PD-BBA-965

LIMITED SCOPE GRANT AGREEMENT

Between the United States of America, acting through the Agency for International Development (AID)

AND

GOVERNMENT OF MAURITIUS

(Grantee)

1. Project Title	2. AID Project Number
HUMAN RESOURCES DEVELOPMENT ASSISTANCE	698-0463.42

The above-named parties hereby mutually agree to carry out the Project described in this Agreement in accordance with (1) the terms of this Agreement, including any annexes attached hereto, and (2) any general agreement between the two governments regarding economic or technical cooperation.

3. Amount of AID Grant	4. Grantee Contribution to the Project	5. Project Assistance Completion Date
$ 750,000	$ 283,000	SEPTEMBER 30, 1990

6. This Agreement consists of this title page and

ANNEX A - Project Description
ANNEX B - Budget
ANNEX C - Country Training Plan
ANNEX D - Proag Standard Provisions

7. For the Grantee	8. For the Agency for International Development
Typed Name Dr. Beergoonath Ghurburrun	Typed Name Ronald D. F. Palmer
Signature	Signature
Title Deputy Prime Minister and Minister of Economic Planning & Development	Title United States Ambassador
Date August 30, 1988	Date August 30, 1988

AID 1330-17 (5-79) - Cover Page

BEST AVAILABLE DOCUMENT

PROJECT AGREEMENT

ANNEX A

PROJECT DESCRIPTION

1. Project Title: Human Resources Development Assistance

2. AID Project Number: 698-0463.42

3. Project Purpose: This project will assist the Grantee in meeting critical human resource requirements by providing financial assistance for those training activities, agreed upon on an annual basis, based on the country training plan, contained in Annex C. This Country Training Plan reflects agreement between A.I.D. and the Grantee as to priority training requirements which are consistent with the development objectives of both parties. The A.I.D. area of concentration in Mauritius is industrial diversification and expansion, leading to improved economic stability and increased incomes. This project will support human resource development activities in this area. Included here are environmental, infrastructure and manpower development activities related to the area of concentration.

4. Types of Training: Training may include long and short-term academic and technical training in the United States or in third countries, particularly other African countries, in-country short-term technical training and in-country seminars, workshops, special courses and applied research activities. Academic training programs offered by Mauritian institutions cannot be financed under this project. Training opportunities for women and the private sector will be encouraged in all categories of training.

a. In-country training: This category includes support for in-country technical training, such as workshops, seminars, applied research which is undertaken with the supervision of a qualified training institution or organization, and other training which strengthens national development objectives. These activities will be encouraged for both national and, when appropriate, regional audiences. These programs will normally be conducted in conjunction with a local organization in order to strengthen host country institutional capability to deliver subsequent programs of the same type. In-country training may not include academic training or long-term technical training leading to a degree or diploma.

BEST AVAILABLE DOCUMENT

b. Short-term U.S. and third-country training: This category covers short-term training activities and work/study tours in the U.S. and third countries, particularly other African countries. These programs are generally for less than six months.

c. Third-country long-term academic and technical training: This category covers academic and technical training in Africa and other developing countries, and may be at any level. Individual training programs should normally not extend beyond three years in duration. Long-term training will be supported in other developing countries, particularly in Africa, generally in the fields of study listed in Paragraph 5.B below. Training in African institutions shall be encouraged whenever possible as an alternative to U.S. training.

d. U.S. long-term academic and technical training: Training in the United States will be at the master's level, except in special cases where bachelor degrees can be justified, particularly for women. Individual training programs should generally not exceed three years in duration. Candidates for advanced degrees will be encouraged to write theses or dissertations, on topics directly related to the project area of concentration. Training in the United States will be financed usually for those disciplines for which comparable training does not exist in Africa.

5. Fields of Study: Training programs to be financed under this project are restricted to subject matters that are directly related to those priority areas which will contribute to the economic and social development of Mauritius, as identified in the country training strategy and plan attached as annex C.

a. Short-term training includes:

1) Special courses designed to meet specific development needs, to be arranged through third-country regional, national or private institutions or organizations on an ad hoc basis, including workshops, seminars and conferences.

2) Short development courses in the United States such as those offered by the United States Department of Labor and universities specializing in development for qualified professionals who need technical or observational programs to upgrade their skills; seminars; conferences; and special training as arranged by organizations such as Entrepreneurs International for individuals from the private sector.

BEST AVAILABLE DOCUMENT

3

3) Work/study tours to other developing countries to observe management and marketing techniques and application of technologies; short-term internships; and observational visits to countries where there are activities related to the focus of the training strategy for Mauritius.

4) Training in African institutions and centers for professional and continuing education offered on a regularly scheduled basis. This includes courses given by the private sector, international organizations and developing country institutions.

b. Long-term training - the following fields are illustrative of those subject matter areas which may be financed:

-- Business administration, accounting, marketing, and other skills related to enterprise management;
-- Computer science and management;
-- Banking and finance;
-- Environmental engineering, natural resource planning, and land use planning;
-- Agro-industry and food technology
-- Applied economics;
-- Research and product development;
-- Adult education and communication skills for trainers;
-- Public sector management and administration;
-- Agricultural education, economics and farm management;
-- Crop and livestock research and disciplines related to food production and animal husbandry, including nutrition;
-- Mother and child health and family planning.

6. Selection criteria for candidates: Training will be for private and public sector personnel who meet at least one of the following criteria:

a. Individuals with skills which address critical constraints in the private and public sectors related to project objectives and who can promote achievement of those objectives by acquiring additional training.

b. Private sector candidates which may include owners and employees of privately held, for-profit firms; self-employed entrepreneurs; staff of private sector associations which support or represent the private sector; trainers and educators working directly with the private sector; and bank officers engaged in activities related to project objectives. Public sector officials directly responsible for policies or regulations affecting investment in and growth of the private sector are also included.

7. Implementation and Management Responsibilities

The Ministry of Economic Planning and Development (MEPD) will be responsible for overall project implementation and monitoring. MEPD, with assistance from the Mauritius Employers' Federation (MEF) on the private sector side, will handle all in-country logistics and physical arrangements as well as local contracting. In addition, the project documentation requirements, eg. PIO/Ps, PIO/Ts, scopes of work, etc., will be met through joint action of MEPD's Manpower Planning and Training Division (MPTD) and U.S. Embassy staff, with supervision and review provided by REDSO/ESA. .

A program coordination committee, consisting of MEPD as chair, and as members Ministry of Industry (MOI), MEF, Mauritius Chamber of Commerce and Industry (MCCI), Mauritius Export Processing Zone Association (MEPZA), Mauritius Export Development and Investment Association, and others as deemed necessary, will be responsible for, among other tasks, organizing participant selection and coordinating HRDA activities with Industrial Development Program activities.

Responsibilities are summarized as follows:

TASK	RESPONSIBLE ORGANIZATION
In-country	
Logistical support	MEPD
Participant selection	Coordination Committee
Local faculty and consultant selection	Coordination Committee
Preparation of AID documentation for contracting expatriate consultants	MEPD and U.S. Embassy, technical supervision by REDSO/ESA
Supervision	MEPD
Preparation of overseas participants	MEPD
Programming future project activities	Coordination Committee
Overseas	
Identification of and contracting with expatriate consultants	AID/W, using available resources
Placement of overseas participants	AID/W, using available resources

Coordination

Project entity liasing	MEPD
Coordinating HRDA and IDP	Coordination Committee
Developing and maintaining institutional links	MEPD and project participant organizations
Monitoring project goal achievement	MEPD with U.S. Embassy and REDSO/ESA

8. First Year Program: The plan for utilization of the funds obligated herein is described in Annex C of this Agreement. This plan, which includes identification of specific activities for the first project year and an indicative list of activities for the second project year, may be modified as required from time-to-time by project implementation letters to reflect changes in the priorities by mutual agreement between the grantee and A.I.D.

9. Subsequent Year Programs: Training programs for future years will be concentrated in those fields of study as mutually agreed upon by the grantee and A.I.D. The training strategy as contained in Annex C will form the basis for preparing future training plans which will be approved by the parties at the time of future obligation of funds.

10. Financial Plan:

a. A.I.D. contribution: A.I.D.'s contribution to the project will be provided in annual increments, the initial one made in accordance with item 3 of the title page of this agreement. Subsequent increments will be subject to the availability of A.I.D. funds for the purpose of this agreement as described in paragraph 3, above, of this annex, and to the mutual agreement of the grantee and A.I.D., at the time of each subsequent increment, to proceed. Each increment will fund training programs to begin in the same or subsequent A.I.D. fiscal year.

A.I.D will fund the following project costs:

1) In-country training

(a) Short-term, including contract, travel and per diem costs of expatriate trainers, and a modest amount of materials for use in the specific training activity.

G

2) Third-country training

(a) Short-term, including costs of tuition, books, travel in the country of training, maintenance allowances, health and accident insurance, and 50% of international travel.

(b) Work/study tours, including costs of professional escort, per diem and 50% of international travel.

(c) Long-term academic, including costs of tuition, books, travel in the country of training, institutional fees, maintenance allowances, health and accident insurance and 50% of international travel between the participant's residence and the place of training and return after completion of the program.

3) U.S. training

(a) Short-term training, including costs of tuition, health and accident insurance, maintenance allowances and 50% of international travel.

(b) Work/study tours, including costs of professional escorts, health and accident insurance, per diem and 50% of international travel.

(c) Long-term training, including costs of tuition, books, travel in the U.S., institutional fees, health and accident insurance, maintenance allowances and 50% of international travel between the participant's residence and the place of training and return after completion of the program.

b. Grantee contributions: The grantee will fund the following project components:

1) Local costs incidental to the departure of GOM participants of overseas activities, including transportation costs in Mauritius and per diem, if applicable, exit visa and passport fees, medical exams, immunizations and testing fees for English or other entrance examinations and 50% of international travel costs for public sector trainees; and

2) Maintenance of the GOM participants' full salaries while they are in training and other employee benefits such as housing, medical care, etc. as applicable.

7

c. Private sector and parastatals: In support of training hereunder, private sector firms or individuals and parastatal organizations will be required to provide for their employee(s):

1) Local costs incidental to the departure of participants of overseas activities, including transportation costs in Mauritius and per diem, if applicable, exit visa and passport fees, medical exams, immunizations and testing fees for English or other entrance examinations and 50% of international travel costs; and

2) Maintenance of the participants' full salaries while they are in training and other employee benefits such as housing, medical care, etc. as applicable.

11. Evaluation

The grantee and A.I.D. agree to periodically evaluate the effectiveness of training financed by the agreement, to determine whether the training is furthering objectives of the project. The evaluations will analyze data on participants having completed training activities and make recommendations regarding the participant selection process; assess the adequacy of planning and implementation of the training activities; ascertain if the content of the training was relevant and appropriate; review the contributions of the parties and the private sector; assess whether the covenants to this agreement are being respected; and assess the coordination of training activities with the other on-going A.I.D. activities in Mauritius.

12. Covenants

a. The grantee agrees that 50% of the participants financed by this Grant Agreement will be employed in work related to the private sector.

b. The grantee further agrees that 35% of both private and public sector participants financed under this Grant Agreement will be women.

c. The grantee further agrees to provide REDSO/ESA, through the U.S. Embassy in Mauritius, quarterly reports on project disbursements (both grant and local currency) and on project accomplishments. The section of the report on project accomplishments should include a description of project activities held during the reporting period, follow-up activities planned, and linkages between the HRDA project and the Industrial Diversification Project.

8

d. The grantee guarantees that public sector participants having received academic or technical training will return to positions commensurate with their training.

e. The grantee agrees to provide travel documents to persons receiving training outside Mauritius in a timely manner.

f) Except as otherwise agreed to by A.I.D., all goods and services financed under this grant for training activities shall have, with respect to goods, their source and origin, and with respect to services, their nationality, in the United States, in other countries included in A.I.D. Geographic Code 941 or in Mauritius.

13. Representatives

For all purposes relevant to this agreement, the Grantee will be represented by the individual holding or acting in the office of the Minister of Economic Planning and Development who will act as coordinator for the project. A.I.D. will be represented by the individual holding or acting in the office of the REDSO/ESA Director. The parties, by written notice, may designate additional representatives for all purposes other than revising the project description as contained in paragraph 3, above of this annex. The names of the representatives of the Grantee, with specimen signatures, will be provided to A.I.D. which may accept as duly authorized any instrument signed by such representatives in implementation of this agreement, until receipt of written revocation of their authority.

ANNEX B

ANNUAL BUDGETS (US$)

Program	FY 1989			FY 1990		
	Partici-pants	A.I.D. (US$)	GOM (US$)	Partici-pants	A.I.D. (US$)	GOM (US$
In-country						
1. International & Export Marketing Training Workshop	25	56,000	24,400	25	56,000	24,4
2. Productivity & Quality Improvement Training Workshop	25	56,000	24,400	25	56,000	24,4
3. Use of Technical Information Training Workshop	-	-	-	25	56,000	21,0
4. Industrial & Vocational Training of Trainers Workshop	10	28,000	5,000	10	28,000	5,0
5. Entrepreneurship Training Workshop	-	-	-	25	56,000	12,0
6. Financial Analysis & Investments Training Workshop	25	56,000	24,400	-	-	-
7. Redesigning Workplaces Training Workshop	25	56,000	18,500	-	-	-
8. Technology Search Training Conferences	25	28,000	8,000	50	56,000	16,0
Training in U.S.						
1. E.I. Internship	-	-	-	1	8,750	4,0
2. YBL Orientation Study Visit	2	13,750	7,000	2	13,750	7,0
3. BLS Seminars	1	9,250	3,400	-	-	-
4. Trade Union Leaders Study Visits	1	6,875	4,000	1	6,875	4,0
5. Study Visits for Ministry Officials	3	17,250	10,200	3	17,250	10,2
Third-Country Training						
1. Occupational Health Study Visit (S. Asia)	2	5,000	5,500	-	-	-
2. Entrepreneurship Training Program Study Visit (India)	4	10,000	11,200	-	-	-
3. Management Faculty Development Program (India)	1	8,250	4,500	1	8,250	4,5
	149			168		
Contingency and Inflation		-			36,750	
TOTAL EXPENDITURES BY FISCAL YEAR		350,375	150,500		399,625	132,5

7448D

10

ANNEX C

MAURITIUS TRAINING NEEDS ASSESSMENT

AND

COUNTRY TRAINING PLAN

1988-1990

(Amendment No. 1)

HUMAN RESOURCES DEVELOPMENT

ASSISTANCE PROJECT

(Project No. 698-0463.42)

11

MAURITIUS TRAINING NEEDS ASSESSMENT AND

COUNTRY TRAINING PLAN
(1988 - 1990)

Table of Contents

	Section	Page
I.	Training Needs Assessment	1
	A. Background	1
	B. Available Trainining Resources	2
	C. Human Resources Constraints	4
II.	Country Training Strategy and Plan	7
	A. Introduction	7
	B. Training Objectives, Participants and Focus	8
	C. Project Costs	9
	D. Project Outputs	10
	E. Project Activities	10
	F. Implementation and Management of Training Activities	12

Tables

Table 1,	Planned Project Activities	11
Table 2,	Implementation Tasks and Responsibilities	16
Table 3,	Schedule and Annual Budgets	18
Table 4,	Project Cost Details	19
Table 5,	Contribution of the Government of Mauritius	21

Annexes

Annex 1,	Details of Training Activities	22
Annex 2,	Persons Contacted	29

12

Human Resources Development Assistance Project (HRDA)

(Project Number 698-0463.42)

MAURITIUS TRAINING NEEDS ASSESSMENT AND COUNTRY TRAINING PLAN

(1988 - 1990)

I. Training Needs Assessment

A. Background

After the rather sluggish performance during the 1977-83 period, the Mauritian economy has been experiencing a boom. To a large extent this boom has been the result of the implementation of a policy package in the context of the Structural Adjustment Programme (SAP). The implementation of the SAP has been supported by the emergence of favorable exogenous factors. The economic boom is most visible in the industrial sector and in particular in the export processing zone (EPZ) which has resulted in a substantial increase in the contribution of the manufacturing sector to GDP, to foreign exchange earnings, and to employment creation.

In 1986, the manufacturing sector accounted for 23% of GDP at factor cost and 53% of foreign exchange earnings on visible trade. Of the total increase in employment of 53,491 in large establishments over the period 1983-87, the EPZ alone accounted for almost 53,000, thus rendering the manufacturing sector the single most important employer since 1985. This strong upsurge in the EPZ is attributable to a number of factors, namely: the expansion of economic activity abroad, promotion campaigns undertaken by Government, improved investment incentives to the private sector, and internal political stability.

These favorable developments, however, should not obscure underlying structural weaknesses of the economy which originate from the country's overdependence on exports of garments and sugar, and vulnerability to weather conditions and unforeseen fluctuations of the terms of trade. The challenge to Government will be to lessen these vulnerabilities through an active and aggressive export diversification strategy which

must be complemented among other things by well-defined training policies and programs.

In the early stage of industrial development, the need for an elaborate training program is small. But as the economy moves on to greater sophistication and diversification there is demand for more elaborate professional training programs. A well-trained and educated labor force is a prerequisite for attaining higher levels of industrial development where the growing emphasis is on high value-added activities such as computers, industrial electronics, precision tools etc.

In Mauritius, at present the main concern is to ensure that industrial development does not lose the momentum that it has gained during the past few years. In this context, the major objective is to diversify the industrial structure from the textile and made-up garments sectors, because for some specific items the limits would appear to have been reached as far as markets are concerned. New areas which are expected to be developed will include electronics, leather goods, games, sporting goods, jewellery, furniture, and services.

The policy for human resources development will be geared primarily to industrial development. Its main objective is to ensure that Mauritius has the required professionally qualified management personnel and trained labor force for sustaining its current level of industrial development as well as create, in anticipation and as expeditiously as possible, the new skills required to ensure that it moves into higher levels of industrial development with as little delay as possible.

B. Available Training Resources

Mauritius has a well-developed educational network, but facilities for technical and vocational training are severely limited. There are some 4,000 training-places available in government and private training institutions as shown below:

Public Sector	Enrolment capacity	Annual intake
Government ITTC's	480	290
Polytechnic at Flacq	375	125
Government Handicraft Centers	200	1,200[a]
Government Specialised Training Centers[b]	70	2,000
Private Sector		
Private Training Institutions	2,000[c]	2,000

14

another part of Mauritius, on auto mechanics, construction, and repair and maintenance of home electrical appliances.

The Government of Mauritius (GOM) has recently enacted the Industrial and Vocational Training Act 1988 under which an Industrial and Vocational Training Board has been set up which will have representatives both from the government and private sector with the Minister of Economic Planning and Development as the Chairman and the Chairman of the Mauritius Employers' Federation as the Vice-Chairman. The objectives of the Board are: "(i) to advise the Minister on matters relating to training; (ii) to monitor the needs for training in consultation with relevant authorities; (iii) to administer, control and operate training schemes; (iv) to provide for, promote, assist in and regulate the training or apprenticeship of persons who are or will be employed in commercial, technical and vocational fields." An amount of Rs 500 million has been provided in the 1988-89 budget for this purpose.

UNDP with co-financing from the World Bank had funded a project to prepare an "Action Plan for Training" in 1987. The report is under review by the Government. The World Bank has proposed a five year US $10 million Manpower Training Project beginning 1989.

The University of Mauritius offers several degree, diploma and certificate level courses in engineering, agriculture, sugar technology, management and related subjects. The output of graduate engineers is very small considering the needs of the country.

C. Human Resources Constraints

Some of the key issues facing the GOM are the ways in which to sustain economic growth and to diversify the industrial base. The unemployment rate has fallen to around 5% due to the developments in the EPZ sector. Many manufacturing units are facing labor shortages and there is fear that this may lead to demand for wage increases. There are critical shortages of trained technical manpower in such areas as machine maintenance mechanics, machine operators, electricians, instrumentation mechanics, operators for computer aided operations, machine shop skilled workers, skilled construction workers and supervisors. At higher levels, supervisory and middle-managerial personnel are also in short supply. Management personnel such as production managers, technical managers, production engineers, electrical and mechanical engineers are scarce. A similar situation exists as regards

15

electronic engineers, computer and software personnel, and accountants.

A trained labor force is a key factor in the process of the transfer of technology and in the promotion and mobility of workers. The EPZ sector in Mauritius consists mainly of textile Cut-Make-Trim and knitting factories and offers very few possibilities for the transfer of technology since the operations mainly require unskilled and semi-skilled workers. There are very few tasks requiring higher level skills. Statistics are not available on the number of jobs existing at different skill levels. Most of the workers receive training on the job.

More than 55% of the EPZ work force consists of women. The demand for labor has pushed even the traditional housewife to the workplace. The Ministry of Labor and others have expressed concern about general physical conditions and the quality of work life, safety, occupational health and industrial hygiene. The government factory inspectors are few in numbers and not adequately trained. The dispersal of industrial units all over the country was indeed a welcome move as it involved taking the work place to where people lived. However, it is now posing a serious environmental threat as neither the government nor the local bodies have the infrastructure to deal with waste disposal and effluent treatment. There is concern about pollution of streams, ground water and sea. The Ministry of Works and local authorities do not have trained environmental and public health engineers. No clear guidelines exist for industry as regards industrial effluent standards and treatment.

The policy aimed to expand and diversify industry visualizes redirecting education and skills training on industry supporting skills. Mauritius has a well-developed education system but the content of education is academically biased emphasizing numeracy and literacy and does not adequately prepare students for new jobs which require technical training. The details of industrial and vocational education activities are already given in the earlier part of this report. The output of trainees from various government and private institutions is totally inadequate considerin the demand.

There are also serious questions regarding the quality of training offered by these institutions. The Lycee Polytechnique is well equipped in terms of facilities and equipment. However, it is underutilised and located far away from residential and factory locations. The institution suffers from instructor shortages, restricted operating schedules and training program inadequacies. Private

16

vocational training institutions have mushroomed to meet the demand. These institutions are described by one educator as training/education shops focussing on theoretical aspects, and they have inadequate equipment, workshops and practical training. The instructors who are often part-timers, do not have training and education to teach vocational subjects.

Some of the important problems faced by Industrial Technical Training Centers (ITTC), University and other educational institutions are: (i) Syllbii and programs not related to industry needs; (ii) lack of adequately trained instructors and low salaries; (iii) out-dated equipment due to insufficient finances to replace old equipment; (iv) inadequate equipment, workshops and training facilities; (v) lack of proper mechanism to monitor quality of education; (vi) pressure to start ad hoc short-term customized training programs; and (vii) lack of overall policy framework to evolve and monitor educational and training programs and specify the role of the University, secondary and primary education and vocational and industrial training centers.

The observations made in the earlier paragraphs have serious implications for the export-led development policy and the strategy for consolidation and modernization of the existing industrial base and diversifying into new industrial fields. The choice of technology based on the resource endowments of the country has as yet not received critical attention. Indeed, certain fields of industrial activities are identified for diversification program but a cursory examination of these sectors will indicate that while they may broaden the industrial base of the economy, in no way do they critically change the characteristics of the labor force. The fields chosen tend to be labor-intensive sectors requiring at best semi-skilled labor force. The Government of Mauritius in 1981 thru Export Services Zones Act had proposed the concept of providing facilities and incentives to the services sector to include activities such as management and engineering consultancy, re-exports, insurance and reinsurance, translation, off-shore banking, etc., with the aim to create white-collar employment. Other potential fields include computer data and information processing and services, bio-technology, medicinal plants for pharmaceutical products, marine-based products, printing, etc. To translate these ideas into action plans will entail formulating a national science and technology plan and strategy with a long-term perspective and short-term implementation program.

The positive impact of the EPZ development has been the acquisition of new business skills and appreciation of world market needs by the Mauritian businessmen, investors and

17

entrepreneurs. The younger second generation of the business community is foreign educated and is looking for new business opportunities. Many educated Mauritians have started new business ventures and many more are looking for new venture opportunities. This potential needs to be tapped through a process of entrepreneur identification, selection and training. In this process, the role of women entrepreneurs is important and needs to be nurtured.

As the Government of Mauritius and business community explore new business opportunities and strive to consolidate existing industry, the importance of productivity and quality improvement assumes greater significance. The Finance Minister in his budget speech has highlighted the importance of this. There is urgent need for training of management and plant personnel in this area.

II. Country Training Strategy and Plan

A. Introduction

The background remarks stated at the beginning of this report reflect the GOM position on the priority sectors and objectives. AID in consultation with GOM has identified industrial diversification as the key area in which it will provide assistance to GOM in developing policy and program framework and project development technical assistance (TA) to the public and private sectors. Although there is no formal country development strategy statement, AID has formulated a development strategy for its assistance to Mauritius and this strategy focuses on industrial development and expansion. AID's Industrial Diversification Project (IDP) for Mauritius has been designed with this strategy in mind.

The Country Training Plan (CTP) as stated here is an amendment to the Country Training Plan for 1988 already approved. There will be close link between CTP and IDP at planning, TA and implementation stages. The primary focus of the CTP, which will be implemented over the next two years, is on meeting the country's managerial and entrepreneurial training needs related to industrial diversification. Activities are directed to both the private and public sectors. There is serious shortage in Mauritius of well trained and experienced mangerial professionals in the private and public sectors, and it is this cadre of professionals who are essential for undertaking industrial diversification, modernization, and promotional tasks in the competitive international market place. Most of the managers currently do not have access to advanced

18

professional training under expert faculty in key business and management areas.

A second, albeit much less emphasized, area of project activities is training of vocational trainers. As industries diversify, modernize and become more sophisticated, there will be demand for more highly skilled labor. After considerion of various aspects of the industrial and vocational training and what assistance AID can provide in this area, it is felt that most appropriate is assistance in training of trainers for industrial and vocational centers.

In sum, the CTP addresses the human resources constraints described earlier in selected areas such as management training, policy planning and implementation in technology and information management, training of trainers in vocational and industrial education, entrepreneurship development and strengthening local faculty and consulting capacity through high level workshops, conferences and problem-solving firm level consulting. The training activities will also establish links between U.S. management and consulting institutions and Mauritian institutions and firms.

Interest has not been expressed in long-term training and education in the US or third countries for working managers, executives, technical staff or government officials. It has been expressed that staff cannot be spared, and that such training is costly and the duration long.

B. Training Objectives, Participants and Focus

The training objectives for the activities proposed in the CTP are:

1) Improved higher management for industrial growth and diversification. This will include top management, business owners, key government and public sector officials and trade union representatives;

2) Improved middle management professional, technical and supervisory skills;

3) Increased understanding of managers in areas such as export and international marketing, productivity and quality improvement, use of technical information, entrepreneurship development, financial analysis of investments, and project identification; and

4) Development of local resources, including faculty and consultants.

These objectives will be met through the use of seminars, workshops, internships and observations visits to the U.S. and third countries, and continuous coordination of HRDA activities with IDP activities.

At least 50% of the participants will come from the private sector, and the public sector participants will constitute those involved in industrial development and diversification activities. Every effort will be made to ensure that women participants account for at least 35% of the total participants. The Mauritius Employers' Federation and the trade union representatives will assist MPTD who will be responsible for the implementation of CTP activities. MPTD will also assure the involvement of local institutional and private consulting resources in the implementation of the activities.

The project is comprised primarily of in-country training activities. This is the most cost-effective approach as it will train 317 participants and 47 local faculty over two years. (As against this, only 15 participants could be trained at Master's level and about 8 at undergraduate or doctoral levels, over a two to five year period.) The target audiences for various training activities include owners and top management, middle-level managers, key government and public sector organization managers, and trade union representatives.

The CTP was prepared in consultation with Ministry of Economic Planning and Development (MEPD) and its MPTD as well as other ministries, employers' organizations, and private and public sector organizations. There will be an annual review of the CTP by MEPD and AID. The training program plans and schedules for the years 1989 and 1990 are given in Table 2.

C. Project Costs

All the local rupee costs for training material, equipment and facilities, participant salaries, boarding, lodging, transport and fees and expenses of the local consultants and faculty members will be covered by the local currency contribution to the project. In case of foreign travel, 50% of the airfare will also be part of the local currency contribution. In total, the local currency contribution will be equivalent to at least 25% of overall project costs, and this contribution is expected to equal approximately RS 3,964,000. (See Table 4.)

The dollar allocations will cover the contract costs of foreign training experts, management costs, and per diem and partial travel cost of Mauritian participants going overseas. The dollar cost for FY 1989 will be $350,375 and for FY 1990, $399,625. Details are given in Tables 3 and 4. Appropriate fees for in-country workshops may be charged to the participants. The GOM would use these funds to help offset costs of the activities.

D. Project Outputs

During the period 1988-90, the HRDA Project will train 295 participants at top, senior and middle-management levels and 47 trainers, instructors and faculty members thru the in-country training activities. In addition 14 participants will receive training in U.S. and 8 will receive training thru third country visits. In all 317 participants plus the 47 instructors will benefit from the project.

E. Project Activities

A list of planned project activities appears below by fiscal year, along with the number of expected participants. Detailed explanations of these activities appear as Annex 1 to this CTP.

21

Table 1

Planned Project Activities

ACTIVITY	FY 1989 Participants	FY 1990 Participants
In-country		
1. International & Export Marketing Training Workshop	25	25
2. Productivity & Quality Improvement Training Workshop	25	25
3. Use of Technical Information Training Workshop	-	25
4. Industrial & Vocational Training of Trainers Workshop	10	10
5. Entrepreneurship Training Workshop	-	25
6. Financial Analysis & Investments Training Workshop	25	-
7. Redesigning Workplaces Training Workshop	25	-
8. Technology Search Training Conferences	25	50
Training in U.S.		
1. E.I. Internship	-	1
2. YBL Orientation Study Visit	2	2
3. BLS Seminars	1	-
4. Trade Union Leaders Study Visits	1	1
5. Study Visits for Ministry Officials	3	3
Third-Country Training		
1. Occupational Health Study Visit	2	-
2. Entrepreneurship Training Program Study Visit	4	-
3. Management Faculty Development Program	1	1
TOTAL	149	168

F. Implementation and Management of Training Activities

1. Introduction

The HRDA Project should be managed as a coordinated effort to have a maximum impact on local public and private sector enterprises. The different activities, workshops and study-visits should not be viewed as separate, discreet activities, but rather as a unified and targeted venture with different subcomponents. Such a program cannot be handled by different faculty and consultants coming at different times and offering workshops in a cafeteria style. This would diminish the impact and value of the activities. The educational and learning value of this training program will depend on its being managed in an integrated and purposeful manner with linkages among the various workshops, activities, external and local faculty, and the Industrial Diversification Project.

The emphasis of various training activities is on in-country activities, which satisfies the objectives of both the GOM and AID. The range and scope of the activities are focussed on the critical management needs at middle and higher management levels as related to industrial development and diversification strategies and programs of GOM. The training activities are not routine in nature but are targeted on the specific needs of GOM and firms in positioning themselves in the complex and competitive international market place, and are intended specifically to complement activities implemented under the Industrial Diversification Project. The idea is to customize each training activity to the needs of firms that are currently involved or will be involved in modernization, diversification, productivity improvement and export marketing activities.

The very nature and character of this approach call for coordinated program management inputs to orchestrate the various activities. Day-to-day HRDA project management will involve the GOM, the U.S. Embassy in Port Louis, REDSO/ESA, AID/Washington offices, and third country A.I.D. missions as necessary. Details of program implementation and management needs, and how those needs will be met, are provided below.

2. Tasks

a. In-country Program Management Activities

1) Logistics support: Seminar, workshop facilities, transport, training materials, equipment, offices, telephones, etc.;

23

2) Participant selection: This is an important element as the right selection of participants means right selection of the enterprise he/she represents and the value it will derive from the program. The choice, quality and level of each participant is as important as the enterprise he/she represents. We are selecting not only candidates but organizations as well. This involves critical examination of the management environment and the support they will give to the candidates in their growth. Concentration will be on few organizations which have the resources and capabilities to benefit from these inputs and who desire to explore new opportunities and ventures;

3) Local faculty and consultant selection: One focus of the program is local faculty and consultant development, and as such their selection and preparation are critically important issues. During the life of the project, the local faculty may be able to offer additional training workshops on similar topics utilizing local currency funds. They will be able to maintain liaison with visiting external faculty. The local consultancy capacity should be strengthened by their involvement in project activities and follow-up. All training workshops have an important component of follow-up work with both participants and their enterprises to be undertaken by the visiting training experts with assistance from local faculty and consultants. The training programs will utilize local training material, cases and other resources. This will involve research and case writing by local faculty and consultants under the supervision of visiting faculty members.

4) Supervision: Project activities must be continuously supervised and monitored to guarantee both that their individual goals are being met and that the desired coordination with the Industrial Diversification Project is being achieved.

5) Preparation of overseas participants: Various forms must be completed and certain provisions made for overseas participants prior to their departure from Mauritius.

6) Follow-up: In-country follow-up is necessary for all participants, including both those who participate in overseas activities and those who participate in in-country workshops. Follow-up activities may involve, for example, additional workshops funded either by project dollar funds or local currency depending on their organization, or other kinds of training activities targeted at specific skills or specific industries.

7) Programming future support: Given that one objective of the project is to promote the development of local faculty and consultancy capabilities, attention should be given to the programming of future support using local resources as much as possible.

b. External Program Management Activities

1) Selection of and contracting with external consultants: Consultant selection will be coordinated by AID/W, and will involve U.S. firms which specialize in providing experts in the fields selected.

2) Placement of overseas participants: The project involves a number of overseas short-term programs. Those which take place in the U.S. will be coordinated by AID/W, or by another USG or private office suggested by AID/W. Those which take place in third countries will involve requesting the services of the training officer in that country's A.I.D. mission. Most third country training is expected to take place in India.

c. Coordination needs

1) Liasion among implementing entities (eg. MPTD, other relevant ministries, MEF, MEPZA, U.S. Embassy, REDSO/ESA, local faculty and consultants, and private/parastatal sponsoring enterprises).

2) Coordination of HRDA and IDP: Linking the HRDA activities and Country Training Plan with the Industrial Diversification Project.

3) International institutional links: Establishing and maintaining links between Mauritian institutions and participating overseas institutions.

25

4. Implementation and Management Responsibilities

The Ministry of Economic Planning and Development (MEPD) will be responsible for overall project implementation and monitoring. MEPD, with assistance from the Mauritius Employers' Federation (MEF) on the private sector side, will handle all in-country logistics and physical arrangements as well as local contracting. In addition, the project documentation requirements, eg. PIO/Ps, PIO/Ts, scopes of work, etc., will be met through joint action of MEPD's Manpower Planning and Training Division (MPTD) and U.S. Embassy staff, with supervision and review provided by REDSO/ESA.

A program coordination committee, consisting of MEPD as chair, and as members Ministry of Industry (MOI), MEF, Mauritius Chamber of Commerce and Industry (MCCI), Mauritius Export Processing Zone Association (MEPZA), Mauritius Export Development and Investment Association, and others as deemed necessary, will be responsible for, among other tasks, organizing participant selection and coordinating HRDA activities with IDP activities. To ensure coordination with IDP, AID has suggested that the same MEPD official be assigned overall program management responsibilities, including both the HRDA and IDP projects.

External management requirements will be the responsibility of REDSO/ESA and AID/Washington (AID/W). A project development officer (PDO) in REDSO/ESA will be assigned responsibility for the Mauritius program. This PDO will be assisted by other REDSO/ESA staff, in particular the private sector specialist and training officer, and by U.S. Embassy staff in Port Louis. Project documentation requirements are discussed in the above paragraph; REDSO/ESA will supervise and review document preparation.

REDSO/ESA will work with AID/W and other AID missions as necessary in consultant selection and in the organization of U.S. and third-country activities. AID direct contracting procedures will be used. AID/W, through its Africa Bureau Training Resources Office (AFR/TR/EHR) and its Science and Technology Office of International Training (S&T/IT), will assist REDSO/ESA in project implementation. AFR/TR/EHR will assist primarily with consultant identification/selection for the in-country workshops and seminars, and S&T/IT will assist primarily with identification and organization of U.S.-based short-term project activities which will be mostly study tours and internships. Other AID missions in third countries will be requested, through the respective training officers, to assist with the third-country activities.

A project evaluation will be scheduled at the end of year one to assess progress toward achievement of project objectives, and to identify constraints to that achievement, ways to overcome those constraints, and particularly effective training activities which could be used as models for future planning.

The following table lists the various tasks identified above, and associates with each task a responsible organization or organizations.

Table 2

IMPLEMENTATION TASKS AND RESPONSIBILITIES

TASK	RESPONSIBLE ORGANIZATION
In-country	
Logistical support	MEPD
Participant selection	Coordination Committee
Local faculty and consultant selection	Coordination Committee
Preparation of AID documentation for contracting expatriate consultants	MEPD and U.S. Embassy, technical supervision by REDSO/ESA
Supervision	MEPD
Preparation of overseas participants	MEPD
Programming future project activities	Coordination Committee
Overseas	
Identification of and contracting with expatriate consultants	AID/W, using available resources
Placement of overseas participants	AID/W, using available resources

27

Coordination	
Project entity liasing	MEPD
Coordinating HRDA and IDP	Coordination Committee
Developing and maintaining institutional links	MEPD and project participant organizations
Monitoring project goal achievement	MEPD with U.S. Embassy and REDSO/ESA

78

TABLE 3

ANNUAL BUDGETS (US$)

Program	FY 1989			FY 1990		
	Partici-pants	AID (US$)	GOM (US$)	Partici-pants	AID (US$)	GOM (US$)
In-country						
1. International & Export Marketing Training Workshop	25	56,000	24,400	25	56,000	24,40
2. Productivity & Quality Improvement Training Workshop	25	56,000	24,400	25	56,000	24,40
3. Use of Technical Information Training Workshop	-	-	-	25	56,000	21,00
4. Industrial & Vocational Training of Trainers Workshop	10	28,000	5,000	10	28,000	5,00
5. Entrepreneurship Training Workshop	-	-	-	25	56,000	12,00
6. Financial Analysis & Investments Training Workshop	25	56,000	24,400	-	-	-
7. Redesigning Workplaces Training Workshop	25	56,000	18,500	-	-	-
8. Technology Search Training Conferences	25	28,000	8,000	50	56,000	16,00
Training in U.S.						
1. E.I. Internship	-	-	-	1	8,750	4,00
2. YPL Orientation Study Visit	2	13,750	7,000	2	13,750	7,00
3. BLS Seminars	1	9,250	3,400	-	-	-
4. Trade Union Leaders Study Visits	1	6,875	4,000	1	6,875	4,00
5. Study Visits for Ministry Officials	3	17,250	10,200	3	17,250	10,20
Third-Country Training						
1. Occupational Health Study Visit (S. Asia)	2	5,000	5,500	-	-	-
2. Entrepreneurship Training Program Study Visit (India)	4	10,000	11,200	-	-	-
3. Management Faculty Development Program (India)	1	8,250	4,500	1	8,250	4,50
	149			168		
Contingency and Inflation		-			36,750	
TOTAL EXPENDITURES BY FISCAL YEAR		350,375	150,500		399,625	132,50

29

TABLE 4 : PROJECT COST DETAILS

In-Country Programs	No. of Participants	Local Faculty	US Training Experts Costs US Dols.
1. International & Export Marketing	2 x 25 = 50	6	112,000
2. Productivity & Quality Improvement	2 x 25 = 50	4	112,000
3. Use of Technical Information	25	2	56,000
4. Industrial & Vocational Training of Trainers	20	20	56,000
5. Entrepreneurship Training	25	3	56,000
6. Financial Analysis & Investments	25	2	56,000
7. Redesigning Workplaces	25	2	56,000
8. Technology Search Training Conferences	3 x 50 = 75	6	84,000
	295	47	588,000
Training in U.S.			
1. E.I. Internships-2pm x 1 1x2x$3750+$1250x1	1		8,750
2. YBL Orientation Visits 1.5pm x 4 4x1.5x$3750+4x$1250	4		27,500
3. BLS Seminar-US Dept. of Labor 2pmx$3750+1x$1250+$500 fee	1		9,250
4. Study Visit for two Trade Union Leaders 2x1.5pmx$3750+2x$1250	2		13,750
5. Study Visit for six officials from various ministries 8pmx$3750+6x$1250	-		34,500
	14		$93,750

30

In-Country Programs	No. of Participants	Local Faculty	US Training Experts Costs US Dols.
Third-Country Training			
1. Study Visit-Occupational Health - 3 weeks 2 x $2500	2		5,000
2. Entrepreneurship Training Program Study Visit 3 weeks 4x2500	4		10,000
3. Management Faculty Development Program - 10 wks 2x$7500+$1500 fees	2		16,500
	8		$31,500
10% Contingency and Inflation FY 90			$36,750
TOTALS	317	47	$750,000

CONTRIBUTION BY THE GOVERNMENT OF MAURITIUS FOR TRAINING UNDER EDA PROJECT 1986-90

Type of Activity		Number of Participants	Salaries of participants (Rs)	50% contribution to air tickets (Rs)	Replacement costs for participant (Rs)	Administrative costs of the Govt. of Mauritius (Rs)	Cost incurred on medical reports, X-rays, passports, insurance, duties etc. (Rs)	Local Faculty payments (Rs)	Classrooms, physical, facilities for in-country training (Rs)	Use of Existing machinery and equipment Research and case studies (Rs)
International and Export Marketing	1 month	50	300,000	-	100,000	24,000	-	140,000	20,000	100,000
Productivity and Quality Improvement	1 month	50	300,000	-	100,000	24,000	-	140,000	20,000	100,000
Use of technical information	1 month	25	150,000	-	50,000	12,000	-	25,000	5,000	50,000
Industrial & Vocational Training of Trainers	1 month	20	60,000	-	20,000	12,000	-	12,000	5,000	20,000
Entrepreneurship Training & Development	1 month	25	75,000	-	25,000	12,000	-	50,000	5,000	-
Forecasting Techniques	1 month	25	150,000	-	50,000	12,000	-	25,000	5,000	10,000
Technology Search Training Conferences	0.5 mth	7	225,000	-		12,000	-	25,000	15,000	50,000
Financial Analysis of Investments	1 month	25	150,000	-	50,000	12,000	-	50,000	15,000	50,000
Internship in U.S.A.	2 month	1	24,000	17,500	8,000	-	6,000	-	-	-
MEL/OCM/TU Study Visits in U.S.A.	1.5 mth	12	216,000	210,000	72,000	-	72,000	-	-	-
HLS-Dept. of Labor Seminars in U.S.A.	1.5 mth	1	18,000	17,500	6,000	-	6,000	-	-	-
Occupational Health Training Study Tour	1 month	2	24,000	35,000	8,000	-	12,000	-	-	-
Entrepreneur Training (Women) Study Visit	1 month	4	48,000	70,000	16,000	-	24,000	-	-	-
Management Faculty Development Program	2.5 mths	2	60,000	35,000	20,000	-	12,000	-	-	-
TOTAL			1,800,000	385,000	600,000	120,000	132,000	467,000	80,000	380,000

GRAND TOTAL: RS 3,964,000

7327D

Annex 1

DETAILS OF TRAINING ACTIVITIES

In-Country Activities

1. Export and International Marketing Training Workshop

This activity will be open to senior managers in private sector companies, public sector organizations such as MEDIA and others. Participants - 25. Duration 4 to 6 weeks including preparation and follow-up work. The course will be offered by US consultant who will be assisted by two to three local consultants from the private sector, University of Mauritius and Mauritius Institute of Management. The association of local faculty will assure the continuation of program in future.

2. Productivity and Quality Improvement Training

Many organizations and enterprises have experienced major difficulty in improving the productivity of their labor forces. Inefficiency, labor unrest, and lack of morale contribute to these difficulties. Where productivity has increased, this increase has often been a result of automation or improved machinery rather than improved management, organization and motivation. There is growing body of experience which suggests that the most successful companies have devised innovative approaches to setting objectives, rewarding performance, and getting employees to take active interest in the productivity of the company. Among the most successful techniques used have been quality circles, performance appraisal and incentive schemes, task teams, and participatory surveys of management needs and priorities. These training programs are highly participatory and involve a mixture of training and consulting. The program includes an introduction to several practical techniques. The trainers serve both as experts on productivity improvement techniques and as facilitators of a process whereby participants and their organizations adapt individual techniques to their own needs.

Participants - 25 senior managers from private and public sectors and trade union representatives.

Duration - 4-6 weeks to include training workshop and planning and follow-up. Implementation with local consultant support under direction of foreign consultant.

3. Use of Technical Information: Training Workshop

Access to relevant technical information has been repeatedly established as one of the major assets of successful firms; and inability to gain access to such information is one of the principal factors limiting the productivity and competitive position of industries in developing countries. Frequently, enterprises in developing countries are forced to operate with outmoded technology and inefficient solutions, or are forced to hire high priced consultants to "reinvent the wheel" in order to meet their technological needs. The information revolution is a fact of life. Information is being generated at incredible speed by companies, governments, research centers, inventors and universities all around the world. The information concerns production processes, new product and product improvements, machinery, markets, and every other aspect of business. In many ways, a business's success will be determined by its ability to find and use the information it needs. There is thus a pressing need to train key individuals working in the private sector in how to gain access to, and make use of, foreign technical information. The program trains users in the identification of sources, exactly what each source includes, and how to acquire the information at minimum cost and in the shortest possible time.

Participant - 25 senior managers from private and public sectors.

Duration - 4-6 weeks to include training workshop and preparatory and follow-up work with participating enterprises.

The program will be conducted by foreign expert. The participation and collaboration with a local agency which is competent to provide ongoing assistance to enterprises in meeting their information needs is very essential.

4. Industrial and Vocational Training: Training of Trainers

There is shortage of trained instructors in industrial and vocational training centers and many of the instructors do not have adequate background in teaching methodology. The DACUM or similar other method can be used for evolving vocational-technical curricula and practical examinations which are related to industry needs. A group of 20 facilitators/coordinators can be trained by expert trainers from USA.

Participants - 20 training coordinators to be trained by 2 experts.

Duration - 4 weeks.

5. Entrepreneurship Training - Training of Trainers

The critical element lacking in many programs to promote the private sector is a systematic means of identifying and training entrepreneurs. Many programs have been developed for strengthening accounting skills, feasibility analysis, marketing, and inventory control, but few, if any, of these programs address the fundamental question of how to select and strengthen the entrepreneur and his or her business plan. With major expansion of the private sector, more and more enterprises are directed by people with management or technical backgrounds, or by other relatively inexperienced entrepreneurs. The need for targeted entrepreneurship selection and training programs has been repeatedly identified as a necessary element in this process of growth. Entrepreneurship Training includes components on attitudinal modifications (e.g. risk taking), skill development (e.g. business planning), and opportunity creation (e.g. networking with potential lenders or investors). After the training, follow-up is an important part of the program.

The focus of this program will be also on training of trainers. Participants: 25 with at least one third to be women. The training to be undertaken by foreign consultant/trainer with assistance by at least three local consultants/trainers. Duration - 4 to 6 weeks with preparation and follow-up work.

6. Financial Analysis of Investments

Business people, bankers, venture capitalists, and other responsible for investment projects are often called upon to analyze the financial and economic viability of particular enterprises and projects. The analytical process entails assessment of sources and uses of funds, factor use, return on investment, and cash flow. At least as important, it involves determining the "sensitivity" or vulnerability, of the project to various assumptions about sales, prices, exchange rates, and efficiency. Two problems have limited the ability of analysts and business people to perform high quality financial assessments. First, the mechanical task of analyzing the data is extremely time consuming and prone

35

to error, and where sensitivity analysis is involved, this difficulty is compounded. And second, the individuals called upon to these analyses often have only limited skills and experience in conducting financial analyses of this sort. The training program uses inexpensive computer user-friendly software package and a related training program for investment analysis. The system is called IPES, the Investment Project Evaluation System, and is designed for operation on the IBM/PC and the TRS-80. It requires no prior knowledge of computers. The training program employs a case study methodology and offers an introduction to the use of the software and instruction on how to interpret the printouts provided. The program addresses to the needs of large, medium and small-scale activities. The printouts automatically provided by the computer are in a format acceptable to commercial or development banks and include the following reports: production reports; income statements; balance sheets; uses and sources of fund reports; internal rate of return and other profitability assessments; cash flow projections; list of project assumptions. The training program is followed up by work with participants on the analysis of pending projects or investments.

Participants - 25. The training to be undertaken by foreign consultant supported by local consultant/trainers. The course is suitable for financial analysts, project designers, lenders, and business people.

7. <u>Redesigning and Restructuring Workplaces - Training Workshop</u>

Many of the enterprises in Mauritius are facing problems in introducing new technology into older facilities, starting new factories, employing people from the old. Apart from this the introduction of women in the labor force raises many issues of social, cultural significance as well as the quality of work life. The training workshop introduces high performance work principles and methods for managers with the need to turn around a mature organization, introduce new technology or start new factory or office site. The program introduces participants on how to do work redesign by simulating and redesigning a traditional factory in "real time". The participants gain hands on experience. They analyze the old system, choose a new system, gain agreement of all "employees", initiate a new start, and carry a new production run, comparing quality, customer acceptance, employee satisfaction, labor costs, and output from the first run to the second.

36

Participants - 25 from both private and public sector organizations and trade union representatives. Program offered by two foreign consultants. Two weeks to include preparation and follow-up.

8. Technology Search Training Conferences

Under the Industrial Diversification Project specific sector studies are being undertaken to identify opportunities and comparative advantages offered by Mauritius. These studies will become the basis of the proposed training conferences to orient the business community and government and other public sector policy and decision makers on the strategic planning steps to evolve the programmatic action plans, identify specific sub-sector and industry specific projects, information resources and potential partners. Two training search conferences are proposed in three technology areas - electronics, information and data processing services and agro-industry. Each training conference will be led by two foreign consultants. One of them will be the technology expert and the other will be the facilitator. These conferences will be scheduled after the study reports are prepared.

Participants - 25 per search conference and will include top business leaders, and key public sector and government functionaries.

Training in USA

1. Internship under Entrepreneurs International

This program is sponsored by S&T/IT, in conjunction with the White House Office of Private Sector Initiative and the Department of Commerce. The program goal is to improve the business and technical skills of developing country entrepreneurs through short-term internships in U.S. businesses with operations of a similar nature.

It is proposed to send one intern to U.S. under this program.

2. Market Intelligence, Business Contact Development for Young Business Leaders

The second generation young business leaders from some of the Mauritian enterprises have shown interest in exploring business opportunities in new fields, penetrating in U.S. markets, establishing contacts with

U.S. counterparts and also to establish links with trade and industry related agencies and information and data processing groups. It is proposed to sponsor visits of four young business leaders in two groups of two per group. The purpose is business and investment promotion.

3. BLS Seminar - U.S. Department of Labor

The Mauritius Employers' Federation has proposed that they would like to send their research economist to attend the seminar on Measurement of Productivity.

4. Trade Union Leaders Study Visit

MPTD has stated that apart from the government and private sector, the trade unions play an important role in the industrial development and productivity movement in the country and as such trade union representatives should be provided opportunity to benefit from study visits and short-term training programs in USA. Accordingly, two places are earmarked for this purpose. The details will be worked out in consultation with the Ministry of Labor and USAID.

5. Study Visits by Ministry Staff

MEPD has suggested that the training needs of up to six technical officials from various ministries such as MEPD, Industry, Labor, Finance, and Mauritius College for the Air for short-term study visits/training courses in USA should be incorporated in the proposal. The details of the activities will be worked out by MPTD in consultation with USAID and concerned ministries.

Third Country Training

1. Industrial Hygiene and Occupational Health

Ministry of Labor, Women's Rights and Family Welfare which is responsible for safety and health of factory workers has indicated that it will like to depute two of its staff members to visit some of the countries in South Asia on study visit and training of factory inspectors and to acquaint with hygiene and occupational health programs. The Ministry is keen on starting training programs in this area for its staff.

2. Women's Entrepreneurship Development Programs

The Minister of Labor, Women's Rights and Family Welfare has indicated that her Ministry would like to send two of

its staff members to study the activities of Entrepreneurship Development Center and its women's programs in India. The Ministry is taking steps to train women entrepreneurs and such a study visit will be of great value to those officers responsible for these activities.

The Mauritius Employers' Federation is also proposing to depute two trainers to study entrepreneurship development training activities in India.

3. University of Mauritius, Mauritius Institute of Management and MEF have indicated interest in sending two staff members to Indian Institute of Management, Ahmedabad, India to participate in its Management Faculty Development Program.

Annex 2

PERSONS CONTACTED

1. Mr. P. Mohit	Permanent Secretary, Ministry of Industry
2. Mr. Baguant	Finance Secretary, Ministry of Finance
3. Minister Duval	Minister for Industry
4. Mr. C. Bhadain	Director, Mauritius Export Developent and Investment Authority
5. Mr. R. Du Mee	Chairman, Mauritius Employers' Federation
6. Mr. J. M. F. Rey	Director, Mauritius Employers' Federation
7. Mr. Azad Jeetun	Economist, Mauritius Employers' Federation
8. Mr. Philippe Chan Kin,	Chairman, Mauritius Export Processing Zone Association
9. Mrs. Danielle T. Y. Wong Ng	Manager, Mauritius Export Processing Zone Association
10. Mr. R. Bheenick	Director, Ministry of Economic Planning and Development
11. Mrs. Hanoomanjee	Principal Economist, MPTD, Ministry of Economic Planning and Development
12. Mr. Jean-Claude Montocchio	Secretary-General, The Mauritius Chamber of Commerce and Industry
13. Mr. Gerard Sanspeur	Assistant Secretary General, The Mauritius Chamber of Commerce and Industry
14. Minister Parsuramen	Ministry of Education
15. Mr. S. Munbodh	Chief Education Officer, Ministry of Education

16. Mr. A. Currimjee	Director, Bonair Knitwear Ltd.
17. Mr. Iqbal Joonas	Director , Joonas Group
18. Mr. M. B. Ramdanee	Chairman/Managing Director, Mauritius Pharmaceutical Manufacturing Co. Ltd.
19. Prof. J. Manrakhan	Vice-Chancellor, University of Mauritius
20. Prof. M. Joynathsing	Head, School of Administration, University of Mauritius
21 Prof. G. T. Mohamedbhai	Head, School of Industrial Technology, University of Mauritius
22. Prof. A. S. Kasenally	M.P., University of Mauritius
23. Mr. Shankat Ali Siddiqui	Manager, Bank of Credit and Commerce International S.A.
24. Mr. S. M. Chitnis	Managing Director, Development Bank of Mauritius
25. Mr. Mitchell Mark	IESC Volunteer
26. Mr. Noel Chong Ah Yan	Partner, Deloitte Haskins and Sells
27 Mr. Philip Tan	Associate Director, Price Waterhouse, Singapore
28. Minister Sheila Bappoo	Ministry of Labor, Women's Rights, Family Welfare
29. Mr. D. Taylor	Chairman, Rogers & Co., Ltd.
30. Mr. H. V. Jadav	Partner, Servansingh Jadav Consulting Engineers

ANNEX D

PROJECT AGREEMENT

PROAG STANDARD PROVISIONS ANNEX

A. Reference to 'this Agreement' means the original Project Agreement as modified by any revisions which have entered into effect. Reference to 'cooperating country' means the country or territory of the Grantee.

B. (1) AID will make available the amount specified in Block 3 of this Agreement, as necessary for the Project, as may be further described in Annex A.

(2) The Grantee will make available the amount specified in Block 4 of this Agreement, as necessary for the Project, as may further be described in Annex A. The Grantee will also make, or arrange to have made, additional contributions of property, services, facilities and funds required for carrying out the Project as specified in Annex A.

C. AID and the Grantee may obtain the assistance of other public and private agencies in carrying out their respective obligations under this Agreement. The two parties may agree to accept contributions of property, services, facilities and funds for purposes of this Agreement from other public and private agencies, and may agree upon the participation of any such third party in carrying out activities under this Agreement.

D. Except as otherwise specified herein or subsequently agreed by the parties, all contributions of the parties pursuant to this Agreement shall be made on or before the Project Assistance Completion Date, or amended date. A contribution of goods or services shall be considered to have been made when the services have been performed and the goods furnished as contemplated in this Agreement. Disbursement of funds may take place after final contributions have been made, but AID shall not be required to disburse funds hereunder after the expiration of nine months following the estimated Project Assistance Completion Date (Block 5 of this Agreement) or any amended Project Assistance Completion Date specified.

E. The procurement of commodities and services to be financed in whole or in part by AID may (where so required by AID procedures) be undertaken only pursuant to Project Implementation Orders (PIOs) issued by AID.

F. Unless otherwise specified in the applicable PIO or Project Implementation Letter (PIL), the procurement of commodities imported specifically for the Project and financed with the AID contribution referred to in Block 3 of this Agreement shall be subject to the provisions of AID Regulation 1.

G. Unless otherwise agreed by the parties or otherwise specified in the applicable PIO, title to all property procured through financing by AID pursuant to Block 3 of this Agreement shall be in the Grantee, or such public or private agency as it may authorize.

H. (1) Any property furnished to either party through financing by the other party pursuant to this Agreement shall, unless otherwise agreed by the party which financed the procurement, be used effectively for the purposes of the Project in accordance with this Agreement, and upon completion of the Project, will be used so as to further the objectives sought in carrying out the Project. Either party shall offer to return to the other, or to reimburse the other for, any property which it obtains through

financing by the other party pursuant to this Agreement which is not used in accordance with the preceding sentence.

(2) Any funds provided to either party pursuant to this Agreement which are not used in accordance with this Agreement, shall be refunded to the party providing the funds.

(3) Any interest or other earnings on funds provided by AID to the Grantee under this Agreement will be returned to AID by the Grantee.

I. (1) If AID and any public or private organization furnishing commodities through AID financing for operations hereunder in the cooperating country, is, under the laws, regulations or administrative procedures of the cooperating country, liable for customs, duties and import taxes on commodities imported into the cooperating country for purposes of carrying out this Agreement, the Grantee will pay such duties and taxes unless exemption is otherwise provided by any applicable international agreement.

(2) If any personnel (other than citizens and residents of the cooperating country), whether United States Government employees, or employees of public or private organizations under contract with, or individuals under contract with AID, the Grantee or any agency authorized by the Grantee, who are present in the cooperating country to provide services which AID has agreed to furnish or finance under this Agreement, are under the laws, regulations or administrative procedures of the cooperative country, liable for income and social security taxes with respect to income which they are obligated to pay income or social security taxes to the Government of the United States of America, for property taxes on personal property intended for their own use, or for the payment of any tariff or duty upon personal or household goods brought into the cooperating country for the personal use of themselves and members of their families (not including such personal or household goods as may be sold by any such personnel in the cooperating country) or if any firm, not normally resident in the cooperating country, is liable for income, receipts, or other taxes on work financed by AID hereunder, the grantee will pay such taxes, tariff, or duty unless exemption is otherwise provided by any applicable international agreement.

J. If funds provided by AID are introduced into the cooperating country by AID or any public or private agency for purposes of carrying out obligations of AID hereunder, the Grantee will make such arrangements as may be necessary so that such funds shall be convertible into currency of the cooperating country at the highest rate which, at the time the conversion is made, is not unlawful in the cooperating country.

K. AID shall expend funds and carry on operations pursuant to this Agreement only in accordance with the applicable laws and regulations of the United States Government.

L. The two parties shall have the right at any time to observe operations carried out under this Agreement. Either party during the term of the Project and for three years after the completion of the Project shall further have the right (1) to examine any property procured through financing by that party under this Agreement, wherever such property is located, and (2) to inspect and audit any records and accounts with respect to funds provided by, or any properties and contract services procured through financing by, that party under this Agreement, wherever such records may be located and maintained. Each party, in arranging for any disposition of any property procured through financing by the other party under this Agreement, shall assure that the rights of examination, inspection and audit described in the preceding sentence are reserved to the party which did the financing.

M. AID and the Grantee shall each furnish the other with such information as may be needed to determine the nature and scope of operations under this Agreement and to evaluate the effectiveness of such operations.

N. The present Agreement shall enter into force when signed. Either party may terminate this Agreement by giving the other party thirty (30) days written notice of intention to terminate it. Termination of this Agreement shall terminate any obligations of the two parties to make contributions pursuant to Blocks 3 and 4 of this Agreement, except for payments which they are committed to make pursuant to noncancellable commitments entered into with third parties prior to the termination of the Agreement. It is expressly understood that the obligations under paragraph H relating to the use of property or funds shall remain in force after such termination. In addition, upon such termination AID may, at AID's expense, direct that title to goods financed under the Grant be transferred to AID if the goods are from a source outside the Grantee's country, are in a deliverable state and have not been offloaded in ports of entry of the Grantee's country.

O. To assist in the implementation of the Project, AID, from time to time, may issue PILs that will furnish additional information about matters stated in this Agreement. The parties may also use jointly agreed-upon PILs to confirm and record their mutual understanding on aspects of the implementation of this Agreement.

P. The Grantee agrees, upon request, to execute an assignment to AID of any cause of action which may accrue to the Grantee in connection with or arising out of the contractual performance or breach of performance by a party to a direct U.S. Dollar contract with AID financed in whole or in part out of funds granted by AID under this Agreement.