

PD-GAB 960

UNCLASSIFIED

DEPARTMENT OF STATE
AGENCY FOR INTERNATIONAL DEVELOPMENT
WASHINGTON, D.C. 20523

PROJECT PAPER

JORDAN: TECHNICAL SERVICES/FEASIBILITY STUDIES GRANT

UNCLASSIFIED

AGENCY FOR INTERNATIONAL DEVELOPMENT PROJECT PAPER FACESHEET		1. TRANSACTION CODE <input type="checkbox"/> A ADD <input checked="" type="checkbox"/> C CHANGE <input type="checkbox"/> D DELETE		PP 2. DOCUMENT CODE 3
3. COUNTRY/ENTITY JORDAN		4. DOCUMENT REVISION NUMBER <input style="width: 50px; text-align: center;" type="text" value="1"/>		
5. PROJECT NUMBER (7 digits) <input style="width: 100px; text-align: center;" type="text" value="278-0181"/>		6. BUREAU/OFFICE A SYMBOL NE	B. CODE <input style="width: 50px; text-align: center;" type="text" value="3"/>	7. PROJECT TITLE (Maximum 40 characters) <input style="width: 100%; text-align: center;" type="text" value="Technical Services/Feasibility Studies Grant"/>
8. ESTIMATED FY OF PROJECT COMPLETION FY <input style="width: 50px; text-align: center;" type="text" value="80"/>		9. ESTIMATED DATE OF OBLIGATION A INITIAL FY <input style="width: 50px; text-align: center;" type="text" value="76"/> B. QUARTER <input style="width: 50px; text-align: center;" type="text" value="3"/> C FINAL FY <input style="width: 50px; text-align: center;" type="text" value="78"/> (Enter 1, 2, 3, or 4)		

10. ESTIMATED COSTS (\$000 OR EQUIVALENT \$1 -)						
A. FUNDING SOURCE	FIRST FY <u>76</u>			LIFE OF PROJECT		
	B FX	C L C	D TOTAL	E FX	F L/C	G. TOTAL
AID APPROPRIATED TOTAL						
(GRANT)	(1,450)	(-)	(1,450)	4,450)	(-)	4,450)
(LOAN)	()	()	()	()	()	()
OTHER U.S.	1.					
	2.					
HOST COUNTRY		300	300		900	900
OTHER DONOR(S)						
TOTALS	1,450	300	1,750	4,540	900	5,350

11 PROPOSED BUDGET APPROPRIATED FUNDS (\$000)									
A. APPROPRIATION	B. PRIMARY PURPOSE CODE	PRIMARY TECH. CODE		E. 1ST FY <u>76</u>		H. 2ND FY <u>77</u>		K. 3RD FY <u>78</u>	
		C GRANT	D LOAN	F GRANT	G LOAN	I GRANT	J LOAN	L GRANT	M. LOAN
(1) SA	991			1,450		1,500		1,500	
(2)									
(3)									
(4)									
TOTALS									

A. APPROPRIATION	N 4TH FY <u>79</u>		Q 5TH FY <u>80</u>		LIFE OF PROJECT		12. IN-DEPTH EVALUATION SCHEDULE C								
	O GRANT	P LOAN	R GRANT	S. LOAN	T. GRANT	U LOAN									
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13 DATA CHANGE INDICATOR. WERE CHANGES MADE IN THE PID FACESHEET DATA, BLOCKS 12, 13, 14, OR 15 OR IN PRP FACESHEET DATA, BLOCK 12? IF YES, ATTACH CHANGED PID FACESHEET.

1 NO N.A.
 2 YES

14. ORIGINATING OFFICE CLEARANCE				15. DATE DOCUMENT RECEIVED IN AID/W, OR FOR AID/W DOCUMENTS, DATE OF DISTRIBUTION																					
SIGNATURE			DATE SIGNED					MM DD YY		MM DD YY															
TITLE AID Director, Amman, Jordan																									
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TECHNICAL SERVICES AND FEASIBILITY STUDIES

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TECHNICAL SERVICES AND FEASIBILITY STUDIES

I. SUMMARY AND RECOMMENDATIONS

1. GRANTEE: Hashemite Kingdom of Jordan
2. IMPLEMENTATION AGENCY: National Planning Council
3. AMOUNT: U.S. \$4.45 million of which authorization of \$1.5 million is requested in FY 1977.
4. TERMS: This activity is to be grant funded from Security Supporting Assistance funds.
5. TOTAL PROJECT COST: Total Project cost is \$5.35 million of which \$1.45 million was obligated in FY 76, \$1.5 million will be obligated in FY 1977 and \$1.50 million will be obligated FY 1978. The GOJ contribution to the project is estimated at 20 percent of the dollar costs or \$900,000 equivalent.
6. DESCRIPTION OF PROJECT: This grant will be used to finance the foreign exchange and local currency costs of pre-feasibility, feasibility, pre-investment and technical studies; technical advisory services of U.S. and Jordanian consultants and experts; project proposal preparation; and related goods used in furtherance thereof. Sectors which may require such services include water resources development; project implementation programming; sewage disposal; health; regional planning; adult vocational education; highway maintenance; agriculture and agribusiness; and, electric systems operations and maintenance.
7. PURPOSE: The services to be provided are intended to assist the Hashemite Kingdom of Jordan (GOJ) with the identification, development, appraisal and execution of priority development projects to be financed from its own resources and from funds expected to be available from international financing institutions and bilateral donors.
8. GRANTEE CONTRIBUTION: The GOJ will provide local currency and in kind services such as office space, clerical help, drivers, vehicles, etc., to support various activities to be undertaken. In the case of contracts with local consultants or institutions, the GOJ will contribute to the cost of these activities to the extent to be determined at the time of activity approval.
9. MISSION VIEWS: The USAID Mission strongly supports this project.
10. STATUTORY REQUIREMENTS: All applicable criteria have been satisfied. See Annex 2 for the Statutory Checklist.

11. RECOMMENDATION: Approval of an amendment to the existing grant project (Technical Services/Feasibility Studies - 278-12-995-181) by authorization of an additional U.S. \$1.5 million for FY 1977 activities for the purposes stated herein on the terms and conditions set forth in the draft Grant Authorization Amendment attached as Annex 1.

II. THE PROJECT

A. BACKGROUND

2.01. At the urging of A.I.D. and the World Bank, the GOJ, in late 1971, prepared a three-year (1973-1975) national development plan which was presented to a conference of external donors including A.I.D. in November 1972. While A.I.D. and other donors generally found the plan to be a sound and reasonable framework for the direction of Jordanian efforts, the plan was not fully implemented because many of the projects proposed in the plan were never matured sufficiently to warrant external donor and lender consideration. The lack of an array of acceptable projects ready for financing, i.e., projects which had been thoroughly studied and proven technically and economically feasible, quite obviously prevented the GOJ from utilizing the financial assistance offered by many foreign donors and prevented the GOJ from accomplishing fully the objectives of the 1973-1975 plan within the planning period. The GOJ's current national plan encompasses the years 1976-1980. In an effort to avoid the delays in project implementation and the non-utilization of funds available experienced under the 1973-1975 plan, the GOJ has requested A.I.D.'s assistance in the project preparation phase.

2.02. This emphasis on project development also is compatible with the thrust of A.I.D.'s assistance strategy to gradually decrease our budget support while correspondingly and simultaneously increasing A.I.D.'s project oriented assistance. (For a full discussion of the A.I.D. strategy please refer to the DAP of February 1975, Section III.)

2.03. In addition to the \$100,000 reserved for A.I.D. uses under the FY 1976 Grant Agreement, a total of \$1,229,900 of the \$1,450,000 funds allocated in FY 1976 have been or will be obligated for the following activities:

a. Aqaba Grain Storage: \$54,500 for partial funding of a Feasibility Study by Black and Veatch, International. The remaining funds, \$79,000, were provided from Project 278-12-995-127. The study was completed during the first quarter of FY 1977.

b. Road Master Plan: \$171,050, partial funding of a contract with Wilbur Smith Associates for a Road Master Plan for the Ministry of Public Works. The remaining funds, \$273,100, were provided from Project 278-12-995-127. The study is scheduled for completion by the end of FY 1977.

c. Agricultural Cooperative Development International: \$25,000 for the three months services of a consultant to assist in preparation of the organizational structure and definition of functions and responsibilities of the proposed Jordan Valley Farmers Association. Consultancy terminated in December 1976.

d. East Ghor Drainage: \$100,000 for one year's services of a Drainage Expert to be provided by Harza Overseas Engineering Company to assist the Jordan Valley Commission in organizing an efficient drainage team comprised of local specialists in irrigation, drainage and related field. Services are planned to start during the second quarter of FY 1977.

e. U.S. Geological Survey: \$216,000 for one year's services of a P.A.S.A. team to assist the National Resources Authority (NRA) in (i) developing a five year work plan of proposed mining geology activities; (ii) reviewing existing geothermal resources and potential; (iii) implementing existing NRA activities, and (iv) resolving specific technical or operational problems. The team is scheduled to begin work in Jordan during the second quarter of FY 1977.

f. Assistance to the Jordan Electric Authority (JEA): \$34,000 for a two man team has been assisting the JEA in technical and economic planning for rural electrification. Team completed its work during the first quarter of FY 1977.

g. Health Planning (Phase II): \$130,000 for services of a team of 10 consultants. Team will assist the GOJ in identifying health options and priorities in the delivery of low cost health services and will recommend directions for national planning. Team will complete this task during the second quarter of FY 1977.

h. National Planning Council: \$10,000 for technical assistance to the NPC developing a management Information System to be used for monitoring and implementing the GOJ's current Five Year plan. Consultant services should begin during the second quarter of FY 1977.

i. National Savings and Loan League: \$189,350 to permit partial funding for 4 man years of management planning and engineering assistance to the Jordan Valley Commission. Additional funding is provided from Project 278-12-995-183. Services are currently financed through the second quarter of FY 1978.

j. Jordan Telecommunications Corporation (TCC): estimated at \$300,000. Long and short term technical assistance by telecommunication advisors. A contract is being negotiated with Morcom Systems, Inc., and Price-Waterhouse to assist the Director General of the TCC in the areas of financial management, internal auditing and statistics, administration, operations and maintenance and training. They will assist in developing a project with the objectives of transforming the TCC into a financially viable and service oriented organization. Services to start during the second quarter of FY 1977.

B. SUMMARY OF THE ECONOMIC SITUATION

2.04. Jordan's economy has grown at satisfactory rates in recent years; GDP rose by 5 percent per annum in real terms in the five years ended in 1975. This performance was somewhat irregular, however, and real GDP rose only marginally in 1975, as the adverse effects of weather on agricultural output were only slightly more than offset by continued growth in other sectors. The rate of growth in 1976 is projected at 12-15 percent in real terms, based on improved agricultural output and a sharp growth in industry. The primary factor fueling economic activity in Jordan has been the rising inflow of external receipts in the form of grants for budget support, other unrequited official transfers and private remittances from Jordanians abroad. These inflows, averaging about four times Jordan's receipts from merchandise exports, have helped finance rising public and private expenditures far in excess of the country's own indigenous resources. Although a considerable portion of available resources has been allocated to investment, consumption levels have consistently exceeded GNP. The resource gap, filled by sizable net imports, stood at nearly half of GNP in 1975. The resource gap was manifested in the public sector by a widening domestic budget deficit which, in 1975, amounted to nearly one third of GNP.

2.05. In this context, both the Three-Year Development Plan (1973-1975) and the more comprehensive Five-Year Plan (1976-1980) adopted the goal of achieving greater self-sufficiency by reducing the economy's reliance on external support. However, during the Three-Year Plan period, the economy showed no significant movement toward self-sufficiency as defined by the terms of the Plan. The current Five-Year Plan aims at a substantial reduction in the trade gap (from about 47 percent of GNP in 1975 to 21 percent of projected GNP in 1980) and the virtual elimination of the deficit on current budgetary operations. To achieve this goal the plan sets out a strategy of export-led growth with strong emphasis on the development of the commodity producing sectors and supporting infrastructure. Over the 1976-1980 period commodity exports are to grow at three times the annual rate of imports while domestic budget revenues are to increase at twice the rate of growth of current expenditures. With the achievement of near balance on current budgetary operations, external financial resources could thus be concentrated on capital formation. These resources (unrequited transfers and capital inflows) are expected to finance more than three quarters of the total investment requirements of JD 765 million, consisting of 50 percent in public and 50 percent in private and mixed sectors outlays.

2.06. The new Five-Year Development Plan (1976-1980) seeks to accelerate the rate of growth, to broaden and diversify the productive economic base, and to move the economy closer to

self-sufficiency. The associated investment program implies an annual investment rate that is two-and-a-half times that actually achieved during the preceding Three-Year Plan. About 80 percent of total investment is to be financed externally, the bulk of it to be channeled through the budget in the form of grants, loans and technical assistance. Although the successful completion of development projects will continue to expand productive capacity and augment available resources, an important question of policy, at least over the short and intermediate term, still remains. That is whether the domestic supply system is sufficiently elastic to respond adequately to such a massive infusion of expenditures without seriously aggravating inflationary pressures. Although domestic resource supplies have been, and are expected to continue to be, augmented by rapidly expanding imports, the usefulness of further growth from this source is limited by critical bottlenecks in the transportation system (especially port capacity) and by existing rigidities in the supply of complementary domestic inputs and nontradeable goods and services.

C. TECHNICAL SERVICES/STUDIES PROPOSED

2.07. USAID/Amman has discussed with the GOJ specific needs for technical assistance in the sectors of health, highway maintenance, adult vocational education, regional planning, water and sewage, highway maintenance and operations, electrical operation and maintenance, land tenure, agriculture, social development and management operations within the JVC related to on-going and projected activities. The GOJ is acutely aware of the necessity for direct assistance in the formulation, design, preparation and implementation of development programs and projects.

2.08. To allow USAID to meet its responsibilities in assisting the GOJ in evaluations, and related project development activities, USAID will reserve up to \$150,000 for use by USAID. Such activities will be eligible for financing under this project.

a. The following activities, which are estimated to cost \$1,350,000, are under active consideration for funding in FY 1977:

1. Aqaba Water Distribution and Sewage Disposal: estimated at \$200,000. A water supply transmission and storage system, funded by the Arab Fund for Economic Development, the U.K. and the GOJ, is under construction and scheduled for completion in late 1978. A consulting engineering team is required to assist in developing the first phase of a distribution system for the water to be provided from the ongoing multi-donor project and for a sewage disposal system. This activity should be initiated during the third quarter of FY 1977.

- ii. Amman Urban Planning: estimated at \$200,000. A team of urban planning experts will assist the GOJ to determine growth trends in population and area; infrastructure requirements; limitations to growth; alternative courses of action; projected costs and potential funding sources. The results will be incorporated into and presented as an Urban Plan for Amman. This activity is planned for implementation during the third quarter of FY 1977.
- iii. Health Services: estimated \$50,000. Following completion of the health study funded under project 278-12-995-181, it is anticipated that the GOJ will request assistance for the preparation of a health project to improve health service delivery.
- iv. Adult Vocational Education: estimated at \$50,000. A multi-disciplinary team will be required during the second quarter of FY 1977. The team will assist the GOJ Vocational Training Corporation in developing preliminary plans of operations. The team should complete its work during the third quarter of FY 1977.
- v. Technical Assistance to MPW: estimated at \$200,000. The Ministry of Public Works requires technical assistance in highway maintenance, hot-mix asphalt paving operations and highway equipment maintenance. Individual technical experts will be required beginning with the third quarter of FY 1977.
- vi. Technical Assistance to the Jordan Valley Commission: approximately \$600,000. The JVC requires technical assistance in the social development and agriculture sectors; land tenure; installation and operation of water systems; the establishment of an organization for the operation and maintenance of electric systems, development planning, engineering, establishment of informational programs and project development, monitoring and implementation. Individual requests will be initiated during the second quarter of FY 1977.
- vii. Technical Assistance to the Central Government: approximately \$50,000. Assistance may be requested to determine how local currency generation could be increased.
- viii. Local Consultants and Local Costs: whenever practical and possible, USAID plans to use local consultants or local institutions such as the Royal

Scientific Society and the University of Jordan to accomplish specific program objectives. By so doing, we hope to increase the pool of in-country experts who will then be available to the GOJ.

III. IMPLEMENTATION

A. PROCEDURES

3.01. Requests for studies or services would originate with the GOJ Ministry, Agency or Commission desiring the studies or services. These requests would be forwarded to A.I.D. through the National Planning Council (NPC). After A.I.D.'s agreement in principal to finance the studies or services requested, the organization within the GOJ requesting assistance would prepare a draft scope of work and budget for transmittal to A.I.D. through NPC channels. Subsequent to A.I.D.'s concurrence to the scope of work, the services or studies would be contracted for under the appropriate mechanism, whether by host country contracting procedures as set forth in Handbook 11, Chapter 1, "Procurement of Professional and Technical Services," the use of a Participating Agency Service Agreement (PASA), or through task orders under direct A.I.D. contracts.

3.02. All contracts under the Grant Agreement (excluding PASA and direct A.I.D. contracts against which task orders may be issued) will be executed by the NPC or their designated representative. PASA and task orders under the Grant Agreement will be executed by A.I.D. at request of the NPC.

B. CONDITIONS PRECEDENT

3.03. The initial disbursement of funds under this grant will be conditioned on the receipt of a statement from the NPC of the name(s) of the person(s) representing the GOJ, a specimen signature of each person so designated, and receipt of a legal opinion from the GOJ stating that the agreement has been duly authorized and/or ratified by, and executed on behalf of Jordan, and that it constitutes a valid and legally binding obligation of Jordan.

3.04. Disbursement of funds for individual studies or services would be conditioned on A.I.D. approval of the contractor and contract for the services or study required.

C. DISBURSEMENT

3.05. Services of U.S., and/or cooperating country source and origin approved in accordance with the procedures described above will be eligible for financing from the proceeds of this Grant. Per diem paid to consultants is also considered an eligible cost. Only Goods and Services provided subsequent to the execution of the Grant Agreement will be eligible for financing.

3.06. The method of disbursement, whether by Letter of Commitment procedure or by internal A.I.D. disbursing authorizations, will be determined at the time and by the type of contract under which services will be provided.

D. TOTAL PROJECT COST

3.07. Total project cost is estimated at \$4,450,000 exclusive of GOJ in kind contributions which approximate 20 percent of the cost of the services provided. In FY 1976, \$1,450,000 were obligated. It is proposed to obligate an additional \$1,500,000 in FY 1977, and the balance of the funds in FY 1978.

E. SCHEDULE

3.08. The grant is expected to be authorized in February and a Grant Agreement executed in March. The conditions precedent to initial disbursement (legal opinion and the naming of the GOJ representatives and presentation of specimen signatures) should be met within 30 days of execution of the Grant Agreement. The initial drawdown of funds is expected to occur in the second quarter of FY 1977. Except as A.I.D. may otherwise agree in writing, the terminal date for disbursements will be two years from the date of execution of the amended Grant Agreement.

F. ENVIRONMENTAL ASSESSMENT

3.09. Several of the studies expected to be financed under this Grant will be for projects that may include environmental considerations. At this time it is not possible to predict what the environmental effects of the projects studied will be. Each contract, therefore, in accordance with A.I.D. procedures will contain a provision requiring the consultant to examine the environmental effects of the project being studied and to prepare an environmental assessment statement.

G. ROLE OF WOMEN

3.10. A.I.D. will examine each scope of work for services proposed for financing under this grant to determine whether there should be included a special examination of the role of women in the ultimate development project.

DEPARTMENT OF STATE
AGENCY FOR INTERNATIONAL DEVELOPMENT
WASHINGTON

DRAFT

THE ADMINISTRATOR

PROJECT AUTHORIZATION AND
REQUEST FOR FUNDS

Name of Country: Jordan

Name of Project: Technical Services
and Feasibility
Studies

Number of Project: 278-0181

Pursuant to Part II, Chapter 4, Section 532 of the Foreign Assistance Act of 1961, as amended, I hereby authorize an amendment to a Grant (previously authorized by the Assistant Administrator, Near East Bureau in the amount of \$1,450,000) to Jordan the "Cooperating Country" of not to exceed One million Five hundred thousand United States Dollars (\$1,500,000) (the "Authorized Amount") to help in financing the foreign exchange costs of goods and services required for the project as described in the following paragraph.

The project consists of pre-feasibility, feasibility, pre-investment and technical studies; technical advisory services; project proposal and preparation; and of related goods and equipment used in furtherance thereof (hereinafter referred to as the "Project").

I approve the total level of A.I.D. appropriated funding planned for this project of not to exceed Four million Four hundred Fifty thousand United States Dollars (\$4,450,000) of which \$1,450,000 was authorized previously and \$1,500,000 is authorized above, during the period FY 76-78. \$1,500,000 will be available for additional increments during the period of Grant funding subject to the availability of funds in accordance with A.I.D. allotment procedures.

I hereby authorize the initiation of negotiation and execution of an amendment to the Grant by the Officer to whom such authority has been delegated in accordance with A.I.D. regulations and Delegations of Authority subject to the following essential terms and covenants and major conditions; together with such terms and conditions as A.I.D. may deem appropriate:

a. Source and Origin of Goods and Services

Goods and services financed by A.I.D. shall have their source and origin in the United States or the Cooperating Country, except as A.I.D. may otherwise agree in writing.

b. All consultants selected and contracts for services to be financed shall be approved by A.I.D.

John E. Murphy
Acting Administrator

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6C(2) - PROJECT CHECKLIST

Listed below are, first, statutory criteria applicable generally to projects with FAA funds, and then project criteria applicable to individual fund sources: Development Assistance (with a sub-category for criteria applicable only to loans); and Security Supporting Assistance funds.

CROSS REFERENCES: IS COUNTRY CHECKLIST UP TO DATE? IDENTIFY. HAS STANDARD ITEM CHECKLIST BEEN REVIEWED FOR THIS PROJECT?

GENERAL CRITERIA FOR PROJECT.1. App. Unnumbered; FAA Sec. 653(b)

(a) Describe how Committees on Appropriations of Senate and House have been or will be notified concerning the project;
(b) is assistance within (Operational Year Budget) country or international organization allocation reported to Congress (or not more than \$1 million over that figure plus 10%)?

The Project is in the FY 77 Congressional Presentation.

2. FAA Sec. 611(a)(1). Prior to obligation in excess of \$100,000, will there be (a) engineering, financial, and other plans necessary to carry out the assistance and (b) a reasonably firm estimate of the cost to the U.S. of the assistance?

The Agreement does not require substantive technical or financial planning.

3. FAA Sec. 611(a)(2). If further legislative action is required within recipient country, what is basis for reasonable expectation that such action will be completed in time to permit orderly accomplishment of purpose of the assistance?

No further action is required.

4. FAA Sec. 611(b); App. Sec. 101. If for water or water-related land resource construction, has project met the standards and criteria as per Memorandum of the President dated Sept. 5, 1973 (replaces Memorandum of May 15, 1962; see Fed. Register, Vol 38, No. 174, Part III, Sept. 10, 1973)?

Not Applicable.

5. FAA Sec. 611(e). If project is capital assistance (e.g., construction), and all U.S. assistance for it will exceed \$1 million, has Mission Director certified the country's capability effectively to maintain and utilize the project?

Not Applicable.

A.

6. FAA Sec. 209, 619. Is project susceptible of execution as part of regional or multi-lateral project? If so why is project not so executed? Information and conclusion whether assistance will encourage regional development programs. If assistance is for newly independent country, is it furnished through multi-lateral organizations or plans to the maximum extent appropriate?
- No. The Project will finance feasibility and technical studies in several development areas which may lead to regional development projects. Jordan is not a newly independent country.
7. FAA Sec. 601(a); (and Sec. 201(f) for development loans). Information and conclusions whether project will encourage efforts of the country to: (a) increase the flow of international trade; (b) foster private initiative and competition; (c) encourage development and use of cooperatives, credit unions, and savings and loan associations; (d) discourage monopolistic practices; (e) improve technical efficiency of industry, agriculture and commerce; and (f) strengthen free labor unions.
- The Project will finance feasibility and technical studies in the following sectors: water resources development, sewage disposal, health, regional planning, high maintenance, agriculture and agribusiness, and electrical systems operation and maintenance.
8. FAA Sec. 601(b). Information and conclusion on how project will encourage U.S. private trade and investment abroad and encourage private U.S. participation in foreign assistance programs (including use of private trade channels and the services of U.S. private enterprise).
- The Grant will pay for services of U.S. consulting firms and identify development projects which potentially may include U.S. private sector investment.
9. FAA Sec. 612(b); Sec. 636(h). Describe steps taken to assure that, to the maximum extent possible, the country is contributing local currencies to meet the cost of contractual and other services, and foreign currencies owned by the U.S. are utilized to meet the cost of contractual and other services.
- The Project Agreement will so provide.
10. FAA Sec. 612(d). Does the U.S. own excess foreign currency and, if so, what arrangements have been made for its release?
- Jordan is not an excess currency country.

B. FUNDING CRITERIA FOR PROJECT

1. Development Assistance Project Criteria

a. FAA Sec. 102(c); Sec. 111; Sec. 281a. Extent to which activity will (a) effectively involve the poor in development, by extending access to economy at local level, increasing labor-intensive production, spreading investment out from cities to small towns and rural areas; and (b) help develop cooperatives, especially by technical assistance, to assist rural and urban poor to help themselves toward better life, and otherwise encourage democratic private and local governmental institutions?

Not Applicable.

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b. FAA Sec. 103, 103A, 104, 105, 106, 107. Is assistance being made available: Not Applicable.

[include only applicable paragraph -- e.g., a, b, etc. -- which corresponds to source of funds used. If more than one fund source is used for project, include relevant paragraph for each fund source.]

- (1) [103] for agriculture, rural development or nutrition; if so, extent to which activity is specifically designed to increase productivity and income of rural poor; [103A] if for agricultural research, is full account taken of needs of small farmers;
- (2) [104] for population planning or health; if so, extent to which activity extends low-cost, integrated delivery systems to provide health and family planning services, especially to rural areas and poor;
- (3) [105] for education, public administration, or human resources development; if so, extent to which activity strengthens nonformal education, makes formal education more relevant, especially for rural families and urban poor, or strengthens management capability of institutions enabling the poor to participate in development;
- (4) [106] for technical assistance, energy, research, reconstruction, and selected development problems; if so, extent activity is:
 - (a) technical cooperation and development, especially with U.S. private and voluntary, or regional and international development, organizations;
 - (b) to help alleviate energy problem;
 - (c) research into, and evaluation of, economic development processes and techniques;
 - (d) reconstruction after natural or manmade disaster;
 - (e) for special development problem, and to enable proper utilization of earlier U.S. infrastructure, etc., assistance;
 - (f) for programs of urban development, especially small labor-intensive enterprises, marketing systems, and financial or other institutions to help urban poor participate in economic and social development.

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(5) [107] by grants for coordinated private effort to develop and disseminate intermediate technologies appropriate for developing countries.

c. FAA Sec. 110(a); Sec. 208(e). Is the recipient country willing to contribute funds to the project, and in what manner has or will it provide assurances that it will provide at least 25% of the costs of the program, project, or activity with respect to which the assistance is to be furnished (or has the latter cost-sharing requirement been waived for a "relatively least-developed" country)?

d. FAA Sec. 110(b). Will grant capital assistance be disbursed for project over more than 3 years? If so, has justification satisfactory to Congress been made, and efforts for other financing?

e. FAA Sec. 207; Sec. 113. Extent to which assistance reflects appropriate emphasis on; (1) encouraging development of democratic, economic, political, and social institutions; (2) self-help in meeting the country's food needs; (3) improving availability of trained worker-power in the country; (4) programs designed to meet the country's health needs; (5) other important areas of economic, political, and social development, including industry; free labor unions, cooperatives, and Voluntary Agencies; transportation and communication; planning and public administration; urban development, and modernization of existing laws; or (6) integrating women into the recipient country's national economy.

f. FAA Sec. 281(b). Describe extent to which program recognizes the particular needs, desires, and capacities of the people of the country; utilizes the country's intellectual resources to encourage institutional development; and supports civic education and training in skills required for effective participation in governmental and political processes essential to self-government.

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g. FAA Sec. 201(b)(2)-(4) and 201(e); Sec. 201(a)(1)-(7) and 201(b)(5). Does the activity: (1) contribute to the development of economic resources, or to the increase of productive capacities and self-sustaining economic growth; or of educational or other institutions directed toward social progress? Is it related to and consistent with other development activities, and will it contribute to realizing long-range objectives? And does the paper provide information and conclusion on an activity's economic and technical soundness?

h. FAA Sec. 201(b)(6); Sec. 201(a)(1)(6). Information and conclusion on possible effects of the assistance on U.S. economy, with special reference to areas of substantial labor surplus, and extent to which U.S. commodities and assistance are furnished in a manner consistent with improving or safeguarding the U.S. balance-of-payments position.

2. Development Assistance Project Criteria (Loans only)

Not Applicable.

a. FAA Sec. 201(b)(1). Information and conclusion on availability of financing from other free-world sources, including private sources within U.S.

b. FAA Sec. 201(b)(2), 201(d). Information and conclusion on (1) capacity of the country to repay the loan, including reasonableness of repayment prospects, and (2) reasonableness and legality (under laws of country and U.S.) of lending and relending terms of the loan.

c. FAA Sec. 201(e). If loan is not made pursuant to a multilateral plan, and the amount of the loan exceeds \$100,000, has country submitted to A.I.D. an application for such funds together with assurances to indicate that funds will be used in an economically and technically sound manner.

d. FAA Sec. 201(f). Does project user describe how project will provide the country's economic development funds into account the country's human and material resources, and identify the relationship between ultimate objectives of the project and overall economic development?

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e. FAA Sec. 202(a). Total amount of money under loan which is going directly to private enterprise, is going to intermediate credit institutions or other borrowers for use by private enterprise, is being used to finance imports from private sources, or is otherwise being used to finance procurements from private sources?

f. FAA Sec. 620(d). If assistance is for any productive enterprise which will compete in the U.S. with U.S. enterprise, is there an agreement by the recipient country to prevent export to the U.S. of more than 20% of the enterprise's annual production during the life of the loan?

3. Project Criteria Solely for Security Supporting Assistance

FAA Sec. 531. How will this assistance support promote economic or political stability?

The Project will assist ehg GOJ in identifying developing, appraising and executing priority development projects.

4. Additional Criteria for Alliance for Progress

Not Applicable.

[Note: Alliance for Progress projects should add the following two items to a project checklist.]

a. FAA Sec. 251(b)(1), -(8). Does assistance take into account principles of the Act of Bogota and the Charter of Punta del Este; and to what extent will the activity contribute to the economic or political integration of Latin America?

b. FAA Sec. 251(b)(8); 251(h). For loans, has there been taken into account the effort made by recipient nation to repatriate capital invested in other countries by their own citizens? Is loan consistent with the findings and recommendations of the Inter-American Committee for the Alliance for Progress (now "CEPCIES," the Permanent Executive Committee of the OAS) in its annual review of national development activities?