.S. energy needs:

** In the first ten months of 1975 over 9% of U.S. crude oil imports have come from Indonesia compared with 7.6% in 1974 and 5.9% in 1973;

** Subject to Federal Power Commission approval, imports of Indonesian liquid natural gas may supply 20% of southern California gas needs by 1980.

-- American investment in Indonesia is considerable, amounting to approximately $500 million in non-oil and about $1.5 billion in oil investment since 1967.

U.S. policy in Indonesia supports the following key objectives:

-- economic progress and improved living conditions for the majority of Indonesians, poor by any standards;

PROGRAM SUMMARY
(In thousands of dollars)

FISCAL YEAR	Total	Food and Nutrition	Population Planning and Health	Education and Human Resources Development	Selected Development Problems	Selected Countries and Organizations	Other Programs
1975							
Loans	35,000	35,000					
Grants	8,255	2,297	4,418	1,540	–	–	–
Total	43,255	37,297	4,418	1,540	–	–	–
					Development Activities under Sec. 106		
1976							
Loans	40,000	26,700	8,300	5,000	–		–
Grants	10,801	1,100	8,101	1,600	–		–
Total	50,801	27,800	16,401	6,600	–		–
Transition Quarter							
Loans	–	–	–	–	–		–
Grants	2,450	300	1,950	200	–		–
Total	2,450	300	1,950	200	–		–
1977							
Loans	43,000	29,800	7,300	5,900	–		–
Grants	6,905	1,600	3,405	1,900	–		–
Total	49,905	31,400	10,705	7,800	–		–

-- maintenance of a stable government and full participation by the majority of Indonesians;

-- continuation of Indonesia's stabilizing role in the region and in the Third World.

Socio-Economic Setting

By any measure, Indonesia remains a seriously under-developed country:

-- Indonesia's per capita GNP is estimated at about $100 (1973 dollars), one-third the Congressional standard of $300 for most seriously affected (MSA) countries;

-- Over 50% of Indonesians do not have adequate diets based on standards for minimum requirements set by the World Health Organization (2,150 kilo-calories and 50 grams of protein per day);

-- Health standards are extremely poor:

** potable water accessible to only 1% of the rural population;

** 50% mortality among pre-school children;

** a severe shortage of health manpower.

-- Forty percent of the population is illiterate.

Indonesia has established ambitious development targets:

-- Its development strategy, which has received full endorsement from the World Bank, aims to create millions of new jobs over the current Five-Year Plan period at a rate at least equal to the growth rate of the labor force;

-- The rural sector has high potential for growth and the Government of Indonesia is vigorously pursuing programs in irrigation, development of new seed varieties and technical services, provision of credit, and other ways to energize family farm enterprises.

Income from oil has neither attained the levels which earlier had been predicted due to worldwide recession, decreasing demand from consuming nations and increasing prices for Indonesian inputs, nor has had a significant impact on the standard of living:

-- Indonesia's net benefits from oil on a per capita basis are estimated at $18-$20 for the period 1973-75, but amount only to $6 per capita in real income as a result of the large increase in import prices over the same period;

-- Indonesia produces only 5% of the OPEC countries' total oil production, but contains 45% of the total population of the OPEC countries.

Major financial constraints have resulted from the defaults of the national oil company--Pertamina--in March 1975:

-- The Government of Indonesia assumed the debt service burden of Pertamina. This will mean:

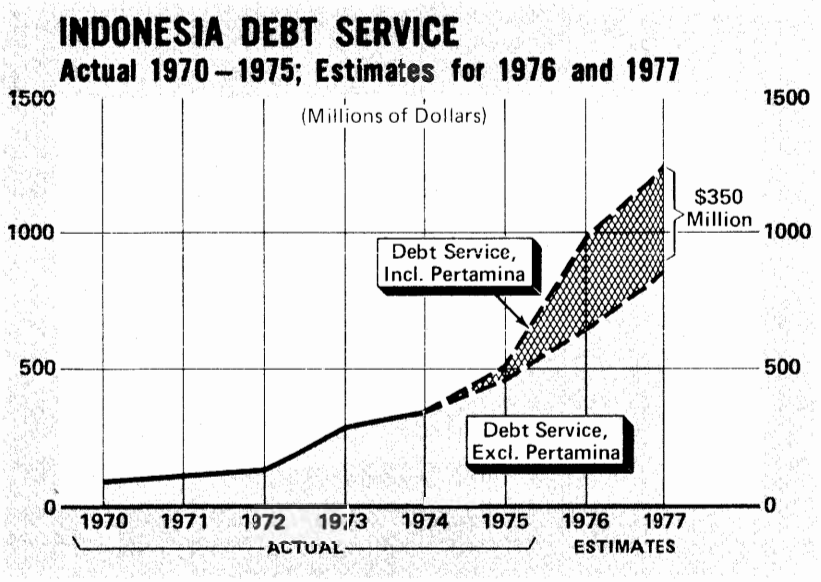
** an estimated increase of $350 million in public debt payments per year;

** a projected total payment burden exceeding $1.0 billion per year beginning in 1976, or a level over 50% greater than the debt service in 1974 (see chart next page);

-- Foreign exchange reserves have dropped drastically because of increasing debt payments and reduced oil income combined with substantially higher prices for imports.

The above constraints on resources have required policy adjustments on the part of the Indonesian Government:

-- Development targets and expenditures have had to be scaled down;



-- With debt service obligations substantially higher than expected, the margin for borrowing on other than concessional or semi-concessional terms has now become much more limited.

FY 1977 Program

The major constraint to achievement of Indonesian development targets is the lack of trained manpower and governmental administrative capacity. Rather than focusing on needed capital transfers as our program did before the oil price increase, it now addresses the need for training and institutional development with particular emphasis on rural development and family planning efforts.

The U.S. program is already contributing to increasing the outreach and quality of government services and benefits, emphasizing integrated development systems (coordinating efforts of various implementing agencies across ministerial lines) in selected rural communities and regions.

For FY 1977 A.I.D. proposes $49.9 million in development loans and grants for Indonesia consisting of the following:

-- $35.7 million in development loans, and $7.3 million in a Title X population loan (FY 1977 will be the first year of Title X loan funding);

-- $4.0 million in technical assistance grants;

-- $2.9 million in Title X population grants.

In addition, planned PL 480 assistance for FY 1977 includes:

-- $35.0 million in Title I sales;

-- $6.6 million in Title II commodities to be distributed by voluntary agencies ($2.8 million) and through the World Food Program ($3.8 million).

Food and Nutrition

The Government of Indonesia has concluded that there are significant opportunities for expansion of agricultural production and rural incomes:

-- About 81% of the Indonesian population is rural with some 62% deriving its income primarily from agriculture;

-- Real incomes for the majority of Indonesian farmers have not grown appreciably in the past seven years and productivity in most major crops remains relatively stagnant;

INDONESIA

-- Indonesia is not self-sufficient in food; in fact, the country is not expected to achieve self-sufficiency in its most important food--rice--within the foreseeable future;

-- Average caloric and protein intake are below UN-recommended minimum levels for over half the people;

-- Rural underemployment is as high as 30%.

Adequate growth in agriculture will involve continued strengthening of goverment organization and efficiency in a number of areas: agricultural research, transmigration, rural works and on-farm application of irrigation, extension and credit, and marketing facilities. (The Indonesian Government has begun programs in all these areas.)

To assist development in this high priority sector, A.I.D. plans to continue four technical assistance grant projects and to introduce additional projects as follows:

-- The continuing grant program includes partial funding of some two dozen small-scale rural development activities of U.S. private voluntary agencies. Under this Co-financing Project, the bulk of costs are borne by the voluntary agencies and the Government of Indonesia;

-- A second continuing project is in the area of provincial agricultural planning in which the effort is to improve program planning and project design in the agriculture sector at the provincial level;

-- A.I.D. also plans to concentrate on fisheries development in the final year of funding of a general agriculture assistance project;

-- Finally, a grant in provincial development management will complement loan programs in rural integrated area development by introducing techniques for identifying priority needs of the rural poor and designing programs at the local government level which will systematically address those needs.

Two new loans and one new grant project are proposed:

-- A $26.8 million loan entitled Sederhana (Simple) Irrigation and Land Development is intended to establish small-scale irrigation facilities and effective water-user associations to boost food production and farmer incomes, and to strengthen Indonesia's institutional capability to plan and implement small-scale irrigation projects;

-- A $3.0 million loan for a pilot fisheries development project in Lampung Province, South Sumatra, is designed to contribute to improved nutrition and farm incomes by establishing modern brackish-water fish farms utilizing advanced fish-culture practices on presently unused land in Lampung. The beneficiaries will be poor fish-farmer families to be relocated from overcrowed areas of Java;

-- A new grant entitled Northern Sumatra Regional Planning is related in approach to the existing provincial planning project, but is designed to produce a specific long-term regional development strategy and a selection of high-priority area development projects consistent with that strategy.

Population Planning and Health

The commodity (contraceptive) component of the program will be loan-funded rather than grant-funded in FY 1977 as a transition measure to eventual commercial production and distribution.

INDONESIA

Loan funds of $7.3 million will furnish the bulk of oral contraceptives under the program which has recruited over five million acceptors to date:

-- Technical assistance has introduced methods of management and planning which are having broad impact in expanding services to greater numbers of the rural poor;

-- Since program inception in 1968, a 12%-14% reduction in fertility has been achieved on Java and Bali, where two-thirds of the population is located, and 20% of women of child-bearing age are practicing contraception.

In the health sector generally, the Indonesians have sharply expanded development programs consistent with the current Five-Year Plan. Among the most serious problems the Ministry of Health faces are:

-- infectious and parasitic diseases which combined with malnutrition remain the primary killer of young and old (the only major diseases under control are smallpox and yaws);

-- a severe shortage of public health manpower and poor quality training programs and facilities to help relieve the condition.

A.I.D. will continue to finance technical assistance under the Health Research and Development Project aimed at development of low-cost delivery systems in public health, and plans to implement FY 1976 loans in rural sanitation manpower development and potable water for Surakarta, Java.

Education and Human Resources Development

Reform measures and improvements in the education sector have been under way since 1974 with the appointment of a new Minister of Education:

-- The education budget has been sharply increased;

-- Accelerated manpower development programs are being undertaken.

Since the inception of the current A.I.D. participant training program in 1967, some 1,600 Indonesians have been trained in the United States and third countries.

Given the size of the country and its development problems, there is still a critical shortage of skilled managers and technicians in Indonesia.

To help meet this need, the A.I.D. training program is being expanded. Following on a training loan expected to be authorized in late FY 1976, A.I.D. is proposing a $5.9 million loan in FY 1977 to:

-- accelerate participant training in fields urgently in need of upgraded professional manpower;

-- strengthen the institutional capability of Indonesia to plan, manage and evaluate comprehensive human resource development programs.

A.I.D. will continue grant funding of two ongoing activities:

-- The general participant training grant project, ending in FY 1977, will continue to provide trained manpower for key technical and managerial positions in the Indonesian Government;

-- A project in education finance is helping to develop systems for the allocation of funds in education to ensure equitable access to education for depressed regions and low-income groups.

TABLE V

GRANT ACTIVITY SUMMARY

(In thousands of dollars)

COUNTRY: INDONESIA

Project Title	*	Project Number	FY of Initial Obligation	FY of Scheduled Final Obligation	Through FY 1975			Estimated FY 1976			Estimated Transition Quarter	Proposed Program FY 1977	Future Year Obligations	Estimated Total Cost
					Obligations	Expenditures	Unliquidated Obligations 6/30/75	Obligations	Expenditures	Unliquidated Obligations 6/30/76				
FOOD AND NUTRITION								1,100			300	1,600		
Assistance to Agriculture	*	497-11-110-189	1969	1977	1,793	1,579	214	438	315	337	140	316	-	2,687
Voluntary Agency Co-Financing	*	497-13-899-225	1974	1977	357	259	98	399	458	39	100	426	-	1,282
Area Development Project Planning	*	497-11-199-238	1975	1977	111	-	111	143	154	100	35	81	-	370
Kabupaten Rural Development Planning and Management	*	497-11-810-237	1976	1978	-	-	-	120	-	120	25	200	130	475
Brackish Water Fisheries Production a/	*	497-21-180-243	1976	1977	-	-	-	(388)	(210)	(178)	-	217	-	217
Northern Sumatra Regional Planning	*	497-11-199-246	1977	1979	-	-	-	-	-	-	-	360	840	1,200
Higher Agricultural Education		497-11-660-190	1969	1975	7,164	5,714	1,450	-	1,450	-	-	-	-	7,164
Agricultural Research		497-11-110-198	1971	1975	1,201	860	341	-	302	39	-	-	-	1,201
POPULATION PLANNING AND HEALTH								8,101			1,950	3,405		
Family Planning	*	497-15-580-188	1968	1977	23,215	20,884	2,331	7,801	8,543	1,589	1,950	2,905	-	35,871
Health Research and Development	*	497-11-599-230	1975	1977	160	38	122	300	324	98	-	500	-	960
EDUCATION AND HUMAN RESOURCES DEVELOPMENT								1,600			200	1,900		
General Participant Training	*	497-11-690-183	1967	1977	9,320	8,634	686	955	1,242	399	100	1,800	-	12,175
Educational Finance	*	497-11-680-229	1975	1977	201	-	201	175	221	155	50	100	-	526
Non-formal Education		497-11-670-234	1975	TQ	150	-	150	470	265	355	50	-	-	670
Total								10,801	13,274	3,231	2,450	6,905		

a/ Part of Assistance to Agriculture project in FY 1976

*Detailed project narrative—See Table VI.

Country: INDONESIA

GRANT ACTIVITY DATA

TABLE VI

TITLE	FUNDS	PROPOSED OBLIGATION ($000)	
Assistance to Agriculture	Food and Nutrition	FY 77 316	
	PRIOR REFERENCE	INITIAL OBLIGATION	SCHEDULED FINAL OBLIGATION
NUMBER 497-11-110-189	p. 16, FY 1976 East Asia PDB	FY: 1969	FY: 1977

Project Target and Course of Action: The purpose of this project is to increase the capability of the Indonesian Ministry of Agriculture to identify policies, and to plan and implement programs that increase food production and welfare of small farmers. Assistance is focused on strengthening the staff of the Ministry of Agriculture and on implementing fisheries projects.

Progress to Date: During Indonesia's First Five-Year Plan (1969-1974), rice production increased 37%, to a total of 14 million tons in 1973-74. A.I.D. provided critically needed technical assistance under this project when the Ministry of Agriculture was attempting to deal with early problems in the national rice program. For example, advisors pointed out shortcomings in the government's domestic procurement operations. Corrective actions were taken as a result. In FY 1975, A.I.D.-funded advisors from the Tennessee Valley Authority (TVA) worked on fertilizer marketing problems and provided training for fertilizer inspectors. Four planners from the Ministry were sent to the United States for graduate degrees, and several short-term consultants assisted in the reorganization of the Planning Bureau.

A survey of the suitability of multiple cropping was also conducted. It was concluded that if such a pilot activity were undertaken, it should be done in the context of a larger area development project in order for production gains to be integrated with marketing and other aspects of the agriculture sector. Such projects are being formulated, and multiple cropping will be considered as a possible facet of new area development activities. The project has also continued ongoing training of participants in U.S. universities in various fields of agriculture. During FY 1976, $388,000 of project funding is being utilized for a brackish water fisheries expansion program in northern Sumatra. (Brackish Water Fisheries Production becomes a discrete project in FY 1977.)

FY 1977 Program: A total of $316,000 is proposed to continue Assistance to Agriculture for an additional year. Funds will be utilized to finance grants for agricultural technical services on a selective basis for such activities as the Luwu and Citanduy loan projects. Services will include two long-term PASA technicians, two long-term contract technicians, and 27 man-months of short-term contract consultants ($280,000). Participant training includes three long- and three short-term new starts and three continuing in master's programs ($36,000).

U.S. DOLLAR COST (In Thousands)

	Obligations	Expenditures	Unliquidated
Through 6/30/75	1,793	1,579	214
Estimated FY 76	438	315	
Estimated through 6/30/76	2,231	1,894	337
Estimated Transition Quarter	140	Future Year Obligations	Estimated Total Cost
Proposed FY 77	316	–	2,687

Cost Components	OBLIGATIONS								
	Estimated FY 76			Estimated Transition Quarter			Proposed FY 77		
	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total
U.S. Technicians . .	–	205	205	–	70	70	–	280	280
Participants	113	–	113	40	–	40	36	–	36
Commodities	77	43	120	20	–	20	–	–	–
Other Costs	–	–	–	10	–	10	–	–	–
Total Obligations . .	190	248	438	70	70	140	36	280	316

PRINCIPAL CONTRACTORS/ AGENCIES

Auburn University International Center for Aquaculture

PASA with Tennessee Valley Authority

Country: INDONESIA

GRANT ACTIVITY DATA

TABLE VI

TITLE	FUNDS	PROPOSED OBLIGATION ($000)	
Voluntary Agency Co-Financing	Food and Nutrition	FY 77 426	
NUMBER 497-13-899-225	PRIOR REFERENCE p. 17, FY 1976, East Asia PDB	INITIAL OBLIGATION FY: 1974	SCHEDULED FINAL OBLIGATION FY: 1977

Project Target and Course of Action: The purpose of this project is to promote activities benefiting Indonesia's poor majority. Funds made available under this project in conjunction with funds provided by U.S.-registered voluntary agencies and by Indonesian organizations and affiliates are used to support selected local development activities. The project enhances the ability of U.S. voluntary agencies to plan and implement development activities designed to meet basic human needs, especially in poor rural areas.

The voluntary agencies have full responsibility for activity selection, planning and monitoring. All U.S.-registered voluntary agencies active in Indonesia are eligible to request A.I.D. assistance for specific activities within their overall programs. The activities proposed by the voluntary agencies, however, are subject to A.I.D. approval and audit.

A.I.D. provides funding for up to 75% of the costs of each activity selected for co-financing. However, A.I.D. funds have approximated 40%-50% of the cost of all activities selected in any one year. These funds are obligated by means of grant agreements with the voluntary agencies. Funds are transferred to the U.S. headquarters of each voluntary agency, then directly to the representative agencies in Indonesia.

Progress to Date: Through FY 1975, five voluntary agencies (CARE, Catholic Relief Services, Church World Service, YMCA and Seventh Day Adventist Services) had received A.I.D. grants totaling $357,000 for support of twenty-four activities with a total cost of $833,000. A.I.D. funds represented 43% of the total, with the remainder being contributed by the VolAgs, their Indonesian counterpart agencies, and provincial, district or local communities under the co-financing scheme. These activities were varied in scope. For example, irrigation systems were rehabilitated, duck and poultry breeding were promoted, a Luwu agricultural extension cadre was trained, and nutrition education was intensified. During FY 1976, a special effort has been made to encourage expanded participation in this project by the voluntary agencies operating in Indonesia. As a result, 15 additional activities are expected to be undertaken this year, including several by the largest indigenous Indonesian voluntary agency, Muhammadiya.

FY 1977 Program: A total of $426,000 is proposed to finance additional approved development activities in coordination with the voluntary agencies.

U.S. DOLLAR COST (In Thousands)

	Obligations	Expenditures	Unliquidated
Through 6/30/75	357	259	98
Estimated FY 76	399	458	
Estimated through 6/30/76	756	717	39
Estimated Transition Quarter	100	Future Year Obligations	Estimated Total Cost
Proposed FY 77	426	-	1,282

Cost Components	OBLIGATIONS								
	Estimated FY 76			Estimated Transition Quarter			Proposed FY 77		
	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total
U.S. Technicians	-	-	-	-	-	-	-	-	-
Participants	-	-	-	-	-	-	-	-	-
Commodities	-	-	-	-	-	-	-	-	-
Other Costs	-	399	399	-	100	100	-	426	426
Total Obligations	-	399	399	-	100	100	-	426	426

PRINCIPAL CONTRACTORS/ AGENCIES

CARE
Catholic Relief Service
Church World Service
YMCA
Seventh Day Adventist Service

Country: INDONESIA

GRANT ACTIVITY DATA

TABLE VI

TITLE	FUNDS	PROPOSED OBLIGATION ($000)	
Area Development Project Planning (Area Development Agricultural Resources Assessment)*	Food and Nutrition	FY 77 81	
NUMBER 497-11-199-238	PRIOR REFERENCE p. 18, FY 1976 East Asia PDB	INITIAL OBLIGATION FY: 1975	SCHEDULED FINAL OBLIGATION FY: 1977

Project Target and Course of Action: The purpose of this project is to improve the ability of provincial planning authorities to develop programs, design projects, and allocate funds to deal with the problems of small farmers and other poor people in rural areas. A.I.D. assists in the design and implementation of planning studies carried out by the provincial universities, local contractors, and U.S. advisors. The studies generate basic data for setting development priorities for agricultural programs within the province, provide prefeasibility information for specific projects, and analyze and recommend improvements in the provincial planning systems. In addition to financing advisors, A.I.D. finances a portion of the local costs of the studies. Key provincial planners will also be selected for short-term training in the United States and third countries.

Progress to Date: The Indonesian Government within the past two years has decentralized the planning process by providing a greater role to provincial planning authorities. This project supports the decentralization trend, as well as tangible local development, by supporting locally conducted studies tied directly to project implementation plans of local government. Two initial studies have been identified for implementation, one for the provincial planning authority of North Sumatra province, the other for Bali province; PASA services have been requested of USDA/Economic Research Service; short-term training program development has begun with local planning authorities in Pakistan, Malaysia, and Taiwan. Two additional studies will have been identified for implementation before the close of FY 1976. The third and final year of the project will see the identification of the fifth and sixth studies to be conducted under the project.

FY 1977 Program: A total of $81,000 is proposed for the final year for 12 man-months of PASA advisory services for final studies ($52,000) and associated commodity costs ($2,000), reimbursement of local costs associated with conducting the studies ($23,000), and training of short-term participants in a third country ($4,000).

*In FY 1976, this project was entitled Area Development Agricultural Resources Assessment. The name change is made to reflect more accurately the purposes of the project and its administration and implementation within the Government of Indonesia.

U.S. DOLLAR COST (In Thousands)

	Obligations	Expenditures	Unliquidated
Through 6/30/75	111	–	111
Estimated FY 76	143	154	
Estimated through 6/30/76	254	154	100
Estimated Transition Quarter	35	Future Year Obligations	Estimated Total Cost
Proposed FY 77	81	–	370

Cost Components	OBLIGATIONS								
	Estimated FY 76			Estimated Transition Quarter			Proposed FY 77		
	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total
U.S. Technicians . .	–	96	96	–	20	20	–	52	52
Participants	8	–	8	–	–	–	4	–	4
Commodities	–	5	5	–	–	–	–	2	2
Other Costs	34	–	34	15	–	15	23	–	23
Total Obligations . .	42	101	143	15	20	35	27	54	81

PRINCIPAL CONTRACTORS/ AGENCIES

USDA/ERS and local contracts

Country: INDONESIA

GRANT ACTIVITY DATA

TABLE VI

TITLE	FUNDS	PROPOSED OBLIGATION ($000)	
Kabupaten Rural Development Planning and Management	Food and Nutrition	FY 77 200	
NUMBER 497-11-810-237	PRIOR REFERENCE Sec.113 notification to be transmitted	INITIAL OBLIGATION FY: 1976	SCHEDULED FINAL OBLIGATION FY: 1978

Project Target and Course of Action: The purpose of this project is to develop and introduce at the kabupaten (district) level techniques for quickly and accurately defining the needs of the rural poor and responding through the existing governmental structure and programs, and to increase the effectiveness of the kabupaten planning and administrative machinery.

A team of consultants will be based in Central Java and, at the direction of the governor, will be assigned to work with four or five selected kabupatens. The team will be comprised of two Americans, two Indonesians from local universities, and two representatives of the provincial government. The first phase (4-6 months) of the project will be devoted to an analytical review of planning, implementation and management practices and policies in the selected kabupatens. Following this review, the consultants will work with kabupaten officials to help determine the kabupatens' immediate informational needs and to develop feedback systems to provide the required information. The team will also assist in developing training materials and approaches for on-the-job training and short-term courses to be conducted at the provincial level for key kabupaten officials. These courses will, to the extent feasible, utilize the services of a private Indonesian management institute. Finally, the consultants will work through actual planning exercises with kabupaten officials utilizing problem-solving and goal-setting techniques, and will revise the training materials as a result of this experience.

Progress to Date: This project did not appear in the FY 1976 CP, but was submitted for prior notification to Congress. There is agreement with Indonesian officials regarding the focus and parameters of the project. Efforts to further define the implementing bodies are under way.

FY 1977 Program: A total of $200,000 is proposed (a) to continue the services of one advisor for a period of one year and a second advisor for a period of six months ($90,000); (b) to purchase limited amounts of training materials ($20,000); and (c) to carry out test projects and provide the services of an indigenous management institute ($90,000).

U.S. DOLLAR COST (In Thousands)

	Obligations	Expenditures	Unliquidated
Through 6/30/75	–	–	–
Estimated FY 76	120	–	
Estimated through 6/30/76	120	–	120
Estimated Transition Quarter	25	Future Year Obligations	Estimated Total Cost
Proposed FY 77	200	130	475

Cost Components	OBLIGATIONS								
	Estimated FY 76			Estimated Transition Quarter			Proposed FY 77		
	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total
U.S. Technicians . .	–	120	120	–	25	25	–	90	90
Participants	–	–	–	–	–	–	–	–	–
Commodities	–	–	–	–	–	–	20	–	20
Other Costs	–	–	–	–	–	–	90	–	90
Total Obligations . .	–	120	120	–	25	25	110	90	200

PRINCIPAL CONTRACTORS/ AGENCIES

Personal services and local contracts

Country: INDONESIA

GRANT ACTIVITY DATA

TABLE VI

TITLE	FUNDS	PROPOSED OBLIGATION ($000)	
Brackish Water Fisheries Production * (Part of Assistance to Agriculture in FY 1976)	Food and Nutrition	FY 77 217	
NUMBER 497-21-180-243	PRIOR REFERENCE p.16, FY 1976 East Asia PDB	INITIAL OBLIGATION FY: 1976	SCHEDULED FINAL OBLIGATION FY: 1977

Project Target and Course of Action: The purpose of this project is to increase brackish water inland fisheries (tambak) production in seven districts in the provinces of Aceh and North Sumatra, and to create a project organization base upon which tambak area expansion can take place. Through intensification of aquaculture practices by applying known technology, there will be increased employment in the area, increased fisheries production, and increased tambak operator incomes. The thrust of the project is to create a system of eight provincial fishery development units (PFDUs), and employment of tambak intensification agents (TIAs) who will demonstrate and teach methods of increasing production. Bank credit for production, intensification, and extensification will be programmed by the Directorate General of Fisheries provincial staff, and supervised by the Bank Rakyat Indonesia.

Progress to Date: Two full-time technical advisors are assigned to the project. One individual is stationed in each of the two provinces. Additional short-term consultants are being utilized by the project in such areas as marketing and processing. Eight PFDUs have been created on existing private or government-owned ponds and construction is to begin in FY 1976. Private ponds receive compensation in the form of leases or pond improvement arrangements. In-country and offshore academic and short-course training is provided staff members, and includes nine M.Sc. candidates in the United States and the Philippines, and two short-term participants in the Philippines. Principal commodities provided under the project include vehicles for the two provinces and eight PFDUs, and audio-visual and pond analysis equipment.

FY 1977 Program: A total of $217,000 is proposed to finance two full-time advisors and six man-months of short-term consultants ($181,000), and continuation of long-term training in the United States for five participants ($36,000).

*In FY 1976 $388,000 was obligated for this activity as Part of Assistance to Agriculture Project No. 497-11-110-189.

U.S. DOLLAR COST (In Thousands)

	Obligations	Expenditures	Unliquidated
Through 6/30/75	-	-	-
Estimated FY 76	(388*)	(210*)	
Estimated through 6/30/76	(388*)	(210*)	(178*)
Estimated Transition Quarter	-	Future Year Obligations	Estimated Total Cost
Proposed FY 77	217	-	217

Cost Components	OBLIGATIONS								
	Estimated FY 76			Estimated Transition Quarter			Proposed FY 77		
	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total
U.S. Technicians	-	(205)	(205)	-	-	-	-	181	181
Participants	(63)	-	(63)	-	-	-	36	-	36
Commodities	(77)	(43)	(120)	-	-	-	-	-	-
Other Costs	-	-	-	-	-	-	-	-	-
Total Obligations	(140)	(248)	(388)	-	-	-	36	181	217

PRINCIPAL CONTRACTORS/ AGENCIES

To be selected

Country: INDONESIA

GRANT ACTIVITY DATA

TABLE VI

TITLE	FUNDS	PROPOSED OBLIGATION ($000)	
Northern Sumatra Regional Planning	Food and Nutrition	FY 77 360	
	PRIOR REFERENCE	INITIAL OBLIGATION	SCHEDULED FINAL OBLIGATION
NUMBER 497-11-199-246	-	FY: 1977	FY: 1979

GOAL: The goal of this project is to increase rural income and participation in the development process.

PURPOSE: The local purpose of this project is to establish coordinated provincial and regional planning capability for the northern Sumatra planning region.

BACKGROUND: The Indonesian Government and the A.I.D. Mission have been collaborating on the development of the project for over a year. In 1974, at the request of Indonesia, AID grant-financed a small study to design a more decentralized approach to regional planning. The resulting report has provided the basis for detailed discussions with the Indonesian Government concerning objectives, organization and staffing for the project. The project is based on the idea that decentralized planning can be more responsive to development needs than was the highly centralized planning characteristic of the Five-Year Plan period.

OUTPUTS: (1) Establish a selection process for identification of high priority sectoral and sub-regional area development projects and coordination of the detailed planning for their execution, (2) formulate a long-term regional development strategy, (3) establish a regional information center, (4) design a system for monitoring/evaluation of project execution and (5) establish manpower development plans for provincial planning bodies and the planning divisions of provincial level sectoral agencies.

HOST COUNTRY AND OTHER DONORS: The project has been coordinated with other donors active in regional planning. As IBRD, Canadian, West German and Australian-assisted regional planning activities have progressed, USAID has maintained a continuing dialogue with the donors' in-country representatives. Numerous discussions of more general issues have been held with the long-term regional planning advisors sponsored by the Ford Foundation and the Dutch and Belgium governments.

FY 1977 PROGRAM: A total of $360,000 is proposed to finance 40 man-months of technical advisory services ($324,000); training of five planners (two long-term and three short-term participants) ($30,000); and commodities to support the regional information center ($6,000).

U.S. DOLLAR COST (In Thousands)

	Obligations	Expenditures	Unliquidated
Through 6/30/75	-	-	-
Estimated FY 76	-	-	
Estimated through 6/30/76	-	-	-
Estimated Transition Quarter	-	Future Year Obligations	Estimated Total Cost
Proposed FY 77	360	840	1,200

OBLIGATIONS

Cost Components	Estimated FY 76			Estimated Transition Quarter			Proposed FY 77		
	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total
U.S. Technicians	-	-	-	-	-	-	-	324	324
Participants	-	-	-	-	-	-	30	-	30
Commodities	-	-	-	-	-	-	-	6	6
Other Costs	-	-	-	-	-	-	-	-	-
Total Obligations	-	-	-	-	-	-	30	330	360

PRINCIPAL CONTRACTORS/ AGENCIES

To be selected

Country: INDONESIA

GRANT ACTIVITY DATA

TABLE VI

TITLE	FUNDS	PROPOSED OBLIGATION ($000)	
Family Planning	Population Planning and Health	FY 77 2,905	
NUMBER 497-15-580-188	PRIOR REFERENCE p.19, FY 1976 East Asia PDB	INITIAL OBLIGATION FY: 1968	SCHEDULED FINAL OBLIGATION FY: 1977

Project Target and Course of Action: The purpose of this project is to reduce population growth rates sufficiently so that the country's population in the year 2000 will not exceed 220 million. Currently the population is 140 million, and the annual growth rate is 2.1%. Without a substantial decline in fertility rates, the population growth rate will rise and Indonesia will have a population far in excess of 220 million by the year 2000.

Indonesia launched a national family planning program seven years ago. A.I.D. has provided advisors to assist the National Family Coordinating Board in managing the rapid growth of the program, and has supplied nearly all of the oral contraceptives distributed through the family planning clinics.

Progress to Date: During the first five years of the family planning program, efforts were concentrated on the densely populated islands of Java and Bali. As of October 1975, 2.8 million women in Java and Bali, representing 20% of all eligible couples on these islands, were practicing contraception. In addition to supplying contraceptives, A.I.D. has assisted in the development of a logistics system and a service statistics program. Pilot schemes for the distribution of contraceptives through the private sector have been initiated with A.I.D assistance, and a number of research and development efforts are being undertaken which have a potential for rapidly spreading family planning practices.

FY 1977 Program: A total of $2,905,000 is proposed to assist the Indonesian Government to accelerate the implementation of its national family planning program. These funds will be utilized for extending the village contraceptive supply depots, the sterilization program, plantation/industry/commercial distribution, and outer island family planning activities. Seven short-term consultants will be provided ($100,000). Participants will include 21 long-term M.S. and Ph.D. candidates and five short-term trainees ($250,000). Commodities such as medical and data processing equipment and limited 4-wheel transport will be provided ($750,000). Other costs include activities such as the extension of the village contraceptive depots throughout Java, pilot testing of distribution of condoms and oral contraceptives by non-medical personnel, and discretionary grants to outer island program managers to stimulate innovative approaches to extending family planning services in their areas ($1,805,000). In addition, $7.3 million of loan-funded contraceptives is requested under a loan activity.

FY 1977 will be the last year of funding for the project as currently programmed. A new phase is under review.

U.S. DOLLAR COST (In Thousands)

	Obligations	Expenditures	Unliquidated
Through 6/30/75	23,215	20,884	2,331
Estimated FY 76	7,801	8,543	
Estimated through 6/30/76	31,016	29,427	1,589
Estimated Transition Quarter	1,950	Future Year Obligations	Estimated Total Cost
Proposed FY 77	2,905	-	35,871

OBLIGATIONS

Cost Components	Estimated FY 76 Direct AID	Estimated FY 76 Contract/Other Agency	Estimated FY 76 Total	Estimated Transition Quarter Direct AID	Estimated Transition Quarter Contract/Other Agency	Estimated Transition Quarter Total	Proposed FY 77 Direct AID	Proposed FY 77 Contract/Other Agency	Proposed FY 77 Total
U.S. Technicians		71	71	-	7	7	-	100	100
Participants	210	-	210	47	-	47	250	-	250
Commodities	7,100	-	7,100	1,798	-	1,798	750	-	750
Other Costs	420	-	420	98	-	98	1,805	-	1,805
Total Obligations	7,730	71	7,801	1,943	7	1,950	2,805	100	2,905

PRINCIPAL CONTRACTORS/AGENCIES

University of Hawaii School of Public Health.

Country: INDONESIA

GRANT ACTIVITY DATA

TABLE VI

TITLE	FUNDS	PROPOSED OBLIGATION ($000)	
Health Research and Development	Population Planning and Health	FY 77 500	
NUMBER 497-11-599-230	PRIOR REFERENCE p. 20, FY 1976 East Asia PDB	INITIAL OBLIGATION FY: 1975	SCHEDULED FINAL OBLIGATION FY: 1977

Project Target and Course of Action: The purpose of this project is to assist the National Health Research and Development Institute to perform program analyses for the health sector. The project focused on building a base of statistical information; testing new concepts in health-delivery systems such as paramedical personnel, rural health clinics, and training for traditional medical practitioners; and conducting research on social cultural and medical factors affecting public health in Indonesia.

By June 1976, about ten pilot sub-projects will be under way on Java and the outer islands of Indonesia. Indonesia's public health problems are typical of other less-developed countries. The poor majority of the population does not have access to modern health services; doctors and health technicians are poorly trained; and modern medicines are too expensive for most Indonesians to afford. Certain communicable diseases--gastro-intestinal illnesses, tuberculosis and cholera--are endemic to the country and, as a result, infant mortality is very high. The Indonesian Government plans to expand health services and improve the health environment in Indonesia during the period of the Second Five Year Plan (1974-79).

Progress to Date: A preliminary field study, aimed at providing baseline data for use in the research sub-projects, is complete. This study focused on two districts and determined current health problems, the pattern of utilization of existing health services in the districts and the patterns of activity of physicians, nurses, midwives, sanitarians and other health workers in the districts. In addition, studies are planned or currently underway to pilot-test the concept of village health promoters, to study the level and source of physician income, to develop and field-test a minimum drug list for health clinics, and to study the use of traditional drugs in treating illnesses.

FY 77 Program: A total of $500,000 is proposed for two short-term U.S. advisors to assist in continued health sector planning and the development of pilot projects ($30,000); two long-term participants from the Department of Health's Institute for Health Research and Development for training in the United States ($20,000); commodities for the Institute ($20,000); and local currency to finance 10 - 12 specific sub-projects ($430,000).

U.S. DOLLAR COST (In Thousands)

	Obligations	Expenditures	Unliquidated
Through 6/30/75	160	38	122
Estimated FY 76	300	324	
Estimated through 6/30/76	460	362	98
Estimated Transition Quarter	-	Future Year Obligations	Estimated Total Cost
Proposed FY 77	500	-	960

Cost Components	OBLIGATIONS									PRINCIPAL CONTRACTORS/ AGENCIES
	Estimated FY 76			Estimated Transition Quarter			Proposed FY 77			
	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total	
U.S. Technicians . .	-	34	34	-	-	-	-	30	30	Personal services and local contracts
Participants	41	-	41	-	-	-	20	-	20	
Commodities	25		25	-	-	-	20	-	20	
Other Costs	200	-	200	-	-	-	430		430	
Total Obligations . .	266	34	300	-	-	-	470	30	500	

Country: INDONESIA

GRANT ACTIVITY DATA

TABLE VI

TITLE	FUNDS	PROPOSED OBLIGATION ($000)	
General Participant Training	Education and Human Resources Development	FY 77 1,800	
	PRIOR REFERENCE	INITIAL OBLIGATION	SCHEDULED FINAL OBLIGATION
NUMBER 497-11-690-183	p. 21, FY 1976 East Asia PDB	FY: 1967	FY: 1977

Project Target and Course of Action: The purpose of this project is to overcome critical shortages of skilled managers and technicians. The scarcity of well-trained Indonesians seriously hampers planning and project implementation and impedes efforts to improve the lot of the nation's poor majority and to encourage a greater degree of participation by women in development. Training programs in Indonesia do not have the capacity to provide all the manpower required; therefore, the United States, along with other donors, is providing training abroad for qualified Indonesians. Special consideration is given to training women for Indonesia's development.

This project finances training in the United States and low-income countries with an emphasis on: (1) management training for Indonesian Government personnel with major planning and implementation responsibilities under Indonesia's Second Five-Year Plan; (2) training for candidates in the sectors of education and manpower development, health and population, and food and nutrition who do not fall within the scope of our more narrowly focused technical assistance projects. The men and women to be trained are drawn from a broad range of backgrounds and disciplines, and are important staff members of Government ministries, organizations, and agencies such as the Ministry of Education, the Central Bureau of Statistics, the National Development Planning Board, the Ministry of finance, and the Ministry of Health.

Progress to Date: This project has funded, since its inception in 1967, training for some 1,600 Indonesians in the United States and third countries. Virtually all participants have returned to Indonesia. Many, including several women, hold key development positions.

FY 1977 Program: A total of $1,800,000 is proposed to finance the training of approximately 275 people, of which 210 will be new participants ($1,790,000). Fields of study will include rural development, food and nutrition, economics and a special focus on general public and fiscal administration related to upgrading GOI management capabilities. Approximately 65 people will be extended to continue their education in the U.S. or third countries. In addition, funds are proposed to support the costs of the computer bank of participant records and for texts and tapes for English language training ($10,000). (Funding for this grant project in FY 1977 represents a transition to total loan funding of participant training in subsequent years).

U.S. DOLLAR COST (In Thousands)

	Obligations	Expenditures	Unliquidated
Through 6/30/75	9,320	8,634	686
Estimated FY 76	955	1,242	
Estimated through 6/30/76	10,275	9,876	399
Estimated Transition Quarter	100	Future Year Obligations	Estimated Total Cost
Proposed FY 77	1,800	–	12,175

OBLIGATIONS

Cost Components	Estimated FY 76 Direct AID	Estimated FY 76 Contract/Other Agency	Estimated FY 76 Total	Estimated Transition Quarter Direct AID	Estimated Transition Quarter Contract/Other Agency	Estimated Transition Quarter Total	Proposed FY 77 Direct AID	Proposed FY 77 Contract/Other Agency	Proposed FY 77 Total
U.S. Technicians	–	–	–	–	–	–	–	–	–
Participants	950	–	950	98	–	98	1,790	–	1,790
Commodities	–	–	–	–	–	–	5	–	5
Other Costs	5	–	5	2	–	2	5	–	5
Total Obligations	955	–	955	100	–	100	1,800	–	1,800

PRINCIPAL CONTRACTORS/AGENCIES

None

Country: INDONESIA

GRANT ACTIVITY DATA

TABLE VI

TITLE	FUNDS	PROPOSED OBLIGATION ($000)	
Educational Finance	Education and Human Resources Development	FY 77 100	
	PRIOR REFERENCE	INITIAL OBLIGATION	SCHEDULED FINAL OBLIGATION
NUMBER 497-11-680-229	p. 22, FY 1976 East Asia PDB	FY: 1975	FY: 1977

Project Target and Course of Action: The purpose of the project is to develop in the Ministry of Education a capability to establish allocation criteria for education funds and to improve school finance data-recording, collection and analysis consistent with the objectives of the Second Five-Year Plan for providing equitable educational opportunities.

Funds for education in Indonesia have so far been allocated with little specific reference to the equity aims expressed in the Second Five-Year Plan. Allocation policy has had to be made with inadequate or no data base. This has resulted generally in allocations favoring target groups which already have access to education. The Ministry of Education is anxious to develop data-based allocation criteria to ensure better school provision for those now excluded. The Office of Educational Development has responsibility for developing staff competence in this field.

Progress to Date: A.I.D. funds have been used to design and carry out a series of studies on (a) current allocation procedures and criteria; (b) school operation costs; (c) costs of teacher preparation; (d) teacher compensation; (e) school fees; (f) school building costs; and (g) employment experience of school leavers. One full-time American consultant began work in November 1975 and another is to be recruited early in 1976. An intensive study of relationships between school finance and other school characteristics for a sample of seven percent of all schools is underway. One PhD candidate is now studying at the University of California in Berkeley and two other participants have been identified for third-country training. A second PhD candidate will be recruited and begin training in early 1976. Three short-term advisors are being recruited.

FY 1977 Program: A total of $100,000 is proposed for one long-term and three new short-term contract technicians ($50,000); one long and four short-term participants for both U.S. and third-country training ($25,000); commodities ($10,000); and other costs for preparation of seminar/workshop and research materials ($15,000).

U.S. DOLLAR COST (In Thousands)

	Obligations	Expenditures	Unliquidated
Through 6/30/75	201	-	201
Estimated FY 76	175	221	
Estimated through 6/30/76	376	221	155
Estimated Transition Quarter	50	Future Year Obligations	Estimated Total Cost
Proposed FY 77	100	-	526

Cost Components	OBLIGATIONS								
	Estimated FY 76			Estimated Transition Quarter			Proposed FY 77		
	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total
U.S. Technicians . .	-	85	85	-	30	30	-	50	50
Participants	40	-	40	10	-	10	25	-	25
Commodities	10	-	10	-	-	-	-	10	10
Other Costs	-	40	40	-	10	10	-	15	15
Total Obligations . .	50	125	175	10	40	50	25	75	100

PRINCIPAL CONTRACTORS/ AGENCIES

To be selected

SUMMARY OF ACTIVE DEVELOPMENT LOANS
Authorized as of 12/31/75
(In thousands of dollars)

COUNTRY: Indonesia

TABLE VII

Loan No.	Title	Date		Grace Period (years)	Life of Loan (years)	Interest Rate (%)		Currency of Repayment	Amount Authorized	As of 12/31/75		
		Authorized	Loan Agreement			Grace Period	Amortization			Amount Disbursed	Principal Repayments	Interest Collected
497-H-019	Central Java Electric Power	4-17-70	5-22-70	10	40	2	3	U.S. $	27,401	21,737		489
497-H-020	Pusri Fertilizer Plant	5-26-70	7-2-70	10	40	2	3	U.S. $	24,000	23,806		974
497-H-022	Medan Electric Power	6-26-70	9-19-70	10	40	2	3	U.S. $	13,775	10,489		93
497-H-024	Semerang Steam Power Station	6-15-71	11-3-71	10	40	2	3	U.S. $	19,700	8,094		75
497-H-025	Ketenger T&D Rehabilitation	6-15-71	11-3-71	10	40	2	3	U.S. $	21,000	9,347		61
497-H-026	Commodities Import	7-13-71	8-26-71	10	40	2	3	U.S. $	74,580	74,020		4,170
497-H-027	Project Development	7-15-71	11-3-71	10	40	2	3	U.S. $	5,000	1,047		26
497-H-028	West Java T&D, Phase I	6-26-72	4-9-73	10	40	2	3	U.S. $	17,200	580		4
497-H-030	West Java Interim Generation	2-28-73	1-24-74	10	40	2	3	U.S. $	5,716	4,464		62
497-H-031	Jagorawi Highway Construction	2-28-73	1-24-74	10	40	2	3	U.S. $	26,000	11,747		168
497-W-032	West Java Transmission and Distribution, Phase II	8-6-73	3-29-74	10	40	2	3	U.S. $	19,700	-		-
497-W-033	West Java Interim Generation	11-19-73	3-29-74	10	40	2	3	U.S. $	5,500	3,583		26
497-U-034	Malaria Control	6-18-74	2-7-75	10	40	2	3	U.S. $	24,700	2,045		16
497-T-035	Rural Works	6-18-74	5-10-75	10	40	2	3	U.S. $	6,800	-		-
497-T-036	Aceh Road Betterment	6-28-74	5-10-75	10	40	2	3	U.S. $	10,300	-		-
497-T-037	Sederhana Irrigation Development	2-28-75	6-30-75	10	40	2	3	U.S. $	20,000	-		-
497-T-038	Luwu Agriculture Development	6-26-75	10-23-75	10	40	2	3	U.S. $	15,000	-		-

SUMMARY OF ACTIVE DEVELOPMENT LOANS
Authorized as of 12/31/75
(In thousands of dollars)

COUNTRY: Indonesia

TABLE VII

Loan No.	Title	Date		Grace Period (years)	Life of Loan (years)	Interest Rate (%)		Currency of Repayment	Amount Authorized	As of 12/31/75		
		Authorized	Loan Agreement			Grace Period	Amortization			Amount Disbursed	Principal Repayments	Interest Collected
497-T-039	Citanduy Basin Development	12-31-75		10	40	2	3	U.S. $	12,500	-		-
497-T-040	Technical Assistance/Consulting Services	12-31-75		10	40	2	3	U.S. $	5,000	-		-

SUMMARY OF ESTIMATED DEVELOPMENT LOAN AUTHORIZATIONS
Balance FY 1976 and Transition Quarter (1/1/76 - 9/30/76)
(In Thousands of Dollars)

COUNTRY: Indonesia

TABLE VIIa

TITLE	AMOUNT
Rural Sanitation Manpower Development	3,300
Agricultural Education for Development 1/	5,500
Education Development Training 2/	5,000
Surakarta Water System	5,000
Sederhana (Simple) Irrigation and Land Development	3,700

1/ Listed as Higher Agricultural Education in FY 1976 CP
2/ Listed as Training and Manpower Development in FY 1976 CP

SUMMARY OF PROPOSED DEVELOPMENT LOANS

FY 1977
(In Thousands of Dollars)

COUNTRY: INDONESIA

TABLE VIII

TITLE	AMOUNT
Lampung Pilot Pond Development	3,000
Sederhana (Simple) Irrigation and Land Development II	26,800
Family Planning (Title X)	7,300
Manpower Development Training	5,900

Country: INDONESIA

LOAN ACTIVITY DATA

TABLE IX

TITLE	FUNDS	PROPOSED OBLIGATION ($000)
Lampung Pilot Pond Development	Food and Nutrition	3,000
	KIND OF LOAN: Project	INITIAL OBLIGATION FY: 1977

Goal: To increase the food available to the poor majority and to resettle poor families from overcrowded Java to the under-populated outer islands.

Purpose: To establish modern brackish-water fish farms utilizing advanced technology on presently unused land in the Lampung Province, Sumatra.

Background: United Nations Development Program and World Bank studies indicate that Indonesia is obtaining average fish pond yields only 1/2 - 1/3 of average yields in the Philippines and Taiwan. To improve productivity of Indonesian fish farms, the Government has requested A.I.D. to assist in developing a pilot brackish-water fish farm project in Lampung Province, Sumatra. It is designed to utilize improved technology to raise the productivity in the pilot project for replication throughout Indonesia. In addition, the Lampung area can be readily drawn upon to supply the populous Jakarta area with fish and to resettle poor families from overcrowded areas of Java. Adjacent unused land in Lampung is available for expansion of fish farming as the pilot project area demonstrates its practicability.

Major Outputs:*	FY 77	FY 78	FY 79	FY 80	FY 81
1. Project site cleared	50ha	1550ha	3,050ha	3,200ha	-
2. Canals and dikes completed	0	68km	139km	159km	-
3. Construct houses schools, well, offices, clinics	0	20%	100%		
4. Transport families	0	200	1,000	1,200	
5. Water user association formed with operation and maintenance system	-	-	-	100%	
6. Institute an effective maintenance system			50%	75%	100%
7. Develop marketing links with commercial centers on Java					X
8. Develop an assured supply of fingerlings					

*All figures are cumulative

Host Country and Other Donors:

Host Country	Approximately $51 million of project costs.
Asian Development Bank (ADB)	Support from ADB fish marketing and and fishery projects.
World Bank	Support for this project from World Bank fishery projects
United Nations Development Program	Support from UNDP fishery projects.

A.I.D. Financed Inputs (in $000)

TRAINING: 10 third-country participants	30
COMMODITIES: 10 pumps and 2 jeeps	90
CAPITAL FINANCE: reimbursement of part of the cost of designing and constructing 3,200 hectares of fish ponds and related roads and water control works and of houses, wells, school, and clinics for 1,200 families	2,880
Total	3,000

Country: INDONESIA

LOAN ACTIVITY DATA

TABLE IX

TITLE	FUNDS	PROPOSED OBLIGATION ($000)
Sederhana (Simple) Irrigation and Land Development - Phase II	Food and Nutrition	26,800
	KIND OF LOAN: Project	INITIAL OBLIGATION FY: 1977

Goal: To expand rice production, raise rural incomes and provide employment for the rural poor.

Purpose: To expand the capacity of national and provincial agencies to carry out small-scale irrigation works and to enable farmers and water-user associations to utilize irrigation improvements to increase production, incomes and employment.

Background: This project will follow upon the first Sederhana Project (AID Loan 497-T 937) which is designed to accelerate small-scale irrigation activities and establish the viability of local water-user associations to serve farmer needs. Sederhana subprojects are of simple design which can be rapidly executed using labor-intensive methods and are expected to have a quick impact on rice production.
Advisors and training programs will be provided for implementing-agency personnel and for in-country training of farmers. These efforts will increase the numbers and qualifications of Indonesians so that they may continue this program after external assistance ends.

Major Outputs:
1. Completion of approximately 350 small-scale irrigation subprojects serving approximately 110,000 ha. during the period 1977 - 1979.
2. For each subproject, completion of tertiary canals and farm-service ditches.
3. Organization of viable water-user associations for each subproject.
4. Development of effective procedures for on-farm water management and for operation and maintenance.
5. Trained personnel within Indonesian agencies responsible for program capable of planning, designing, executing, and maintaining irrigation systems.

Host Country and Other Donors:

Host Country	Government of Indonesia inputs estimated at $25.0 million in the first year of the project.and $64.0 million over the life of the project. Farmer inputs are estimated at about $6.0 million.
Britain, Japan Netherlands, and Canada	Assistance to specific provincial public works offices coordinated with A.I.D. assistance for Sederhana irrigation development.
World Bank	Coordination of plans for irrigation projects.
Asian Development Bank (ADB)	Ideas and experience gained from innovative approaches to farm-level implementation activities in ADB-financed irrigation projects being utilized by A.I.D.

A.I.D. Financed Inputs (in $000)

PERSONNEL: Long-term (70 man years) and short-term (120 man-months) advisors	4,000
TRAINING:	1,000
DESIGN SERVICES:	800
COMMODITIES: construction equipment and materials	4,000
CAPITAL FINANCE: construction costs	17,000
Total	26,800

Country: INDONESIA

LOAN ACTIVITY DATA

TABLE IX

TITLE	FUNDS	PROPOSED OBLIGATION ($000)
Family Planning (Title X)	Population Planning and Health	7,300
	KIND OF LOAN: Project	INITIAL OBLIGATION FY: 1977

Goal: To stabilize population growth rates at a level consistent with the economic and social development goals of the Government of Indonesia.

Purpose: To increase the prevalence of use of all legal types of contraceptive methods in Indonesia.

Background: Indonesia launched a national family planning program seven years ago. The target of the Indonesian program is to reduce growth rates sufficiently so that the country's population in the year 2000 will not exceed 220 million. Currently the population is 139.5 million and the annual growth rate is 2.1%. Without a substantial decline in fertility rates, the population will rise and Indonesia will have well in excess of 220 million people by the year 2000.

A.I.D., utilizing grant funds, has provided advisors to assist the Indonesian National Family Coordination Board in managing the rapid growth of the program, and has supplied nearly all of the oral contraceptives distributed through the family planning clinics. Funds provided under this proposed loan will continue to assist in making large quantities of contraceptive commodities available to the Indonesian people.

Major Outputs:

1. Increase in prevalence of contraceptive use from 20% (in 1975) to 24-28% (in 1977) of women in target group (married women aged 15-44) in densely populated Java and Bali.
2. Increase in number of family planning clinics providing regular distribution of contraceptives from 2,840 in 1975 to 3,215 in 1977.

Host Country and Other Donors:

Host Country.	All local costs of family planning program . In 1974/75, the Indonesian budget for family planning was the equivalent of $8.4 million.
World Bank, Japan, Netherlands, Norway, and the Ford Foundation.	Approximately $6 million total contributions in 1974/75

A.I.D. Financed Inputs (in $000)

COMMODITIES:	
Contraceptive commodities	7,300
Total	7,300

Country: INDONESIA

LOAN ACTIVITY DATA

TABLE IX

TITLE	FUNDS	PROPOSED OBLIGATION ($000)
Manpower Development Training	Education and Human Resources Development	5,900
	KIND OF LOAN: Project	INITIAL OBLIGATION FY: 1977

Goal: Self-sustained economic and social growth through development of a self-sufficient managerial and technical capability to address development problems.

Purpose: To create a significant and growing pool of skilled Indonesian manpower working in various functions and activities having high developmental priority.

Background: A.I.D. has funded general participant training in Indonesia since 1967. Over 1,600 Indonesians from over 25 development departments and agencies have received training in a wide variety of skills which have not been specifically joined to conventional technical assistance projects. Their training has increased available trained manpower in Indonesia, thereby reducing a severe constraint to economic and social development.

This loan represents a significant step in the maturation of our development assistance program in Indonesia. Whereas the earlier general participant training program was financed by grants, the Government of Indonesia is now seeking loan-financed assistance for human resources development. The larger amount of funds available on a loan basis will facilitate an acceleration of Indonesia's efforts to upgrade its professional manpower. It is expected that the loan will lead to an overall reduction of critical shortages of trained manpower in priority development agencies and programs. Moreover, emphasis will be placed on establishing an institutional capability in Indonesia to plan, manage, and evaluate comprehensive human resource development programs.

Major Outputs:

1. Approximately 130 returning participants with advanced degrees from U.S. universities.
2. Approximately 50 returning participants from special courses, in-service training, and observation tours.
3. Approximately 500 persons trained in Indonesia (non-degree).
4. Increased management capabilities of various Indonesian Government agencies responsible for human resources development.

Host Country and Other Donors:

Host Country	All local costs of this project estimated at $1.8 million, principally for salaries of participants.
Colombo Plan, Netherlands, Japan, France, and Australia	1,915 new grants and 92 extensions during 1974
Multilateral donors, including United Nations	635 grants in 1974.

A.I.D. Financed Inputs (in $000)

PERSONNEL:	short-term consultants 123 man-months	730
CONTRACT:	For training support services	545
TRAINING:	Participant training	4,625
	Total	$5,900

Indonesia

TABLE X

(U.S. Fiscal Years · Millions of Dollars)

PROGRAM	U.S. OVERSEAS LOANS AND GRANTS OBLIGATIONS AND LOAN AUTHORIZATIONS 1971	1972	1973	1974	1975	TOTAL 1946-1975	REPAYMENTS AND INTEREST 1946-1975	TOTAL LESS REPAYMENTS AND INTEREST
I. ECONOMIC ASSISTANCE – TOTAL	177.1	239.6	240.6	90.0	89.8	1,888.3	240.2	1,648.1
Loans	159.5	223.2	221.5	68.0	69.9	1,460.9	240.2	1,220.7
Grants	17.6	16.4	19.1	22.0	19.9	427.4	-	427.4
a. A.I.D. and Predecessor Agencies	78.5	114.7	122.4	78.7	43.4	882.2	81.4	800.8
Loans	70.7	108.1	111.8	68.0	35.1 a/	608.9 a/	81.4	527.5
Grants	7.8	6.6	10.6	10.7	8.3	273.3	-	273.3
(Security Supporting Assistance)	(-)	(-)	(-)	(-)	(-)	(63.0)		
b. Food for Peace (PL 480)	97.6	124.9	118.2	11.2	46.3	934.9	104.5	830.4
Title I - Total	87.8	115.1	109.7	-	34.8	830.8	104.5	726.3
Repayable in U.S. Dollars - Loans	87.8	115.1	109.7	-	34.8	734.7	85.5	649.2
Payable in Foreign Currency - Planned for Country Use	-	-	-	-	-	96.1	19.0	77.1
(Loans)	(-)	(-)	(-)	(-)	(-)	(51.1)	(19.0)	(32.1)
(Grants)	(-)	(-)	(-)	(-)	(-)	(45.0)	(-)	(45.0)
Title II - Total Grants	9.8	9.8	8.5	11.2	11.5	104.1	-	104.1
Emergency Relief, Econ. Development, & World Food	4.9	5.8	6.6	9.9	8.7	62.2	-	62.2
Voluntary Relief Agencies	4.9	4.0	1.9	1.3	2.8	41.9	-	41.9
c. Other Economic Assistance	1.0	-	-	0.1	0.1	71.2	54.3	16.9
Peace Corps	-	-	-	-	-	0.7	-	0.7
Other	1.0	-	-	0.1	0.1	70.5	54.3	16.2
(Loans)	(1.0)	(-)	(-)	(-)	(-)	(66.2)	(54.3)	(11.9)
(Grants)	(-)	(-)	(-)	(0.1)	(0.1)	(4.3)	(-)	(4.3)
II. MILITARY ASSISTANCE – TOTAL	33.3	25.1	19.1	18.2	21.0	200.0	0.2	199.8
Credits or Loans	-	-	-	3.5	5.0	8.5	0.2	8.3
Grants	33.3	25.1	19.1	14.7	16.0	191.5	-	191.5
a. MAP Grants	16.1	18.0	18.6	14.0	15.9	162.3	-	162.3
b. Credit Sales under FMS	-	-	-	3.5	5.0	8.5	0.2	8.3
c. Military Assistance Service-funded (MASF) Grants	-	-	-	-	-	-	-	-
d. Transfers from Excess Stocks	0.7	3.5	0.5	0.7	0.1	9.1	-	9.1
e. Other Grants	16.5	3.6	-	-	-	20.1	-	20.1
III. TOTAL ECONOMIC AND MILITARY ASSISTANCE	210.4	264.7	259.7	108.2	110.8	2,088.3	240.4	1,847.9
Loans	159.5	223.2	221.5	71.5	74.9	1,469.4	240.4	1,229.0
Grants	50.9	41.5	38.2	36.7	35.9	618.9	-	618.9
Other U.S. Government Loans and Grants	2.8	6.0	73.8	40.3	211.2	488.3	146.1	342.2
a. Export-Import Bank Loans	2.8	5.0	71.7	40.3	211.2	485.2	144.6	340.6
b. All Other Loans	-	1.0	2.1	-	-	3.1	1.5	1.6

* Less than $50,000.

a/ Includes $3.9 million in capitalized interest on prior year loans; in FY 1975, $0.1 million.

(Millions of Dollars)

ECONOMIC PROGRAMS OF OTHER DONORS

A. ASSISTANCE FROM INTERNATIONAL AGENCIES - COMMITMENTS

	FY 1974	FY 1975	FY 1946-75
TOTAL	153.6	444.9	1,269.5
IBRD - World Bank	48.0	310.5	358.5
Int'l. Finance Corp.	13.3	-	57.8
Int'l. Dev. Association	54.0	30.0	561.8
Asian Dev. Bank	33.3	91.3	202.2
UN Development Program	2.8	5.7	56.4
Other UN	2.2	7.4	32.8

B. O.A.C. COUNTRIES (EXCLUDING U.S.) OFFICIAL BILATERAL GROSS EXPENDITURES

Donor	CY 1973	CY 1974	CY 1960-74
TOTAL	433.8	498.1	3,032.5
Japan	201.8	232.6	1,395.4
Netherlands	70.9	59.7	462.0
Germany	54.8	69.7	459.3
France	26.6	32.8	179.8
Italy	2.0	*	168.2
Australia	26.5	32.1	144.7
U.K.	20.0	20.7	88.8
Canada	17.5	27.8	70.5
Other	13.7	22.5	63.8

C. ASSISTANCE FROM COMMUNIST COUNTRIES (LOANS AND GRANTS EXTENDED)

	CY 1974	CY 1975	CY 1954-75
TOTAL	-	-	482
Eastern Europe	-	-	263
USSR	-	-	114
China, People's Rep. of	-	-	105

Nepal

BASIC DATA

Population *(millions - mid-1975)*	12.6
Annual Growth Rate *(percent)*	2.3
Population in Urban Areas *(Percent - 1975)*	5
Labor Force in Agriculture *(Percent)*	94
Per Capita GNP *(dollars - 1973)*	90*
Life Expectancy *(years)*	44
People Per Doctor	96,900
Literacy Rate *(percent)*	12
Students as % of 5 - 19 Age Group *(Primary and Secondary)*	15

* - Estimate in IBRD 1975 Annual Report.

NEPAL

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NEPAL

Objectives of U.S. Assistance Program

The objective of A.I.D.'s development assistance program is to support Nepal's efforts to:

-- improve agricultural technology, inputs and services for the farmer, especially the small farmer;

-- expand the delivery of family planning services and the training of family planning personnel;

-- improve the distribution of basic health services, control the spread of malaria, and improve health planning and research;

-- develop improved teaching materials and curriculum, train manpower, and provide a low-cost education delivery system.

Socio-Economic Setting

Nepal remains one of the world's least developed countries, as illustrated by the following factors:

-- Per capita income is estimated to be about $90;

-- The literacy rate is estimated to be about 12%; primary and secondary school enrollment is 15% of the school-age population;

-- The infant mortality rate is estimated at about 152 per 1,000 live births and life expectancy is estimated to be about 44 years;

-- The ratio of people per doctor is one of the highest in the world and is estimated at 96,900.

-- Population is estimated at 12.6 million and is growing at a rate of 2.3%, putting additional pressures on Nepal's already poor resource base and absorbing gains in production;

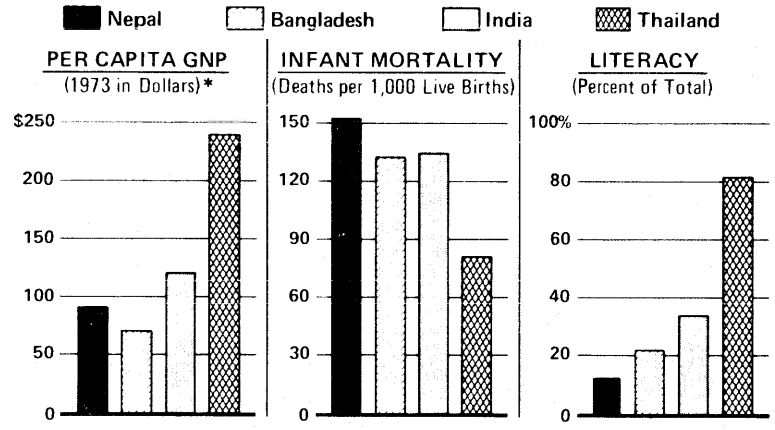
PROGRAM SUMMARY
(In thousands of dollars)

FISCAL YEAR	Total	Food and Nutrition	Population Planning and Health	Education and Human Resources Development	Selected Development Problems	Selected Countries and Organizations	Other Programs
1975							
Loans	-	-	-	-	-	-	-
Grants	2,538	1,156	968	414	-	-	-
Total	2,538	1,156	968	414	-	-	-
					Development Activities under Sec. 106		
1976							
Loans	-	-	-	-	-		-
Grants	3,450	1,100	1,350	1,000	-		-
Total	3,450	1,100	1,350	1,000	-		-
Transition Quarter							
Loans	-	-	-	-	-		-
Grants	920	400	320	200	-		-
Total	920	400	320	200	-		-
1977							
Loans	-	-	-	-	-		-
Grants	4,775	1,700	2,275	800	-		-
Total	4,775	1,700	2,275	800	-		-

-- Approximately 94% of Nepal's labor force is engaged in agricultural production.

The Nepalese economy has also been hard hit by worldwide inflation, scarcities of basic goods, and the steep rise in the price of petroleum products.

COMPARISON OF SELECTED ECONOMIC AND SOCIAL INDICATORS FOR NEPAL AND OTHER ASIAN COUNTRIES



*WORLD BANK ESTIMATES.

Nepal's national development policies are aimed at creating a unified nation and improving the life and economic well-being of its people by putting a large share of its resources into achieving the following development objectives:

-- increasing agricultural production by use of better farming technologies;

-- developing infrastructure including feeder roads, suspension bridges and ropeways;

-- establishing new and improved institutions for research, credit, extension, and marketing;

-- developing improved and more evenly distributed health and family planning services to bring under cortrol endemic health problems such as malaria, tuberculosis, leprosy, cholera, gastro-intestinal diseases, and a rapid population growth rate;

-- expanding educational opportunities, both formal and nonformal, and providing trained manpower to carry out economic development activities.

FY 1977 Program

A.I.D. is requesting a total of $4,775,000 to support Nepalese development efforts as follows:

-- Development Assistance Grants - $3,000,000.

-- Title X Population Grants - $1,775,000

-- Approximately $8.3 million equivalent of U.S.-owned Indian rupees is programmed to support our technical assistance projects and to make capital grants to selected activities in Food and Nutrition, Population Planning and Health, and Education and Human Resources Development sectors.

Food and Nutrition

By far the most important sector in the Nepalese economy, agriculture accounts for nearly 70% of Gross Domestic Product, over 90% of total employment, and 80% of export earnings:

-- However, per capita foodgrain production has fallen approximately 35% from 1951 to 1973 because of:

** sizeable increases in the population;

** inadequate roads and other infrastructure;

** inefficient production and marketing techniques and facilities;

** inadequate knowledge of new production technologies;

** shortages of semi-skilled and skilled agricultural manpower;

** inadequate budgetary resources to expand agricultural investments;

-- The Government has assigned highest priority to increasing agricultural production, aiming for a growth rate of 3.5% per annum compared to a current inadequate growth rate of 1.2%.

A.I.D. projects are designed to improve agricultural technology, inputs and services for the farmer, especially the small farmer, and to train manpower through the following projects:

-- Integrated Cereals Project, designed to help increase the capacity to develop and apply improved farm technology for foodgrains (wheat, rice and maize) and related cropping systems (barley, millet, potatoes, legumes and pulses);

-- Institute for Agriculture and Animal Sciences Project, directed at upgrading the existing institute to provide quality training for middle-level agricultural technicians and vocational agricultural teachers for the secondary school system.

Population Planning and Health

Nepal's population is estimated at 12.6 million and is growing at a rate of 2.3% per annum, while real Gross Domestic Product has been increasing at less than 2%:

-- Approximately 43% of the population is under 15 years of age;

-- Statistically, population density is only 213 persons per square mile, which is misleading because much of the mountain area cannot be cultivated;

-- Major constraints inhibiting an effective family planning program are:

** absence of technically qualified higher level personnel for planning, coordination, and implementation;

** difficult logistics;

** lack of budgetary resources to achieve countrywide family planning coverage.

A.I.D. projects directed at improving the delivery of family planning services and the training of family planning personnel to develop alternate policies to lower Nepal's rising population growth rate are as follows:

-- Family Planning Project provides:

** contraceptives and other family planning supplies, training for family planning workers and higher level officials;

** advisory services to assist in realizing a progressive decline in the population growth rate.

-- Population Policy Project provides assistance in training Nepalese for policy formulation to improve the provision of basic demographic

information and assessment of program effectiveness.

Basic Health services in Nepal are inadequate and unevenly distributed:

-- 90% of the Nepalese people do not have access to modern health services;

-- There is a serious shortage of trained manpower to deliver basic health services;

-- Gastro-intestinal disorders, tuberculosis and leprosy remain serious health problems.

A.I.D. assistance is directed toward improving the inequitable distribution of basic health services, controlling the resurgence of malaria in the plains area and improving health planning and research as follows:

-- Integrated Health Services Project seeks to develop and test a prototype low-cost health delivery system that combines family planning services with general health care and preventive health programs to control tuberculosis, malaria, leprosy, cholera, and gastro-intestinal diseases;

-- Malaria Control Project provides a grant of U.S.-owned Indian rupees for the procurement of insecticides and advisory services in support of the WHO-endorsed malaria control program for Nepal;

-- Health Planning Project provides assistance in cooperation with WHO to help establish basic health service policy and improve the collection of basic health data;

-- Paramedical Manpower Training Project helps train paramedical workers through curriculum development, in-country staff training, and training in the United States and third countries for selected middle and senior personnel.

Education and Human Resources Development

Nepal has a literacy rate of approximately 12% and a primary school enrollment of 32% of the school-age population. Basic constraints in this sector include:

-- shortages of trained teachers;

-- a geographically widely dispersed and highly mobile population which makes it difficult to increase educational opportunities;

-- inadequate financial resources to continue the expansion of the educational system.

A.I.D. assistance is directed at developing a low-cost educational delivery system which reaches the poorest majority, improving teaching materials and curriculum, and training human resources:

-- Teacher Materials Utilization and Development Project seeks to improve teaching methodology and curriculum development through a continuous evaluation/feedback process;

-- Radio Education Pilot Project is an experimental effort directed at training of primary school teachers who cannot be adequately trained by traditional teacher training programs;

-- Manpower Development Training Project upgrades the skills and knowledge of Nepalese presently serving or expected to serve in management posts which are critical to the country's development efforts;

-- Education and Technical Skills Training Project provides long-term training for selected officials in the Ministry of Education and other

technical ministries of the Government.

FY 1977 PL 480 Food Assistance

Approximately $190,000 in Title II grant comodities is planned for support of resettlement and rural development programs administered through the World Food Program.

COUNTRY: NEPAL

GRANT ACTIVITY SUMMARY

(In thousands of dollars)

TABLE V

Project Title	*	Project Number	FY of Initial Obligation	FY of Scheduled Final Obligation	Through FY 1975 Obligations	Through FY 1975 Expenditures	Through FY 1975 Unliquidated Obligations 6/30/75	Estimated FY 1976 Obligations	Estimated FY 1976 Expenditures	Estimated FY 1976 Unliquidated Obligations 6/30/76	Estimated Transition Quarter	Proposed Program FY 1977	Future Year Obligations	Estimated Total Cost
FOOD AND NUTRITION								1,100			400	1,700		
Integrated Cereals	*	367-11-110-114	1975	1980	421	-	421	1,035	686	770	130	1,000	814	3,400
Institute of Agriculture and Animal Science	*	367-11-110-102	1974	1980	583	79	504	65	299	270	270	700	1,582	3,200
POPULATION PLANNING AND HEALTH								1,350			320	2,275		
Family Planning	*	367-11-580-096	1968	1980	4,737	3,513	1,224	850	1,147	927	220	1,575	5,450	12,832
Population Policy	*	367-11-580-122	1976	1980	-	-	-	200	30	170	-	200	300	700
Integration of Health Services	*	367-11-590-227	1973	1977	893	437	456	44	168	332	49	100	-	1,086
Health Planning	*	367-11-690-124	TQ	1979	-	-	-	-	-	-	27	150	500	677
Paramedical Manpower Training	*	367-11-590-117	1976	1980	-	-	-	183	30	153	-	150	667	1,000
Malaria Control	*	367-11-590-115	1976	1979	-	-	-	73	45	28	24	100	157	354
EDUCATION AND HUMAN RESOURCES DEVELOPMENT								1,000			200	800		
Teacher and Materials Utilization and Development	*	367-11-690-228	1972	1977	1,152	807	345	290	400	235	130	100	-	1,672
Radio Education Pilot	*	367-11-690-123	1976	1979	-	-	-	465	40	425	-	300	255	1,020
Manpower Development and Training	*	367-11-999-224	1973	1980	178	104	74	100	114	60	20	150	500	948
Education and Technical Skills Training	*	367-11-690-124	1976	1980	-	-	-	145	30	115	50	250	900	1,345
							Total	3,450	2,989	3,485	920	4,775		

*Detailed project narrative—See Table VI.

Country: NEPAL

GRANT ACTIVITY DATA

TABLE VI

TITLE	FUNDS	PROPOSED OBLIGATION ($000)	
Integrated Cereals	Food and Nutrition	FY 77 1,000	
	PRIOR REFERENCE	INITIAL OBLIGATION	SCHEDULED FINAL OBLIGATION
NUMBER 367-11-110-114	p. 90, FY 1976 NESA	FY: 1975	FY: 1980

Project Target and Course of Action: To help the Nepalese Ministry of Food, Agriculture and Irrigation (MFAI) create an indigenous capability to adapt improved production technology and practices for major Nepalese food grain crops and related cropping systems necessary to promote farmer acceptance of new production technologies. Activities will be directly oriented to farmers: identifying farm-level problems, testing and evaluating adaptive research and new technology in on-farm situations, and feeding results back into the research and testing programs.

Progress to Date: The Ford Foundation finished a report called the Problems of Hill Agriculture in Nepal. This study, along with the studies carried out by the International Center for Maize and Wheat Research (CIMMYT) and the International Rice Research Institute, served as the basis for redesigning the original project proposed for A.I.D. financing. As a result of the delays in completing project design and contractual arrangements for the project, A.I.D. entered into an interim contract with CIMMYT to provide two advisors, a breeder and a senior agronomist, to develop and test selected varieties of maize. These advisors were subsequently absorbed by the host country contract negotiated with the newly formed International Agricultural Development Service (IADS), which was established by the Rockerfeller Foundation.

FY 1977 Program: The advisors provided by the International Agricultural Development Service will continue to assist in developing improved farm technology for major food grain crops (wheat, rice and maize) and related cropping systems and in encouraging Nepalese farmers to apply this technology through on-farm field trial demonstrations of new varieties and production practices. Construction of facilities at the major and outreach agricultural research stations will also be initiated. All research carried out will be accomplished and tested at the farm level.

The $1.0 million proposed for FY 1977 will provide for services of 12 full-time contract advisors and seven short-term consultants ($752,000); eight long-term and two short-term participants ($133,000); laboratory and research farm equipment, training materials, vehicles and other agricultural supplies ($75,000); and invitational travel of U.S. experts and Nepalese specialists as well as in-country costs of helicopter travel ($40,000).

U.S. DOLLAR COST (In Thousands)

	Obligations	Expenditures	Unliquidated
Through 6/30/75	421	-	421
Estimated FY 76	1,035	686	-
Estimated through 6/30/76	1,456	686	770
Estimated Transition Quarter	130	Future Year Obligations	Estimated Total Cost
Proposed FY 77	1,000	814	3,400

Cost Components	OBLIGATIONS								
	Estimated FY 76			Estimated Transition Quarter			Proposed FY 77		
	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total
U.S. Technicians	-	746	746	-	21	21	-	752	752
Participants	-	154	154	99	-	99	-	133	133
Commodities	-	95	95	-	-	-	-	75	75
Other Costs	15	25	40	10	-	10	-	40	40
Total Obligations	15	1,020	1,035	109	21	130	-	1,000	1,000

PRINCIPAL CONTRACTORS/ AGENCIES

International Agricultural Development Services (IADS)

Country: NEPAL

GRANT ACTIVITY DATA

TABLE VI

TITLE	FUNDS	PROPOSED OBLIGATION ($000)	
Institute of Agriculture and Animal Science	Food and Nutrition	FY 77 700	
NUMBER 367-11-110-102	PRIOR REFERENCE P. 91, FY 1976 NESA PDB	INITIAL OBLIGATION FY: 1974	SCHEDULED FINAL OBLIGATION FY: 1980

Project Target and Course of Action: To help relieve manpower shortages and skill deficiencies in Nepal's agriculture sector. A.I.D. is helping the Government of Nepal upgrade the existing Institute of Agriculture and Animal Science (IAAS) to serve as the source of quality training (both academic and vocational) for middle-level technicians of the Ministry of Agriculture, vocational teachers and supervisors from the secondary school systems, and out-of-school youth at the community level.

Progress to Date: The Mid-Western University Consortium for International Activity (MUCIA) signed a contract in December 1975 to provide advisory assistance to the Institute of Agriculture and Animal Science (IAAS). Members of the team arrived in Nepal in early 1976. A.I.D. has continued to provide the services of one direct-hire vocational agriculture specialist to assist with classroom teaching, curricula and course development and to provide needed overlap with the new contract advisory team. In addition, a short-term consultant in campus planning has assisted the Institute in completing the preliminary designs for a master campus plan. An architecture and engineering firm has a contract to complete the details of the master campus plan, to design the individual buildings proposed for the Institute, and to supervise their construction. During the past year, a total of 315 students were enrolled in training classes at the Institute, including 100 agricultural extension students who were graduated. Two participants have started long-term academic training.

FY 1977 Program: The four agriculture education specialists, supported by short-term consultants as required, will continue to assist the dean and staff of the IAAS to develop curricula and design courses which emphasize practical problem-solving, upgrade staffing and departmental organization of the Institute, develop faculty research programs, and design special out-reach programs to provide educational services and vocational training to farmers and out-of-school youth in outlying communities. A short-term consultant will continue to advise the local contractor on the detailed development of the campus plan, building design and construction supervision. Construction work on the main campus is scheduled to begin in September 1976.

The proposed funding of $700,000 will finance the four-man contract team and the consultants ($542,000); seven U.S. academic participants ($98,000); teaching materials, books and publications ($30,000); and observational travel of Nepalese faculty and staff of the Institute to similar agricultural institutions ($30,000).

U.S. DOLLAR COST (In Thousands)

	Obligations	Expenditures	Unliquidated
Through 6/30/75	583	79	504
Estimated FY 76	65	299	
Estimated through 6/30/76	648	378	270
Estimated Transition Quarter	270	Future Year Obligations	Estimated Total Cost
Proposed FY 77	700	1,582	3,200

Cost Components	OBLIGATIONS								
	Estimated FY 76			Estimated Transition Quarter			Proposed FY 77		
	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total
U.S. Technicians . .	51	–	51	–	144	144	–	542	542
Participants	–	–	–	–	91	91	–	98	98
Commodities	–	–	–	–	30	30	–	30	30
Other Costs	14	–	14	–	5	5	–	30	30
Total Obligations . .	65	–	65	–	270	270	–	700	700

PRINCIPAL CONTRACTORS/ AGENCIES

Mid-Western University Consortium for International Activity (MUCIA)

Country: NEPAL

GRANT ACTIVITY DATA

TABLE VI

TITLE	FUNDS	PROPOSED OBLIGATION ($000)	
Family Planning	Population Planning and Health	FY 77 1,575	
	PRIOR REFERENCE	INITIAL OBLIGATION	SCHEDULED FINAL OBLIGATION
NUMBER 367-11-580-096	p. 92, FY 1976 NESA PDB	FY: 1968	FY: 1980

Project Target and Course of Action: To help Nepal realize a progressive decrease in the size of families. Emphasis is on the development and improvement of cost-effective family planning and maternal/child health service delivery systems, improvement of public understanding of family planning issues, and the provision of government services in support of family size limitation.

Progress to Date: Nepal commenced family planning programs in 1968 when a national Family Planning and Maternal and Child Health (FP/MCH) Board was established. The programs of the Board now provide services free of cost through 265 FP/MCH clinics -- an increase of 65 during the past two years -- in Nepal's 75 districts. Four regional medical officers act as administrators in each of the four development regions of the country, supported by service staffs now totalling 40 district level family planning officers, 35 intermediate-level supervisors, 15 nurses, 42 assistant nurse-midwives, 31 auxiliary health workers and 690 health aides. The Government sponsors radio broadcasts and media campaigns on FP/MCH topics supplemented by an expanding workshop/seminar program for special interest groups and organizations. The training section of the FP/MCH organization will conduct primary and advanced courses for about 900 FP/MCH workers this year.

FY 1977 Program: The University of California, Berkeley (UCB) contract team will continue working with the FP/MCH Board and the Ministry of Health on improved management systems to upgrade information feedback for field operations in order to improve program and administrative operations. UCB will also provide long and short-term consultants as needed. The FP/MCH Board, with assistance of the UCB team, will undertake experimental field programs on a pilot basis to test improved FP/MCH service techniques. Training in IUD insertion for nurses and other paramedical workers will be expanded and the service added to field health clinics. Commercial distribution of contraceptives will be initiated by the FP/MCH Board.

Proposed funding of $1,575,000 for FY 1977 will provide additional funding for the UCB contract team ($550,000); up to nine long-term participants and 15 short-term trainees ($202,000); condoms and oral contraceptives ($620,000); other medical equipment and supplies ($130,000); and miscellaneous project costs such as travel and support costs for Nepalese FP personnel attending international population seminars/conferences and U.S. experts' visits to Nepal for in-country conferences ($73,000).

U.S. DOLLAR COST (In Thousands)

	Obligations	Expenditures	Unliquidated
Through 6/30/75	4,737	3,513	1,224
Estimated FY 76	850	1,147	
Estimated through 6/30/76	5,587	4,660	927
Estimated Transition Quarter	220	Future Year Obligations	Estimated Total Cost
Proposed FY 77	1,575	5,450	12,832

Cost Components	OBLIGATIONS								
	Estimated FY 76			Estimated Transition Quarter			Proposed FY 77		
	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total
U.S. Technicians . .	–	–	–	–	87	87	–	550	550
Participants	–	190	190	–	–	–	–	202	202
Commodities	630	–	630	110	–	110	745	5	750
Other Costs	30	–	30	23	–	23	45	28	73
Total Obligations . .	660	190	850	133	87	220	790	785	1,575

PRINCIPAL CONTRACTORS/ AGENCIES

University of California (Berkeley)

Country: NEPAL

GRANT ACTIVITY DATA

TABLE VI

TITLE	FUNDS	PROPOSED OBLIGATION ($000)	
Population Policy	Population Planning and Health	FY 77 200	
NUMBER 367-11-580-122	PRIOR REFERENCE p. 93, FY 1976 NESA PDB	INITIAL OBLIGATION FY: 1976	SCHEDULED FINAL OBLIGATION FY: 1980

Project Target and Course of Action: To assist the Government of Nepal to build a capability to identify and assess population policy choices and their implications for national development planning. This will be done through provision of U.S. advisors and training to (1) assist in design of population research programs and demographic assessments, identification of priorities in the population field and assessment of institutional capabilities to carry out programs; and (2) identify the variable factors affecting population dynamics in the Nepalese context which bear on public policy formulation and long-term development planning.

Progress to Date: Until recently, Nepal has lacked a comprehensive national population policy to serve as a basis for national population planning. During 1975, the Government officially established the National Population Policies Coordinating Board (NPPCB) to focus policy formulation and planning in a high-level central body. With the establishment of this body, A.I.D. and Nepalese representatives have been engaged in joint assessments of manpower, institutional and social factors bearing on planning and design requirements for this activity. An A.I.D. consultant is assisting the Government to develop plans for a thorough examination of the scope and content of the present range of Population and Family Planning activities as a basis for consideration of future policy and program alternatives, and to begin to define priorities in the context of Nepal's overall needs in the health and population sector.

FY 1977 Program: A.I.D. expects to contract shortly with an experienced U.S. institution for the services of a full-time senior population specialist and short-term consultants to serve as advisors to the NPPCB. These advisors will assist the staff of the Board to organize and define staff functions, develop work plans and designs for program and policy studies to carry out the Board's mandate, and develop appropriate liaison with public and private organizations through which the Board will function.

A.I.D. proposes to provide $200,000 to cover additional contract funding for the expert advisors ($80,000), one participant for long-term U.S. training and eight for short-term programs in the U.S. and third countries ($80,000), limited office equipment and supplies ($30,000), and miscellaneous project costs such as conference/seminar travel to third countries for Board personnel ($10,000).

U.S. DOLLAR COST (In Thousands)

	Obligations	Expenditures	Unliquidated
Through 6/30/75	–	–	–
Estimated FY 76	200	30	
Estimated through 6/30/76	200	30	170
Estimated Transition Quarter	–	Future Year Obligations	Estimated Total Cost
Proposed FY 77	200	300	700

Cost Components	OBLIGATIONS									PRINCIPAL CONTRACTORS/ AGENCIES
	Estimated FY 76			Estimated Transition Quarter			Proposed FY 77			
	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total	
U.S. Technicians	–	118	118	–	–	–	–	80	80	To be selected
Participants	50	22	72	–	–	–	16	64	80	
Commodities	–	5	5	–	–	–	–	30	30	
Other Costs	–	5	5	–	–	–	–	10	10	
Total Obligations	50	150	200	–	–	–	16	184	200	

Country: NEPAL

GRANT ACTIVITY DATA

TABLE VI

TITLE	FUNDS	PROPOSED OBLIGATION ($000)	
Integration of Health Services	Population Planning and Health	FY 77 100	
NUMBER 367-11-590-227	PRIOR REFERENCE p. 94, FY 1976 NESA PDB	INITIAL OBLIGATION FY: 1973	SCHEDULED FINAL OBLIGATION FY: 1977

Project Target and Course of Action: To develop and test a prototype of an integrated health care delivery system utilizing multipurpose house visitors with paramedical training. The prototype system, if successful, is to form the basis for a future national system of health services.

Progress to Date: Nepalese, WHO and U.S. health experts conducted a joint assessment in 1975 of the experience in two pilot districts, and concluded that the concept of integrating Nepal's independent health services is a valid approach. The Nepalese Government had adopted this approach as the model for developing health services in Nepal. The second phase of the pilot project was initiated by expanding coverage from two to six districts. Staffing patterns and operational responsibilities of Health Service staffs were refined and approved by the Ministry of Health. In-service training and additional retraining and refresher courses were conducted for a total of 605 health staff ranging from assistant midwives to district medical officers. A unified administrative procedures manual was approved by the Ministry of Health and is now in use. Family planning, maternal/child health and leprosy services are being phased into the basic health services package as training of staffs proceeds. A.I.D. has contracted with Management Sciences for Health, Inc. (MSH) of Boston for technical assistance to Nepal's Integrated Health Services and the contract team is now in place.

FY 1977 Program: The MSH contract team will work with Nepalese health officials on expansion of staff and services in the four new districts added to the integrated system this year. Additional technical and management training courses will be conducted for new staffs and health workers for these areas. The team will also work with the Nepalese Director of Health Services on forward planning for extending services into new districts. Data collection and evaluation work will continue to be upgraded and refined to strengthen the planning-implementation-feedback process. Existing immunization/treatment services will continue to be upgraded and strengthened, and the range of services enlarged as technical capabilities improve.

The proposed funding of $100,000 will provide additional funding of the MSH contract team costs ($31,000); three long-term participants for U.S. training ($55,000); office equipment and supplies ($4,000); and miscellaneous project costs such as observational travel, in-country helicopter flight costs ($10,000).

U.S. DOLLAR COST (In Thousands)

	Obligations	Expenditures	Unliquidated
Through 6/30/75	893	437	456
Estimated FY 76	44	168	
Estimated through 6/30/76	937	605	332
Estimated Transition Quarter	49	Future Year Obligations	Estimated Total Cost
Proposed FY 77	100	-	1,086

OBLIGATIONS

Cost Components	Estimated FY 76 Direct AID	Estimated FY 76 Contract/Other Agency	Estimated FY 76 Total	Estimated Transition Quarter Direct AID	Estimated Transition Quarter Contract/Other Agency	Estimated Transition Quarter Total	Proposed FY 77 Direct AID	Proposed FY 77 Contract/Other Agency	Proposed FY 77 Total
U.S. Technicians . .	-	-	-	-	-	-	-	31	31
Participants	20	-	20	14	17	31	14	41	55
Commodities	4	-	4	-	-	-	4	-	4
Other Costs	20	-	20	18	-	18	10	-	10
Total Obligations . .	44	-	44	32	17	49	28	72	100

PRINCIPAL CONTRACTORS/AGENCIES

Management Services for Health

Country: NEPAL

GRANT ACTIVITY DATA

TABLE VI

TITLE	FUNDS	PROPOSED OBLIGATION ($000)	
Health Planning	Population Planning and Health	FY 77 150	
NUMBER 367-11-690-124	PRIOR REFERENCE p.95, FY 1976 NESA PDB	INITIAL OBLIGATION FY: TQ	SCHEDULED FINAL OBLIGATION FY: 1979

Project Target and Course of Action: This project will assist in refining the Government of Nepal's collection, processing and dissemination of basic data in the health sector. In addition the project will help with the design and operation of small-scale pilot studies and the subsequent application of the findings from these studies to health planning. Likewise, the project will seek to develop guidelines for assessing the cost effectiveness of alternative health strategies and programs. A.I.D.'s advisor provided under this project will work in coordination with the WHO advisor on research and evaluation aspects of health planning.

Progress to Date: A permanent planning cell is now functioning in the Ministry of Health. The staff of this unit is responsible for a wide range of planning and evaluation tasks for which its staff has had little previous experience or training. Activity to date by the planning staff has been limited to initiation of efforts to compile and begin correlation of existing health, family planning and mother/child health data available from various sources or collected through A.I.D. and other donor projects in the health field. An A.I.D. contract team financed under the Integration of Health Services project is assisting the Ministry of Health to develop a draft work plan for development of the planning cell staff and an outline of proposed work programs for data compilation, correlation, analysis research and evaluation as a basis for defining WHO and A.I.D.. advisory services. During the Transition Quarter, A.I.D. expects to contract with a U.S. institution or organization for the services of a long-term senior health planner, and short-term consultants in health research and evaluation.

FY 1977 Program: The U.S. contract advisory team will assist the Ministry of Health Planning cell in designing an effective data collections system covering disease incidence and other health factors, advise on planning and design of surveys and research projects to fill identified data gaps, provide staff training in techniques of analyzing and using data for national health planning, and participate in the process of defining health program priorities based on the conclusions emerging from data assessment.

The proposed funding of $150,000 in FY 1977 will cover one long-term contract advisor and short-term consultants (110,000); two participants for long-term U.S. training ($30,000); office equipment and supplies ($5,000); and observational travel of Nepalese health planners to view planning units in third countries ($5,000).

U.S. DOLLAR COST (In Thousands)

	Obligations	Expenditures	Unliquidated
Through 6/30/75	–	–	–
Estimated FY 76	–	–	–
Estimated through 6/30/76	–	–	–
Estimated Transition Quarter	27	Future Year Obligations	Estimated Total Cost
Proposed FY 77	150	500	677

Cost Components	OBLIGATIONS								
	Estimated FY 76			Estimated Transition Quarter			Proposed FY 77		
	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total
U.S. Technicians . .	–	–	–	–	18	18	–	110	110
Participants	–	–	–	–	9	9	–	30	30
Commodities	–	–	–	–	–	–	–	5	5
Other Costs	–	–	–	–	–	–	–	5	5
Total Obligations . .	–	–	–	–	27	27	–	150	150

PRINCIPAL CONTRACTORS/ AGENCIES

To be selected

Country: NEPAL

GRANT ACTIVITY DATA

TABLE VI

TITLE	FUNDS	PROPOSED OBLIGATION ($000)	
Paramedical Manpower Training	Population Planning and Health	FY 77 150	
NUMBER 367-11-590-117	PRIOR REFERENCE p.96, FY 1976 NESA PDB	INITIAL OBLIGATION FY: 1976	SCHEDULED FINAL OBLIGATION FY: 1980

Project Target and Course of Action: This activity complements other A.I.D. assistance in the population and health sectors by assisting the Government of Nepal to train skilled paramedical personnel recruited to serve in the area in which they live. This project will help build up paramedical training facilities and capabilities at the Institute of Medicine to meet the needs of the country's basic health and family planning services.

Progress to Date: Shortages of paramedical workers are increasingly a constraint to expanding public health services in Nepal. To meet this problem the Institute of Medicine (IOM), in the Ministry of Education, has been charged with developing and conducting pre-service training for paramedicals. The IOM has begun a program to expand its training facilities to add four regional training centers in rural areas where locally recruited students will receive training under local conditions. An A.I.D.-sponsored seminar in the summer of 1975 focused on the professional role of village health workers and helped define a performance baseline for such workers. IOM faculty and staff are now engaged in upgrading present curricula to conform to the baseline standards. A.I.D. has approved a grant of Indian rupees to finance local costs of construction of two regional training centers and associated demonstration health posts where trainees will work during training periods. A.I.D. also expects shortly to contract with a U.S. university experienced in training paramedical workers to field a two-man contract team, supported by additional short-term advisors, for arrival in Nepal in the summer of 1976.

FY 1977 Program: The contract team selected will assist the IOM and Ministry of Health in defining the optimum role of paramedical workers in terms of Nepalese conditions and needs, setting curricula parameters and standards consistent with needs, and designing a feedback system as a base for continuing evaluation of curricula. Staff training courses and training-of-trainers programs will be developed and initiated. A faculty research program will be initiated and monitored. The team will also assist IOM staff and the Ministry of Health to improve managerial and administrative procedures bearing on IOM operations.

Proposed funding in FY 1977 of $150,000 will cover: additional funding of contract team costs ($100,000); three long-term participants for training in third countries ($35,000); training materials and supplies ($5,000); and miscellaneous costs including observational travel for Nepalese health officials to international conferences and in-country helicopter costs ($10,000).

U.S. DOLLAR COST (In Thousands)

	Obligations	Expenditures	Unliquidated
Through 6/30/75	-	-	-
Estimated FY 76	183	30	
Estimated through 6/30/76	183	30	153
Estimated Transition Quarter	-	Future Year Obligations	Estimated Total Cost
Proposed FY 77	150	667	1,000

Cost Components	OBLIGATIONS								
	Estimated FY 76			Estimated Transition Quarter			Proposed FY 77		
	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total
U.S. Technicians . .	-	180	180	-	-	-	-	100	100
Participants	-	-	-	-	-	-	35	-	35
Commodities	-	3	3	-	-	-	-	5	5
Other Costs	-	-	-	-	-	-	-	10	10
Total Obligations . .	-	183	183	-	-	-	35	115	150

PRINCIPAL CONTRACTORS/ AGENCIES

To be selected

Country: NEPAL

GRANT ACTIVITY DATA

TABLE VI

TITLE	FUNDS	PROPOSED OBLIGATION ($000)	
Malaria Control	Population Planning and Health	FY 77 100	
NUMBER 367-11-590-115	PRIOR REFERENCE P.97, FY 1976 NESA PDB	INITIAL OBLIGATION FY: 1976	SCHEDULED FINAL OBLIGATION FY: 1979

Project Target and Course of Action: This project will assist the Government of Nepal, in concert with the World Health Organization (WHO) and the United Nations Development Programme (UNDP), in controlling a potentially serious resurgence of malaria in economically important areas of the country. Dramatic successes achieved by malaria eradication efforts in these areas several years ago led to an influx of population from more remote areas thus establishing a broader base for renewed transmittal and infection.

Progress to Date: The Government of Nepal has completed, in concert with WHO, a Five-Year Action Plan for control of malaria. A detailed plan of operations for the first year has been approved and a sharply expanded malaria control effort has started with the assistance of WHO, A.I.D. and UNDP. A.I.D. has provided the services of short-term consultants to participate in the necessary program, managerial and logistical planning for the expanded field operations. Pesticides and spraying equipment have been ordered on a priority basis. Existing field operations are being consolidated to strengthen anti-malarial field operations in epidemic areas. Training programs for Nepalese epidemiologists and technicians in the United States and third countries in the Asian region are underway. The annual national malaria evaluation was conducted in January 1976 with the assistance of two A.I.D.-sponsored short-term advisors. In addition, a grant of $1.8 million equivalent in Indian rupees was made to purchase insecticides for the field spraying program.

FY 1977 Program: A direct-hire malariologist will assist the Nepal Malaria Eradication Organization (NMEO) in designing and carrying out epidemiological studies in affected areas as a basis for refining the national plan of operations. In coordination with WHO and UNDP advisors, the A.I.D. direct-hire technician and short-term consultants will also help NMEO staff design and carry out intensive retraining programs for field workers, develop needed management and logistics systems to support rapid expansion of field operations, and assist in forward planning of materials and supplies procurement and scheduling.

The proposed funding of $100,000 will finance the costs of the direct-hire malariologist and short-term consultants ($70,000); one participant for U.S. training ($16,000); laboratory equipment and supplies ($4,000); and miscellaneous project costs such as in-country helicopter charges and observational travel of NMEO malariologists to third country conferences ($10,000).

U.S. DOLLAR COST (In Thousands)

	Obligations	Expenditures	Unliquidated
Through 6/30/75	–	–	–
Estimated FY 76	73	45	–
Estimated through 6/30/76	73	45	28
Estimated Transition Quarter	24	Future Year Obligations	Estimated Total Cost
Proposed FY 77	100	157	354

OBLIGATIONS

Cost Components	Estimated FY 76 Direct AID	Estimated FY 76 Contract/Other Agency	Estimated FY 76 Total	Estimated Transition Quarter Direct AID	Estimated Transition Quarter Contract/Other Agency	Estimated Transition Quarter Total	Proposed FY 77 Direct AID	Proposed FY 77 Contract/Other Agency	Proposed FY 77 Total
U.S. Technicians . .	45	–	45	22	–	22	70	–	70
Participants	15	–	15	–	–	–	16	–	16
Commodities	3	–	3	–	–	–	4	–	4
Other Costs	10	–	10	2	–	2	10	–	10
Total Obligations . .	73	–	73	24	–	24	100	–	100

PRINCIPAL CONTRACTORS/AGENCIES

None

Country: NEPAL

GRANT ACTIVITY DATA

TABLE VI

TITLE	FUNDS	PROPOSED OBLIGATION ($000)	
Teacher and Materials Utilization and Development	Education and Human Resources Development	FY 77 100	
NUMBER 367-11-690-228	PRIOR REFERENCE p. 98, FY 1976 NESA PDB	INITIAL OBLIGATION FY: 1972	SCHEDULED FINAL OBLIGATION FY: 1977

Project Target and Course of Action: The purpose of this project is to institutionalize a process by which educational materials are developed, refined, tested, revised, and used in school classrooms in conjunction with pre-service/in-service teacher and supervisor training at the Institute of Education (IOE) and in curriculum development at the Curriculum Development Center (CDC). Mathematics and science are the primary subjects used in the development of this process.

Progress to Date: The original team of five advisors was replaced by four new advisors under a contract with the National Education Association (NEA). Over the past year, these advisors have assisted in: establishing a research and evaluation division at the IOE; modifying teacher training programs as an outgrowth of field research; establishing educational research coordination seminars for the IOE and CDC; preparing baseline data to complete an analysis of how curriculum and other materials are being used in schools; developing ten new training programs for student teacher supervisors; and completing two in-service training workshops on the use of local materials. Two long-term participants have completed academic training in the United States and another two have completed short-term specialized courses.

FY 1977 Program: The four advisors will work jointly with the IOE and CDC in the following areas: initiating studies on the effectiveness of teaching programs and making revisions as appropriate; developing additional unit materials for mathematics and science subjects; writing guidance manuals for teachers, supervisors, and teacher trainers; revisions in teacher training programs; conducting additional in-service teacher workshops on the use of local teaching materials; developing district level training programs for supervisors and conducting workshops on curriculum development. In addition, selected Nepalese educational officials will be sent for long-term academic and short-term specialized training in the U.S.

The proposed FY 1977 funding of $100,000 will finance seven participants (six long-term academic and one for specialized training) in the United States ($95,000); and other costs such as international conference travel and miscellaneous support ($5,000).

U.S. DOLLAR COST (In Thousands)

	Obligations	Expenditures	Unliquidated
Through 6/30/75	1,152	807	345
Estimated FY 76	290	400	
Estimated through 6/30/76	1,442	1,207	235
Estimated Transition Quarter	130	Future Year Obligations	Estimated Total Cost
Proposed FY 77	100	-	1,672

Cost Components	OBLIGATIONS								
	Estimated FY 76			Estimated Transition Quarter			Proposed FY 77		
	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total
U.S. Technicians . .	-	240	240	-	71	71	-	-	-
Participants	45	-	45	52	-	52	95	-	95
Commodities	-	-	-	5	-	5	-	-	-
Other Costs	5	-	5	2	-	2	5	-	5
Total Obligations . .	50	240	290	59	71	130	100	-	100

PRINCIPAL CONTRACTORS/ AGENCIES

National Education Association (NEA)

Country: NEPAL

GRANT ACTIVITY DATA

TABLE VI

TITLE	FUNDS	PROPOSED OBLIGATION ($000)	
Radio Education Pilot	Education and Human Resources Development	FY 77 300	
NUMBER 367-11-690-123	PRIOR REFERENCE p. 99, FY 1976 NESA PDB	INITIAL OBLIGATION FY: 1976	SCHEDULED FINAL OBLIGATION FY: 1979

Project Target and Course of Action: The purpose of this project is to help develop pilot radio broadcast programs and materials to test the utility of using radio for professional training under Nepalese conditions. This pilot project will focus initially on the training of primary school teachers because the need for more and better trained teachers cannot quickly or adequately be met by traditional teacher training programs at reasonable cost. The project will demonstrate the potential effectiveness of a nationwide education/information radio service.

Progress to Date: The draft Study on the Feasibility of Radio Education for Nepal, conducted by a multinational team of specialists provided by A.I.D., UNICEF, UNESCO, and the British Council, was finalized and presented to the Government. The team leader of the study made another trip to discuss the study's findings. Based on these discussions, A.I.D. has made some modifications and design changes in the original project proposal which have delayed project implementation. A.I.D. has held discussions with other possible donors to determine how various elements of the project will be financed.

FY 1977 Program: The advisory team provided under contract will continue its efforts to develop an organizational and personnel structure to implement the initial and subsequent phases of the project. Background materials will be assembled and studies will be carried out on local schools, teaching methods and regional differences in teaching methods. A pilot area will be selected for the implementation of the project and the characteristics of this pilot area will be studied in detail. Efforts will also be concentrated on developing test radio programs and supporting materials for the initial teacher training effort.

The proposed FY 1977 funding of $300,000 will provide additional financing of the services of four long-term contract specialists ($165,000); four short-term consultants ($20,000); recording and other audio-visual equipment, vehicles and miscellaneous commodities ($40,000); four long-term participants for U.S. training ($60,000); and miscellaneous costs for travel of Nepalese technical personnel to observe similar radio education units in third countries and in-country helicopter costs ($15,000).

U.S. DOLLAR COST (In Thousands)

	Obligations	Expenditures	Unliquidated
Through 6/30/75	-	-	-
Estimated FY 76	465	40	
Estimated through 6/30/76	465	40	425
Estimated Transition Quarter	-	Future Year Obligations	Estimated Total Cost
Proposed FY 77	300	255	1,020

OBLIGATIONS

Cost Components	Estimated FY 76 Direct AID	Estimated FY 76 Contract/Other Agency	Estimated FY 76 Total	Estimated Transition Quarter Direct AID	Estimated Transition Quarter Contract/Other Agency	Estimated Transition Quarter Total	Proposed FY 77 Direct AID	Proposed FY 77 Contract/Other Agency	Proposed FY 77 Total
U.S. Technicians	-	400	400	-	-	-	-	185	185
Participants	-	45	45	-	-	-	-	60	60
Commodities	-	10	10	-	-	-	-	40	40
Other Costs	10	-	10	-	-	-	15	-	15
Total Obligations	10	455	465	-	-	-	15	285	300

PRINCIPAL CONTRACTORS/AGENCIES

To be selected

Country: NEPAL

GRANT ACTIVITY DATA

TABLE VI

TITLE	FUNDS	PROPOSED OBLIGATION ($000)	
Manpower Development and Training	Education and Human Resources Development	FY 77 150	
NUMBER 367-11-999-224	PRIOR REFERENCE p. 100, FY 1976 NESA PDB	INITIAL OBLIGATION FY: 1973	SCHEDULED FINAL OBLIGATION FY: 1980

Project Target and Course of Action: The purpose of this project is to upgrade the skills and knowledge of Nepalese presently serving, or expected to serve, in management posts important to Nepal's development and to meet shortages of manpower in fields essential to successful development administration. The project will also provide the Government of Nepal with experience in planning and carrying out a major training effort and thereby hopefully increase its capability in manpower planning and management of its own training programs. Emphasis in this activity is on management-type skills, as opposed to technical skills training which is being addressed by a separate project.

Progress to Date: Based on the training plan, jointly developed by the Government of Nepal and A.I.D., a total of 47 Nepalese officials have been sent to the United States and third countries for long- and short-term training in economics, manpower planning, finance statistics, management and other fields related to development administration. The National Planning Commission's Human Resources Division has developed a system for identifying training needs, setting priorities, and selecting the persons to be trained under this project. Officials receiving training have come from the following government institutions and ministries: Institute of Business Administration, Commerce and Public Administration; Rastra (Central) Bank; Agricultural Development Bank; Transportation Corporation; Auditor General's Office; Ministry of Finance; Tea Development Corporation; and the National Planning Commission.

FY 1977 Program: A total of $150,000 is proposed to finance training, based upon the development of an agreed-upon training plan for FY 1977 similar to the plans developed in previous years. A total of 20 participants will be selected for suitable training programs in the United States and third countries in fields such as economics, business administration, manpower planning, public administration and other relevant development subjects ($100,000). In addition, A.I.D. will finance in-country training programs in these and similar fields which are expected to be conducted by the Asian Institute for Management or a U.S. university as appropriate ($50,000).

U.S. DOLLAR COST (In Thousands)

	Obligations	Expenditures	Unliquidated
Through 6/30/75	178	104	74
Estimated FY 76	100	114	
Estimated through 6/30/76	278	218	60
Estimated Transition Quarter	20	Future Year Obligations	Estimated Total Cost
Proposed FY 77	150	500	948

OBLIGATIONS

Cost Components	Estimated FY 76			Estimated Transition Quarter			Proposed FY 77		
	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total
U.S. Technicians	–	–	–	–	–	–	–	50	50
Participants	100	–	100	20	–	20	100	–	100
Commodities	–	–	–	–	–	–	–	–	–
Other Costs	–	–	–	–	–	–	–	–	–
Total Obligations	100	–	100	20	–	20	100	50	150

PRINCIPAL CONTRACTORS/ AGENCIES

To be selected

Country: NEPAL

GRANT ACTIVITY DATA

TABLE VI

TITLE	FUNDS	PROPOSED OBLIGATION ($000)	
Education and Technical Skills Training	Education and Human Resources Development	FY 77 250	
NUMBER 367-11-690-124	PRIOR REFERENCE p. 101, FY 1976 NESA PDB	INITIAL OBLIGATION FY: 1976	SCHEDULED FINAL OBLIGATION FY: 1980

Project Target and Course of Action: This activity addresses the need for supplemental training in a number of technical disciplines to upgrade the skills of Nepal's limited technical manpower pool. Candidates for training will be primarily drawn from the education skills areas in which A.I.D. financed project-oriented training in prior years. Trainees will also be financed in other high-priority skills fields where a demonstrated need for advanced training exists but where A.I.D. does not presently have operating projects under which such training could be scheduled.

Progress to Date: During the past year, A.I.D. completed activities leading to the final design of this project. These activities included a trip to Nepal by the Dean of the Stanford University School of Education to assist the Ministry of Education in identifying the educational fields where training is needed. The educational specialty areas identified include economics, research, planning, administration, technology, testing and evaluation. In addition to the educational training requirements, discussions were held with various ministries and national planning commissions to identify other critically needed technical training requirements. Some of the areas identified include hydrology, geology, civil and electrical engineering, surveying, equipment maintenance, civil aviation, forestry, industrial management, and other technical fields associated with prior A.I.D. projects.

FY 1977 Program: A.I.D. proposes up to $250,000 to finance: the sending of selected U.S. trainers to Nepal to conduct short-term middle-level training courses for groups of technical personnel ($45,000); long-term training in the U.S. for up to eight middle and higher-level education and two technical specialists($150,000); and short-course training in the United States and third countries for up to ten middle-level Nepalese Government officials responsible for technical programs ($55,000).

U.S. DOLLAR COST (In Thousands)

	Obligations	Expenditures	Unliquidated
Through 6/30/75	–	–	–
Estimated FY 76	145	30	
Estimated through 6/30/76	145	30	115
Estimated Transition Quarter	50	Future Year Obligations	Estimated Total Cost
Proposed FY 77	250	900	1,345

OBLIGATIONS

Cost Components	Estimated FY 76 Direct AID	Estimated FY 76 Contract/Other Agency	Estimated FY 76 Total	Estimated Transition Quarter Direct AID	Estimated Transition Quarter Contract/Other Agency	Estimated Transition Quarter Total	Proposed FY 77 Direct AID	Proposed FY 77 Contract/Other Agency	Proposed FY 77 Total
U.S. Technicians . .	–	27	27	–	–	–	–	45	45
Participants	–	118	118	–	50	50	–	205	205
Commodities	–	–	–	–	–	–	–	–	–
Other Costs	–	–	–	–	–	–	–	–	–
Total Obligations . .	–	145	145	–	50	50	–	250	250

PRINCIPAL CONTRACTORS/AGENCIES

To be selected

Nepal

TABLE X

(U.S. Fiscal Years · Millions of Dollars)

PROGRAM	U.S. OVERSEAS LOANS AND GRANTS OBLIGATIONS AND LOAN AUTHORIZATIONS 1971	1972	1973	1974	1975	TOTAL 1946-1975	REPAYMENTS AND INTEREST 1946-1975	TOTAL LESS REPAYMENTS AND INTEREST
I. ECONOMIC ASSISTANCE – TOTAL	12.5	11.2	16.6	5.1	4.1	193.7	1.8	191.9
Loans	-	-	7.0	-	-	7.6	1.8	5.8
Grants	12.5	11.2	9.6	5.1	4.1	186.0	-	186.0
a. A.I.D. and Predecessor Agencies	2.6	2.0	10.8	2.8	2.5	62.2	0.3	61.9
Loans	-	-	7.0	-	-	0.4	0.3	0.1
Grants	2.6	2.0	3.8	2.8	2.5	61.7	-	61.7
(Security Supporting Assistance)	(-)	(-)	(-)	(-)	(-)	(-)		
b. Food for Peace (PL 480)	8.7	8.2	4.8	1.3	0.6	116.0	1.5	114.5
Title I - Total	8.1	7.7	-	-	-	102.5	1.5	101.0
Repayable in U.S. Dollars - Loans	-	-	-	-	-	-	-	-
Payable in Foreign Currency - Planned for Country Use	8.1	7.7	-	-	-	102.5	1.5	101.0
(Loans)	(-)	(-)	(-)	(-)	(-)	(7.2)	(1.5)	(5.7)
(Grants)	(8.1)	(7.7)	(-)	(-)	(-)	(95.3)	(-)	(95.3)
Title II - Total Grants	0.6	0.5	4.8	1.3	0.6	13.5	-	13.5
Emergency Relief, Econ. Development, & World Food	0.6	0.5	4.8	1.3	0.6	13.5	-	13.5
Voluntary Relief Agencies	-	-	-	-	-	*	-	*
c. Other Economic Assistance	1.2	1.0	1.0	1.0	1.0	15.5	-	15.5
Peace Corps	1.2	1.0	1.0	1.0	1.0	15.5	-	15.5
Other	-	-	-	-	-	-	-	-
(Loans)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
(Grants)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
II. MILITARY ASSISTANCE – TOTAL	*	*	*	*	*	2.0	-	2.0
Credits or Loans	-	-	-	-	-	-	-	-
Grants	*	*	*	*	*	2.0	-	2.0
a. MAP Grants	*	*	*	*	*	2.0	-	2.0
b. Credit Sales under FMS	-	-	-	-	-	-	-	-
c. Military Assistance Service-funded (MASF) Grants	-	-	-	-	-	-	-	-
d. Transfers from Excess Stocks	-	-	-	-	-	*	-	*
e. Other Grants	-	-	-	-	-	-	-	-
III. TOTAL ECONOMIC AND MILITARY ASSISTANCE	12.5	11.2	16.6	5.1	4.1	195.7	1.8	193.9
Loans	-	-	7.0	-	-	7.6	1.8	5.8
Grants	12.5	11.2	9.6	5.1	4.1	188.0	-	188.0
Other U.S. Government Loans and Grants			NO PROGRAMS					
a. Export-Import Bank Loans								
b. All Other Loans								

* Less than $50,000.

(Millions of Dollars)

ECONOMIC PROGRAMS OF OTHER DONORS

A. ASSISTANCE FROM INTERNATIONAL AGENCIES - COMMITMENTS

	FY 1974	FY 1975	FY 1946-75
TOTAL	12.6	14.0	107.7
Int'l. Dev. Association	7.8	6.0	32.7
Asian Dev. Bank	3.0	-	40.7
UN Development Program	1.8	2.9	23.7
Other UN	-	5.1	10.6

B. O.A.C. COUNTRIES (EXCLUDING U.S.) OFFICIAL BILATERAL GROSS EXPENDITURES

Donor	CY 1973	CY 1974	CY 1960-74
TOTAL	15.3	14.8	71.3
U.K.	5.5	7.4	33.9
Germany	5.0	2.6	16.5
Switzerland	0.8	1.2	5.5
Japan	1.3	1.5	5.0
Other	2.7	2.1	10.4

C. ASSISTANCE FROM COMMUNIST COUNTRIES (LOANS AND GRANTS EXTENDED)

	CY 1974	CY 1975	CY 1954-75
TOTAL	-	80	199
China, People's Rep. of	-	80	179
USSR	-	-	20

Pakistan

BASIC DATA

Population *(millions - mid-1975)*	69.3
Annual Growth Rate *(percent)*	2.9
Population in Urban Areas *(Percent - 1975)*	27
Labor Force in Agriculture *(Percent)*	57
Per Capita GNP *(dollars - 1973)*	150*
Life Expectancy *(years)*	50
People Per Doctor	3,920
Literacy Rate *(percent)*	16
Students as % of 5 - 19 Age Group *(Primary and Secondary)*	28

* - Estimate in IBRD 1975 Annual Report.

PAKISTAN

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PAKISTAN

Objectives of U.S. Assistance

The objectives of U.S. assistance, consistent with Pakistan's stated priorities, are:

-- increased food production;

-- greater and more equitable participation in both the processes and benefits of development by the poorer and less advantaged Pakistanis;

-- reduction in the population growth rate to a level which permits an increased per capita share in the benefits of development and a generally improved quality of life.

Achievement of these objectives will require program concentration in Food and Nutrition, Population Planning and Health, and Education and Human Resources Development sectors.

Socio-Economic Setting

Pakistan continues its steady recovery from the heavy toll of the disastrous floods of 1973, while facing continuing problems in its international trade:

-- Unusually good winter rains helped to offset the severe drought of 1974. This resulted in a 1975 spring harvest of a near-record 7.6 million tons despite the massive loss of irrigation water when damage to the Tarbela Dam forced emergency drainage of the reservoir;

-- A serious trade deficit of $1.2 billion looms for FY 1976. The trade deficit for FY 1977 is expected to remain at the same level. While exports should increase and wheat imports should decrease, this improvement will be offset by increases in essential imports of fertilizer and raw materials.

Pakistan has taken a series of bold policy steps to increase fertilizer use and thus agricultural production.

PROGRAM SUMMARY
(In thousands of dollars)

FISCAL YEAR	Total	Food and Nutrition	Population Planning and Health	Education and Human Resources Development	Selected Development Problems	Selected Countries and Organizations	Other Programs
1975							
Loans	60,000	40,000	20,000	-	-	-	-
Grants	35,995	787	7,238	470	-	-	27,500*
Total	95,995	40,787	27,238	470	-	-	27,500
					Development Activities under Sec. 106		
1976							
Loans	50,000	47,500	-	-	2,500		-
Grants	11,108	1,800	8,858	450	-		-
Total	61,108	49,300	8,858	450	2,500		-
Transition Quarter							
Loans	33,500	26,000	7,500	-	-		-
Grants	2,384	344	2,040	-	-		-
Total	35,884	26,344	9,540	-	-		-
1977							
Loans	57,500	33,000	12,500	12,000	-		-
Grants	16,444	2,123	13,921	400	-		-
Total	73,944	35,123	26,421	12,400	-		-

* for flood relief

The target is a wheat crop approaching 8.5 million tons in 1974. Further substantial increases are anticipated next year as Tarbela irrigation water becomes fully available. Policy initiatives include:

-- a government floor price for wheat with the open market price free to move higher;

-- opening fertilizer distribution to all retailers with increased incentives for private dealers;

-- eliminating territorial restrictions on fertilizer distributors;

-- making imported phosphates fully available to private distributors.

Pakistan's longer-term development potential remains excellent:

-- The potential means of Pakistan's development continues to be 33 million acres of irrigated land and over 100 million acre feet of irrigation water. This, the world's largest irrigation system, could produce over five times as much as it does now;

-- By 1980 Pakistan will produce all the nitrogen fertilizer it needs, using its own natural gas, despite a projected doubling of fertilizer use;

-- A strategy for increased agricultural growth is being implemented, involving improved research and increased production in non-irrigated areas.

Evidence suggests that improved quality of rural life is a prerequisite to fertility reduction:

-- Pakistan continues to place major emphasis on population and family planning, increasing the level of budget support to what has become one of the most dynamic programs in the developing world;

-- With a massive effort to assure adequate supplies of contraceptives, this program should help slow population growth.

Plans now in preparation forecast an important shift in resource allocation toward the rural poor. Though perhaps overly ambitious, these plans reflect a strong policy emphasis on social equity, including:

-- bringing basic health service to 50% of the rural people by 1980 compared with only 15% now;

-- achieving universal primary school enrollment for boys by 1981 and for girls by 1984;

-- doubling the rate of rural road construction;

-- bringing electricity to 5,000 additional villages;

-- providing potable water to an additional 11 million rural people.

Pakistan has received substantial commitments for foreign assistance in the past year. They total close to $1 billion with about $500 million coming from oil-producing Moslem states in the Middle East.

FY 1977 Program

The A.I.D. program in FY 1977 continues its heavy emphasis on supporting the growth of Pakistan's agricultural production and the critical family planning effort. New projects focusing on the rural areas reflect the new Pakistani emphasis.

New projects will increase access of the rural poor to modern technology and services and will increase the participation of villagers in the social and economic process and its benefits.

Food imports must continue while increases are sought in domestic production. Wheat import needs will decline sharply over the next several years as domestic production increases. Vegetable oil needs, however, will continue to

be high in the foreseeable future to satisfy modest but rising per capita consumption demands.

PL 480 assistance is proposed including:

-- $80.0 million under Title I for approximately 450,000 tons of wheat and 55,000 tons of vegetable oil;

-- $3.0 million in Title II grants, of which $2.6 million is planned for the World Food Program.

Food and Nutrition

Seventy-five percent of Pakistan's rural households have a monthly income of $35 or less and over one-half of its farms comprise five acres or less. A.I.D.-financed projects are designed to benefit this less advantaged majority of the rural population:

-- A loan for $25 million will finance a portion of fertilizer imports while domestic production capacity is being increased. This loan, in conjunction with improved Government fertilizer distribution reform, will assure a greater access to fertilizer by small farmers;

-- A loan of $8 million will assist the Government to accelerate the pace of rural road construction;

-- Two continuing grant projects (including one centrally funded research project) will support a program of improved water delivery and water management on small farms;

-- A $282,000 grant will finance 40% of the costs of continuing advisory assistance in agriculture research;

-- A grant of $100,000 will seek to improve production in non-irrigated areas where Pakistan's poorest and lowest income farms are found;

-- A grant of $150,000 will help upgrade institutions involved in rural development training, research, and planning;

-- Assistance in intermediate technology will be continued to improve the quality and amount of edible oil and crude sugar produced and consumed in Pakistan's 43,000 villages.

Pakistan places high priority on improved nutrition. A.I.D. is assisting Pakistan to improve its nutrition planning capacity. Grant projects consist of:

-- $125,000 to continue the fortification of tea with Vitamin A;

-- $793,000 to continue the fortification of flour with vitamins and minerals.

Population Planning and Health

Faced with a population growing at nearly 2.9% a year, Pakistan has continued to accord high priority to its population planning program. Progress to date includes:

-- an increase in Pakistan's budget for family planning from the FY 1975 level of $4 million to $7.9 million this year;

-- provision of contraceptives through some 34,000 outlets at prices the poorest can afford;

-- an increase of nearly 120% in contraceptive offtake from government stocks during the first nine months of 1975;

-- strengthening a national network of 700 family planning clinics and 8,400 field workers.

A.I.D. is joining with bilateral and international donors to support this crucial population effort. In FY 1977, A.I.D. proposes:

-- $12.2 million in contraceptives to insure nationwide availability with over 50,000 outlets;

-- $1.35 million in short-term training, non-contraceptive commodities, and other costs;

-- $100,000, primarily in technical assistance, to improve Pakistan's capability to develop population planning information;

-- a grant of $300,000 for operational research and demonstration projects in family planning incentives, integrated delivery systems, and fertility rate determinants.

A.I.D. will asist Pakistan in a large-scale effort to improve integrated health services for the rural population. Support will focus on malaria control, potable water for rural villages and the delivery of basic health services in rural areas:

-- Implementation of the malaria control program (utilizing FY 1975-76 A.I.D. loans and a projected tranche in FY 1978) continues as a high priority;

-- A new loan of $5 million will permit the installation of potable water systems in small rural villages;

-- A loan of $7.5 million will support an expansion of basic rural, preventive and curative health services through the training, development and support of auxiliary health personnel.

Education and Human Resources Development

Pakistan is committed to the goal of universal primary education for girls as well as boys. A.I.D. assistance has been requested to support improvements in the quality of the primary education system, including:

-- a loan of $10 million directed at measures necessary to reduce the very high rate of primary school dropouts and to insure higher rates of enrollment for girls.

In addition, A.I.D. will work to strengthen the ability of federal and provincial government administrators to manage Pakistan's ambitious development programs by:

-- A grant of $400,000 to continue financing of training programs for key government personnel;

-- A new loan of $2.0 million will support the innovative and coordinated use of mass media to provide sorely needed information to rural people on a wide variety of subjects related to agriculture, health and education.

COUNTRY: PAKISTAN

GRANT ACTIVITY SUMMARY

(In thousands of dollars)

TABLE V

Project Title	*	Project Number	FY of Initial Obligation	FY of Scheduled Final Obligation	Through FY 1975 Obligations	Through FY 1975 Expenditures	Through FY 1975 Unliquidated Obligations 6/30/75	Estimated FY 1976 Obligations	Estimated FY 1976 Expenditures	Estimated FY 1976 Unliquidated Obligations 6/30/76	Estimated Transition Quarter	Proposed Program FY 1977	Future Year Obligations	Estimated Total Cost
Food and Nutrition								1,800			344	2,123		
Agriculture Research	*	391-17-110-296	1969	1979	1,418	1,051	367	215	194	388	-	282	781	2,696
Water Management	*	391-11-110-401	1975	1977	131	-	131	344	475	-	84	583	-	1,142
Dryland Agriculture Development	*	391-11-110-403	1975	1978	257	-	257	266	110	413	-	100	154	777
Integrated Rural Development Research and Training	*	391-11-190-312	1977	1979	-	-	-	-	-	-	-	150	660	810
Village Food Processing	*	391-11-190-406	1976	1978	-	-	-	175	25	150	150	90	105	520
Improved Crop Estimating 1/		391-11-140-407	TQ	1978	-	-	-	-	-	-	110	-	180	290
Nutrition Planning and Research		391-11-560-394	1975	1976	140	-	140	355	355	140	-	-	-	495
Fortification of Tea with Vitamin A	*	391-11-110-405	1976	1978	-	-	-	75	75	-	-	125	175	375
Fortification of Flour with vitamins and minerals	*	391-11-110-404	1976	1978	-	-	-	370	-	370	-	793	842	2,005
Population Planning and Health								8,858			2,040	13,921		
Population Planning	*	391-11-580-393	1973	1979	13,594	5,906	7,688	8,771	7,940	8,519	2,015	13,521	25,900	63,801
Population Planning (PIDE)	*	391-11-580-384	1973	1977	526	347	179	87	130	136	25	100	-	738
Population Grants	*	391-15-580-408	1977	1979	-	-	-	-	-	-	-	300	500	800
Education and Human Resources Development								450			-	400		
Government Administrative Staff Improvement	*	391-11-760-299	1969	1979	850	627	223	450	298	375	-	400	694	2,394
Institutional Grants		391-11-660-366	1974	1975	240	-	240	-	60	180	-	-	-	240
Total								11,108	9,662	10,671	2,384	16,444		

1/ Sec. 113 notification to be transmitted.

*Detailed project narrative—See Table VI.

Country: PAKISTAN

GRANT ACTIVITY DATA

TABLE VI

TITLE	FUNDS	PROPOSED OBLIGATION ($000)	
Agriculture Research	Food and Nutrition	FY 77 282	
NUMBER 391-17-110-296	PRIOR REFERENCE p. 109, FY 1976 NESA PDB	INITIAL OBLIGATION FY: 1969	SCHEDULED FINAL OBLIGATION FY: 1979

Project Target and Course of Action: This project is one element of a coordinated five-year effort to create a viable, continuing agricultural research system, closely linked to international research institutes and drawing upon foreign expertise as needed. Specifically, this project will finance 40% of the dollar costs of advisory and consultant services provided by the U.S. Department of Agriculture to the Pakistani agricultural research system; the remaining 60% of the technical assistance costs, as well as participant training and research-related commodities, being financed under the Agriculture Research loan authorized in FY 1974.

Progress to Date: From project inception until FY 1971, project efforts were largely directed to improving research on specific crops. Beginning in FY 1972, emphasis was given to structuring agricultural research efforts as part of a total system. By FY 1974, a plan was developed to coordinate all national and provincial research, with the revitalized agricultural research council as the focal point. In the process separate projects have evolved including Water Management, Dryland Agriculture Development and Village Food Processing. Detailed, multiyear research and outreach programs have been defined for wheat, rice, corn, sorghum, millet, forage crops, and oilseed crops. Similar programs are being defined for other crops. Each program includes resources for widespread testing of the new technology in the farmers' fields, in cooperation with the extension services. All major programs are linked to the international research network through the appropriate international center, U.S. university, or USDA's resident technical advisors. Using loan funds, Pakistani scientists are trained within Pakistan, at international centers, and in U.S. universities. Required commodities for specific programs are being purchased with loan funds and supplied to provincial research stations.

FY 1977 Program: A total of $282,000 will finance 10 man-years of long-term advisors from the USDA (research and production advisors in cereals, oilseeds and research station development), and nine man-months of short-term consultants (experiment station planning, vegetables, mangoes and fisheries) ($252,000, or 40% of the costs); training for two continuing participants ($10,000); commodities ($12,000); and miscellaneous costs ($8,000). Additional costs are covered by the Agricultural Research Loan (391-H-156).

U.S. DOLLAR COST (In Thousands)

	Obligations	Expenditures	Unliquidated
Through 6/30/75	1,418	1,051	367
Estimated FY 76	215	194	
Estimated through 6/30/76	1,633	1,245	388
Estimated Transition Quarter	-	Future Year Obligations	Estimated Total Cost
Proposed FY 77	282	781	2,696

OBLIGATIONS

Cost Components	Estimated FY 76 Direct AID	Estimated FY 76 Contract/Other Agency	Estimated FY 76 Total	Estimated Transition Quarter Direct AID	Estimated Transition Quarter Contract/Other Agency	Estimated Transition Quarter Total	Proposed FY 77 Direct AID	Proposed FY 77 Contract/Other Agency	Proposed FY 77 Total
U.S. Technicians	-	187	187	-	-	-	-	252	252
Participants	28	-	28	-	-	-	10	-	10
Commodities	-	-	-	-	-	-	-	12	12
Other Costs	-	-	-	-	-	-	-	8	8
Total Obligations	28	187	215	-	-	-	10	272	282

PRINCIPAL CONTRACTORS/AGENCIES

United States Department of Agriculture (PASA/USDA)

Country: PAKISTAN

GRANT ACTIVITY DATA

TABLE VI

TITLE	FUNDS	PROPOSED OBLIGATION ($000)	
Water Management	Food and Nutrition	FY 77 583	
NUMBER 391-11-110-401	PRIOR REFERENCE p. 114, FY 1976 NESA PDB	INITIAL OBLIGATION FY: 1975	SCHEDULED FINAL OBLIGATION FY: 1977

Project Target and Course of Action: The project purpose is to demonstrate and modify known technology in the on-farm use of irrigation water to meet Pakistani needs, and to ultimately increase crop yields and cropping intensity on some 35 million irrigated acres, the largest contiguous irrigated area in the world. The initial phase of the project is directed at the precise leveling of land to permit uniform application of water, increased per-acre yields and reduced incidence of waterlogging and salinity. The second phase will be directed at improvements in local water courses to achieve more uniform delivery and reduced water loss. The project will also create an institutional framework for continued improvements in water management and distribution, train a cadre of 300 government technicians, and design land leveling implements for domestic manufacture. The Government shares costs of leveling up to five demonstration acres with each cooperating landowner, thus directing project benefits toward small farmers. Begun as a sub-project under the Agriculture Research Project in FY 1973, this activity was restructured in FY 1975 as a discrete project to permit improved management. The project was extended to FY 1977 to permit continued collection of essential data needed for implementation of the proposed FY 1976 loan in water management. U.S. assistance to this project includes a Soil Conservation Service Team, a small amount of commodities, and a grant of excess U.S.-owned PL 480-generated rupees as a contribution toward local project costs.

In FY 1977, the present program will be continued in three provinces and training in farm watercourse planning and reconstruction will be started. These activities form the basis for an expanded, long-term program to improve on-farm water management, which will be undertaken with the help of a loan proposed for FY 1977.

Progress to Date: Six specialists from the U.S. Soil Conservation Service have trained over 100 Pakistani personnel in land leveling and are collecting data for cost/benefit analyses in Punjab and Sind Provinces. Private Pakistani contractors have started manufacturing equipment and leveling land. Field operations are under way, with about 2,800 acres on 450 farms having been precisely leveled. Two additional U.S. specialists to arrive in April 1976 will extend the project into the Northwest Frontier Province.

FY 1977 Program: A total of $583,000 will finance eight specialists (team leader, three agronomists, three agricultural engineers, agricultural economist) for 18 man-months each ($570,000) and three man-months of short-term advisory services ($13,000).

U.S. DOLLAR COST (In Thousands)

	Obligations	Expenditures	Unliquidated
Through 6/30/75	131	-	131
Estimated FY 76	344	475	
Estimated through 6/30/76	475	475	-
Estimated Transition Quarter	84	Future Year Obligations	Estimated Total Cost
Proposed FY 77	583	-	1,142

Cost Components	OBLIGATIONS								
	Estimated FY 76			Estimated Transition Quarter			Proposed FY 77		
	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total
U.S. Technicians . .	-	344	344	-	84	84	-	583	583
Participants	-	-	-	-	-	-	-	-	-
Commodities	-	-	-	-	-	-	-	-	-
Other Costs	-	-	-	-	-	-	-	-	-
Total Obligations . .	-	344	344	-	84	84	-	583	583

PRINCIPAL CONTRACTORS/ AGENCIES

United States Department of Agriculture (Soil Conservation Service) PASA/USDA/SCS

Country: PAKISTAN

GRANT ACTIVITY DATA

TABLE VI

TITLE	FUNDS	PROPOSED OBLIGATION ($000)	
Dryland Agriculture Development	Food and Nutrition	FY 77 100	
	PRIOR REFERENCE	INITIAL OBLIGATION	SCHEDULED FINAL OBLIGATION
NUMBER 391-11-110-403	p. 110, FY 1976 NESA PDB	FY: 1975	FY: 1978

Project Target and Course of Action: This project is designed to identify, evaluate, and demonstrate to approximately 30,000 farmers the use of improved crop varieties and water conservation practices in conjunction with the use of fertilizer to increase yields and farm income. The project design also calls for the identification and analysis of local behavioral factors (economic, social, and cultural) which influence the acceptance of new technology and change. The results of this research will be used in the selection of technology to be demonstrated, in the planning of demonstration education processes, and in planning further development in the barani areas. U.S. assistance will consist of resident advisors and short-term consultants, participant training and a small amount of commodities. The "barani" (rainfed, non-irrigated) areas of Pakistan offer a potential for rapid increases in food production to meet the country's needs. About 7.5 million acres are farmed by about 1.5 million families. Per-acre productivity is lower than in any other area of the country, and about one-fifth of that under comparable conditions in the United States.

Progress to Date: The extension service in Northwest Frontier Province established five maize demonstrations and verification trials, and 785 demonstrations, 25 verification trials, and 10 adaptive research trials on wheat during 1975. The extension service in the Punjab Province conducted 210 maize and 30 millet demonstrations, four fertilizer trials, and 5,330 demonstrations, 226 verification trials and 23 adaptive research trials with wheat during 1975. Benchmark surveys have been started in both provinces to obtain agricultural and social information for the rainfed area. The technical assistance contractor will be selected by January 1976 and will be in place by March 1976.

FY 1977 Program: A total of $100,000 will finance 14 man-months of short-term technicians in the fields of agriculture, engineering, communications media, and soil chemistry ($72,000), ten man-months of participant training ($18,000) and communication media and farm equipment ($10,000).

U.S. DOLLAR COST (In Thousands)

	Obligations	Expenditures	Unliquidated
Through 6/30/75	257	-	257
Estimated FY 76	266	110	
Estimated through 6/30/76	523	110	413
Estimated Transition Quarter	-	Future Year Obligations	Estimated Total Cost
Proposed FY 77	100	154	777

OBLIGATIONS

Cost Components	Estimated FY 76			Estimated Transition Quarter			Proposed FY 77		
	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total
U.S. Technicians	-	266	266	-	-	-	-	72	72
Participants	-	-	-	-	-	-	-	18	18
Commodities	-	-	-	-	-	-	-	10	10
Other Costs	-	-	-	-	-	-	-	-	-
Total Obligations	-	266	266	-	-	-	-	100	100

PRINCIPAL CONTRACTORS/ AGENCIES

To be selected

Country: PAKISTAN

GRANT ACTIVITY DATA

TABLE VI

TITLE	FUNDS	PROPOSED OBLIGATION ($000)	
Integrated Rural Development Research and Training*	Food and Nutrition	FY 77 150	
NUMBER 391-11-190-312	PRIOR REFERENCE p. 116, FY 1976 NESA PDB	INITIAL OBLIGATION FY: 1977	SCHEDULED FINAL OBLIGATION FY: 1979

Goal: To raise the socio-economic status of the rural population.

Purpose: To increase the capability of institutions which provide and promote training, research, planning, and evaluation for rural development.

Background: The lack of effective rural institutions at the local level is a major constraint in the achievement of a national goal of increasing the welfare of rural people. Major deficiencies exist in organization, planning, and coordination. Evaluation and feedback for operational improvement in government agencies responsible for rural economic and social development are also lacking. Local-level government and other organizations are almost non-existent. The rural poor, particularly, suffer from these deficiencies.

The development of a national strategy for an integrated rural development program has not moved as rapidly as anticipated. This is due largely to difficulties in identifying requirements to benefit target rural groups, and in defining roles and relationships among existing development agencies of government and between them and the new integrated rural development departments and sections.

Outputs: The major outputs will be trained personnel and more effective management systems that stimulate and support group and individual rural development efforts.

Host Country and Other Donors: Pakistan has created and staffed departments of integrated rural development at the national center and in each province. Staffs are posted and programs of varying degrees of intensity have been initiated. Some financial support for this effort is expected from other international donors, but so far only very small and scattered commitments have been made.

FY 1977 Program: A total of $150,000 will finance 18 man-months of short-term technical assistance (specialists in rural development planning, research and evaluation) ($133,000), five man-months of short-term participant training ($7,000), and demonstration equipment ($10,000).

* The title was changed from "Rural Development Academies" to reflect more accurately the objectives of the project.

U.S. DOLLAR COST (In Thousands)

	Obligations	Expenditures	Unliquidated
Through 6/30/75	–	–	–
Estimated FY 76	–	–	
Estimated through 6/30/76	–	–	–
Estimated Transition Quarter	–	Future Year Obligations	Estimated Total Cost
Proposed FY 77	150	660	810

Cost Components	OBLIGATIONS								
	Estimated FY 76			Estimated Transition Quarter			Proposed FY 77		
	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total
U.S. Technicians . .	–	–	–	–	–	–	–	133	133
Participants	–	–	–	–	–	–	–	7	7
Commodities	–	–	–	–	–	–	–	10	10
Other Costs	–	–	–	–	–	–	–	–	–
Total Obligations . .	–	–	–	–	–	–	–	150	150

PRINCIPAL CONTRACTORS/ AGENCIES

To be selected

Country: PAKISTAN

GRANT ACTIVITY DATA

TABLE VI

TITLE	FUNDS	PROPOSED OBLIGATION ($000)	
Village Food Processing	Food and Nutrition	FY 77 90	
NUMBER 391-11-190-406	PRIOR REFERENCE p. 115, FY 1976 NESA PDB	INITIAL OBLIGATION FY: 1976	SCHEDULED FINAL OBLIGATION FY: 1978

Project Target and Course of Action: This intermediate technology project is designed to identify, develop, test and demonstrate feasible methods for improving small farm and village level food processing of sugar cane and oilseeds, and the adoption of efficient methodology suitable for village level operations. This project contributes toward raising the income of small farmers and village level food processors.

Almost 80% of Pakistan's sugar cane is grown on farms of less than 25 acres, and over 75% of total crop is processed on the farm or in the village. The small-scale technology which is employed is labor intensive, but inefficient; only 60% to 70% of the available sugar is extracted from the cane. Rape and mustard seeds are also processed in the village by traditional, inefficient technology which extracts only 50% to 60% of the available oil.

The project is carried out in four phases. Phase I: Research in Pakistan to establish the social, economic and engineering project parameters. Phase II: Worldwide search for appropriate small-scale oilseed and sugar cane processing technology. Phase III: Imported prototype equipment to be tested and modified as required to operate under local conditions. Phase IV: Selected improved processing equipment produced, distributed and evaluated under farm and village operating conditions.

Progress to Date: The Project Review Paper was approved in December 1975, and the Project Paper is being prepared in collaboration with the Government of Pakistan. First obligation and selection of the prime contractor are scheduled for the fourth quarter of FY 1976. Project extension to FY 1978 and an increase in estimated total life-of-project cost from $425,000 to $520,000 reflect refinements in project design and an expansion in overall contract services necessary.

FY 1977 Program: A total of $90,000 will finance contract services to complete work outlined under Phases I and II, above, and initiate Phases III and IV: ten man-months of professional services ($45,000), local surveys ($35,000), and improved equipment ($10,000).

U.S. DOLLAR COST (In Thousands)

	Obligations	Expenditures	Unliquidated
Through 6/30/75	-	-	-
Estimated FY 76	175	25	
Estimated through 6/30/76	175	25	150
Estimated Transition Quarter	150	Future Year Obligations	Estimated Total Cost
Proposed FY 77	90	105	520

OBLIGATIONS

Cost Components	Estimated FY 76 Direct AID	Estimated FY 76 Contract/Other Agency	Estimated FY 76 Total	Estimated Transition Quarter Direct AID	Estimated Transition Quarter Contract/Other Agency	Estimated Transition Quarter Total	Proposed FY 77 Direct AID	Proposed FY 77 Contract/Other Agency	Proposed FY 77 Total
U.S. Technicians . .	-	110	110	-	100	100	-	45	45
Participants	-	-	-	-	-	-	-	-	-
Commodities	-	20	20	-	20	20	-	10	10
Other Costs	-	45	45	-	30	30	-	35	35
Total Obligations . .	-	175	175	-	150	150	-	90	90

PRINCIPAL CONTRACTORS/AGENCIES

To be selected

Country: PAKISTAN

GRANT ACTIVITY DATA

TABLE VI

TITLE	FUNDS	PROPOSED OBLIGATION ($000)	
Fortification of Tea with Vitamin A	Food and Nutrition	FY 77 125	
	PRIOR REFERENCE	INITIAL OBLIGATION	SCHEDULED FINAL OBLIGATION
NUMBER 391-11-110-405	p. 113, FY 1976 NESA PDB	FY: 1976	FY: 1978

Project Target and Course of Action: This project is designed to assess the feasibility of fortifying Pakistan's tea supply with minimum adequate levels of Vitamin A. Nutrition studies have identified serious deficiencies of Vitamin A in the diets of Pakistan's rural and urban poor, ranging up to a rate of 90% in pregnant and nursing women. Tea is Pakistan's most popular beverage, and pilot experiments have shown that Vitamin A can be added to tea without affecting its taste, aroma, or appearance and at a low cost which after initial experimentaion is expected to be passed on to consumers.

Progress to Date: This three-year project, originally intended to begin in FY 1975, has been deferred to FY 1976 to permit its design to reflect the findings of the national nutrition survey now underway. A.I.D. will fund technical assistance and the procurement of U.S.-manufactured equipment and Vitamin A supplies to demonstrate and refine a system leading to nationwide fortification of tea. Pakistan will finance the required locally manufactured equipment and contribute to the cost of research, publicity, quality control, and efficient implementation. In FY 1976, A.I.D. will assist Pakistan's government to initiate the experimental phase of the tea fortification project. U.S. advisory assistance will help Pakistan to plan and conduct needed studies on storage, fabrication and installation of equipment, and to train Pakistani technicians in fortification technology and quality control methods. A.I.D. will also fund equipment and an initial supply of Vitamin A.

FY 1977 Program: A total of $125,000 will finance six man-months of short-term advisory services for a food technologist, nutritionist, and mass media consultant ($30,000), quality control equipment ($15,000), and an additional supply of Vitamin A ($80,000).

U.S. DOLLAR COST (In Thousands)

	Obligations	Expenditures	Unliquidated
Through 6/30/75	–	–	–
Estimated FY 76	75	–	
Estimated through 6/30/76	75	75	–
Estimated Transition Quarter	–	Future Year Obligations	Estimated Total Cost
Proposed FY 77	125	175	375

OBLIGATIONS

Cost Components	Estimated FY 76 Direct AID	Estimated FY 76 Contract/Other Agency	Estimated FY 76 Total	Estimated Transition Quarter Direct AID	Estimated Transition Quarter Contract/Other Agency	Estimated Transition Quarter Total	Proposed FY 77 Direct AID	Proposed FY 77 Contract/Other Agency	Proposed FY 77 Total
U.S. Technicians . .	–	40	40	–	–	–	–	30	30
Participants	–	–	–	–	–	–	–	–	–
Commodities	–	35	35	–	–	–	–	95	95
Other Costs	–	–	–	–	–	–	–	–	–
Total Obligations . .	–	75	75	–	–	–	–	125	125

PRINCIPAL CONTRACTORS/AGENCIES

To be selected

Country: PAKISTAN

GRANT ACTIVITY DATA

TABLE VI

TITLE	FUNDS	PROPOSED OBLIGATION ($000)	
Fortification of Flour with Vitamins and Minerals	Food and Nutrition	FY 77 793	
NUMBER 391-11-110-404	PRIOR REFERENCE p. 112, FY 1976 NESA PDB	INITIAL OBLIGATION FY: 1976	SCHEDULED FINAL OBLIGATION FY: 1978

Project Target and Course of Action: The purpose of this project is to provide B vitamins and iron in the flour consumed by Pakistanis. Nutrition studies have demonstrated that deficiencies of B vitamins and iron are widespread in the Pakistani diet.

Since the poor in Pakistan rely on wheat for the preponderance of their calories and protein, fortification of wheat flour with added nutrients would constitute a quantum improvement in nutritional levels. It is planned that the very slight additional cost of fortification will be absorbed by the Government or, at least in part, passed on to consumers. Pakistan distributes wheat flour at subsidized prices through thousands of ration shops reaching 14 million consumers from predominantly low income urban and semi-urban families. Thus, fortification of this flour would immediately reach those in greatest need of these nutrients.

U.S. technical advisory assistance is utilized in the installation of equipment, the design of studies, and the initial implementation of key steps in the fortification process. During the three-year project, A.I.D. will fund procurement of U.S.-manufactured equipment and supplies of iron and B vitamins to demonstrate and to refine techniques for nationwide fortification of flour ground in all modern mills. Pakistan will contribute to local costs for needed studies, administration, publicity, monitoring and quality control.

Progress to Date: Initial plans for FY 1975 implementation were deferred to FY 1976 due to the need for further work on the project proposal. As a result, the final obligation date of this three-year project has been changed to FY 1978. The revised plan expanded the number of mills covered from 100 to 114, and increased the amount of flour to be fortified from one million to 1.3 million tons. For these reasons (as well as a substantial rise in the cost of the vitamin mineral), total cost of the project has been increased to $2,005,000.

FY 1977 Program: A total of $793,000 will finance four man-months of advisory services (food technologist, nutritionist, mass media consultant) ($20,000), supplies of vitamins and iron ($697,000), and fortification equipment ($76,000).

U.S. DOLLAR COST (In Thousands)

	Obligations	Expenditures	Unliquidated
Through 6/30/75	–	–	–
Estimated FY 76	370	–	
Estimated through 6/30/76	370	–	370
Estimated Transition Quarter	–	Future Year Obligations	Estimated Total Cost
Proposed FY 77	793	842	2,005

Cost Components	OBLIGATIONS									PRINCIPAL CONTRACTORS/ AGENCIES
	Estimated FY 76			Estimated Transition Quarter			Proposed FY 77			
	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total	
U.S. Technicians . .	–	20	20	–	–	–	–	20	20	To be selected
Participants	–	–	–	–	–	–	–	–	–	
Commodities	–	350	350	–	–	–	–	773	773	
Other Costs	–	–	–	–	–	–	–	–	–	
Total Obligations . .	–	370	370	–	–	–	–	793	793	

Country: PAKISTAN

GRANT ACTIVITY DATA

TABLE VI

TITLE	FUNDS	PROPOSED OBLIGATION ($000)	
Population Planning	Population Planning and Health	FY 77 13,521	
	PRIOR REFERENCE	INITIAL OBLIGATION	SCHEDULED FINAL OBLIGATION
NUMBER 391-11-580-393	p. 118, FY 1976 NESA PDB	FY: 1973	FY: 1979

Project Target and Course of Action: The purpose of this project is to expand Pakistan's population planning program to reach 93% of eligible fertile couples by 1978. The program includes education in family planning methods, motivation, and increasing the accessibility of contraceptives for those couples who choose to use them. A force of 8,400 field workers operating throughout Pakistan will regularly visit and distribute contraceptives to eligible fertile couples, to educate and motivate them in the use of family planning techniques. This effort is augmented by radio programs, mobile film shows, and other media, a commercial sales program for birth control pills and condoms, and a network of modern clinics where voluntary sterilization and IUD insertions are available or can be quickly arranged.

Progress to Date: Field worker programs are now under way in all areas of the country. Nearly 34,000 small shops have added contraceptives to their merchandise at subsidized prices. Required contraceptive supplies are assured through 1976 through commitments by A.I.D. and other donors. Since early 1973, there has been a seventyfold increase in oral contraceptive use to over 448,000 cycles per month in October 1975. The project's operational budget has been increased, from 102 million rupees ($10 million) in FY 1974 to 190 million rupees ($19 million)in FY 1976. Pakistan almost doubled its contribution, from $4 million in FY 1974 to $7.5 million in FY 1976. The program has attracted substantial other donor assistance, including a long-term commitment by the UN Fund for Population Assistance ($15 million over the 1974-78 period), and sizeable contributions and pledges by the Federal Republic of Germany, Norway and others.

FY 1977 Program: A total of $13,521,000 is proposed for the following: commodities including oral contraceptives ($6,825,000), condoms($5,346,000), equipment and supplies for the family planning program ($580,000), and surgical equipment and supplies required to make available voluntary sterilization services ($600,000); technical advisors to assist Pakistan in planning and implementing voluntary sterilization programs ($100,000); and about 30 months of short-term training in family planning delivery techniques ($70,000).

U.S. DOLLAR COST (In Thousands)

	Obligations	Expenditures	Unliquidated
Through 6/30/75	13,594	5,906	7,688
Estimated FY 76	8,771	7,940	
Estimated through 6/30/76	22,365	13,846	8,519
Estimated Transition Quarter	2,015	Future Year Obligations	Estimated Total Cost
Proposed FY 77	13,521	25,900	63,801

OBLIGATIONS

Cost Components	Estimated FY 76			Estimated Transition Quarter			Proposed FY 77		
	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total
U.S. Technicians . .	–	–	–	–	–	–	–	100	100
Participants	33	–	33	10	–	10	70	–	70
Commodities	8,197	–	8,197	1,869	–	1,869	13,351	–	13,351
Other Costs	541	–	541	136	–	136	–	–	–
Total Obligations . .	8,771	–	8,771	2,015	–	2,015	13,421	100	13,521

PRINCIPAL CONTRACTORS/ AGENCIES

To be selected

Country: PAKISTAN

GRANT ACTIVITY DATA

TABLE VI

TITLE	FUNDS	PROPOSED OBLIGATION ($000)	
Population Planning (PIDE)	Population Planning and Health	FY 77: 100	
	PRIOR REFERENCE	INITIAL OBLIGATION	SCHEDULED FINAL OBLIGATION
NUMBER 391-11-580-384	p. 120, FY 1976 NESA PDB	FY: 1973	FY: 1977

Project Target and Course of Action: The purpose of this project is to develop within the Pakistan Institute for Development Economics (PIDE) a continuing capability to conduct population-related research in support of national development planning. The PIDE, a government-supported independent institute, is charged with carrying on scientific studies of the social, economic and demographic determinants of population growth, and with assessing the impact of actual and proposed policies on population growth. U.S. support is provided the PIDE in the form of technical assistance, participant training, and research-related commodities.

Progress to Date: The PIDE population section is staffed with seventeen social scientists and is fully operational. With the assistance of a U.S. contract advisor, 28 population related studies have been completed. Ten more studies will be completed by the end of FY 1976 and an additional ten in FY 1977. These studies range widely in content. Examples are: a comprehesnive survey of available information on Pakistan's population; a study of past changes in knowledge, attitudes and practices concerning family planning in that country; a study on economic incentives for small families; and a comprehensive analysis of the determinants of fertility in Pakistan and alternative public policy approaches to bringing about a reduction in fertility.

FY 1977 Program: A total of $100,000 will finance the services of one full-time advisor (population economist) and nine man-months of short-term consultants (population economist, records specialist, demographic survey specialist) ($80,000), extensions for two long-term participants ($10,000), and commodities ($10,000)

U.S. DOLLAR COST (In Thousands)

	Obligations	Expenditures	Unliquidated
Through 6/30/75	526	347	179
Estimated FY 76	87	130	
Estimated through 6/30/76	613	477	136
Estimated Transition Quarter	25	Future Year Obligations	Estimated Total Cost
Proposed FY 77	100	--	738

OBLIGATIONS

Cost Components	Estimated FY 76			Estimated Transition Quarter			Proposed FY 77		
	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total
U.S. Technicians	-	20	20	-	-	-	-	80	80
Participants	39	--	39	20	--	20	10	--	10
Commodities	28	-	28	5	-	5	10	-	10
Other Costs	-	-	-	-	-	-	-	-	--
Total Obligations	67	20	87	25	-	25	20	80	100

PRINCIPAL CONTRACTORS/ AGENCIES

Personal Services Contract

Country: PAKISTAN

GRANT ACTIVITY DATA

TABLE VI

TITLE	FUNDS	PROPOSED OBLIGATION ($000)	
Population Grants	Population Planning and Health	FY 77 300	
	PRIOR REFERENCE	INITIAL OBLIGATION	SCHEDULED FINAL OBLIGATION
NUMBER 391-15-580-408	-	FY: 1977	FY: 1979

Goal: To slow the rate of population growth from 2.9% per year in 1975 to 2.0% per year by 1990.

Purpose: To enlist the support of major employers, village organizations, public and private research organizations and enlightened citizens in the development and implementation of well-planned and innovative programs to encourage small families.

Background: The Pakistan Population Planning Council has made significant headway since 1975 in expanding and improving the family planning program. Over 8,000 field workers are now employed by the program. Contraceptives are available through some 30,000 outlets and each month continued gains are registered in contraceptive distribution and acceptance.

The Pakistanis believe, however, that much more must be done. Of particular concern is the need for experimentation and action research aimed at creating a greater awareness of population problems and broadening the family planning delivery system. This project will complement ongoing family planning efforts through grants to private and public agencies for demonstration activities to increase the range of services and organizations providing services. It will support the trial of innovations to encourage family planning among those who do not practice it. It will further help to identify the determinants of the rate of fertility upon which a national program can rest.

Outputs: Thirty research, experimental, pilot, or demonstration projects completed with the results published. Meetings, seminars and consultations to disseminate findings.

Host Country and Other Donors: The Government of Pakistan plans to allocate the rupee equivalent of about $1.0 million to this project over a three-year period. These resources will support the operating cost of a small Action Research Center established by the Population Council and will finance specific research grants. The project calls for a total of $525,000 in support from other donors. The United Nations' Fund for Population Activities has indicated interest in the project and a willingness to discuss budget allocations. The Ford Foundation has already provided some seed money to begin to identify specific action research projects. Additional support from other bilateral aid donors is also expected.

FY 1977 Program: A total of $300,000 will finance approximately 10 major pilot projects or action research proposals.

U.S. DOLLAR COST (In Thousands)

	Obligations	Expenditures	Unliquidated
Through 6/30/75	-	-	-
Estimated FY 76	-	-	
Estimated through 6/30/76	-	-	-
Estimated Transition Quarter	-	Future Year Obligations	Estimated Total Cost
Proposed FY 77	300	500	800

Cost Components	OBLIGATIONS								
	Estimated FY 76			Estimated Transition Quarter			Proposed FY 77		
	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total
U.S. Technicians . .	-	-	-	-	-	-	-	-	-
Participants	-	-	-	-	-	-	-	-	-
Commodities	-	-	-	-	-	-	-	-	-
Other Costs	-	-	-	-	-	-	-	300	300
Total Obligations . .	-	-	-	-	-	-	-	300	300

PRINCIPAL CONTRACTORS/ AGENCIES

Grantees to be determined

Country: PAKISTAN

GRANT ACTIVITY DATA

TABLE VI

TITLE	FUNDS	PROPOSED OBLIGATION ($000)	
Government Administrative Staff Improvement	Education and Human Resources Development	FY 77 400	
NUMBER 391-11-760-299	PRIOR REFERENCE p. 121, FY 1976 NESA PDB	INITIAL OBLIGATION FY: 1969	SCHEDULED FINAL OBLIGATION FY: 1979

Project Target and Course of Action: The purpose of this project is to strengthen the technical and management skills and decision-making abilities of a core of government officials engaged in planning and implementing development programs. Long- and short-term group training is provided in Pakistan by contract specialists.

Progress to Date: Eighty-eight participants in long- and short-term courses have received U.S. training through FY 1975. Approximately 35 participants have been or will be trained in FY 1976. Training has been principally in development economics and finance, but has also included education planning, tax administration, demographic statistics, narcotics and manpower development. A special effort is under way to identify and select qualified women for participant training. In FY 1976, five women were trained in non-formal education planning, economic development and management. Public administration courses in project design and evaluation were also provided in Pakistan during FY 1976.

FY 1977 Program: A total of $400,000 will finance approximately two man-months of short-term contract trainers ($10,000); 21 new long-term participants to the United States ($206,000); 20 participants for short-term training for about 60 man-months ($108,000); and approximately 10 participants for second-year extensions to complete their training objectives ($76,000).

U.S. DOLLAR COST (In Thousands)

	Obligations	Expenditures	Unliquidated
Through 6/30/75	850	627	223
Estimated FY 76	450	298	
Estimated through 6/30/76	1,300	925	375
Estimated Transition Quarter	-	Future Year Obligations	Estimated Total Cost
Proposed FY 77	400	694	2,394

OBLIGATIONS

Cost Components	Estimated FY 76			Estimated Transition Quarter			Proposed FY 77		
	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total
U.S. Technicians	60	-	60	-	-	-	-	10	10
Participants	390	-	390	-	-	-	390	-	390
Commodities	-	-	-	-	-	-	-	-	-
Other Costs	-	-	-	-	-	-	-	-	-
Total Obligations	450	-	450	-	-	-	390	10	400

PRINCIPAL CONTRACTORS/ AGENCIES

To be selected

SUMMARY OF ACTIVE DEVELOPMENT LOANS
Authorized as of 12/31/75
(In thousands of dollars)

COUNTRY: Pakistan

TABLE VII

Loan No.	Title	Date		Grace Period (years)	Life of Loan (years)	Interest Rate (%)		Currency of Repayment	Amount Authorized	As of 12/31/75		
		Authorized	Loan Agreement			Grace Period	Amortization			Amount Disbursed	Principal Repayments	Interest Collected
391-H-142	Consulting Services	6-27-69	8-5-69	10	40	2	3	U.S. $	1,806	1,588		1
391-H-156	Agricultural Research	4-2-74	4-30-74	10	40	2	3	U.S. $	7,600	-		-
391-H-157	Program Loan	6-12-74	8-23-74	10	40	2	3	U.S. $	25,000	17,222		69
391-U-163	Malaria Control	6-30-75	10-10-75	10	40	2	3	U.S. $	20,000	-		-
391-T-164	Fauji Agrico Fertilizer	6-30-75		10	40	2	3	U.S. $	40,000	-		-
391-W-165	Technical Services	12-5-75		10	40	2	3	U.S. $	2,500	-		-
391-T-166	Agricultural Inputs	12-31-75		10	40	2	3	U.S. $	40,000	-		-

SUMMARY OF ESTIMATED DEVELOPMENT LOAN AUTHORIZATIONS

Balance FY 1976 and Transition Quarter (1/1/76 - 9/30/76)

(In Thousands of Dollars)

COUNTRY: Pakistan

TABLE VIIa

TITLE	AMOUNT
On-Farm Water Management	7,500
Malaria Control	7,500
Agricultural Inputs	26,000
(See also Terminating Programs section in this book concerning loan to the Indus Basin Development Fund for repairs to Tarbela Dam.)	

SUMMARY OF PROPOSED DEVELOPMENT LOANS

FY 1977
(In Thousands of Dollars)

COUNTRY: PAKISTAN

TABLE VIII

TITLE	AMOUNT
Agricultural Inputs	25,000
Rural Roads	8,000
Basic Health Services	7,500
Rural Potable Water Supply	5,000
Primary Education	10,000
Development Communications Center	2,000

Country: PAKISTAN

LOAN ACTIVITY DATA

TABLE IX

TITLE	FUNDS	PROPOSED OBLIGATION ($000)
Agricultural Inputs	Food and Nutrition	25,000
	KIND OF LOAN: Project	INITIAL OBLIGATION FY: 1977

Goal: Increased agricultural production and increased farm incomes.

Purpose: Increased and better balanced use of fertilizer and other agricultural production inputs by all farmers, especially low-income farmers.

Background: Although agricultural yields have been increased through rapidly rising consumption of fertilizer and spread of high-yielding seed, yields still remain far below achievable levels. Efforts of the Government of Pakistan and other donors will increase domestic supply of fertilizer and improved seed, but a large part of agricultural inputs must be imported until domestic production meets demand and agricultural production potential is achieved. The continuing A.I.D. and other donor efforts to provide required agricultural inputs complement new efforts to reach the rural poor. A cluster of new projects is proposed for FY 1977 to assure that villagers increase participation in economic and social development. The combination of continuing production increases and these new projects is in support of Pakistan's national development objectives of reaching the rural poor.

Major Outputs: A.I.D.-financed commodities will enable Pakistan to continue increased utilization of fertilizer and other inputs until domestic production is able to meet requirements. This assistance will make it possible for Pakistan to maintain a network of retail outlets throughout the country to serve needs of poor farmers.

Host Country and Other Donors:

Host Country	$500.0 million annual agricultural input imports for the next three years.
IBRD, ADB, Persian Gulf States, and Germany	All are contributing to financing domestic fertilizer production facilities.

A.I.D. Financed Inputs ($'000)

COMMODITIES: Fertilizer, seed and other production inputs, e.g., pesticides, mechanical equipment, etc.	25,000
Total	25,000

Country: PAKISTAN

LOAN ACTIVITY DATA

TABLE IX

TITLE	FUNDS	PROPOSED OBLIGATION ($000)
Rural Roads	Food and Nutrition	8,000
	KIND OF LOAN: Project	INITIAL OBLIGATION FY: 1977

Goal: To improve the distribution of agricultural inputs and production and access by rural Pakistanis to education, health, family planning, and other services and nearby job opportunities. This project is one of a cluster of proposed new activities supporting Pakistan's goal of increasing villagers' participation in the nation's economic and social processes.

Purpose: To establish adequate communication linkages for rural people to markets, health and education facilities.

Background: Over 75% of Pakistan's estimated 72 million people live in rural areas, and over a quarter of approximately 43,000 villages are situated more than five miles from a paved road. All-weather communication between villages and market towns is essential not only to increased food production and distribution but to improved access to education, health and other services. Pakistan has concluded that it should concentrate on least-cost rural roads to meet current needs, and that these roads should have a potential for improvement to meet future needs. This project concentrates on five districts in which Pakistan will both improve and expand construction and maintenance capabilities. A.I.D. assistance will be directed only to new construction; Fixed Amount Reimbursement procedures will be followed in financing up to 50% of the cost of construction.

Major Outputs: Design and construction of more than 300 miles of new rural roads, each of one to five miles in length. Roads will link rural villages and markets, health and education centers.

Host Country and Other Donors:

Host Country	$15.0 million per year of project costs in addition to funding all costs of improved maintenance capabilities in the districts to be served by this project.

A.I.D. Financed Inputs (in $'000)

CAPITAL FINANCE:	1977	All Years
Reimbursement of part of the costs of design and construction of rural roads.	8,000	30,000
Total	8,000	30,000

Country: PAKISTAN

LOAN ACTIVITY DATA

TABLE IX

TITLE	FUNDS	PROPOSED OBLIGATION ($000)
Basic Health Services	Population Planning and Health	7,500
	KIND OF LOAN: Project	INITIAL OBLIGATION FY: 1977

Goal: To improve the quality and accessibility of basic health services for rural Pakistanis. This project is one of a cluster of proposed new activities supporting Pakistan's goal of increasing villagers' participation in the nation's economic and social processes.

Purpose: To establish a capability within national and regional resource centers to train and effectively deploy auxiliary health forces in rural Pakistan with administrative, managerial and logistic support.

Background: The existing health system in Pakistan reflects a pattern not unusual for developing countries. There are 37,000 hospital beds in the country, with only 4,000 of these in rural areas where 75% of the population resides. There are approximately 8,000 practicing physicians. An estimated 80% of these live and practice in urban settings. At the present time about 35% of the 3,500 posts for doctors in public health institutions are vacant, virtually all in rural areas. The present Pakistan health delivery system is characterized by wide regional variation and multiple modes of delivery of services in both rural and urban areas. Historically the health system has favored urban over rural needs, placed more emphasis on the training of doctors than mid-level health workers, skimped on operating budgets for the public health sector, particularly in rural areas, and neglected preventive and community health in favor of curative services.

Major Outputs: Over the three years of loan implementation, primary emphasis will be given to the establishment of Resource Centers at the National and Provincial levels and 12 training institutions which will direct efforts to recruit, train, deploy, and support mid-level health workers for rural health centers and community-level health workers who will be stationed directly in villages. At the end of three years, about 500 mid-level workers and 1,200 community-level workers will be trained and deployed. These personnel will be stationed within and under the direction of about 150 rural health centers, serving about 1,500,000 people previously without health service.

Host Country and Other Donors:

Host Country	Pakistan will fund approximately 60% of the project costs.
WHO and UNICEF	Are cooperating with A.I.D. in strengthening rural health services.
Canada, West Germany, Norway and Great Britain	Have shown interest in assisting in the expansion of rural health services.
France, Iran, Libya and Persian Gulf States	Have expressed interest in helping expand medical education.

A.I.D. Financed Inputs (in $'000

	1977	All Years
PERSONNEL: 26 man-years of technical services from physicians and health consultants	2,000	2,000
TRAINING: U.S. and third-country health education training for 64 Pakistani physician-trainers	640	640
CAPITAL FINANCE: Part of costs of training facilities, health units, and health centers, equipment, and training materials	4,860	12,360
Total	7,500	15,000

Country: PAKISTAN

LOAN ACTIVITY DATA

TABLE IX

TITLE	FUNDS	PROPOSED OBLIGATION ($000)
Rural Potable Water Supply	Population Planning and Health	5,000
	KIND OF LOAN Project	INITIAL OBLIGATION FY: 1977

Goal: To improve the health status of rural Pakistanis by reducing the incidence of water-related illnesses. This project is one of a cluster of proposed new activities supporting Pakistan's goal of increasing villagers' participation in the nation's economic and social processes.

Purpose: To establish potable water systems and the capability for maintaining and expanding these systems in rural areas.

Background: The relationship between water and health is well established. Diseases such as cholera, typhoid, diarrhea, hepatitis and a variety of parasitic illnesses are common ailments in Pakistan and are transmitted by polluted water. In addition, other health problems such as skin and eye diseases and malnutrition are associated with non-potable water. In general, it appears that as much as 50%-60% of the illnesses in Pakistan may be water related. At present it is estimated that only 5% of the rural population in villages of less than 5,000 persons are served with potable water.

The inclusion of rural potable water is a key item in the overall rural development program in Pakistan. While potable water alone may not be sufficient to achieve the health status desired for the rural poor, it will have major significance particularly when combined with other health and nutrition programs now under way.

Major Outputs: Of the various components of the Government's overall rural water program, A.I.D. proposes to focus its $5 million of loan assistance, during this initial two-year project, on handpumps in small villages. Under the loan up to 40,000 handpumps would be installed to provide water for about 3,000,000 persons.

Host Country and Other Donors:

Host Country	$17.0 million during the first two years of the project.
WHO and UNICEF	Have played an important role in improving water systems throughout Pakistan.

A.I.D. Financed Inputs (in $'000)

	1977	All Years
CAPITAL FINANCE: Reimbursement to the Government of Pakistan of part of the costs of manufacturing and installing handpumps; well materials; and, where required, small water treatment and distribution systems	5,000	25,000
Total	5,000	25,000

Country: PAKISTAN

LOAN ACTIVITY DATA

TABLE IX

TITLE	FUNDS	PROPOSED OBLIGATION ($000)
Primary Education	Education and Human Resources Development	10,000
	KIND OF LOAN: Project	INITIAL OBLIGATION: FY 1977

Goal: To provide a quality-oriented basis for the expansion of primary education in rural areas of Pakistan. This project is one of a cluster of proposed new activities supporting Pakistan's goal of increasing villagers' participation in the nation's economic and social processes.

Purpose: To increase student retention rates in Grades I-V in rural schools, particulary with regard to girls.

Background: It is increasingly apparent that the drop-out problem is the most important single barrier to achieving educational objectives in rural areas of Pakistan, and A.I.D. studies show that unless the first five years of primary education are completed, rural people do not receive the desired development impact of increased literacy, greater receptivity to family planning and better farming and nutrition practices. These studies reveal that while 70% of school-age children enroll in first grade, only 31% complete the fifth grade. For girls alone, only 46% enroll in first grade and less than 15% finish grade five.

Major Outputs: The project will focus on the drop-out problem by improving teacher training programs, making available improved instructional materials and expanding or improving physical facilities in rural schools for pupils and, where necessary, for teachers. Project outputs will be biased in the direction of increasing numbers of girls finishing primary school and employment of female teachers. The Pakistan Government's target is 92% of boys and 54% of girls in primary school by 1979-80. This target may be somewhat ambitious, but the project should approach this target.

Host Country and Other Donors:

Host Country	About one-half of total project costs.
IBRD	Educational development loan, which will probably be approved in 1976.
UNDP and UNICEF	Are considering proposals for assistance in the education sector.
Ford Foundation and Asia Foundation	Have assisted education principally at university levels, but are also providing some assistance to improve non-formal education and educational planning.

A.I.D. Financed Inputs (in $'000)

	1977	All Years
PERSONNEL: Advisory and training assistance - 80 man-months	500	500
CAPITAL FINANCE: Costs of training teachers and supervisors, providing educational materials and construction of improved school facilities	9,500	42,000
Total	10,000	42,500

Country: PAKISTAN

LOAN ACTIVITY DATA

TABLE IX

TITLE	FUNDS	PROPOSED OBLIGATION ($000)
Development Communications Center	Education and Human Resources Develop.	2,000
	KIND OF LOAN Project	INITIAL OBLIGATION FY: 1977

Goal: To provide to rural people important information about agriculture, health, and family planning, and other development information. This project is one of a cluster of proposed new activities supporting Pakistan's goal of increasing villagers' participation in the nation's economic and social processes.

Purpose: To improve and expand the use of mass media in the support of development programs in rural areas.

Background: Eighty percent of Pakistan's rural area, which includes 90% of its rural population, is reached by government radio broadcasting facilities. Although each of the development-related ministries (i.e., Agriculture, Health, Education) has a limited information capability, there is inadequate coordination between these agencies and the radio system. As a result, little attention has been given to reaching the village audience with specific messages that will increase their productivity, incomes, health, and quality of life. Pakistan proposes, through this project, to provide an institutional bridge between the development ministries, where development information is gathered and packaged, and the mass media channels which can effectively transmit these messages to the rural population.

Major Outputs: Establishment of a national Development Communications Center and four provincial centers to plan and produce development information, coordinate efforts of extension workers and local leaders with radio broadcasting, and to receive feedback on the needs of the rural population.

Host Country and Other Donors:

Host Country	Inputs of $700,000 for the project.
Australia	Expected to provide about 10 small broadcast stations.
IBRD	A pre-feasibility study to identify the best way to utilize mass media and school and adult education programs in developing educational mass media capabilities will be coordinated with the final design and implementation of this project.
UNDP	A Development Support Communications service to be based in Teheran, Iran, will provide advisory services and training of specialist personnel for the Pakistani Development Communications Center.

A.I.D. Financed Inputs (in $'000)

PERSONNEL: 13 man-months short-term training and advisory assistance	100
CAPITAL FINANCE: 34 man-years training in United States and third countries;	450
Materials, travel, other local costs;	100
Communications equipment, production and reference materials;	1,150
Vehicles and miscellaneous	200
Total	2,000

Pakistan

TABLE X

(U.S. Fiscal Years - Millions of Dollars)

PROGRAM	U.S. OVERSEAS LOANS AND GRANTS OBLIGATIONS AND LOAN AUTHORIZATIONS 1971	1972	1973	1974	1975	TOTAL 1946-1975	REPAYMENTS AND INTEREST 1946-1975	TOTAL LESS REPAYMENTS AND INTEREST
I. ECONOMIC ASSISTANCE - TOTAL	107.9	165.1	177.9	101.8	180.9	4,459.6	505.8	3,953.8
Loans	59.6	100.9	163.2	83.0	139.5	2,678.8	505.8	2,173.0
Grants	48.3	64.2	14.7	18.8	41.4	1,780.8	-	1,780.8
a. A.I.D. and Predecessor Agencies	7.1	62.4	96.4	58.4	96.0	2,550.2	329.7	2,220.5
Loans	-	60.0	88.6 a/	50.6	60.0	1,828.3	329.7	1,498.6
Grants	7.1	2.4	7.8	7.8	36.0	721.9	-	721.9
(Security Supporting Assistance)	(-)	(-)	(-)	(-)	(-)	(589.8)		
b. Food for Peace (PL 480)	100.8	102.7	81.5	42.5	84.9	1,833.3	176.0	1,657.3
Title I - Total	76.5	92.6	74.6	32.4	79.5	1,610.1	176.0	1,434.1
Repayable in U.S. Dollars - Loans	59.6	40.9	74.6	32.4	79.5	369.9	21.2	348.7
Payable in Foreign Currency - Planned for Country Use	16.9	51.7	-	-	-	1,240.2	154.8	1,085.4
(Loans)	(-)	(-)	(-)	(-)	(-)	(480.5)	(154.8)	(325.7)
(Grants)	(16.9)	(51.7)	(-)	(-)	(-)	(759.7)	(-)	(759.7)
Title II - Total Grants	24.3	10.1	6.9	10.1	5.4	223.2	-	223.2
Emergency Relief, Econ. Development, & World Food	21.5	9.3	5.9	9.5	5.3	162.2	-	162.2
Voluntary Relief Agencies	2.8	0.8	1.0	0.6	0.1	61.0	-	61.0
c. Other Economic Assistance	-	-	-	0.9	*	76.1	0.1	76.0
Peace Corps	-	-	-	-	-	7.3	-	7.3
Other	-	-	-	0.9	*	68.8	0.1	68.7
(Loans)	(-)	(-)	(-)	(-)	(-)	(0.1)	(0.1)	(-)
(Grants)	(-)	(-)	(-)	(0.9)	(*)	(68.7)	(-)	(68.7)
II. MILITARY ASSISTANCE - TOTAL	0.2	0.1	0.3	0.2	0.3	694.0	7.0	687.0
Credits or Loans	-	-	-	-	-	7.6	7.0	0.6
Grants	0.2	0.1	0.3	0.2	0.3	686.4	-	686.4
a. MAP Grants	0.2	0.1	0.3	0.2	0.3	673.1	-	673.1
b. Credit Sales under FMS	-	-	-	-	-	7.6	7.0	0.6
c. Military Assistance Service-funded (MASF) Grants	-	-	-	-	-	-	-	-
d. Transfers from Excess Stocks	-	-	-	-	-	8.9	-	8.9
e. Other Grants	-	-	-	-	-	4.4	-	4.4
III. TOTAL ECONOMIC AND MILITARY ASSISTANCE	108.0	165.2	178.2	102.0	181.2	5,153.6	512.8	4,640.8
Loans	59.6	100.9	163.2	83.0	139.5	2,686.4	512.8	2,173.6
Grants	48.4	64.3	15.0	19.0	41.7	2,467.2	-	2,467.2
Other U.S. Government Loans and Grants	12.6	5.3	36.1	33.7	-	213.5	145.0	68.5
a. Export-Import Bank Loans	12.6	-	28.2	0.2	-	151.8	101.2	50.6
b. All Other Loans	-	5.3	7.9	33.5	-	61.7	43.8	17.9

* Less than $50,000.

a/ Includes $28.6 million in capitalized interest on prior year loans.

(Millions of Dollars)

ECONOMIC PROGRAMS OF OTHER DONORS

A. ASSISTANCE FROM INTERNATIONAL AGENCIES - COMMITMENTS

	FY 1974	FY 1975	FY 1948-75
TOTAL	197.7	218.9	1,570.8
IBRD - World Bank	60.0	60.0	672.0
Int'l. Finance Corp.	-	*	20.6
Int'l. Dev. Association	53.0	82.0	549.4
Asian Dev. Bank	82.4	70.5	219.3
UN Development Program	2.3	2.3	63.9
Other UN	-	4.1	45.6

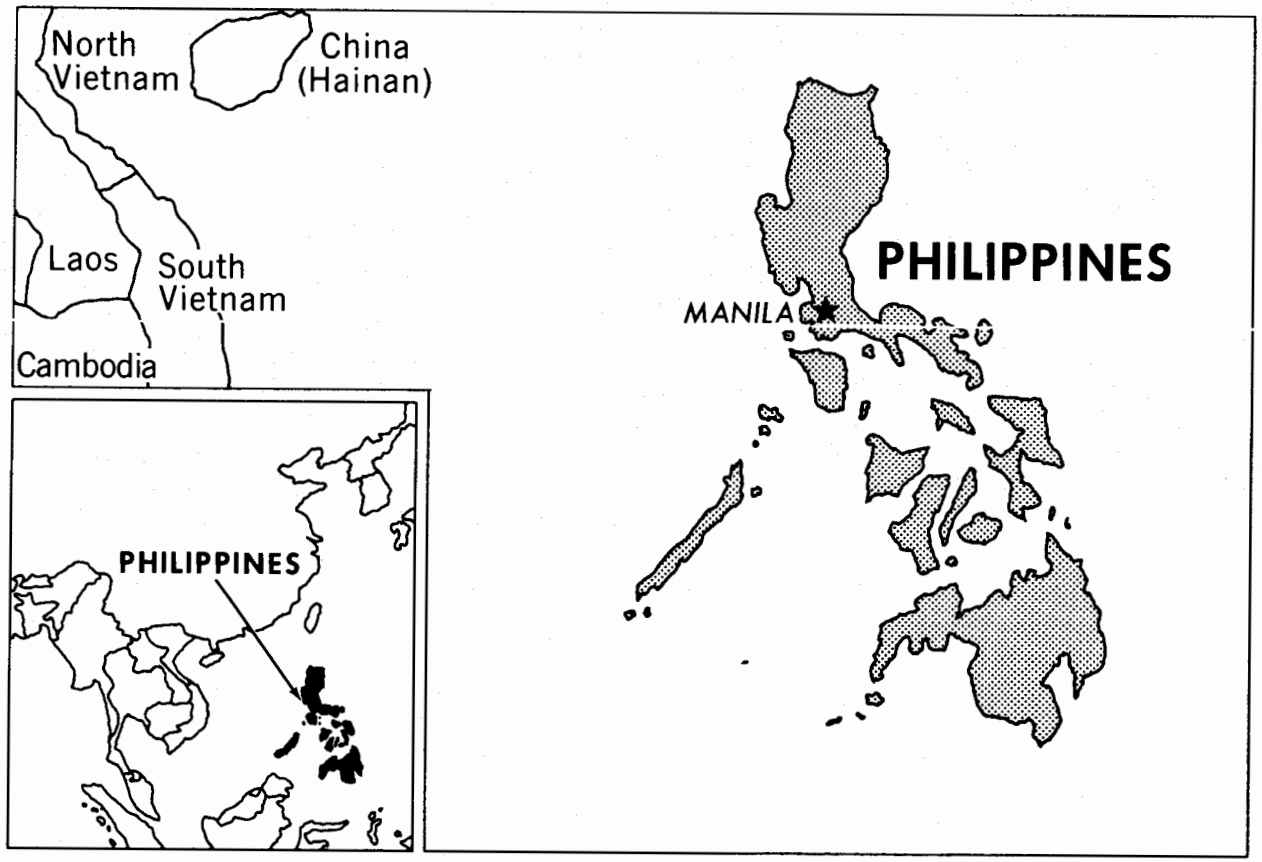
B. D.A.C. COUNTRIES (EXCLUDING U.S.) OFFICIAL BILATERAL GROSS EXPENDITURES

Donor	CY 1973	CY 1974	CY 1960-74
TOTAL	156.6	228.0	2,071.1
Germany	13.9	90.0	618.4
Canada	21.8	30.8	376.5
Japan	38.2	29.6	373.8
U.K.	10.8	20.3	361.7
Italy	23.0	0.3	108.7
Other	48.9	57.0	232.0

C. ASSISTANCE FROM COMMUNIST COUNTRIES (LOANS AND GRANTS EXTENDED)

	CY 1974	CY 1975	CY 1954-75
TOTAL	216	-	1,131
USSR	216	-	652
China, People's Rep. of	-	-	405
Eastern Europe	-	-	74

Philippines



BASIC DATA

Population *(millions - mid-1975)*	43.4
Annual Growth Rate *(percent)*	2.9
Population in Urban Areas *(Percent - 1975)*	36
Labor Force in Agriculture *(Percent)*	51
Per Capita GNP *(dollars - 1973)*	270*
Life Expectancy *(years)*	58
People Per Doctor	2,680
Literacy Rate *(percent)*	83
Students as % of 5 - 19 Age Group *(Primary and Secondary)*	65

* - Estimate in IBRD 1975 Annual Report.

PHILIPPINES

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Objectives of U.S. Assistance Program

The objective of A.I.D's development assistance is to support Filipino efforts to:

-- improve rural incomes and achieve self-sufficiency in food production;

-- reduce rapid population growth and extend nutrition and health care programs to the rural poor.

This program emphasis conforms to A.I.D.'s development policy. It recognizes the importance and interrelated nature of food production, nutrition/family planning and basic health care.

U.S. - Philippine Relations

The year 1976-77 will in all likelihood be characterized by further adjustments in U.S. - Philippine relations, but no radical changes are foreseen:

-- Negotiations will probably be undertaken to develop a new formal structure for the two countries' economic relations;

-- Renegotiation of parts of the U.S. - Phillipines Military Base Agreement may take place;

-- The Philippines will continue seeking to strengthen its ties with other Asian countries and with the developing world.

Socio-Economic Setting

The Philippines has experienced substantial economic growth for more than a decade:

-- Real GNP increased by about 5% per annum from 1960 to 1972;

-- In 1973 the economy rebounded from the devastating floods of 1972 with a real GNP growth of 10%

PROGRAM SUMMARY
(In thousands of dollars)

FISCAL YEAR	Total	Food and Nutrition	Population Planning and Health	Education and Human Resources Development	Selected Development Problems	Selected Countries and Organizations	Other Programs
1975							
Loans	45,000	45,000	-	-	-	-	-
Grants	10,310	4,269	5,675	50	-	-	316 a/
Total	55,310	49,269	5,675	50	-	-	316
					Development Activities under Sec. 106		
1976							
Loans	27,000	17,000	10,000	-	-		-
Grants	8,559	3,700	4,759	100	-		-
Total	35,559	20,700	14,759	100	-		-
Transition Quarter							
Loans							
Grants	1,763	500	1,263	-	-		-
Total	1,763	500	1,263	-	-		-
1977							
Loans	36,400	23,000	13,400	-	-		-
Grants	7,641	4,300	3,241	100	-		-
Total	44,041	27,300	16,641	100	-		-

a/ Flood and typhoon relief

led by a boom in demand for the traditional Philippine exports of sugar, coconuts, logs, and copper.

More recently world prices for major export commodities have fallen dramatically, while prices of essential imports, including oil, have continued to rise:

-- In 1974 growth in real GNP declined to 6% and inflation rose sharply to over 30%;

-- In 1975 further deterioration in the demand for exports resulted in a substantial increase in the trade deficit and a further decline in real GNP growth to an estimated 5%; however, inflation was reduced to about 10% from a level of over 30%;

-- The IBRD estimates the current account deficit of $210 million in 1974 will more than triple, reaching $835 million in 1975 and $860 million in 1976.

The most serious development problems facing the Philippines are:

-- a rapidly expanding population growing at 2.9% annually that compounds the seriousness of other problems, e.g., agricultural production, employment;

-- inadequate infrastructure, marketing and farmer support arrangements which have kept production from reaching levels needed to feed the growing population (the country imports approximately 8% of its food requirements);

-- moderate and severe malnutrition affecting 7.7 million children (approximately 35%) 6 months to 14 years of age;

-- a high degree of dependence on volatile international commodity markets for foreign exchange earnings;

-- difficulties in mobilizing long-term domestic capital for industrial development;

-- high rates of unemployment and underemployment caused by excessive population growth and a lack of employment opportunities (this problem has been aggravated by the recent drop in export demand caused by the world-wide recession);

-- typhoons which strike the islands on an average of more than 20 each year, causing extensive damage.

FY 1977 Program

A.I.D. is requesting for FY 1977 $44.041 million:

-- $33.0 million in development loans and $3.4 million in a Title X population loan (FY 1977 will be the first year of Title X loan funding);

-- $4.65 million in technical assistance grants;

-- $2.991 million in Title X population grants.

Specific problems toward which the program is directed are:

-- inadequate capability of provincial governments to plan and implement programs reaching the rural poor and to disseminate services and information in the key areas of family planning and nutrition;

-- unreliable water availability, inadequate electric power in rural areas, inadequate agricultural research, and inadequate farm-to-market roads leading to low agricultural production.

Food and Nutrition

A.I.D. is planning to provide $23 million in development loans and $4.3 million in technical assistance grants:

PHILIPPINES

-- The Philippine Government is extending electrical services to the rural sector as part of a priority program to improve living conditions and employment opportunities for disadvantaged people;

-- A.I.D. is proposing a development loan of $20 million to continue expansion of this program;

-- Grant assistance totaling $100,000 is proposed for participant training and to strengthen electrical cooperative managerial skills:

** All of the 72 cooperatives proposed have been organized and registered;

** To date, 44 systems have been energized, benefiting more than two million people.

-- In conjunction with the Masagana 99 rice production program started in 1973, considerable work in irrigation and road construction is planned. A.I.D. is proposing for FY 1977 both grant and loan assistance for the Bicol Integrated Area Development project:

** grant assistance totaling $868,000 to:

*** help establish an effective Bicol River Development Council;

*** finance benchmark and periodic progress measurement studies;

*** provide commodities in support of the feasibility study effort;

** a development loan of $3 million to carry out small-scale, high-impact development projects mainly in irrigation/drainage. The project will focus on 2,500 hectares and will directly benefit 13,000 people;

-- An FY 1976 Bicol Feeder Road Project (loan) of $10 million designed to improve/construct 554 kilometers of provincial roads and 1,078 linear meters of bridges will benefit an estimated 200,000 rural poor.

-- The Small Farmer Income and Production program is providing technical assistance in the management of extension and credit programs and in applied agricultural and socio-economic research aimed at optimizing small-farm income throughout the country and limiting farmer risk.

-- A.I.D. is helping the Philippine Government improve the overall effectiveness of its Agrarian Reform Program:

** The long-range goal is to convert 915,000 rice and corn tenants farming 1.4 million hectares into either independent landowners or tenants under fixed leasehold;

** This project will directly affect 150,000 tenants on 250,000 hectares in four provinces.

-- The Aquaculture Research and Extension project is introducing improved fish production techniques to fish farm operators.

-- The Provincial Development Assistance project which originated in 1969 was moved to the Office of the President in 1972 to strengthen local governments through improvement of development planning, real property tax administration, and physical infrastructure capability:

** Currently A.I.D. is assisting 23 provincial governments in development planning, fiscal management and equipment pool maintenance;

** From FY 1974 to date, over 15,000 local government officials have received training

in development-related subjects as a direct result of project activities;

** Extensive use has been made of U.S. excess property with approximately 2,000 pieces of reconditioned equipment operating in support of the provincial construction and maintenance program which over the past two years has constructed/reconstructed over 500 kilometers of road and 5,000 linear meters of bridge.

-- The Philippine Government, with A.I.D. assistance under the Food and Nutrition project, has begun implementing a countrywide program designed to improve child nutrition. Major emphasis is on:

** countrywide, body-weight survey of school and preschool children as a basis for school and preschool feeding programs administered through U.S. voluntary agencies; these programs are targeted to reach approximately 483,000 infant and preschool children and about one million elementary children;

** charging municipal mayors with the action responsibility for implementing the program at the municipal level;

** school and preschool feeding supported by PL 480 Title II commodities.

Population Planning and Health

A.I.D. is planning to provide $13.4 million in development loans and $3.241 million in technical assistance grants to assist the Philippine Government in programs designed to limit family size and to improve health conditions by providing potable water systems:

-- The family planning program now has 2,400 fully staffed clinics with more than two million couples practicing some form of family planning;

-- The emphasis in A.I.D.'s family planning effort is shifting to the rural poor majority; the people living outside the population centers and in more remote areas remain for the most part beyond the effective reach of family planning services. This effort will be supported by a program of locally based Health Population Centers which will integrate health, nutrition, and family planning services.

-- A local water development loan and a related technical assistance project will provide for the expansion of reliable and economically viable water supply systems in provincial urban areas.

Education and Human Resources Development

Under the General Participant Training Project, A.I.D. plans to continue financing specialized training in areas outside the direct purview of other projects, for example, in development planning.

PL 480 Food Assistance

PL 480 food assistance planned for FY 1977 includes:

-- Title I - $16.85 million of commodities to be provided on a sales basis to expand the feeding program;

-- Title II - $11.1 million in commodities to be distributed by voluntary agencies ($10.8 million) and through the World Food Program ($0.3 million).

TABLE V

COUNTRY: PHILIPPINES

GRANT ACTIVITY SUMMARY

(In thousands of dollars)

Project Title	*	Project Number	FY of Initial Obligation	FY of Scheduled Final Obligation	Through FY 1975			Estimated FY 1976			Estimated Transition Quarter	Proposed Program FY 1977	Future Year Obligations	Estimated Total Cost
					Obligations	Expenditures	Unliquidated Obligations 6/30/75	Obligations	Expenditures	Unliquidated Obligations 6/30/76				
Food and Nutrition								3,700			500	4,300		
Agrarian Reform	*	492-11-121-257	1974	1978	1,021	558	463	486	585	364	121	591	601	2,820
Aquaculture Research and Extension	*	492-11-180-266	1975	1978	311	48	263	210	271	202	-	129	156	806
Local Development	*	492-11-995-256	1974	1978	2,375	1,692	683	1,133	1,267	549	175	1,147	970	5,800
Bicol River Basin Development	*	492-11-199-260	1974	1978	986	403	583	471	637	417	62	868	313	2,700
Food and Nutrition	*	492-69-560-252	1974	1978	884	219	665	350	665	350	56	370	564	2,224
Rural Electrification	*	492-11-220-248	1972	1977	2,188	1,571	617	300	663	254	-	125	-	2,613
Small Farmer Income and Production	*	492-55-130-259	1975	1978	535	107	428	750	569	609	86	832	1,097	3,300
Small Scale Irrigation	*	492-11-120-274	1977	1978	-	-	-	-	-	-	-	238	162	400
Population Planning and Health								4,759			1,263	3,241		
Family Planning	*	492-11-570-220	1967	1977	34,136	27,543	6,593	4,759	6,448	4,904	1,263	2.991	-	43,149
Local Water Development		492-56-521-263	1974	1975	500	453	47	-	47	-	-	-	-	500
Local Water Development II	*	492-56-521-275	1977	1979	-	-	-	-	-	-	-	250	750	1,000
Education and Human Resources Development								100				100		
General Participant Training	*	492-11-995-237	1968	1977	338	288	50	100	100	50	-	100	-	538
						Total		8,559	11,252	7,699	1,763	7,641		

*Detailed project narrative—See Table VI.

Country: PHILIPPINES

GRANT ACTIVITY DATA

TABLE VI

TITLE	FUNDS	PROPOSED OBLIGATION ($000)	
Agrarian Reform	Food and Nutrition	FY 77 591	
NUMBER 492-11-121-257	PRIOR REFERENCE p. 52, FY 1976 East Asia PDB	INITIAL OBLIGATION FY: 1974	SCHEDULED FINAL OBLIGATION FY: 1978

Project Target and Course of Action: The purpose of this project is to (1) improve the effectiveness of the land reform program (2) strengthen, test and evaluate the most effective small farmer organizations and systems to provide necessary supporting services to land reform beneficiaries; and (3) strengthen agrarian reform research capability while simultaneously producing research studies important for agrarian reform policy and operations. The long-term target of the Philippine Government is to convert 915,000 rice and corn tenants, farming 1.4 million hectares of land, into either independent land owners or tenants under fixed leasehold arrangements. Of this number this project is designed to reach directly 150,000 tenants on 250,000 hectares in the four provinces of Nueva Ecija, Camarines Sur, Leyte and Iloilo. By improving the effectiveness of the land reform program in these four provinces, the Philippine Government's ability to meet its long term goal will be enhanced.

Progress to Date: Over one quarter of the 5.4 million hectares of rice and corn land in the Philippines is tenanted. A.I.D. initiated the agrarian reform project in August 1973 in direct support of a Philippine Government program aimed at abolishing share tenancy on these lands. As of November 1975, the Government had issued provisional titles for 208,000 tenant farmers cultivating 365,000 hectares of rice and corn land. A.I.D. has assisted in improving management, land measurement, transfer procedures, and photographic laboratory capability. Continued improvement is required in these areas as well as in overall coordination and management.

With respect to developing farmer organizational models and related systems, A.I.D. is assisting in training, management, and planning of pilot cooperative development in the provinces of Nueva Ecija and Camarines Sur. Four marketing cooperatives have been established and basic marketing studies completed. The Agrarian Reform Institute of the University of the Philippines, the focal Government institution for agrarian research, has received staff development assistance. Several fundamental studies have been completed and utilized by Government of the Philippines implementing agencies.

FY 1977 Program: A total of $591,000 is proposed to finance services of one direct-hire technician ($45,000); a PASA officer ($50,000) and three contract personnel and short-term consultant ($311,000) working in procedures systems management, cooperatives development, land records and titling and research; two long-term and ten short-term participants scheduled for U.S. training ($71,000); vehicles and photographic and audio visual equipment ($114,000).

U.S. DOLLAR COST (In Thousands)

	Obligations	Expenditures	Unliquidated
Through 6/30/75	1,021	558	463
Estimated FY 76	486	585	
Estimated through 6/30/76	1,507	1,143	364
Estimated Transition Quarter	121	Future Year Obligations	Estimated Total Cost
Proposed FY 77	591	601	2,820

OBLIGATIONS

Cost Components	Estimated FY 76 Direct AID	Estimated FY 76 Contract/Other Agency	Estimated FY 76 Total	Estimated Transition Quarter Direct AID	Estimated Transition Quarter Contract/Other Agency	Estimated Transition Quarter Total	Proposed FY 77 Direct AID	Proposed FY 77 Contract/Other Agency	Proposed FY 77 Total
U.S. Technicians	40	304	344	10	78	88	45	361	406
Participants	67	–	67	17	–	17	71	–	71
Commodities	75	–	75	16	–	16	114	–	114
Other Costs	–	–	–	–	–	–	–	–	–
Total Obligations	182	304	486	43	78	121	230	361	591

PRINCIPAL CONTRACTORS/AGENCIES

U.S. Department of Agriculture (USDA)

University of Wisconsin

Agricultural Cooperative Development International (ACDI)

Country: PHILIPPINES

GRANT ACTIVITY DATA

TABLE VI

TITLE	FUNDS	PROPOSED OBLIGATION ($000)	
Aquaculture Research and Extension	Food and Nutrition	FY 77 129	
NUMBER 492-11-180-266	PRIOR REFERENCE p. 55, FY 1976 East Asia PDB	INITIAL OBLIGATION FY: 1975	SCHEDULED FINAL OBLIGATION FY: 1978

Project Target and Course of Action: The purpose of this project is to establish an aquaculture research capability and extension service which will serve to increase fresh-water and brackish-water fishpond production while lowering production costs, thus increasing protein consumption among lower income consumers. This project is also designed to increase income and employment opportunities, and reduce dependency on food imports.

Progress to Date: A.I.D. assistance provided under the aquaculture project concentrates on research and extension in three specific target areas: brackish water, fresh-water and rice/fish culture. Under the brackish-water program, techniques have been developed that will give annual hectare yields for milkfish of over 2,000 kilograms (kg), compared to the present average of 570 kgs, while lowering cost per unit of production. In FY 1975 an extension program was undertaken to introduce proven fish production techniques to fish farm operators. The initial focus was on milkfish where improved practices are already tested.

The freshwater program is now well underway with the focus on species such as carp and tilapia as new methods of production are devised and tested. A limited amount of work has also been done with raising freshwater shrimp.

The third program, rice/fish culture, has been made possible by new pest-resistant varieties of rice developed by the International Rice Research Institute (IRRI) which do not require the application of insecticides, thus making possible the revival of the traditional practice of combining rice and fish culture in paddies. Utilizing these resistant rice varieties plus the monosex technique for tilapia, research now underway is expected to achieve yields of at least 100 kg per hectare without decreasing rice production.

FY 1977 Program: A total of $129,000 is proposed to finance two long-term advisors and short-term consultants from Auburn University ($106,000), completion of training for current participant trainees ($10,000) and specialized commodities for extension and training programs ($13,000).

U.S. DOLLAR COST (In Thousands)

	Obligations	Expenditures	Unliquidated
Through 6/30/75	311	48	263
Estimated FY 76	210	271	–
Estimated through 6/30/76	521	319	202
Estimated Transition Quarter	–	Future Year Obligations	Estimated Total Cost
Proposed FY 77	129	156	806

Cost Components	OBLIGATIONS								
	Estimated FY 76			Estimated Transition Quarter			Proposed FY 77		
	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total
U.S. Technicians	–	137	137	–	–	–	–	106	106
Participants	43	–	43	–	–	–	10	–	10
Commodities	30	–	30	–	–	–	13	–	13
Other Costs	–	–	–	–	–	–	–	–	–
Total Obligations	73	137	210	–	–	–	23	106	129

PRINCIPAL CONTRACTORS/ AGENCIES

Auburn University

Country: PHILIPPINES

GRANT ACTIVITY DATA

TABLE VI

TITLE	FUNDS	PROPOSED OBLIGATION ($000)	
Local Development	Food and Nutrition	FY 77 1,147	
NUMBER 492-11-995-256	PRIOR REFERENCE P.51, FY 1976 East Asia PDB	INITIAL OBLIGATION FY: 1974	SCHEDULED FINAL OBLIGATION FY: 1978

Project Target and Course of Action: The purpose of this project is to strengthen the capability of central and provincial government units in planning, budgeting and administering development programs for the rural poor.

Progress to Date: During 1975 and FY 1976, two elements of the fiscal management program--capital improvement programming and action-oriented budgeting--were expanded from the pilot areas and implemented at the municipal level as a national system for programming all development funds for local government. Many aspects of the pilot real property tax administrative improvement program have been adopted by the Department of Finance for implementation on a nationwide basis. The first provincial comprehensive plan was completed in a pilot province and is now in the process of implementation. This model comprehensive plan is being duplicated in four other pilot provinces.

From FY 1974 to date, some 15,000 local government officials and employees received in-country training in various development-related subjects as a direct result of project activities. Preparations have been completed for the transfer of the Local Administration Training Program from the University of Connecticut to a Philippine institution.

Extensive use continues to be made of U.S. excess property with over 2,000 pieces of reconditioned heavy equipment operating in support of the provincial construction and maintenance program. In the last two years, the provinces have used this equipment to construct or reconstruct over 500 kilometers of rural roads and 5,000 linear meters of bridges serving areas predominantly occupied by small farmer families. Under the A.I.D. loan-financed rural roads program, construction of an additional 160 kilometers of roads and 1,100 meters of bridges is expected to be completed by September 30, 1976.

FY 1977 Program: A total of $1,147,000 is proposed to finance 17 direct-hire advisors to help local governments improve their programming implementation and evaluation capabilities ($687,000); contractor technicians to establish programs in public administration and comprehensive planning ($80,000); a contractor to train potential local administrators by serving as interns in county and city governments in the United States ($150,000); 37 participants to be trained in the United States ($150,000); project-related office equipment and training aids for local governments ($80,000).

U.S. DOLLAR COST (In Thousands)

	Obligations	Expenditures	Unliquidated
Through 6/30/75	2,375	1,692	683
Estimated FY 76	1,133	1,267	
Estimated through 6/30/76	3,508	2,959	549
Estimated Transition Quarter	175	Future Year Obligations	Estimated Total Cost
Proposed FY 77	1,147	970	5,800

OBLIGATIONS

Cost Components	Estimated FY 76 Direct AID	Estimated FY 76 Contract/Other Agency	Estimated FY 76 Total	Estimated Transition Quarter Direct AID	Estimated Transition Quarter Contract/Other Agency	Estimated Transition Quarter Total	Proposed FY 77 Direct AID	Proposed FY 77 Contract/Other Agency	Proposed FY 77 Total
U.S. Technicians . .	630	210	840	175	–	175	687	230	917
Participants	166	–	166	–	–	–	150	–	150
Commodities	127	–	127	–	–	–	80	–	80
Other Costs	–	–	–	–	–	–	–	–	–
Total Obligations . .	923	210	1,133	175	–	175	917	230	1,147

PRINCIPAL CONTRACTORS/AGENCIES

International City Managers Association;

Personal Services Contracts

Country:

GRANT ACTIVITY DATA

TABLE VI

TITLE	FUNDS	PROPOSED OBLIGATION ($000)	
Bicol River Basin Development	Food and Nutrition	FY 77 868	
	PRIOR REFERENCE	INITIAL OBLIGATION	SCHEDULED FINAL OBLIGATION
NUMBER 492-11-199-260	p. 54, FY 1976 East Asia PDB	FY: 1974	FY: 1978

Project Target and Course of Action: The purpose of this project is to increase agricultural income for small farmers and create non-farm employment opportunities in the Bicol River Basin. The major thrust of the project is to: (a) create the institutional capability for carrying out an integrated multi-project area development program and (b) establish the data and feasibility base required for effective capital investment. About one million people currently reside in the project area, over 60% of whom belong to poor farm families tilling less than five acres each.

Progress to Date: The institutional framework consisting of a Bicol River Basin Council and program office for the project has been established, staffed and continues to function effectively. Major prefeasibility surveys in the area of water resources control and usage were initiated in September 1975 and are scheduled for completion by August 1976. Follow-on full feasibility and project designs are expected to lead to major investments by international lending institutions. Similarly, a major intermodal transport study is scheduled for completion in June 1976. The results of this study also are expected to lead to significant external donor financing.

A technical assistance group was established by the University of the Philippines at Los Banos to provide assistance in project design, and the Institute of Philippine Culture through its Social Science Research Unit is successfully developing the data base for project planning and evaluation with reference to the Basin's rural poor. The data base is being used in the design of subprojects in the Bicol area, which will be financed partly with A.I.D. loans.

FY 1977 Program: A total of $868,000 is proposed to finance four direct-hire technicians ($160,000); one PASA advisor ($50,000); contract services in water resources planning, on-farm water management, agri-business, and socio-economic research ($450,000); six participants ($42,000); and commodities, primarily technical instruments and equipment, in support of the feasibility study efforts ($166,000).

U.S. DOLLAR COST (In Thousands)

	Obligations	Expenditures	Unliquidated
Through 6/30/75	986	403	583
Estimated FY 76	471	637	
Estimated through 6/30/76	1,457	1,040	417
Estimated Transition Quarter	62	Future Year Obligations	Estimated Total Cost
Proposed FY 77	868	313	2,700

Cost Components	OBLIGATIONS								
	Estimated FY 76			Estimated Transition Quarter			Proposed FY 77		
	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total
U.S. Technicians	148	210	358	43	19	62	160	500	660
Participants	35	–	35	–	–	–	42	–	42
Commodities	78	–	78	–	–	–	166	–	166
Other Costs	–	–	–	–	–	–	–	–	–
Total Obligations	261	210	471	43	19	62	368	500	868

PRINCIPAL CONTRACTORS/ AGENCIES

U.S. Bureau of Reclamation (PASA)

U.S. Dept. of Agriculture (PASA)

Institute of Philippine Culture

Country: PHILIPPINES

GRANT ACTIVITY DATA

TABLE VI

TITLE	FUNDS	PROPOSED OBLIGATION ($000)	
Food and Nutrition	Food and Nutrition	FY 77 370	
NUMBER 492-69-560-252	PRIOR REFERENCE p. 50, FY 1976 East Asia PDB	INITIAL OBLIGATION FY: 1974	SCHEDULED FINAL OBLIGATION FY: 1978

Project Target and Course of Action: The purpose of this project is to assist in the Philippine Government's National Food and Nutrition Program aimed at reducing serious malnutrition among infants and children. Major U.S. inputs consist of A.I.D.-financed advisory services and PL 480 Title II foods.

Malnutrition affects more than 35% of the child population in the 6-month to 14-year age bracket. Causative factors include excessive population growth, inadequate food production, low family incomes and employment opportunities, limited health services, particularly among the rural poor, and a lack of knowledge concerning nutrition. A growing awareness and understanding of the problem resulted in the recent decision of the Philippine Government to undertake a National Nutrition Program focused on infants, pre-school and elementary school-age children representing a target population of some 7.5 million.

The initial goal of the program is to reduce the percentage of affected children from 35% to 27% through programs which provide for: supplementary child feeding utilizing PL 480 Title II and indigenous food commodities; municipal mayors as local action officers; encouraging home and community gardens; education in public and private schools; mass media information programs; and research to develop other means of intervention.

Progress to Date: In support of the National Program, A.I.D. provides technical advisors in program management, food production and processing, and nutrition research, primarily through contracts with the Virginia Polytechnic Institute and State University, and Texas A&M University. With present PL 480 Title II availabilities, targeted supplementary child feeding programs administered through U.S. voluntary agencies such as CARE, Catholic Relief Services, Church World Service and Seventh Day Adventist Welfare Service are reaching approximately 483,000 infants and pre-school children and 1,098,000 elementary school-age children. It is planned to reach substantially more children in the next two years as the program continues to expand throughout the rural areas.

FY 1977 Program: A total of $370,000 is proposed to finance one direct-hire project manager ($45,000); two long-term plus short-term technical advisors from Virginia Polytechnic Institute and Texas A&M University ($200,000); training for six participants in food processing, preparation and preservation ($25,000); commodities for nutrition research activities ($35,000); and other costs ($65,000).

U.S. DOLLAR COST (In Thousands)

	Obligations	Expenditures	Unliquidated
Through 6/30/75	884	219	665
Estimated FY 76	350	665	
Estimated through 6/30/76	1,234	884	350
Estimated Transition Quarter	56	Future Year Obligations	Estimated Total Cost
Proposed FY 77	370	564	2,224

OBLIGATIONS

Cost Components	Estimated FY 76 Direct AID	Estimated FY 76 Contract/Other Agency	Estimated FY 76 Total	Estimated Transition Quarter Direct AID	Estimated Transition Quarter Contract/Other Agency	Estimated Transition Quarter Total	Proposed FY 77 Direct AID	Proposed FY 77 Contract/Other Agency	Proposed FY 77 Total
U.S. Technicians . .	–	157	157	–	56	56	45	200	245
Participants	86	–	86	–	–	–	25	–	25
Commodities	37	–	37	–	–	–	35	–	35
Other Costs	70	–	70	–	–	–	65	–	65
Total Obligations . .	193	157	350	–	56	56	170	200	370

PRINCIPAL CONTRACTORS/AGENCIES

Virginia Polytechnic Institute; Texas A&M University; Population Services International.

Country: PHILIPPINES

GRANT ACTIVITY DATA

TABLE VI

TITLE	FUNDS	PROPOSED OBLIGATION ($000)	
Rural Electrification	Food and Nutrition	FY 77 125	
NUMBER 492-11-220-248	PRIOR REFERENCE p.49, FY 1976 East Asia PDB	INITIAL OBLIGATION FY: 1972	SCHEDULED FINAL OBLIGATION FY: 1977

Project Target and Course of Action: The purpose of this project is to complete, within five years, the initial phase of the Philippine Government's rural electrification program. Long-term Philippine plans call for the total electrification of the country. A.I.D. assistance is aimed at developing the technical and managerial competence required to complete the first phase of the program on target and to continue into subsequent phases without further A.I.D. assistance. Phase One will result in the establishment of 72 viable rural electric cooperative systems. These will initially benefit five million rural people most of whom, because of remoteness from urban centers, have hitherto not shared in the benefits of economic development.

Electricity will provide benefits in increased agricultural production through pump irrigation, increased employment through small scale industries and an improved quality of life through access to lighting, sanitation and food preservation facilities.

Progress to Date: Two pilot subprojects, patterned after U.S. rural electric cooperatives, were completed in December 1971. As a result of the success of the two pilot cooperatives the Philippines has undertaken a national rural electrification program. Phase One envisions the establishment of 72 cooperatives serving five million people (loan funding thru FY 1977, physical completion FY 1982). Grant assistance has financed the National Rural Electrification Cooperative Association (NRECA) consultants who assisted in the organization of the 72 cooperatives and in providing participant training and commodities.

As of October 1975, 72 electric co-ops have been registered, and 44 systems have been energized covering 1666 villages. Two hundred fifty-nine thousand houses have actually been constructed, benefiting approximately 2,000,000 people. Program emphasis is now focused on assisting the individual cooperatives to utilize fully the available electric power in rural development projects for small-scale irrigation, education and health. The program is being financed by U.S. Development Loans, Japanese reparations funds, Philippine budget appropriations and PL 480-generated pesos. Foreign exchange costs of $58 million were financed by Development Loans in FY 1972, 1974, and 1975.

FY 1977 Program: It is proposed to continue this project through FY 1977 to permit the orderly transition from U.S. to other donor funding. A total of $125,000 is proposed to finance participant training for 15 individuals ($60,000) and other costs ($65,000).

U.S. DOLLAR COST (In Thousands)

	Obligations	Expenditures	Unliquidated
Through 6/30/75	2,188	1,571	617
Estimated FY 76	300	663	
Estimated through 6/30/76	2,488	2,234	254
Estimated Transition Quarter	-	Future Year Obligations	Estimated Total Cost
Proposed FY 77	125	-	2,613

Cost Components	OBLIGATIONS								
	Estimated FY 76			Estimated Transition Quarter			Proposed FY 77		
	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total
U.S. Technicians	-	216	216	-	-	-	-	-	-
Participants	84	-	84	-	-	-	60	-	60
Commodities	-	-	-	-	-	-	-	-	-
Other Costs	-	-	-	-	-	-	65	-	65
Total Obligations	84	216	300	-	-	-	125	-	125

PRINCIPAL CONTRACTORS/ AGENCIES

National Rural Electric Cooperative Association (NRECA); Personal Services; Rural Electrification Administration (REA)

Country: PHILIPPINES

GRANT ACTIVITY DATA

TABLE VI

TITLE	FUNDS	PROPOSED OBLIGATION ($000)	
Small Farmer Income and Production	Food and Nutrition	FY 77: 832	
NUMBER 492-55-130-259	PRIOR REFERENCE: p. 53, FY 1976 East Asia PDB	INITIAL OBLIGATION: FY: 1975	SCHEDULED FINAL OBLIGATION: FY: 1978

Project Target and Course of Action: The purpose of this project is to achieve self-sufficiency in rice and corn production and to increase small farmer income. Technical assistance is provided in the management of extension and credit programs and in applied agricultural and socio-economic research aimed at optimizing small farm output and income and limiting farmer risk. The target beneficiary of this program is the lower income small rice and corn farmer with holdings averaging under seven cultivated acres.

Selective technical assistance is provided to expand, institutionalize, and upgrade national programs with the major focus on: 1) decreasing risks and uncertainty in both production and marketing; 2) increasing employment opportunities for small farm families and 3) reducing costs of purchased inputs.

Progress to Date: Rice production is expected to reach a record level of approximately six million metric tons for the 1975-76 crop year. Over 50,000 farm micro-kits containing high yield variety seed fertilizers and pesticides were distributed to farmer cooperators in 57 provinces under the applied on-farm research and demonstration program of the Philippine Government/International Rice Research Institute/ A.I.D. Intensive production and extension training was given to 34 field supervisors and 600 production technicians. Applied on-farm research trials were carried out at 440 locations to test and demonstrate high yielding varieties, fertilizer levels and placement, and insecticides. Technician and farmer information materials on improved production practices were prepared and distributed. This included 600,000 copies of a rice production manual, written in six dialects.

A full-time permanent management information systems staff was formed at the National Food and Agriculture Council (NFAC) and Bureau of Agriculture Economics (BAECON). About 200 statisticians were given initial training during FY 1976. The National Economic and Development Authority and A.I.D. are now supporting a central-bank, integrated farm financing program under which credit will be expanded for crops and farm enterprises, other than rice and corn, which are profitable for production on small farms.

FY 1977 Program: A total of $832,000 is proposed to finance three direct-hire technicians and six contract and PASA consultants ($469,000); approximately 145 man-months of long and short-term training in the United States and third countries ($225,000); research, training, demonstration and data processing equipment and excess property supplies and vehicles ($88,000); and other costs ($50,000).

U.S. DOLLAR COST (In Thousands)

	Obligations	Expenditures	Unliquidated
Through 6/30/75	535	107	428
Estimated FY 76	750	569	
Estimated through 6/30/76	1,285	676	609
Estimated Transition Quarter	86	Future Year Obligations	Estimated Total Cost
Proposed FY 77	832	1,097	3,300

Cost Components	OBLIGATIONS								
	Estimated FY 76			Estimated Transition Quarter			Proposed FY 77		
	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total
U.S. Technicians	360	100	460	20	33	53	172	297	469
Participants	150	–	150	23	–	23	225	–	225
Commodities	70	–	70	10	–	10	88	–	88
Other Costs	70	–	70	–	–	–	50	–	50
Total Obligations	650	100	750	53	33	86	535	297	832

PRINCIPAL CONTRACTORS/ AGENCIES

Tennessee Valley Authority

Agricultural Cooperatives Development International (ACDI)

Country: PHILIPPINES

GRANT ACTIVITY DATA

TABLE VI

TITLE	FUNDS	PROPOSED OBLIGATION ($000)	
Small Scale Irrigation	Food and Nutrition	FY 77 238	
	PRIOR REFERENCE	INITIAL OBLIGATION	SCHEDULED FINAL OBLIGATION
NUMBER 492-11-120-274	-	FY: 1977	FY: 1978

Goal: Increased rice production to reach and maintain self-sufficiency by FY 1977 as projected in the Government of the Philippines' four-year development plan.

Purpose: To increase small-farmer income and improve rural employment opportunities. The thrust of the project is in the construction or rehabilitation of small-scale irrigation systems and the organization of small-farmer Irrigation Service Associations. The target population is 55,000 farmers on 110,000 hectares of land. This grant provides technical assistance in support of the ongoing small-scale irrigation program of the Government of the Philippines.

Major Outputs:	FY 1977	FY 1978
Increase in yield per hectare	39%	32%
No. of Irrigation Service Associations operational (ISA's)	206	308
No.of ISA's served by farm equipment pools	-	514
No. of Farm Service Development Corporation (FSDC) staff trained	60	70

	FY 1977	FY 1978
No. of farmers trained in:		
production	10,000	10,000
marketing	5,000	10,000
management	15,000	15,000
Innovation packages distributed	5,000	10,000

Host Country And Other Donors:

Philippine Government	Contribution estimated at $11.7 million for local costs of construction and administration
World Bank	Studying a project for irrigation system of less than 3,000 hectares

FY 1977 PROGRAM: A total of $238,000 is proposed to finance four direct-hire advisors to provide project management and technical assistance in farm-crop-handling equipment, water diversion and on-farm water management ($133,000); academic and non-academic training in water management, project preparation and analysis, system analysis, and agricultural economics ($65,000); and local contract services to measure the socio-economic impact of the project ($40,000).

U.S. DOLLAR COST (In Thousands)

	Obligations	Expenditures	Unliquidated
Through 6/30/75	-	-	-
Estimated FY 76	-	-	-
Estimated through 6/30/76	-	-	-
Estimated Transition Quarter	-	Future Year Obligations	Estimated Total Cost
Proposed FY 77	238	162	400

Cost Components	OBLIGATIONS								
	Estimated FY 76			Estimated Transition Quarter			Proposed FY 77		
	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total
U.S. Technicians	-	-	-	-	-	-	133	-	133
Participants	-	-	-	-	-	-	65	-	65
Commodities	-	-	-	-	-	---	-	-	-
Other Costs	-	-	-	-	-	-	-	40	40
Total Obligations	-	-	-	-	-	-	198	40	238

PRINCIPAL CONTRACTORS/ AGENCIES

None

Country: PHILIPPINES

GRANT ACTIVITY DATA

TABLE VI

TITLE	FUNDS	PROPOSED OBLIGATION ($000)	
Family Planning	Population Planning and Health	FY 77 2,991	
	PRIOR REFERENCE	INITIAL OBLIGATION	SCHEDULED FINAL OBLIGATION
NUMBER 492-11-570-220	p. 56, FY 1976 East Asia PDB	FY: 1967	FY: 1977

Project Target and Course of Action: The purpose of this project is to reduce population growth to a rate consistent with economic and social development goals. The project aims at assisting the Government of the Philippines in making readily available reliable contraceptive information and services to at least 80% of the people who need and want them. To this purpose a considerable portion of the A.I.D. effort is directed towards providing the present 2,400 health facilities offering family planning services with the contraceptive and medical supplies needed for their operations. Through FY 1976, budgetary support for the peso costs needed to operate these clinics also had been provided on a percentage basis with A.I.D.'s share decreasing as the Government of the Philippines increased its budgetary support. Beginning in FY 1977 the Philippine budget will fully finance the recurring local costs for all Government clinics. In FY 1977 local cost financing provided by A.I.D. will support specific projects selected from the Philippine Government plan of action and mutually agreed upon.

Progress to Date: Comprehensive data required to make definitive statements regarding the nation-wide impact of the family planning program on birth rates are not yet available. However, preliminary data from the 1975 census indicates that the population growth rate has decreased from 3.01% in 1970 to 2.85% in 1975. Some indicators of progress include the following: 40 private and public Filipino agencies are now actively participating in the program; 2,400 clinics are providing family planning information, motivation and services.

In addition to assisting with the family planning services element of this program, the U.S. Government is also assisting with demographic and other social science research into critical problem areas in an effort to help resolve them. With family planning services now established in urban areas the two major problems confronting this activity are the maintenance of momentum in the ongoing program and the extension of the clinic network to the rural poor in more remote areas.

FY 1977 Program: A total of $2,991,000 is proposed to: finance contract services ($100,000); 25 short-term participants ($90,000); medical supplies and equipment ($382,000); and other costs involving local grants and contracts ($2,419,000). Of the latter amount $800,000 is expected to be used in support of private sector family planning efforts. Beginning in FY 1977 contraceptive supplies previously provided on a grant basis will be provided under loan financing.

FY 1977 will be the last year of funding for the project as currently programmed. A new phase is under review.

U.S. DOLLAR COST (In Thousands)

	Obligations	Expenditures	Unliquidated
Through 6/30/75	34,136	27,543	6,593
Estimated FY 76	4,759	6,448	
Estimated through 6/30/76	38,895	33,991	4,904
Estimated Transition Quarter	1,263	Future Year Obligations	Estimated Total Cost
Proposed FY 77	2,991	-	43,149

Cost Components	OBLIGATIONS								
	Estimated FY 76			Estimated Transition Quarter			Proposed FY 77		
	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total
U.S. Technicians . .	-	295	295	-	51	51	-	100	100
Participants	-	-	-	100	-	100	90	-	90
Commodities	1,385	-	1,385	813	-	813	382	-	382
Other Costs	3,079	-	3,079	299	-	299	2,419	-	2,419
Total Obligations . .	4,464	295	4,759	1,212	51	1,263	2,891	100	2,991

PRINCIPAL CONTRACTORS/ AGENCIES

Population Services International;

University of Philippines Population Institute;

Population Council

Country: PHILIPPINES

GRANT ACTIVITY DATA

TABLE VI

TITLE	FUNDS	PROPOSED OBLIGATION ($000)	
Local Water Development II	Population Planning and Health	FY 77 250	
NUMBER 492-56-521-275	PRIOR REFERENCE -	INITIAL OBLIGATION FY: 1977	SCHEDULED FINAL OBLIGATION FY: 1979

Goal: To improve the health and well-being of the population in targeted areas.

Purpose: To improve 35-45 water works systems; and to continue the institutional development of national and local water utility entities.

Backgound: The Philippines suffers one of the highest incidence and death rates from water-borne diseases in all of Asia. The Government of the Philippines has established a national institution, the Local Water Utility Administration (LWUA), to assist local water districts to provide potable water in provincial areas to combat this health problem. In cooperation with local water utilities, the LWUA is attempting to meet the requirements of the small cities and municipalities. Since LWUA started operation in September 1973, 29 independent water districts have been formed, and 26 others in the process of formation.

Through previous loans and a grant for technical assistance A.I.D. has assisted the LWUA program with resources to establish 5 community water systems and to develop national and local institutional capacity to continue a potable water program. A.I.D. is currently financing a feasibility study on 100 small provincial communities to determine whether quick and reliable economic improvements of local water works can result in providing safe potable water to the community. It is expected that of the 100 communities under study, 40-60 will be proven eligible. This proposed grant continues assistance to LWUA and to local districts to maintain the momentum of the local potable water program.

Major Outputs: Together with the related loans, this grant will provide for training and services to increase the institutional capacity of LWUA and local water districts.

Host Country and Other Donors: The Government of the Philippines will fund approximately $20 million of project costs for construction of local water systems and local costs of LWUA water districts. The Government of Denmark has provided LWUA with the equivalent of $2.6 million to finance improvements in two cities. The Asian Development Bank is interested in financing subprojects in 5 cities. LWUA is also seeking assistance from the World Bank and the Canadian Government.

FY 1977 Program: A total of $250,000 is proposed to finance training in the United States for 12 Filipinos in water district management and operations ($50,000); to conduct comprehensive evaluation studies of the health and socio-economic benefits of improved waterworks systems ($50,000); and to provide for long and short-term contract advisory services to LWUA and the local water districts to be organized and assisted by the A.I.D. and other donor loans ($150,000).

U.S. DOLLAR COST (In Thousands)

	Obligations	Expenditures	Unliquidated
Through 6/30/75	-	-	-
Estimated FY 76	-	-	-
Estimated through 6/30/76	-	-	-
Estimated Transition Quarter	-	Future Year Obligations	Estimated Total Cost
Proposed FY 77	250	750	1,000

Cost Components	OBLIGATIONS									PRINCIPAL CONTRACTORS/ AGENCIES
	Estimated FY 76			Estimated Transition Quarter			Proposed FY 77			
	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total	
U.S. Technicians	-	-	-	-	-	-	-	150	150	To be selected.
Participants	-	-	-	-	-	-	50	-	50	
Commodities	-	-	-	-	-	-	-	-	-	
Other Costs	-	-	-	-	-	-	50	-	50	
Total Obligations	-	-	-	-	-	-	100	150	250	

Country: PHILIPPINES

GRANT ACTIVITY DATA

TABLE VI

TITLE	FUNDS	PROPOSED OBLIGATION ($000)	
General Participant Training	Education and Human Resources Development	FY 77 100	
	PRIOR REFERENCE	INITIAL OBLIGATION	SCHEDULED FINAL OBLIGATION
NUMBER 492-11-995-237	P.57, FY 1976 East Asia PDB	FY: 1968	FY: 1977

Project Target and Course of Action: The purpose of this project is to supplement A.I.D. project efforts in agriculture, rural development, nutrition and family planning. The project is designed to provide important technical and management training in the United States and other countries in fields where instruction is not readily available in Philippine institutions and in areas in which A.I.D. does not have a directly related project activity in the Philippines.

Progress to Date: Since the project's inception, there have been approximately 360 man-months of training in over 72 fields, including manpower development, data processing, economic development and public administration. This method of training has been valuable in providing Filipinos with access to the more complex areas of knowledge necessary to help assure that A.I.D. projects will have a foundation firm enough to survive beyond the point of formal U.S. Government involvement. Recent examples of fields of study include development administration, communications, transportation, development economics, computer technology, printing operations, environmental aspects of sanitation, international tax administration (Harvard University) and remote sensing training (Earth Resources Observation System Training Center, Sioux Falls, South Dakota).

FY 1977 Program: A total of $100,000 is proposed to finance long-term training for at least five Filipino participants at U.S. universities and short-term training for about ten participants at U.S. universities and other training institutions. The largest number of participants will come from the National Economic and Development Authority. The major fields of study will include economic planning, project evaluation and program management.

U.S. DOLLAR COST (In Thousands)

	Obligations	Expenditures	Unliquidated
Through 6/30/75	338	288	50
Estimated FY 76	100	100	
Estimated through 6/30/76	438	388	50
Estimated Transition Quarter	-	Future Year Obligations	Estimated Total Cost
Proposed FY 77	100	-	538

Cost Components	OBLIGATIONS								
	Estimated FY 76			Estimated Transition Quarter			Proposed FY 77		
	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total
U.S. Technicians	-	-	-	-	-	-	-	-	-
Participants	100	-	100	-	-	-	100	-	100
Commodities	-	-	-	-	-	-	-	-	-
Other Costs	-	-	-	-	-	-	-	-	-
Total Obligations	100	-	100	-	-	-	100	-	100

PRINCIPAL CONTRACTORS/ AGENCIES

None

SUMMARY OF ACTIVE DEVELOPMENT LOANS
Authorized as of 12/31/75
(In thousands of dollars)

COUNTRY: PHILIPPINES

TABLE VII

Loan No.	Title	Date		Grace Period (years)	Life of Loan (years)	Interest Rate (%)		Currency of Repayment	Amount Authorized	As of 12/31/75		
		Authorized	Loan Agreement			Grace Period	Amortization			Amount Disbursed	Principal Repayments	Interest Collected
492-H-028	Rural Electrification I	4-14-72	5-2-72	10	40	2	3	U.S. $	19,400	18,706		161
492-H-030	Second Feasibility Studies	5-18-73	6-30-73	10	40	2	3	U.S. $	2,000	680		7
492-H-032	Tiwi Geothermal	6-28-73	8-22-73	10	40	2	3	U.S. $	3,337	1,935		2
492-U-033	Provincial Waterworks	4-27-74	5-23-74	10	40	2	3	U.S. $	15,000	364		-
492-T-034	Rural Electrification II	6-28-74	8-7-74	10	40	2	3	U.S. $	18,000	11,851		39
492-T-035	Rural Roads	12-13-74	3-24-75	10	40	2	3	U.S. $	15,000	-		-
492-T-036	Rural Electrification III	12-30-74	3-24-75	10	40	2	3	U.S. $	20,000	-		-
492-T-037	Libmanan/Cabusao Integrated Area Development (Bicol I)	6-28-75	7-29-75	10	40	2	3	U.S. $	3,500	-		-
492-T-038	Small Scale Irrigation	6-30-75	7-29-75	10	40	2	3	U.S. $	6,500	-		-
492-T-039	Agricultural Research	12-23-75		10	40	2	3	U.S. $	5,000	-		-
492-T-040	Third Consulting Services	12-31-75		10	40	2	3	U.S. $	2,000	-		-
492-T-041	Bicol Secondary and Feeder Roads	12-31-75		10	40	2	3	U.S. $	10,000	-		-

SUMMARY OF ESTIMATED DEVELOPMENT LOAN AUTHORIZATIONS

Balance FY 1976 and Transition Quarter (1/1/76 - 9/30/76)

(In Thousands of Dollars)

COUNTRY: Philippines

TABLE VIIa

TITLE	AMOUNT
Local Water Development (entitled Provincial Water Supply in FY 1976 CP)	10,000

SUMMARY OF PROPOSED DEVELOPMENT LOANS

FY 1977
(In Thousands of Dollars)

COUNTRY: Philippines

TABLE VIII

TITLE	AMOUNT
Family Planning (Title X)	3,400
Bicol Integrated Area Development II	3,000
Local Water Development II	10,000
Rural Electrification IV	20,000

Country: PHILIPPINES

LOAN ACTIVITY DATA

TABLE IX

TITLE	FUNDS	PROPOSED OBLIGATION ($000)
Rural Electrification IV	Food and Nutrition	20,000
	KIND OF LOAN	INITIAL OBLIGATION
	Project	FY: 1977

Goal: To improve the standard of living of the rural population.

Purpose: To make reliable electrical power available in rural areas at reasonable rates both to increase production and to improve living conditions.

Background: A.I.D. has a series of loans to the Government of the Philippines in support of the national rural electrification program. This program has achieved a certain momentum in delivering development benefits to the rural population. The Philippine four-year development plan singles out rural electrification from among various infrastructure projects because of its potential impact on the economy, because it induces both higher agricultural and industrial productivity, and because it contributes to more equitable distribution of incomes in the rural areas.

The Philippine rural electrification program is phased first to have one electric cooperative in every province (target date 1977); then to link all major population centers (poblaciones) of provinces in a "backbone" system (target date 1980); and finally to reach every governmental subdivision (barrio) (target date 1984).

MAJOR OUTPUTS: A.I.D. contributions will assist the Government of the Philippines to work toward its targets for rural electrification although additional resources will probably be required to make all the targets of the Philippines program. From 10 to 12 additional cooperatives can be constructed from materials financed by this loan. About 300,000 additional persons will be served by these cooperatives.

Host Country and Other Donors:

Government of the Philippines	Contributions estimated at $9 million for local construction costs.
World Bank and Asian Development Bank	Generation plants and transmission lines on the main islands of Luzon and Mindanao.
Japan, France, New Zealand	Generation plants and transmission lines on the other islands.

A.I.D. Financed Inputs (in $000)

CONTRACTS:	
Feasibility and Design Services	1,200
COMMODITIES:	
For subprojects	18,800
Total	20,000

Country: PHILIPPINES

LOAN ACTIVITY DATA

TABLE IX

TITLE	FUNDS	PROPOSED OBLIGATION ($000)
Bicol Integrated Area Development II	Food and Nutrition	3,000
	KIND OF LOAN: Project	INITIAL OBLIGATION FY: 1977

Goal: To raise the economic and social conditions of the rural poor.

Purpose: To establish conditions under which tillers of small farms and local government administrative units in the Bula area of the Bicol River Basin can: (1) increase agricultural production; (2) increase income and employment; and (3) generate social development in the area.

Background: The Government of the Philippines has selected the Bicol River Basin in the southern Luzon as an area in which to test an integrated approach to development. The region has been one of widespread rural poverty and higher than average unemployment and underemployment. Among the one million people in the Bicol area, over 60% are in poor farm families cultivating less than five acres. With A.I.D. assistance a Bicol River Basin Council has been established to administer the overall program. Technical assistance is also being provided by the University of the Philippines at Los Banos.

A.I.D. has provided earlier loans for feeder roads in the Bicol region and for integrated area development of one area within the Bicol Basin (Libmanan-Cabusao Integrated Area Development Loan). This loan is proposed to similarly finance development of another area within the Basin, the Bula area.

Major Outputs: This loan is proposed to finance development of a specific area of the Bicol Basin, the Bula area, with a population of 13,000. By completion of the project in 1980, total rice production should be increased from 6,000 tons to 24,000 tons per year, farmer income at least doubled, unemployment and underemployment reduced to levels of the national average, and basic social development facilities and services established. Sepcific project outputs will be: (1) realignment and consolidation of 2,500 hectares of farmland; (2) construction of 110 kilometers of small feeder and access roads; (3) construction of 400 kilometers of irrigation and drainage canals; (4) establishment of six villages with basic health, family planning, sanitation, potable water, and educational facilities and services; and (5) establishment of an irrigation association and up to 100 small farmer groups (compact farms).

Host Country and Other Donors:

Philippine Government	Local construction and administrative costs estimated at equivalent of $4.5 million.
UN	Land classification studies in the project area.
World Bank and Asian Development Bank	Considering major projects for water resources and transportation development in the Bicol area.

A.I.D. Financed Inputs (in $000)

CONTRACT: Consulting Services	100
COMMODITIES: Construction equipment pumps, survey equipment	1,900
CAPITAL FINANCE: Reimbursement of part of construction costs	1,000
Total	3,000

Country: PHILIPPINES

LOAN ACTIVITY DATA

TABLE IX

TITLE	FUNDS	PROPOSED OBLIGATION ($000)
Family Planning (Title X)	Population Planning and Health	3,400
	KIND OF LOAN: Project	INITIAL OBLIGATION FY: 1977

Goal: To reduce the population growth rate to a level consistent with the economic and social development goals of the Government of the Philippines.

Purpose: To make readily available on a voluntary basis reliable contraceptive commodities to the people who need and want them.

Background: From a few private groups and individuals in the sixties, participation in the national population program has broadened to include some 40 different agencies and organizations. The main role of Philippine Government agencies in this partnership has been to expand and consolidate program activities, while private institutions have continued the innovative role they had assumed from the beginning. A.I.D.'s assistance to this project has been on a grant basis since its inception in FY 1967. Through FY 1975 a total of $34,136,000 has been obligated. Because of the growing demand for A.I.D. grant assistance from other lesser developed countries, A.I.D. proposed to make loan funds available to the Government of the Philippines for the procurement of contraceptives to be used in the program.

MAJOR OUTPUTS: This loan is designed to support program contraceptor prevalency rate of 16.6% of married couples of reproductive age. This percentage is equivalent to 920,000 continuing users of program-supplied contraceptives.

Host Country and Other Donors:

Philippine Government	Salaries and operating expenses equivalent to about $14,000,000 since FY 1972. Budget equivalent of $8,700,000 appropriated in FY 1974.
UN Fund for Population Activities (UNFPA)	Provided $3,400,000 between FY 1970 and FY 1974 (Partly A.I.D-funded under authority of Title X of the F.A.A.)
World Bank	Loan in FY 1975 of $25,000,000 for construction of rural health facilities, expanding and upgrading clinic staff, and provision of vehicles needed to carry integrated health, family planning and nutrition services to rural population.
International Planned Parenthood Federation (IPPF)	Supports local affiliates with financing of $2,700,000 between 1969 and 1970 (Partly A.I.D.-funded under authority of Title X of the F.A.A.)

A.I.D. Financed Inputs (in $000)

COMMODITIES:	
Contraceptive commodities and equipment and materials for their manufacture	3,400
Total	3,400

Country: PHILIPPINES

LOAN ACTIVITY DATA

TABLE IX

TITLE	FUNDS	PROPOSED OBLIGATION ($000)
Local Water Development II	Population Planning and Health	10,000
	KIND OF LOAN: Project	INITIAL OBLIGATION FY: 1977

Goal: To improve the health and well-being of the population in targeted areas.

Purpose: To improve 15-20 water works systems and to continue the institutional development of national and local water utility entities.

Background: The Philippines suffers one of the highest incidence and death rates from water-borne diseases in all of Asia. The Government of the Philippines has established a national institution, the Local Water Utility Administration (LWUA) to assist local water districts to provide potable water in provincial areas to combat this health problem. In cooperation with local water utilities, the LWUA is attempting to meet the requirements of the small cities and municipalities. Since LWUA started operation in September 1973, 29 independent water districts have been formed and 25 others are in the process of formation.

Through previous loans and a grant for technical assistance A.I.D. has assisted the LWUA program with resources to establish five systems and to develop national and local institutional capacity to continue a potable water program. A.I.D. is currently financing a feasibility study on 100 small provincial communities to determine whether quick and reliable economic improvements of local water works can result in providing safe potable water to the community. It is expected that of the 100 communities under study, 40-60 will be proven eligible. This proposed loan will continue assistance to LWUA and to local districts to maintain the momentum of the local potable water program.

Major Outputs: Most of the proposed U.S. assistance will finance foreign exchange costs of constructing 15-25 additional local water systems. Part of the A.I.D. loan will provide reimbursement to the Government of the Philippines for local construction costs. In addition, consulting services of a U.S. firm will be provided to LWUA to continue its institutional development.

Host Country and Other Donors:

Philippines Government	Local construction costs of water systems and operation of LWUA water districts of approximately $10 million equivalent.
Denmark	Equivalent of $2.6 million to finance improvements in two cities.

A.I.D. Financed Inputs (in $000)

CONTRACTS: General consultant services to LWUA - 60 man-months	400
COMMODITIES: For 15-20 subprojects	5,300
CAPITAL FINANCE: Reimbursement for construction costs	4,300
Total	10,000

Philippines

TABLE X

(U.S. Fiscal Years - Millions of Dollars)

PROGRAM	U.S. OVERSEAS LOANS AND GRANTS OBLIGATIONS AND LOAN AUTHORIZATIONS 1971	1972	1973	1974	1975	TOTAL 1946-1975	REPAYMENTS AND INTEREST 1946-1975	TOTAL LESS REPAYMENTS AND INTEREST
I. ECONOMIC ASSISTANCE – TOTAL	40.5	69.9	124.0	63.6	68.3	1,693.5	198.5	1,495.0
Loans	20.7	53.6	46.9	37.4	45.0	394.3	198.5	195.8
Grants	19.8	16.3	77.1	26.2	23.3	1,299.0	-	1,299.0
a. A.I.D. and Predecessor Agencies	11.1	30.5	85.7	44.5	55.3	531.7	43.8	487.9
Loans	0.4	20.0	26.2	34.0 a/	45.0	182.8 a/	43.8	139.0
Grants	10.7	10.5	59.5	10.5	10.3	348.8	-	348.8
(Security Supporting Assistance)	(-)	(-)	(49.3)	(0.5)	(0.3)	(195.3)		
b. Food for Peace (PL 480)	27.4	37.7	36.5	16.0	10.8	273.1	37.4	235.7
Title I - Total	20.3	33.6	20.7	3.4	-	121.1	37.4	83.7
Repayable in U.S. Dollars - Loans	20.3	33.6	20.7	3.4	-	88.6	26.5	62.1
Payable in Foreign Currency Planned for Country Use	-	-	-	-	-	32.5	10.9	21.6
(Loans)	(-)	(-)	(-)	(-)	(-)	(19.7)	(10.9)	(8.8)
(Grants)	(-)	(-)	(-)	(-)	(-)	(12.7)	(-)	(12.7)
Title II - Total Grants	7.1	4.1	15.8	12.6	10.8	152.0	-	152.0
Emergency Relief, Econ. Development, & World Food	3.0	0.4	8.9	4.4	0.5	23.8	-	23.8
Voluntary Relief Agencies	4.1	3.7	6.9	8.2	10.3	128.2	-	128.2
c. Other Economic Assistance	2.0	1.7	1.8	3.1	2.2	888.7	117.3	771.4
Peace Corps	2.0	1.7	1.8	2.7	1.9	41.3	-	41.3
Other	-	-	-	0.4	0.3	847.4	117.3	730.1
(Loans)	(-)	(-)	(-)	(-)	(-)	(103.2)	(117.3)	(-14.1)
(Grants)	(-)	(-)	(-)	(0.4)	(0.3)	(744.2)	-	(744.2)
II. MILITARY ASSISTANCE – TOTAL	17.1	19.3	39.7	25.4	36.3	744.3	8.7	735.6
Credits or Loans	-	-	-	8.6	14.0	22.6	8.7	13.9
Grants	17.1	19.3	39.7	16.8	22.3	721.7	-	721.7
a. MAP Grants	16.4	14.6	17.7	16.0	21.0	513.4	-	513.4
b. Credit Sales under FMS	-	-	-	8.6	14.0	22.6	8.7	13.9
c. Military Assistance Service-funded (MASF) Grants	-	-	-	-	-	9.6	-	9.6
d. Transfers from Excess Stocks	0.7	0.9	4.9	0.8	1.3	32.0	-	32.0
e. Other Grants	-	3.7	17.1	-	-	166.7	-	166.7
III. TOTAL ECONOMIC AND MILITARY ASSISTANCE	57.6	89.2	163.7	89.0	104.6	2,437.8	207.2	2,230.6
Loans	20.7	53.6	46.9	46.0	59.0	416.9	207.2	209.7
Grants	36.9	35.6	116.8	43.0	45.6	2,020.7	-	2,020.7
Other U.S. Government Loans and Grants	84.2	41.5	74.6	19.2	24.9	463.1	354.2	108.9
a. Export-Import Bank Loans	45.2	7.3	23.5	9.5	9.9	294.7	211.7	83.0
b. All Other Loans	39.0	34.2	51.1	9.7	15.0	168.4	142.5	25.9

a/ Includes $2.3 million in capitalized interest on prior year loans; in FY 1974, $1.0 million.

(Millions of Dollars)

ECONOMIC PROGRAMS OF OTHER DONORS

A. ASSISTANCE FROM INTERNATIONAL AGENCIES - COMMITMENTS

	FY 1974	FY 1975	FY 1946-75
TOTAL	229.3	314.0	1,079.4
IBRD - World Bank	155.6	208.0	642.0
Int'l. Finance Corp.	4.7	7.0	75.7
Int'l. Dev. Association	9.5	-	32.2
Asian Dev. Bank	58.8	94.3	278.1
UN Development Program	0.2	2.5	35.0
Other UN	0.5	2.2	16.4

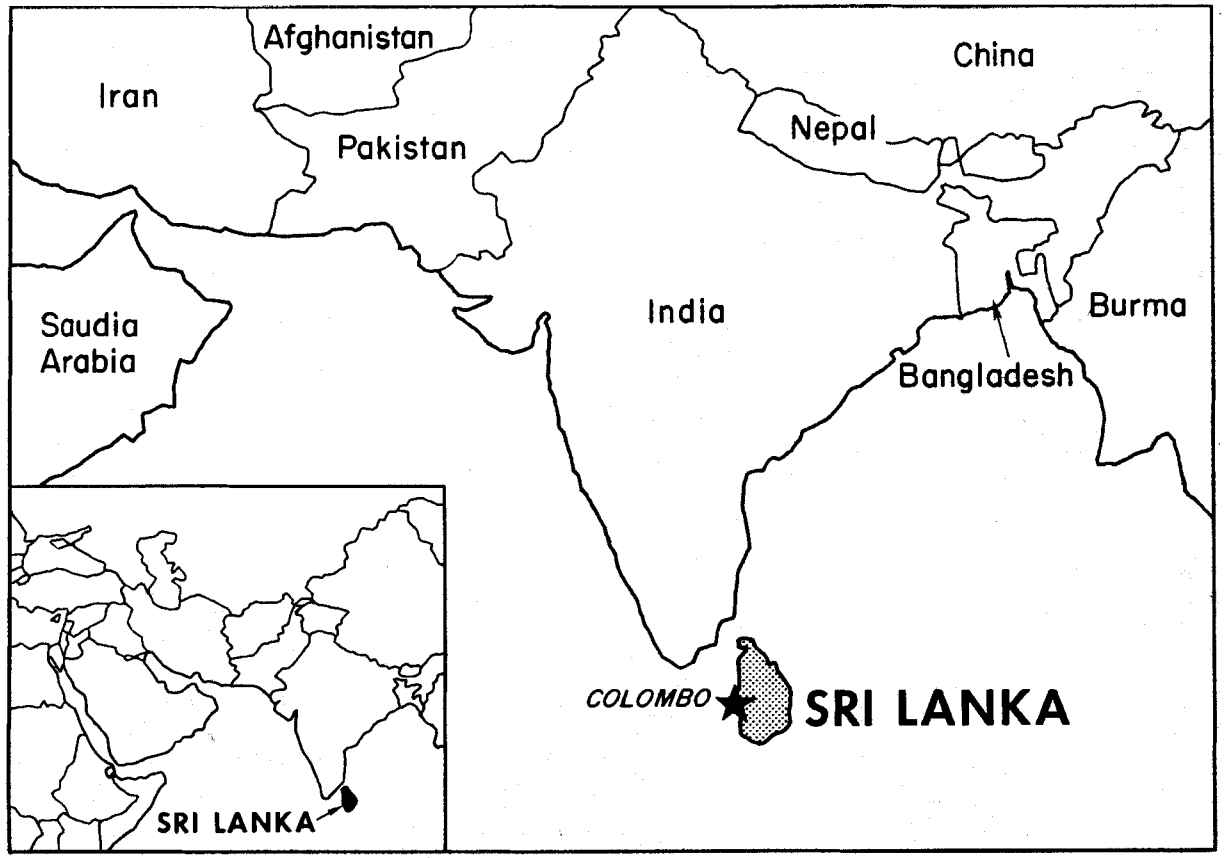
B. D.A.C. COUNTRIES (EXCLUDING U.S.) OFFICIAL BILATERAL GROSS EXPENDITURES

Donor	CY 1973	CY 1974	CY 1960-74
TOTAL	214.8	111.1	1,076.1
Japan	173.1	74.2	887.0
Germany	32.2	16.4	102.6
Canada	2.2	6.9	49.5
Australia	1.3	5.5	11.8
Other	6.0	8.1	25.2

C. ASSISTANCE FROM COMMUNIST COUNTRIES (LOANS AND GRANTS EXTENDED)

	CY 1974	CY 1975	CY 1954-75
TOTAL	9	59	68
China, People's Rep. of	9	28	37
Eastern Europe	-	31	31

Sri Lanka



BASIC DATA

Population *(millions - mid-1975)*	13.7
Annual Growth Rate *(percent)*	2.0
Population in Urban Areas *(Percent - 1975)*	24
Labor Force in Agriculture *(Percent)*	41
Per Capita GNP *(dollars - 1973)*	110*
Life Expectancy *(years)*	66
People Per Doctor	6,020
Literacy Rate *(percent)*	84
Students as % of 5 - 19 Age Group *(Primary and Secondary)*	61

* - Estimate in IBRD 1975 Annual Report.

SRI LANKA

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SRI LANKA

Objectives of U.S. Assistance

The objectives of A.I.D.'s development assistance program are to support Sri Lankan efforts to increase agricultural productivity, especially among small farmers, and to reduce the incidence of malaria.

Socio-Economic Setting

Sri Lanka's economic performance in 1975 was mixed as a result of rising world prices and poor weather conditions that have affected agricultural production:

-- Per capita GNP growth for the period 1965-73 averaged only 20%;

-- Domestic rice production fell by one-third due to failure of monsoon rains;

-- Production of tea, rubber, and coconuts improved and exports increased;

-- Domestic non-agricultural production and employment were stagnant due to the lack of foreign exchange for needed raw material imports and limited domestic resources available for maintenance and new investment.

Continued adverse terms of trade contributed to a further increase in the balance of payments deficit in spite of tightly controlled imports:

-- World prices for rubber and coconuts fell from 1974 levels while tea prices registered moderate gains as did other non-agricultural exports;

-- Rising prices for fuel, fertilizer and food increased the cost of imports in 1975. Food imports alone accounted for about 85% of the increase in import payments over 1974.

Government policies, often laudatory because they favor the poor majority, aggravate the serious economic situation:

-- Such policies involve heavy subsidies of food, transportation, education, and wide-ranging social services that are aimed at providing the population with an insured standard of economic well-being;

-- With sharp declines in export earnings, plus budget costs of subsidy programs and the inability of the public sector to generate adequate

PROGRAM SUMMARY
(In thousands of dollars)

FISCAL YEAR	Total	Food and Nutrition	Population Planning and Health	Education and Human Resources Development	Selected Development Problems	Selected Countries and Organizations	Other Programs
1975							
Loans	8,000	8,000	-	-	-	-	-
Grants	-	-	-	-	-	-	-
Total	8,000	8,000	-	-	-	-	-
					Development Activities under Sec. 106		
1976							
Loans	8,000	8,000	-	-	-	-	-
Grants	-	-	-	-	-	-	-
Total	8,000	8,000	-	-	-	-	-
Transition Quarter							
Loans	-	-	-	-	-	-	-
Grants	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-
1977							
Loans	8,000	3,000	5,000	-	-	-	-
Grants	-	-	-	-	-	-	-
Total	8,000	3,000	5,000	-	-	-	-

returns on capital, resources for new employment-creating investments have been scarce;

-- The over-abundance of educated youth turned out by the unbalanced educational system and the unfavorable investment performance have combined to push unemployment to a level of about 20%.

The Government recently has announced new policy measures which aim to control inflation, provide further encouragement to food production, generate additional revenue, constrain consumption and encourage savings and investment. These measures should provide impetus to economic recovery if they are carried out as presented. Some major examples are:

-- removing internal controls on transport of rice, which had created a disincentive for farmers;

-- modifying domestic rice support price policy, shifting from a fixed purchase price to a variable price with the objective of increasing returns to producers;

-- rationalizing fertilizer subsidies for all crops by abolishing a crop-based price differential system which distorted producer incentives;

-- modifying the existing tax system to rationalize treatment, remove disincentives to savings and investment, encourage new developmental investment and risk taking, and generate new tax revenues from additional sources.

The critical need of the Government to move in these directions is the availability of foreign exchange:

-- Under present conditions, continued and increased flows of aid are necessary to offset the reduced earning power of Sri Lanka's exports and the greatly increased costs of its major imports;

-- The outlook for positive action without such capital flows is not bright.

FY 1977 Program

A.I.D. proposes to continue to support the Government's development efforts by providing up to $8 million in development loans in support of agricultural and rural development and malaria control.

Food and Nutrition

A $3 million Agricultural Research Loan is proposed to support the Government's program to increase agricultural production by expanding research activities in the rainfed and irrigated areas:

-- Agricultural research programs to date have been oriented to traditional flooding methods of irrigated cultivation. These methods have not been effective in coping with a series of drought years;

-- Reorientation of this basic research philosophy will involve training of agricultural research personnel, expansion of research and seed multiplication facilities, and establishment of additional multipurpose agricultural centers in the several agro-climatic zones.

Population Planning and Health

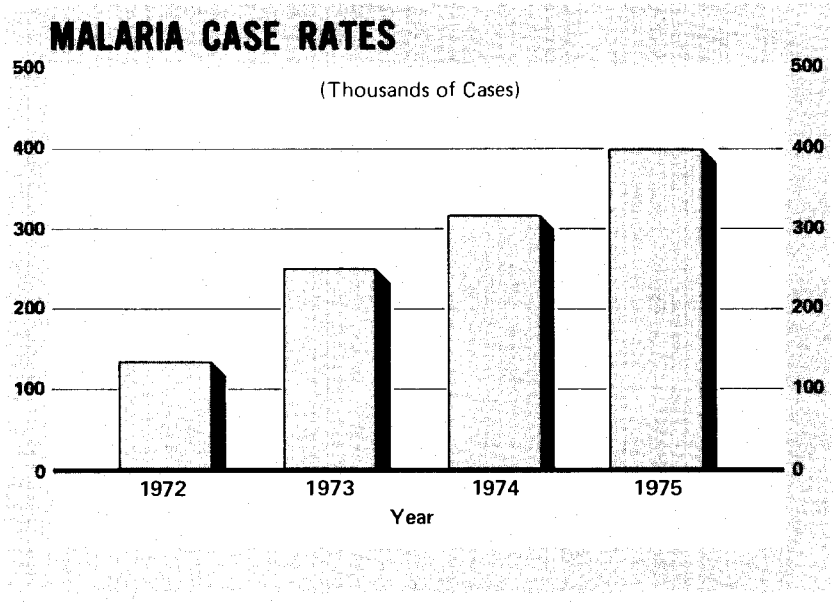
A $5 million development loan for malaria control to combat the resurgence of this disease that has reached epidemic proportions in the agricultural regions of the country:

-- Recorded and confirmed cases have jumped from 133,000 in 1972 to 315,000 in 1974 with the 1975 rate estimated at about 400,000 cases;

-- There has also been a dramatic rise in the

incidence of cerebral malaria, which is particularly dangerous to children and non-immune populations;

-- A.I.D.'s proposed loan would finance imported insecticides, laboratory and spraying equipment, technical services, and training for increased numbers of malaria personnel for the National Anti-Malaria organization.



FY 1977 PL 480 Food Assistance

Proposed food assistance includes:

-- 138,000 MT tons of wheat/flour valued at $17.7 million under PL 480 Title I to meet food needs and generate local currency for agricultural development;

-- A direct PL 480 Title II grant of food commodities valued at $2.7 million through CARE for mother/child health and school feeding/nutritional programs;

-- An additional Title II food grant valued at $1.1 million through the World Food Program to support rural resettlement projects and supplementary feeding programs for vulnerable groups (children, landless laborers, etc.).

SUMMARY OF ACTIVE DEVELOPMENT LOANS
Authorized as of 12/31/75
(In thousands of dollars)

COUNTRY: Sri Lanka

TABLE VII

Loan No.	Title	Date		Grace Period (years)	Life of Loan (years)	Interest Rate (%)		Currency of Repayment	Amount Authorized	As of 12/31/75		
		Authorized	Loan Agreement			Grace Period	Amortization			Amount Disbursed	Principal Repayments	Interest Collected
383-T-015	Agricultural Inputs	2-6-75	3-25-75	10	40	2	3	U.S. $	8,000	1,322		-

SUMMARY OF ESTIMATED DEVELOPMENT LOAN AUTHORIZATIONS
Balance FY 1976 and Transition Quarter (1/1/76 - 9/30/76)
(In Thousands of Dollars)

COUNTRY: SRI LANKA

TABLE VIIa

TITLE	AMOUNT
Rice Storage	4,000
Mahaweli Ganga Irrigation Development	4,000

SUMMARY OF PROPOSED DEVELOPMENT LOANS

FY 1977
(In Thousands of Dollars)

COUNTRY: SRI LANKA

TABLE VIII

TITLE	AMOUNT
Agricultural Research	3,000
Malaria Control	5,000

Country: SRI LANKA

LOAN ACTIVITY DATA

TABLE IX

TITLE	FUNDS	PROPOSED OBLIGATION ($000)
Agricultural Research	Food and Nutrition	3,000
	KIND OF LOAN: Project	INITIAL OBLIGATION FY: 1977

Goal: To increase food production, particularly rice.

Purpose: This project will support Sri Lankan efforts to increase domestic food production through development of higher-yielding varieties and improved cropping systems particularly relating to rice.

Background: Sri Lanka's rice production currently averages about 800,000 - 900,000 tons annually, far below present annual consumption requirements of about 1.4 million tons which are projected to rise to 1.9 million tons by 1985. High-yielding varieties have been introduced with the assistance of the International Rice Research Institute (IRRI) but they need to be further adapted to local conditions. Sri Lankan agricultural researchers have successfully developed several high-yielding strains under local conditions. However, with limited staff, equipment, facilities and funds, the existing research organizations are not ready to undertake the major expansion of effort required. External donor assistance is needed to finance training, equipment for research facilities and expert advisors to help design adaptive research programs and improved cropping systems for rice and other food crops, and an effective seed multiplication program to bring to farmers the products of the research effort.

Major Outputs:

(1) an increased body of better-trained agronomists and other agricultural research personnel in the Ministry of Agriculture and the agricultural facilities of the university system;

(2) better-equipped and expanded field research facilities and seed-testing laboratories;

(3) an integrated research program of cross-breeding for higher-yielding strains adapted to local conditions under both rainfed and irrigated cropping systems, and a field trials system;

(4) feedback linkages from the farmers to the research systems to facilitate monitoring of production problems at the farm level.

Host Country and Other Donors:

Host Country	Commitment of budgetary funds equivalent to $2.3 million toward local costs of project is expected.
IRRI	Technicians will continue long-standing involvement with Sri Lanka agricultural research program.
United Nations Development Programme	Will finance technical experts and other input requirements.
Canada	Expected to provide financial aid.

A.I.D. Financed Inputs (in $000)

PERSONNEL: 200 man-months of consultant services	1,000
CAPITAL FINANCE: Local costs, commodities, and credit requirements for adaptive research, cropping system development and field trials.	2,000
Total	3,000

Country: SRI LANKA

LOAN ACTIVITY DATA

TABLE IX

TITLE	FUNDS	PROPOSED OBLIGATION ($000)
Malaria Control	Population and Health	5,000
	KIND OF LOAN: Project	INITIAL OBLIGATION FY: 1977

Goal: To reduce the incidence of diseases through an effective nation-wide health service to facilitate economic and social development in Sri Lanka.

Purpose: To assist the Government of Sri Lanka in strengthening its institutional capability into a national health system providing effective and economic delivery of health services to the entire population.

Background: Resurgence of reported malaria cases in the past two years has reached epidemic proportions, particularly in rural areas where rice production is the major agricultural pursuit. High infant mortality and general illness and debilitation of the agricultural work force is already evident in the affected areas. The Sri Lanka anti-malarial campaign (AMC) is based on an existing organization with a limited corps of health workers which needs refresher training and an increased staff of field workers. Lack of adequate equipment and supplies combined with a growing resistance to DDT by the two main species of mosquitoes has further limited the AMC's ability to control the rapid spreading of disease.

Major Outputs: Over the five-year period of the project, (for which this loan provides the first of three tranches totaling $16 million) it is expected that:

(1) The existing AMC organization will be expanded in numbers to a scale commensurate with control requirements;

(2) Field Workers and technicians will have received primary training or refresher training in required technical and managerial skills;

(3) Intensive spraying programs will have been conducted to reduce the vector population to controllable levels;

(4) An effective medical surveillance program will be in operation to provide early warning of new outbreaks; and

(5) The AMC organization will be integrated into the general health services.

Host Country and Other Donors:

Host Country	All local costs of the project, estimated at $5.0 million equivalent each year, and a portion of the costs of imported commodities with resources other than this loan. The combined Sri Lankan/other donor foreign exchange input is estimated at $10.0 million over the life of the project. Sri Lanka is in contact with other donors for help in meeting this requirement.
World Health Organization	Technical assistance, training and limited commodity support valued at $650,000.
UNICEF	Contribution toward a portion of project requirements is expected.

A.I.D. Financed Inputs (in $000)	1977
Commodities: Principally pesticides (malathion)	4,900
Personnel: Project management advisor,	60
Short-term consultants	25
Training: Short-term U.S. and third country	15
Total	5,000

Sri Lanka

TABLE X

(U.S. Fiscal Years · Millions of Dollars)

PROGRAM	U.S. OVERSEAS LOANS AND GRANTS OBLIGATIONS AND LOAN AUTHORIZATIONS 1971	1972	1973	1974	1975	TOTAL 1946-1975	REPAYMENTS AND INTEREST 1946-1975	TOTAL LESS REPAYMENTS AND INTEREST
I. ECONOMIC ASSISTANCE – TOTAL	18.0	17.2	11.4	8.5	38.5	248.4	29.5	218.9
Loans	14.0	15.4	10.0	5.9	33.1	149.0	29.5	119.5
Grants	4.0	1.8	1.4	2.6	5.4	99.5	-	99.5
a. A.I.D. and Predecessor Agencies	-	-	-	-	8.6	49.4	9.8	39.6
Loans	-	-	-	-	8.6	33.1	9.8	23.3
Grants	-	-	-	-	-	16.4	-	16.4
(Security Supporting Assistance)	(-)	(-)	(-)	(-)	(-)	(7.2)		
b. Food for Peace (PL 480)	17.9	17.2	11.4	8.5	29.9	197.4	19.7	177.7
Title I - Total	14.0	15.4	10.0	5.9	24.5	120.8	19.7	101.1
Repayable in U.S. Dollars - Loans	14.0	15.4	10.0	5.9	24.5	102.0	13.3	88.7
Payable in Foreign Currency - Planned for Country Use	-	-	-	-	-	18.8	6.4	12.4
(Loans)	(-)	(-)	(-)	(-)	(-)	(13.9)	(6.4)	(7.5)
(Grants)	(-)	(-)	(-)	(-)	(-)	(4.9)	(-)	(4.9)
Title II - Total Grants	3.9	1.8	1.4	2.6	5.4	76.6	-	76.6
Emergency Relief, Econ. Development, & World Food	2.2	0.1	0.6	-	2.1	19.7	-	19.7
Voluntary Relief Agencies	1.7	1.7	0.8	2.6	3.3	56.9	-	56.9
c. Other Economic Assistance	0.1	-	-	-	-	1.6	-	1.6
Peace Corps	0.1	-	-	-	-	1.6	-	1.6
Other	-	-	-	-	-	-	-	-
(Loans)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
(Grants)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
II. MILITARY ASSISTANCE – TOTAL	2.9	-	-	*	-	3.6	0.4	3.2
Credits or Loans	-	-	-	-	-	0.3	0.4	-0.1
Grants	2.9	-	-	*	-	3.3	-	3.3
a. MAP Grants	2.9	-	-	*	-	3.3	-	3.3
b. Credit Sales under FMS	-	-	-	-	-	0.3	0.4	-0.1
c. Military Assistance Service-funded (MASF) Grants	-	-	-	-	-	-	-	-
d. Transfers from Excess Stocks	*	-	-	-	-	*	-	*
e. Other Grants	-	-	-	-	-	-	-	-
III. TOTAL ECONOMIC AND MILITARY ASSISTANCE	20.9	17.2	11.4	8.5	38.5	252.0	29.9	222.1
Loans	14.0	15.4	10.0	5.9	33.1	149.3	29.9	119.4
Grants	6.9	1.8	1.4	2.6	5.4	102.8	-	102.8
Other U.S. Government Loans and Grants	-	-	7.4	7.5	-	18.3	10.3	8.0
a. Export-Import Bank Loans	-	-	-	-	-	3.4	1.1	2.3
b. All Other Loans	-	-	7.4	7.5	-	14.9	9.2	5.7

* Less than $50,000.

(Millions of Dollars)

ECONOMIC PROGRAMS OF OTHER DONORS

A. ASSISTANCE FROM INTERNATIONAL AGENCIES - COMMITMENTS

	FY 1974	FY 1975	FY 1946-75
TOTAL	1.3	34.0	206.8
IBRD - World Bank	-	-	73.5
Int'l. Dev. Association	-	28.5	54.1
Asian Dev. Bank	-	2.5	40.6
UN Development Program	1.3	2.2	32.4
Other UN	-	0.8	6.2

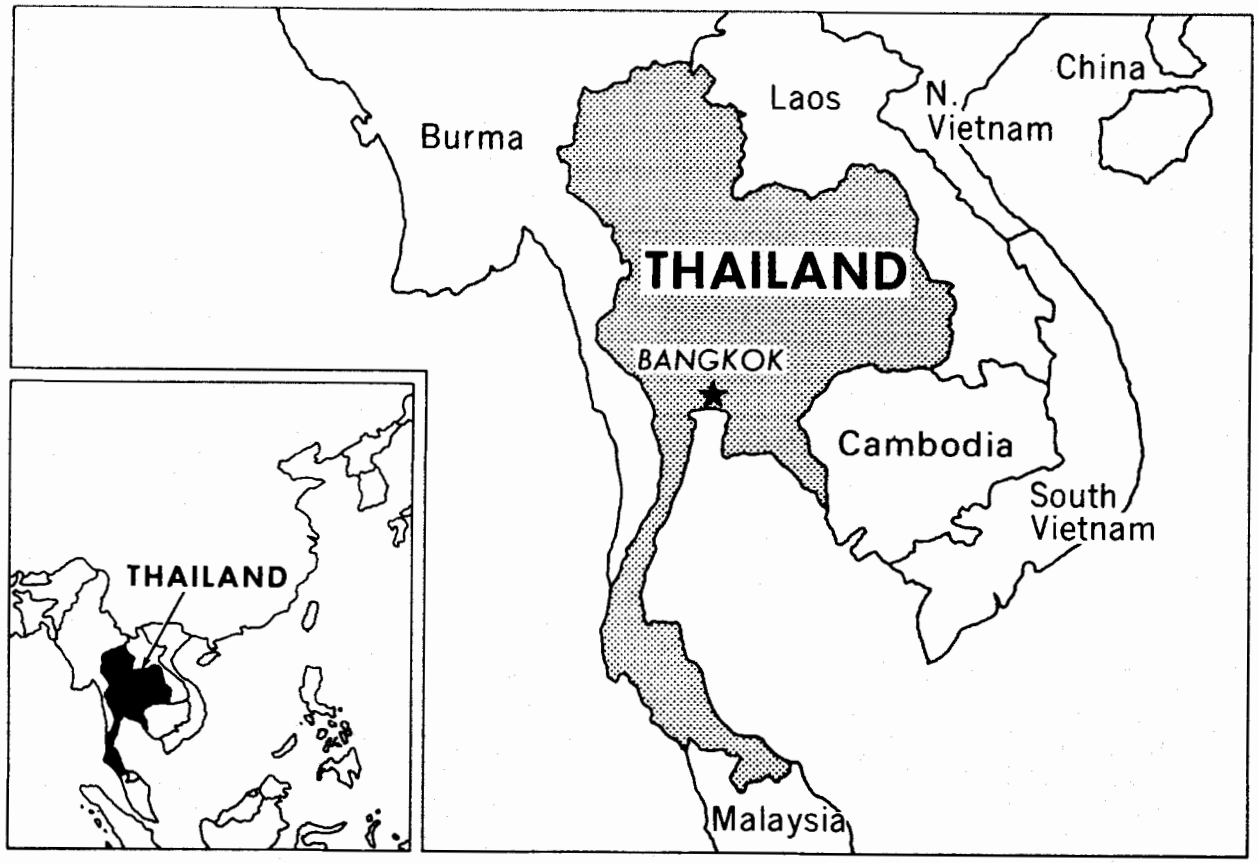
B. D.A.C. COUNTRIES (EXCLUDING U.S.) OFFICIAL BILATERAL GROSS EXPENDITURES

Donor	CY 1973	CY 1974	CY 1960-74
TOTAL	41.4	56.2	394.4
Germany	12.4	21.4	110.7
U.K.	5.1	3.6	91.4
Canada	4.8	6.1	69.9
Japan	6.8	12.0	68.6
Australia	2.3	4.5	16.2
Other	10.0	8.6	37.6

C. ASSISTANCE FROM COMMUNIST COUNTRIES (LOANS AND GRANTS EXTENDED)

	CY 1974	CY 1975	CY 1954-75
TOTAL	11	57	323
China, People's Rep. of	-	-	155
USSR	-	57	95
Eastern Europe	11	-	73

Thailand



BASIC DATA

Population *(millions - mid-1975)*	41.9
Annual Growth Rate *(percent)*	2.6
Population in Urban Areas *(Percent - 1975)*	17
Labor Force in Agriculture *(Percent)*	72
Per Capita GNP *(dollars - 1973)*	240*
Life Expectancy *(years)*	58
People Per Doctor	8,520
Literacy Rate *(percent)*	82
Students as % of 5 - 19 Age Group *(Primary and Secondary)*	46

* - Estimate in IBRD 1975 Annual Report.

THAILAND

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Objectives of U.S. Assistance

The objectives of U.S. assistance are to stimulate economic growth by:

-- encouraging the use of non- or less-concessional resources to meet capital needs;

-- developing the ability to mobilize technical skills needed for development activities;

-- providing continued support to activities of high priority for global U.S. objectives, e.g., population control and narcotics suppression;

-- assisting selected pilot activities which will provide the framework for future programs to assist the rural poor.

Political-Economic Setting

In October 1974, Thailand for the first time adopted a constitution providing for a representative parliamentary form of government. The new government, elected in March 1975, has been faced with severe labor unrest, farmer demands for increased incomes and a multiplicity of student demands:

-- These internal problems, together with the changed situation in Vietnam, Cambodia, and Laos, have caused severe tests for the fledgling democratic government;

-- The Government has responded by publicly emphasizing its objectives of seeking social justice for all Thai citizens, and has translated these objectives into an ambitious action program.

However, domestic problems and pressures increased:

-- Following a general strike called to object to an increase in the price of rice, the King dissolved the parliament on January 12, 1976, and ordered new elections early in April;

PROGRAM SUMMARY
(In thousands of dollars)

FISCAL YEAR	Total	Food and Nutrition	Population Planning and Health	Education and Human Resources Development	Selected Development Problems	Selected Countries and Organizations	Other Programs
1975							
Loans	-	-	-	-	-	-	-
Grants	4,077	2,071	1,069	937	-	-	-
Total	4,077	2,071	1,069	937	-	-	-
					Development Activities under Sec. 106		
1976							
Loans	5,000	5,000	-	-	-		-
Grants	5,987	2,100	3,487	400	-		-
Total	10,987	7,100	3,487	400	-		-
Transition Quarter							
Loans	1,300	1,300	-	-	-		-
Grants	1,062	300	662	100	-		-
Total	2,362	1,600	662	100	-		-
1977							
Loans	6,500	6,500	-	-	-		-
Grants	4,330	1,500	2,030	800	-		-
Total	10,830	8,000	2,030	800			

-- Whatever the result of the April elections, it is likely that the new government will continue to give heavy emphasis to programs of social justice.

Thailand's conservative economic policies have allowed generally good economic performance. The economy has

been growing at a rate of 6%. Thailand benefited from the commodity boom beginning in 1972 and peaking in 1974:

-- Exports rose from $0.8 billion in 1971 to $2.5 billion in 1974;

-- The debt service ratio is now at 10.8% (1974);

-- In 1974 the balance of payments was in surplus by $400 million.

However, with the stabilization of the commodity market and the sharp increase in the price of imported commodities, the balance of payments situation worsened:

-- Thailand's import bill doubled, from $1.6 billion to $3.4 billion;

-- The World Bank estimated that in 1975 the balance of payments would be in deficit by $100-$150 million.

In spite of the generally good economic performance, Thailand by many standards remains a poor country with:

-- per capita GNP of only $240;

-- unequal distribution of income (rural-urban and interregional);

-- migration to Bangkok with pressure on the existing social overhead capital there;

-- unemployment in the urban centers and underemployment in the rural areas;

-- only one doctor per 8,520 people;

-- inadequate social services, particularly health and education, in the rural areas;

-- diminishing availability of unoccupied productive land;

-- a population growth rate estimated at 2.6% per annum.

The major policy objectives of the Thai Government are outlined in the Thai Fourth Five-Year Development Plan, 1977-1981. Highest priority is assigned to:

-- increasing agricultural output;

-- reducing population growth rate;

-- achieving social justice;

-- increasing rural incomes and services to rural people;

-- commercializing and diversifying agriculture and trade to expand exports;

-- creating jobs;

-- identifying and managing/conserving natural resources;

-- improving urban living conditions.

The World Bank estimates that $4 billion will be required from external sources to finance the Five-Year Development Plan. We believe the major portion of such requirements can be met through commercial and semi-concessional financing, despite the currently less favorable balance of payments position noted above:

-- Both the World Bank and the Asian Development Bank are prepared to finance a large part of the development plan;

-- Thailand is in a position to borrow substantial amounts on the international capital market.

Accordingly, the proposed A.I.D. program in FY 1977 will continue the transition to a relationship of development cooperation emphasizing Thailand's ability to finance needed flows independently of A.I.D. concessional loans.

FY 1977 Program

In FY 1977 A.I.D. proposes to continue a modest program emphasizing rural development, health and population.

Food and Nutrition

In FY 1977, U.S. assistance in this sector will be a combination of development grants and loans for:

-- increasing agricultural production and rural incomes;

-- providing employment opportunities in rural areas and thus alleviating the problem of rural/urban migration.

Two loan projects have been requested by the Thai Government:

-- an Agricultural Extension Outreach loan ($3.0 million) to improve the flow of information to and from the small farmer in order to:

**enable him to make better-informed decisions on crop selection and necessary inputs, and to be aware of marketing facilities available;

**improve his farming techniques;

**enable him to convey his views and needs back to the Thai Government.

-- the Lam Nam Oon On-Farm Development loan ($3.5 million) to increase the cash incomes of northeastern farmers through the promotion of on-farm development and the introduction of modern sericulture technology.

On the grant side A.I.D. will continue in FY 1977 to assist the Thai Government in establishing within the Ministry of Agriculture and Cooperatives (MOAC) a high-quality capability to analyze problems in the agricultural sector and to plan programs and recommend policies to deal with those problems:

-- A grant of $325,000 for the Agricultural Development project will be provided to the MOAC to provide technical assistance in establishing this capability.

Population Planning and Health

The overall objective of the Thai Government in this sector is to expand the availability of family planning services by reaching "out and down" to all areas of rural Thailand:

-- Particular emphasis will be placed upon expanding the capacity of the Ministry of Public Health (MOPH) to provide the necessary family planning services.

** The expansion of services, as currently planned by the National Family Planning Program (NFPP), includes providing family planning training to all current and future MOPH personnel in the Thai rural health system.

** The plan also calls for the expansion of both fixed and mobile health facilities to provide family planning services in remote rural areas.

The United States will assist the MOPH in these efforts by providing advisory and commodity support. This will enable the MOPH to achieve further reductions in the annual population growth rate, now estimated at 2.6%:

-- The 1981 interim goal is a 2.1% rate;

-- The ultimate goal is a growth rate commensurate with the country's broader economic and social development objectives.

Education and Human Resources

The human resource base and institutions of Thailand still require advisory assistance and training specifically aimed at improving the Thai capability to deal with new and difficult aspects of their basic problems of development. Two A.I.D. projects designed to help meet these needs are:

-- Special Training for National Development;

-- Transfer of Technology and Management Skills. This is a major grant project developed jointly by the A.I.D. Mission and the Thai Government. It is designed to:

** encourage the Thai to transfer their requirements for U.S. technical assistance to a reimbursable basis;

** provide access for the Thai to all appropriate segments of U.S. technology through participant training and advisory services.

FY 1978 and Beyond

Following 1977, we plan to concentrate our efforts on population and narcotics programs:

-- The narcotics program, justified in a separate submission to the Congress, is of compelling relevance to United States domestic interests.

-- The family planning program is one in which we may be able to furnish instrumental assistance in the successful achievement of Thailand's development goals.

In future years we envision a number of programs which can facilitate the transition from a concessional A.I.D. program to a relationship more suitable to Thailand's economic potential. These activities include the Housing Investment Guaranty, programs under Sections 607 and 661 of the FAA (relative to technical assistance on direct and reimbursable bases), OPIC, Commodity Credit Corporation, excess property program, regional programs, Peace Corps, Cultural Affairs Program, and Ex-Im Bank financing.

It should be noted that in recent years A.I.D. concessional assistance has amounted to approximately 3% to 5% of the total donor assistance Thailand receives.

TABLE V

GRANT ACTIVITY SUMMARY

(In thousands of dollars)

COUNTRY: THAILAND

Project Title	*	Project Number	FY of Initial Obligation	FY of Scheduled Final Obligation	Through FY 1975 Obligations	Through FY 1975 Expenditures	Through FY 1975 Unliquidated Obligations 6/30/75	Estimated FY 1976 Obligations	Estimated FY 1976 Expenditures	Estimated FY 1976 Unliquidated Obligations 6/30/76	Estimated Transition Quarter	Proposed Program FY 1977	Future Year Obligations	Estimated Total Cost
FOOD AND NUTRITION								2,100			300	1,500		
Agricultural Development	*	493-11-190-180	1952	1977	20,878	19,639	1,239	476	1,275	440	50	325	--	21,729
Program Development and Support	*	493-11-990-275	1976	1977	-	-	-	350	75	275	-	115	-	465
Transfer of Technology and Management Skills	*	493-11-755-274	1976	1977	-	-	-	1,007	150	857	209	721	-	1,937 1/
Special Training for National Develop.	*	493-11-995-173	1976	1977	-	-	-	267	127	140	41	339	-	647 2/
Accelerated Rural Development		493-11-810-163	1964	1975	63,795	63,362	433	-	433	-	-	-	-	63,795
POPULATION PLANNING AND HEALTH								3,487			662	2,030		
Health and Population Planning	*	493-11-580-266	1975	1981	783	51	732	3,187	2,000	1,919	562	1,230	3,405	9,167
Transfer of Technology and Management Skills	*	493-11-755-274	1976	1977	-	-	-	261	35	226	100	647	-	1,008 1/
Special Training for National Develop.	*	493-11-995-173	1976	1977	-	-	-	39	24	15	-	153	-	192 2/
EDUCATION AND HUMAN RESOURCES DEVELOP.								400			100	800		
Transfer of Technology and Management Skills	*	493-11-755-274	1976	1977	-	-	-	177	15	162	81	797	-	1,055 1/
Special Training for National Develop.	*	493-11-255-173	1965	1977	2,098	1,910	188	223	176	235	19	3	-	2,343 2/
National Economic Policy and Planning		493-11-750-233	1972	1975	877	507	370	-	312	58	-	-	-	877
Rural Education		493-11-640-162	1964	1975	8,308	8,139	169	-	169	-	-	-	-	8,308
Total								5,987	4,791	4,327	1,062	4,330		

1/ Total for Transfer of Technology and Management Skills = $4,000,000.

2/ Total for Special Training for National Development = $3,182,000

*Detailed project narrative—See Table VI.

Country: THAILAND

GRANT ACTIVITY DATA

TABLE VI

TITLE	FUNDS	PROPOSED OBLIGATION ($000)	
Agricultural Development	Food and Nutrition	FY 77 325	
NUMBER 493-11-190-180	PRIOR REFERENCE p. 72, FY 1976 East Asia PDB	INITIAL OBLIGATION FY: 1952	SCHEDULED FINAL OBLIGATION FY: 1977

Project Target and Course of Action: The purpose of this project is to increase the capability of the Thai Government to analyze, plan and implement agricultural development policies, programs and projects in furtherance of its goal of improving the socio-economic status of the rural people of Thailand.

An agricultural sector analysis and planning activity is designed to improve the Thai capability in these areas. This analytical capability is needed for better decisions on resource allocation in agriculture, both public and private, and will be used extensively in assessment of current policy and program options, as well as in preparation of the agricultural sector of the Fourth Five-Year Plan,

Progress to Date: The Projects and Operational Planning Division of the Ministry of Agriculture and Cooperatives has been established and coordinates project preparation, monitoring and evaluation.

Basic econometric models of the agricultural sector have been developed at farm, agro-economic zone, regional and national levels and are now being expanded and refined. A macro-economic model is nearing completion that will link the agricultural sector with the national economy. The Fourth Five-Year Plan (1977-81) for agriculture based on project work completed or underway is now being developed. Ninety-seven training fellowships have been completed, and 32 people are now (December 1975) in training status. The agricultural economic activity is in the final phase in this overall agricultural development project. All other activities such as agricultural extension, credit and research terminated in FY 1975.

FY 1977 Program: A total of $325,000 is requested which provides for 48 man-months of long-term contract services and 12 man-months of short-term contract services as follows: one long-term advisor in each of the following fields: (a) agricultural policy analysis; (b) regional development and resources analysis; (c) agricultural economics/linear programming; and (d) macro-economics/applied econometrics; short-term advisors will provide assistance in demand analysis, regional and area analysis, macro-economic analysis and other pertinent fields as required.

U.S. DOLLAR COST (In Thousands)

	Obligations	Expenditures	Unliquidated
Through 6/30/75	20,878	19,639	1,239
Estimated FY 76	476	1,275	
Estimated through 6/30/76	21,354	20,914	440
Estimated Transition Quarter	50	Future Year Obligations	Estimated Total Cost
Proposed FY 77	325	-	21,729

Cost Components	OBLIGATIONS									PRINCIPAL CONTRACTORS/ AGENCIES
	Estimated FY 76			Estimated Transition Quarter			Proposed FY 77			
	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total	
U.S. Technicians . .	-	393	393	-	50	50	-	325	325	Iowa State University
Participants	83	-	83	-	-	-	-	-	-	
Commodities	-	-	-	-	-	-	-	-	-	
Other Costs	-	-	-	-	-	-	-	-	-	
Total Obligations . .	83	393	476	-	50	50	-	325	325	

Country: THAILAND

GRANT ACTIVITY DATA

TABLE VI

TITLE	FUNDS	PROPOSED OBLIGATION ($000)	
Program Development and Support	Food and Nutrition	FY 77 115	
	PRIOR REFERENCE	INITIAL OBLIGATION	SCHEDULED FINAL OBLIGATION
NUMBER 493-11-990-275	p. 74, FY 1976 East Asia PDB	FY: 1976	FY: 1977

Project Target and Course of Action: The purpose of this project is to train staff, and provide technical consultants and evaluation services for the Seed and the Sericulture projects funded under Development loans. Training is related to production as well as marketing, management, processing and distribution and seed certification. Evaluation and special surveys focus on measuring project achievement and project redesign. The Royal Thai Government goal within the Agriculture Sector is to increase labor productivity in order to raise incomes on a broad scale in rural areas. The development program in agriculture emphasizes accelerated development and production of priority crops.

A loan for expansion of sericulture technology is designed to double the incomes of 1,500 poorer farm families in ten settlement areas of the Northeast. In addition to the loan in this area, grant funds are requested for evaluation and participant training. This grant element is important to the entire project in that it will provide technical training in sericulture technology while at the same time provide for an evaluation to assess progress and identify problems in this endeavor.

Progress to Date: The seeds development loan was authorized on August 28, 1975 and the sericulture/settlement loan is expected to be authorized in the third quarter FY 1976. In support of these two loans, 15 short-term contract advisors for 20 man-months of service are planned to provide expertise in design, evaluation and redesign of the Seeds Development and Sericulture/Settlement projects. In addition, contracts with local institutions such as Kasetsart University are being negotiated for evaluation activities. Forty-five short-term participants are being selected for training for approximately 54 man-months in the United States and Thailand and six long-term participants are being selected for training for 144 man-months.

FY 1977 Program: A total of $115,000 will finance one U.S. technician ($50,000); participant training ($50,000), and other costs ($15,000).

U.S. DOLLAR COST (In Thousands)

	Obligations	Expenditures	Unliquidated
Through 6/30/75	-	--	-
Estimated FY 76	350	75	
Estimated through 6/30/76	350	75	275
Estimated Transition Quarter	-	Future Year Obligations	Estimated Total Cost
Proposed FY 77	115	-	465

Cost Components	OBLIGATIONS									PRINCIPAL CONTRACTORS/ AGENCIES
	Estimated FY 76			Estimated Transition Quarter			Proposed FY 77			
	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total	
U.S. Technicians . .	-	75	75	-	-	-	-	50	50	To be selected.
Participants	225	-	225	-	-	-	50	-	50	
Commodities	-	-	-	-	-	-	-	-	-	
Other Costs	50	-	50	-	-	-	15	-	15	
Total Obligations . .	275	75	350	-	-	-	65	50	115	

Country: THAILAND

GRANT ACTIVITY DATA

TABLE VI

TITLE	FUNDS	PROPOSED OBLIGATION ($000)	
Transfer of Technology and Management Skills	Food and Nutrition; Pop.Plng. & Health Education and Human Resources Development	FY 77 2,165	
NUMBER 493-11-755-274	PRIOR REFERENCE p. 73, FY 1976 East Asia PDB	INITIAL OBLIGATION FY: 1976	SCHEDULED FINAL OBLIGATION FY: 1977

Project Target and Course of Action: The purpose of this project is to improve the Royal Thai Government capacity and capabilities in development policy and problem analysis, program planning, management and evaluation. The project provides advisory and training services for the development, installation and evaluation of policy, programs and projects which increase social justice and economic opportunity, generate income and employment for women, as well as the identification, analysis and design of activities which increase the productivity of the Thai people, particularly the poor.

U.S. technology and approaches useful to the Thai in developing solutions, plans, and options for future problems are also made available through this project. Working through the Department of Technical and Economic Cooperation (DTEC), U.S. assistance is provided to major Thai agencies involved in national resources planning, policy formulation and implementation. This is a transitional grant which enables Thailand to avail itself of U.S. expertise under Thai management and responsibility.

Progress to Date: DTEC and other Thai agencies are establishing priorities for academic training and selection of advisors. Selection of trainees is to be completed in time to enable candidates to enroll in the 1976 fall semester. The first trainee begins six month's training at the graduate level in primary health care in January. An additional four short-term participants will be selected by the end of March. DTEC has developed an advisory checklist for procurement of advisory services and has identified two positions--an adult education advisor to the Ministry of Education and Chieng Mai University, and a statistical advisor for the National Statistical Office.

FY 1977 Program: A total of $2,165,000 will finance about 185 man-months of advisory services ($1,083,00) and 1,132 man-months of training in the U.S. and Asian countries ($1,082,000). In the Food and Nutrition sector it is proposed to utilize $361,000 for 62 man-months of advisory services and $360,000 for 376 man-months of training. Support to this sector will be aimed at addressing key problems as they relate to agricultural production, policy, and resource utilization. In Population Planning and Health $323,000 is proposed for 55 man-months of advisory services and $324,000 for 340 man-months of training. Support will focus on expansion of family planning facilities and the design and installation of rural health services. In Education and Human Resources $399,000 is proposed for 68 man-months of advisory services and $398,000 for 416 man-months of training. Support will be geared to those selected key areas the Thai feel are appropriate.

U.S. DOLLAR COST (In Thousands)

	Obligations	Expenditures	Unliquidated
Through 6/30/75	-	-	-
Estimated FY 76	1,445	200	
Estimated through 6/30/76	1,445	200	1,245
Estimated Transition Quarter	390	Future Year Obligations	Estimated Total Cost
Proposed FY 77	2,165	-	4,000

Cost Components	OBLIGATIONS								
	Estimated FY 76			Estimated Transition Quarter			Proposed FY 77		
	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total
U.S. Technicians	-	724	724	-	196	196	-	1,083	1,083
Participants	721	-	721	194	-	194	1,082	-	1,082
Commodities	-	-	-	-	-	-	-	-	-
Other Costs	-	-	-	-	-	-	-	-	-
Total Obligations	721	724	1,445	194	196	390	1,082	1,083	2,165

PRINCIPAL CONTRACTORS/ AGENCIES

To be selected.

Country: THAILAND

GRANT ACTIVITY DATA

TABLE VI

TITLE	FUNDS	PROPOSED OBLIGATION ($000)	
Special Training for National Development	Food and Nutrition; Pop. Plan & Health Education & Human Resources	FY 77 495	
NUMBER 493-11-995-173	PRIOR REFERENCE p. 71, FY 1976 East Asia PDB	INITIAL OBLIGATION FY: 1965	SCHEDULED FINAL OBLIGATION FY: 1977

Project Target and Course of Action: The purpose of this project is to increase the trained manpower pool in various critical departments of the Thai Government structure.

Progress to Date: This project was initiated in FY 1965 when six participants were sent to the U.S. for training. In subsequent years, third country training was utilized wherever feasible. By the end of FY 1975, 335 Thais had completed training, 250 in the U.S. and 85 in third countries. An additional seven participants completed training in the first six months of FY 1976.

The Thai Government has been sharing in the task of selecting trainees, and it has assumed additional administrative responsibilities in FY 1976 for managing their programs. The Thai Government also provides funds for international travel and for English language training in Thailand as required.

FY 1977 Program: A total of $495,000 is requested to finance on-going long-term academic participants originally funded under this project or funded in prior years under other projects which have already been phased out or will be phased out by the end of the fiscal year. Funding for this project is programmed under three appropriation categories as follows:

Food and Nutrition funds in the amount of $339,000 are proposed for 34 long-term participants.

Population Planning and Health (non-Title X) funds in the amount of $153,000 are proposed for 15 long-term participants in rural health ($120,000) and 5 long-term participants in Family Planning ($33,000).

Education and Human Resources funds in the amount of $3,000 are proposed for training in rural education.

U.S. DOLLAR COST (In Thousands)

	Obligations	Expenditures	Unliquidated
Through 6/30/75	2,098	1,910	188
Estimated FY 76	529	327	
Estimated through 6/30/76	2,627	2,237	390
Estimated Transition Quarter	60	Future Year Obligations	Estimated Total Cost
Proposed FY 77	495	-	3,182

OBLIGATIONS

Cost Components	Estimated FY 76 Direct AID	Estimated FY 76 Contract/Other Agency	Estimated FY 76 Total	Estimated Transition Quarter Direct AID	Estimated Transition Quarter Contract/Other Agency	Estimated Transition Quarter Total	Proposed FY 77 Direct AID	Proposed FY 77 Contract/Other Agency	Proposed FY 77 Total
U.S. Technicians	-	-	-	-	-	-	-	-	-
Participants	529	-	529	60	-	60	495	-	495
Commodities	-	-	-	-	-	-	-	-	-
Other Costs	-	-	-	-	-	-	-	-	-
Total Obligations	529	-	529	60	-	60	495	-	495

PRINCIPAL CONTRACTORS/AGENCIES

None

Country: THAILAND

GRANT ACTIVITY DATA

TABLE VI

TITLE	FUNDS	PROPOSED OBLIGATION ($000)	
Health and Population Planning	Population Planning and Health	FY 77 1,230	
NUMBER 493-11-580-266	PRIOR REFERENCE p. 75 FY 1976 East Asia PDB	INITIAL OBLIGATION FY: 1975	SCHEDULED FINAL OBLIGATION FY: 1981

Project Target and Course of Action. The purpose of this project is to support the Royal Thai Government in its efforts to attain a Fourth Five-Year Plan demographic target of not more than 2.1% annual rate of population growth by the end of 1981. The Thai Government plans to achieve this target by extending availability of family planning services (oral contraceptives, condoms, IUDs, sterilizations) to all regions of the Kingdom, with particular emphasis on increasing availability of family planning services in rural areas. U.S. participation in this effort includes: (1) supplying -- on a declining share basis -- contraceptives to Thailand's National Family Planning Program (NFPP); (2) providing family planning medical kits for IUD-insertions and sterilizations; (3) providing, on a cost-sharing basis with Thailand, mobile units to deliver family planning services to rural areas; (4) providing a portion of local training costs for 12,000 additional family planning field motivators/distributors, and for population education training for teachers; and (5) support for programmatic research and tests of complementary distribution channels (e.g. commercial sector) for family planning services.

The components of U.S. assistance provided under this project are intended to focus support on the family planning client. A survey of client characteristics conducted by the Thailand Health Ministry indicates that 80% of acceptors to date have been from the rural areas, and 90% have had four years or less of education. In FY 1977, it is anticipated that the project will have an immediate impact on 1.6 million women including 1,100,000 continuing family planning users, and 500,000 expected new acceptors that year.

Progress to Date. In the six years since Thailand announced voluntary family planning as a national policy (1970), the Thai have made comprehensive family planning services available through all of the government's 5,000 rural health clinics and provincial hospitals. To date, over two million persons have accepted some form of family planning through the nation's health system. A.I.D. field mission and IBRD estimates made in summer and fall 1975 indicate that Thailand's Third Five-Year Plan (1972-76) demographic target of a 2.5% population growth rate will probably be met by the end of 1976.

FY 1977 Program. A total of $1.230 million is requested for family planning commodities including oral contraceptives, IUD-insertions and sterilization kits and mobile family planning units ($963,000); local training of field workers and teachers ($150,000); research grants and studies of innovative contraceptive distribution programs ($50,000); and grants for completion of participant training programs commenced in prior fiscal years ($67,000).

U.S. DOLLAR COST (In Thousands)

	Obligations	Expenditures	Unliquidated
Through 6/30/75	783	51	732
Estimated FY 76	3,187	2,000	
Estimated through 6/30/76	3,970	2,051	1,919
Estimated Transition Quarter	562	Future Year Obligations	Estimated Total Cost
Proposed FY 77	1,230	3,405	9,167

Cost Components	OBLIGATIONS								
	Estimated FY 76			Estimated Transition Quarter			Proposed FY 77		
	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total
U.S. Technicians	–	100	100	–	–	–	–	–	–
Participants	52	–	52	52	–	52	67	–	67
Commodities	2,800	–	2,800	510	–	510	963	–	963
Other Costs	235	–	235	–	–	–	150	50	200
Total Obligations	3,087	100	3,187	562	–	562	1,180	50	1,230

PRINCIPAL CONTRACTORS/ AGENCIES

To be selected.

SUMMARY OF ACTIVE DEVELOPMENT LOANS
Authorized as of 12/31/75
(In thousands of dollars)

COUNTRY: Thailand

TABLE VII

Loan No.	Title	Date		Grace Period (years)	Life of Loan (years)	Interest Rate (%)		Currency of Repayment	Amount Authorized	As of 12/31/75		
		Authorized	Loan Agreement			Grace Period	Amortization			Amount Disbursed	Principal Repayments	Interest Collected
493-H-014	Project Development	2-16-73	3-22-74	10	40	2	3	U.S. $	2,000	131		-
493-H-015	Agricultural Development	6-29-73	7-19-74	10	40	2	3	U.S. $	5,000	-		-
493-T-017	Seed Development	8-28-75	12-11-75	10	40	2	3	U.S. $	2,400	-		-

SUMMARY OF ESTIMATED DEVELOPMENT LOAN AUTHORIZATIONS

Balance FY 1976 and Transition Quarter (1/1/76 - 9/30/76)

(In Thousands of Dollars)

COUNTRY: Thailand

TABLE VIIa

TITLE	AMOUNT
Sericulture Production - Settlement	2,600
Seed Development	1,300

SUMMARY OF PROPOSED DEVELOPMENT LOANS

FY 1977
(In Thousands of Dollars)

COUNTRY: Thailand

TABLE VIII

TITLE	AMOUNT
Agricultural Extension Outreach	3,000
Lam Nam Oon On-Farm Development	3,500

Country: THAILAND

LOAN ACTIVITY DATA

TABLE IX

TITLE	FUNDS	PROPOSED OBLIGATION ($000)
Agricultural Extension Outreach	Food and Nutrition	3,000
	KIND OF LOAN: Project	INITIAL OBLIGATION FY: 1977

Goal: To increase the income of rural people, with emphasis on the poorer small farmer.

Purpose: To establish an improved flow of information to and from the small farmer to enable him to make better-informed decisions, to cause him to use improved farming techniques, and to enable him to convey his views and needs back to the bureaucracy.

Background: The Royal Thai Government has placed a very high priority on the social and economic development of the rural areas in its Third Five-Year Plan. A major effort under the plan will be to increase dramatically agricultural extension workers' and direct farmer participation in the agricultural extension program. The plan calls for an increase from the present 3,800 staff of the Directorate of Agricultural Extension (DOAE) to 12,137. None of this increase is to be made at the national level, and only 365 of the positions are to be added at regional and provincial levels. In the two levels of government below the province, the present 1,800 staff in the 632 districts is to be increased to 4,800 workers, and the 500 staff in the 5,472 sub-districts is to be increased to provide one worker per sub-district, nearly an eleven-fold increase. The Royal Thai Government will also draw upon the experience of a World Bank project in one province for the training of farmer foremen to serve as sources of information and leadership in their communities to prepare 30,000 farmer leaders to participate in the program. Only a small portion of project costs are sought from A.I.D. for technical assistance and training, commodities, and for a fraction of local currency costs of the project.

Major Outputs: By 1982 all new recruits in the program are to be trained, and training facilities are to be operational to provide continuous training to additional extension personnel. The DOAE will have established an organizational framework capable of high standards of performance from extension personnel and of rapidly conveying and feeding back information from the small farmer to the central government.

Host Country and Other Donors:

Royal Thai Government: Plans to provide $28.0 million over life of project.

World Bank: Provided funding for a Farmer Foreman Program in the past several years. Participating in development of this project.

A.I.D. Financed Inputs (in $000)

Capital Finance: Local training costs	2,500
Personnel: Four man-years of advisory and training services	250
Commodities: Imported training materials	250
Total	3,000

Country: THAILAND

LOAN ACTIVITY DATA

TABLE IX

TITLE	FUNDS	PROPOSED OBLIGATION ($000)
Lam Nam Oon On-Farm Development	Food and Nutrition	3,500
	KIND OF LOAN: Project	INITIAL OBLIGATION: FY: 1977

Goal: To increase the incomes of farmers.

Purpose: To increase the food and silk production capacity of farmers in the area of Lam Nam Oon Dam in Northeast Thailand.

Background: The Royal Thai Government gives highest priority in its Fourth Five-Year Plan to improving the conditions and income of small farmers as well as farm output. The Government is concentrating on developing those areas in which existing capital investments have not yet been fully utilized. One such area is Lam Nam Oon in Northeast Thailand where a 30-meter earth-filled dam has been completed with assistance from an earlier A.I.D. loan (493-H-013). Assistance to the farmers in this area was contemplated for FY 1976, had funds been available. A downstream subproject will focus on a pilot area where 10,000 farm families will be encouraged to carry out land consolidation, double-cropping and improved cultivation practices. In the upstream area, 900 farm families displaced by the reservoir will be resettled and receive assistance in the practice of modern sericulture technology.

Major Outputs:

Construction of irrigation structures:
- Dikes
- Drainage/irrigation ditches
- Land leveling
- Land consolidation

Trained extension staff assigned to the resettlement area.

Area practices double cropping.

Ten thousand farm families utilizing improved cultivation practices.

Rearing houses, mulberry plantations, training, extension and cooperative services for 900 farm families to produce hybrid silk cocoons.

Host Country and Other Donors:

Royal Thai Government	Provided $42.5 million thus far and plans an estimated $12.0 million for Lam Nam Oon Project.
World Bank	Financed Irrigation Projects
Asian Development Bank	Financed Irrigation Projects

A.I.D. Financed Inputs (in $000)

Commodities:	Imported equipment and materials	$2,100
Personnel:	Short-term advisors	125
	Long-term advisory services and training	300
	Evaluation services	75
Local Currency Support		900
	Total	$3,500

Thailand

TABLE X

(U.S. Fiscal Years - Millions of Dollars)

PROGRAM	U.S. OVERSEAS LOANS AND GRANTS OBLIGATIONS AND LOAN AUTHORIZATIONS 1971	1972	1973	1974	1975	TOTAL 1946-1975	REPAYMENTS AND INTEREST 1946-1975	TOTAL LESS REPAYMENTS AND INTEREST
I. ECONOMIC ASSISTANCE – TOTAL	24.3	34.0	39.1	15.1	6.5	648.8	55.1	593.7
Loans	-	14.0	23.0	-	-	85.7	55.1	30.6
Grants	24.3	20.0	16.1	15.1	6.5	563.0	-	563.0
a. A.I.D. and Predecessor Agencies	22.5	17.5	21.1	7.1	4.1	590.0	43.5	546.5
Loans	-	-	7.0	-	-	63.1	43.5	19.6
Grants	22.5	17.5	14.1	7.1	4.1	526.8	-	526.8
(Security Supporting Assistance)	(17.0)	(14.8)	(10.6)	(5.1)	(-)	(414.9)		
b. Food for Peace (PL 480)	0.3	14.8	16.4	-	*	22.0	4.5	17.5
Title I - Total	-	14.0	16.0	-	-	16.4	4.5	11.9
Repayable in U.S. Dollars - Loans	-	14.0	16.0	-	-	12.8	1.6	11.2
Payable in Foreign Currency - Planned for Country Use	-	-	-	-	-	3.6	2.9	0.7
(Loans)	(-)	(-)	(-)	(-)	(-)	(3.6)	(2.9)	(0.7)
(Grants)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Title II - Total Grants	0.3	0.8	0.4	-	*	5.6	-	5.6
Emergency Relief, Econ. Development, & World Food	-	-	-	-	*	*	-	*
Voluntary Relief Agencies	0.3	0.8	0.4	-	-	5.6	-	5.6
c. Other Economic Assistance	1.5	1.7	1.6	8.0	2.4	36.8	7.1	29.7
Peace Corps	1.5	1.7	1.6	1.8	1.5	23.5	-	23.5
Other	-	-	-	6.2	0.9	13.3	7.1	6.2
(Loans)	(-)	(-)	(-)	(-)	(-)	(6.2)	(7.1)	(-0.9)
(Grants)	(-)	(-)	(-)	(6.2)	(0.9)	(7.1)	(-)	(7.1)
II. MILITARY ASSISTANCE – TOTAL	86.2	130.1	49.5	34.0	42.5	1,277.8	-	1,277.8
Credits or Loans	-	-	-	-	8.0	8.0	-	8.0
Grants	86.2	130.1	49.5	34.0	34.5	1,269.8	-	1,269.8
a. MAP Grants	-	-	43.1	32.5	30.1	692.5	-	692.5
b. Credit Sales under FMS	-	-	-	-	8.0	8.0	-	8.0
c. Military Assistance Service-funded (MASF) Grants	79.3	99.7	-	-	-	501.4	-	501.4
d. Transfers from Excess Stocks	6.9	18.8	6.4	1.5	4.4	58.5	-	58.5
e. Other Grants	-	11.6	-	-	-	17.4	-	17.4
III. TOTAL ECONOMIC AND MILITARY ASSISTANCE	110.5	164.1	88.6	49.1	49.0	1,926.6	55.1	1,871.5
Loans	-	14.0	23.0	-	8.0	93.7	55.1	38.6
Grants	110.5	150.1	65.6	49.1	41.0	1,832.8	-	1,832.8
Other U.S. Government Loans and Grants	0.5	2.2	7.5	7.9	3.3	75.1	63.6	11.5
a. Export-Import Bank Loans	-	2.2	7.5	7.9	3.3	74.4	62.8	11.6
b. All Other Loans	0.5	-	-	-	-	0.7	0.8	-0.1

* Less than $50,000.

(Millions of Dollars)

ECONOMIC PROGRAMS OF OTHER DONORS

A. ASSISTANCE FROM INTERNATIONAL AGENCIES - COMMITMENTS

	FY 1974	FY 1975	FY 1946-75
TOTAL	212.8	67.6	923.0
IBRD - World Bank	142.0	-	613.3
Int'l. Finance Corp.	-	-	22.8
Int'l. Dev. Association	7.0	-	32.0
Asian Dev. Bank	59.6	66.7	196.7
UN Development Program	0.3	0.9	41.3
Other UN	3.9	-	16.9

B. D.A.C. COUNTRIES (EXCLUDING U.S.) OFFICIAL BILATERAL GROSS EXPENDITURES

Donor	CY 1973	CY 1974	CY 1960-74
TOTAL	41.2	51.9	518.5
Japan	22.1	19.0	304.7
Germany	5.1	6.2	101.3
Australia	3.9	5.2	36.4
U.K.	2.8	6.2	18.0
France	3.0	9.7	12.7
Other	4.3	5.6	45.4

C. ASSISTANCE FROM COMMUNIST COUNTRIES (LOANS AND GRANTS EXTENDED)

	CY 1974	CY 1975	CY 1954-75
TOTAL			

NO PROGRAMS

Regional Programs

ASIA REGIONAL

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Objectives of U.S. Assistance

The objectives of U.S. regional assistance are to:

-- encourage two or more countries in the region to cooperate in solving problems of common interest;

-- provide funds for project design, planning studies, research and other technical assistance services in support of the A.I.D. bilateral programs in Asia.

FY 1977 Program

In FY 1977, A.I.D. is requesting $14.4 million in development assistance grants for the regional program.

Food and Nutrition

A.I.D. is proposing $600,000 for the following:

-- $300,000 to continue to support the graduate study program of the Agricultural Development Council for fellows from countries throughout Asia;

-- $300,000 to fund the costs of designing development projects, conducting evaluations and providing consultant services in this sector.

Population Planning and Health

A.I.D. is proposing $1,800,000 for the following:

-- $1,700,000 for the Cholera Research Laboratory (CRL) in Bangladesh, in cooperation with the National Institutes of Health. The CRL offers technical services, laboratory supplies, and equipment, training and field tests expected

PROGRAM SUMMARY
(In thousands of dollars)

FISCAL YEAR	Total	Food and Nutrition	Population Planning and Health	Education and Human Resources Development	Selected Development Problems	Selected Countries and Organizations	Other Programs
1975							
Loans	-	-	-	-	-	-	-
Grants	18,271	600	29	2,502	-	974	14,166a/
Total	18,271	600	29	2,502	-	974	14,166a/
					Development Activities under Sec. 106		
1976							
Loans	-	-	-	--	-		-
Grants	12,085	245	1,785	5,775	4,280		-
Total	12,085	245	1,785	5,775	4,280		-
Transition Quarter							
Loans	-	-	-	-	-		-
Grants	3,675	300	500	2,325	550		-
Total	3,675	300	500	2,325	550		-
1977							
Loans	-	-	-	-	-		-
Grants	14,400	600	1,800	6,050	5,950		-
Total	14,400	600	1,800	6,050	5,950		-

a/ Indochina Postwar Reconstruction funds - $12.0 million grants to multilateral and specialized agencies to carry out humanitarian programs and $2.1 million to fund Mekong and regional transportation and communications projects.

to lead to the development of an improved vaccine. A 3-to-5 year testing and evaluation program is now underway;

-- $100,000 for the costs of designing development projects, conducting evaluations and providing consultant services in this sector.

Education and Human Resources Development

A total of $6,050,000 is proposed for FY 1977 under this category:

-- $1,380,000 under the Regional Education Development Project, for continued support of the program of the Southeast Asian Ministers of Education Organization (SEAMEO) which sponsors regional education activities including development of regional institutions;

-- $470,000 for continuation of the Regional Scholarship Project which provides scholarships for Asian students for use at existing regional institutions in Asia;

-- $3,800,000 for Asian-American Free Labor Institute (AAFLI) to strengthen labor unions and provide skills training programs for union members;

-- $400,000 to fund the costs of designing development projects in this sector.

Section 106 Development Activities

The $5,950,000 proposed under this category will:

-- provide $3,800,000 to support economic and social development activities of private and voluntary organizations which hold promise of directly benefiting the rural and urban poor in Asian countries;

-- make available under the Program Development and Support project $2,150,000 to finance:

** studies for designing development projects;

** evaluations and consultants;

** research, sector studies, region-wide studies of key development problems, and other technical assistance services in support of A.I.D. bilateral programs;

** modest support to regional organizations.

TABLE V

GRANT ACTIVITY SUMMARY

(In thousands of dollars)

COUNTRY: ASIA REGIONAL

Project Title	*	Project Number	FY of Initial Obligation	FY of Scheduled Final Obligation	Through FY 1975			Estimated FY 1976			Estimated Transition Quarter	Proposed Program FY 1977	Future Year Obligations	Estimated Total Cost
					Obligations	Expenditures	Unliquidated Obligations 6/30/75	Obligations	Expenditures	Unliquidated Obligations 6/30/76				
FOOD AND NUTRITION								245			300	600		
Asian Vegetable R&D Center		498-11-130-212	1971	1975	3,000	2,929	71	-	71	-	-	-	-	3,000
Agriculture Development Council	*	498-15-110-021	1972	1978	910	660	250	-	250	-	250	300	300	1,760
Program Development and Support	*	498-11-995-249	TQ	1977	-	-	-	-	-	-	50	300	-	350
Project Development	1/	298-11-995-035	1974	1976	14	14	-	245	245	-	-	-	-	259
POPULATION PLANNING AND HEALTH								1,785	-	-	500	1,800		
Cholera Research	*	498-11-510-020	1959	1978	5,466	5,046	420	1,700	1,620	500	500	1,700	1,300	10,666
Program Development and Support	*	498-11-995-249	1977	1977	-	-	-	-	-	-	-	100	-	100
Project Development	1/	298-11-995-035	1976	1976	-	-	-	85	85	-	-	-	-	85
EDUCATION AND HUMAN RESOURCES DEVELOPMENT								5,775			2,325	6,050		
Regional Education Development (SEAMEO)	*	498-11-690-198	1967	1978	18,678	16,791	1,887	1,570	1,546	1,911	-	1,380	1,240	22,868
Regional Computer Center		498-11-995-244	1975	1976	150	150	-	1,300	700	600	-	-	-	1,450
Regional Scholarship Program	*	498-11-690-246	1975	1979	530	530	-	480	480	-	-	470	725	2,205
Asian Free Labor Union Develop. (AAFLI)	*	498-11-410-017	1969	1979	9,178	6,646	2,532	2,300	3,632	1,200	2,200	3,800	8,400	25,878
Program Development and Support	*	498-11-995-249	TQ	1977	-	-	-	-	-	-	125	400	-	525
Project Development	1/	298-11-995-035	1974	1976	2	2	-	125	125	-	-	-	-	127
DEVELOPMENT ACTIVITIES UNDER SEC. 106								4,280			550	5,950		
Regional Trans/Comm Development (SEATAC)		498-11-995-210	1969	1976	4,257	3,711	546	600	846	300	-	-	-	4,857
Private and Voluntary Organizations	*	498-13-899-251	1976	1979	-	-	-	1,550	1,050	500	100	3,800	8,000	13,450
Program Development and Support	*	498-11-995-249	1976	1980	-	-	-	1,250	950	300	450	2,150	7,500	11,350
Regional Technical Advisory Services		498-11-995-165	1963	1975	8,777	8,646	131	-	131	-	-	-	-	8,777
Southeast Asia Develop. Advisory Group		498-11-995-208	1966	1976	5,034	4,736	298	880	778	400	-	-	-	5,914
Total								12,085	12,509	5,711	3,675	14,400		

1/ This represents funds already allocated for South Asia countries prior to reorganization of the Asia and Near East Bureaus.

*Detailed project narrative—See Table VI.

Country: ASIA REGIONAL

GRANT ACTIVITY DATA

TABLE VI

TITLE	FUNDS	PROPOSED OBLIGATION ($000)	
Agriculture Development Council	Food and Nutrition	FY 77 300	
	PRIOR REFERENCE	INITIAL OBLIGATION	SCHEDULED FINAL OBLIGATION
NUMBER 498-15-110-021	P.177, FY 1976 NESA PDB	FY: 1972	FY: 1978

Project Target and Course of Action: The purpose of this project is to support the Agriculture Development Council's (ADC) Fellowship Program which is designed to give carefully selected individuals advanced graduate level training primarily in the area of agricultural economics. The performance of agriculture in the developing countries of Asia is dependent upon a great many things, one of which is a better understanding by Asians themselves of the complex economic and social forces which impact on agricultural development. Other disciplines may, however, be supported and these include such fields as rural sociology, anthropology, agricultural extension, and agricultural education. Additional support is provided to the Agriculture Development Council by the Ford Foundation, the Rockefeller Foundation, and the Canadian Government, among others.

Progress to Date: Through September 30, 1975, A.I.D. assistance supported 58 Fellows from Asia, including India, Indonesia, Malaysia, Nepal, Philippines, South Korea, Sri Lanka and Thailand. To date, 122 fellowships have been provided from all sources including A.I.D. In FY 1975 an evaluation of this project was undertaken to determine if this project was both efficient and effective in promoting better understanding of the agricultural development process and in stimulating growth. Based on the results of this evaluation it was concluded that additional support was warranted and the project should be continued.

FY 1977 Program: $300,000 is proposed to fund 11 new fellowships in fields such as agricultural economics, rural sociology, and rural agriculture education.

U.S. DOLLAR COST (In Thousands)

	Obligations	Expenditures	Unliquidated
Through 6/30/75	910	660	250
Estimated FY 76	–	250	
Estimated through 6/30/76	910	910	–
Estimated Transition Quarter	250	Future Year Obligations	Estimated Total Cost
Proposed FY 77	300	300	1,760

OBLIGATIONS

Cost Components	Estimated FY 76			Estimated Transition Quarter			Proposed FY 77		
	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total
U.S. Technicians	–	–	–	–	–	–	–	–	–
Participants	–	–	–	–	250	250	–	300	300
Commodities	–	–	–	–	–	–	–	–	–
Other Costs	–	–	–	–	–	–	–	–	–
Total Obligations	–	–	–	–	250	250	–	300	300

PRINCIPAL CONTRACTORS/ AGENCIES

Agriculture Development Council

Country: ASIA REGIONAL

GRANT ACTIVITY DATA

TABLE VI

TITLE	FUNDS	PROPOSED OBLIGATION ($000)	
Cholera Research	Population Planning and Health	FY 77 1,700	
	PRIOR REFERENCE	INITIAL OBLIGATION	SCHEDULED FINAL OBLIGATION
NUMBER 498-11-510-020	p. 182, FY 1976 NESA PDB	FY: 1959	FY: 1978

Project Target and Course of Action: To develop, evaluate and demonstrate effective techniques which will have worldwide application for the prevention, treatment and eradication of cholera. Under the direction of the National Institutes of Health, research and field testing are carried on in Bangladesh, a cholera endemic areas, using the facilities of the Cholera Research Laboratory (CRL) while vaccine production and related research is carried on in the United States. The Government of Bangladesh provides in-kind laboratory, hospital and field services.

Progress to Date: The first ten years of the CRL were devoted to understanding the fundamental mechanism of diarrheal disease, of which cholera is the most severe form. Through this research, CRL developed a simple procedure for treating cholera patients, consisting of replacing the amount of water and basic body salts which are lost in the diarrheal fluids. This treatment reduces cholera fatalities from 40%-50% to less than one-half of one percent, as was demonstrated during a field test at CRL hospital facilities during July-October 1974. The CRL now has a unique capacity among third-world institutions to tackle research problems on the etiology, immunology, therapy and prevention of diarrheal diseases in general. During 1976 an intensive evaluation of this project will be undertaken to determine the future direction of the CRL, with particular emphasis on the appropriateness of broadening the field research to focus more on the interrelationship of diarrheal diseases with nutrition, population dynamics, water supply, and sanitation. The results of the cholera toxoid developed under this project have been less dramatic. The first test showed that the toxoid did not provide a significant improvement over the present whole-cell vaccine in the amount or duration of protection which would be useful in practical cholera control. However, the test did prove that anti-toxic immunity does play a role in resistance to cholera. Research on immunity will now be directed at determining what combination of whole-cell and toxoid antigens will provide a more effective and long-lasting vaccine against cholera. This research will require funding through FY 1978.

FY 1977 Program: $1,700,000 is proposed to finance a Participating Agency Service Agreement with the National Institute of Health to provide for five technicians and up to six man-months of short-term consultant services ($270,000); supplies and equipment ($150,000); and other costs, including local currency expenditures required to carry out cholera research in Bangladesh ($1,280,000).

U.S. DOLLAR COST (In Thousands)

	Obligations	Expenditures	Unliquidated
Through 6/30/75	5,466	5,046	420
Estimated FY 76	1,700	1,620	
Estimated through 6/30/76	7,166	6,666	500
Estimated Transition Quarter	500	Future Year Obligations	Estimated Total Cost
Proposed FY 77	1,700	1,300	10,666

OBLIGATIONS

Cost Components	Estimated FY 76			Estimated Transition Quarter			Proposed FY 77		
	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total
U.S. Technicians . .	-	270	270	-	105	105	-	270	270
Participants	-	-	-	-	-	-	-	-	-
Commodities	-	150	150	-	75	75	-	150	150
Other Costs	-	1,280	1,280	-	320	320	-	1,280	1,280
Total Obligations . .	-	1,700	1,700	-	500	500	-	1,700	1,700

PRINCIPAL CONTRACTORS/ AGENCIES

National Institutes of Health

Country: ASIA REGIONAL

GRANT ACTIVITY DATA

TABLE VI

TITLE	FUNDS	PROPOSED OBLIGATION ($000)	
Regional Education Development (SEAMEO)	Education & Human Resources Development	FY 77 1,380	
NUMBER 498-11-690-198	PRIOR REFERENCE p. 86, FY 1976 East Asia PDB	INITIAL OBLIGATION FY: 1967	SCHEDULED FINAL OBLIGATION FY: 1978

Project Target and Course of Action: The purpose of this project is to assist countries of Southeast Asia in the development of regional education programs. Under the Southeast Asian Ministers of Education Organization (SEAMEO), six institutions for study, research and training have been established with the support of host countries, the United States and other donors.

Progress to Date: Following an initial meeting in November 1965, the SEAMEO Charter was ratified in January 1969, legally establishing the Organization, the governing Ministerial Council (SEAMEC) and the permanent Secretariat (SEAMES), representing founding members Indonesia, Laos, Malaysia, the Philippines, Singapore, Thailand and the Republic of Vietnam, with the Khmer Republic joining in January 1971. (The Indochina countries have not participated since spring 1975.) Regional governing bodies representing the member countries now guide the programs of the regional institutions. The U.S. has provided assistance for planning and early project activities as well as support of up to 50 percent of agreed project costs over a five-year development period for each institution. The Regional Center for Graduate Study and Research in Agriculture (SEARCA) at the University of the Philippines at Los Banos completed its five-year development period in June 1974. Both the Regional Center for Education in Science and Mathematics (RECSAM) in Penang, Malaysia, and the Regional Tropical Medicine and Public Health Project (TROPMED), headquartered in Bangkok with active national centers in five member countries, completed their development periods in June 1975. Operations of SEARCA, RECSAM and TROPMED are now being met by the host countries involved and contributions of other donors.

The Regional English Language Center (RELC) in Singapore and the Regional Center for Tropical Biology (BIOTROP) in Bogor, Indonesia, will complete their development periods in December 1976 and June 1978, respectively; the Regional Center for Educational Innovation and Technology (INNOTECH) which began its development period in Saigon in January 1975 is now temporarily headquartered at SEAMES in Bangkok, and has major pilot programs in the Philippines and Indonesia. The Secretariat sponsors special workshops and seminars of regional concern.

FY 1977 Program: A total of $1,380,000 is proposed as the last U.S. contribution to development costs of BIOTROP ($380,000); for continuing costs of INNOTECH ($900,000) which expects to move to another SEAMEO host country from its temporary Bangkok location; and for specialized advisory assistance ($70,000), commodities ($15,000), and other support services ($15,000).

U.S. DOLLAR COST (In Thousands)

	Obligations	Expenditures	Unliquidated
Through 6/30/75	18,678	16,791	1,887
Estimated FY 76	1,570	1,546	
Estimated through 6/30/76	20,248	18,337	1,911
Estimated Transition Quarter	-	Future Year Obligations	Estimated Total Cost
Proposed FY 77	1,380	1,240	22,868

OBLIGATIONS

Cost Components	Estimated FY 76			Estimated Transition Quarter			Proposed FY 77		
	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total
U.S. Technicians	-	60	60	-	-	-	-	70	70
Participants	-	-	-	-	-	-	-	-	-
Commodities	-	25	25	-	-	-	-	15	15
Other Costs	-	1,485	1,485	-	-	-	-	1,295	1,295
Total Obligations	-	1,570	1,570	-	-	-	-	1,380	1,380

PRINCIPAL CONTRACTORS/ AGENCIES

Southeast Asian Ministers of Education Organization (SEAMEO)

Country: ASIA REGIONAL

GRANT ACTIVITY DATA

TABLE VI

TITLE	FUNDS	PROPOSED OBLIGATION ($000)	
Regional Scholarship Program	Education and Human Resources Development	FY 77 470	
	PRIOR REFERENCE	INITIAL OBLIGATION	SCHEDULED FINAL OBLIGATION
NUMBER 498-11-690-246	p. 87, FY 1976 East Asia PDB	FY: 1975	FY: 1979

Project Target and Course of Action: The purpose of this project is to encourage and strengthen the pattern of within-the-region study and training programs for Southeast Asians through the use of existing regional institutions and organizations as a part of the effort to alleviate priority manpower constraints. Scholarship assistance is provided for a limited period to selected institutions which are capable of offering region-oriented study, training, and research to which A.I.D. general budget support or scholarship funds are not otherwise being provided. Such organizations and institutions are supported basically by host country and other non-U.S. donors. Grants are made to the institutions for their direct administration within overall guidelines.

Progress to Date: Over the past decade a number of institutions have been established in Southeast Asia which focus on programs responsive to regional interests and needs. These include the Asian Institute of Technology (AIT), the International Rice Research Institute (IRRI), the Rodent Research Center, the Asian Institute of Management (AIM), the Asian Vegetable Research and Development Center (AVRDC), the Southeast Asian Agency for Transport and Communications (SEATAC), the Inter-Governmental Coordinating Committee for Southeast Asia Regional Cooperation in Family and Population Planning (IGCC), and the Southeast Asian Ministers of Education Organization (SEAMEO), which sponsors regional educational coordination and the development of regional education centers. Such institutions and organizations have been assisted in their development by the participating regional countries, the United States and other donor countries, as well as by private and international donor sources, including foundations. Scholarships were provided for 75 short-term and 93 long-term students in FY 1975, with FY 1976 funding programmed for 77 short-term and 81 long-term scholarships.

FY 1977 Program: $470,000 is proposed to finance 83 short-term and 132 long-term scholarships at selected Southeast Asian institutions and organizations.

U.S. DOLLAR COST (In Thousands)

	Obligations	Expenditures	Unliquidated
Through 6/30/75	530	530	-
Estimated FY 76	480	480	
Estimated through 6/30/76	1,010	1,010	-
Estimated Transition Quarter	-	Future Year Obligations	Estimated Total Cost
Proposed FY 77	470	725	2,205

OBLIGATIONS

Cost Components	Estimated FY 76			Estimated Transition Quarter			Proposed FY 77		
	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total
U.S. Technicians	-	-	-	-	-	-	-	-	-
Participants	-	-	-	-	-	-	-	-	-
Commodities	-	-	-	-	-	-	-	-	-
Other Costs	-	480	480	-	-	-	-	470	470
Total Obligations	-	480	480	-	-	-	-	470	470

PRINCIPAL CONTRACTORS/ AGENCIES

Southeast Asian Organizations and Institutions

Country: ASIA REGIONAL

GRANT ACTIVITY DATA

TABLE VI

TITLE	FUNDS	PROPOSED OBLIGATION ($000)	
Asian Free Labor Union Development	Education and Human Resources Development	FY 77 3,800	
NUMBER 498-11-410-017	PRIOR REFERENCE p. 89, FY 1976 EA PDB p. 185, FY 1976 NESA PDB	INITIAL OBLIGATION FY: 1969	SCHEDULED FINAL OBLIGATION FY: 1979

Project Target and Course of Action: To increase the well-being of both rural and urban lower income worker populations through community development services, training, and other support provided by free and democratic trade unions and cooperatives throughout Asia and the Mideast. AAFLI encourages and strengthens free trade union movements in these areas. AAFLI representatives work with local unions in providing technical advice and material assistance toward design and implementation of workers' education and community projects. These activities are aimed at upgrading union leadership, administration, collective bargaining skills, and membership and community services and at developing union-sponsored consumer cooperatives, credit unions, medical clinics, and vocational skills training programs. AAFLI contracts with AFL-CIO affiliates and international trade secretariats such as the International Federation of Petroleum and Chemical Workers, the Retail Clerks International Association, and the American Federation of Teachers for short-term field workshops and seminars. AAFLI also sponsors attendance of union leaders at international union conferences, workshops, and training programs in the United States.

Progress to Date: Since the original A.I.D. contract with AAFLI in 1968, over 33,000 trade union officers and members have participated in AAFLI-sponsored education seminars in 16 Asian and Mideast countries. Union organization, development and management of cooperatives and upgrading of union members' skills have been the principal topics of AAFLI's training programs. Their overseas staff and consultants have provided assistance in planning and implementing social development projects. They have also provided technical assistance to trade unions, including programs which involve women in union membership and leadership roles. During 1977 a joint in-depth evaluation will be made to determine the future directions of A.I.D.-funded AAFLI programs.

FY 1977 Program: A total of $3,800,000 is proposed to support: 33 trade union specialists (16 in the field and 17 in Washington) and consultants ($1,475,000); participant training ($130,000); equipment, vehicles and supplies ($110,000); educational and social development projects ($1,205,000); union-to-union projects ($250,000); local staff ($170,000); and other direct support costs ($460,000).

U.S. DOLLAR COST (In Thousands)

	Obligations	Expenditures	Unliquidated
Through 6/30/75	9,178	6,646	2,532
Estimated FY 76	2,300	3,632	
Estimated through 6/30/76	11,478	10,278	1,200
Estimated Transition Quarter	2,200	Future Year Obligations	Estimated Total Cost
Proposed FY 77	3,800	8,400	25,878

OBLIGATIONS

Cost Components	Estimated FY 76 Direct AID	Estimated FY 76 Contract/Other Agency	Estimated FY 76 Total	Estimated Transition Quarter Direct AID	Estimated Transition Quarter Contract/Other Agency	Estimated Transition Quarter Total	Proposed FY 77 Direct AID	Proposed FY 77 Contract/Other Agency	Proposed FY 77 Total
U.S. Technicians	-	850	850	-	700	700	-	1,475	1,475
Participants	-	100	100	-	100	100	-	130	130
Commodities	-	100	100	-	100	100	-	110	110
Other Costs	-	1,250	1,250	-	1,300	1,300	-	2,085	2,085
Total Obligations	-	2,300	2,300	-	2,200	2,200	-	3,800	3,800

PRINCIPAL CONTRACTORS/AGENCIES

Asian-American Free Labor Institute (AAFLI)

Country: ASIA REGIONAL

GRANT ACTIVITY DATA

TABLE VI

TITLE	FUNDS	PROPOSED OBLIGATION ($000)	
Private and Voluntary Organizations	Development Activities under Section 106	FY 77 3,800	
NUMBER 498-13-899-251	PRIOR REFERENCE: P.93, FY 1976 EA PDB; p.187, FY 1976 NESA PDB	INITIAL OBLIGATION FY: 1976	SCHEDULED FINAL OBLIGATION FY: 1979

Project Target and Course of Action: The purpose of this project is to support economic and social development activities of private and voluntary organizations (PVOs) which are designed to assist directly low-income groups in developing countries of Asia. These activities generally represent an innovative approach in improving the welfare of the poor majority or a technical assistance activity which could be institutionalized with local or other non-U.S. Government resources. Activities approved under this project are funded by special operational program grants with the PVOs. This arrangement recognizes the capacity of the PVOs to accept full responsibility for the planning, management and implementation of development activities. All activities funded under this project must have the approval of the host governments and must show at least 25% of the estimated expenditures of the activities being met by non-U.S. Government sources.

Progress to Date: During the first half of FY 1976, the American Kor-Asian Foundation, Asia Foundation, Catholic Relief Services, Community Development Foundation/Save the Children Federation, Heifer Project International, and several local PVOs jointly with a few of the aforementioned American PVOs submitted proposals for funding under this project. These proposals are for activities in Korea, the Philippines, and Thailand and whose life-of-project A.I.D. contributions range from $30,000 to nearly $900,000. The objectives of the proposals include the testing of models for integrated rural development at the village level; the development of pilot projects for rabbit and swine raising and marketing; the establishment of an agricultural training center in the Philippines geared principally to the needs of Moslem villages; the demonstration of an integrated health, economic development and family life project; the support of credit union training and development; and the undertaking of education and information programs designed to improve village food production and dietary habits.

Most PVOs applying for grants under this project are already operating in Asia and are registered with the Advisory Committee on Voluntary Foreign Aid of AID.

FY 1977 Program: $3,800,000 is proposed to finance the costs of 20 to 30 new and continuing Operational Program Grants with PVOs.

U.S. DOLLAR COST (In Thousands)

	Obligations	Expenditures	Unliquidated
Through 6/30/75	–	–	–
Estimated FY 76	1,550	1,050	
Estimated through 6/30/76	1,550	1,050	500
Estimated Transition Quarter	100	Future Year Obligations	Estimated Total Cost
Proposed FY 77	3,800	8,000	13,450

Cost Components	OBLIGATIONS									PRINCIPAL CONTRACTORS/ AGENCIES
	Estimated FY 76			Estimated Transition Quarter			Proposed FY 77			
	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total	
U.S. Technicians	–	–	–	–	–	–	–	–	–	Private and Voluntary Organizations
Participants	–	–	–	–	–	–	–	–	–	
Commodities	–	–	–	–	–	–	–	–	–	
Other Costs	–	1,550	1,550	–	100	100	–	3,800	3,800	
Total Obligations	–	1,550	1,550	–	100	100	–	3,800	3,800	

Country: ASIA REGIONAL

GRANT ACTIVITY DATA

TABLE VI

TITLE	FUNDS	PROPOSED OBLIGATION ($000)	
Program Development and Support	Food & Nut.; Pop. Planning & Health; Ed. & Human Res. Devel.; Devel. Activities	FY 77 2,950	
NUMBER 498-11-995-249	PRIOR REFERENCE p. 91, FY 1976 East Asia PDB; p. 178, FY 1976 NESA PDB	INITIAL OBLIGATION FY: 1976	SCHEDULED FINAL OBLIGATION FY: 1980

Project Target and Course of Action: The purpose of this project is to finance the costs of designing new loan and grant projects for the development programs in Asia; of undertaking region-wide studies of critical development problems, country sector studies, and research in support of planning future programs; of focusing on special issues such as energy, human rights and women in development; of exchanging ideas and experiences on basic development issues through workshops and seminars; of evaluating the impact of completed programs and ongoing projects where evaluation funds are not otherwise provided for; and of providing other technical services in support of the programs. This project also provides minor support to activities of regional organizations such as the Colombo Plan and the Economic and Social Commission for Asia and the Pacific (ESCAP).

Progress to Date: During FY 1976 the following program development and support are being undertaken in Asian Countries: Food Production and Nutrition: plant protection (Pakistan), ground water consultant services (Nepal), technical assistance in developing an agricultural research loan (Sri Lanka), and in rice storage and processing (Sri Lanka). Population Planning and Health: consultant services in basic health services (Pakistan) and other activities. Education and Human Resources Development: research design for an education development loan (Pakistan) and other activities. Development Activities: technical assistance in planning a rural development program (Pakistan), a pilot rural electric cooperative distribution study (Indonesia), design team for the Lam Nam Oon irrigation project (Thailand), consultant services to assess water-related projects (Indonesia and Philippines) and other activities.

FY 1977 Program: A total of $2,950,000 is proposed to support activities under this project. Of this amount, $1,900,000 is for project design, evaluation and consultants in support of eight bilateral missions; $900,000 is for studies, research, workshops/seminars and related program development activities; and $150,000 is for miscellaneous technical assistance, including support to regional organizations.

Estimates for utilizing FY 1977 funds, identified by appropriation category are as follows:

	($000)
Food and Nutrition	300
Population Planning and Health	100
Education & Human Resources Development	400
Development Activities under Sec. 106	2,150
Total	2,950

U.S. DOLLAR COST (In Thousands)

	Obligations	Expenditures	Unliquidated
Through 6/30/75	-	-	-
Estimated FY 76	1,250	950	
Estimated through 6/30/76	1,250	950	300
Estimated Transition Quarter	625	Future Year Obligations	Estimated Total Cost
Proposed FY 77	2,950	7,500	12,325

Cost Components	OBLIGATIONS								
	Estimated FY 76			Estimated Transition Quarter			Proposed FY 77		
	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total	Direct AID	Contract/ Other Agency	Total
U.S. Technicians . .	-	900	900	-	400	400	-	1,605	1,605
Participants	-	-	-	-	-	-	-	-	-
Commodities	-	-	-	-	-	-	-	-	-
Other Costs	-	350	350	-	225	225	-	1,345	1,345
Total Obligations . .	-	1,250	1,250	-	625	625	-	2,950	2,950

PRINCIPAL CONTRACTORS/ AGENCIES
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TABLE V

GRANT ACTIVITY SUMMARY

(In thousands of dollars)

COUNTRY: KOREA

Project Title	*	Project Number	FY of Initial Obligation	FY of Scheduled Final Obligation	Through FY 1975			Estimated FY 1976			Estimated Transition Quarter	Proposed Program FY 1977	Future Year Obligations	Estimated Total Cost
					Obligations	Expenditures	Unliquidated Obligations 6/30/75	Obligations	Expenditures	Unliquidated Obligations 6/30/76				
FOOD AND NUTRITION								292			-	-	-	
Agricultural Planning		489-11-110-685	1973	1976	1,030	507	523	292	532	283	-	-	-	1,322
POPULATION PLANNING AND HEALTH								-			-	-	-	
Health Planning		489-11-590-708	1974	1975	710	100	610	-	447	163	-	-	-	710
EDUCATION AND HUMAN RESOURCES DEVELOPMENT								300			-	-	-	
General Training and Advisory Services		489-15-280-673	1971	1976	1,215	809	406	170	376	200	-	-	-	1,385
Korea Development Institute		489-15-755-674	1971	1976	1,353	1,189	164	130	227	67	-	-	-	1,483
							Total	592	1,582	713	-	-		

*Detailed project narrative—See Table VI.

SUMMARY OF ACTIVE DEVELOPMENT LOANS
Authorized as of 12/31/75
(In thousands of dollars)

COUNTRY: Korea

TABLE VII

Loan No.	Title	Date		Grace Period (years)	Life of Loan (years)	Interest Rate (%)		Currency of Repayment	Amount Authorized	As of 12/31/75		
		Authorized	Loan Agreement			Grace Period	Amortization			Amount Disbursed	Principal Repayments	Interest Collected
489-H-038	Chong Gye Chun Sewage Treatment	6-9-66	7-13-66	10	40	1	2-1/2	U.S. $	3,500	2,094		26
489-H-047	Second Trans. and Distrib. Project	5-9-67	6-17-67	10	40	1	2-1/2	U.S. $	10,647	10,255		353
489-H-081	Korea Advanced Institute of Science	6-25-71	8-31-71	10	40	2	3	U.S. $	6,000	2,945		62
489-H-083	Second Feasibility Studies	11-22-71	1-20-72	10	40	2	3	U.S. $	2,000	1,080		22
489-H-085	Elem. Middle School Pilot Project	4-13-72	9-13-72	10	40	2	3	U.S. $	2,500	1,879		19
489-T-088	Agricultural Research Project	12-11-73	1-28-74	10	40	2	3	U.S. $	5,000	256		-
489-U-089	Chong Gye Chun Sewage Treatment	3-1-74	4-19-74	10	40	2	3	U.S. $	2,638	197		-
489-T-090	Irrigation Construction	5-31-74	9-11-74	10	40	2	3	U.S. $	25,700	6,580		50
489-V-091	Seoul National University Project	5-16-75	9-13-75	10	40	2	3	U.S. $	5,000	-		-
489-U-092	Health Demonstration Project	6-20-75	9-13-75	10	40	2	3	U.S. $	5,000	-		-
489-W-093	Standards Research Institute	9-18-75	9-19-75	10	40	2	3	U.S. $	5,000	-		-

TABLE V

Indus Basin Development Fund

GRANT ACTIVITY SUMMARY

(In thousands of dollars)

Project Title	*	Project Number	FY of Initial Obligation	FY of Scheduled Final Obligation	Through FY 1975			Estimated FY 1976			Estimated Transition Quarter	Proposed Program FY 1977	Future Year Obligations	Estimated Total Cost
					Obligations	Expenditures	Unliquidated Obligations 6/30/75	Obligations	Expenditures	Unliquidated Obligations 6/30/76				
Indus Basin Development Fund, under Section 302 (b)(2) of the Foreign Assistance Act of 1961, as amended. (In accordance with commitments under Indus Basin Development Fund Agreement, as amended)			1961	T.Q.	268,600	268,600	-	22,500	22,500	-	4,500	-	-	295,600
(Note: Amounts do not form part of Asia Development Assistance total.)														
							Total	22,500	22,500	-	4,500	-		

*Detailed project narrative—See Table VI.

SUMMARY OF ESTIMATED DEVELOPMENT LOAN AUTHORIZATIONS
Balance FY 1976 and Transition Quarter (1/1/76 - 9/30/76)

Indus Basin Development Fund (In Thousands of Dollars) TABLE VIIa

TITLE	AMOUNT
Indus Basin Development Fund under Section 302(b)(1) of the Foreign Assistance Act of 1961, as amended. (In accordance with Tarbela Development Fund Supplemental Agreement of August 15, 1975 for repairs to Tarbela Dam.)	10,000 1/
1/ Amount does not form part of Asia Development Assistance total.	

Additional Program
Requirements

ADDITIONAL PROGRAM REQUIREMENTS

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Country: BANGLADESH

LOAN ACTIVITY DATA

ADDITIONAL PROGRAM REQUIREMENT

TITLE	FUNDS	PROPOSED OBLIGATION ($000)
Kurigram (North Unit)	Food and Nutrition	17,000
	KIND OF LOAN: Project	INITIAL OBLIGATION FY: 1977

Goal: To increase food production in the Kurigram (North Unit) region.

Purpose: The first phase of this project will provide year-round irrigation in the Kurigram (North Unit) water control project area in Northern Bangladesh. Subsequently, a Phase II project will provide flood control in the project area.

Background: The Bangladesh Government, with the assistance of A.I.D. consultants has planned irrigation, drainage and flood control development of the project area (103,000 acres) and complementary provision of other agricultural inputs with the principal objective of increasing food production. The project area has been considered one of low productivity and low rural income levels and has been subjected to periodic flooding with resultant crop destruction and social dislocation. The nation's current five-year plan stresses the importance of increased agricultural production and rural employment; both objectives are stressed in this project.

The project plan calls for maximum use of labor intensive construction methods which will be supported by PL 480 Title II Food for Work commodities through the Bangladesh Rural Public Works program.

Major Outputs: The first phase of this project is designed to serve 30,800 acres by irrigation canals and to enable 60% of farmers in the project area to use improved agricultural inputs. By 1983, net increased food production from Phases I and II should reach 46,000 MT or rice (a rise of almost 100%) and 57,000 MT of wheat (up from a near zero base).

Host Country and Other Donors:

Host Country	$26.7 million for the two phases of the project.
International Development Association	Possible tube well program if it is necessary to supplement surface water irrigation.
Asian Development Bank	Supports irrigation works in other areas of Bangladesh and has asked that A.I.D. keep it advised on developments in the Kurigram region.
United Kingdom	Is contemplating assistance to this project if it determines that other project areas under consideration cannot be immediately developed.

A.I.D. Financed Inputs (in $'000)

CAPITAL FINANCE:	1977	All Years
Phase I: Reimbursement of part of the costs of equipment, material, construction, and engineering services for irrigation development	17,000	
Phase II: Cost of construction and related services		32,558
Total	17,000	32,558

Country: INDONESIA

LOAN ACTIVITY DATA

ADDITIONAL PROGRAM REQUIREMENT

TITLE	FUNDS	PROPOSED OBLIGATION ($000)
Luwu Area Development - Phase II	Food and Nutrition	20,000
	KIND OF LOAN: Project	INITIAL OBLIGATION FY: 1977

Goal: This project supports the goal of the Government of Indonesia to improve the well-being of the rural poor.

Purpose: To increase agricultural productivity, expand employment opportunities, provide a social services delivery system and improve local government institutional capability in the Luwu project area.

Background: This project is the second phase of an integrated area development program in the Luwu District of South Sulawesi Province. The first-phase project, being financed under an A.I.D. loan authorized in FY 1975, will finance trunk highway construction, irrigation development, and farm service centers. The second phase will improve and expand rural roads connecting with the highway being constructed under Phase I and develop or improve irrigation in additional subproject areas. Health, sanitation, water supply, education, agricultural extension, and small industry services will also be expanded. Provision will also be made for a small credit fund lending about $100,000 maximum for agricultural/commercial/industrial purposes. Assistance in planning and administering the project will be delivered at the provincial and district level, complementing assistance at the national level in the first phase of the Luwu project.

Major Outputs:

1. 125 kilometers of feeder/village roads upgraded/constructed.
2. 18,000 additional hectares of irrigated crops.
3. Rural Extension Center operating as planned.
4. Food cash crop production program operating as planned.
5. Small industry program operating as planned.
6. $100,000 of small credit loans for agricultural/commercial/industrial purposes.
7. Palopo Hospital and health centers operating as planned
8. Health auxiliary worker training school operating as planned.
9. Palopo city water supply operating as planned.

Host Country and Other Donors:

Host Country	More than half the cost of the project.
Netherlands	A grant for design of the irrigation system.
World Food Program, Canadian Government, and the World Bank	Further assistance is comtemplated for the Luwu district.

A.I.D. Financed Inputs (in$000)

PERSONNEL: 144 man-months of advisory services.	820
COMMODITIES: road maintenance equipment	250
CAPITAL FINANCE: part of the costs of:	
Village/feeder roads	6,000
Irrigation construction	10,000
Health, sanitation, water, agricultural extension, education, and small industry facilities	2,660
Small credit fund	100
Local training and evaluation costs	170
Total	20,000

Country: INDONESIA

LOAN ACTIVITY DATA

ADDITIONAL PROGRAM REQUIREMENT

TITLE	FUNDS	PROPOSED OBLIGATION ($000)
Community Immunization	Health	6,000
	KIND OF LOAN: Project	INITIAL OBLIGATION FY: 1977

Goal: This project supports the Government of Indonesia goal of improving the health of the Indonesian people.

Purpose: The purpose of the project is to accelerate and expand the present national immunization program by enabling it to deliver preventive services to a greater portion of the rural population, especially mothers and young children and to add protection against additional diseases.

Background: This project will provide for increasing the domestic source of vaccines and for a "cold chain" of refrigerated facilities from the point of manufacture to the point of immunization. Lack of the "cold chain" has prevented delivery of most vaccines to outlying areas. In the past mass immunization has been successful; a World Health Organization (WHO) campaign eliminated smallpox in Indonesia by 1972 (smallpox vaccine is heat stable). The project target includes reaching 80% of the total population of young children with protection against tetanus, diptheria, and pertussis; it will provide protection against tetanus to all expectant mothers treated in Ministry of Health facilities and those reached by village vaccinators, and will expand national protection against tuberculosis.

Major Outputs (by phase)	Phase I FY 77-79	Phase II FY 79-81	Phase III FY 81-83
1. Adequate domestic source of vaccines	10%	50%	100%
2. Sufficient supply of vaccines	20%	50%	100%
3. Effective cold chain		X	--
4. Provision of other essential equipment and supplies		X	--
5. Adequate operational system including logistics, maintenance of cold chain and transport		X	--
6. A reliable communicable disease surveillance system			X

Host Country and Other Donors:

Host Country	More than half of project costs as additional health outlays beyond present levels.
UNICEF	About 40% of the required kerosene-operated refrigerators for community health centers.
WHO	Vaccinators trained under the previous WHO immunization campaign against smallpox and tuberculosis will be utilized by this project.

A.I.D. Financed Inputs (in $000)

PERSONNEL: 170 man-months of advisory services for immunization operations, vaccine production and distribution and epidemiology.	600
TRAINING; 4 short-term participants in vaccine production and 2 long-term participants in immunization operations;	100
in-country training for vaccinators;	100
COMMODITIES: Vaccine production equipment, equipment for refrigerators and distribution of vaccines;	3,900
Vaccines.	1,000
CAPITAL FINANCE: Part of costs of constructing distribution facilities,	200
Part of local research costs.	100
Total	6,000

Country: PAKISTAN

LOAN ACTIVITY DATA

ADDITIONAL PROGRAM REQUIREMENT

TITLE	FUNDS	PROPOSED OBLIGATION ($000)
Rainfed Agriculture Production	Food and Nutrition	10,000
	KIND OF LOAN: Project	INITIAL OBLIGATION FY: 1977

Goal: To increase real income for low-income farmers in non-irrigated areas of Pakistan. This project is one of a cluster of proposed new activities supporting Pakistan's goal of increasing villagers' participation in the nation's economic and social processes.

Purpose: To increase agriculture productivity for small farmers in rainfed areas.

Background: About 7.5 million acres are farmed by about 1.5 million families in the rainfed areas of Pakistan. Per-acre productivity is lower than in any other area of the country, as is real income. More than 2,800 wheat and corn demonstrations and trials during the 1973-75 period have proven that major increases are obtainable. The Dryland Agriculture Development grant project was initiated in FY 1975 to identify and demonstrate small-farm techniques which combine improved varieties with fertilizer and water conservation practices to some 30,000 farmers and to analyze behavioral factors (economic, social, cultural) which influence the acceptance of new technology. This proposed loan project will complement the grant project, expanding the number of demonstration farms, providing agricultural supply, credit, and marketing services and training extension workers and technicians.

Major Outputs: This project will complement programs to improve small farmer access to agricultural inputs by providing $6,450,000 of additional credit to small farmers, by making possible 30 additional wholesale fertilizer outlets and 30 additional grain and oilseed storage outlets, by providing credit outlets to serve each 1,000 farmers in the assisted areas, and by training over 1,000 Pakistani extension workers and technicians. In the three-year project life, 100,000 farmers are to be provided demonstrations of improved techniques, and radio and printed agricultural improvement information will be increased.

Host Country and Other Donors:

Host Country	Pakistan is financing more than half of the costs of this effort.
Host Country, IBRD and Ford Foundation	Are cooperating in financing increases in the total availability of fertilizer and improved seed and training of agricultural extension workers.

A.I.D. Financed Inputs (in $'000)

PERSONNEL: 10 man-years of advisory services	750
TRAINING: 115 man-months for Pakistani personnel	100
COMMODITIES: Storage equipment, vehicles and parts, farm machinery, communications equipment, and scientific equipment	2,250
CAPITAL FINANCE:	
Extension of credit	6,450
Supplies purchased in Pakistan	450
Total	10,000

Country: PHILIPPINES

LOAN ACTIVITY DATA

ADDITIONAL PROGRAM REQUIREMENT

TITLE	FUNDS	PROPOSED OBLIGATION ($000)
Small Scale Irrigation II	Food and Nutrition	10,000
	KIND OF LOAN Project	INITIAL OBLIGATION FY: 1977

Goal: To increase rice production and incomes of tillers of small farms.

Purpose: To increase production, income and employment in project areas through the provision of irrigation facilities to small-scale farmers.

Background: This proposed loan will continue and expand the ongoing Small Scale Irrigation Project which enables the Government of the Philippines Farm Systems Development Corporation (FSDC) to provide small irrigation systems as an essential factor in increasing rice production. The FSDC assists numerous Irrigators' Service Associations both with irrigation systems and improving farm methods and with processing and marketing practices. Under the first loan, rehabilitation of 25,000 hectares will be undertaken initially, and then an additional 15,000 hectares will be brought under irrigation. The first loan will improve the income levels of 25,000 small-scale rice farmers.

Major Outputs: The second loan and related technical assistance will assist in extending irrigation facilities to an additional 110,000 hectares affecting 55,000 small-scale farmers. The target is an increase in annual rice production of 560,000 MT. Over a four-year period income of the beneficiaries is expected to increase by 40% as a result of irrigation improvements and another 30% from improved harvest processing and marketing practices.

Host Country and Other Donors:

Philippine Government	Equivalent of approximately $11.7 million of project costs.
World Bank	Reviewing FSDC program and studying proposed project for irrigation systems of less than 3,000 hectares.
Austria and West Germany	Reviewing FSDC program.

A.I.D. Financed Inputs (in $000)

CONTRACT: Contract engineering design services	1,900
COMMODITIES	400
CAPITAL FINANCE: For part of local costs of irrigation systems	7,700
Total	10,000