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**AGRICULTURE AND RURAL DEVELOPMENT IN ASIA AND THE NEAR EAST:
A.I.D. PROGRAMS AND STRATEGIES**

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I. EXECUTIVE SUMMARY

- Active agriculture and rural development (ARD) programs are located in 15 countries in the Asia and Near East (ANE) region, extending from Morocco in the west to the South Pacific in the east.
- The overall A.I.D. budget for development is \$5.0 billion in the current fiscal year, of which \$3.0 billion is managed by the ANE Bureau. Both amounts are considerably lower than levels of three or four years ago.
- Funding for ARD projects in the ANE region has increased from about \$500 million in the early 1980s to over \$600 million in recent years. Over the last ten years there has been a shift in emphasis away from "bricks and mortar" toward "softer" activities such as research, education, training and management.
- The ARD programs in the ANE region are complex and varied. Some representative projects are irrigation construction in Egypt, Pakistan and Sri Lanka; imports of fertilizer in Burma; production credit in Egypt and the Philippines; numerous research, extension and education activities; policy analysis and planning in Sri Lanka, Thailand and Tunisia; and natural resource activities in India, Thailand and Sri Lanka.
- Each country mission periodically prepares a Country Development Strategy Statement. As part of the overall strategy, the ARD strategy typically emphasizes relaxing constraints on agricultural productivity, increasing agricultural production by increasing input availability, and encouragement of a policy environment which enhances rural employment and hence rural incomes.
- In all but two of the country strategies reviewed, the ARD strategies include development and maintenance of an effective, coordinated and self-sustaining research and educational capacity from which agricultural technologies may be developed and disseminated.
- All country strategies examined, with the exception of Burma, included emphasis on policy. About half of them focus on macroeconomic policies effecting the ARD incentive structure, while sectoral policy issues are emphasized in the others.

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A.I.D. programs and strategies are described in a variety of official published and unpublished documents. There is, however, no single document that concisely describes the agriculture and rural development (ARD) programs and strategies in Asia and the Near East (ANE). This paper is intended to provide such an overview for symposium participants.

The paper is divided into two parts. The first part describes the ARD programs in terms of funding and substantive content. The second part discusses current ARD strategies as formulated in mission planning documents.

I. ARD PROGRAMS

The ARD programs in the ANE region are complex and varied. Each country program is a story in itself; however, to give the reader a reasonably short overview, the programs are described in terms of four dimensions. The first section below is an overview of official, published budget data, followed by a brief description of the geographical extent of the programs. The third section draws upon a specialized data base for a statistical analysis of functional categories. All data is presented in current dollars. Finally, the ARD programs are described in more qualitative terms by citing several typical projects.

A. Budgets

The Agency's programs are funded from two Congressionally appropriated sources -- Development Assistance and the Economic Support Fund. Both ESF, which is the larger of the two, and DA have followed similar trends in recent years. Both exhibited some growth each year from FY 1979 through FY 1985 when obligations peaked at \$5.2 billion ESF and \$1.9 billion DA. Since then ESF has dropped below \$4 billion while DA has stabilized around \$1.7 billion (Table 1).

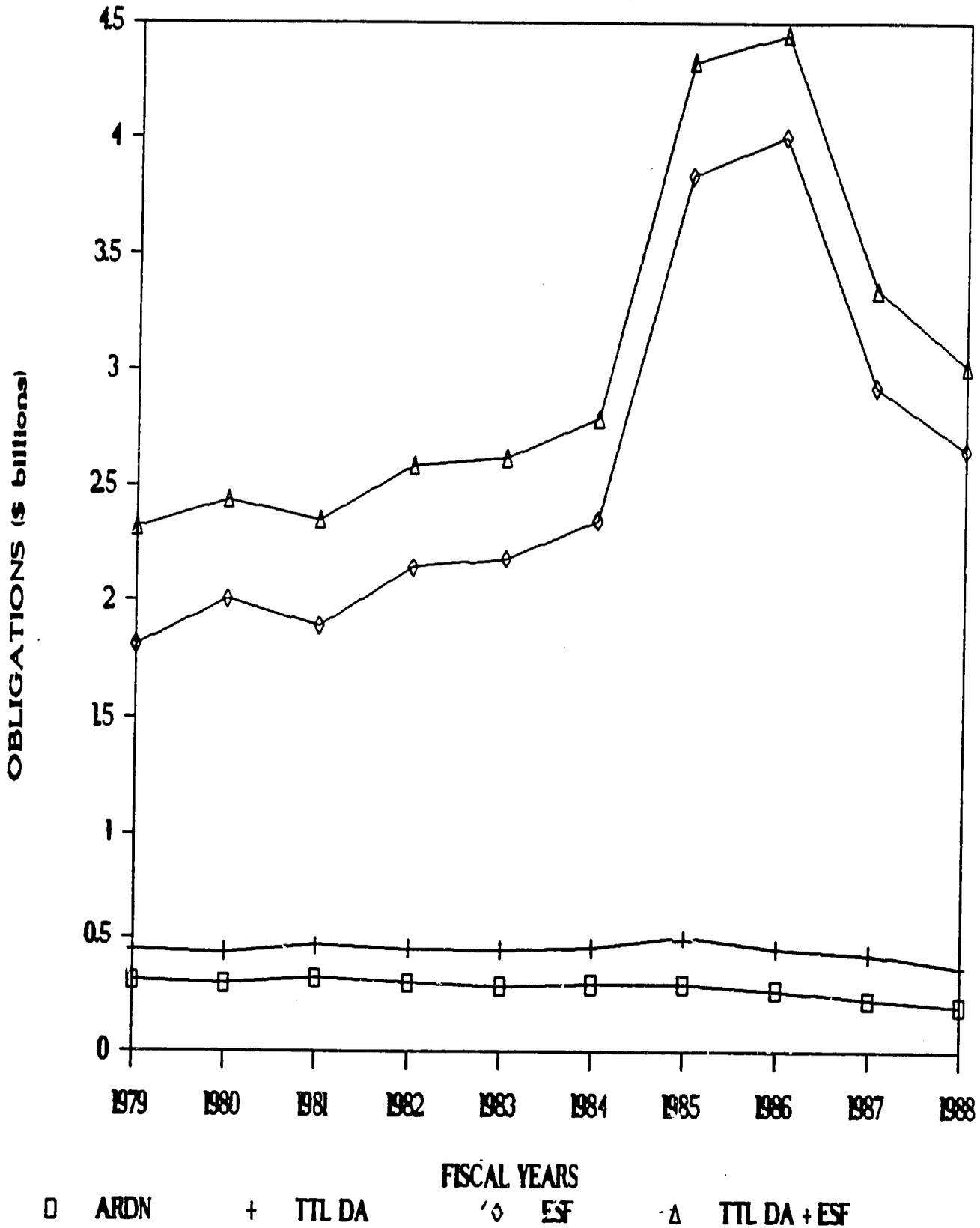
The preponderance of ESF is allocated to countries in the ANE region; however, this amount includes simple cash transfers which are not "projectized" in the usual sense. DA for the region had remained relatively constant at about \$450 million, but has declined in recent years to an estimated \$362 million in FY 1988. The region's share of DA has fallen steadily from 36 percent in FY 1979 to 21 percent in FY 1988 (Table 2, Graph 1).

Within DA is the ARDN account (Agriculture, Rural Development and Nutrition) which usually is slightly less than half of total DA. The ARDN account is sometimes cited as an indicator of spending on agriculture and rural development, but it is only a partial measure since some ESF money is used for this purpose, and even within DA it is not an entirely accurate

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Graph 1 - ANE BUREAU FUNDING TRENDS

for FISCAL YEARS 1979 - 1988



Source: Table 2

TABLE 1
Total A.I.D. Obligations for Country Programs for
Fiscal Years 1979 to 1988 (\$Millions)

Fiscal Years	ARDN Account	ARDN/DA (%)	Development Assistance	Economic Support Fund	Total= DA + ESF
1979	614	50.25%	1222	1943	3165
1980	631	50.89%	1240	2158	3398
1981	653	49.89%	1309	2199	3508
1982	709	50.79%	1396	2770	4166
1983	730	50.34%	1450	2971	4421
1984	723	49.22%	1469	3146	4615
1985	774	41.57%	1862	5247	7109
1986	760	44.73%	1699	4913	6612
1987	637	38.56%	1652	3912	5564
1988	N/A	—	1724	3267	4991

Source: Fiscal Years 1979 - 1986, "Program Trends
Based on FY 1988 Congressional Presentation,"
PPC/PB/RPA, March 1987. Fiscal Years 1987 - 1988,
"Fiscal Year 1989 Summary Tables," March 1988.

TABLE 2
Total Obligations - ANE Bureau for
Fiscal Years 1979 to 1988 (\$Millions)

Fiscal Years	ARDN ACCOUNT	ARDN/DA (%)	Total Development Assistance	Economic Support Fund	Total DA + ESF
1979	306	69.55%	440	1,811	2,322
1980	294	68.85%	427	2,010	2,437
1981	317	69.21%	458	1,893	2,351
1982	297	67.50%	440	2,146	2,586
1983	278	63.76%	436	2,185	2,621
1984	289	65.09%	444	2,348	2,792
1985	291	58.91%	494	3,838	4,331
1986	264	59.73%	442	4,006	4,447
1987	222	52.98%	419	2,928	3,347
1988	194	53.59%	362	2,656	3,018
% Change					
1979 to 1988	-36.60%		-17.73%	46.66%	29.97%

Source: Fiscal Years 1979 - 1986, "Program Trends Based
on FY 1988 Congressional Presentation," PPC/PB/RPA,
March 1987. Fiscal Years 1987 - 1988, Annex II.

depiction of such spending. The ANE region accounts for a relatively high but declining percent of the Agency's ARDN total. Obligations from the ARDN account to ANE programs declined from \$306 million in FY 1979 to an estimated \$194 million in FY 1988 (Table 2), or 37 percent.

In broad terms, there has been an erosion in resources available in the region. The erosion may have been slow and uneven in the first half of the 1980s but has accelerated since then.

B. Countries

In the current year, FY 1988, 25 country programs are receiving funds in Asia and the Near East; however, only 15 of these plus regional programs have active ARD projects. The ARD programs vary a great deal in size and composition, and extend from Morocco in the west to the South Pacific in the east (Figures 1 and 2).

There are three active ARD programs in North Africa. The Egypt program is one of the largest in the Agency and is entirely funded from ESF. The relatively small Tunisia program is also ESF funded, although some DA funds were obligated in FY 1987. The moderately sized Morocco program is a blend of DA and ESF funded activities.

Three small countries in the Middle East have active ARD programs. The Jordan and Oman programs are ESF funded, while the Yemen program is DA funded.

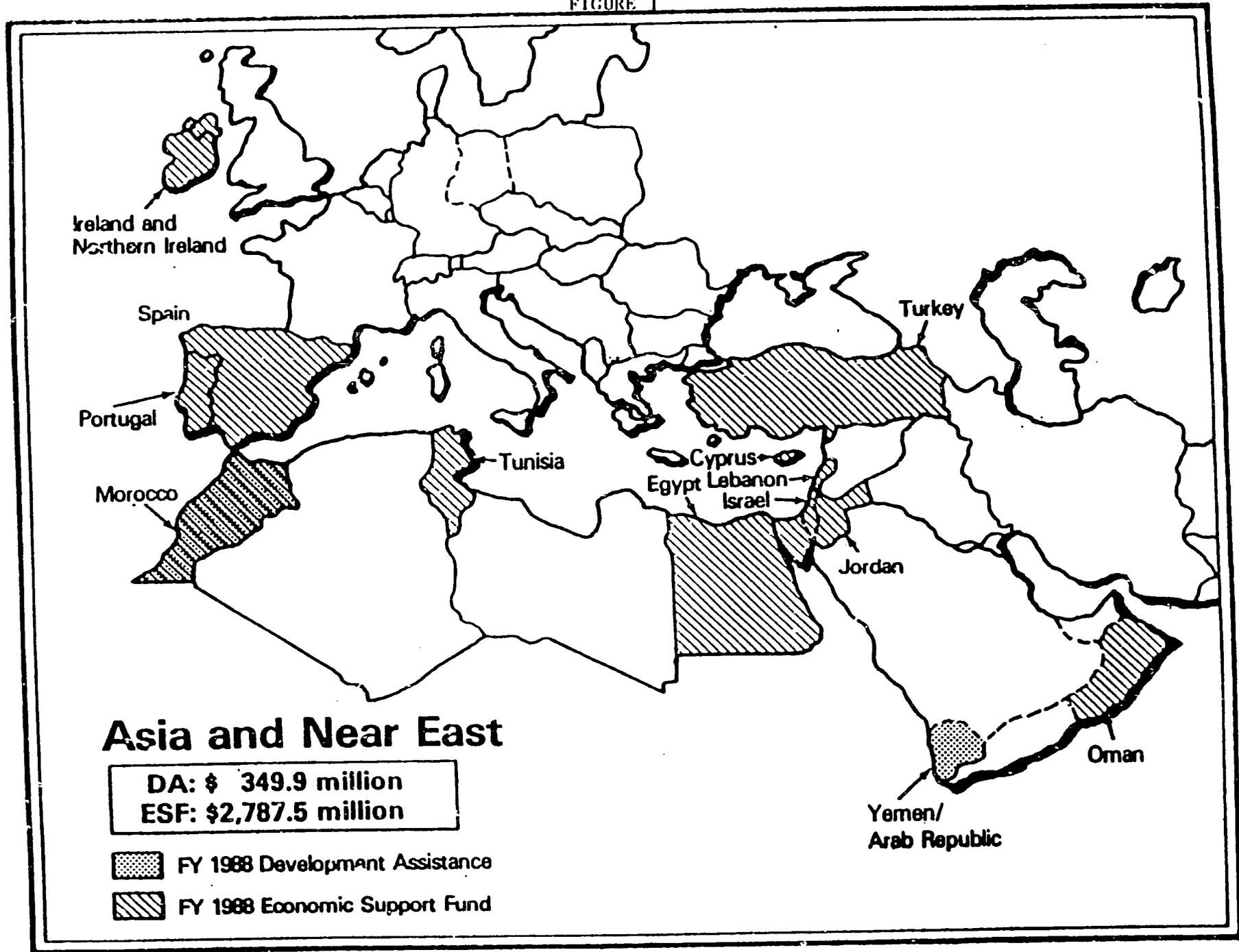
There are five active ARD programs in South Asia. The Pakistan program is both ESF and DA funded and is one of the largest in the Agency. The smaller ARD programs in Bangladesh, India, Nepal and Sri Lanka are DA funded.

Further to the east are relatively small DA programs in Burma and Thailand. Indonesia has a somewhat larger DA funded program. The ARD program in the Philippines is moderately sized and primarily DA funded, although the Philippines receives a high level of ESF funds for other purposes. Finally, ten small island countries are assisted through the South Pacific Regional Program.

C. Functional Analysis

Statistics obtained from the Bureau's Functional Information System (FIS) provide additional quantitative information on the ARD programs. In the FIS data base, projects are divided into components according to purpose. The statistics reported here are estimates of funding for all ARD activities, including ESF as well as DA funds. (See Appendix A for a description of FIS.)

FIGURE 1



Source: 1988 Congressional Presentation

There has been some increase in ARD funding during the period for which data are available. Obligations averaged about \$500 million from FY 1979 through FY 1984, while obligations in the following four fiscal years have all exceeded \$600 million (Table 3, Graph 2).

More dramatic changes have taken place in the composition of these funds (Table 4, Table 5). In the earlier years construction and input supply were the most important purpose categories, together accounting for roughly half of total ARD obligations. They now account for less than a quarter of the total.

Over the ten year period, after Construction, Technology Development has the second largest share of obligations. Its share always exceeds 10 percent and is greater than 20 percent in some years. Other important categories are Credit Development, Input Supply, Commodity Import Programs, Technology Development, Education Systems Development, Planning and Policy Analysis. For a complete definition of these purpose categories, see Appendix A, Table A.

The general impression of a trend away from "bricks and mortar" toward "softer" activities such as research, education, training and management seems to be supported by these statistics. The statistical patterns, however, are somewhat clouded by year-to-year fluctuations due to occasional very large obligations to particular projects.

ANE countries run the gamut in terms of per capita income and other indicators of "development status." The programmatic data analyzed do not support differentiation of countries based on a typology of national income or development status, e.g., low, medium, advanced. There appears to be many programmatic and resource availability variables which effect the distribution of projects and funding.

D. Themes

The ARD programs may be characterized in terms of several common themes. In contrast to the quantitative analysis above, this characterization stems from a more qualitative and impressionistic analysis. The selected themes, however, are quite closely related to the purpose categories employed in the previous section.

While declining in relative importance in recent years, investments in infrastructure still account for significant expenditure under various ARD projects. In Egypt and Pakistan water is the most important limiting factor on agriculture production and irrigation the predominant agriculture infrastructure component. The \$187 million construction component of the Egypt Irrigation Management Systems Project

TABLE 3
Agriculture and Rural Development's Share of ANE Bureau
Obligations (\$000) for Fiscal Years 1979 to 1988

Fiscal Year	Total ANE Obligs.	Total ARD Obligs.	ARD % of Total Obligs.
1979	2,263,352	571,677	25.26%
1980	2,425,160	613,060	25.28%
1981	2,336,222	515,140	22.05%
1982	2,533,791	523,914	20.68%
1983	2,544,066	423,506	16.65%
1984	2,653,518	533,393	20.10%
1985	4,249,897	654,814	15.41%
1986	4,359,247	634,935	14.57%
1987	3,323,578	636,708	19.16%
1988	2,999,185	640,789	21.37%

Source: Functional Information System

GRAPH 2 - ARD PERCENTAGE OF ANE BUREAU

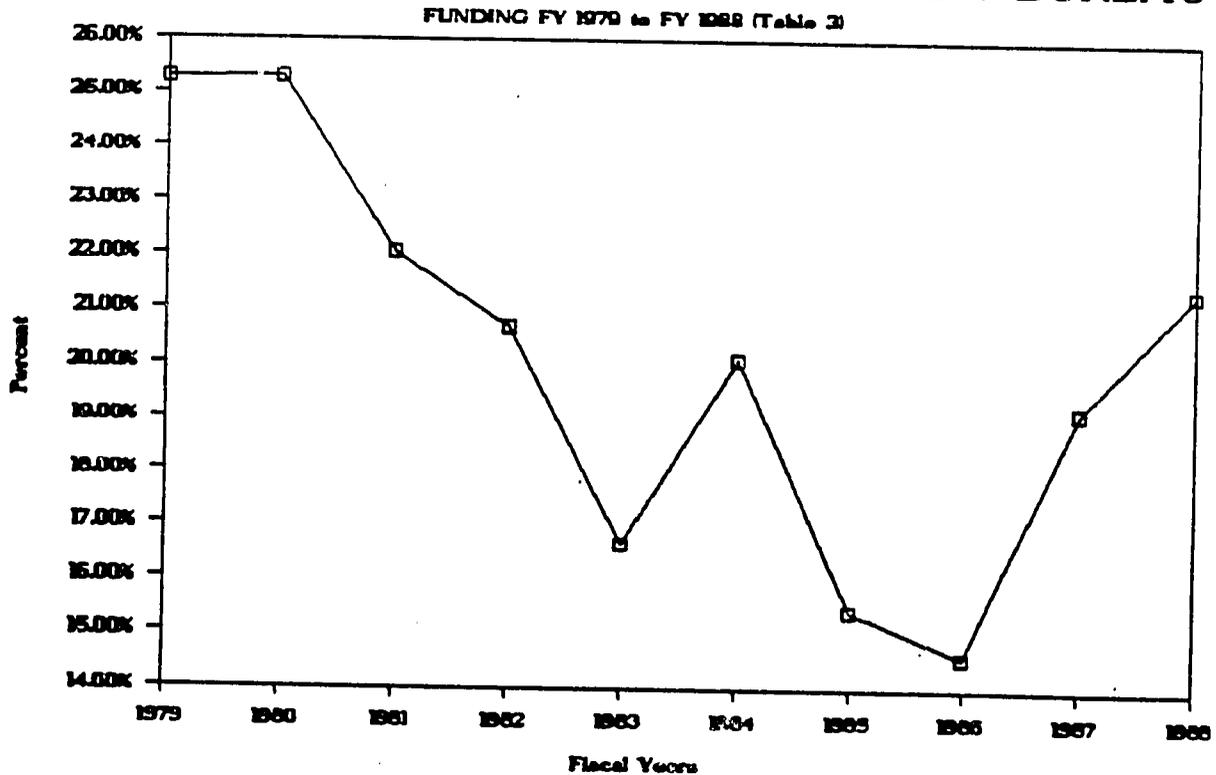


TABLE 4
TREND ANALYSIS BY PROJECT PURPOSE FUNDING FOR ANE BUREAU
Obligations (\$000)

Project Purpose	Oblig. FY 79	Oblig. FY 80	Oblig. FY 81	Oblig. FY 82	Oblig. FY 83	Oblig. FY 84	Oblig. FY 85	Oblig. FY 86	Oblig. FY 87	Oblig. FY88	Total Oblig. FYs 79-88
Cash Transfer	0	0	0	0	0	0	47,500	0	0	0	47,500
C.I.P.	14,000	5,000	0	60,000	60,000	70,000	145,000	58,760	68,100	15,000	495,860
Construction	228,109	125,235	141,331	140,081	119,051	120,134	83,945	113,829	124,360	76,498	1,272,573
Credit Devel.	28,022	138,584	59,636	3,159	2,480	11,472	90,985	138,626	112,556	120,931	706,451
Education Sys.	30,965	14,087	48,183	5,039	4,126	52,454	11,119	36,620	48,439	48,039	299,071
Human Res.	13,923	18,069	16,069	13,120	18,608	15,684	29,410	26,450	16,995	16,627	184,955
Input Supply	109,436	136,483	109,265	91,469	69,081	82,736	48,474	31,164	36,598	23,375	738,081
Land Tenure	0	890	485	1,331	0	0	0	0	0	0	2,706
Marketing	2,700	2,080	2,050	8,500	25,680	3,571	14,008	12,831	967	9,105	80,492
PD&S	3,176	2,870	2,913	4,061	3,344	4,779	4,459	0	0	0	25,602
Planning	2,746	10,112	15,217	14,215	5,798	16,895	7,736	37,356	31,186	138,133	287,394
Resource Devel.	125	4,207	7,783	35,279	16,347	13,806	21,465	39,451	19,467	4,818	162,748
Technology Dev.	47,615	27,788	35,597	25,409	28,733	32,243	50,426	47,285	37,132	18,593	350,821
Tech. Transfer	90,860	119,655	76,611	46,651	70,258	109,619	100,287	92,563	140,908	170,671	1,018,083
TOTAL	571,677	613,060	515,140	448,314	423,506	533,393	654,814	634,935	636,708	640,790	5,672,337

Source: Functional Information System

TABLE 5
PROJECT PURPOSE PERCENTAGES OF ANE BUREAU

PROJECT PURPOSE	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	TOTAL (1979-88)
Cash Transfer	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	7.3%	0.0%	0.0%	0.0%	0.8%
C.I.P.	2.4%	0.8%	0.0%	13.4%	14.2%	13.1%	22.1%	9.3%	10.7%	2.3%	8.7%
Construction	39.9%	20.4%	27.4%	31.2%	28.1%	22.5%	12.8%	17.9%	19.5%	11.9%	22.4%
Credit Devel.	4.9%	22.6%	11.6%	0.7%	0.6%	2.2%	13.9%	21.8%	17.7%	18.9%	12.5%
Education Sys.	5.4%	2.3%	9.4%	1.1%	1.0%	9.8%	1.7%	5.8%	7.6%	7.5%	5.3%
Human Res.	2.4%	2.9%	3.1%	2.9%	4.4%	2.9%	4.5%	4.2%	2.7%	2.6%	3.3%
Input Supply	19.1%	22.3%	21.2%	20.4%	16.3%	15.5%	7.4%	4.9%	5.7%	3.6%	13.0%
Land Tenure	0.0%	0.1%	0.1%	0.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	.0%
Marketing	0.5%	0.3%	0.4%	1.9%	6.1%	0.7%	2.1%	2.0%	0.2%	1.3%	1.4%
PD&S	0.6%	0.5%	0.6%	0.9%	0.8%	0.9%	0.7%	0.0%	0.0%	0.0%	0.5%
Planning	0.5%	3.0%	3.0%	3.2%	1.4%	3.2%	1.2%	5.9%	4.9%	21.6%	5.1%
Resource Devel.	.0%	0.7%	1.5%	7.9%	3.9%	2.6%	3.3%	6.2%	3.1%	0.8%	2.9%
Technology Dev.	8.3%	4.5%	6.9%	5.7%	6.8%	6.0%	7.7%	7.4%	5.8%	2.9%	6.2%
Tech. Transfer	15.9%	19.5%	14.9%	10.4%	16.6%	20.6%	15.3%	14.6%	22.1%	26.6%	17.9%
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: TABLE 4

functions to accelerate the replacement of small irrigation structures. In Pakistan, during the FY 1982-87 period, approximately 4,000 kilometers of canals and drains were rehabilitated. Also, the Tribal Areas Development and Baluchistan Area Development projects are addressing a variety of infrastructure and other concerns. A large number of small-scale structures, including roads, schools, health facilities and irrigation works are being constructed in several tribal areas, while construction on the 101 kilometer Bela-Awaran road in Baluchistan is scheduled to begin this year. In Sri Lanka, the \$107 million Mahaweli Basin Development II project has concentrated on construction of main and branch irrigation canals.

Infrastructure development is only one part of a large irrigation portfolio which includes projects in eight countries. The main thrust is institutional strengthening, but the mix of specific components varies in each country from construction and rehabilitation to training and extension. Most projects place strong emphasis on improving the operation and maintenance capabilities of irrigation agencies, and especially on increasing the participation of water users in virtually all phases of construction, operation and maintenance. The largest project, in Egypt, runs the gamut from irrigation research to a large regional rehabilitation program that improves both physical and organization characteristics of turnout areas. The program in India works with irrigation departments in three states, as well as the Central Water Commission. In Nepal, the Philippines, Sri Lanka and Indonesia, projects especially emphasize organizing water users and improving the capacity of irrigation agencies to effectively service water users. In Pakistan, A.I.D. and the World Bank jointly support the efforts of the provincial irrigation departments to rehabilitate the main canal system. The project also includes a research, on-farm improvements and input coordination on a pilot basis.

A.I.D. still funds the import of commodities, although at a much lower level than in the past. In Pakistan, for example, the Agricultural Commodities and Equipment project finances imports for several development activities. In Burma, the import of TSP fertilizer accounts for fully half of annual A.I.D. expenditures.

Credit has taken on increasing importance. Under the \$195 million Agricultural Production Credit project, Egyptian farmers are provided credit for agricultural inputs and farm improvements. A.I.D. plans to provide an additional \$75 million to this project in FY 1989. In the Philippines, the Rural Financial Services project provides short-term loans via the Central Bank to participating "retail banks" at market-oriented interest rates for on-lending to farmers and agribusiness entrepreneurs at unregulated rates.

Research, extension and education have been and will continue to be important in most if not all country programs. In Indonesia, for example, the \$18.9 million Upland Agriculture and Conservation project aims at developing a coordinated, decentralized research and extension system designed to increase farm production and incomes while minimizing soil erosion by improving farming systems, farm technologies and management. The ten year Agriculture Research II project in Bangladesh is designed to integrate research programs across ministerial and institutional lines to generate appropriate small farmer technologies. In Morocco, there is continued institutional development of the Hassan II Agronomic and Veterinary Institute, the National Agricultural School and the National School for Forestry Engineers.

A number of ARD projects are designed to improve the capacity to perform policy analysis, planning and implementation and encourage implementation of recommended policies. In Sri Lanka, the \$6.6 million Agriculture Planning and Analysis project focuses on developing an integrated, national-level agricultural planning system that will provide the basis for improved policy and program formulation and decision-making. The Tunisian Agriculture Policy Implementation project aims to create a sustainable system which selects, analyzes and formulates policy initiatives. A \$10.3 million project in Thailand, Decentralized Development Management, focuses on strengthening the capacity for planning and carrying out rural development activities at provincial, district and village levels. In Nepal, a component of the Rural Area Development project encourages a policy of deregulated and improved distribution of seeds and fertilizers in the Rapti zone.

Increased attention has been given to natural resource issues. The central (but not exclusive) thrusts have been on forestry, with special attention to forest replenishment through plantation development; preservation of biological diversity, primarily through establishment and management of parks and protected areas; and increasing productivity of farm and community lands through agroforestry. A \$327 million National Social Forestry project, joint with the World Bank, links both farm and community forestry in a massive attempt to reestablish tree cover on more than 1.75 million acres in India. Other projects aim at institutional development, such as the Institute of Forestry project in Nepal which will be called upon to train over 1200 new natural resource managers in the next six years. In Thailand, the newly developed natural resources project will help strengthen planning and management capabilities in parks and wildlife protection areas, and otherwise protect bio-diversity through research and conservation activities. In Sri Lanka, research, professional training and policy development are combined to conserve that nation's extensive coastal resources.

II. Current ARD Strategies

ARD strategies vary considerably among countries in the ANE region. In general, all strategies include, to varying degrees, emphases on increasing agricultural productivity, increasing gross agricultural production, and encouraging a policy environment that will enhance growth and rural employment and hence rural incomes.

The following sections describe first, the process of country strategy development and second, current ARD country development strategies in the ANE region.

A. ARD Strategy Development

Each country mission periodically prepares a Country Development Strategy Statement. The CDSS is the primary strategy document guiding the planning of country development policies and programs. Typically, a CDSS is composed of four parts: an economic and social analysis of the current country situation which identifies specific country development problems and issues; a country development strategy which addresses these development problems and issues; a statement of resource requirements needed to implement the strategy; and a strategy workplan defining specific benchmarks for the strategy period.

A CDSS is developed and written by each country mission, with guidance from AID Washington. The missions and AID Washington review the CDSS for clarity, relevance and accuracy and modifications are made as appropriate. The strategy development and refinement is a dynamic process which occurs over the lifetime of the CDSS period, usually five years. In practice, the realized development strategy is defined by the actual projects and policies implemented in individual countries.

In short, the CDSS acts as a working strategy and planning tool which guides USAID mission development efforts.

B. Current Country Development Strategies

ARD strategies for ten countries in the ANE region have been summarized from CDSS's and are attached in appendix B. A number of generalizations may be made regarding the composition of the ARD strategies in the region. All strategies include, to varying degrees, emphases on relaxing constraints to agricultural productivity, increasing gross agricultural production by increasing input availability and encouragement of a policy environment which enhances rural employment and hence rural incomes. (See Table 6, Matrix of ARD Strategy Composition by Country.) The implementation of these strategies is not mutually exclusive. Often activities which

Table 6
Agriculture and Rural Development Strategy
Composition by Country

	Marketing/ Agribusiness/ Private Sector	Water/ Irrigation	Agricultural Research, Education, Extension	Input Provision	Local/ Regional Dev't	Macro Policy Dialogue	Sectoral Policy Dialogue	Gov't Policy Capacity
PAKISTAN		XXX	XXX	XXX	XXX		XXX	
BURMA			XXX	XXX				
SRI LANKA	XXX	XXX	XXX		XXX		XXX	XXX
BANGLADESH			XXX	XXX			XXX	
NEPAL			XXX		XXX		XXX	
EGYPT	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
MOROCCO	XXX		XXX	XXX		XXX		XXX
TUNISIA	XXX	XXX		XXX		XXX		XXX
JORDAN	XXX	XXX	XXX		XXX	XXX		
THAILAND	XXX					XXX	XXX	

promote one goal may enhance achievement of another. All ARD strategies are but one component of an overall country strategy as stated in a CDSS. Clearly, the primary objective of virtually all of the country strategy statements is to support and encourage equitable economic growth.

Agricultural Productivity. In each of the ten countries, increasing agricultural productivity is a central focus of the ARD strategy.

In all but two countries, Tunisia and Thailand, the ARD strategies include development and maintenance of an effective, coordinated and self-sustaining research and educational capacity from which agricultural technologies and extension techniques may be developed and disseminated. Training of faculty, technical and managerial personnel is an additional component of this strategy.

Increased emphasis on marketing, agribusiness and the private sector are components of the agricultural productivity strategy for Sri Lanka, Egypt, Morocco, Tunisia, Jordan and Thailand. In Sri Lanka, one strategic goal is to improve the marketing and distribution systems by improving the collection, analysis and dissemination of marketing information and by researching food processing technologies and improved grades and standards. In Tunisia, increased use of the private sector in asset ownership and enterprise management in agriculture is promoted.

Policy. All country strategies examined in the region, with the exception of Burma, included emphasis on policy -- macroeconomic, sectoral or the institutional capacity to conduct policy analysis.

In Egypt, Morocco, Tunisia, Jordan and Thailand, dialogue which focuses on macroeconomic policies effecting the ARD incentive structure is emphasized. The policies promoted in these countries complement structural adjustment programs of the World Bank, the International Monetary Fund or the Asian Development Bank. In Egypt, policy dialogue promotes structural adjustment and the removal of restrictions to the operation of market forces, e.g., market determined interest rates. Policy dialogue in Jordan, supports tax system reform; gradual subsidy reductions on food, energy, water and higher education; and reduction of the levels of protection afforded domestic markets.

Sectoral policy dialogue is emphasized in the balance of the countries examined. Policy dialogue in Bangladesh encourages reform of agricultural policies affecting fertilizer distribution, banking reform and price stabilization policy. In Nepal, policy dialogue supports the deregulation and improved distribution of agricultural inputs, decentralizing

management of forest land and irrigation systems and the reform of the structure and function of agricultural research. The sector policy dialogue in Egypt relates to crop quotas, restrictive farm prices and subsidized input provision.

In Tunisia, Morocco, and Sri Lanka, ARD strategy encourages improving the capacity of the government to perform agricultural policy analysis.

Agricultural Production. All country strategies, with the exception of Thailand, promote increases in gross agricultural production via increasing the availability of inputs.

Improvements in irrigation systems are a component of the ARD strategies in Pakistan, Sri Lanka, Egypt, Tunisia and Jordan. The strategies emphasize improvement of water management and the technical capacity to assure systematic, efficient and adequate water delivery to all users.

In Pakistan, Burma, Bangladesh, Tunisia and Jordan input provision, other than improved irrigation systems is a component of the ARD strategy. Primary emphasis is placed on fertilizer and credit.

In conclusion, the following generalizations may be made regarding current country development strategies in the ANE region.

1. There is emphasis on marketing, agribusiness and the private sector in the more developed countries of the Near East and Thailand;
2. There is continued interest in improving the institutional capacity for agricultural research, education, and extension across the entire region;
3. Policy dialogue, sectoral or macroeconomic, occurs in almost all countries;
4. Emphasis on macroeconomic policy dialogue occurs primarily in the more developed countries of the Near East and Thailand;
5. Input provision, either water, fertilizer or credit, occurs, in varying degrees, in almost all countries studied in the region.
6. Local and regional development efforts, either to increase local capacity to provide basic services or to develop a region as a whole by investing in infrastructure, education, research, extension, input provision and policy dialogue, occurs in countries scattered across the entire ANE region.

Appendix A

Functional Information System

Functional Information System

The Functional Information System (FIS) consists of a data base on the technical and financial aspects of projects in Asia and the Near East and dBase software for report generation and data update. Data are updated annually when the Congressional Presentation is published.

While much relevant data in varying forms exists in numerous Agency documents, its usefulness for analysis is generally very limited. Information is regularly provided on many financial aspects of projects, but these data almost always are related to the project as a whole and not to its various inputs and components. In addition, only limited and usually highly aggregated information is readily available on the technical purposes of the project. Little information is readily available on the specific activities within a project, the agricultural commodities involved, or on the participants in the project, such as host country institutions, target groups, contractors and other donors.

To establish and later update the data base, each project was analyzed in terms of purpose, sector and sub-sector classifications. These classifications were integrated with financial data continuing onward from FY 1979, and included related data on project status, scope, participants and special concerns. Data on individual projects were recorded onto a one-page Work Sheet for each project, and then after editing, directly entered into a micro-computer. Data on the annual obligations and expenditures were down-loaded to the micro-computer from the A.I.D. mainframe computer.

In the FIS, each project is classified in terms of its primary purpose or purposes. Project Purpose is defined as the developmental changes to be achieved to solve or mitigate a sector or country problem, and in turn contribute to country development goals. Purpose categories are defined in Table A.

After each Project Purpose was identified, it was then related to the actions to be taken, or the results to be provided, in order to achieve the project purpose. These actions were summarized in a short sentence of 80 characters or less.

Each Project Purpose was also quantified in terms of its percentage share of the project's planned Life of Project (LOP) cost. With the percentage shares of all the purposes totaling 100 percent, double-counting was avoided. Each purpose percentage share of the LOP cost is applied to the obligations and expenditures data to estimate the amount of funds obligated or expended each year on that purpose.

Table A. Functional Information System: Project Purpose Categories, Codes and Definitions

<u>Code</u>	<u>Purpose Categories/Definitions</u>
PPA	<u>Planning and Policy Analysis</u> To conduct*, or to improve* the capacity for conducting economic planning and analyses of policy issues. Includes data collection and processing.
TDE	<u>Technology Development</u> To conduct*, or to improve* the capacity for conducting research on improved technologies for production and consumption.
TTR	<u>Technology Transfer</u> To extend*, or to improve* the capacity for extension/diffusion/transfer of improved technologies for production and consumption.
MKT	<u>Marketing</u> To improve*, or to strengthen* the capacity to improve the assembly, handling, processing, storage, transport and/or distribution of commodities and products.
INP	<u>Input Supply</u> To improve*, or to strengthen* the capacity to improve the delivery of services and physical inputs for production and consumption.
CRE	<u>Credit Development</u> To improve*, or to strengthen* the capacity to improve the delivery of credit for production and consumption.
CON	<u>Construction</u> To construct*, or to strengthen the capacity to construct basic facilities/infrastructure -- transport, communications, power, water supply/waste disposal systems. (Does not include construction undertaken as an ancillary activity of a project classified under any other purpose category.)
RED	<u>Resource Development</u> To develop*, or strengthen* the capacity to develop, manage and conserve soil, water and environmental resources.

* Or expand, establish, strengthen, study organize, et., as appropriate.

(Continued)

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Table A. Continued

<u>Code</u>	<u>Purpose Categories/Definitions</u>
LTE	<u>Land Tenure</u> To improve*, or to strengthen the capacity to improve access to and/or ownership of land, water, and other resources.
HRD	<u>Human Resource Development</u> To improve*, or to strengthen* the capacity to improve training and human resource development.
ESD	<u>Education System Development</u> To develop*, or to strengthen* the capacity to develop educational institutions' structure/curricula/operations/facilities.
CIP	<u>Commodity Import Program</u> A special arrangement between the U.S. government and the host country government where funds are given to the host country for the purchase of specific commodities.
CAS	<u>Cash Transfer</u> A special arrangement between the U.S. government and the host country government (or a U.S. or host country institution) where funds are given to help with balance of payments.
PDS	<u>Program Development and Support</u> A special arrangement between the U.S. government and the host country government where funds are given to purchase technical assistance in conducting feasibility and technical or economic studies related to program development.

* Or to expand, establish, strengthen, organize, etc., as appropriate.

Appendix B

CDSS Summaries in Support of Agriculture and
Rural Development Strategy

10

PAKISTAN

Agriculture and Rural Development Strategy Summary From CDSS FY 1988 -- FY 1993

Overall Mission Strategy

The primary emphasis of USAID strategy for Pakistan is to support equitable economic growth and improved social development through program concentration on four generic challenges: reform of the policy environment, rehabilitation and expansion of physical infrastructure, development of human capital, and improvement of institutional performance. USAID policy dialogue is coordinated with the World Bank and Asian Development Bank policies regarding domestic resource mobilization, export promotion and the strengthening and reform of country institutions.

Agriculture and Rural Development Strategy

USAID agriculture and rural development strategy in Pakistan focuses on three key challenges: increasing agricultural productivity, supporting improvement in the balance of payments position, and improving the adequacy and sustainability of key institutions which support agriculture and rural development.

Agricultural Productivity. The specific strategy components are as follows: policy dialogue backed by commodity imports and sector grants to deregulate prices and markets; technical assistance and infrastructure design and rehabilitation to improve water management and availability; training and institution building to integrate and improve agricultural extension, education and research; and technology transfer to ensure that Pakistan has access to equipment and techniques that allow efficient production, processing, and distribution of food for domestic consumption and international markets.

Balance of Payments. USAID provides support for projects and policy dialogue that stimulate export growth and import substitution. Vegetable oil is imported for the ghee industry. PL 480 measures are helping to liberalize prices and increase competition, which may result in increased oilseed production and slow the rate of import growth.

Key Institutions. Components of this strategy include increasing the availability of energy in rural areas, supporting activities which help to improve rural educational systems, providing training and support for centers of research and teaching, and supporting the institutional strengthening of agricultural and energy-related government agencies.

BURMA

Agriculture and Rural Development Strategy Summary From CDSS FY 1987

Overall Mission Strategy

The USAID strategy in Burma concentrates on two areas of involvement -- the agricultural sector and the social services sector. The primary development foci in these sectors are to increase food production, to expanding crop diversification, to reduce infant and child mortality, and to provide for social services institutional and technological development.

Agriculture and Rural Development Strategy

The primary goals of the agriculture and rural development strategy are 1) to increase food production and rural incomes and 2) to improve Burma's balance of payments position through a reduction of imports of edible oil and an increase in export of oil cake and agro-industrial products.

The strategy components are: to undertake crop focused production projects, to strengthen production-oriented research capability in maize, oilseeds, and other crops, and to upgrade edible oil mills and increase capacity of local institutions to improve edible oil processing and distribution.

Program activities address the constraints to increased agricultural production through interventions in the provision of key production inputs -- specifically, fertilizer and equipment; the development and adaptation of improved technologies -- the introduction of higher yielding technologies, improved expeller technologies, and inputs; and the strengthening of institutional capacity by supporting increased production-oriented research and analytic capacity at agricultural research institutes.

SRI LANKA

Agriculture and Rural Development Strategy Summary From CDSS FY 1987

Overall Mission Strategy

The primary USAID objective in Sri Lanka is to support the attainment and maintenance of real economic growth by improving the productivity of available country resources. Specific focus is placed on improving agricultural productivity and thereby farmer incomes, on improving and supporting institutional supports to the creation of rural, non-farm employment opportunities, and on completion of the Mahaweli Development Program, a program developed to tap hydroelectric potential for power generation and to open up sparsely populated lands to settlement and increased agricultural productivity.

Agriculture and Rural Development Strategy

The primary focus of the agriculture and rural development program in Sri Lanka is to 1) improve agricultural productivity and thus farm incomes, 2) encourage off-farm employment and rural enterprise, 3) and to complete development of the Mahaweli Region.

Agricultural Productivity. The strategy for improvement in productivity is directed at crops and farming systems other than rice. Components of the strategy are: to assist Sri Lanka in developing and maintaining an effective, coordinated and self-sustaining research capacity to carry out diversified crop research; to encourage institutionalization of an agricultural policy, planning and analysis capacity; to improve the capacity of government institutions in management and implementation expertise; to improve water management and technology capacity to assure systematic and adequate water delivery to all users; to improve the marketing and distribution systems by improving the collection, analysis, and dissemination of relevant information at all levels of the marketing system and by researching food processing technologies and improved grades and standards; and to participate in policy dialogues regarding land tenure, input and support prices, management incentives, coordinated research, integration of planning and decision making and increasing the participation of the private sector.

Rural Employment. Strategy components include the development of a planning and policy formulation capacity to research, promote and support rural employment and business development, development of an information collection and

dissemination network, and expansion of management education.

Mahaweli Development. AID emphasis in the Mahaweli region includes both construction activities and assuring better utilization of available resources for developing economically viable settlements. The strategies cited for improving agricultural productivity and improving rural, non-farm employment opportunities apply here as well.

BANGLADESH

Agriculture and Rural Development Strategy Summary From CDSS FY 1986

Overall Mission Strategy

USAID strategy aims at alleviating the most fundamental structural constraints to development in Bangladesh by focusing on the following development goals: reducing human fertility, increasing agricultural productivity and expanding rural employment.

Agriculture and Rural Development Strategy

The primary agriculture and rural development objectives are 1) to increase productivity per unit of land through the adoption of biological technologies, 2) to expand crop diversification to reduce the risk of reliance on rice, improve nutrition, increase fuelwood supplies, expand exports, and increase rural incomes, and 3) expand rural employment opportunities.

Agricultural Productivity. In order to achieve these objectives, the following strategic emphases have been defined:

- 1) to support the institutional development of a scientific base from which agricultural technologies may be developed and disseminated. Primary attention is given to major food crops and crop diversification;
- 2) to increase agricultural training with an emphasis on reaching scientific, technical, and middle-management people;
- 3) to improve farmer access to inputs by promoting the spread of fertilizer use and irrigation pumps appropriate to local water and energy resources, and by increasing the availability of credit to farmers by improving the institutional viability of rural banks;
- 4) to encourage reform of agricultural policies and in particular those which affect fertilizer distribution, banking reform, and price stabilization;
- 5) to expand and maintain rural infrastructure, specifically, the farm-to-market road systems and the rural electrification system.

Rural Employment. USAID strategy promotes two employment objectives as related to agriculture and rural development: to increase on-farm employment through high-yielding variety technology adoption and increased land-use intensity, and to promote off-farm employment through expansion of industries and public works.

NEPAL

Agriculture and Rural Development Strategy Summary From CDSS FY 1988 -- FY 1992

Overall Mission Strategy

USAID strategic objectives in Nepal are to increase economic growth, primarily through improved agricultural production, better management of productive resources, and stimulation of private sector involvement in all sectors; and to assist in providing higher quality and greater impact of basic services in rural areas, with emphasis on child health, family planning and basic education. USAID activities support the short-term IMF-led stabilization program in a number of key areas including supporting deregulation and improved distribution of agriculture inputs, the reform of the structure and function of agricultural research and the development of revised policies in forestry management.

Agriculture and Rural Development Strategy

USAID agriculture and rural development objectives are to increase agricultural productivity and thereby increase rural incomes, and to improve the management of productive resources.

Components of the strategy are: to target directly productive activities in agricultural production and forestry; to contribute to move agriculture from a subsistence stage to an integrated, market oriented stage based on cash crops, comparative advantage and food self-reliance; to increase local institutional capacity and greater local participation as means to accelerate and sustain development; and to identify policy reforms which will support the agriculture and rural development strategy, e.g., decentralizing management of forest land and irrigation systems.

Intervention activities include strengthening adaptive research capability and performance, increasing research on agricultural production technologies and extension technologies, and incentives to acceptance of new technologies -- with special emphasis on the Hill region and cash crops; establishing local capacity for technical training by supporting faculty development and advanced training, and improved program management in national agricultural educational institutions; and expanding utilization of production increasing technologies and improving management practices of infrastructure and natural resources.

EGYPT

Agriculture and Rural Development Strategy Summary From CDSS FY 1989

Overall Mission Strategy

The focus of the USAID strategy for Egypt is to increase the productivity of the Egyptian economy by supporting policies and activities which promote structural adjustment and the removal of restrictions to the operation of market forces. The strategy is coordinated with the structural adjustment programs of the IBRD and the IMF.

Agriculture and Rural Development Strategy

The primary components of USAID agriculture and rural development strategy are increased agricultural productivity and investment in local development to support productivity increases.

Agricultural Productivity. The elements of this strategy are 1) sector policy dialogue relating to crop quotas, restrictive farm prices, and subsidized input provision, 2) increased investment in irrigation, 3) support further improvements in the agricultural research and extension system through private and public channels, 4) support agricultural credit activities, 5) encourage development of private sector, agro-industry, and post-harvest activities, and 6) continue to focus project activities on old lands and will discourage the reclamation new desert land for agriculture.

Investments in Local Development. The strategy emphasis is oriented toward developing local government capacity to operate and maintain basic services and facilities and to develop mechanisms for cost recovery. Components of the program are a revenue sharing system which will expand central government transfers of discretionary resources to finance locally chosen development activities, technical assistance on local development issues, implementation of management and financial systems for maintenance of water/waste water facilities and local roads, capital and/or technical assistance to develop credit services for small-enterprise, and pilot activities to explore new technologies to improve the quality and reduce the cost of basic service delivery systems.

Macroeconomic Policy. Policy dialogue has been centered on the removal of restrictions to the operation of market forces. A number of the policies, may effect the agriculture and rural development sector, particularly the structure of rural economic incentives. Some of these policies include exchange rate unification, market determined interest rates and the elimination of price controls.

MOROCCO

Agriculture and Rural Development Strategy Summary From CDSS FY 1988

Overall Mission Strategy

USAID strategy in Morocco focuses on four overall objectives: increased economic growth, increased food supply, reduced population growth and improved primary health care, and improved management of energy and natural resources. The USAID strategy in Morocco is closely coordinated within the context of the IBRD-led structural adjustment program. The adjustment process has three cross-sectoral objectives: increased reliance on market forces in the economy as a mechanism for resource allocation and use; increased efficiency and productivity of resources allocated by the government; and increased growth of private sector export production and earnings.

Agriculture and Rural Development Strategy

The primary objective for the agriculture and rural development strategy in Morocco is to increase the productivity and aggregate output of food crops and livestock.

The strategy to achieve this objective focuses on the following items: strengthening long-term development agricultural education and farmer-responsive, technical/socioeconomic research by increasing the national capacity to train Moroccan professionals needed for development of the agricultural sector; increasing the availability of agricultural inputs and production-increasing technologies by strengthening the Agricultural Credit Bank lending programs and increasing the efficiency of input storage and distribution technologies; and improving the policy environment for growth by increasing reliance on market forces, specifically to improve the capacity of the Ministry of Agriculture to conduct policy analysis and implement policy change.

Macroeconomic Policy. USAID actively supports reform of Moroccan pricing policies and market reform through policy dialogue. In addition, privatization initiatives options and opportunities are being analyzed as part of the ongoing policy dialogue with the Moroccan government. These policy initiatives may critically effect the structure of incentives in the agriculture and rural development sector.

TUNISIA

Agriculture and Rural Development Strategy Summary From Agricultural Sector Strategy Statement -- 12/86

Overall Mission Strategy

Specific overall strategy not available.

The IBRD and IMF economic adjustment policy package is composed of three components: 1) a return to an export-driven growth strategy, 2) a major improvement in the efficiency of resource use and allocation, and 3) a reorientation of economic development toward more labor-intensive technologies.

Agriculture and Rural Development Strategy

The agriculture and rural development strategy focuses on four major objectives: increased capacity of the Tunisian government to perform agricultural policy analysis and reform implementation; improved efficiency in water use and irrigation systems; reform of the agricultural credit system; and increased use of the private sector in asset ownership and enterprise management in agriculture.

The strategy to achieve these objectives is as follows: build sector performance monitoring and policy analysis capabilities of the Ministry of Agriculture; provide professional expertise in improving the technical efficiencies of on-farm water use and testing alternative irrigation methods, and to assist in affecting the transfer of public irrigation systems to private ownership with concomitant training of Tunisians in the management of such systems; foster greater private sector supply for agricultural inputs and services; and support agricultural credit programs for direct production, medium term equipment/facility, and agricultural inputs.

Macroeconomic Policy. Policy dialogue supports improvement in the prices and incentives framework so that prices and price formation mechanisms are deregulated and linked to world market prices and incentives are made more effective. Other issues which may effect the agriculture and rural development sector are policy discussions on the phasing out of controls on prices, investment and imports, flexible, market determined interest rates, and flexible exchange rates.

JORDAN

Agriculture and Rural Development Strategy Summary From CDSS FY 1988

Overall Mission Strategy

USAID aims at 1) encouraging a restructuring of Jordan's economy toward one where the private sector, agriculture, manufacturing and services are primary sectors and 2) relieving constraints to productivity increases in the agriculture, manufacturing and services sectors. The macroeconomic policy program focuses on government policies affecting pricing and the economy's resource allocations and the broad context and role of government in the economy.

Agriculture and Rural Development Strategy

USAID strategy for agriculture and rural development in Jordan focuses on irrigated agriculture, an emphasis on marketing which encourages government decontrol of market information, and a continuation of involvement in the modernization of rainfed agriculture through development of Jordan's institutional base in research and technology transfer.

Irrigated Agriculture. Extension of research and extension intervention in the Jordan Valley to help to develop research and extension capabilities related to crop diversification, water, fertilizer, pesticide, and herbicide use.

Marketing. Strategy components include technical assistance and training to improve the collection, analysis, and dissemination of relevant information at all levels of the food marketing system, encouragement of the government to decentralize the distribution of agricultural produce, and policy dialogue regarding controls on agricultural product prices, on market channels and on the processing of produce.

Rainfed Agriculture. Strategy focuses on assisting Jordan to develop an effective, self-sustaining national institutional base to carry out diversified crop and livestock research as well as appropriate extension methods through the establishment and strengthening of the National Center for Agricultural Research and Technology Transfer and four Regional Agricultural Service centers.

Macroeconomic Policy. Policy dialogue supports tax system reform, phasing out subsidies on food, energy, water and higher education, and reduction of the levels of protection afforded domestic markets. Other issues discussed which may effect the agriculture and rural development sector are government licensing procedures which limit market entry, government ownership of institutions, and government regulations which control financial ownership.

THAILAND

Agriculture and Rural Development Strategy Summary From CDSS FY 1986

Overall Mission Strategy

The fundamental objective of USAID in Thailand is the maintenance of broad-based rural growth and development while encouraging the government of Thailand to support decentralization of private sector production and government. The relationship between USAID and the government of Thailand is a collaborative exchange of information and technical knowledge focusing on issues of a policy and institutional nature which bear on the productive, equitable, and sustainable development of Thailand's rural resources.

Agriculture and Rural Development Strategy

The objectives of the agriculture and rural development strategy in Thailand is to increase rural employment, to increase the value added of existing rural production, and to foster the improved welfare of all groups outside the Bangkok area.

The primary element of the strategy is a sector analysis of rural industries and employment which focuses on the following key areas: policy constraints, the role of the public and private sectors, investment opportunities, credit, science and technology and underlying all of these issues, employment.

Appendix C

Statistical Data for ANE Region

1/10

Table 1: General and Agricultural Economic Data for 15 ANE Countries

COUNTRY	1/ GNP PER CAPITA 1985 DOLS	1/ POPULATION (MILLIONS) MID-1985	2/ AV. ANN. GROWTH RATE GDP (percent) 1980-85	2/ AV. ANN. GROWTH RATE AGRICULTURE (percent) 1980-85	3/ DISTR. OF GDP in AGRICULTURE (percent) 1985	4/ VALUE ADDED AGR (\$mil.) 1985
BANGLADESH	150.0	100.6	3.6	2.8	50.0	7,393
NEPAL	160.0	16.5	3.4	0.0	62.0	1,456
BURMA	190.0	36.9	5.5	5.4	48.0	3,519
INDIA	270.0	765.1	5.2	2.7	31.0	61,710
PAKISTAN	380.0	96.2	6.0	2.1	25.0	7,231
SRI LANKA	380.0	15.8	5.1	4.0	27.0	1,294
INDONESIA	530.0	162.2	3.5	3.1	24.0	22,011
YEMEN	550.0	8.0	4.5	0.2	34.0	825
MOROCCO	560.0	21.9	3.0	1.0	18.0	3,214
PHILIPPINES	580.0	54.7	-0.5	1.7	27.0	9,104
EGYPT	610.0	48.5	5.2	1.9	20.0	4,885
THAILAND	800.0	51.7	5.1	3.4	17.0	10,132
TUNISIA	1,190.0	7.1	4.1	4.2	17.0	1,602
JORDAN	1,560.0	3.5	4.1	6.4	8.0	327
OMAN	6,730.0	1.2	4.0	-1.8	3.0	---

Source: World Development Report 1987, The World Bank, 1987.

1/Table 1, pp. 202-203

2/Table 2, pp. 204-205

3/Table 3, pp. 206-207

4/Table 6, pp. 212-213

Table 2: OFFICIAL DEVELOPMENT ASSISTANCE - (Total for all donors)

COUNTRY	1/	1/	OFFICIAL DEVELOPMENT ASSISTANCE		
	GNP PER CAPITA 1985 DOLS	POPULATION (MILLIONS) MID-1985	5/ (\$mil.) 1985	5/ (\$mil.) 1979	5/PERCENT of GNP 1985
BANGLADESH	150.0	100.6	1,142	1,166	7.1
NEPAL	160.0	16.5	236	137	10.1
BURMA	190.0	36.9	356	364	5.1
INDIA	270.0	765.1	1,470	1,350	0.7
PAKISTAN	380.0	96.2	750	684	2.2
SRI LANKA	380.0	15.2	486	323	8.2
INDONESIA	530.0	162.2	603	721	0.7
YEMEN	550.0	8.0	288	268	7.0
MOROCCO	560.0	21.9	834	472	7.5
PHILIPPINES	580.0	54.7	486	267	1.5
EGYPT	610.0	48.5	1,759	1,450	6.1
THAILAND	800.0	51.7	481	393	1.3
TUNISIA	1,190.0	7.1	162	211	2.1
JORDAN	1,560.0	3.5	550	1,299	14.5
OMAN	6,730.0	1.2	78	165	1.0

Source: World Development Report 1987, The World Bank, 1987.

1/Table 1, pp. 202-203
5/Table 22, pp. 244-245

TABLE 3
DA and ESF Funding for 15 ANE Countries from 1979 to 1988 (\$000)

(DA = Development Assistance; ESF = Economic Support Fund)

COUNTRY	ASSISTANCE	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988(est.)	TOTAL
Bangladesh	DA	87,207	80,280	80,000	74,421	78,900	77,029	85,070	75,000	84,235	58,500	693,435
	ESF	0	0	0	0	0	0	0	0	0	0	0
	Total	87,207	80,280	80,000	74,421	78,900	77,029	85,070	75,000	84,235	58,500	693,435
Nepal	DA	11,303	13,338	13,950	15,513	13,780	14,066	18,128	14,400	15,034	12,000	131,209
	ESF	0	0	0	0	0	0	0	0	0	0	0
	Total	11,303	13,338	13,950	15,513	13,780	14,066	18,128	14,400	15,034	12,000	131,209
Burma	DA	0	2,000	3,000	7,600	13,799	12,200	14,930	10,000	8,000	7,000	78,529
	ESF	0	0	0	0	0	0	0	0	0	0	0
	Total	0	2,000	3,000	7,600	13,799	12,200	14,930	10,000	8,000	7,000	78,529
India	DA	90,000	103,200	104,499	98,450	89,000	87,500	85,000	86,611	57,600	24,000	735,860
	ESF	0	0	0	0	0	0	0	0	0	0	0
	Total	90,000	103,200	104,499	98,450	89,000	87,500	85,000	86,611	57,600	24,000	735,860
Pakistan	DA	2,906	0	0	0	0	0	50,000	24,000	25,000	50,000	149,000
	ESF	0	0	0	100,000	200,000	225,000	200,000	239,250	250,500	220,000	1,434,750
	Total	2,906	0	0	100,000	200,000	225,000	250,000	263,250	275,500	270,000	1,583,750
Sri Lanka	DA	29,023	31,367	46,100	48,500	50,695	44,735	34,662	20,000	23,504	26,800	326,363
	ESF	0	0	0	0	0	0	0	0	0	0	0
	Total	29,023	31,367	46,100	48,500	50,695	44,735	34,662	20,000	23,504	26,800	326,363
Indonesia	DA	92,772	82,721	68,812	67,403	71,750	74,602	66,265	64,355	85,785	40,000	621,653
	ESF	0	0	0	0	0	0	0	0	0	0	0
	Total	92,772	82,721	68,812	67,403	71,750	74,602	66,265	64,355	85,785	40,000	621,653
Yemen	DA	16,604	11,656	19,384	23,279	28,082	27,392	27,449	23,000	23,300	20,725	204,267
	ESF	0	0	0	0	0	0	0	0	0	0	0
	Total	16,604	11,656	19,384	23,279	28,082	27,392	27,449	23,000	23,300	20,725	204,267
Morocco	DA	4,069	9,092	12,068	11,671	11,227	19,435	19,545	21,473	18,376	12,500	135,387
	ESF	0	0	0	0	0	7,000	15,000	16,484	10,000	20,000	68,484
	Total	4,069	9,092	12,068	11,671	11,227	26,435	34,545	37,957	28,376	32,500	203,871
Philippines	DA	42,643	39,657	38,523	39,395	36,798	32,120	34,400	18,880	12,000	40,000	291,773
	ESF	0	20,000	30,000	50,900	50,000	50,000	140,000	300,000	250,000	124,000	1,014,000
	Total	42,643	59,657	68,523	89,395	86,798	82,120	174,400	318,880	262,000	164,000	1,275,773
Egypt	DA	0	0	0	0	0	0	0	0	0	0	0
	ESF	835,000	865,000	829,000	771,000	750,000	852,949	1,065,600	1,068,434	819,558	820,000	7,840,844
	Total	835,000	865,000	829,000	771,000	750,000	852,949	1,065,600	1,068,434	819,558	820,000	7,840,844
Thailand	DA	16,532	17,578	24,190	26,180	16,800	26,603	24,109	23,313	16,525	15,900	190,500
	ESF	0	2,000	2,000	5,000	5,000	5,000	8,000	5,000	5,000	5,000	42,800
	Total	16,532	19,578	26,190	31,180	22,600	31,603	32,109	28,313	21,525	20,900	233,300
Tunisia	DA	14,792	10,979	25,325	0	10	40	2,540	0	724	0	39,611
	ESF	0	0	0	5,000	5,000	1,500	20,000	22,624	16,787	10,000	80,911
	Total	14,792	10,979	25,325	5,000	5,010	1,540	22,540	22,624	17,511	10,000	120,522
Jordan	DA	0	0	0	0	0	0	0	0	0	0	0
	ESF	93,600	69,000	10,000	15,000	20,000	20,000	100,000	95,022	111,000	18,000	458,022
	Total	93,600	69,000	10,000	15,000	20,000	20,000	100,000	95,022	111,000	18,000	458,022
Oman	DA	0	0	0	0	0	0	0	0	0	0	0
	ESF	0	5,000	0	15,000	15,000	15,000	20,000	19,556	14,882	13,000	117,538
	Total	0	5,000	0	15,000	15,000	15,000	20,000	19,556	14,882	13,000	117,538
15 Country Total	DA	497,851	401,868	435,841	412,332	410,841	415,722	483,898	381,032	378,883	306,825	3,597,644
	ESF	938,000	961,000	871,000	961,000	1,045,000	1,176,449	1,568,000	1,766,370	1,477,821	1,230,000	11,057,444
	Total	1,335,851	1,362,868	1,276,841	1,373,332	1,455,841	1,592,171	2,031,898	2,147,402	1,847,910	1,536,825	14,625,088
Bureau - Wide	DA	440,355	428,609	458,307	439,681	435,918	443,858	493,892	392,922	427,921	262,163	4,321,651
	ESF	1,001,257	2,010,217	1,892,950	2,146,000	2,184,840	2,347,332	3,037,520	4,006,360	2,927,949	2,656,000	25,891,000
	Total	2,321,612	2,438,826	2,351,257	2,585,681	2,620,758	2,791,190	4,331,412	4,399,282	3,355,870	3,018,163	30,212,651

Source: "FYS 1979 - 1988 Program Trends Based on FY 1988 C.P." - C.3 -
PPC/PU/RPA, March 1987. Fiscal Years 1987 - 88,
"Fiscal Year 1989 Summary Tables," March, 1988.

TABLE 4
DA and ESF Percentages of AEC Bureau DA and ESF Funding for 15 Countries

(DA = Development Assistance; ESF = Economic Support Fund)

COUNTRY	ASSISTANCE	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988(est.)	TOTAL
Bangladesh	DA	19.80%	18.82%	17.46%	16.93%	18.10%	17.35%	17.22%	19.09%	19.68%	18.15%	18.05%
	ESF	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	Total	3.76%	3.29%	3.40%	2.88%	3.01%	2.76%	1.96%	1.70%	2.51%	1.94%	2.35%
Kepal	DA	2.57%	3.13%	3.04%	3.53%	3.16%	3.17%	3.87%	3.66%	3.51%	3.31%	3.04%
	ESF	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	Total	0.49%	0.55%	0.59%	0.60%	0.53%	0.50%	0.44%	0.33%	0.45%	0.40%	0.43%
Burma	DA	0.00%	0.47%	0.65%	1.73%	3.17%	2.75%	3.02%	2.55%	1.87%	1.93%	1.82%
	ESF	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	Total	0.00%	0.00%	0.13%	0.29%	0.53%	0.44%	0.34%	0.23%	0.24%	0.23%	0.26%
India	DA	20.44%	24.19%	22.80%	22.39%	20.42%	19.71%	17.21%	22.04%	13.46%	8.63%	17.03%
	ESF	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	Total	3.88%	4.24%	4.44%	3.81%	3.40%	3.13%	1.96%	1.97%	1.72%	0.80%	2.44%
Pakistan	DA	0.66%	0.00%	0.00%	0.00%	0.00%	0.00%	10.12%	8.11%	5.84%	13.81%	3.45%
	ESF	0.00%	0.00%	0.00%	4.66%	9.15%	9.58%	5.21%	5.97%	8.56%	8.28%	5.54%
	Total	0.13%	0.00%	0.00%	3.87%	7.63%	8.66%	5.77%	5.98%	8.21%	8.95%	5.24%
Sri Lanka	DA	6.59%	7.35%	10.06%	11.03%	11.63%	10.08%	7.07%	5.09%	5.49%	7.40%	7.55%
	ESF	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	Total	1.25%	1.29%	1.96%	1.88%	1.93%	1.60%	0.80%	0.45%	0.70%	0.89%	1.28%
Indonesia	DA	21.07%	19.39%	15.01%	15.33%	16.46%	16.81%	13.42%	16.38%	20.05%	11.04%	14.35%
	ESF	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	Total	4.00%	3.39%	2.92%	2.61%	2.74%	2.67%	1.53%	1.66%	2.56%	1.33%	2.05%
Yemen	DA	3.77%	2.73%	4.23%	5.29%	6.44%	6.17%	5.56%	5.85%	5.44%	5.72%	4.73%
	ESF	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	Total	0.72%	0.48%	0.87%	0.90%	1.07%	0.98%	0.63%	0.52%	0.69%	0.69%	0.68%
Morocco	DA	0.92%	2.13%	2.63%	2.65%	2.58%	4.38%	3.96%	5.46%	4.29%	3.45%	3.13%
	ESF	0.00%	0.00%	0.00%	0.00%	0.00%	0.30%	0.39%	0.41%	0.34%	0.75%	0.26%
	Total	0.18%	0.37%	0.51%	0.45%	0.43%	0.95%	0.80%	0.86%	0.65%	1.08%	0.67%
Philippines	DA	9.68%	9.30%	8.41%	8.96%	8.44%	7.24%	6.97%	4.81%	2.80%	11.04%	6.75%
	ESF	0.00%	0.99%	1.58%	2.33%	2.29%	2.13%	3.65%	7.49%	8.54%	4.67%	3.52%
	Total	1.84%	2.45%	1.64%	3.46%	3.31%	2.94%	4.03%	7.25%	7.81%	5.43%	4.22%
Egypt	DA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	ESF	44.39%	43.03%	43.79%	35.93%	34.33%	38.33%	27.75%	26.67%	27.99%	30.87%	30.28%
	Total	35.97%	35.50%	35.26%	29.82%	28.62%	30.55%	24.59%	24.28%	24.62%	27.17%	25.95%
Thailand	DA	3.75%	4.12%	5.28%	5.84%	3.85%	5.99%	4.88%	5.93%	3.86%	4.22%	4.41%
	ESF	0.00%	0.10%	0.11%	0.23%	0.27%	0.21%	0.21%	0.12%	0.17%	0.19%	0.17%
	Total	0.71%	0.80%	1.11%	1.20%	0.86%	1.13%	0.76%	0.64%	0.64%	0.67%	0.77%
Tunisia	DA	3.36%	2.57%	5.53%	0.00%	0.00%	0.01%	0.51%	0.00%	0.17%	0.00%	0.92%
	ESF	0.00%	0.00%	0.00%	0.23%	0.23%	0.86%	0.52%	0.56%	0.57%	0.38%	0.31%
	Total	0.64%	0.45%	1.00%	0.18%	0.19%	0.86%	0.52%	0.51%	0.52%	0.33%	0.40%
Jordan	DA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	ESF	4.94%	3.43%	0.53%	0.70%	0.92%	0.85%	2.61%	2.37%	3.79%	0.68%	1.77%
	Total	4.01%	2.82%	0.43%	0.58%	0.78%	0.72%	2.31%	2.16%	3.31%	0.60%	1.52%
Oman	DA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	ESF	0.00%	0.25%	0.69%	0.70%	0.69%	0.64%	0.52%	0.49%	0.51%	0.49%	0.45%
	Total	0.00%	0.21%	0.00%	0.58%	0.57%	0.54%	0.56%	0.44%	0.45%	0.43%	0.35%
15 Country Total	DA	92.62%	94.20%	95.18%	93.78%	94.25%	93.66%	93.77%	96.97%	86.48%	84.72%	83.25%
	ESF	49.33%	47.81%	46.01%	44.78%	47.07%	50.11%	40.86%	44.09%	50.47%	46.31%	42.71%
	Total	57.54%	55.93%	54.30%	53.11%	55.50%	57.03%	46.89%	48.81%	55.07%	50.82%	48.41%
Bureau - Wide	DA	18.97%	17.51%	18.49%	17.80%	16.63%	15.90%	11.40%	8.93%	12.75%	12.80%	14.30%
	ESF	81.03%	82.49%	80.51%	82.00%	83.37%	84.10%	88.60%	91.07%	87.25%	88.90%	85.70%
	Total	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Source: Table 3

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TABLE 5
Funding Trend Analysis of ARDN Account Obligations (\$000)
for 12 Selected ANE Countries

COUNTRY	TYPE	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988(est.)	TOTAL
Bangladesh	L	72,050	74,020	65,700	49,860	54,100	51,029	47,770	40,700	34,125	20,200	509,554
Burma	L	---	---	---	7,550	8,649	10,160	12,750	9,180	5,500	3,675	57,464
Nepal	L	4,770	8,538	10,400	8,230	8,500	8,616	12,329	9,251	9,445	8,650	88,729
India	L	80,000	79,500	95,099	90,600	68,400	72,300	53,600	56,300	29,350	6,200	631,349
Pakistan	L	1,840	---	---	---	---	---	37,800	11,000	5,500	33,500	89,640
Sri Lanka	L	24,500	23,050	46,000	46,000	43,043	37,044	23,956	20,446	21,854	22,800	308,693
Indonesia	M	57,907	48,473	32,390	27,560	33,740	45,955	42,380	45,522	59,002	16,382	409,311
Yemen	M	5,918	5,542	7,469	11,779	15,135	10,932	12,070	11,550	10,100	11,040	101,535
Morocco	M	1,575	2,600	4,864	7,525	6,857	9,900	9,975	10,400	9,945	7,500	71,141
Philippines	M	30,634	23,551	14,324	16,620	21,045	20,320	25,833	19,304	5,799	28,350	205,780
Thailand	M	9,042	13,083	17,600	21,663	7,900	14,000	1,609	16,443	13,125	14,000	128,465
Tunisia	H	9,297	6,495	17,030	---	---	---	---	---	439	---	33,261
TOTAL:		297,533	284,852	310,876	287,387	267,369	280,256	280,072	250,096	204,184	172,297	2,634,922
TOTAL ANE/ARDN:		306,348	293,801	317,328	297,363	278,368	289,738	290,639	263,969	221,101	194,140	2,752,795

Source: "FYS 1979 - 1986 Program Trends Based on FY 1988 C.P.,"
PPC/PB/RPA, March 1987. Fiscal Years 1987 - 88,
"Fiscal Years 1989 Summary Tables," March 1988.

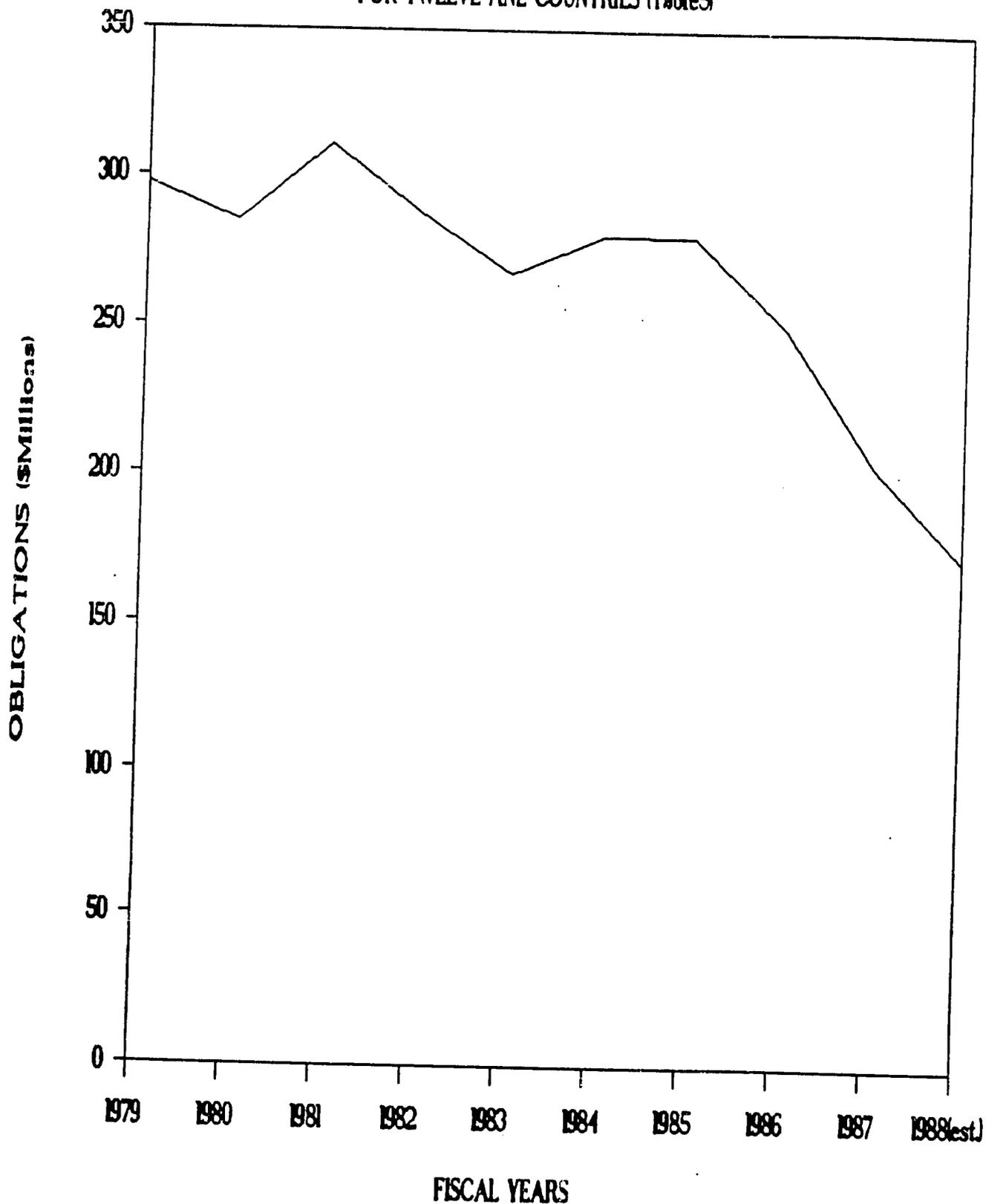
TABLE 6
Per Country %
of ANE/ARDN ACCOUNT

COUNTRY	TYPE	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988(est.)	TOTAL
Bangladesh	L	23.52%	25.19%	20.70%	16.77%	19.43%	17.61%	16.44%	15.42%	15.43%	10.40%	18.51%
Burma	L	0.00%	0.00%	0.00%	2.54%	3.11%	3.51%	4.39%	3.48%	2.49%	1.89%	2.09%
Nepal	L	1.56%	2.91%	3.28%	2.77%	3.05%	2.97%	4.24%	3.50%	4.27%	4.46%	3.22%
India	L	26.11%	27.06%	29.97%	30.47%	24.57%	24.95%	18.44%	21.33%	13.27%	3.19%	22.93%
Pakistan	L	0.60%	0.00%	0.00%	0.00%	0.00%	0.00%	13.01%	4.17%	2.49%	17.26%	3.26%
Sri Lanka	L	8.00%	7.85%	14.50%	15.47%	15.46%	12.79%	8.24%	7.75%	9.88%	11.74%	11.21%
Indonesia	M	18.90%	16.50%	10.21%	9.27%	12.12%	15.86%	14.58%	17.25%	26.69%	8.44%	14.87%
Yemen	M	1.93%	1.89%	2.35%	3.96%	5.44%	3.77%	4.15%	4.38%	4.57%	5.69%	3.69%
Morocco	M	0.51%	0.88%	1.53%	2.53%	2.46%	3.42%	3.43%	3.94%	4.50%	3.86%	2.58%
Phillipines	M	10.00%	8.02%	4.51%	5.59%	7.56%	7.01%	8.89%	7.31%	2.62%	14.60%	7.48%
Thailand	M	2.95%	4.45%	5.55%	7.29%	2.84%	4.83%	0.55%	6.23%	5.94%	7.21%	4.67%
Tunisia	H	3.03%	2.21%	5.37%	0.00%	0.00%	0.00%	0.00%	0.00%	0.20%	0.00%	1.21%
12 Country Total/ ANE Bureau Total		97.12%	96.95%	97.97%	96.65%	96.05%	96.73%	96.36%	94.74%	92.35%	88.75%	95.72%

Source: TABLE 5

GRAPH I - ARDN FUNDING TREND ANALYSIS

FOR TWELVE ANE COUNTRIES (Table 5)



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