

PDKAH060

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Project Paper*

Background Paper

PRINT MEDIA FOR FARM FAMILIES

Caribbean Basin Initiative PVO Grant
to the Simon Bolivar Foundation

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I. Summary

This project will develop, produce, and distribute a new newspaper especially designed to be useful and interesting to low-income farm families in Spanish-speaking Caribbean Basin countries.

The newspaper will meet several needs. First, it will complement ongoing literacy and educational programs, providing meaningful and entertaining reading material relevant to the lives of rural people. As such, the newspaper will stimulate rural people to acquire, maintain, and improve their literacy skills. Second, the newspaper will provide a new channel for communicating practical development-related information to a large rural audience. The content of the newspaper will include information on health and nutrition practices, commercial messages to promote rural businesses, information on new agricultural technologies, and national and international news that is relevant to rural people's lives.

The newspaper will be developed and published during the first year of the project in Honduras. During the second and third years of the project, it will also be distributed in a second Spanish-speaking Caribbean Basin country, most likely Guatemala.

In both countries, an association of existing groups will be organized to manage and support the newspaper. Participating organizations will include agricultural cooperatives, local and national educational institutions, rural-oriented private businesses, and public sector development ministries.

Evidence from Colombia indicates that El Campesino, the rural newspaper on which this project is modeled, is regularly read and highly regarded by low-income farm families. In an independent field evaluation, it was found that 71% of rural families read El Campesino with some regularity. Readership of El Campesino proved to be a significant predictor of adoption of a number of key agricultural and health practices as well as mastery of basic literacy and numeracy skills.

Twenty thousand copies a week of the new newspaper will be produced for distribution in each of the two countries. During the three years of the project, over five million copies will be printed and distributed. Assuming that each copy is seen by five different readers, over 200,000 people will read at least part of the newspaper every week.

The newspaper will be sold for about ten cents (U.S.) per copy. By the end of the project, it is expected that the newspaper will be financially self-supporting, with advertising revenues, sales to readers, and educational features financed by development agencies generating sufficient revenues to cover costs.

II. Background and Rationale

Educational opportunities available to the poor in the Spanish-speaking Caribbean Basin countries have improved substantially over the last twenty years. Primary school enrollments have climbed steadily. While important numbers of people, such as indigenous groups in the Guatemalan highlands, still do not have access to the formal education system, it is reasonable to assume that a growing majority of adults in the region have had some instruction in basic literacy and numeracy skills. Table 1 summarizes primary school enrollments in Central America and Panama.

TABLE 1

PRIMARY SCHOOL ENROLLMENTS IN SPANISH-SPEAKING CBI COUNTRIES (Percent of population in age group enrolled)

	<u>TOTAL</u>	<u>MALE</u>	<u>FEMALE</u>
Guatemala(1977)	64%	68%	58%
Honduras(1976)	85%	85%	84%
El Salvador(1977)	79%	80%	77%
Panama(1978)	88%	89%	86%
Costa Rica(1978)	107%	108%	107%
Nicaragua(1978)	85%	83%	88%
Dominican Republic	96%	95%	96%

(Source: AID Congressional Presentation, FY83, Annex III)

Furthermore, for adults who did not attend school when they were children, opportunities to learn reading and writing skills through adult literacy campaigns have proliferated. The mystique of the Brazilian pedagogue Paulo Freire and the active encouragement of UNESCO have made adult literacy campaigns a common feature in Latin America.

As a result of increasing primary school enrollments and adult study opportunities, illiteracy rates have declined and the percentage of people with at least some rudimentary reading and writing skills now represents a substantial majority in most CBI countries. Table 2 summarizes recent literacy statistics from the Spanish-speaking CBI countries.

TABLE 2
LITERACY RATES IN SPANISH-SPEAKING CBI COUNTRIES

	YEAR	TOTAL	MALE	FEMALE
Costa Rica	1973	88%	89%	88%
	1963	84%	85%	85%
Honduras	1974	57%	59%	55%
	1961	45%	49%	42%
El Salvador	1975	62%	NA	NA
	1961	49%	54%	45%
Guatemala	1973	46%	54%	39%
	1964	38%	44%	32%
Panama	1970	78%	79%	78%
	1960	73%	74%	72%
Nicaragua	1971	58%	58%	57%
	1963	50%	50%	49%
Dominican Republic	1970	67%	69%	66%
	1960	65%	67%	62%

However, there are several very important factors that cloud this generally encouraging picture. First, functional literacy is often lost through disuse. Although statistics concerning literacy loss are not available, it is well known that a large proportion of adults and young people emerging from literacy campaigns and primary school in rural areas drift back into illiteracy because there are few opportunities for them to read.

Second, many potential literates do not bother to study because they see no compelling reason to learn to read. With little interesting or useful reading material available in the rural environment, motivation to participate in study campaigns is understandably low on the part of many potential learners. This lack of motivation ultimately constrains the success of other ongoing literacy activities.

Third, much of the potential impact of literacy and education on development is lost because of the lack of modern information channels in rural areas. Even when people do become functionally literate, they do not benefit unless literacy gives them access to new, directly-useful information. Unfortunately, many literacy campaigns treat acquisition of literacy as an end in itself, vaguely promising outcomes such as pride, control over one's life situation, and community action. Many literacy campaigns in Latin America today have a covertly manipulative agenda, in which the process of literacy study itself becomes an analysis of the structures of political and economic oppression that effect the rural community. This supposedly unstructured process is guided by facilitators from outside the community, and is regarded as "liberating" by its proponents because it is designed to mobilize those who participate in the literacy program to take concerted action to overthrow the oppressive political structures.

Whatever its motivation, literacy study must be a source of disillusionment to many people living in rural areas. People make sacrifices to study and to send their children to school, but the lack of useful and relevant reading materials in rural areas leaves them dependent on the same information sources used by the illiterate -- word-of-mouth information and broadcast radio. While these channels are rich sources of entertainment and information of a social nature, they are typically poor sources of information concerning modernization and economic change.

Another critical deficiency in the information environment of rural communities throughout the CBI region is the lack of a suitable channel for news and political communication. The only modern communication medium available in most rural communities is broadcast radio. Most rural radio stations in Latin America are tiny operations with two or three employees. What little news they broadcast comes from reading the newspaper from a nearby metropolitan area or the capital. This news is often out-of-date, biased by publishers' viewpoints and party affiliations, and designed for an urban audience. The lack of factual news, selected and prepared especially to be relevant to the low-income farm families that make up a large proportion of the population of the CBI countries, leaves a vacuum which has troubling implications for the development of democratic institutions. The unavailability of balanced news makes informed political participation on the part of rural populations impossible. People tend to fill an information vacuum with rumors and speculative information, which gradually come to be accepted as fact. Failure to provide accurate and believable news and political information, then, leaves public opinion vulnerable to the mutterings of the disaffected and the misrepresentations of the unscrupulous.

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A final deficiency in the information environment of rural areas is the lack of a large-scale private sector communication medium. To expand their markets, inform the general public about new products and services, and compete for customers, private entrepreneurs often find that mass media advertising is essential. While broadcast radio is an effective advertising medium for local products and services in rural communities, most CBI countries do not have a medium with national-scale coverage of the rural market.

III. Description of the Project

This project will develop, produce, and distribute a weekly newspaper especially designed for rural, low-income readers. The newspaper will be carefully researched and developed so that it will be entertaining, attractive, useful, and readable for newly-literate adults and young people. The newspaper will be based on a unique and proven model — the rural weekly paper El Campesino published by Accion Cultural Popular (ACPO) in Colombia. A description of El Campesino and a summary of the evidence of its impact are contained in Annex 1, "Social Soundness Analysis."

1. Goal and Goal Achievement

The goal of the project is to improve the productivity, political participation, and quality of life in rural areas of selected Caribbean Basin countries.

Improvements in agricultural productivity will be indicated by adoption of new agricultural technologies and practices by readers of the newspaper. Improved political participation will consist of more active and better-informed participation in national and local political activities such as elections and public meetings. Improved quality of life will consist of adoption of health, nutrition, and family life practices; greater exposure to cultural information and printed entertainment material; and improved literacy and numeracy skills.

2. Purpose and End-of-Project Status

The purpose of the project is to develop, produce, and distribute a rural periodical suitable for newly-literate adults and young people. There are three sub-purposes: (a) to stimulate acquisition, maintenance, and improvement of literacy skills, (b) to develop an appropriate, flexible communication medium for providing development-related information to

rural families, and (c) to stimulate the private sector by providing an advertising medium reaching a large rural market. Conditions indicating that the purposes and sub-purposes are being achieved at the end of the project are: (a) a rural newspaper in continuous production which is self-financing and which is widely distributed in two Caribbean Basin countries on a weekly basis, and (b) evaluation data showing the impact of the newspaper on readers' literacy skills, adoption of selected innovations, and awareness of political and commercial messages carried in the newspaper.

3. Outputs

In this section, the concept of the rural newspaper will be described. The description here is subject to change since the first part of the project will be devoted to thoroughly researching and field-testing the specifics of content, format, finance, and distribution.

a. Format

The rural newspaper will be sixteen pages, tabloid-sized, and printed in black and white. It will have large, clear photographs and drawings illustrating stories on every page. Columns will be wide and uncrowded, and there will be ample open space separating stories. The language will be Spanish and the vocabulary of stories will be between a third and seventh grade level.

b. Contents

Each issue of the newspaper will contain the following features:

1. News that is relevant and interesting to farmers. Stories will feature problems of farmers throughout the region, understandable discussions of the processing and marketing of farm products, stories about government and agricultural programs, and stories about new farm technologies. National and world news will be presented in a capsulized format, with brief discussions of the implications of current events for local agriculture.

2. Serial "Fotonovelas" will be dramatic and entertaining adventures of rural people in real-life settings. Most will illustrate a practice or attitude which could be beneficial to rural readers.

3. "Separatas" -- the removable centerfold page popular in Latin American newspapers -- will be used to provide step-by-step instruction in useful agricultural techniques.

4. Word-games and quizzes will be used to encourage writing skills and build readers' vocabularies.

5. Family-life features will describe and illustrate with pictures health, hygiene, nutrition, family planning, and child-rearing practices.

6. Editorial sections will express opinions on subjects of national importance. Viewpoints expressed will represent the best interests of low-income rural families.

7. Letters from readers will be published to provide a sense of reader participation and to encourage readers to use the newspaper to exchange views and experiences with readers in other communities.

8. Human Interest features will provide stories and pictures about unusual personal, development-related, and cultural events in representative rural areas.

C. Distribution

The newspaper will piggyback its distribution onto existing distribution networks. Drivers visiting rural communities to distribute soft drinks, beer, or other popular consumption items will be subsidized to deliver newspapers as well.

In communities, sales to the public will be done through local individuals or businesses. Distributors will receive a commission for each copy sold. It is expected that the local broadcast radio station will be the distribution point in many communities.

D. Financing

The newspaper will be heavily subsidized by the grant during its first year. By the end of the project, it is expected that sufficient revenues will be generated to make the paper self-supporting. Revenues will be generated from: (1) sale of advertising, (2) sale of space to public sector ministries for instructional features, (3) sale of the newspaper to readers.

Annex 4, "Proposed Budget and Financial Analysis," contains further discussion of financing arrangements and projections of costs and revenues.

E. Institutional Arrangements

A non-profit private foundation or association will be organized in each participating country to run the newspaper. This will not be an entirely new organization, but a group of existing private and public sector organizations that share an interest in the newspaper. Groups as diverse as the Chamber of Commerce, advertising agencies, agricultural cooperatives, and government ministries will participate. One local organization such as an agricultural college will actually manage and produce the newspaper, with policy guidance and financial support from the other organizations in the foundation or association.

The Simon Bolivar Foundation will provide substantial technical support, staff training, and initial organizational support, largely through its professional affiliates, MEDCON in Miami and ACPO in Colombia.

Annex 2, "Institutional Analysis," provides further detail on planned institutional linkages.

F. Regional Approach and Country Selection Criteria

Based on its own experience and initial feasibility analyses, the Grantee has proposed a regional newspaper that will be distributed, with some minimal adaptation, in at least two different countries. It is convinced that a high-quality newspaper can be developed which will be acceptable and useful to the rural populations of a number of Spanish-speaking Caribbean Basin countries, without major adaptation or re-writing. This approach offers important advantages:

Economies of scale are great with publications, where much of the cost is in writing and physical preparation of the printed product. Producing very large numbers of copies drastically reduces the cost of the newspaper to the reader.

High quality is important if the newspaper is to be salable to advertisers and readers. Clear graphics, good writing, and entertaining features require time and resources. Based on many years of experience in Colombia, the Grantee is convinced that the best marketing strategy is to concentrate resources on a large-circulation, professional-quality production and not to try to organize a large number of small, localized, community-based newspapers.

A large-circulation regional publication would complement the existing localized broadcast radio system. Radio provides community information, but lacks a national, regional, and international perspective. It has been found that rural broadcasters rely on newspapers for news to read on the air. The newspaper would thus provide rural-oriented national and international news to broadcasters which they have lacked in the past.

A multi-country publication could help promote regional identity by emphasizing similarities and common interests among participating countries.

Given the constraints of time and funding available to the project, it has been decided to initiate the project in one CBI country and concentrate resources and activities there. A well-trained professional staff and adequate production facility will be established and the newspaper will be developed and put into production in that country during the first year of the project. The project will expand distribution into a second country during the second and third years of the project.

The first country, where the production center will be established and newspaper development undertaken, will be Honduras. A second country will be identified following field visits by Grantee staff at the end of the first year of the project. The second country will be one of the following: (1) the Dominican Republic, (2) El Salvador, (3) Panama, or (4) Guatemala. Feasibility studies have been completed in both Honduras and the Dominican Republic, so there is no question that the project is feasible in those two countries. However, possibilities of there being greater economies of scale and commonality of interest and culture if the project were to take place in two Central American countries suggests that a better strategy is to fully develop the newspaper in the country that offers the most advantageous set of circumstances -- Honduras -- and then to test market it in several additional countries to determine where the greatest circulation and impact could be achieved.

Criteria for identifying the second country are the following:

1. Economic, cultural, and linguistic similarity to Honduras, making shared content feasible.
2. High projected circulation in rural areas.
3. Concrete expressions of local private sector interest and support, including commitments to buy advertising.

4. Lack of government interference with the press.
5. Evidence of public sector collaboration and support, including willingness on the part of development ministries to utilize the newspaper in support of their rural development programs.
6. Concurrence of local A.I.D. Mission.

4. Project Components - Inputs

The project will provide training, commodities, technical assistance, travel, and initial salaries and operating expenses to establish the regional newspaper described above.

a. Training

A Honduran professional staff will be recruited and trained to produce the newspaper. To the extent possible, individuals with previous experience and/or formal training will be recruited. Furthermore, a local publishing organization such as an urban newspaper will be contracted to actually print the paper, and it is likely that this contractor will have some trained professional writing staff that can be utilized to help produce the new newspaper. However, since there is presently no existing service in Honduras comparable to the farm newspaper that will be developed by the project, it is likely that all staff members will require some training. For example, agronomists recruited to prepare articles about agriculture will require training in journalism. Similarly, journalists hired to write and edit will probably require orientation in rural development and adult education to be able to develop suitable material for newly-literate rural audiences. Since printing services will be contracted to a local Honduran firm, it is not expected that training will be needed in mechanical skills such as typesetting and print equipment operation and maintenance. Instead, training will be provided to about 10 individuals in combinations of the following skill areas:

1. Reporting and newswriting
2. Editing
3. Photography
4. Graphic arts, layout
5. Problems of rural development
6. Media sales and promotion
7. Project administration
8. Evaluation

Training will consist of approximately 10 internships, in which Honduran staff recruited to work on the project will spend 3 months working with the production staff of El Campesino in Colombia. Internships will include intensive classroom instruction and on-the-job experience. Internships will cost an average of \$5,000 apiece, including travel, salary, materials, and living expenses.

b. Commodities and Operating Expenses

Commodities required will include supplementary production equipment (cameras, etc.), production supplies (newsprint, ink, film, etc.), office supplies and furniture, and office rent. Operating expenses, including contract printing services, distribution of the newspaper, publicity, and administration are also provided.

d. Salaries

A.I.D. grant funds will provide partial salary support for: (1) newspaper production staff and field agents in two countries, (2) partial salary support for ACPO training staff in Colombia, and (3) salary support for project support staff in the U.S. It is planned that grant funding for field staff salaries will diminish during the second and third years of the project, as the newspaper begins to generate local revenues.

e. Travel

The grant will finance travel by trainees and technical assistance staff between Colombia and the two Central American countries, and from Miami and New York for site visits to coordinate project field activities.

f. Technical Assistance

Both short-term and long-term technical assistance will be provided, largely from ACPO professional staff based in Colombia and from MEDCON. The technical assistance component of the project includes the services of a project director and field director.

A detailed summary of inputs and associated costs is contained in Annex 4, "Proposed Budget and Financial Analysis."

IV. Alternative Project Designs

Two alternative approaches, literacy campaigns and comprehensive adult education services, were considered in the course of discussions with the Simon Bolivar Foundation. These alternatives are explained briefly below.

A. Adult Literacy Campaigns

In an early proposal, the Simon Bolivar Foundation proposed organizing large-scale adult literacy campaigns in four CBI countries. It was hoped that an instructional system using battery-powered record players which is presently being used in Venezuela could be adapted for this purpose. However in the course of technical review and discussions with field missions, it was decided that literacy campaigns would not be the best use of CBI funds or the Grantee's technical resources. There were three reasons for this decision.

1. Literacy rates are already moderate-to-high in the CBI countries, and are climbing as primary school enrollment increases in rural areas.

2. There are already multiple adult literacy activities under way.. Major new campaigns are being planned by the governments of Honduras and the Dominican Republic, the two countries where the Simon Bolivar Foundation undertook feasibility studies.

3. Most available evidence indicates that massive adult literacy campaigns, in spite of their political and public relations appeal, usually prove to be a disappointing development investment. The most dramatic example is UNESCO's recent "Experimental World Literacy Program" (EWLP), carried out from 1967 to 1973 in collaboration with UNDP in 11 countries. A summary of the results of the EWLP and other literacy campaigns concluded:

There is no escaping the fact that the operational record of success with literacy programs has been dismal. We have been able to help too few people to become literate, at costs often monumentally uneconomical, and where there have been no real prospects for providing the resources to maintain these skills.

It might be recalled that the EWLP was aimed at one million adults, and only some 120,000 reached literacy. Other programs have not even been this successful. High dropout rates in literacy projects are compounded in succeeding years when successful completers lapse back into illiteracy. This is often painfully dramatic. In one Asian country it was found that the majority of pupils finishing four years of primary education became illiterate again within three years (Manzoor Ahmed, The Economics of Nonformal Education: Resources, Costs and Benefits. New York: Praeger, 1975).

The high dropout rate tends to produce economic anomalies. Ahmed cites a case where the high dropout rate (49 out of each 50 failed to complete) resulted in a cost per literate of \$1,600 instead of the \$32.80 that would have occurred had all completed. Even more successful programs are still not cost-effective. (Quoted from Development Communication Report, No. 30, April, 1980)

B. Comprehensive Adult Education Programs

The other alternative to the newspaper project that was considered was a more elaborate and ambitious project which would develop a full range of adult education services, patterned after the multi-media Accion Cultural Popular (ACPO) program in Colombia. This alternative would have included development of the newspaper program, a book publishing service, production of radio broadcast programming, production of television programming, and development of a rural leadership training institute in each of the participating countries. In analyzing this alternative, it was concluded that the 6 to 8 million dollars it required was not available. Furthermore, it probably would have taxed the Grantee's resources excessively to attempt to develop so many different services simultaneously in two or more different countries. The Grantee regards the newspaper project as an initial service, and hopes that it will lead to the evolution of a permanent production center with a series of educational and media services. AID's commitment, however, presently covers only the Campesino Newspaper Project described in this paper.

V. Evaluation Plan

Due to the innovative nature of the project, it is important that evaluation of costs and impact be as thorough and systematic as possible. The following evaluation activities are designed to produce as much evaluation information as possible without requiring that a significant amount of grant funds be spent on research studies.

A. Formative Evaluation

To provide feedback from readers concerning their preferences for different features, the utility of the information provided by the paper, readability, price, and efficiency of distribution, the newspaper will periodically survey small samples of readers. Letters from readers will also be elicited, read, and summarized. The purpose of this formative evaluation information is primarily to make it possible to revise the paper as needed to make it more responsive to readers' needs and preferences. However, an effort will be made to be as systematic as possible in the gathering of this information so that it will be useful for subsequent summative evaluation studies as well.

B. Project Documentation

The newspaper will keep copies of all materials published for possible post-project review. It will also keep clear financial records of all costs and revenues, and detailed circulation statistics. The Grantee will keep a detailed running narrative (in the form of quarterly reports submitted to AID) describing accomplishments and problems.

C. Summative Evaluation

During the third year of the project, LAC Bureau and selected Mission staff will review the project and prepare an internal evaluation of project success. At a minimum, this evaluation will take the form of a Project Evaluation Summary (PES), prepared by the AID project monitor in the course of a final site visit during which all the information collected by the Grantee (described above) will be reviewed. During this evaluation, it may be decided that some aspects of the project merit more detailed study, in which case an independent evaluation will be financed with other AID funds. The nature and magnitude of the independent evaluation study will be determined at that time, in consultation with the Missions involved with the project.

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VI. Implementation Plan

The project will be a grant to the Simon Bolivar Foundation, Inc., based on an unsolicited proposal submitted to A.I.D. The Foundation will raise counterpart funds by promoting the project among private companies in the U.S. and in participating CBI countries. The Foundation will coordinate all private sector participation in the project. It will subcontract for technical assistance and training services to MEDCON, which uses its own technical and professional staff and draws directly on ACPO's Colombian resources as well.

Funds will be obligated by the signing of a grant agreement by March 31, 1983. Discussions between the Foundation and the Honduran private sector are already under way, and implementation activities will begin promptly following signing of the grant agreement.

The following is a tentative implementation schedule:

<u>ACTIVITIES</u>	<u>DATES</u>
-Grant agreement signed	March 31, 1983
-Local organization established in Honduras	June, 1983
-Training in Colombia	May - Sept., 1983
-Newspaper prototype development	July - Oct., 1983
-Test marketing of prototypes	Aug. - Nov., 1983
-Advertising promotion begins	Sept., 1983
-Distribution planning begins	Oct., 1983
-Printing contract signed	Oct., 1983
-Publication begins in Honduras	Jan., 1984
-Planning and private sector contacts in second country begin	Feb., 1984
-Local organization in second country formally established	Mar., 1984
-Distribution in second country begins	June, 1984
-Evaluation studies	Nov., 1984 & Nov., 1985
-Project Assistance Completion Date	March 31, 1986

VII. LOGICAL FRAMEWORK

Project Title & Number: _____

NARRATIVE SUMMARY	OBJECTIVELY VERIFIABLE INDICATORS																																																																											
<p>Program or Sector Goal: The broader objective to which this project contributes:</p> <p>To improve the productivity and quality of life of farm families in selected Caribbean Basin countries.</p>	<p>Measures of Goal Achievement:</p> <p>Increase adoption of agricultural, health, nutrition, sanitation, family planning practices and improvement in basic literacy and numeracy skills on the part of families exposed to newspaper</p>																																																																											
<p>Project Purpose:</p> <p>To develop and produce a rural periodical suitable for newly-literate adults and young people</p> <p>Subpurposes: (1) to stimulate acquisition, maintenance, and improvement of literacy skill, (2) to develop a low-cost, flexible medium for providing practical development related information to rural families, (3) to stimulate local private sector by providing an advertising medium reaching large rural market.</p>	<p>Conditions that will indicate purpose has been achieved: End of project status.</p> <p>Rural newspaper in production, being distributed and sold to 40,000 farm families each week in Honduras and 1-2 additional Central American countries.</p>																																																																											
<p>Outputs:</p> <ol style="list-style-type: none"> 1. Rural newspaper format developed & field tested 2. Regional production center established 3. Personnel trained 4. National distribution networks 5. Newspapers sold 	<p>Magnitude of Outputs:</p> <ol style="list-style-type: none"> 1. 1 2. 1 (Honduras) 3. 12 4. 2 5. 5,120,000 (20,000 copies X 2 countries X 128 weeks) 																																																																											
<p>Inputs:</p> <table border="0" style="width: 100%;"> <tr> <td style="width: 50%;">Field Operating Expenses</td> <td style="width: 10%;"></td> <td style="width: 10%;"></td> <td style="width: 10%;"></td> <td style="width: 10%;"></td> </tr> <tr> <td>U.S. Technical Assistance</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Training</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Travel</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Office equipment</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Overhead</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td style="text-align: right;">Total</td> <td></td> <td></td> <td></td> <td></td> </tr> </table>	Field Operating Expenses					U.S. Technical Assistance					Training					Travel					Office equipment					Overhead					Total					<p>Implementation Target (Type and Quantity)</p> <table border="0" style="width: 100%;"> <thead> <tr> <th style="width: 25%;"></th> <th style="width: 12.5%;"><u>AID</u></th> <th style="width: 12.5%;"><u>SBF</u></th> <th style="width: 12.5%;"><u>Others</u></th> <th style="width: 12.5%;"><u>Total</u></th> </tr> </thead> <tbody> <tr> <td></td> <td>1,198</td> <td>-</td> <td>1,060</td> <td>2,258</td> </tr> <tr> <td></td> <td>627</td> <td>83</td> <td>-</td> <td>710</td> </tr> <tr> <td></td> <td>26</td> <td>20</td> <td>-</td> <td>46</td> </tr> <tr> <td></td> <td>12</td> <td>46</td> <td>-</td> <td>59</td> </tr> <tr> <td></td> <td>35</td> <td>-</td> <td>-</td> <td>35</td> </tr> <tr> <td></td> <td>-</td> <td>50</td> <td>-</td> <td>50</td> </tr> <tr> <td style="text-align: right;">Total</td> <td>1,898</td> <td>199</td> <td>1,060</td> <td>3,158</td> </tr> </tbody> </table>		<u>AID</u>	<u>SBF</u>	<u>Others</u>	<u>Total</u>		1,198	-	1,060	2,258		627	83	-	710		26	20	-	46		12	46	-	59		35	-	-	35		-	50	-	50	Total	1,898	199	1,060	3,158
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N SUMMARY
AMEWORK

Life of Project:
From FY _____ to FY _____
Total U.S. Funding _____
Date Prepared: _____

MEANS OF VERIFICATION	IMPORTANT ASSUMPTIONS
1. Independent end-of-project evaluation study	Assumptions for achieving goal targets: Adoption of practices advocated in rural newspaper leads to improved agricultural productivity and quality of life.
1. Independent end-of-project evaluation 2. AID/W project monitor site visit	Assumptions for achieving purpose: - Adequate sources of revenue are available to make newspaper self-financing by end of project. - Common format can be developed that is acceptable for use with little adaptation in 2 or more Central American countries.
1. Mission backstop reports and files 2. AID/W project monitor cite visits 3. Contractor reports and files	Assumptions for achieving outputs: - Trained personnel can be retrained by production center - Adequate distribution can be attained through other existing distribution networks in rural areas
1. Contractor files and vouchers 2. Mission backstop reports 3. AID/W review meetings with contractor	Assumptions for providing inputs: - Availability of local resources, including advertising revenues.

ANNEX 1

Social Soundness Analysis

A. Impact of Rural Newspapers in Developing Countries

The major evidence that the proposed approach is sound is a detailed field evaluation of El Campesino, the Colombian national farm newspaper on which this project is based. The evaluation study was performed by Florida State University and was financed by A.I.D. The major finding with regard to El Campesino is that it is widely circulated and read in rural communities, in spite of the fact that the average educational attainment of the sample is only 3 years of primary school. Also, it was found that the typical reader makes use of the paper for several different functions. The study report summarizes its findings concerning readership of the newspaper as follows.

"The index of use of the newspaper 'El Campesino' was designed based on questions dealing with the reasons the families used the newspaper. Six items were included in the index to assess in which ways the newspaper has been used by families. Approximately 71% of the families interviewed read El Campesino with some regularity.

"An examination of the results reveals that approximately 60% of the families use the newspaper for practicing reading, for learning things they do not know, and for entertainment. Twenty-five percent use the newspaper to teach others and to do homework at school.... The interviewers observed that in a fairly large number of homes El Campesino was saved over a several month period and was re-read or referred to as a reference source.

"The index of use of the newspaper was then developed by assigning a weight to each reason for using the newspaper. A score of 0 to 18 was assigned to each of the 601 families in the sample. Table 16 shows the frequency distribution of families regarding the use of the newspaper. The mean score was 7.36 and the standard deviation 5.4.

Table 16
Index of Use of Newspaper Among Campesino Families (N=601)

Score	Freq.	Percent	Cum Percentage
0	173	28.8	28.8
1-3	18	3.0	31.8
4-6	56	9.3	41.1
7-9	165	27.5	68.6
10-12	113	18.8	87.4
13-15	58	9.7	97.0
16-18	18	3.0	100.0

"For purposes of description, the families were classified into five groups as before: Non-users, low users, average users, high users and very high users.

-Non-users (0 points) Twenty-eight percent of the families do not use the newspaper. They either do not know of it or they never read it.

-Low users (1 to 3 points) Three percent of the families use the newspaper for one reason (practice reading, learning things they do not know, entertainment, and so forth).

-Average Users (4 to 9 points) Thirty-seven percent of the families make use of the newspaper for 2 or 3 reasons, exploring more its use.

-High Users (10 to 12 points) Almost 19% of the families make use of the newspaper for 4 reasons, using it probably for practicing reading, for learning things they do not know, for entertainment, and to teach others or for homework.

-Very High Users (13 to 18 points) Almost thirteen percent of the families make use of the newspaper for 5 or 6 reasons, exploring almost all its usefulness. "

Evidence of the actual impact on readers' knowledge, attitudes, and practices from the Colombia study was not very conclusive due to some methodological errors. A statistical model was used to compare the impact of different ACPO "treatments" (radio, books, campesino leaders, the newspaper, etc.), controlling statistically for other influences, on a series of health-related variables. Readership of the newspaper was a significant statistical predictor of adoption of key health practices, and it was the single strongest predictor of modern health-related attitudes.

Tests of literacy and numeracy skills were given to respondents, and readership of ACPO printed materials, including El Campesino, was the best predictor of respondents' performance on these tests. This result was surprising, because most respondents had attended some primary school, usually considered the predominant source of these basic education skills. The study concludes that having attended primary school is not a sufficient condition for having functional literacy and numeracy skills as an adult:

" These findings are particularly interesting, in view of reports from the preponderance of the respondents that they had first acquired their basic education skills in regular school -- not from ACPO: Yet when actual basic educational proficiency was measured, the families which were high users of ACPO performed significantly better than low users of ACPO.... These data on the application of basic skills in the everyday life of the campesinos suggest that the presence of ACPO printed materials in the house of the campesino is the fundamental factor for maintaining their literacy skills. Without reading materials from ACPO, the campesino would tend to lose his reading capacities" (page 378-383).

A project in Ghana provided more conclusive evidence of the potential of a newspaper to motivate illiterates to read and semi-literates to improve their reading skills. In a carefully-controlled field experiment in Ghana's eastern region, 40 middle schools (8th and 9th grades) were randomly divided into "experimental" (20 schools) and "control" (20 schools) groups. Students were from rural families, and learning to read English was difficult because it was not their native language. Students in all 40 schools were pretested using a simple reading comprehension test. Then, in the 20 experimental schools, a newspaper called the Densu Times was made available. Teachers were invited, but not required, to use the newspaper as supplemental classroom reading material. Students were free to take the paper home.

In post-tests given one and two years later, students in the experimental schools showed test score gains that were substantially higher than students in control schools. Furthermore, those who scored lowest in the pretest in the experimental schools (who were, for all practical purposes, completely illiterate) had percentage gains that matched and in some cases outstripped the gains of "bright" students. A report on the study of the Densu Times experiment concludes:

"From the beginning, researchers had hypothesized that the newspaper would (1) supplement the continuing efforts of middle-school teachers to make reading a pleasurable, practical and useful skill; (2) ensure that students gain the 'reading habit' even though they may not enter secondary school; and (3) introduce into village homes the experience of receiving an easy-to-read newspaper with local personal news about neighborhood problems and activities, and thus motivate non-reading adults to become literate. And, indeed, the enthusiasm with which school administrators, government officials, teachers, and villagers responded to the newspaper may ultimately prove of more practical importance in Ghana than statistical evidence of literacy improvement" (Source: "Reconsidering Print," Development Communication Report, Jan., 1978, No. 21, page 3).

B. Beneficiaries

The rural population of Honduras is estimated at 2,475,000 in 1982, about 63% of the total population of nearly 4,000,000. Fifty percent of the rural population is under 14 years old. Average per capita income in rural areas declined from \$109 in 1979 to \$102 in 1981. In rural areas, about half of school-age children actually attend primary school. About 51% of the rural population over 10 years old is illiterate. The productivity and quality-of-life of farm families varies greatly from region to region of the country.

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Most of the rural population is composed of two groups, traditional farmers and landless laborers. Thirty-five percent of all rural families work in subsistence agriculture on small farms, earning an average annual per capita income of \$135 (1978 dollars). The comparable income figure for the landless poor, 47% of the total, is \$63, earned by occasional labor in a variety of sectors, in small industry and commerce, or on micro-farms of less than one hectare. Agrarian reform farmers, constituting 9% of the rural population, have incomes of approximately \$450 if on government-assisted farms and \$106 if on farms without such assistance.

There are significant differences in social conditions of the target subgroups. Although the average family size of 6.2 persons does not vary significantly, family education, health, and housing conditions do. Forty percent of the small individual farmers are illiterate as compared to 55% of the landless poor. Further, 32% of the children of school age of the landless poor are not in school as compared to only 9% of the children of small individual farm families. Access to adequate medical treatment is similarly unequal, as only 15% of the landless poor have access to regular medical treatment as compared to 38% of the small individual farm families. Housing conditions differ as well; for instance, 94% of the landless poor have dirt floors compared to 79% of the individual farmers. In terms of sanitation facilities in or near the house, 88% of the landless poor have no latrine as compared to 83% of the small individual farmers (source: Honduras CDSS, FY83)

While this project will attempt to reach as large a rural readership as possible, the primary target group will be small individual farm families, which number 112,000 families in the whole country. Different stories and features will be especially targeted for: (1) the farmer himself, (2) farm women, and (3) young people who are studying or who have studied in rural schools.

C. Distribution of Benefits and Spread Effect

In its initial operations in Honduras, it is planned that 20,000 copies of the rural newspaper will be produced per week for distribution and sale in rural communities. This quantity will be adjusted periodically during the course of the project to coincide with demand. In order to achieve large circulation in a short time, radio advertising and distribution of free sample copies will promote the initiation of the newspaper.

If utilization of the newspaper is similar to readership of El Campesino in Colombia, each copy will be read by five individuals, for a total of 100,000 readers each week in Honduras. A comparable readership is anticipated in the second country in the second year of the project. This first diffusion effect — passing one copy of the newspaper to other readers — will probably involve family members and neighbors with whom the newspaper can readily be shared.

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In a second diffusion effect, some of the 100,000 readers will transmit information from the newspaper to non-readers in conversation. Secondary analysis of audience data gathered by the AID "Basic Village Education" Project in Guatemala showed empirically that social groups — the family and the community — are better units of analysis for predicting the diffusion of print information than is the individual. This means that an illiterate individual is not necessarily excluded from getting information from a newspaper. The Guatemala project proved that as long as there is a family member or neighbor who knows how to read, information that is relevant or interesting to an illiterate will usually reach him.

A third diffusion effect involves transmission of information from the newspaper to a mass listening audience via broadcast radio. It was observed by the feasibility study team in Honduras that rural radio broadcasters routinely read newspaper news on the air. In this way, abbreviated and selected items from the project newspaper are expected to reach a large percentage of the rural radio-listening audience.

ANNEX 2
Institutional Analysis

The Grantee for this project, the Simon Bolivar Foundation, is a U.S. private, non-profit, tax-exempt organization. It is currently registered with AID as a Private Voluntary Organization (Registration Number 263). It was organized to mobilize U.S. private sector resources in support of adult education programs in the Third World. Based on an unsolicited proposal submitted to AID, initial feasibility studies by the Foundation have been undertaken by the Foundation. The results and conclusions of the feasibility studies are reflected in this paper.

The Simon Bolivar Foundation is primarily a fund-raising organization, located in New York. Its technical assistance affiliate, located in Miami, is called Media and Contents, Inc. ("MEDCON"). MEDCON was established primarily to market the technical resources of Accion Cultural Popular (ACPO), a large Colombian private-sector adult nonformal education organization associated with the Catholic Church. ACPO draws on over 35 years of experience producing rural-oriented print and radio instructional services. It runs a large printing operation which publishes books, newspapers, magazines and other printed products. It also operates "Radio Sutatenza", the largest radio broadcasting network in Latin America.

ACPO began to provide training and technical advisory services outside of Colombia in 1978 with the help of an AID grant. AID felt that ACPO's technical resources, staff, and institutional model were so unique and successful that they should be shared with adult education programs in other LAC countries. The first major international activity of ACPO/MEDCON/Simon Bolivar Foundation was technical support for a massive, media-based adult literacy campaign in Venezuela which is being financed by the Venezuelan private sector.

In Honduras, the Foundation has inventoried a long list of potential local collaborating organizations, including unions, farmer leagues, women's organizations, cooperatives, cultural and educational organizations, and PVO's. Over the next two months, prior to formal initiation of grant-funded field activities, informal contacts will be made with the most promising of these groups. Because many Honduran organizations are affiliated with political parties or movements, sensitivity and caution will be essential in this process. It is planned that the project will become the responsibility of an ad hoc association of organizations which have a stake of some kind in the newspaper. The association will have the following characteristics:

1. It will be private and non-profit.
2. It will not be affiliated with any particular political movement or party.

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3. It will be committed to national development.
4. It will integrate a diverse group of Honduran organizations, both public and private, representing a wide range of development sectors and interests.
5. Its focus will be on rural life.
6. It will be activist and innovative, aggressively seeking funds, support, and participation in Honduras and in the United States.

This local implementing group will hire a technical and professional staff to write and produce the newspaper. Training of the Honduran production staff will be done by ACPO, both in Colombia and in Honduras. Actual printing of the newspaper will be contracted to a Honduran printing company to minimize expenditure of project funds on printing equipment. However, it is planned that part of the contract with the local printing firm will involve upgrading of its equipment to improve the quality of its printed products. It is also planned that a local public relations or advertising firm with extensive experience and business contacts in Honduras will be contracted to market the newspaper to potential advertisers.

Once the local organization is securely established in Honduras, a similar process will begin in the second project country, most likely Guatemala. First, an inventory of local organizations will be developed. Then, contacts will be made on an executive level with the most promising of the organizations identified. Through meetings and discussions over a three-month period, an association of supportive groups will be organized. In the second country, the association will not have the extensive responsibilities for full research, development, and production of a new newspaper. The association in the second country will largely serve to provide advice on the adaptation and distribution of the newspaper and to promote use of the newspaper by local public and private sector organizations.



Annex 3

Technical Feasibility

Print technology is well-established in Honduras, and initial assessments indicate that newspaper printing services can be contracted locally, making it unnecessary for this project to establish a new printing capability. It is likely that some equipment upgrading will be required to achieve the quality and quantity of production required by the project's newspaper. Provision of this additional equipment will be negotiated as part of an overall contract with a printing contractor in Tegucigalpa.

The most troublesome technical feasibility issue is distribution of the newspaper to rural communities. While it would be possible to have a fleet of trucks and drivers to distribute the newspapers throughout the country, it would be prohibitively costly and cumbersome to do so. As an alternative, the newspaper will have several agents in Tegucigalpa who will identify existing transportation services to communities selected for distribution. In most cases these will be trucks delivering products to rural communities, but they may also be public buses in some cases. Drivers will be paid a small commission for each delivery of a bundle of newspapers to a designated community. Distribution will not be attempted in communities which are so remote that they are not reached regularly by some form of public transportation.

Within rural communities, sales will be made by individuals, who will be permitted to keep a percentage of the money made from each sale. Initially, local community sales will be set up by agents of the newspaper association, who will visit all communities before distribution begins. In communities where lack of cash appears to be the only major constraint to readership of the newspaper, the distribution agents will experiment with possible ways of selling and reimbursing local distributors with payment "in kind." When El Campesino was introduced in Colombia, for example, it was possible for a farmer to exchange an egg for a copy of the newspaper.

Provision of the extensive training and technical assistance that will be required by the project is feasible because the Grantee's affiliate, ACPO in Colombia, is the foremost source of experience with this type of project in the Hemisphere. ACPO has an extensive collection of instructional materials which were developed with A.I.D. grant support during the 1970's. The materials have been used by ACPO to provide instruction in the design, production, and evaluation of adult education services for trainees from practically all the Spanish-speaking Latin American countries. Most training of Honduran staff for the project, about 12 individuals, will take place at the ACPO plant in Bogota. For specific technical consulting needs in Honduras, production staff from ACPO's own rural newspaper, El Campesino, will be used.

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ANNEX 4.
Proposed Budget and Financial Analysis

ECONOMIC ANALYSIS

NEWSPAPER

PROJECTED INCOME STATEMENTS (1)

	<u>First Year</u>	<u>Second Year</u>	<u>Third Year</u>	<u>Fourth Year</u>
Revenue:				
Sales (2)	\$ 48,000	\$ 204,000	\$ 397,800	\$ 803,250
Advertisement Sales	5,000	35,911	100,000	100,000
Paid Educational Contents	5,000	20,000	30,000	50,000
Subsidy	<u>437,572</u>	<u>523,526</u>	<u>452,045</u>	<u>311,440</u>
Total Revenues	\$ 495,572 =====	\$ 783,437 =====	\$ 979,845 =====	\$ 1,264,690 =====
Expenses				
Salaries & Allowances	\$ 322,658	\$ 338,791	\$ 355,731	\$ 373,517
Printing & Distribution (3)	92,214	359,911	535,142	797,751
Rent and Utilities	44,400	46,620	48,951	51,399
Office Supplies	12,000	12,600	13,230	13,892
Communications	9,600	10,080	10,584	11,113
Consultants	10,500	11,025	11,576	12,155
Miscellaneous	<u>4,200</u>	<u>4,410</u>	<u>4,631</u>	<u>4,863</u>
Total Expenses	\$ 495,572 =====	\$ 783,437 =====	\$ 979,845 =====	\$ 1,264,690 =====
Cost per Copy	\$ 1.03 =====	\$ 0.38 =====	\$ 0.32 =====	\$ 0.275 =====
Subsidy per Copy	\$ 0.91 =====	\$ 0.25 =====	\$ 0.14 =====	\$ 0.07 =====

- (1) Does not include start up costs: Technical Assistance, Training, Travel, Office Equipment and Overhead.
- (2) Sale price: First and second years \$ 0.10. Third \$ 0.13. Fourth \$ 0.175
- (3) Production schedule for first three years as per itemized budget. For fourth year assumes distribution of 70,000 copies in the two established countries and an additional 20,000 in a third country.

ITEMIZED BUDGET

I. OPERATING EXPENSES
SALARIES AND ALLOWANCES

	<u>PRODUCTION CENTER</u>	<u>FIELD OPERATION CENTER</u>	<u>TOTAL</u>
	<u>HONDURAS</u>	<u>SECOND COUNTRY</u>	
1. <u>Salaries</u>			
A. <u>Central Administration</u>			
- Director (\$2,000 x 1)(\$1,800 x 1)	\$ 24,000	\$ 21,600	\$ 45,600
- Assistant Field Director (\$1,800/mo.) (\$1,000/mo.)	21,600	12,000	33,600
- Administrative Assistant (\$800/mo. x 2 persons)	19,200	--	19,200
- Secretary (\$600/mo.)	7,200	7,200	14,400
- Bookkeeper (\$600/mo.)	7,200	--	7,200
B. <u>Newspaper Staff</u>			
- Newspaper Director (\$1,800/mo.)	21,600	--	21,600
- Secretary (\$700/mo.)	8,400	--	8,400
- Chief Editor (\$1,000/mo.)	12,000	--	12,000
- Reporters (2) (\$800/mo.)	19,200	--	19,200
- Photographer (\$600/mo.)	7,200	--	7,200
- Layout Expert (\$600/mo.)	7,200	--	7,200
- Drawer (\$600/mo.)	7,200	--	7,200
- Sales Manager (\$1,000/mo.)	12,000	--	12,000
- Storage & Delivery Personnel (2) (\$550/mo.)	13,200	--	13,200
- Secretary (\$600/mo.)	7,200	--	7,200
- Messenger (\$300/mo.)	3,600	--	3,600
Total Salaries	\$ 198,000	\$ 40,800	\$ 238,800
2. <u>Fringe Benefits</u>			
Health, Insurance, Vacations, Christmas Bonus, Workmen's Compensation	59,400	12,240	71,640
3. <u>Allowances</u>			
Living Quarters, Moving Expenses Assist. Field Director/Field Director	7,718	4,500	12,218
TOTAL FIRST YEAR	\$ 265,118	\$ 57,540	\$ 322,658
TOTAL SECOND YEAR	278,374	60,417	338,791
TOTAL THIRD YEAR	292,293	63,438	355,731
TOTAL SALARIES AND ALLOWANCES	\$ 835,785 =====	\$ 181,395 =====	\$ 1,017,180 =====

ITEMIZED BUDGET

I. OPERATING EXPENSES

PRINTING AND DISTRIBUTION

	<u>FIRST YEAR</u>	<u>SECOND YEAR</u>	<u>THIRD YEAR</u>	<u>TOTAL</u>
1. Newsprint (\$0.06128/copy)	\$ 29,414	\$ 125,011	\$ 187,517	\$ 341,942
2. Printing (\$0.08/copy)	38,400	163,200	244,800	446,400
3. Distribution (\$0.03/copy)	14,400	61,200	91,800	167,400
4. Advertising	10,000	10,500	11,025	31,525
TOTAL PRINTING AND DISTRIBUTION	\$ 92,214 =====	\$ 359,911 =====	\$ 535,142 =====	\$ 987,267 =====

The above figures are based on the following production schedule:

	<u>HONDURAS</u>	<u>Weeks</u>	<u>SECOND COUNTRY</u>	<u>Weeks</u>	<u>TOTAL</u>
First Year (1)	\$ 240,000	(12)	\$ 240,000	(12)	\$ 480,000
Second Year	1,020,000	(51)	1,020,000	(51)	2,040,000
Third Year	1,530,000	(51)	1,530,000	(51)	3,060,000
TOTALS	\$ 2,790,000 =====	(51)	\$ 2,790,000 =====	(51)	\$ 5,580,000 =====

(1) Assumes beginning of production on 1/1/84.

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ITEMIZED BUDGET

I. OPERATING EXPENSES

RENT AND UTILITIES

	<u>HONDURAS</u>	<u>SECOND COUNTRY</u>	<u>TOTAL</u>
Rent and Utilities (\$2,500/mo.) (\$1,200/mo.)	\$ 30,000	\$ 14,400	\$ 44,400
Total First Year	30,000	14,400	44,400
Total Second Year	31,500	15,120	46,620
Total Third Year	33,075	15,876	48,951
TOTAL RENT AND UTILITIES	\$ 94,575 =====	\$ 45,396 =====	\$ 139,971 =====

OFFICE SUPPLIES

Stationery, audiovisual aids, copies (\$600/mo.) (\$400/mo.)	7,200	4,800	12,000
Total First Year	7,200	4,800	12,000
Total Second Year	7,560	5,040	12,600
Total Third Year	7,938	5,292	13,230
TOTAL OFFICE SUPPLIES	\$ 22,698 =====	\$ 15,132 =====	\$ 37,830 =====

COMMUNICATIONS

Telephone, telex, mail (\$ 500/mo.) (#300/mo.)	6,000	3,600	9,600
Total First Year	6,000	3,600	9,600
Total Second Year	6,300	3,780	10,080
Total Third Year	6,615	3,969	10,584
TOTAL COMMUNICATIONS	\$ 18,915 =====	\$ 11,349 =====	\$ 30,264 =====

ITEMIZED BUDGET

I. OPERATING EXPENSES

CONSULTANT FEES

	<u>PRODUCTION</u>	<u>FIELD OPERATION</u>	<u>TOTAL</u>
	<u>CENTER</u>	<u>CENTER</u>	
	<u>HONDURAS</u>	<u>SECOND COUNTRY</u>	
Consultant Fees (\$150 daily x 40 days) (\$150 x 30 days)	\$ <u>6,000</u>	\$ <u>4,500</u>	\$ <u>10,500</u>
Total First Year	6,000	4,500	10,500
Total Second Year	6,300	4,725	11,025
Total Third Year	<u>6,615</u>	<u>4,961</u>	<u>11,576</u>
TOTAL CONSULTANT FEES	\$ <u>18,915</u> =====	\$ <u>14,186</u> =====	\$ <u>33,101</u> =====

MISCELLANEOUS

Miscellaneous expenses (\$250/mo.) (\$200/mo.)	\$ <u>3,000</u>	\$ <u>1,200</u>	\$ <u>4,200</u>
Total First Year	3,000	1,200	4,200
Total Second Year	3,150	1,260	4,410
Total Third Year	<u>3,308</u>	<u>1,323</u>	<u>4,631</u>
TOTAL MISCELLANEOUS EXPENSES	\$ <u>9,458</u> =====	\$ <u>3,783</u> =====	\$ <u>13,241</u> =====

II. TECHNICAL ASSISTANCEFIRST YEAR

1.	<u>Salaries</u>	
-	Project Director (full time \$3,300/mo.)	\$ 39,600
-	Programs Assistant (full time \$1,950/mo.)	23,400
-	Office Manager (full time \$1,690/mo.)	20,280
-	Secretary (full time \$1,450/mo.)	17,400
2.	<u>Fringe Benefits</u>	
	Health Insurance, FICA, Vacations, Christmas Bonus, Workmen's compensation	<u>25,095</u>
		\$ 125,775
3.	<u>Travel Expenses</u>	
-	Airfares: MIA/WASH/MIA (6 trips x \$400)	2,400
-	Per Diem: (12 days x \$90)	1,080
-	Ground Transportation (12 mos. x \$300/mo.)	3,600
-	MIA/TGU/MIA (6 trips x \$380)	2,280
-	Per Diem (7 days x 6 trips x \$68/day)	2,856
-	MIA/GUA/MIA (4 trips x \$400)	1,600
-	Per Diem (7 days x 4 trips x \$75)	2,100
-	MIA/BOG/TGU/MIA (4 trips \$940)	3,760
-	MIA/BOG/GUA/MIA (4 trips \$960)	3,840
-	Per Diem (4 days x 4 trips \$68)	1,088
4.	<u>Office Rent and Utilities</u>	
	50% of monthly rent (1,281/mo.)	\$ 15,372
5.	<u>Office Supplies</u>	
	Stationery, Xerox and audiovisual aids	\$ 4,200
6.	<u>Communications</u>	
	Telephone, telex and mail	\$ 7,200
7.	<u>Miscellaneous</u>	\$ 2,000
8.	<u>Overhead</u>	
	35% of salaries and fringe benefits	\$ <u>44,021</u>
	TOTAL FIRST YEAR	223,172
	TOTAL SECOND YEAR	234,331
	TOTAL THIRD YEAR	246,048
9.	<u>One Time Costs: Allowances</u>	
	Moving expenses from NY to Miami Project Director	\$ <u>7,350</u>
	TOTAL TECHNICAL ASSISTANCE	\$ 710,901

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ITEMIZED BUDGET

III. TRAINING

Training of 10 technicians in a 3 month course in the International Center, Sutatenza, Colombia.

1. Transportation (air and ground)	\$ 10,160.
2. Room and Board	
Sutatenza	17,500
Bogotá	4,500
3. Tuition and Academic support	12,000
4. Instructional Materials	<u>2,500</u>
TOTAL TRAINING	\$ <u>46,660</u> =====

ITEMIZED BUDGET

IV. TRAVEL

	PRODUCTION CENTER		FIELD OPERATION CENTER		TOTAL
	HONDURAS		SECOND	COUNTRY	
<u>1. Airfares</u>					
TGU/MIA/TGU	(4 trips x \$380)	\$ 1,520	\$ ---		\$ 1,520
GUA/MIA/GUA	(2 trips x \$400)		800		800
BOG/GUA/BOG	(2 trips x \$700)		1,400		1,400
BOG/TGU/BOG	(2 trips x \$666)	1,332			1,332
<u>2. Ground Transportation</u>					
	(\$400/mo./country)	\$ 4,800	\$ 4,800		\$ 9,600
<u>3. Airport Taxes and Consular Expenses</u>					
	(6 trips x \$40) (4 trips x \$40)	\$ 240	\$ 160		\$ 400
<u>4. Per Diem</u>					
Workshops	4 days Miami x 4 people x \$75	\$ 1,200	--		\$ 1,200
	4 days Miami x 2 people x \$75		600		600
Additional trips	7 days x 2 people x 2 countries \$68	<u>952</u>	<u>952</u>		<u>1,904</u>
Total First Year		10,044	8,712		18,756
Total Second Year		10,546	9,148		19,694
Total Third Year		<u>11,073</u>	<u>9,605</u>		<u>20,678</u>
TOTAL TRAVEL		\$ <u>31,663</u> =====	\$ <u>27,465</u> =====		\$ <u>59,128</u> =====

ITEMIZED BUDGET
V. OFFICE EQUIPMENT

	<u>HONDURAS</u>	<u>SECOND COUNTRY</u>	<u>TOTAL</u>
Typewriters, desks, calculators, chairs, tables, cabinets	\$ <u>30,000</u>	\$ <u>5,000</u>	\$ <u>35,000</u>
TOTAL FIRST YEAR	\$ <u>30,000</u> =====	\$ <u>5,000</u> =====	\$ <u>35,000</u> =====

VI. OVERHEAD

Simon Bolivar Foundation overhead 25% of contributed funds as per Board of Directors policy	\$ <u>50,000</u>
Total overhead for three years	\$ <u>50,000</u> =====

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ACTION AID-00

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ACTION OFFICE LADR-03
 INFO LACE-03 LADP-03 PPCE-01 PDPR-01 PPPB-03 GC-01 GCLA-03
 GCFL-01 FM-02 STAG-02 SAST-01 AGRI-01 STFA-01 RELO-01
 MAST-01 /028 AI 1110

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P 091955Z FEB 83
 FM AMEMBASSY TEGUCIGALPA
 TO SECSTATE WASHDC PRIORITY 2565

UNCLAS SECTION 01 OF 02 TEGUCIGALPA 1281

ADM AID

FOR: RICHARD MARTIN, LAC/DR/EHR

E. O. 12356: N/A
 SUBJ: DRAFT PP FOR CAMPESINO NEWSPAPER PROJECT

1. MISSION WELCOMES OPPORTUNITY TO COMMENT ON SUBJECT DRAFT PP. DRAFT PP CIRCULATED TO FOLLOWING OFFICES FOR REVIEW AND COMMENT: AGRICULTURE, HUMAN RESOURCES DEVELOPMENT, AND PROGRAM AND CAPITAL RESOURCES. INFO COPY WAS ALSO SENT TO MISSION DIRECTOR WHO HAS JUST RETURNED AFTER BEING OUT OF THE COUNTRY. CONTENTS OF PARAGRAPHS BELOW REPRESENT COMPI- LATION OF COMMENTS FROM REVIEWING OFFICES.
2. OVERALL STRATEGY: THERE IS UNANIMOUS AGREEMENT OVER AND SUPPORT FOR THE IDEA OF INITIATING A CAMPESINO NEWSPAPER. IF DESIGNED WELL, WITH ADEQUATE PRIVATE SECTOR SUPPORT, AND A VIABLE MECHANISM FOR DISTRIBUTION, A NEWSPAPER OF THE TYPE DESCRIBED IN THE PP. COULD PLAY A KEY ROLE IN FURTHERING THE DEVELOPMENTAL OBJECTIVES OF USAID/H PROGRAMS. AID/W AND DRAFTER OF PP ARE TO BE CONGRATULATED ON INITIATING THE IDEA AND ON A CLEAR AND REASONED PP PRESENTATION.
3. ISSUES: NOTWITHSTANDING THE ABOVE THERE ARE FOUR ISSUES AS FOLLOWS: (A) FEASIBILITY OF HAVING THE NEWSPAPER BECOME SELF-SUPPORTING BY THE END OF THREE YEARS; (B) FEASIBILITY/ ADVISABILITY OF ENTERING INTO A SECOND COUNTRY DURING THE SECOND YEAR OF THE PROJECT; (C) EXISTENCE OF LOCAL PRIVATE- SECTOR SUPPORT FOR AN ACTIVITY OF THIS NATURE; (D) FEASIBILITY OF DEVELOPING AN ADEQUATE DISTRIBUTION NETWORK FOR THE NEWS- PAPER. WITH REGARD TO (A), MISSION UNDERSTANDS THAT AID/W IS PREPARING AN ECONOMIC ANALYSIS THAT WILL ADDRESS THIS TOPIC AND LOOKS FORWARD TO RECEIVING A COPY WHEN IT IS COMPLETED. (B) IS A TOPIC THAT HAS BEEN DISCUSSED WITH MARTIN SEVERAL TIMES OVER THE TELEPHONE, THE CONCERNS CENTERING AROUND TWO SUB-ISSUES: (1) DOUBTS THAT BY THE SECOND YEAR IT WILL BE TECHNICALLY FEASIBLE OR ADVISABLE TO EXPAND INTO A SECOND COUNTRY AND CONCERN THAT WHEN THIS TAKES PLACE (BE IT DURING THE SECOND OR THIRD YEAR OF THE PROJECT) THAT THE RIGHT CONDITIONS BE IN PLACE; AND (2) GIVEN SENSITIVITIES IN THE CENTRAL AMERICAN REGION AS WELL AS A HISTROY OF PROUD NATIONALISM, THE PROBABILITIES THAT A REGIONAL NEWSPAPER WILL BE ACCEPTED. (C) AND (D) ARE ISSUES THAT CANNOT BE ADEQUATELY ADDRESSED AT THIS POINT IN TIME GIVEN LEVEL OF INFORMATION AVAILABLE; HOWEVER, AND WE KNOW AID/W AGREES, CAREFUL ATTENTION NEEDS TO BE GIVEN TO BOTH DURING DETAILED PROJECT DESIGN ACTIVITIES TO TAKE PLACE OVER THE NEXT FEW MONTHS.

ANNEX 6

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ACTION
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TELEGRAM

PAGE 01 TEGUCI 01281 02 OF 02 092307Z 5132 059534 AID1170
ACTION AID-00

TEGUCI 01281 02 OF 02 092307Z 5132 059534 AID1170
TION PLAN AND UPDATES PLUS QUARTERLY REPORTS WILL BE SUBMITTED
BY GRANTEE BOTH TO AID/W AND USAID/W

ACTION OFFICE (LDR-02)
INFO LACE-03 LADP-03 PPEC-01 PDPR-01 PPPB-03 GC-01 GCLA-03
CCFE-01 FM-02 STAG-02 SACT-01 AGRI-01 STFA-01 RELO-01
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7. PLEASE ADVISE ANY FURTHER DEVELOPMENTS.
MEGROPONTE

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TO SECSTATE WASHDC PRIORITY 2566

UNCLAS SECTION 02 OF 02 TEGUCIGALPA 1281

ADM AID

FOR: RICHARD MARTIN, LAC/DR/ENR

4. POINTS FOR CLARIFICATION/EXPANSION IN THE PP: MISSION UNDERSTANDS A MORE COMPLETE DRAFT OF THE PP HAS BEEN POUNCHED AND THAT THERE IS STILL AN OPPORTUNITY TO CLARIFY CERTAIN POINTS IN THE TEXT AID EXPAND ON OTHERS. LISTED BELOW ARE SOME POINTS FOR CLARIFICATION/EXPANSION: (A) EVALUATION: THE PP REFERS FLEETINGLY TO AN EVALUATION. HOW WILL IT BE CARRIED OUT, WHEN, BY WHOME, AND WITH WHAT FUNDING? WILL PROVISIONS BE MADE FOR DESIGNING THE EVALUATION/COLLECTING BASELINE DATA EARLY ON IN IMPLEMENTATION? (B) ROLE OF MISSION IN BACKSTOP/REPORTING. MISSION IS VERY COMFORTABLE WITH INTERACTION TO DATE WITH AID/W ON PROJECT DEVELOPMENT. CONTACT BETWEEN AID/W PROJECT OFFICER AND MISSION LIAISON HAS BEEN EXCELLENT AND MISSION LIAISON HAS TRIED TO KEEP AID/W PROJECT OFFICER FULLY INFORMED OF DEVELOPMENTS IN THE FIELD. IN THE INTEREST OF CONTINUING THIS POSITIVE INTERACTION IT WOULD BE USEFUL TO AT SOME POINT DEFINE THE EXACT NATURE OF THE FORMAL REPORTING REQUIREMENTS BETWEEN THE MISSION AND AID/W DURING PROJECT IMPLEMENTATION. (C) DISCUSSION ON "SEPARATAS" (BOTTOM OF PAGE 6). MENTION IS MADE ONLY OF "SEPARATAS" PROVIDING INSTRUCTION IN USEFUL AGRICULTURAL TECHNIQUES. ASSUME THIS DOES NOT PRECLUDE SEPARATAS FOCUSING ON OTHER TOPIC AREAS SUCH AS HEALTH, EDUCATION, SMALL BUSINESS DEVELOPMENT, ETC. (D) CONTENTS OF CAMPESINO NEWSPAPER. GIVEN THE KEY IMPORTANCE THAT THE CONTENTS OF THE PAPER BE ADAPTED TO THE NEEDS AND INTERESTS OF THE LOCAL READERSHIP, MISSION SUGGESTS THAT THIS TOPIC BE GIVEN SPECIAL ATTENTION IN PROJECT IMPLEMENTATION. AMONG OTHER, IT IS GOING TO BE VERY IMPORTANT TO TAKE A CLOSE LOOK EARLY ON AT THE ADAPTABILITY OF ARTICLES ON AGRICULTURAL TECHNIQUES TO DIFFERENT REGIONS OF THE COUNTRY. (E) LINKAGE BETWEEN CAMPESINO NEWSPAPER AND EXISTING LOCALIZED BROADCAST RADIO SYSTEM (BOTTOM OF PAGE 9). RECOMMEND THAT THIS SECTION BE EXPANDED WITH SPECIAL EMPHASIS ON NEED FOR REAL COORDINATION BETWEEN THE TWO.

5. SPECIAL COMMENT: LAST PARAGRAPH ON PAGE 2 ADDRESSES LITERACY IN SPANISH SPEAKING CBI COUNTRIES, USING AS A BASE INDIVIDUAL FARMER LITERACY. RECENT STUDIES HIGHLIGHT THAT INDIVIDUAL FARMER LITERACY IN MANY CASES DIFFERS FROM FAMILY LITERACY - I.E. EVEN IN THE MOST ISOLATED AREAS WHERE ILLITERACY RATES ARE HIGH IT IS VERY LIKELY THAT SOMEBODY WITHIN THE FARM HOUSEHOLD WILL BE LITERATE, I.E. A SON, DAUGHTER, NIECE, ETC.

6. PROJECT IMPLEMENTATION ARRANGEMENTS: GIVEN THAT THE PROJECT AT ITS PRESENT STATE OF DEVELOPMENT DOES NOT MAKE IT POSSIBLE TO SPECIFY A NUMBER OF IMPLEMENTATION ARRANGEMENTS, INCLUDING A DETAILED IMPLEMENTATION PLAN, MISSION SUGGESTS THAT AGREEMENT WITH GRANTEE INCLUDE PROVISIONS FOR SUBMISSION OF A DETAILED IMPLEMENTATION PLAN WITHIN THE FIRST THREE MONTHS OF GRANT SIGNATURE TO BE UPDATED QUARTERLY OR SEMI-QUARTERLY DURING THE LIFE OF THE PROJECT. ASSURE IMPLEMENTA-

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