

PD-ABB-921

AGENCY FOR INTERNATIONAL DEVELOPMENT
PROJECT IDENTIFICATION DOCUMENT
FACESHEET (PID)

1. TRANSACTION CODE
A = Add
C = Change
D = Delete
Revision No.

DOCUMENT CODE
1

2. COUNTRY/ENTITY
MALI

3. PROJECT NUMBER
688-0247

4. BUREAU/OFFICE
AFRICA
A. Symbol | B. Code
5

5. PROJECT TITLE (maximum 40 characters)
PVO CO-FINANCING

6. ESTIMATED FY OF AUTHORIZATION/OBLIGATION/COMPLETION
A. Initial FY 8 | 9
B. Final FY 9 | 4
C. PACD

7. ESTIMATED COSTS (\$000 OR EQUIVALENT, \$1 =)
FUNDING SOURCE | LIFE OF PROJECT
A. AID DFA | 8,000
B. Other U.S. 1. |
2. |
C. Host Country
D. Other Donor(s)
TOTAL

8. PROPOSED BUDGET AID FUNDS (\$000)

A. APPROPRIATION	B. PRIMARY PURPOSE CODE	C. PRIMARY TECH. CODE		D. 1ST FY		E. LIFE OF PROJECT	
		1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan
(1) DFA	760			300		8,000	
(2)							
(3)							
(4)							
TOTALS				300		8,000	

9. SECONDARY TECHNICAL CODES (maximum 6 codes of 3 positions each)
920 | 090 | 500 | 720 | 740 | 840

10. SECONDARY PURPOSE CODE

11. SPECIAL CONCERNS CODES (maximum 7 codes of 4 positions each)
A. Code | PVOU | BVW | BRW
B. Amount

12. PROJECT PURPOSE (maximum 480 characters)
TO USE NON-GOVERNMENTAL ORGANIZATIONS TO PROMOTE AND SUPPORT MISSION STRATEGY OBJECTIVES THROUGH IMPROVED OUTREACH IN CHILD SURVIVAL, NATURAL RESOURCE MANAGEMENT, AND MICRO TO SMALL PRIVATE ENTERPRISE DEVELOPMENT.

13. RESOURCES REQUIRED FOR PROJECT DEVELOPMENT
Staff: PDO IQC - INSTITUTION SPECIALIST
CONT
PROG
GDO
Funds
PD & S \$20,000

14. ORIGINATING OFFICE CLEARANCE
Signature: Wilbur G. Thomas
Title: A/Director, USAID/Mali
Date Signed: MM DD YY
05 | 04 | 89

15. DATE DOCUMENT RECEIVED IN AID/W, OR FOR AID/W DOCUMENTS, DATE OF DISTRIBUTION
MM DD YY

16. PROJECT DOCUMENT ACTION TAKEN
S = Suspended CA = Conditionally Approved
A = Approved DD = Decision Deferred
D = Disapproved

17. COMMENTS

18. ACTION APPROVED BY
Signature
Title

19. ACTION REFERENCE

20. ACTION DATE
MM DD YY

8

TABLE OF CONTENTS

	PAGE
Executive Summary	
I. <u>Background</u>	1
II. <u>Program Factors</u>	2
A. Conformity with GRM Strategy	2
B. Relationship with USAID Strategy Documents	3
B.1. CDSS	3
B.2. AID/W PVO Guidance	4
B.2.a. DFA Legislation and AID Policy Paper	4
B.2.b. AFR Bureau Draft PVO Strategy Paper	5
B.3. USAID Strategy with PVOs	5
III. <u>Perceived Problem and Project Description</u>	6
A. Development Problem	6
A.1. Health	6
A.2. Natural Resource Mangement	7
A.3. Small to Micro Enterprise Development	7
B. Project Goal and Purpose	8
C. Selection of Sub-Projects	8
D. Expected Achievements/Accomplishments	9
E. Preliminary Project Outline	9
F. Evaluations	10
IV. <u>Factors Affecting Project Selection and</u> <u>Further Developments</u>	11
A. Social Soundness Considerations	11
A.1. Background	11
A.2. Health	11
A.3. Natural Resource Management	11
A.4. Small to Micro Enterprise Development	11
B. Economic Analysis	12
C. Gender Issues	12
D. Proposed Implementing Agencies	13
D.1. Government of Mali	13
D.2. PVOs	13
D.3. NGOs	13
D.4. USAID	14

	Page
E. AID Support Requirements and Capabilities	14
F. Preliminary Budget	15
G. Design Strategy	15
H. Waiver Requirements	16
I. Local NGO U.S. Registration Requirements	16
J. GRM Registration Requirements	16
K. Design Issues	17
V. <u>Annexes</u>	
A. Bamako (88) 7866, PVO Co-financing (688-0247)	
B. State (89) 26471, Proposal for PVO Co-financing	
C. Bamako (89) 00569, Africa Bureau Strategy Paper	
D. State (88) 402756, Local PVO Registration Procedures	

EXECUTIVE SUMMARY

Project Description

The proposed Project is a six-year effort by the USAID/Mali Mission to be implemented through U.S. private voluntary organizations (PVOs) active in Mali. The Project is designed to provide approximately nine grants of between \$500,000 and \$1,000,000 per activity in the sectors of Child Survival, Microenterprise Development, and Natural Resource Management. Proposals in support of AID-funded bilateral projects may be submitted for consideration. Cooperation with Malian NGOs will be encouraged. USAID anticipates that, through association with larger, well-established U.S. organizations, the local NGO community will be strengthened to the point of eventually being able to apply for and administer AID grants. LOP funding will be \$8,000,000, of which approximately \$1,040,000 will be for technical assistance and administrative support and \$200,000 for evaluations, studies, audits and analyses over the LOP.

The Project is based upon AID's concentration at the economic reform policy and central levels, a growing need to extend AID activities beyond their normal reach, and on the belief that the most efficient and expeditious way to do this is through the non governmental sector. The rationale for this initiative is presented more fully in the FY 1990 - 94 CDSS. AID will seek to approve and finance activities that support the Africa Bureau PVO Strategy and the Mission's CDSS in the three sectors of emphasis identified above.

Requests for Applications (RFA) will be solicited twice during the life of the Project, during Year Two and Year Three. The RFAs will clearly state that collaborative programs between U.S. PVOs and indigenous U.S. registered NGOs will be encouraged. The Project Committee, including the pertinent technical experts, will meet and review all proposals. In this way, the management burden of reviewing proposals will be lessened and more controlled. It is anticipated that competition for funding will assure the best proposals possible are submitted by PVOs for review.

Project Development History

In its 1990 ABS, the Mission proposed a new FY1990 NGO Support Project. At that time it was believed an umbrella project would be the best method for addressing and implementing what the Mission envisaged under this Project. Subsequently, the Mission received a project proposal from a PVO for a limited one-year assistance package to the Malian Non-governmental Organizations Actions Committee known by its French acronym CCA, which would later be developed into a larger umbrella support project to be implemented by the PVO. The Mission reviewed the proposal and decided not to fund it for three reasons:

1. The Mission did not want to place an intermediary PVO between itself and other PVOs because of the benefits to be derived when USAID and the PVOs have a direct working relationship.

2. The PVOs suggest working through the CCA which has a membership of approximately 68 organizations of which only 12 are US PVOs, only 15 are Malian, and the remainder are third-country NGOs, mainly European. If CCA needed assistance or ways to broaden its role, the initiative should come from the principal membership group.
3. In the context of the Mission's program strategy for working with the US PVO/Malian NGO community, we reaffirmed several principles:
 - (a) our priority mandate is to work with US PVOs;
 - (b) our program should emphasize support of US PVO work in the field; and
 - (c) our assistance to Malian NGOs should be a by-product of their association with US PVOs.

The Mission submitted a concept paper in Bamako (88) 7866 (Annex A), and supplemented these views in Bamako (89) 00569 (Annex C). The Bureau responded to the concept paper in State (89) 26471 (Annex B), which raised questions about the purpose of the Project, the relationship with indigenous NGOs and U.S. PVOs, the management role of the PSC coordinator, and the focus of the Project. Each of these is addressed in turn below:

Project Purpose: State 26471 noted the Mission's concept paper said "our point is to expand the reach of the U.S. effort, both by geographic region and to the village level." AID/W asked whether this is not at variance with the reason provided in the ABS, namely that a PVO umbrella project would enable more rapid expansion of innovative technologies, particularly for child survival and natural resource management. These two statements of the Project rationale are not at all contradictory. The Mission wishes to utilize the services of the non-governmental sector in order to further the Mission goals as stated in the FY 1990-94 CDSS, as we believe they represent the most efficient and rapid means to deliver the technologies on which the Mission's approved strategy is based.

It should be noted, however, that the quoted sentence is not the Project purpose, and that the statement of the Project purpose throughout all programming documents to date has been consistent. The purpose, as stated in the FY 1990 ABS, Bamako 7866, and the present document is to "use non-governmental organizations to promote and support Mission strategy objectives through improved outreach in child survival, natural resource management and micro to small enterprise development."

Support to indigenous NGOs: State 26471 noted that "support to indigenous NGOs was to be one of the main objectives of the PVO project and is certainly one of our mandates under the DFA." This point was recognized and addressed in Bamako 7865, which laid out our belief that the goal is a worthy one, but that the best way to achieve it is not through making grants directly to local organizations at this time.

USAID/Mali shares the Bureau's interest in developing the local NGO community. However, the management capacity of the local NGOs is extremely weak at present, and there is not one, to our knowledge, with the capacity to apply for and administer an AID funded grant. In the interest of utilizing

development dollars as efficiently as possible, the Mission does not want to rush too quickly into making grants to small organizations which do not have the managerial, financial and/or technical capacity to administer them.

Strengthening support to local NGOs: State 26471 asked, "Will the new Project support strengthening indigenous NGOs as one of its objectives and if so how?" As noted in Bamako (89) 00569, the case of Malian NGOs differs somewhat from the situation in other countries as the Malian NGO community is still in its early stages of development. The Project will strongly support the strengthening of indigenous PVOs, with the eventual goal of orienting the local NGO community to apply for and administer AID grants directly. This will be accomplished through association of the local NGOs with U.S. PVO grantees.

Management difficulties: AID/W expressed concern that managing the Project with a PSC Project Coordinator might increase the workload or cause other difficulties that might be avoided if the umbrella PVO route were followed. This is an important point, and one that the Mission has spent some time in considering. Upon review and discussion of this matter within the Mission, the PID design team concurred that the workload may be excessive for one individual and has increased the number of project management personnel to three, plus a driver. An off-shore PSC will be hired to manage the Project in GDO, working with the FSN assigned as Assistant Project Officer. A Malian PSC will also be hired. With relation to supervision of the Malian PSC, the expatriate PSC will train the Malian in project management, delegating responsibility as deemed appropriate by the expat and the GDO. A local PSC will provide secretarial services.

The cable stated that "if the umbrella approach is not used, the PID should describe how these management concerns will be addressed." These concerns are dealt with in detail in "IV. Factors Affecting Project Selection and Further Developments, D. AID Support Requirements and Capabilities", page 14. Briefly, however, the Project Coordinator will be responsible for the daily Project management and implementation. He/she will be responsible for accepting proposals and coordinating their review by the Project Committee.

Focus of the PVO grants: The proposed Project will concentrate in three areas: child survival, natural resource management, and micro to small enterprise development. The Bureau pointed out that Mali is an emphasis country for child survival and natural resources, but warns that the Project may be sectorally too diverse, and recommended concentrating in child survival and natural resource management exclusively. Presumably the issue is therefore whether or not to include micro to small enterprise development as an area of focus. In including micro to small enterprise development in the list of sectors, the Mission considered the following factors: the composition of the existing AID portfolio, the urban flow of the population, the urgent need to address women's problems, and the areas of interest of the client PVO community.

The Bureau also raised concern that unless the grant acceptance criteria were sufficiently restrictive, the Mission might accept other proposals that fall outside of the emphasis sectors. During the Mission Project Committee review of the PID, it was decided to only accept grant applications which fall within

the three priority sectors of child survival, natural resource management, and micro enterprise development. This will ensure focus and conformity to CDSS goals and objectives. A PVO project without clearly defined sectoral targets runs the risk of becoming too diverse and unwieldy, especially when the development needs are as extensive as Mali's.

Illustrative Budget

AID funding for this Project will be as follows:

<u>Line Item</u>	<u>Total Amount</u>
<u>Technical Assistance</u>	\$1,040,000
<u>Project Support Costs</u>	\$ 560,000
<u>Studies, Audits, and Analyses</u>	\$ 200,000
<u>Grant Funding</u>	\$6,000,000
<u>Contingency and Inflation</u>	\$ 200,000
TOTAL LOP	\$8,000,000

I. Background

Mali is the largest country in West Africa covering 478,764 square miles, of which only about 2 percent is cultivated. The northern two-thirds of this vast landlocked country is desert, with the remaining one-third covered by savannah. Administratively, Mali is divided into seven regions and the capital district of Bamako. The population in 1989 was estimated at 8 million, the majority of whom live in the southern third of the country along the Niger and Senegal rivers. There are four major ethnic groups: the Mandingos (Bambara and Malinkes), the nomads (Peulhs, Tamacheq, and Maures), the Burkinabe (Senoufos and Miniankas) and the Soudanais (Sarakholes, Sonrhai, and Dogons)). French is the official language, however, many dialects and local languages are spoken.

Mali's natural resource base consists of approximately 14 to 20 million hectares of arable land, three major rivers and their tributaries, and an abundance of mineral resources such as gold, bauxite, uranium, iron, copper, phosphorus and manganese. As a result of the poor infrastructure and power facilities, only gold and phosphorus are mined. Subsistence agriculture is normally possible in the southern regions because of its river systems, consequently Mali is known to have some of the best farmland of any of the Sahelian countries. The most productive agricultural area lies along the banks of the Niger River between Bamako and Mopti, extending south to the borders with Burkina Faso and the Ivory Coast. This extensive southern part of the country, falling outside of the Sahel zone, is an agriculturally rich area with fairly high and reliable rainfall, while some riskier rainfall areas north of this zone have sufficient rainfall and soil resources to support increases in rainfed production. As a result of recurrent droughts, locust and grasshopper hordes, poor land use management practices, and deforestation, Mali is presently experiencing a severe degradation of her environmental resource base. However, through better management Mali will be able improve utilization of her resources in an environmentally sound manner.

Mali's livestock herd of more than 10 million large and small ruminants provides some income to half or more of all rural people, generates almost half of the export revenues, and is Mali's greatest resource after cropland. Normally, livestock are raised in all parts of the country, generally by nomadic herders but increasingly by other groups. Though the northern sections of the country are primarily arid, much of the small ruminant herding is in these areas. Most of the animals use dry rangeland which would otherwise be unproductive, but increasing use of crop areas for pasturing has led to incidents of resource competition and land degradation. The Government of Mali (GRM) is seeking to increase the complementarity of crops and livestock through mixed farming techniques.

Traditionally, about eighty percent of the population has been agrarian-agriculturalist, semi-nomadic, and pastoral. Recent severe droughts have resulted in massive crop failures and losses. Consequently, many of the traditionally rural population are seeking alternatives for economic survival and migration to the urban centers has become an option. Population increases in the urban centers have placed additional demand and stress on infrastructure, social services, employment, and food requirements. Recent statistics imply that, while Bamako's growth rate has fallen, available data also indicates that towns of less than 20,000 population are growing at a more rapid pace than the larger cities. This may be a reflection of the greater

employment opportunities in the smaller towns where the population levels are now reaching thresholds that can support significant commercial and artisanal activities. Small and micro enterprise (SME) is the sector that employs most Malians in urban settings. If one includes formal sector farmers as small/micro entrepreneurs, this sector employs most Malians. Unfortunately, the full potential of this sector is far from being realized.

Health indications for Mali place it toward the bottom end of the scale worldwide with life expectancy hovering around 47 years and infant mortality at 173/1000. Malaria, measles, respiratory infections, and diarrheal diseases are endemic. About 60 percent of all child deaths in Mali are attributable to these four causes, being exacerbated by malnutrition. All are treatable or preventable using simple methods, inexpensive vaccines or medications. Hunger and malnutrition not only stem from inadequate food production but poor health, dietary preferences and restrictions which inhibit nutritional intake.

The Mission has concluded that in addition to the portfolio activities designed to address policy changes, such as PRMC (688-0241) and EPRP (688-0240), as well as those directed to institutional improvements in the areas of agriculture, livestock, natural resources and health, there is a need to directly engage the village and urban residents themselves. By building on the expertise of the US PVO community, the PVO Cofinancing Project will finance and support PVO designed and implemented activities which will concentrate on addressing needs in three areas: health, natural resource management, and small to micro enterprise development. This is in keeping with Mission strategy of addressing slow economic growth, hunger and malnutrition, and mother/child health deficiencies.

Because of the serious concerns shared by AID/W and the Mission, USAID/Mali has decided to design a PVO project which will be obligated through a grant agreement with the GRM and will allow for sub-granting funds to US PVOs. The management of the Project will be the principal responsibility of a personnel services contractor (PSC) coordinator supported by a Malian PSC, secretary and driver. The PVO coordinator will report to the USAID staff Mission person assigned to the General Development Officer (GDO). The responsibility for day to day contact with the grantees will be that of the coordinator with the Mission staff person being responsible with all GRM coordination.

II. Program Factors

A. Conformity with Recipient Country Strategy/Programs

Mali's national development program is in the midst of a gradual but profound reorientation from the socialist principles which guided national planning in the early years of independence. The country suffers from extensive macroeconomic difficulties, a stagnant non-agricultural productive sector, and a public sector lacking the basic resources to address these ills. Malian policymakers acknowledge some of these problems and have taken the first difficult steps necessary to correct them. It is widely accepted that centralized management, which resulted in a vast system of parastatal organizations, development finance institutions and administered prices which characterized the past twenty years has not produced the desired changes and gradually they are being dismantled, with assistance from the international donor community.

The formal statement of the GRM's policies and general orientations is laid out in the current Five-year Plan, published in February, 1988. The Plan addresses both the sectoral interests of the country for the coming five years and a strategy for addressing these sectors. The Plan identifies the following sectors as being of highest priority for the country in the coming five years:

- achievement of food self-sufficiency;
- the struggle against drought and desertification;
- employment promotion, through the institution of sustainable activities designed to promote growth;
- meeting the country's needs for water, education and health; and
- the opening-up of the interior and exterior.

These sectoral emphases, it will be shown below, correspond quite closely with the program laid out for the US assistance program over the same period. With regard to the means by which these goals will be addressed, there is equally close conformity.

Volume I of the Five-Year Plan recognizes that the GRM's public investment program to date has not benefitted the rural sector. During 1981-85 the rural sector only received 22% of the financing (versus 48% planned), which essentially benefitted the human resource sector and the infrastructure sector. The sectoral breakdown of projects reveals an inversion of the order of priorities, and to date, has not been able to be turned around by the different development Committees. References to economic liberalization are peppered throughout the Plan. There is a growing tolerance for the activities of private operators and entrepreneurs, and for the concept of providing social services through non-governmental means.

B. Relationship to the CDSS and Other USAID Strategy Documents

B.1. CDSS

USAID/Mali prepared and submitted a CDSS in 1988 for the period 1990-1994, which is largely in conformity with the themes stated by the GRM. If there is one key theme to the current USAID/Mali strategy, it is to assist the GRM in its liberalizing of the economy and in adjusting its role in the economic arena.

The Mission's policy agenda is to identify reform targets and a calendar of activities which are politically and managerially feasible to implement. The following are three principal areas of emphasis of the existing program:

- **Food Policy Development:** To reduce the public sector's regulatory role in grain marketing, liberalize agricultural prices and markets, enhance private sector capacity through changes in credit policies and public information, decrease marketing board deficits/costs, and improve policy analysis.

- Private Sector Development: To raise private sector incentives and remove disincentives, through lowering taxes, adjusting customs duties, deregulating commerce and industry, training business people, and supporting enterprise investment analyses.
- Public Finance Restructuring: To increase efficiency in the public sector and reduce the burden of the public sector on the economy, by shrinking public sector employment, improving revenue administration, introducing computerized record keeping for better budgetary control, and privatizing or liquidating state enterprises.

With regard to means of implementation, the Mission strongly supports the GRM's initiatives to place responsibility for development decisions at the local level wherever possible. This approach to decentralizing responsibility is manifest throughout the AID portfolio. For example, in the Development of the Haute Vallee project (688-0233), village associations and cooperatives are being developed and strengthened to absorb many of the functions formerly assured by the OHV parastatal. In the Economic Policy Reform Program (688-0240 and -0245), AID supports efforts to reduce the size of the public sector, improve the environment for the growth of the private sector, and stabilize revenues. The PRMC program (688-0241) has succeeded in removing price controls on staple grains and in encouraging private grain traders to enter the market.

Within this mix of programs there is room for many kinds of players. The CDSS underscores the importance that the PVO community represents for the Mission portfolio and states that the U.S. PVO community is increasingly serving as implementors of A.I.D.-financed projects. It further states:

"PVO project activities, with but several exceptions, are in the Mission priority sectors. They are also an important element of the Mission's drought preparedness strategy. Our reliance on PVOs to implement programs will be expanded to encourage the PVO community active in Mali to participate in the implementation, through OPGs (which ease considerably the Mission management burden), joint ventures, subcontracts, etc., of several major efforts which A.I.D. is funding. An umbrella PVO project to encourage greater participation by the PVOs and to facilitate our administrative and management burden is also being considered."

B.2. AID/W PVO Guidance

B.2.a. DFA Legislation and AID Policy Paper

As stated in the Africa Bureau Draft PVO Strategy Paper, a AFR/PVO Task Force was organized in response to the establishment of the Development Fund for Africa (DFA) in FY88. The mandate of the Task Force is to assist the Africa Bureau in its efforts to develop a more collaborative effort between U.S. PVOs and African NGOs on the design and implementation of projects, to assess the current mechanisms for AID/PVO/NGO collaboration in Africa, to explore new approaches for more effective interventions, and to work towards building the capacity of local African private voluntary groups to promote long-term development efforts. USAID/Bamako strongly supports this and will build on the work of the Task Force and seek, through this Project, to develop a closer AID/PVO/NGO collaborative effort in the sectors of health, natural resource management, and small/micro enterprise development.

The 1982 AID Policy Paper, Private and Voluntary Organizations, lays out the policy framework within which the AID/PVO partnership operates. AID and PVOs share the fundamental objectives of (a) helping the people of the Third World to develop their skills and abilities to solve their own problems, and (b) developing democratic institutions in the broadest sense which help people to achieve control over their own lives and, in the end, to take responsibility for their own development. This Project fully supports these two objectives. By fully involving the communities in the design and implementation of the PVO projects, USAID will insure the development of the villagers' skills and abilities in problem solving as well as guarantee the success of their projects. By promoting the involvement of the local NGOs in the development efforts, we will foster linkages between them and the communities, leading to increased management capacities for both groups.

B.2.b. Africa Bureau Draft PVO Strategy

The Africa Bureau draft PVO Strategy emphasizes that PVOs have carved out an increasingly important role for themselves in raising resources for and implementing long-term development activities, as opposed to concentrating solely on shorter-term relief, disaster assistance and food distribution functions. As PVOs have been strengthening their own capabilities to carry out development activities, Congress has placed increasing emphasis on AID's cooperation with PVOs, insisting that the "private and independent nature" of PVOs must be maintained. Both AID and PVOs agree that a viable and constructive partnership can be maintained.

Malian NGOs are potentially a viable alternative or complement to public sector service delivery at the community level. As the US based PVOs increase their collaborative efforts with local NGOs, they will be more likely to achieve greater sustainability of projects as a result of this collaboration. The Mission will accept and fund proposals that have demonstrated plans for sustainability by working to build the internal management capabilities of village organizations and local NGOs.

B.3. USAID Strategy with PVOs

In support of the Africa Bureau's PVO strategy, USAID aims to continue a close, collaborative relationship with PVOs in Mali. Several PVO projects in Mali have received, and several continue to receive, significant funding and support from AID. The respective PVO AID funded and supported projects in Mali are:

AFRICARE	:	Activites Paysannes I, II, and III Training Center for Rural Women Dioro Child Survival
CARE	:	Timbuctoo Rural Development Macina Health Village Reforestation
CLUSA	:	Development of the Haute Vallee
PACT	:	CCA/ONG Training
SAVE THE CHILDREN	:	Kolondieba Child Survival Koutiala Child Survival
WORLD VISION	:	Gao Development Program
VITA	:	Woodstove Commercialization

PVOs already are an integral part of USAID's development program in Mali, demonstrating they are able to successfully implement projects in support of this program at the local level. In providing funding through this Project to U.S. PVOs and local NGOs, USAID will continue support of village level interventions and also promote the strengthening of PVO/NGO relationships, build the NGO's management capacities, and expand USAID's base of development efforts in Mali in the three chosen sectors.

An NGO coordination agency exists in Mali, not affiliated with the government, called Comite de Coordination des Actions des ONG (CCA), with which PID design team members have met. CCA works to remain informed about the NGOs and their activities throughout Mali, and to disseminate technical and administrative information among member NGOs. USAID/Mali will make available a profile of all local NGOs to U.S. PVOs considering submitting applications for grant funds. In considering proposals submitted which are a joint venture with a local NGO, Project personnel will consult with CCA concerning the past performance and qualifications of local NGOs which U.S. PVOs propose as associates. CCA may play a considerable role in developing such linkages between U.S. PVOs and local NGOs. Project personnel will monitor that role as it develops, and the PP design team will determine if or how to further elaborate on it.

III. Perceived Problem and Project Description

A. Development Problem

As noted earlier in this Paper, the Mission cannot sufficiently address all the development problems it would like to in Mali at the local level. It therefore identified three emphasis areas, i.e., (a) health and child survival, (b) natural resource management, and (c) small and micro enterprise development as the substantive areas to be addressed by the PVOs under this Project. As a child survival emphasis country, as well as one where natural resource management has been the focus of several AID/W offices, the Project offers a vehicle to meet Mission and AID/W targets in these prominent areas of concern. The Mission strongly believes that PVOs are better able to introduce interventions at the village and community levels and to work with the residents in sustaining these interventions as well as work with NGOs in building and improving their management capacities.

In its 1990-94 CDSS, the Mission stated it will pursue the objectives of more efficient resource allocation and increased production, productivity and incomes by addressing three interrelated problems: slow economic growth, hunger and malnutrition, and mother/child health deficiencies. PVOs under this Project will provide the staying power, long-term commitment, close association with Malian NGOs and increased AID/PVO collaboration that should assist AID in keeping a solid stake in grassroots development while dealing with macroeconomic and policy issues. The Project will also alleviate some of the negative impacts on the poor that economic restructuring is causing and which are not being identified.

A.1. Health:

Interventions require lengthy periods of community development activities at the village level. Villagers must gain, first, an understanding of and,

second, a responsibility for the required interventions. PVO applications will be evaluated on their strategy for effectively working with existing village organizations or administrative structures to identify and develop interventions in the areas of health and nutrition. These could include ORT, vaccination programs, health/nutrition education, and child spacing. Apart from contributing to basic well-being, success in such efforts can (a) directly increase productivity, (b) serve gradually to reduce the population growth rate, and (c) thereby ultimately contribute to further growth of per caput productivity and income. The request for applications will express the Mission's long standing interest in seeing all applications are sensitive to the important role played by women and children in the development of sustained economic growth. Statistics have shown that they suffer most from health and nutrition problems. Therefore, under this particular sectorial emphasis one strives to ensure that women are actively involved in those decisions related to the proposed interventions and the actual implementation of the community programs. The proposals should demonstrate that women are among the direct beneficiaries of this Project.

A.2. Natural Resource Management:

The effects of recurrent drought, population pressure and poor and/or improper land use management practices have resulted in a rapid and severe degradation of Mali's natural resource base, of which the key components are soil, water and vegetation. The active involvement of the country's population in the management of these resources is a necessary condition to ensure the protection, conservation and regeneration of the natural resource base. PVOs have a demonstrated ability in working with and involving populations of local communities in successful efforts to manage resources. An example of this ability is the CARE project with forestry in Koro and the Near East Foundation with soil conservation activities in Douentza. World Vision is involved in promoting livestock pasture improvement and soil conservation in the Menaka area. Each of these examples demonstrates that local participation is possible and necessary for success.

Sub-projects should aid the Malians in building their capacity in natural resources management through activities such as soil and water conservation, soil fertility, agro-forestry, field tree and forest regeneration and management, wood stoves, and environmental education at the "arrondissement" and "cercle" levels. For the last ten years the GRM has introduced a number of legislative measures in order to protect and maintain the biological diversity, and most observers agree that these measures are ineffective. Simply introducing legislation without developing and introducing alternative methods to replace village level practices and educating villagers is not sufficient. People will continue to exploit the natural resources in the same manner as they have in the past in order to survive, if alternative methods, which will be introduced by PVOs, are not shown to be in their best interests.

A.3. Small to Micro Enterprise Development

Proposals for small and micro enterprise development might aim to improve business management skills by providing assistance to private entrepreneurs and farmer associations (both male and female) which could include business management skills including sessions before and after loan disbursement, bookkeeping, planning and production functions, training in technical skills

specific to a given line of production such as tailoring or automobile repair, training in such areas as literacy, group formation, laws and regulations, and development of programs that assist associations to increase their leverage and access to institutions and resources; provide credit to small and micro private enterprises, especially to: (a) those owned by women; (b) those involved in manufacturing (to include construction products, household products, gardening tools, grinding mills, hand pumps, etc.); (c) those producing and/or distributing agriculture inputs; (d) farmer associations involved in agriculture production; and (e) private ventures marketing agriculture outputs; and develop programs to attract private U.S. businessmen to invest in joint ventures with Malian entrepreneurs.

B. Project Goal and Purpose

This will be a bilateral project of six years, designed to fund approximately 9 grants whose Life Of Project funding will be between \$500,000 and \$1,000,000. Two reviews of proposed grant applications will take place, the first in Year Two, and the second in Year Three. The PVOs will submit their proposals directly to the Project Coordinator, who will be a personal service contractor with experience in designing and implementing PVO projects, and will be responsible for organizing and co-chairing the review meetings, writing up the results and preparing grant packages for signature by the Director and then submission to REDSO/WCA. The review committee will consist of the PSC Coordinator, FSDH project manager, representatives from the technical offices, Controller's office, Program office, Management office, the Deputy Director, and GRM representatives from the implementing Ministry and appropriate technical Ministry.

The Project's goal is to contribute to Mali's economic growth through more efficient resource allocation and increased production, productivity and incomes at the village and community levels.

The purpose of the Project is to use non-governmental organizations to promote and support Mission strategy objectives through improved outreach in child survival, natural resource management, and micro to small private enterprise development. The purpose conforms with not only the Mission strategy objectives, but involvement of U.S. PVOs and Malian NGOs in the development of the economic security of the Malian population. The Mission will require long-term commitments to working in Mali on the part of the U.S. PVOs and will encourage association with Malian NGOs in joint activities. Most projects are expected to be located within the areas already benefitting from direct USAID assistance, and will expand the reach of the U.S. effort in geographic region and toward penetration to the village level.

C. Selection of Sub-Activities

The project will set the standards and criteria for activities to be financed through it. The overall management and coordination of the selection, funding, monitoring and evaluation of sub-activities will rest with the PSC Project Manager and the Project Committee. The selection criteria will establish funding limits, sectoral emphasis, special interest, Mission priorities, and geographic target. The actual approval of the applications will be given by the Mission Director based upon the recommendation of a joint

USAID/GRM committee. A more detailed description of the criteria for approval will be specified during the PP design, but they will include:

- Strategy for collaborating with local NGOs;
- Coordination with local village authorities if appropriate;
- WID training opportunities and management responses to WID requirements and needs; benchmarks for all outputs including training for women and credit given to women;
- All statistics on the project are to be gathered along gender and ethnic lines.

Proposals will be submitted for review and acceptance in Year Two and Year Three. This will regularize the assessment of proposals and serve as a means to maximize the use of the selection committee's time. If fixed submission dates were not used, then proposals would be coming in all year long, and there would be a tendency to accept good proposals on a "first come, first funded" basis instead of funding the best out of the group.

D. Expected Achievements/Accomplishments

By the end of the project, the Mission will have furnished approximately 8 or 9 grants, of an average of \$700,000 to \$750,000. It is estimated that approximately 1/3 of the grants will be in the health sector, 1/3 will be in the management of natural resources sector, and 1/3 will be in the development of the small to micro enterprise sector. The total projected amount of funding under this project for grants is \$6,000,000 over the six years.

By the end of the project, the following objectives will have been accomplished:

- programs in the three emphasis sectors are introduced at the village and community levels which correspond to the needs identified by the residents;
- the programs are sustainable by the villages and communities after project intervention ends;
- integration of women in all aspects of sub-projects;
- administrative, managerial and financial capabilities of indigenous NGOs will be increased;
- all data collected disaggregated by gender and ethnicity;

E. Preliminary Project Schedule

Year One

Project approval

Draft/clear PIO/T's for 4 Technical Assistance positions: off-shore PSC, Malian PSC, secretary and driver

CBD and contracting for off-shore PSC

Hire local PSC and Malian PSCs

Review CV's for off-shore PSC and choose best candidate

Local PSC rents office space and housing

Local PSC identifies and rents appropriate housing

Local PSC procures office furniture/equipment and housing
furniture/appliances
Off-shore PSC arrives

Year Two

Off-shore PSC familiarized with project and makes contacts with GRM
officials, PVOs and Malian NGOs, and CCA
Off-shore PSC institutes proposal review system with Project Committee
Reviews of Phase I proposals held and appropriate proposals approved and
funded
Phase I PVO teams arrive and start projects

Year Three

Phase II proposals reviewed and appropriate proposals approved and funded
Phase II PVO teams arrive and start projects
PIO/T completed for evaluation team
Mid-term evaluation of Phase I grants
Local PSC takes over Project management responsibilities or renewal of
off-shore PSC's contract

Year Four

Mid-term evaluation of Phase II grants

Year Five

On-going implementation

Year Six

Final evaluation (or impact analysis)
Close out inventories

F. Evaluations

Two evaluations are planned for the project.

1. Mid-term Evaluation: At the end of the third project year a joint evaluation, including representatives from AID, GRM, the Project and an outside expert will evaluate the project. Special attention is to be given to women's involvement in the Project, the effect this has on the implementation of the Project, and identify, if necessary, what implementation changes and/or future involvement are called for to continue their involvement.

At the end of Year 4, a similar evaluation will be held of Phase II Grants.

2. Final Evaluation: The final evaluation will be at the end of the project and will cover the same topics as the first evaluation. The same organizations will participate in the final evaluation in addition to two outside experts, i.e., a social scientist and an economist. The same methodology will be used and the evaluation will present recommendations and assess the sustainability of the projects.

IV. Factors Affecting Project Selection and Further Developments

A. Social Soundness Considerations

A. 1. Background:

The major ethnic groups that are anticipated to participate in the sub-projects are the Mandingos, the nomads, the Burkinabe, and the Soudanais. The Mandingos and Soudanais are sedentary farmers growing mainly rice, millet and sorghum. Dogon (Soudanais) villages seem to have a strong sense of community and communal action and are known for their efficient farming methods and hard work given limited means. The Peuhls, Tamacheq, Maures, and the Bozos/Somonos are not usually sedentary although for various reasons including the drought, some have turned to settled agriculture; and, although all are nomadic, they vary in slightly different ways. The Peuhls participate in transhumance in order to find water and feed for their herds. The Bozos do not partake in any organized fish-raising, but are obliged to follow seasonal variations in the rivers in pursuit of their livelihood.

A.2. Health:

Vaccination programs against the major endemic diseases, such as measles, pertusis, and tetanus, are already being implemented by several PVOs in outlying villages, but could be expanded. Nutrition programs utilizing locally available food products that are grown in family garden plots could address the nutritional problems of Malians as well as possibly provide them with cash crops. Child spacing and weaning practices are important to the overall well-being of women and children and need to be taught to men as well as women.

A.3. Natural Resource Management:

Natural resource management issues are an inherent reality of life in this Sahelian country. Forests are affected in different ways by all groups except for the Bozos. The Bozo depend on forests for the raw materials for their pirogues and the smoking of fish. Herders use forest resources at certain times of the year by cutting trees to provide forage for their animals. The agriculturalists depend on forests for a wide variety of products, the single most important product being firewood. Trees are an important source of forage for the sedentary as well as the nomadic populations, and they also provide construction timbers and wood for agricultural and household implements. Simultaneously, numerous food products come from the trees such as the locust bean, boabab, tamarind, fig and shea, the latter being used by women as a source of cooking oil. Trees also provide income for women as they supply resources such as leaves, bark, roots, etc., that are used for condiments and medicines.

A.4. Small and Micro Enterprise Development:

The main objective of USAID's development strategy in Mali is to increase its rate of economic growth Mali. With structural adjustment drastically reducing the public sector, the private sector must be developed in order to take up the shortfalls. The private sector, especially the informal private sector, is where growth is occurring. It provides possibly the biggest opportunity for affecting the real economic growth rate of Mali in the shortest timeframe.

Experience has shown if women are an integral part of development projects, these projects succeed. Projects involving women should be developmental, with a view toward socio-economic advancement and restoration of the environment. All data will be disaggregated by gender and ethnicity. Ways to lessen the overall workload of women should be explored with the women's participation, and workable solutions developed, tested, and implemented. Programs for credit located in urban and rural areas specifically designed for women involved in microenterprises could be designed modelled after the DHV/CLUSA credit program in the OHV for areas outside of the OHV. Degradation of natural resources has a direct impact on women, who are the principal gatherers of fuel and must travel farther and farther from villages in gathering as a direct result of degradation. It also focuses landownership issues as women either receive no land, marginally productive land, or must take over complete and new responsibilities for land as men migrate. Wild plant products account for a high percentage of rural women's incomes and provide nutritional supplements for their families. Degradation has drastically reduced the number of these supplementary products. Grinding mills and other tools could be introduced to allow women more time for weeding fields, tending their own fields, participating in health and nutrition education programs.

D. Proposed Implementing Agencies

D.1. Government of Mali

The Ministry of Territorial Administration and Rural Development (MATDB) will have overall responsibility for the Project in the GRM. MATDB will have standing representation on the selection committee, be copied on all reports, participate in evaluations. They will be responsible for coordinating any other required input from the GRM, i.e., either the Ministry of Agriculture, Ministry of Livestock and Forestry, or the Ministry of Health will provide the required technical expertise.

D.2. PVOs

As shown elsewhere in this Paper, there are several U.S. PVOs working in Mali. The feedback we have received from these PVOs indicates that there are no unusual problems with getting the necessary clearances to work in Mali, nor during implementation of their programs. Before the PP is finalized, a survey of US PVOs will be taken to gain further insights and suggestions that they may have. CARE is working in the sectors of health and reforestation. AFRICARE is involved in health and rural development. World Vision has projects in child survival as well as rural development, and CLUSA is providing expertise in setting up a credit system in the Haute Vallee Region. In addition, USAID collaborates with PVOs in a number of other different fields including maintaining a rehabilitation presence in drought prone areas with food for work and supplementary feeding programs, irrigated food production, agro-forestry and water retention infrastructure.

D.3. NGOs

Between the PID approval and the design of the PP, a study will be undertaken by USAID to identify the Malian NGOs, their area of expertise, and their

management capacity level, as well as what Third Country PVOs they are working with. Based on this study, a list will be compiled and made available to PVOs in support of their joint ventures with NGOs.

D.4. USAID

GDO will have overall responsibility for the Project, assigning day to day Project officer responsibilities to an FSDH. As noted elsewhere in this Paper, there will be a Project Committee for review of proposals. Once the proposal review process begins and according to each proposal submitted, either GDO or ADO will supply the necessary technical person for the review process.

E. AID Support Requirements and Capabilities

In response to the Agency-wide cut in Operating Expense funds, USAID/Bamako has reduced its U.S. Direct Hire level to 16 from 18; delayed procurement of commodities such as office furniture, equipment and computers; and, postponed training of staff. With the number of Project Amendments and new Projects over the next few years in addition to the present portfolio, the management capacities of the U.S.D.H. and F.S.N. staff will be stretched even more than currently. It is, therefore, highly desirable to procure the services of an expatriate personal services contractor (PSC) to provide day-to-day management of this Project. The PSC Project Coordinator will be hired to serve as the Mission's liaison with US PVOs, with appropriate GRM Ministries, and with CCA. He/she will report directly to the GDO or his/her designee and will provide administrative and professional management of the overall Project to include supervision of the locally hired Malian PSC, initial screening of Project sub-proposals for adherence to criteria for selection, facilitating of US PVOs in their collaborative efforts with Malian NGOs, oversee development of PVO/NGO outreach programs with strong working linkages with villagers' organizations of both men and women, private sector, and appropriate GRM officials. With relation to supervision of the Malian PSC, the expatriate PSC will train the Malian in project management, delegating responsibility as deemed appropriate by the expat and the GDO.

Initially, this person will be hired for a three year period, with an option to extend, for a total of five years.

A second, locally-hired Malian PSC will provide logistical support to the Project. He/she will be hired in the first year of the Project and will be charged with identifying housing and office space (if needed), purchasing office equipment and furniture, making contact with Customs personnel and other GRM officials to facilitate entry of Project commodities into the country and for transport of these commodities within Mali. Concerning procurement of commodities, the Malian PSC, under the supervision of the expatriate PSC, will draft all documentation required for commodity procurement for the signature of the USAID Management Officer. The contract for this position will be for the first three years of the Project.

A Malian PSC will also be hired to provide logistical support, with the intention of the expatriate PSC training the Malian PSC to take over his/her responsibilities as Project Manager at the end of the third year.

A Malian PSC secretary/file clerk will be hired during the first year of the Project for five years and will be responsible for the typing, filing and control of the paperflow, including distribution and maintenance of Project documentation logs, of the project.

A driver will be hired locally for five years.

The Mission will require all PVO grantees to be administratively responsible for all procurement, renting and maintaining of all housing and office facilities and vehicles required for the implementation of the sub-projects.

F. Preliminary Budget

AID funding for this Project will be as follows:

<u>Line Item</u>	<u>Amount</u>
<u>Technical Assistance</u>	<u>\$1,040,000</u>
<u>Project Support Costs</u>	<u>\$ 560,000</u>
<u>Evaluations, Studies, Audits, and Analyses</u>	<u>\$ 200,000</u>
<u>Grant Funding</u>	<u>\$6,000,000</u>
Health	\$2,000,000
Micro Enterprise	\$2,000,000
Nat'l Resources	\$2,000,000
<u>Contingency</u>	<u>\$ 200,000</u>
TOTAL LOP	\$8,000,000

NOTE: At this time, it is not known what support, if any, will be required for MATDB's possible role as the GRM entity administratively responsible for the Project. With the exception of the grant funding line item, the rest of the budget can be adjusted to cover these costs. If funds are required, the line items will be adjusted accordingly at the PP design stage.

G. Design Strategy

The design requirements for the Project Paper are modest, consisting of the services of one AFR Bureau coordinator or a person with similar experience for three weeks, and a financial advisor with specialization in non-governmental projects and the grant process also for three weeks. Twenty thousand dollars from the PD&S account has been reserved for the PP design. The Mission team members will include one design office from the Program Office, the General Development Officer, and the FSN PVO Coordinator. The Project Paper design team will determine the selection criteria for the PVO proposals, will draft the Terms of References (TORs) for the PSCs, develop the Implementation Plan, and determine foreseeable outputs for the Project. Upon approval of the PID, the Mission will proceed immediately with contracting the design team. The Project Paper will be completed by July 1989, with field review, approval and authorization. The Grant Agreement is scheduled to be signed in August. With the submission of each proposal, the Project Committee will decide if an

analysis (economic, social and/or technical) and an IEE are required. Funds in the amount of \$250,000 have been set aside to cover these expenses in addition to the costs of the two evaluations.

The Initial Environmental Examination (IEE) called for is (A) Categorical exclusion for the technical assistance portion as there will be no affect on the environment per 216.2(C)(1)(I) and 216.2(C)(2)(I); and (B) Deferral as the sub-project activities are not yet and cannot yet be identified to the degree necessary to proceed with an IEE. The IEE should therefore be deferred to the time of the submittal of each proposal by the PVO in question (See 216.3A(7)). If an environmental assessment is required, it would then be done by the PVO or contracted for with Project funds before the proposal is reviewed.

H. Waiver Requirements

A 25 percent non-AID contribution is required for USAID-funded PVO activities supported through grants and cooperative agreements. This requirement stems from a need to assure a level of commitment by the recipient and long-term sustainability of the activity. The requirement may be waived or reduced by using the following criteria to determine whether this is warranted:

- The PVO's program supports specific provisions of the FAA or other legislation which at the outset, and for an undetermined time, have no independent source of income (e.g., development of cooperatives);
- The PVO is a new or small non-profit institution without significant independent or external sources of funds (e.g., minority or local PVO);
- The PVO was established under AID projects as a unique resource to provide long-term capability to support development programs which have no substantial independent source of income (e.g., AFL-CIO labor institutes and population assistance intermediaries such as Pathfinder Fund).
- There is no provision for waiver of the 20 percent privateness requirement. However, cooperative development organizations are exempt from the requirement, and the requirement does not apply to local PVOs, to any contract, nor to funds other than DA.

I. Local NGO U.S. Registration Procedures:

In accordance with Section 541 of the FY88 Foreign Assistance Appropriations Act, no funds appropriated by that Act are to be made directly available to any PVO, including foreign or indigenous as well as U.S. PVOs, which is not registered with A.I.D. Registered PVOs, however, may sub-grant funds granted to them as long as they maintain accountability to the U.S. Government.

J. GRM Requirements for PVOs:

Any PVO desiring to work in Mali must obtain a standard Accord Cadre with the Ministry of Plan and MATDB's signatures. All proposals submitted for USAID consideration must be approved by the Local Development Committee(s) where the project is to be implemented and or follow any other GRM requirement for implementing grand funded development projects.

K. Design Issues

- 1 What will be the specific administrative arrangements between the GRM and USAID for the Project; what will be the GRM role and their responsibilities.

Some reservations have been expressed about the GRM holding up approval of PVO proposals for funds.

The exact nature of this relationship, the GRM role and responsibilities will be articulated during the PP design.

INITIAL ENVIRONMENTAL EXAMINATION

PROJECT LOCATION : Republic of Mali
PROJECT TITLE : PVO Co-financing
FUNDING : \$8,000,000
IEE Prepared By : George Thompson, GDO
DATE :
ENVIRONMENTAL ACTION RECOMMENDED : a. Categorical Exclusion
b. Deferral

CONCURRENCE :

 Date: 5/4/89

Wilbur G. Thomas

A/Director, USAID/Mali

THRESHOLD DECISION: a. The Technical Assistance portion of the Project will not affect the environment per 216.2 (C)(1)(i). A Categorical Exclusion is recommended.

b. The sub-project activities are not yet and cannot be yet be identified to the degree necessary to proceed with an IEE. The IEE should therefore be deferred to the time of the submittal of each proposal by the PVO in question (See 216.3a(7)). If an environmental assessment is required, it could then be done by the PVO or contracted for with Project funds before proposal is reviewed.

APPROVAL: Approved: _____ Date: _____
Disapproved: _____ Date: _____

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RR PZBNC
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ZNR UUUUU ZZH
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FM AMEMBASSY BAMAKO
TO SECRETARY WASHDC 7426
BT

ANNEX A

CLASS: UNCLASSIFIED
CTPN: AID 12/35/88
APPR: A/DIR: WGTTHOMAS
PRETD: PRM: LFYESS:RP
CLPAR: 1. GDO: HWOCDRU
2. A/DIR: VLEH
DISTR: AID AMR ECON
DCM

CLASS SECTION 31 OF * BAMAKO 07866

AIDAC

FOR: AFR/SWA AND AFR/PD/SWAP AND EVA

E.O. 11652:N/A

SUBJECT: PVO CO-FINANCING (688-4247)

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REF: (A) NOVEMBER 25 LETTER FROM MISSION TO PACT; (B)
FY 199 AFS; (C) BAMAKO 5271

1. SUMMARY. HAVING DECIDED NOT TO FUND THE PROPOSAL FROM PACT FOR AN UMBRELLA PVO SUPPORT PROJECT, WE NOW WISH TO ACCELERATE DEVELOPMENT OF THE PID AND PP FOR AN ALTERNATIVE PROJECT, TO BE NAMED PVO CO-FINANCING, AND TO MAKE THE FIRST OBLIGATION OF DOLS 522 THOUSAND THIS YEAR. THE PROJECT WILL BE TARGETTED AT US NGOS, WORKING BOTH INDEPENDENTLY AND IN PARTNERSHIP WITH MALIAN NGOS. ALL SUBGRANTS WILL BE ADMINISTERED DIRECTLY BY THE MISSION. ACTIVITIES WILL FOCUS ON CHILD SURVIVAL, NATURAL RESOURCE MANAGEMENT, AND SMALL PRIVATE ENTERPRISE DEVELOPMENT. END SUMMARY.

2. BACKGROUND. THE MISSION IS COMMITTED TO EXPANDED OPERATION WITH THE US PVO COMMUNITY IN MALI. THIS COMMITMENT WAS FIRST EXPRESSED WHEN WE PRESENTED OUR PRELIMINARY DESCRIPTION OF AN NGO SECTOR PROJECT IN THE FY 199 AFS (SEE PAGE 68). THE NGO SUPPORT PROJECT WAS CONCEIVED OF AS A DOLS 8.2 MILLION FIVE-YEAR EFFORT WHOSE PURPOSE IS TO "USE NONGOVERNMENTAL ORGANIZATIONS TO PROMOTE AND SUPPORT MISSION STRATEGY OBJECTIVES THROUGH IMPROVED OUTREACH IN CHILD SURVIVAL, NATURAL RESOURCE MANAGEMENT, AND MICRO TO SMALL PRIVATE ENTERPRISE DEVELOPMENT".

3. SUBSEQUENTLY, ANTICIPATING MISSION INTEREST IN THE SECTOR, PACT (PRIVATE AGENCIES COLLABORATING TOGETHER) SUBMITTED A PROJECT PROPOSAL IN MID-OCTOBER. THE PROPOSAL DESCRIBED A LIMITED ONE-YEAR PACKAGE OF ASSISTANCE TO CCA (COMITE DE COORDINATION DES ACTIONS DES ONGS, THE MALIAN NGO CLEARINGHOUSE) OUT OF WHICH WOULD BE DEVELOPED A LARGER GENERAL SUPPORT (UMBRELLA) PROJECT TO BE IMPLEMENTED BY AN NGO. AFTER REVIEWING THE PROPOSAL AND TALKING TO A NUMBER OF INDIVIDUALS AND ORGANIZATIONS, WE INFORMED PACT THAT THE PROPOSAL DID NOT REFLECT THE MISSION'S THINKING AND THAT WE WOULD NOT FUND THE ACTIVITY. REFA TRANSMITS THE RESPONSE WE SENT TO MR PYRNE, PACT'S EXECUTIVE DIRECTOR.

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B

OUR REASONS FOR TURNING PACT DOWN WERE SEVERAL, BUT THE PRINCIPAL ONE WAS THAT WE DO NOT WANT TO PLACE AN INTERMEDIARY BETWEEN THE AID MISSION AND THE PVOS WITH WHOM WE WORK. THERE ARE ADMINISTRATIVE WORKLOAD IMPLICATIONS TO THIS DECISION, BUT THEY WILL BE AT LEAST PARTIALLY MITIGATED BY OUR RECRUITING A PROJECT-FUNDED PSC NGO COORDINATOR TO PREPARE AND NITOR GRANTS.

5. IN OUR CONTINUING DISCUSSIONS WITH CCA/ONG, WE HAVE ESTABLISHED THAT THEY HAVE NO CURRENT NEED OR DESIRE FOR TRAINING OR ASSISTANCE WHICH MIGHT BE THE SUBJECT OF A LIMITED GRANT PROPOSAL OR A COMPONENT OF A LARGER PROGRAM. CCA SEEMS CONFIDENT OF THE UTILITY OF ITS PRESENT ROLE, HAS NO SPECIFIC THOUGHT OF BROADENING ITS INSTITUTIONAL OR PROGRAM REACH, AND RELIES ON ESTABLISHED RELATIONSHIPS WITH CERTAIN MALIAN NGOS FOR IMPLEMENTATION OF CCA TRAINING ACTIVITIES. THEY ALSO INDICATED NO PRESENT NEEDS FOR TRAINING OF THEIR OWN STAFF. SECOND, INSTITUTIONAL SUPPORT TO CCA MAY BE BETTER PROVIDED, AT LEAST IN THE FIRST INSTANCE, BY ANOTHER DONOR. ALL BUT AROUND 15 OF THE 68 CCA MEMBERS ARE NOT US ORGANIZATIONS. BUT MALIAN OR EUROPEAN.

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6. PROJECT DESCRIPTION. WE NOW ENVISAGE A PVO CO-FINANCING BILATERAL PROJECT OF FIVE TO SIX YEARS, DESIGNED TO FUND PROJECTS WHOSE LOP COST IS BETWEEN DOLS 200 THOUSAND AND DOLS 1 MILLION, AT THE RATE OF DOLS 1 MILLION TO DOLS 2 MILLION ANNUALLY. OUR INTENTION IS TO WORK WITH US PVOS, WHO WILL SUBMIT PROPOSALS DIRECTLY TO THE MISSION. THE PROJECT WILL EMPHASIZE SUPPORT OF US PVO WORK IN THE FIELD, AND ANY ENTUAL ASSISTANCE TO MALIAN NGOS WILL THROUGH SOCIATION WITH US PVOS.

7. WE WILL RECRUIT A PSC PROJECT COORDINATOR TO WORK OUT OF THE MISSION TO SERVE AS A LIAISON WITH THE US PVO COMMUNITY, WITH APPROPRIATE GRM MINISTRIES, AND WITH CCA. THE PROJECT WILL LOOK TO SUPPORT OF US PVOS PREPARED TO MAKE LONG-TERM COMMITMENTS TO WORKING IN MALI AND WILL ENCOURAGE ASSOCIATION WITH LOCAL NGOS IN JOINT ACTIVITIES. SUBSTANTIVE AREAS WILL INCLUDE CHILD

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SRVIVAL, NATURAL RESOURCES MANAGEMENT AND MICRO-ENTERPRISE, BUT NO REASONABLE DEVELOPMENT ACTIVITY WILL BE EXCLUDED WHERE RELEVANT TO THE OVERALL AID PURPOSES IN THIS COUNTRY. WE WILL EXPECT MOST PROJECTS TO BE LOCATED IN AREAS OUTSIDE THOSE BENEFITTING FROM DIRECT AID ASSISTANCE. OUR POINT IS TO EXPAND THE REACH OF THE US EFFORT, BOTH BY GEOGRAPHIC REGION AND TO THE VILLAGE LEVEL.

8. OUR PRESENT DESIGN SCHEDULE CALLS FOR COMPLETION OF A PID BY THE END OF CY 1988, WITH FINAL APPROVAL OF THE PROJECT BY THE END OF FY 1989.

9. PARA 2 OF THE THE MALI FY 1989 WORKLOAD CABLE (REF C), WHICH WAS DISCUSSED AT THE SEPTEMBER SCHEDULING CONFERENCE, STATED THAT THE MISSION WOULD PROCEED WITH PID AND PP DEVELOPMENT IF THE PACT PROPOSAL PROVED UNACCEPTABLE. THIS IS WHAT HAS NOW OCCURRED. WE PROPOSE TO DIVERGE FROM PREVIOUSLY COMMUNICATED PLANS ONLY IN THAT WE NOW REQUEST TO ACCELERATE PROJECT DEVELOPMENT AND MAKE THE FIRST OBLIGATION IN FY 1989 RATHER THAN 1990.

10. WE HAVE RECEIVED COPY OF BUREAU'S DRAFT NGO/PVO STRATEGY DISTRIBUTED AT RECENT MISSION DIRECTORS' CONFERENCE AND WILL PROVIDE COMMENTS SOON.
PRINGLE
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ACTION: AID-5 INFO: AMB BOM ECON

ANNEX B

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PP RUTADM
DE RUEHC #6471/01 0200023
ZNR UUUUU ZSP
280222Z JAN 89
FM SECSTATE WASHDC
TO AMEMBASSY BAMAHO PRIORITY 5028
BT
UNCLAS SECTION 01 OF 02 STATE 026471

LOC: 407 637
28 JAN 89 0821
CN: 73070
CMSG: AID
DIST: AID

AIDAC FOR MISSION DIRECTOR BRENNAN FROM AFR/DAA SAIFERS

Prog

E.O. 12356: N/A

SUBJECT: PROPOSAL FOR PVO COFINANCING-NEW
START(688-2247)

REF: BAMAHO 07866

1. SUMMARY. REVIEW BY STAFF WITH DAA SAIFERS OF PROPOSAL IN REPTEL HAVE RAISED CONCERNS OR QUESTIONS ABOUT PURPOSE OF PROJECT, RELATIONSHIP WITH US PVO'S AND INDIGENOUS NGO'S, MANAGEMENT ROLE OF ONE PSC COORDINATOR AND FOCUS OF PROJECT. SPECIFIC ISSUES ARE DISCUSSED BELOW.

2. PURPOSE OF PROJECT IS UNCLEAR. ACCORDING TO REPTEL PARA 7, QUOTE OUR POINT IS TO EXPAND THE REACH OF THE US EFFORT BOTH BY GEOGRAPHIC REGION AND TO THE VILLAGE LEVEL. END QUOTE THE ORIGINAL REASON PROVIDED FOR SUPPORTING A PVO UMBRELLA PROJECT WAS THAT THE PROGRAM WOULD ENABLE MORE RAPID EXPANSION OF INNOVATIVE TECHNOLOGIES, PARTICULARLY FOR CHILD SURVIVAL AND NATURAL RESOURCES. HAS THE PURPOSE CHANGED?

3. SUPPORT TO INDIGENOUS NGO'S WAS TO BE ONE OF THE MAIN OBJECTIVES OF THE PVO PROJECT AND IS CERTAINLY ONE OF

OUR MANDATES UNDER THE DFA. THE PRIMARY REASON FOR THIS IS THAT THE POTENTIAL FOR REACHING THE GRASSROOTS IS GREATLY ENHANCED AS THE AFRICAN BASED PVO'S AND NGOs HAVE EVEN CLOSER LINKS WITH THEIR OWN PEOPLE THAN DO FOREIGN BASED PVO'S. SINCE OUR INTEREST IN PVO GRANTS FOR MALI HAS BEEN PRIMARILY TO INCREASE DISSEMINATION OF EFFECTIVE CHILD SURVIVAL AND/OR NATURAL RESOURCE MANAGEMENT TECHNOLOGIES, DEVELOPMENT OF INDIGENOUS NGO CAPACITY WOULD BE A PART OF THAT. IN REPTEL PARA 7, YOU STATE THAT THE PROJECT WILL QUOTE SUPPORT US PVO'S PREPARED TO MAKE LONG TERM COMMITMENTS . . . AND WILL ENCOURAGE ASSOCIATION WITH LOCAL NGO'S IN JOINT ACTIVITIES. END QUOTE. HOWEVER, IN YOUR LETTER TO PAGE YOU STATE THAT QUOTE OUR PRIORITY MANDATE IS TO WORK WITH US PVO'S . . . OUR ASSISTANCE TO MALIAN NGO'S SHOULD BE A BY-PRODUCT OF THEIR ASSOCIATION WITH US PVO'S. AND QUOTE. CLARITY IS NEEDED ON THIS ISSUE IN THE PID.

DUE DATE	02/02
ACTION	Dir
INFO	
DIR	
D/DIR	<input checked="" type="checkbox"/>
PROG	<input type="checkbox"/>
DEO	
MGT	<input checked="" type="checkbox"/>
CONT	<input checked="" type="checkbox"/>
ADO	<input type="checkbox"/>
GDO	<input type="checkbox"/>
JAO/DIR	
JAO/GSO	
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WILL THE NEW PROJECT SUPPORT STRENGTHENING INDIGENOUS PVO'S AS ONE OF ITS OBJECTIVES AND IF SO HOW?

4. MANAGEMENT DIFFICULTIES -- CHANGING THE GRANT FROM AN UMBRELLA PROJECT TO ONE MANAGED BY THE GDO WITH THE ASSISTANCE OF A PSC PROJECT COORDINATOR/MANAGER RAISES SOME CONCERNS. HAS THE POTENTIAL WORKLOAD BEEN UNDERESTIMATED AND THE POTENTIAL NUMBER OF US PVO'S OVERESTIMATED? ACCORDING TO RETTEL, THE PROJECT WILL OBLIGATE DOLLAR 1 TO 2 MILLION PER YEAR THROUGH GRANTS OF DOLLAR 500,000 TO DOLLAR 1 MILLION. BASED ON THE EXPERIENCE OTHER MISSIONS HAVE HAD WITH PVO GRANTS AND THE DIFFICULTIES OF DOING WORK IN AFRICA, WE DO NOT BELIEVE THE MANAGEMENT BURDEN OF ONE TO FOUR NEW OPG'S PER YEAR CAN BE HANDLED IN THE MISSION EVEN WITH ONE PSC. ALSO, ARE THERE REALLY THAT MANY US PVO'S THAT COULD BE ENCOURAGED TO SUBMIT PROPOSALS? WITHOUT AN UMBRELLA AGENCY TO WORK WITH US PVO'S AND INDIGENOUS GROUPS TO DEVELOP MANY OF THE PROPOSALS AND/OR PERFORM COORDINATION FUNCTIONS, WON'T MUCH OF THE TIME OF THE PSC COORDINATOR HAVE TO BE DEVOTED TO LIAISONING WITH PVO'S, GRM, AND CCA/ONG AND TO CAPACITY BUILDING FUNCTIONS? FINALLY, IF THE UMBRELLA APPROACH IS NOT USED, THE PID SHOULD DESCRIBE HOW THESE MANAGEMENT CONCERNS WILL BE ADDRESSED.

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5. FOCUS OF THE PVO GRANTS - FOR THE PAST FOUR YEARS WE HAVE BEEN CONCENTRATING THE PROGRAMS IN EACH OF THE SAHELIAN MISSIONS ON KEY DEVELOPMENT CONCERNS AND LIMITED GEOGRAPHIC FOCUS IN RESPONSE TO A SERIES OF AUDITS AND EVALUATIONS WHICH CRITICIZED THE SAHEL PROGRAM OF BEING TOO DISPARATE AND THEREFORE UNABLE TO

ACHIEVE ITS OBJECTIVES. IN FACT, MALI WAS ONE OF THE PRIME TARGETS OF THIS CONCENTRATION EFFORT DUE TO THE PROLIFERATION OF PROJECTS IN THE LATE 70'S. THUS FAR THAT CONCENTRATION APPEARS TO BE PRODUCING A BETTER DEVELOPMENT PROGRAM. THUS, A PVO GRANT THAT WOULD ENCOURAGE SUPPORTING ANY "REASONABLE DEVELOPMENT ACTIVITY" WOULD NOT APPEAR TO BE IN LINE WITH OUR EFFORTS TO CONCENTRATE THE PROGRAM. FURTHERMORE, IF THE INTENTION IS TO EXPAND THE GEOGRAPHIC AREAS FOR THE SAKE OF EXPANDING THE REACH OF THE US EFFORT AGAIN THE OBJECTIVE OF CONCENTRATION WOULD NOT BE MET. SINCE MALI IS AN EMPHASIS COUNTRY FOR CHILD SURVIVAL AND NATURAL RESOURCES AND THERE ARE PROVEN TECHNOLOGIES IN BOTH THOSE SUBSECTORS THAT ARE NOT BEING ADEQUATELY TRANSFERRED IN MALI, WE WOULD PREFER THAT THE PVO GRANTS BE CONCENTRATED ON THOSE ACTIVITIES AND THAT THE GEOGRAPHIC AREA COVERED BY THOSE GRANTS RESPOND TO THE NEED TO TRANSFER TECHNOLOGY NOT THE DESIRE TO EXPAND US INTERESTS. AGAIN, CLARITY IS NEEDED ON THIS ISSUE.
BT

6. PID AND PP APPROVAL - THE AFS DECISION TO DELEGATE
PID AND PP APPROVAL TO THE FIELD WAS BASED ON A SET OF
CRITERIA FOR THE GRANT THAT MAY OR MAY NOT STILL BE
OPERATIVE. BECAUSE THERE IS NEED FOR ADDITIONAL
CLARITY, PID APPROVAL WILL BE IS AID/W AND PP APPROVAL
WILL BE DETERMINED AT THE TIME OF PID REVIEW.

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ANNEX C

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UNCLAS SECTION 01 OF * BAMAKO 02569

PRM

CLASS: UNCLASSIFIED
CHRG: AID 01/18/89
APPRV: DIR: DJBRENNAN
DRFTD: PRM: RFLSS
CLEAR: 1. GDO:GRT
2. ADO:GTA
DISTR: AID AMB ECON
DCM

AIDAC

FOR: AID/W/APR/DP/PPE, ANNE DRABEK, PVO LIAISON OFFICER

E.O. 12356:W/A
SUBJECT: AFRICA BUREAU PVO STRATEGY PAPER

Shen

REFS: (A) STATE 413732; (B) BAMAKO 7866

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1. THIS CABLE PROVIDES REQUESTED RESPONSE TO REPTEL AND COMMENTS ON THE SUBJECT DOCUMENT. REF (B), WHICH DESCRIBES OUR PROPOSED PVO CO-FINANCING PROJECT (688-3247), SHOULD BE READ IN CONNECTION WITH THE PRESENT CABLE, AS IT PROVIDES SUPPLEMENTAL MISSION VIEWS.

2. IN GENERAL, WE FOUND THE POLICY DOCUMENT WELL CONCEIVED AND INSIGHTFUL. OUR CONCERNS, WHILE MINOR, ARE PROVIDED HEREIN. IT SHOULD BE STATED FROM THE BEGINNING THAT THE CASE OF MALIAN NGOS DIFFERS SOMEWHAT FROM THE SITUATION IN OTHER COUNTRIES, AS THE MALIAN NGO COMMUNITY IS STILL IN ITS EARLY STAGES OF DEVELOPMENT. OUR ATTENTION HAS BEEN AND WILL CONTINUE TO BE FOCUSED ON THE AMERICAN PVO COMMUNITY, AND THE DESIGN OF OUR PROPOSED PVO PROJECT REFLECTS THAT FOCUS.

3. PVOS AT THEIR BEST PROVIDE THE STAYING POWER AND LONG TERM COMMITMENT THAT AID IS OFTEN UNABLE TO PROVIDE. INCREASED AID/PVO COLLABORATION SHOULD HELP AID KEEP A SOLID STAKE IN GRASSROOTS DEVELOPMENT WHILE WE DEAL WITH MACROECONOMIC AND POLICY ISSUES. WE BELIEVE THAT NGOS SHOULD BE CLOSELY ASSOCIATED IN THE DEVELOPMENT OF AID COUNTRY PROGRAMS AND PROJECTS, IN THE CDSS AND IN PROJECT DOCUMENTS. WE HAVE CONSISTENTLY SOLICITED BOTH FORMAL AND INFORMAL COMMENTS FROM THE US PVO COMMUNITY AT DESIGN TIME. THIS SAID, WE NEVERTHELESS VIEW THE ROLE OF PVOS AS

SEPARATE ALTHOUGH COMPLEMENTARY TO THOSE OF AID AND OTHER DONORS. IT IS HARD TO CONCEIVE OF THE WAY IN WHICH NGOS CAN BECOME INVOLVED IN POLICY DIALOGUE WITH THE GOVERNMENT, FOR EXAMPLE, CONCERNING ECONOMIC, FISCAL OR RELATED POLICIES. THE ASSOCIATION OF PVOS WITH STRUCTURAL ADJUSTMENT PROGRAMS, WHILE APPEALING ON THE SURFACE, MAY BE DIFFICULT TO COORDINATE IN PRACTICE, AS THE DEVELOPMENT MANDATES AND PHILOSOPHIES OF THE LARGER DONORS ARE GENERALLY NOT DIRECTLY IN SYNCHRONIZATION WITH THOSE OF THE PVOS WITH WHICH WE ARE FAMILIAR.

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WHERE SUCH COMPLEMENTARITY EXISTS, OF COURSE, IT SHOULD BE ENCOURAGED AND DEVELOPED. PVOS MAY PLAY AN IMPORTANT ROLE IN IMPLEMENTING VARIOUS POLICY MEASURES THROUGH THEIR PROJECTS. FOR EXAMPLE, IN USAID/MALI-FUNDED FORESTRY AND NATURAL RESOURCE PROJECTS PVOS SUPPORT THE AID POSITION THAT FORESTRY AGENTS SHOULD NOT ENGAGE IN FINING.

4. WITH REGARD TO THE ISSUE RAISED ON PAGE 9, WE FIRMLY BELIEVE THAT THE UMBRELLA GRANT MECHANISM, ONE WHICH INVOLVES A THIRD PARTY'S BEING RESPONSIBLE FOR GRANT REVIEW, APPROVAL AND MONITORING, IS INAPPROPRIATE FOR A COUNTRY LIKE MALI. HERE THE NUMBER OF ADMINISTRATIVELY STRONG PVOS IS LIMITED AND THE MISSION HAS THE CAPACITY TO PLAY A CLOSE ROLE IN DEVELOPING, OVERSEEING AND MONITORING GRANTS. A DEGREE OF CLOSENESS TO INDIVIDUAL ACTIVITIES WOULD BE SACRIFICED IF THE UMBRELLA MECHANISM WERE ADOPTED HERE. *Chan*

5. THE ROLE OF LOCAL NGOS IN OUR PROGRAM IS AN IMPORTANT QUESTION AS WELL, BUT ONE WITH WHICH WE HAVE SOME DISAGREEMENT WITH THE SPIRIT OF THE STRATEGY DOCUMENT. IN THE NEAR TERM IN MALI, THE BEST APPROACH TO STRENGTHENING LOCAL NGOS IS CLEARLY THROUGH A PARTNERSHIP WITH LARGER, BETTER-ESTABLISHED (US) ORGANIZATIONS. SOME US PVOS ARE INTERESTED IN FORGING STRONGER LINKS AND WE ENCOURAGE THOSE INITIATIVES. REF (E) PROVIDES FURTHER VIEWS ON THIS ISSUE. *Chan*

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6. THE CONCEPT OF A PVO LIAISON AND SUPPORT PROJECT AS DESCRIBED IN THE DOCUMENT IS SOMEWHAT PROBLEMATIC. IF THE TARGET OF SUCH A PROJECT IS TO BE THE AID MISSION, OR THE PROJECT OFFICERS WHO ADMINISTER THE PVO PORTFOLIO IN A MISSION, THERE IS PROBABLY A GOOD DEAL IN SUCH AN INITIATIVE FROM WHICH WE COULD BENEFIT. IF, ON THE OTHER HAND, THE PROGRAM IS DESIGNED TO INCREASE NGOS' COMPLIANCE WITH AID PROCEDURES, TO INCREASE THE NUMBER OF VISITS MADE TO FIELD PROJECTS OR THE NUMBER OF INFORMATION REQUESTS MADE OF NGOS, OR GENERALLY TO ORIENT NGO ACTIVITIES MORE IN THE DIRECTION OF THE AID PROGRAM, IT WILL NOT SERVE TO FURTHER THIS MISSION'S GOALS WITH REGARD TO THE PVO SECTOR. FIRST, SUPPORT TO

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NGOS SHOULD BE IN THE FORM OF SUPPORT FOR ONGOING PROGRAMS, IN WHICH CASE THE AMOUNT OF OVERSIGHT PROVIDED BY AID SHOULD BE MINIMAL--AS HB13 STATES IT, THE ONLY DECISION AID MAKES SHOULD BE WHETHER OR NOT TO ACCEPT A PROPOSAL. SECOND, THE MAJORITY OF PVOS IN THE MALIAN UNIVERSE WHO WOULD APPRECIATE FURTHER GUIDANCE OR COORDINATION FROM THE USG IS LIMITED, AND MOST WOULD CONSIDER IT AN ENCRAGEMENT UPON THEIR AUTONOMY. THIRD, WE BELIEVE IT IS FUNDAMENTALLY INCONSISTENT TO REGARD PVOS AS A SEAMLESS EXTENSION OF THE AID MISSION PROGRAM. FOR THIS REASON, WE ARE ALSO HESITANT TO SECOND THE MOTION TO INCREASE SUBSTANTIALLY MISSIONS' AUTHORITIES TO APPROVE COOPERATIVE AGREEMENTS IN THE FIELD: IT IS CERTAIN TO LEAD TO EVENTUAL ABUSE OF THE CA FORMAT TO THE POINT THAT THESE AGREEMENTS WILL BEGIN TO RESEMBLE CONTRACTS INSTEAD OF GRANTS. CAS AND GRANTS DIFFER IN THE DEGREE OF CONTROL AID EXERCISES OVER GRANTEE ACTIVITIES. FYI, THIS IS, WE UNDERSTAND, THE FUNDAMENTAL SOURCE OF THE SIGNIFICANT DIFFERENCE BETWEEN GRANT AND CA AUTHORITIES IN THE FIELD.

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6. OUR RESPONSES TO SPECIFIC QUESTIONS ARE LAYED TO RELEVANT PARAGRAPHS:

(A) THE MISSION DOES NOT BELIEVE THAT THERE IS MUCH DIFFERENCE BETWEEN THE PRIORITY, IN THE SENSE OF IMPORTANCE OR RELATIVE ATTENTION, THAT THIS MISSION ATTACHES TO PVO ACTIVITIES AND THE PRIORITY ACCORDED BY AID/W. BOTH AID/W AND THE MISSION MAKE GRANTS, OFTEN TO THE SAME PVOS. WE ARE OFTEN FRUSTRATED, HOWEVER, BY INFORMATION GAPS WITH REGARD TO CENTRALLY FUNDED PVOS, PARTICULARLY ONES WITH WHICH WE HAVE ADDITIONAL MISSION-FUNDED GRANTS. TO IMPROVE BACKSTOPPING, WE RECOMMEND AID/W ATTEMPT TO ASSURE THAT MISSION IS AWARE OF WHAT AID/W IS SAYING TO PVOS' US OFFICES, AND THAT IN-COUNTRY PVO OFFICES ARE KEPT AWARE OF WHAT THEIR US OFFICES ARE TELLING AID/W. MORE COORDINATION IS ALSO NEEDED BETWEEN THE BUREAU AND PVA TO ENSURE SUCCESSFUL FIELD IMPLEMENTATION. THIS IS OF PARTICULAR CONCERN FOR AID/W-FUNDED PVO PROGRAMS AND THEIR OVERLAP WITH MISSION STRATEGY. WHILE PVA SEES MISSION INPUT FOR REVIEW OF THESE GRANTS BEFORE THEY ARE MADE, WE ARE SELDOM ABLE TO PROVIDE THE SORT OF COMMENTS NEEDED FOR A PROPER ANALYSIS OF THE PROGRAM.

(B) PVO ACTIVITIES OFTEN REQUIRE LESS MANAGEMENT THAN GOVERNMENT TO GOVERNMENT PROJECTS, BUT ALL PROJECTS REQUIRE SOME MONITORING TO MAINTAIN ACCOUNTABILITY. SMALL PROJECTS REQUIRE AS MUCH MANAGEMENT TIME AS LARGE ONES. THIS BEING THE CASE, THE SIZE OF THE PROGRAM MATTERS LESS THAN THE NUMBER OF PROJECTS. PVO PROJECTS TEND TO BE SMALLER THAN OTHER AID PROJECTS. THUS, FOR THE SAME AMOUNT OF FUNDS PROGRAMMED IT IS POSSIBLE THAT PVO PROJECTS COULD ACTUALLY BE MORE MANAGEMENT INTENSIVE. USAID'S OF BUDGET CONSTRAINTS MAKE THIS A VERY IMPORTANT ISSUE ESPECIALLY IN THE CONTEXT OF OUR PLANNED PVO CO-FINANCING PROJECT. WE ARE LOOKING FOR WAYS TO LIGHTEN THE MANAGEMENT BURDEN, AND EXPECT TO

FIND THEM.

(C) A REGIONAL PROJECT MAYES A GOOD DEAL OF SENSE, AND COULD RESULT IN A GOOD SYSTEM FOR ORGANIZING AND CONSOLIDATING THE GRANTMAKING PROCESS. IT MIGHT ENCOURAGE DEVELOPMENT OF REGIONAL EXPERTISE ABOUT PVO OPERATIONS PERL. ON THE OTHER HAND, IT COULD ADD AN ADDITIONAL LAYER OF COMPLEXITY FOR US-BASED PVOs WHO ARE SOLICITING FUNDS FROM AID/W.

(D) WE PROPOSE TO INCREASE OUR INVOLVEMENT WITH THE LOCAL NGOS BY ENCOURAGING US PVOs TO ASSOCIATE WITH LOCAL NGOS. WE DO NOT ANTICIPATE MAKING ASSOCIATION AN ABSOLUTE REQUIREMENT, BUT IT WILL AT LEAST BE A CRITERION WHICH WILL INCREASE THE PVO'S CHANCES OF SELECTION.

(E) AS STATED ABOVE, THIS IS VERY MUCH A COUNTRY SPECIFIC ISSUE. DIRECT SUPPORT TO MALIAN NGOS AT THIS STAGE OF THEIR INSTITUTIONAL DEVELOPMENT IS NOT YET FEASIBLE.

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(F) THE SIZE OF THE PVO IS NOT OF IMMEDIATE IMPORTANCE, ONCE BASIC ADMINISTRATIVE REQUIREMENTS ARE MET, AND ONE GOAL OF OUR PROPOSED PROJECT IS TO ATTRACT NEW PVOs TO

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MALI. WE PREFER TO SUPPORT PVOS PREPARED TO MAKE LONG-TERM COMMITMENTS OF THEIR OWN TO WORKING IN MALI. IF A GIVEN SMALL PVO CAN INDICATE SUCH A COMMITMENT, WE WOULD BE WILLING TO SUPPORT IT. A CENTRALLY FUNDED PROJECT WHICH MIGHT HELP SUCH SMALLER US PVO'S DEMONSTRATE THEIR LONG-TERM COMMITMENT MIGHT BE APPROPRIATE.

(G) THIS IS NOT APPLICABLE AS MALI IS A FULL MISSION.

(H) BECAUSE OF EXCELLENT RELATIONSHIP WHICH PVO COMMUNITY IN MALI HAS WITH THE GRM THROUGH THEIR ASSOCIATION, THE CCA, THIS IS NOT AN ISSUE HERE.

(I) DEMOCRATIZATION AND GRASSROOTS DEVELOPMENT GO HAND IN HAND, BUT THE MISSION MUST BE EXTREMELY CAREFUL IN THE WAY IN WHICH THE ISSUE IS PRESENTED TO THE HCG. IN MALI WE PREDICT THAT THE BENEFITS OF THE ONGOING GRANT WE HAVE WITH NCPA/CLUSA WILL BE AS MUCH IN THE AREA OF TRAINING AND DEVOLVING MANAGEMENT RESPONSIBILITY TO VILLAGE-LEVEL UNITS AS IN THE AREA OF TECHNICAL COOPERATIVE DEVELOPMENT PER SE. THE LONG-TERM CONSEQUENCES OF THIS TYPE OF INTERVENTION, IF CONTINUED, ARE CERTAIN TO BE PROFOUND.

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(J) MISSION IS IN CONTINUOUS COMMUNICATION WITH OTHER MAJOR DONORS ON ALL ASPECTS OF OUR PROGRAM INCLUDING PVO PROJECTS. EXAMPLES ARE OUR WORK WITH UNICEF IN CONJUNCTION WITH OUR CHILD SURVIVAL PVO PROJECTS. ANOTHER IS THE USE OF PVOS AND NGOS FOR THE TRANSPORT OF EMERGENCY FOOD RELIEF APPROVED BY THE PRMC DONOR GROUP. WE FEEL SUCH COORDINATION IS CRUCIAL TO AVOIDING DUPLICATION AS WELL AS TO THE LARGER ONGOING LEARNING PROCESS IN WHICH WE ARE ALL ENGAGED.

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ACTION: AID-5 INFO: AMB DCM ECON

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PP RUTAEW
EE RUEHC #8852 1152023
ZNR UUUUU ZZH
P 252022Z APR 89 ZIX
FM SECSTATE WASHDC
TO USAID MISSIONS IN AFRICA PRIORITY
BT
UNCLAS STATE 128852

LOC: 500 879
26 APR 89 4754
CN: 18226
CHRG: AID
DIST: AID

Chap

AIDAC

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E.O. - 12356: N/A

SUBJECT: OPERATIONAL GUIDANCE CABLE NO. 5 - FY1989
AID/W CONTRACTING DEADLINES

Chap

1. THE FOLLOWING DEADLINES APPLY TO ALL AID/W AND
MISSIONS ISSUED PROCUREMENT REQUESTS FOR M/SER/OP
IMPLEMENTATION WHICH ARE FUNDED BY FY 1989
ADMINISTRATIVELY RECEIVED FUNDS.

2. TO ASSURE TIMELY OBLIGATIONS, REMAINING FY 1989
ADMINISTRATIVELY RESERVED PROCUREMENT REQUESTS,
INCLUDING ADVANCE OR DRAFT PROCUREMENT REQUESTS MUST
REACH M/SER/CP BY THE FOLLOWING CUT-OFF DATES:

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NEW STARTS -- FY 1989

- A. CONTRACTS
NON-COMPETITIVE, INCLUDING 8(A) - MAY 26
PERSONAL SERVICES - JULY 28
- B. GRANTS/COOPERATIVE AGREEMENTS
NON-COMPETITIVE - JUNE 2
- C. PASA/RSAS - JUNE 2
- I. I&C DELIVERY ORDERS - JULY 28
- I. PURCHASE ORDERS - JULY 31

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AMENDMENTS

- A. CONTRACTS - JUNE 30
- B. GRANTS/COOPERATIVE AGREEMENTS - JUNE 30
- C. PASA/RSAS - JUNE 30
- I. OTHER - AUGUST 11

3. PROCUREMENT REQUEST FUNDED BY BILATERAL PROJECT
AGREEMENTS WILL CONTINUE TO BE RECEIVED AND ACTED UPON
BY M/SER/CP ASAP UNDER ESTABLISHED PROCEDURES.

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4. MISSION PROGRAM AND PROJECTS DEVELOPMENT OFFICES ARE
STRONGLY ENCOURAGED TO SUBMIT PROCUREMENT/CONTRACT
ACTIONS ASAP BUT NO LATER THAN ESTABLISHED CUT-OFF DATES.

5. MISSIONS ARE REMINDED THAT ALL MISSION CONTRACTING
ACTIONS THAT WILL BE SENT TO AID/W MUST REPEAT MUST BE
CLEARED OFF OR A COPY PROVIDED TO AFR/IP/PAB, CAUVIN

DUE DATE	04/29
ACTION	MGL
INFO	
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BEFORE BEING SENT TO THE CONTRACT OFFICE. AFR/PD WILL
CONTINUE TO BE THE PRINCIPAL BACKSTOP OFFICE FOR FIELD
MISSIONS SUBMITTING CONTRACT DOCUMENTS TO AII/W. PD
WILL OBTAIN REQUEST CLEARANCE OR PROVIDE COPY OF FIELD
REQUESTS TO AFR/DP. EAR ER

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