

PDGAD 268

UNITED STATES INTERNATIONAL DEVELOPMENT COOPERATION AGENCY
AGENCY FOR INTERNATIONAL DEVELOPMENT
WASHINGTON, D.C. 20523

PROJECT AUTHORIZATION

Name of Country: Lebanon

Name of Project: Small Value Procurement Project

Number of Project: 268-0326

1. Pursuant to Section 495J of the Foreign Assistance Act of 1961, as amended, the amount of \$500,000 was previously authorized for the Small Value Procurement Project. Pursuant to Section 531 of the Foreign Assistance Act, as amended, I hereby authorize the additional obligation of not to exceed \$350,000 in grant funds over a one year period from date of authorization, subject to availability of funds in accordance with the AID OYB/allotment process, to help in financing foreign exchange and local currency costs for the project.

2. The project consists of a variety of small value procurements which support specific relief activities related to the Emergency Relief and Rehabilitation Program in Lebanon.

3. The Project Agreement which may be negotiated and executed by the officer to whom such authority is delegated in accordance with A.I.D. regulations and Delegations of Authority shall be subject to the following essential terms and covenants and major conditions, together with such other terms and conditions as A.I.D. may deem appropriate.

A. Source and Origin of Commodities, Nationality of Services

Commodities financed by A.I.D. under the project shall have their source and origin in Lebanon or the United States, except as A.I.D. may otherwise agree in writing. Except for ocean shipping, the suppliers of commodities or services shall have Lebanon or the United States as their place of nationality, except as A.I.D. may otherwise agree in writing. Ocean shipping financed by A.I.D. under the project shall, except as A.I.D. may otherwise agree in writing, be financed only on flag vessels of the United States.

Charles W. Greenleaf, Jr.

Charles W. Greenleaf, Jr.
Assistant Administrator
Bureau for Asia and Near East

Lebanon PROJ. TITLE *Small Value Proc.*

268-0326 BIB CODE 29

Because the PACD has already been extended beyond the redelegated authority of the Mission Director, AID/W has been requested to extend the existing PACD by another year to June 30, 1986. This extension will allow the Mission to obligate additional funds under the project when circumstances in Beirut warrant it and to complete planned activities.

Pursuant to conversations with the Administrator, the attached authorization defines the project as ". . . a variety of small value procurements which support specific relief [emphasis added] activities related to the Emergency Relief and Rehabilitation Program in Lebanon".

JUSTIFICATION TO THE CONGRESS: Congress was notified on June 12, 1985 (Advice of Program Change No. 502 dated June 11, 1985) of A.I.D.'s intent to obligate additional funds for the subject project. After review by the Senate Foreign Relations Committee, A.I.D. was informed on July 1, 1985 that Congress had no objections to the planned obligation.

RECOMMENDATION: That, by signing the attached authorization, you approve (1) the obligation of \$350,000 from the FY 1983 ESF Supplemental Appropriation for Lebanon for The Small Value Procurement Project (268-0326) for a new LOP of \$850,000; and (2) a one year extension of the PACD to June 30, 1986.

APPROVED: Charles W. Funder

DISAPPROVED: _____

DATE: 8/5/85

Attachments: a/s

AGENCY FOR INTERNATIONAL DEVELOPMENT
WASHINGTON, D.C. 20523

ACTION MEMORANDUM FOR THE ASSISTANT ADMINISTRATOR, ANE

FROM: ANE/PD, Peter Bloom

SUBJECT: LEBANON: The Small Value Procurement Project
268-0326 - Authorization of Project Amendment

PROBLEM: USAID/Lebanon has requested AID/W to authorize an amendment to the Small Value Procurement Project to provide additional funding and extend the PACD to June 30, 1986.

BACKGROUND: The Small Value Procurement Project was authorized in FY 1983 at a life-of-project funding level of \$250,000. Due to unexpectedly heavy early drawdowns, funding was increased in 1984 by \$250,000 for a new LOP of \$500,000. As of April 1, 1985, the USAID/Amman Controller reported that the Lebanon Mission had obligated a total of \$276,858 and had a pipeline of unexpended funds totaling \$2,027 under the project.

The PACD for the project was originally established as June 30, 1983. On June 28, 1983, the Director of USAID/Lebanon, under the March 10, 1982 Redelegation of Authority, approved a one year extension to June 30, 1984. On June 21, 1984, the Director of NE/PD, under the May 25, 1982 Redelegation of Authority, further extended the PACD to June 30, 1985.

DISCUSSION: Given the uncertainties of the situation in Beirut, the Mission must maintain an extremely flexible programming posture. The Small Value Procurement Project is the Mission's mechanism for rapid implementation of small-scale relief activities in Lebanon. The Mission is now facing requirements for financing small-scale equipment and supplies for relief activities not covered under our larger grants to PVOs funded under the Lebanon Relief Assistance Project (268-0342).

Therefore, during the AID/W Portfolio Review in March 1985, the Director of USAID/Lebanon indicated that the Mission planned to request the allotment of an additional \$350,000 for the project from the FY 1983 ESF Supplemental Appropriation for Lebanon. This requires an increase in the project authorization to a new LOP of \$850,000. In anticipation of such an increase, the Office of Management and Budget (OMB) apportioned these additional funds to the Bureau for the Lebanon program in April 1985, and an allowance cable was sent to USAID/Lebanon.

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APPROVED: Charles W. Greenleaf, Jr.

DISAPPROVED: _____

DATE: AUG 5 1985

Attachments: a/s

Clearances:

DAA/ANE/NE:RHBell	(draft)	Date 07/26/85
ANE/NE/PD:RVenezja	<u>W</u>	Date <u>8/2/85</u>
ANE/MENA:GKamens	(draft)	Date 07/08/85
GC/ANE:RJohnson	<u>RWJ</u>	Date <u>8/2/85</u>
ANE/NE/DP:BSidman	(draft)	Date 07/08/85

ANE/NE/PD/MEDNE:M. Binding:07/05/85:Revised:08/02/85:amf:3617F

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<u>ANE/NE/DF:BSIdman</u>	<u>(draft)</u>	<u>Date 07/08/85</u>

ANE/NE/PD/MEDLE:MKSinding:amf:07/05/85:Revised:08/02/85:3617F