

I. PROJECT IDENTIFICATION

1. PROJECT TITLE EDUCATION REFORM ASSISTANCE		APPENDIX ATTACHED <input type="checkbox"/> YES <input type="checkbox"/> NO	
3. RECIPIENT (Specify)		2. PROJECT NO. (M.O. 1025.2) 527-11-690-067.3	
<input checked="" type="checkbox"/> COUNTRY PERU <input type="checkbox"/> REGIONAL <input type="checkbox"/> INTERREGIONAL		4. LIFE OF PROJECT BEGINS FY 72 ENDS FY 76	
		5. SUBMISSION <input type="checkbox"/> ORIGINAL 11 June 71 <input type="checkbox"/> REV. NO. 1 - 31 Mar. 72 Rev. N° 2 - 19 June 73 CONTR. PASA NO.	

II. FUNDING (\$000) AND MAN MONTHS (MM) REQUIREMENTS

A FUNDING BY FISCAL YEAR	B TOTAL \$	C PERSONNEL		D PARTICIPANTS		E. COMMOD- ITIES \$	F. OTHER COSTS \$	G PASA CONTR.		H. LOCAL EXCHANGE CURRENCY RATE \$ US _____ (U.S. OWNED)		
		(1) \$	(2) MM	(1) \$	(2) MM			(1) \$	(2) MM	(1) U.S. GRANT LOAN		
										(A) JOINT	(B) BUDGET	(C) COUNTRY
1. FISCAL YEAR ACTUAL FY												
2. BUDGET FY 72	832	46	10	50	83	10	137	89	27			
3. BUDGET FY 73	429.7	85.4	24	64	75	62	112.4	95.9	36			
4. BUDGET FY 74	454.3	89.3	24	42	72	62	158.6	102.4	36			
5. BUDGET FY 75	435.6	91.4	24	52	74	49	144.2	99	36			
6. BUDGET FY 76	390.4	53.9	24	42	72	49	144.8	100.7	36			
7. ALL BUDGETS												
8. GRAND TOTAL												

9. OTHER DONOR CONTRIBUTIONS		
(A) NAME OF DONOR GOP	(B) KIND OF GOODS/SERVICES Goods and Services	(C) AMOUNT \$600,000

III. ORIGINATING OFFICE CLEARANCE

1. DRAFTER ABroehl/CBrrfgs	TITLE Educational/Manpower Sp. Human Resources Advisor	DATE 6/13/73
2. CLEARANCE OFFICER Charles Weinberg	TITLE Acting Director	DATE 7/3

IV. PROJECT AUTHORIZATION

1. CONDITIONS OF APPROVAL

Other Clearances: PRM:MKnight _____
 Actg. Dir: JMartin _____

2. CLEARANCES

BUR/OFF.	SIGNATURE	DATE	BUR/OFF.	SIGNATURE	DATE
IA/DR	Carl Van Haeften		IA/MRSD	Donor Lion S. Meyer	7/10
IA/DR/ESN	T. M. Hazard	7/6	IA/DR	John R. Breen	7/11/73
IA/DP	S. Chernenkoff	7/4	IA/DR	Frederick W. Schieck	7/13/73
IA/EP	J. Guardiano	7/10			
IA/OPHS	C. Uyehara	7/12			
IA/OC	I. Levy	7/16			

3. APPROVAL BY OR OFFICE DIRECTORS		4. APPROVAL A/AID (See M.O. 1025.1 VI C)	
SIGNATURE Herman Kleine	DATE JUL 20 1973	SIGNATURE	DATE
TITLE Deputy U. S. Coordinator		ADMINISTRATOR, AGENCY FOR INTERNATIONAL DEVELOPMENT	

PROJECT NO. 527-11-690-067.3	SUBMISSION		(Number)	DATE	PAGE 2 of 2 PAGES
	<input type="checkbox"/> ORIGINAL	<input type="checkbox"/> REVISION	1	6/13/73	

In the Education Reform Assistance PROP, one dimension of education planning was not explicit and has been found to be especially important to achieving the goals set forth in the PROP; that is the area of education costs analysis. Adding this dimension to the program activities under the PROP will in no way alter established objectives, but will instead fill an existing gap leading to a comprehensive analysis of the education sector.

In the statement of purpose of the present PROP, program emphasis is placed on strengthening the Ministry of Education's capacity for research in the area of educational and manpower analysis and planning. Two years of working in this area has shown that one important component of analyzing and planning for the educational sector is that of educational costs. The achievement of optimum levels of efficiency depends on relating program effectiveness to program costs. There are references to the importance of the area of costs analysis in other Mission documents. The PROP reiterated earlier comment (Lima 220 of October 4, 1971), that "...in contrast with many national plans, it (the National Educational Plan) sets forth financial requirements and acknowledges national limitations, the need for external assistance and for more productive use of existing resources." The PROP, however, does not specifically refer to the educational costs dimension of educational planning.

This amendment amplifies the PROP regarding the assistance in the analysis and planning of educational programs and manpower needs, by specifically focusing on educational costs. Experience has shown that this area merits attention especially in determining how to attain maximum productivity and effectiveness by the proper selection among alternative possibilities for achieving specified economic goals. This in turn requires the analysis of alternative ways of maintaining data on educational costs, on the financing of programs and on capital purchases.

In order to specify the activities that are required for education costs analysis to meet the objectives of the PROP, and to open the way for a comprehensive analysis of the education sector, the following changes are proposed:

1. In Section B, 1 STATEMENT OF PURPOSE; THE PURPOSE, add the underlined words so that the full sentence will read, "USAID contribution will be geared to: (1) strengthening the capacity for research in education/manpower analysis and planning including educational costs analysis";

2. In Section D, 1.2, a PROJECT INPUTS, KIND OF INPUTS, PERSONNEL - LONG TERM, substitute "1 Educational Costs and Manpower Research Specialist" for "1 PASA Education/Manpower Research Specialist".

3. In Section D, 1.2, b PERSONNEL - SHORT TERM, substitute "Specialists in computer model design and research related to educational planning and costs studies" for "Manpower planning/vocational guidance consultant/advisor."

4. At the end of the Section entitled COURSE OF ACTION, 1 - a), insert the following after item number (3) and before the final sentence: "(4) A comprehensive study of the current costs accounting system and the alternative sources of education financing to be followed by projected cost estimates for realizing the educational reform, including alternative courses of action and demonstration cost-benefit projects. The above activities will complement Ministry of Education planning efforts to facilitate development of the data necessary for a comprehensive analysis of the education sector."