

**UNCLASSIFIED**

**Regional Support Mission for East Asia (RSM/EA)**

**Regional Technical Support Project  
410-0004**

**LOP Funding: \$22 million  
Authorized: 5/21/93**

**UNCLASSIFIED**

PROJECT DATA SHEET

1. TRANSACTION CODE

A = Add  
C = Change  
D = De etc

Amendment Number

DOCUMENT CODE

3

2. COUNTRY/ENTITY

East Asia Region

3. PROJECT NUMBER

410-0004

4. BUREAU/OFFICE

Asia

400

5. PROJECT TITLE (maximum 40 characters)

Regional Technical Support Project

6. PROJECT ASSISTANCE COMPLETION DATE (PACD)

MM DD YY  
09 30 00

7. ESTIMATED DATE OF OBLIGATION  
(Under "B." below, enter 1, 2, 3, or 4)

A. Initial FY 93 B. Quarter  C. Final FY 00

8. COSTS (\$000 OR EQUIVALENT \$1 = )

A. FUNDING SOURCE	FIRST FY 93			LIFE OF PROJECT		
	B. FX	C. L/C	D. Total	E. FX	F. L/C	G. Total
AWD Appropriated Total	3,000		3,000	22,000		22,000
(Grant)	( 3,000 )	( )	( 3,000 )	( 22,000 )	( )	( 22,000 )
(Loan)	( )	( )	( )	( )	( )	( )
Other						
U.S.						
Host Country		0	0		0	0
Other Donor(s)						
<b>TOTALS</b>	<b>3,000</b>	<b>0</b>	<b>3,000</b>	<b>22,000</b>	<b>0</b>	<b>22,000</b>

9. SCHEDULE OF AID FUNDING (\$000)

A. APPROPRIATION	B. PRIMARY PURPOSE CODE	C. PRIMARY TECIL CODE		D. OBLIGATIONS TO DATE		E. AMOUNT APPROVED THIS ACTION		F. LIFE OF PROJECT	
		1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan
(1) DA				0	0	3,000	0	22,000	
(2)									
(3)									
(4)									
<b>TOTALS</b>				<b>0</b>	<b>0</b>	<b>3,000</b>	<b>0</b>	<b>22,000</b>	

10. SECONDARY TECHNICAL CODES (maximum 6 codes of 3 positions each)

11. SECONDARY PURPOSE CODES

12. SPECIAL CONCERNS CODES (maximum 7 codes of 4 positions each)

A. Code

B. Amount

13. PROJECT PURPOSE (maximum 450 characters)

The project purpose is to transfer the technical expertise needed to help solve critical development problems in select East Asian countries.

14. SCHEDULED EVALUATIONS

Interim MM YY MM YY Final MM YY  
09 96 01 00

15. SOURCE/ORIGIN OF GOODS AND SERVICES

000  941  Local  Other (Specify)

16. AMENDMENTS/NATURE OF CHANGE PROPOSED (This is page 1 of a page PP Amendment)

Controller's Certification:

I have reviewed the audit provisions and financial plan for the project and have determined that they are in compliance with A.I.D. regulations.

for Richard McClure  
RSM/EA Controller

17. APPROVED BY

Signature

Thomas H. Reese, III

Title Director, Regional Support Mission/East Asia

Date Signed

MM DD YY  
05 21 93

18. DATE DOCUMENT RECEIVED IN AID/W, OR FOR AID/W DOCUMENTS, DATE OF DISTRIBUTION

MM DD YY

**ACTION MEMORANDUM FOR THE DIRECTOR  
REGIONAL SUPPORT MISSION, EAST ASIA**

FROM: *Denny F. Robertson*  
Denny F. Robertson, O/PDE

SUBJECT: Regional Technical Support Project (410-0004)

I. **Problem:** Your approval is required to authorize the Regional Technical Support Project (410-0004) at a level of \$22 million to be obligated over a period of seven years. It is anticipated that \$3,000,000 will be obligated in FY93.

II. **Discussion:**

A. Project Description

The purpose of the Regional Technical Support Project (RTSP) is to transfer the technical expertise needed to help solve critical development problems in select East Asian countries. RTSP will deliver technical assistance to Cambodia, Mongolia, and Thailand as well as project development and support activities in other East Asian countries as authorized by A.I.D./Washington.

The Regional Technical Support Project (RTSP) will provide both long- and short-term technical assistance and related commodity support over seven years that will enable A.I.D. to bring to bear U.S. expertise and technology in addressing this region's myriad development challenges. The Project will also position A.I.D. to quickly mobilize resources, as opportunities arise, in developing new assistance programs in Southeast Asia.

Illustrative project activities include creating country development strategies; providing analytical and feasibility studies in the environment, human resource development, HIV/AIDs, democracy, economic policy planning, and private sector activities within the region; and designing new programs and projects. RTSP will take a range of approaches in delivering technical assistance from conducting assessment studies in HIV/AIDS to funding economic policy advisors to a Ministry of Finance. The type of assistance provided will be a function of the field mission's priorities and specific development objectives.

The intended beneficiaries of the project are the Asians whose countries A.I.D. is assisting.

B. Financial Summary

The FY 1993 obligation is anticipated to be \$1.5 million and total Life-of-Project funding is \$22 million over seven years (FY 1993-FY 2000). An illustrative breakdown of funds is shown below:

	<u>First Year</u>	(\$000)	<u>LOP</u>
Technical Assistance	\$2,700,000		\$21,000,000
Commodities	300,000		500,000
Evaluation	<u>0</u>		<u>500,000</u>
<b>TOTAL</b>	<b>\$3,000,000</b>		<b><u>\$22,000,000</u></b>

As this is authentically a regional project, Handbook 3, Annex 2G, Paragraph A exempts this project from standard A.I.D. host government contributions requirements.

**C. Socio-economic and Technical Description**

The Project Paper analyses demonstrate that the technical assistance offered under this project will assist East Asian countries in accelerating and sustaining both broad-based and environmentally-conscious economic growth. These analyses were done to ensure the acceptability and feasibility of the project. The project was judged to be technically sound as well as cost-effective. There are no human rights implication for the project.

**D. Environmental Analysis**

The Asia Bureau Environmental Officer has determined that the project has no negative environmental impacts and that no future environmental assessments are required.

**E. Issues**

A Project Paper review was held on May 4, 1993, chaired by the Director, Regional Support Mission, East Asia. All RSM/EA offices were represented as well as the A.I.D. Representative from Cambodia. The Project was recommended for approval.

**1. Obligating Mechanisms:** The obligation of project funds will be initiated by each participating East Asia A.I.D. field mission through PIO/Ts, buy-ins, Limited Scope Grant Agreements and/or OYB transfers to EARTP. The implementing Contractor will work closely with and assist the field missions in preparing the PIO/Ts and PIO/Ps. The RSM/EA believes that the implementation plan sets a realistic time frame for carrying out the project.

**2. 611(a):** It is the determination of the Project Office that the requirements of Section 611(a) of the FAA have been satisfactorily met and that the project is technically sound and contains a realistic implementation plan.

**3. Regional Mission Participation:** The Project reflects the input of both OAR/Cambodia and OAR/Mongolia.

**F. Conditions, Covenants, Implementation Plan and Implementation Agencies**

Except for the expiration of the Congressional Notification period without Congressional objection, there are no Conditions Precedent to awarding the implementation institutional Contract. Future project designs, however, may require the addition of Conditions Precedent. The obligating instruments will contain all and any applicable covenants.

The obligation of project funds will be initiated by each participating East Asia A.I.D. field mission through PIO/Ts, buy-ins, Limited Scope Grant Agreements and/or OYB transfers to RTSP. The implementing Contractor will work closely with and assist the field missions in preparing the PIO/Ts. The RSM/EA believes that the implementation plan sets a realistic time frame for carrying out the project.

**III. Delegation of Authority for FAA Project Approval**

In State 1042018, dated April 14, 1993, the Acting Assistant Administrator for Asia approved the Regional Technical Support Project New Project Description (NPD). In addition, he delegated authority to authorize the Project Paper to the Director, Regional Support Mission/East Asia. In light of the extensive consultations with the Bureau on the NPD as well as project development time constraints, the design proceeded to the Project Paper, truncating the Project Identification Document stage.

**IV. Waivers**

No waivers are included in this project.

**V. Justification to Congress**

A Congressional Notification was sent to Congress on May 14, 1993. The waiting period expires on May 28, 1993.

VI. **Recommendation:** That you sign the attached Project Authorization and thereby approve life-of-project grant funding over a seven year period of \$22,000,000 for the Regional Technical Support Project.

APPROVED: \_\_\_\_\_



DISAPPROVED: \_\_\_\_\_

DATE: \_\_\_\_\_

Thomas H. Reese III  
Mission Director  
Regional Support Mission,  
East Asia

**Attachments:**

1. Project Authorization
2. Project Paper

**Clearances for the Action Memorandum for the Regional Technical Support Project**

O/PDE:DRobertson  
O/RP:NEdin  
O/RLA:GBisson  
O/PFM:RRucker

RM 5/10/93  
RM 5/10/93  
RM 5/10/93  
RM 5/10/93

O/FIN:RMcClure  
O/DD:EMorris

RM 5/10/93  
RM 5/10/93

## PROJECT AUTHORIZATION

Name of Country: *East Asia Region*  
Name of Project: *Regional Technical Support Project*  
Number of Project: *410-0004*

1. Pursuant to the Foreign Assistance Act of 1961, as amended (the "FAA"), I hereby authorize the Regional Technical Support Project (RTSP) for the East Asia Region involving planned obligations not to exceed \$22,000,000 in Development Assistance grant funds and Economic Support Funds over a seven year period, subject to the availability of funds in accordance with the A.I.D. OYB allotment process, to help in financing foreign exchange and local currency costs (as described in Paragraph 3b) of the project. The planned Life of Project (LOP) is approximately seven (7) years from the date of initial obligation. The project's anticipated completion date is September 30, 2000.

2. The Project will provide technical assistance and related commodity support to transfer the technical expertise needed to help solve critical development problems in select East Asian countries. The Project will (a) provide a mechanism to access and deliver a multitude of technical support services tailored to each field mission's particular development needs and agendas and (b) expand capabilities to plan and implement development activities in East Asia missions which include Cambodia, Mongolia, and Thailand and other countries as authorized by A.I.D./Washington.

3. The obligating agreements, which may be negotiated and executed by the officer(s) to whom such authority is delegated in accordance with A.I.D. regulations and delegations of authority, shall be subject to the following essential terms and conditions, together with such other terms and conditions that A.I.D. may deem appropriate:

### A. Source and Origin of Goods and Services

Goods and services, except for ocean shipping financed by A.I.D. under the Project shall have their source and origin in the United States or the Cooperating Countries (to the extent set forth in Paragraph b, below), except as A.I.D. may otherwise agree in writing. Except for ocean shipping, the suppliers of commodities or services shall have any of the Cooperating Countries or the United States as their place of national origin, except as A.I.D.

may otherwise agree in writing. Ocean shipping financed by A.I.D. under the Project shall be financed only on flag vessels of the United States, except as A.I.D. may otherwise agree in writing.

#### B. Local Cost Financing

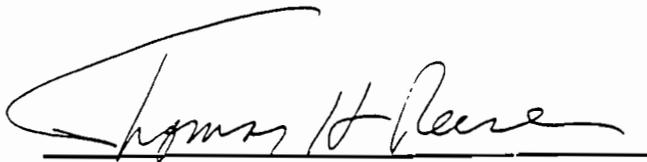
All locally financed procurement must be covered by source, origin and/or nationality waivers as set forth in Handbook 1B, Chapter 5, with the following exceptions:

- (i) locally available commodities of U.S. origin, which are otherwise eligible for financing, if the value of the transaction is estimated not to exceed the local currency equivalent of \$100,000 (exclusive of transportation costs);
- (ii) commodities of Country Code 935 origin if the value of the transaction does not exceed \$5,000;
- (iii) professional services contracts estimated not to exceed \$250,000;
- (iv) construction services contracts estimated not to exceed \$5,000,000;
- (v) the following commodities and services which are available only locally:
  - (1) utilities including fuel for heating and cooking, waste disposal and trash collection;
  - (2) communications: telephone, telex, fax, postal and courier services;
  - (3) rental costs for housing and office space;
  - (4) petroleum, oils and lubricants for operating vehicles or equipment;
  - (5) newspapers, periodicals and books published in the Cooperating Country; and
  - (6) other commodities and services (and related expenses) that, by their nature and as a practical matter, can only be acquired, performed, or incurred in the Cooperating Country (e.g., vehicle maintenance, hotel accommodations, etc.).

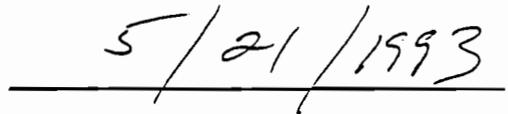
C. Condition Precedent to Obligation

Obligation of project funds shall not occur until the Congressional Notification period has expired without Congressional objection.

4. The project will also include funds for two in-depth evaluations on the efficacy of the training effort and Contractor support activities.

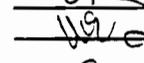
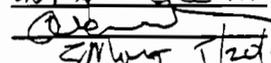
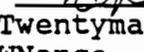
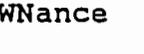
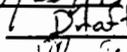
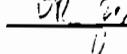


Thomas H. Reese III  
Mission Director  
Regional Support Mission,  
East Asia  
Bangkok, Thailand



Date

**Clearances:**

O/PDE:DRobertson		O/FIN:DMcclure	
O/RP:NEdin		O/HCT:PDeinken	
O/GC:GBisson		O/DD:EMorris	
O/PFM:RRucker			
OAR/Phnom Penh:LTwentyman			5/19/93
OAR/Ulaanbaatar:WNance			

# REGIONAL TECHNICAL SUPPORT PROJECT

Project Number: 410-0004

May 18, 1993

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# REGIONAL TECHNICAL SUPPORT PROJECT

## PROJECT PAPER

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## REGIONAL TECHNICAL SUPPORT PROJECT

410-0004

### I. BACKGROUND

#### A. Project Rationale

The prospects for both a stable political climate and an expanding economy throughout Southeast and East Asia have perhaps never been greater. The receding Cold War threat is paving the way for both new and strengthened U.S. political and economic relations throughout the Asian continent. Multilateral institutions are undertaking bold initiatives to resolve bitter and protracted political struggles that have taken untold human lives. Amidst this encouraging political backdrop, Asia continues to generate enviable economic growth as prosperity begins to creep from the north peninsula to their Southeast Asia neighbors. Asian democracies, it appears, are an important factor in ensuring regional peace, stability, and economic growth.

Recent political developments have poised several nations in Southeast and East Asia for rapid economic development. After nearly twenty years of devastating civil war in Cambodia, warring factions signed a UN-sponsored peace accord which is expected to lead to the disarmament and demobilization of armed forces, refugee repatriation and parliamentary elections scheduled for May, 1993. Multilateral and bi-lateral donors have pledged nearly \$880 million for Cambodian resettlement and reconstruction efforts, which includes A.I.D. contributions of \$25 million and \$70 million in FY92 and FY93, respectively. In 1991, Mongolia saw 45 years of Soviet financial and technical assistance come to an abrupt end, leaving the country with little food or energy reserves. Mongolia embraced this opportunity to move from a centrally planned economy to one driven by free-market forces. In FY92, A.I.D. contributed \$14 million for emergency power generation repairs. In light of its erstwhile history, Mongolia will continue to face tremendous social and economic development challenges over the next several years.

In other parts of Southeast Asia, the political environment is improving which paves the way for greater economic ties to the West. Vietnam has made unprecedented overtures to the Western world to attract technology and international investment. Laos has moved purposefully to open, privatize and stabilize its economy. And, this year marks the fourth consecutive Congressional earmark for humanitarian assistance to the Burmese refugees who fled to and across the Thai border after suffering a brutal crackdown on their

1988 pro-democracy demonstration. Recent history suggests that Congress remains committed to providing basic humanitarian assistance supporting the growth of democracy within the region and mitigating the hardships borne by political refugees.

Overall, these positive political developments lay an important foundation for rapid, sustainable and regional economic growth. Nonetheless, Thailand's burgeoning economy will play a key role in attracting trade and critical foreign investment to the region as a whole and will provide economic leadership that assists these countries in their transitions to market-oriented economies.

Despite the promising prospects for economic advances in Southeast and East Asia, many serious development needs must first be addressed in order for this region to make substantial and sustainable advances in its living standards. For example, Cambodia's civil war has exacted a high price on its professional capital and infrastructure. Consequently, USAID can play a crucial role in building Cambodia's institutional capabilities to create economic, health, education and environmental policy. In addition, the reconstruction and modernization of Cambodia's physical infrastructure is necessary to attract needed foreign investment. Mongolia has embarked upon privatization program without the benefit of western technical assistance in developing parallel economic policy reforms needed to ensure its success. Not surprisingly, Mongolia could benefit greatly from policy reform guidance which will enable the government to maintain momentum and popular support for difficult economic reforms. As U.S. restrictions are rescinded in Laos and Vietnam, technical assistance will be required for a plethora of development needs including establishing economic policy, democratic initiatives, and health care policies; fostering human resource development, promoting environmental policy and regulations and broadening private sector participation.

Infrastructure development will be essential to all countries within the region. Mongolia suffers through life-threatening, sub-zero degree weather conditions each winter, relying upon an antiquated and dilapidated energy generation infrastructure from 1940's Russia for heat. Recent A.I.D. assistance has provided critical but stop-gap relief. As a result, longer-term interventions are needed. In Cambodia and other areas within the region, poor lines of communication remain major impediments to economic development.

The development needs in Southeast and East Asian countries are similar in some respects but quite varied in others. However, one common theme emerges: in order to generate sustainable and environmentally-conscious economic growth throughout the region, these initial and often fundamental needs must first be addressed. And, as economic growth spreads, new development focuses and agendas will emerge. A.I.D. must be positioned to continue to make

unique and responsive contributions to this region's development.

Despite these needs and development challenges, all new and expanding A.I.D. programs in Southeast and East Asia must operate within greatly reduced technical and staffing resource levels. To accommodate these great many development needs and remain responsive to the regional political and economic environment, the Asia Bureau proposed to meet program and project development activities through the newly established Regional Support Mission for East Asia (RSM/EA) in Bangkok, Thailand. Therefore, the proposed project, discussed herein, is entitled the Regional Technical Support Project (RTSP) Project. RTSP will provide technical support services for A.I.D. activities in Cambodia, Mongolia, and Thailand and in other Indochina countries as directed by the Asia Bureau in Washington.

#### B. Relationship to A.I.D. Development Strategy

A.I.D.'s development strategy in Asia during the past ten years has emphasized private sector-led economic growth. A.I.D.'s assistance has helped Asian economies shed inefficient state-owned enterprises, adopt difficult but crucial economic policy reforms, liberalize and diversify markets, and attract much needed foreign investment. A.I.D. has also played a role throughout the region in promoting democracy and helping to mitigate the catastrophic effects of HIV/AIDS. Much of this difficult terrain has been traversed within the past five years. These actions go far in explaining why Asia's economic growth indices, and particularly those of Southeast Asia, have dominated the global economic landscape over the past decade.

Phenomenal economic growth, however, has not come without its price. Environmental degradation in Asia is pervasive and extensive. Rapid economic development in Southeast Asia has created overcrowded and polluted cities, unhealthy hazardous waste management practices, and natural resource degradation and exploitation. Consequently, A.I.D.'s most recent strategy has been to promote sustainable and environmentally-conscious economic growth. This strategy has enabled A.I.D. to apply cutting-edge U.S. technology and expertise on critical environmental problems threatening this region's future social and economic development.

Whereas Thailand's development agenda was recently recast to emphasize new priorities and opportunities, specific development strategies for Cambodia and Mongolia are still emerging since A.I.D. only recently began or reactivated assistance to these countries. In this regard, the RSM/EA, through the RTSP, seeks to be properly positioned A.I.D. to continue to provide critical development assistance to these countries as well as be adequately prepared to develop new assistance activities in other countries within the region as directed by A.I.D./Washington.

### **C. Host Country and Other Donors**

The international donor roster in Southeast and East Asia reflects this area's growing economic importance. Donor community involvement is segmented along the lines frequently encountered in other parts of the world. For example, Japan is the largest bilateral donor and provides significant assistance in the areas of telecommunications and agriculture through technology transfers. Australia is active in infrastructure development. A host of European countries (e.g., Germany, France, Switzerland and Sweden) are forging economic ties to the region via both technical assistance and private sector activities.

Multilateral institutions are also represented. On the political side, the United Nations is spearheading a multi-national effort to bring and keep peace in Cambodia. The United Nations also closely monitors human rights abuses within the region. On the economic side, the World Bank is providing private sector and human resource development technical assistance and is expected to offer large-scale concessionary financing to Indochina once restrictions are rescinded. The International Monetary Fund is providing structural adjustment facilities and holds a sizable soft loan portfolio. The United Nations Development Programme is providing macro-economic planning assistance. And, the Asia Development Bank is providing both financial and technical assistance in policy reform, capital market development and infrastructure renovation.

## **II. PROJECT DESCRIPTION**

### **A. Project Goal**

The **Project Goal** is to assist Southeast and East Asian countries in accelerating and sustaining both broad-based and environmentally-conscious economic growth.

### **B. Project Purpose**

The **Project Purpose** is to transfer the technical expertise needed to help solve critical development problems in select East Asian countries. The project's anticipated completion date is September 30, 2000.

### **C. Project Rationale and Outputs**

The Asia Bureau established the RSM/EA in October, 1992 to be the regional locus for responsive, varied yet flexible development resources in a climate of growing developments needs but declining operational budgets. RTSP, which enables the RSM/EA to fulfill its mission, will provide an array of technical assistance services to Cambodia, Mongolia and Thailand (as well as other East Asian countries as directed by the Asia Bureau), while remaining responsive to the region's evolving development agenda.

Because RSM/EA staffing resources and in-country USDH presence throughout the region are lean, this project's second major function will be to provide the necessary program and project backstop resources to support East Asian field missions' and the Bureau's development activities within the scope of A.I.D.'s financial and personnel resources.

The RSM/EA, through the RTSP, will provide timely, technical assistance to assist the field missions and the Asia Bureau to achieve their development objectives. The RTSP will be a demand-driven, service-oriented project that places critical technical assistance resources under the direction and management of the field and the Asia Bureau while minimizing their contracting burden.

This region's emerging development agenda necessitates flexible responses to field requests for technical assistance. Among the principal outputs envisioned under the RTSP are technical assistance that will produce macro-economic analyses, country development needs assessments, country development strategies, sectoral analyses, policy reform, institutional reform, pilot/special activities, project design and evaluations, and financial assessments. Sectoral analyses will include analytical and feasibility studies in *inter alia* the environment, human resource development, HIV/AIDS<sup>1</sup>, entrepreneurship, democracy (and human rights), rural development, agriculture, population/family planning, economic policy and planning, energy, and private sector activities.

This list is intended to be neither all inclusive nor exclusive of the type of activities envisioned. Rather, this list is intended to demonstrate the range and flexibility of the type of technical support this project can provide.

The RTSP will also enable the RSM/EA to achieve economies of scale in fulfilling common needs for technical assistance services throughout the region through personal service contracts (PSCs).

### III. FINANCIAL PLAN

#### A. Cost Estimate and Financial Plan

The life of project (LOP) will be seven (7) years at an amount not to exceed twenty-two million dollars (\$22,000,000), comprised of ten million dollars (\$10,000,000) in core funds and twelve million

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<sup>1</sup>The RTSP intends to utilize the R&D Bureau's AIDSCAP program for technical assistance in meeting its HIV/AIDS development objectives.

dollars (\$12,000,000) in buy-ins by East Asia field missions and the Bureau.

Table I

FINANCIAL PLAN OF

PLANNED YEARLY OBLIGATIONS (\$000)

	FY93	FY94	FY95	FY96	FY97	FY98	FY99	TOTAL
CORE	2000	2500	1500	1000	1000	1500	500	10000
BUY-IN	<u>1000</u>	<u>3000</u>	<u>2000</u>	<u>2000</u>	<u>2000</u>	<u>1500</u>	<u>500</u>	<u>12000</u>
TOTAL	3000	5500	3500	3000	3000	3000	1000	<u>22000</u>

Table I represents an illustrative budget for core and buy-in levels. The core budget includes contractor expenses, long and short-term technical assistance procured by the RSM/EA in developing new activities for emerging programs, as well as costs associated with regionally-dedicated long and short-term technical assistance that will provide technical support services to Cambodia, Mongolia and Thailand. The Asia Bureau, through a OYB transfer for example, can increase the core budget (which in turn would enable the RSM/EA to increase the Contract level of effort) in directing the RSM/EA to undertake initial development activities in Southeast Asian countries with an emerging A.I.D. presence.

The Buy-in levels reflect an approximation of the technical assistance needs of Cambodia, Mongolia and Thailand. As development agendas emerge, these figures will be revised to reflect the field missions best estimate of technical assistance needs and costs.

TABLE 2

## PLANNED YEARLY EXPENDITURES (\$000)

<u>FY</u>	<u>AMOUNT</u>
93	\$ 1500
94	3500
95	5500
96	4500
97	3500
98	2500
99	<u>1000</u>
<b>TOTAL</b>	<b><u>\$22000</u></b>

TABLE 3

## ESTIMATED BUY-INS BY COUNTRY (\$000)

<u>Country</u>	<u>Amount</u>
Cambodia	\$ 6500
Mongolia	3500
AID/W	<u>2000</u>
<b>TOTAL LOP BUY-INS</b>	<b><u>\$12000</u></b>

TABLE 4

## ILLUSTRATIVE LEVEL OF EFFORT (\$000)

<u>Line Item</u>	<u>Core</u>	<u>Buy-In</u>	<u>Total</u>
Technical Assistance	\$ 5,900,000	\$12,000,000	\$17,900,000
Contract PSCs	3,600,000	0	\$ 3,600,000
Evaluation	<u>500,000</u>	<u>0</u>	<u>500,000</u>
<b>Grand Total</b>	<b>\$10,000,000</b>	<b>\$12,000,000</b>	<b><u>\$22,000,000</u></b>

**B. Methods of Financing**

All contracts will be A.I.D.-direct. The primary institutional contract (the Contract) will be with a U.S. entity. The project

will also utilize some U.S. PSCs. All payments will be on a reimbursable or direct payment basis.

#### **C. Flow of A.I.D. Funds**

Project funds will be administered by the RSM/EA through the core contractor. The OARs within the region and AID/W may access project resources through buy-ins (as outlined by Scopes of Work prepared by the core contractor). For those countries within the region without an in-country USDH presence, the RSM/EA will prepare the Scopes of Work.

#### **D. Host Country Contributions**

Handbook 3, Annex 2G, Paragraph A exempts this authentically regional project from standard A.I.D. host government contributions requirements.

#### **E. Audits**

The Contractor shall be of U.S. origin, and as such, included within the A.I.D./W (FA/OP and IG/A) audit compliance system per A.I.D.'s Audit Management and Resolution Program (AMRP).

#### **F. Accounting**

The Contract will be the only project element. Contractor billings will provide appropriate status of buy-in funds for the field missions and the Bureau.

### **IV. PROJECT IMPLEMENTATION**

#### **A. Implementation Plan**

The project will be implemented using two implementation venues: (1) technical assistance procured through the Contract with buy-in capabilities and (2) technical assistance delivered directly through PSCs. The majority of technical assistance provided to the field missions and the Bureau will flow from the implementing Contract (i.e., services requested will be delivered by the Contractor through the Contract). In some instances where the RSM/EA requires PSC services (e.g., when the technical assistance requested will serve regional and/or administrative needs), then the RSM/EA can elect to procure equivalent services through the implementing Contractor or directly through PSCs.

The rationale for this approach rests in the fact that certain technical assistance needs (e.g., financial management, contract management) may not be exclusively program/project related but will afford an opportunity to cost-share services. For example, a financial analyst may spend fifty percent (50%) of his/her time assisting the field missions in Cambodia and Mongolia and the

remaining fifty percent of the time provide assistance to the Office of Finance at the RSM/EA. If contracted directly, the RSM/EA can split the cost of the PSC's services with the field missions. Moreover, the RSM/EA believes that acquiring PSC services will enhance overall management of contractor services and technical assistance. Given the range and depth of development assistance needs, this approach provides a flexible yet simple contracting alternative that will remain responsive to development needs this region's dynamic environment.

RTSP will be fully and openly competed and encourages Gray Amendment firm participation. Contractor selection criteria will heavily emphasize demonstrated abilities to attract high caliber consultants across a breadth of development disciplines. Selection criteria will also include the extent to which contractors are able to utilize and/or incorporate local development resources (e.g., Thai or other East Asian NGOs, PVOs or entities) in delivering the technical assistance required by this project.

The implementing Contractor, managed by the RSM/EA, will have primary responsibility for project implementation. The nature of this project will require that the Contractor collaborate closely with all East Asia field missions, the RSM/EA, and the Bureau when filling requests for technical assistance to ensure that technical support services remain responsive and timely. Key Contractor selection criteria will include demonstrated experience in A.I.D. contracting methods, geographic familiarization of Southeast and East Asia's development landscape and the ability to consistently meet technical assistance needs with high caliber professionals across a multitude of sectors.

#### **B. Accessing RTSP Services**

The field missions and the Bureau can access RTSP technical support services through buy-ins, OYB transfers, Limited Scope Grant Agreements and the Contract. Given the differing nature of current (and possibly future) East Asia field mission relationships to the host country governments, these three methods afford greater flexibility in delivering technical support services.

To ensure maximum flexibility, RTSP affords two buy-in options/methods for accessing RTSP technical assistance and services once the field missions determine their development resource needs and requirements.

The first method enables the field missions and the Bureau to submit a single PIO/T to the Contractor<sup>2</sup> that outlines all the

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<sup>2</sup>Since it is unlawful for contractors to have access to PIO/T budgets, the Contracting Officer, RSM/EA, will be responsible for completing this portion of the PIO/T.

desired technical assistance for the following six-month period (e.g, from October through March and from April through September or which ever six month cycle that most closely coordinates with field mission planning). This single PIO/T, which will be signed by the Contracting Officer, RSM/EA, will enable the Contractor to fund all of the field missions technical assistance needs (e.g., PSCs, short-term and long-term technical assistance) for that period. As the field missions identify discrete technical assistance needs, the Contractor should prepare and submit an unfunded technical work order to the Contractor that outlines the specific request for technical assistance. [Note: Since the funds have already been obligated through that six-month period's PIO/T, this document will not require the Office of Regional Procurement's (O/RP's) signature. However, O/RP, O/PDE and O/FIN shall agree upon a system that enables the RSM/EA to track the "draw down" of funds as each technical work order is submitted.] The field missions can choose to prepare the document themselves or request that the Contractor assist in preparing the document.

The RSM/EA Project Manager will coordinate with the field and the Contractor to ensure that the technical assistance envisioned in the request is the technical assistance received.

The second and more conventional method, which has a greater contracting management burden, requires the field mission to prepare funded PIO/Ts for each discrete training request. As in the method described above, the field mission can request that the Contractor prepare the PIO/T sans the budget or can elect to prepare the PIO/T themselves. O/RP has responsibility for adding the budget and signing each PIO/T.

In order to strengthen the planning process, the RSM/EA requests that the field missions and AID/W submit a semi-annual schedule of anticipated technical support needs. The semi-annual schedule should detail the type and cost of technical assistance needed for that period. Unexpected needs for technical assistance that might occur between scheduling periods can easily be filled by submitting an individual PIO/T for that activity. It is important to emphasize that this schedule will provide the Contractor and the RSM/EA a helpful scope and magnitude of technical assistance needed and not necessarily provide a detailed or technical work order accounting of each particular activity. Semi-annual scheduling will greatly facilitate both planning and timely responses to this region's technical support needs.

The Contractor will be required to submit to the RSM/EA (and the field missions if desired) both administrative and financial reports on a quarterly basis. These quarterly reports should (at a minimum) include a summary of contracting actions, implementation difficulties and a work plan for the following quarter. In addition, this quarterly report should include a detailed accounting of the technical assistance each field mission and the

Bureau has received for that period. It should report the amount of the field missions' semi-annual PIO/T minus the cost of the technical assistance delivered for that period.

RTSP will also provide technical services to those countries without a USDH presence. In this instance, the RSM/EA will assess and determine how best to respond to the identified development needs and will procure both long and short-term technical assistance services through the Contract using PIO/Ts.

In addition to the above implementation mechanism, the RSM/EA can also make direct grants and enter into Cooperative Agreements with NGOs and PVOs in meeting program and/or project development objectives.

### C. Criteria for Use of Core Funds and Buy-Ins

The field missions, the Bureau, and the RSM/EA may access the RTSP's technical assistance services through core funds or through buy-ins. The criteria governing which source of funds are appropriate are outlined below.

Criteria for Use of Core Funds: Core funds, though limited, have several different uses which include (a) the implementing Contractor's salary and administrative expenses; (b) providing program/project funding for preliminary development activities in countries yet without a USDH presence, as directed by the Bureau<sup>3</sup>; and (c) providing "in-house", regionally-dedicated technical assistance expertise to East Asia field missions and the RSM/EA.

Criteria for the use of these funds will therefore require, in general, that the "need" reflect a regional perspective (i.e., with the exception of (b) above, the technical assistance requested must provide a general benefit to all of the field missions within the region). However, exceptions to this regional perspective can be granted on a case-by-case method. For example, a field mission may require limited technical assistance services on high priority issues in anticipation of initiating a project start-up. The RSM/EA can grant the field mission a "bridge" using core funds that will enable preliminary activities to begin. Once the project is up, the technical assistance services would be funded through the project. The Director, RSM/EA maintains ultimate responsibility and authority for allocating core funds.

USAID/Bangkok's use of core funds should not exceed ten percent (10%) of the core budget, of any given year, without the Deputy Assistant Administrator for Asia's prior approval.

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<sup>3</sup>As program strategies change and the RSM/EA is authorized to initiate program and project design activities in other Southeast Asian countries, RTSP may require technical assistance in order to conduct PD&S-type activities.

**Criteria for Buy-Ins:** Buy-ins by the field missions and the Bureau will be the primary mechanism through which the RSM/EA will deliver technical assistance. Buy-ins for technical assistance should be consistent with the field mission's project purpose and overall country development strategy. And, buy-ins above the field mission's projected semi-annual buy-in level can be accommodated by submitting additional and individual PIO/Ts.

**D. Criteria for PSC Services vs TA through Core Contract:** The field missions and the RSM/EA may procure long term technical assistance services directly via a personal services contractor (PSC) or through the core contract. The criteria for selecting the appropriate venue will be contingent upon (a) the scope of work envisioned (e.g., duties and responsibilities) including the need for direct day-to-day supervision by USDH personnel; (b) the appropriateness of "cost-sharing" the services (i.e., the ability or inability to mix operating expense funds with program/project funds); (c) the overall cost of the technical assistance desired; and (d) the level of management burden created for the field mission or RSM/EA. This project will comply with standard A.I.D. guidelines for use of operating expense vs. program funds for contract activities.

#### **E. Grants and Cooperative Agreements**

In order to provide a greater range of implementation options for the field missions, the Bureau and the RSM/EA, the RSM/EA will have the authority to make grants and enter into Cooperative Agreements with NGOs, PVOs and other eligible entities when either mechanism affords implementation advantages. Should an opportunity arise to provide a grant to a non-U.S. entity, then adequate funds will be set aside within the grant to perform a pre-grant audit to ensure adequate financial and administrative accountability.

#### **F. Commodities**

A limited amount of commodities related to project implementation may be acquired. Procurement may include computers, office supplies, vehicles, etc. as needed. Eligible source/origin countries for project funded procurement are the U.S., Cooperating Countries for local cost financing, unless otherwise included by waiver.

#### **G. Gray Amendment Firms**

The RSM/EA is interested in utilizing Gray Amendment firms to the greatest degree possible. The unique nature of this project would be particularly suited to Gray Amendment firms familiar with the language, culture and economy of southeast and east Asian countries. The RSM/EA believes that this project's success could be significantly enhanced with participation by Gray Amendment firms. Therefore, the technical assistance required for this

project will be provided through open competition, with special consideration given to firms submitting proposals that utilize minority-owned or economically disadvantaged firms. The RSM/EA maintains the option to contract directly with Gray Amendment firms.

#### V. PROJECT EVALUATION

RTSP will have two evaluations, the first evaluation will occur at the end of the third year (FY 96) and the final evaluation will occur near the PACD date (FY00).

The evaluation's primary focus will examine the effectiveness of the technical assistance components vis-a-vis achieving the project purpose. Special attention will be given to determining the adequacy of the initial technical assistance design and the results attained given the technical assistance interventions. These evaluations will also focus on any implementation difficulties and offer solutions.

The RSM/EA will have responsibility for selecting a contractor for project evaluation services. Adequate funds from the core contract (approximately \$500,000) will be set aside to ensure thorough and timely evaluations.

#### VI. PROJECT ANALYSES

There are a plethora of identified development needs that this project will address, some require discrete and short-term interventions while others require longer term engagement. As noted, some are common to the region as a whole, others are unique to a particular country's history or current (but evolving) economic landscape. Consequently, the following project analyses are discussed in general terms.

RTSP ultimately benefits the people of Southeast and East Asia. The project purpose is to strengthen the transfer and application of technology and information in this region. Project activities, relying largely upon cutting edge technology and U.S. technical expertise, makes achieving the project purpose technically feasible. For sustainable and diversified economic growth, this region needs access to modern technology. RTSP provides long-term and short-term U.S. technical assistance that addresses a broad spectrum of development needs. As additional regional activities are identified, the technical assistance component will remain responsive to these new focusses.

The concept of providing technical support services regionally has been successful in Africa and is well suited for this environment of greatly reduced technical and staffing resource levels. Due to the increasing fiscal constraints and worldwide development needs, A.I.D. can no longer afford the relatively large bilateral

portfolios in Southeast Asia of the 1950s and 1960s. RTSP provides a workable and cost-efficient solution in meeting this region's need for flexible technical support services.

In several of the countries which the RSM/EA will provide technical support, A.I.D.'s prior history of assistance and the host governments' prior experience in working with A.I.D. can enhance this project's success. Moreover, many of these past associations will enable the host governments to actively participate in identifying development needs and formulating development strategies. Such participation and collaboration can strengthen RTSP' project interventions and greatly increases the likelihood of attaining project objectives.

Pursuant to the Initial Environmental Examination, the RTSP project will not have a negative affect upon the environment (see appended IEE). All RTSP project designs will include an environmental assessment or risk analysis. Project funds will be available to conduct environmental analyses as necessary.

## **VII. CONDITIONS PRECEDENT, COVENANTS AND WAIVERS**

### **A. Conditions Precedent and Covenants**

There are no Conditions Precedent to awarding the Core Contract. Future project designs (of yet to be designed "requirements contracts") may require the addition of Conditions Precedent. The obligating instruments will contain all and any applicable covenants as required by Handbook 3.

### **B. Waivers**

RTSP does not request any waivers.

INITIAL ENVIRONMENTAL EXAMINATION

- (A) PROJECT COUNTRY: Regional Support Mission / East Asia
- (B) ACTIVITY: Regional Technical Support Project
- (C) A.I.D. FUNDING: \$10 million
- (D) PERIOD OF FUNDING: FY93 - FY00
- (E) STATEMENT PREPARED BY: Lawrence Hardy  
Lawrence Hardy, RSM/EA, PDO
- (F) ENVIRONMENTAL ACTION RECOMMENDED: Negative Determination
- (G) ENVIRONMENTAL OFFICER CLEARANCE: David Foster  
David Foster
- (H) RSM/EA DECISION: APPROVED EMonis  
DISAPPROVED \_\_\_\_\_  
DATE 2/26/93
- (I) DECISION OF ASIA BUREAU'S ENVIRONMENTAL COORDINATOR: APPROVED M. Vax, ASIA/DR/TR  
DISAPPROVED \_\_\_\_\_  
DATE April 9, 1993

Examination of Nature, Scope and Magnitude of Environmental Impacts

A. Description of Project

The project will provide approximately \$10 million of technical assistance to transfer both the technical expertise and technology needed to solve critical development problems in Southeast and East Asia over the next seven years. The project will provide long and short-term technical assistance throughout the region to meet a wide range of development needs. An inexhaustive list of the technical assistance envisioned include economic policy formulation and

REGIONAL TECHNICAL SUPPORT PROJECT

Illustrative Levels of Effort  
by Function / Activity

	Eligible Uses/Activities under Core Funds	Buy-Ins	Illustrative LOE	Revised LOE (Best Estimate)
RSM/EA	Environment Evaluation Population Health Private Sector Agriculture Economic Policy Planning Democracy PL 480 Sector, Sub-sector Analysis  Participant Training Finance/Audit Program Economist PVO Coordinator Conference Planning Logistics Project Design	Not Applicable	(10 Two Year LT Contrts) X (\$258,100/year) = \$5,162,000  (15 Two Month ST Contrts) X (\$22,366/month) = \$671,000	
Cambodia	see RSM/EA	PVO Coordinator Democracy Evaluation Finance/Audit Economic Planning Logistics/Administration Civil Engineering Health HIV/AIDS Rural Development Private Sector	(12 Two Yr LT Contrts) X (\$258,100/year) = \$6,194,000  (15 Two Month ST Contrts) X (\$22,366/month) = \$671,000	
Mongolia	see RSM/EA	Energy Policy Planning Privatization Democracy Logistics	(8 Two Year LT Contrts) X (\$258,100/year) = \$4,130,000  (20 Two Month ST Contrts) X (\$22,366/month) = \$895,000	
Thailand	see RSM/EA	Environment HIV/AIDS Evaluation	(3 Two Year LT Contrts) X (\$258,100/year) = \$1,549,000  (6 Two Month ST Contrts) X (\$22,366/month) = \$268,000	
Asia Bureau	Not Applicable	Economic Policy Reviews Sector Assessments Democracy Environment Private Sector Civil Engineering Health Population PVO Coordination Project Development PL 480	(4 Two-Year ST Contract) X (\$258,100) = \$2,065,000  (20 Two Month ST Contract) X (\$22,366/month) = \$895,000	

Illustrative LOE Synopsis

o	37 Two Year Long Term Contracts	@ \$258,100/year	=	\$19,099,400
o	76 Two Month Short Term Contracts	@ \$ 22,366/month	=	3,199,632
o	25% increase in ST Contracts: 76X.25	@ \$22,366/month	=	849,908

**REGIONAL TECHNICAL SUPPORT PROJECT  
(410-0004)  
LOGICAL FRAMEWORK**

**LOP FUNDING: \$22 MILLION  
PACD: 9/30/00**

NARRATIVE	OBJECTIVELY VERIFIABLE INDICATORS	MEANS OF VERIFICATION	IMPORTANT ASSUMPTIONS
<p>Goal: to assist SE and East Asian countries in accelerating both broad-based and environmentally-conscious economic growth</p>	<p>*sustained economic performance in targeted countries; *measurable improvement in environment indicators, air quality, water quality, etc.</p>	<p>*international and national level economic reporting, *global environment surveys</p>	<p>*political stability *international trade and investment climate continues to favor Asia countries</p>
<p>Purpose: to transfer the technical expertise needed to help solve critical development problems in select East Asian countries</p>	<p>EOP Status: 1. Targeted countries have effective programs in areas assisted by project, e.g. environment, democracy, privatization, public health, family planning, technology transfer, etc.</p>	<p>Project evaluation</p>	<p>1. Regional missions take advantage of contract mechanism and buy-in for technical services. 2. Complementary activities will be in place (mission programs).</p>
<p>Outputs: feasibility studies, sector strategies, analyses, evaluations, program and project planning documents in a variety of sectors to be determined during implementation</p>	<p>To be determined during periodic scheduling of services under project</p>	<p>contractor reports evaluations</p>	<p>1. contract mechanism is effective means of providing ta (access to appropriate ta, etc.)</p>
<p>Inputs: technical assistance (institutional contract and PSCs) commodities</p>	<p>Estimated financing: Contract: \$19 million PSCs: \$2.5 million Evaluation: \$0.5 million</p>	<p>Contracts in Place</p>	

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TO RUEHFK/AMEMBASSY BANGKOK PRIORITY 5953  
RUEHFF/USMISSION PHNOM PENH PRIORITY 4491  
RUEHFM/AMEMBASSY ULAANBAATAR PRIORITY 5187  
INFO RUEHML/AMEMBASSY MANILA 9294  
RUEHJJA/AMEMBASSY JAKARTA 1423  
RUEHVA/AMEMBASSY SUVA 7138  
RUEHKT/AMEMBASSY KATHMANDU 30C5  
RUEHCP/AMEMBASSY SINGAPORE 7172

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AIDAC FOR RSM/EA, T. REFSE, OAR/PHNOM PENH AND OAR/UULAANB  
E.O. 12356: N/A  
TAGS:  
SUBJECT: JOINT REVIEW OF DESIGN ISSUES -- REGIONAL  
TECHNICAL SUPPORT PROJECT (41V-P274)

REF: (A) STATE 113144; AND (H) STATE 075151

1. THIS CABLE SUPERSEDES REFTEL (A) IN WHICH PARA. 3 APPARENTLY WAS GARBLED DURING TRANSMISSION.

2. A JOINT REVIEW COMMITTEE WAS CONVENED ON MARCH 23, 1993, TO DISCUSS THE REGIONAL TECHNICAL SUPPORT PROJECT (RTSP) DESIGN ISSUES OUTLINED IN REFTEL (B). CHAIRED BY ASIA/DR/PD, JIM DEMPSEY, THE MEETING PROVIDED AN OPPORTUNITY FOR THE RSM/EA DIRECTOR AND DEPUTY DIRECTOR, THE A-3AA/ASIA, AND A.I.D. REPS FROM CAMBODIA AND MONGOLIA TO REACH AGREEMENT ON CERTAIN PRINCIPLES FOR RTSP, AND ON THE NEXT STEPS IN THE PROJECT DEVELOPMENT PROCESS. BASED ON THESE AGREEMENTS, THE A-AA/ASIA AUTHORIZES THE REGIONAL SUPPORT MISSION FOR EAST ASIA (RSM/EA) TO PROCEED WITH PROJECT DEVELOPMENT AND AUTHORIZE THE RTSP.

3. RTSP PRECEPTS, RSM/EA AND CLIENT POSTS (CAMBODIA, MONGOLIA, THAILAND, AND OTHERS AS IDENTIFIED BY THE BUREAU) WILL WORK TOGETHER TO DEVELOP AND IMPLEMENT THE RTSP TO MEET REGIONAL AND BILATERAL PROGRAM NEEDS. A.I.D./W WILL HAVE ACCESS TO RTSP TO ASSIST IN DEVELOPING NEW COUNTRY PROGRAMS IN THE REGION. RTSP'S OBJECTIVE IS TO REDUCE THE BURDEN ON CLIENT POSTS OF FUNDING CERTAIN TECHNICAL REQUIREMENTS; AND/OR, TO EASE THE BURDEN ON POSTS OF CONTRACTING AND/OR MANAGING COUNTRY ACTIVITIES. THE PROJECT WILL BE BROAD-BASED AND FLEXIBLE, RESPONDING QUICKLY AND EFFECTIVELY TO POSTS' REQUESTS FOR ASSISTANCE.

4. NEXT STEPS. RSM/EA WILL PROCEED WITH PROJECT DEVELOPMENT. A-AA/ASIA DELEGATES AUTHORITY TO THE DIRECTOR, RSM/EA TO AUTHORIZE THE PROJECT IN THE FIELD. PRIOR TO PROJECT AUTHORIZATION, A PROJECT REVIEW COMMITTEE COMPOSED OF PROSPECTIVE USERS (INCLUDING A.I.D./W) WILL BE CONVENED IN BANGKOK TO ENSURE THAT DESIGN ISSUES ARE DEALT WITH IN LINE WITH THE FOLLOWING AGREEMENTS REACHED IN THE MARCH 23 MEETING.

-- A. RTSP WILL RESPOND TO REQUIREMENTS ON TWO TRACKS: CORE AND BUY-IN (THROUGH PROJECT OR OYN TRANSFER OF FUNDS).

THE CORE WILL FUND TECHNICAL ASSISTANCE TO ADDRESS PROJECT AND PROGRAM DESIGN AND IMPLEMENTATION REQUIREMENTS; AND, EVALUATION, STRATEGIC PLANNING, AND PROGRAM MANAGEMENT REQUIREMENTS. THE CORE WILL ALSO FUND THE COSTS OF RECRUITMENT AND PLACEMENT OF TECHNICAL ASSISTANCE PROVIDED WITH EITHER CORE OR BUY-IN MONIES. FINALLY, IN COLLABORATION WITH CLIENT POSTS, THE DIRECTOR OF RSM WILL USE CORE FUNDS TO HIRE LONG-TERM STAFF TO SUPPORT CLIENT POSTS. THE STAFF MAY BE STATIONED IN BANGKOK OR OTHER CLIENT POSTS DEPENDING ON NEEDS.

CLIENT POSTS MAY BUY INTO THE RTSP CONTRACT FOR TECHNICAL ASSISTANCE TO MEET NEEDS IN LINE WITH THE CONTRACT SOW. CLIENT POST BUY-INS WILL BE OVER AND ABOVE THE UP TO USD 3 MILLION FIRST-YEAR, AND USD 10 MILLION LIFE-OF-PROJECT, PLANNED, CORE FUNDING LEVELS. THE PROJECT'S COMPARATIVELY LARGE, BUY-IN WINDOW WILL GIVE CLIENT THE FLEXIBILITY TO TAP A RANGE OF RESOURCES TO MEET LONGER-TERM NEEDS SUCH AS SUPPORT TO GOVERNMENT MINISTRIES TO HELP BRING ABOUT FUNDAMENTAL POLICY CHANGES. CLIENT POSTS MAY USE THE SERVICES OF RTSP-RESIDENT EXPERTS OR PROCURE REQUIRED SERVICES FROM OTHER SOURCES SUCH AS BILATERAL TECHNICAL SUPPORT PROJECTS, PSC CONTRACTS, ETC.

RSM WILL ENSURE THAT PROPOSED USES OF RTSP ARE IN LINE WITH PROJECT AND CONTRACT OBJECTIVES. IN COLLABORATION WITH CLIENT POSTS, THE RSM/EA DIRECTOR WILL MAKE FINAL DETERMINATIONS ON THE ALLOCATION OF CORE FUNDS, AND IS ACCOUNTABLE FOR THESE RESOURCES. CLIENT POSTS WILL DIRECT

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	FIN	✓
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	EPI	✓
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AND MANAGE CONTRACTORS STATIONED IN THEIR COUNTRIES.

-- B. THE THAILAND BILATERAL PROGRAM CAN ACCESS CORE FUNDS. IN CONSULTATION WITH PROSPECTIVE CLIENTS, INCLUDING A.I.D./W, AN EXPENDITURE CEILING WILL BE SET ON THE USE OF CORE FUNDS FOR THE THAILAND PROGRAM. AUTHORIZATION OF FUNDING BEYOND SUCH A LEVEL WILL HAVE TO COME FROM AA/ASIA.

-- C. TO ENSURE FLEXIBILITY AND ACCESS TO AVAILABLE ASSISTANCE, CLIENT POSTS MAY IMPLEMENT THEIR OWN BILATERAL TECHNICAL ASSISTANCE PROJECTS IN ADDITION TO USING RTSP.

-- D. OE FUNDS MAY BE USED TO PROCURE ADMINISTRATIVE SUPPORT UNDER THIS PROJECT, SUBJECT TO REVIEW OF OE RESTRICTIONS.

-- E. PRIOR TO PREPARATION OF THE FINAL VERSION OF THE PROJECT PAPER AND BEFORE AUTHORIZATION OF THE PROJECT, THE JOINT REVIEW COMMITTEE (RSM/EA, A.I.D./W AND PROSPECTIVE REGIONAL USERS OF RTSP) WILL MEET IN BANGKOK TO DETERMINE PROJECT OPERATIONAL AND FUNDING PRIORITIES AND PROCEDURES; BUILDING ON THE AGREEMENTS REACHED IN THE MARCH 23 MEETING.

5. REQUEST RSM/EA ADVISE ASIA/EA, ASIA/DR AND RELEVANT A.I.D. REFS OF PLANNED DATE FOR JOINT REVIEW OUTLINED IN 3(E).

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ANNEX IV

Certification Pursuant To Utilization of  
Gray Amendment Organizations

I, Thomas H. Reese III, Mission Director, Regional Support Mission, East Asia for the Agency for International Development, have taken into account the potential involvement of small and/or economically disadvantaged enterprises, do hereby certify that for technical assistance required from the U.S., every effort will be made to identify a small or disadvantaged firm to provide assistance. My judgement is based on the recommendations of the Project Review Committee.

  
\_\_\_\_\_  
Thomas H. Reese III  
Mission Director  
Regional Support Mission /  
East Asia

  
\_\_\_\_\_  
Date

**5C(2) - ASSISTANCE CHECKLIST**

CROSS REFERENCE: ARE COUNTRY CHECKLISTS UP  
TO DATE? N/A Regional Project

A. CRITERIA APPLICABLE TO BOTH  
DEVELOPMENT ASSISTANCE AND ECONOMIC  
SUPPORT FUNDS

1. **Host Country Development Efforts**  
(FAA Sec. 601(a)): Information and  
conclusions on whether assistance will  
encourage efforts of the country to:  
(a) increase the flow of international  
trade; (b) foster private initiative and  
competition; (c) encourage development and  
use of cooperatives, credit unions, and  
savings and loan associations; (d)  
discourage monopolistic practices; (e)  
improve technical efficiency of industry,  
agriculture, and commerce; and (f)  
strengthen free labor unions.

N/A Regional Project  
See A. 9, below.

2. **U.S. Private Trade and Investment**  
(FAA Sec. 601(b)): Information and  
conclusions on how assistance will  
encourage U.S. private trade and investment  
abroad and encourage private U.S.  
participation in foreign assistance  
programs (including use of private trade  
channels and the services of U.S. private  
enterprise).

N/A See A. 10, below.

3. **Congressional Notification**

a. **General requirement** (FY 1993  
Appropriations Act Sec. 522; FAA Sec.  
634A): If money is to be obligated for an  
activity not previously justified to  
Congress, or for an amount in excess of  
amount previously justified to Congress,  
has Congress been properly notified (unless  
the Appropriations Act notification  
requirement has been waived because of  
substantial risk to human health or  
welfare)?

A CN has been prepared.  
No obligations will occur  
under the project until  
the notification period  
has expired without  
congressional objection.

b. **Notice of new account**  
**obligation** (FY 1993 Appropriations Act Sec.  
514): If funds are being obligated under  
an appropriation account to which they were  
not appropriated, has the President  
consulted with and provided a written

N/A

justification to the House and Senate Appropriations Committees and has such obligation been subject to regular notification procedures?

**C. Cash transfers and nonproject sector assistance (FY 1993 Appropriations Act Sec. 571(b) (3)):** If funds are to be made available in the form of cash transfer or nonproject sector assistance, has the Congressional notice included a detailed description of how the fund will be used, with a discussion of U.S. interests to be served and a description of any economic policy reforms to be promoted?

N/A

**4. Engineering and Financial Plans (FAA Sec. 611 (a)):** Prior to an obligation in excess of \$500,000, will there be: (a) engineering, financial or other plans necessary to carry out the assistance; and (b) a reasonably firm estimate of the cost to the U.S. of the assistance?

N/A

**5. Legislative Action (FAA Sec. 611(a) (2)):** If legislative action is required within recipient country with respect to an obligation in excess of \$500,000, what is the basis for a reasonable expectation that such action will be completed in time to permit orderly accomplishment of the purpose of the assistance?

N/A

**6. Water Resources (FAA Sec. 611(b); FY 1993 Appropriations Act Sec. 501):** If project is for water or water-related land resource construction, have benefits and costs been computed to the extent practicable in accordance with the principles, standards, and procedures established pursuant to the Water Resources Planning Act (42 U.S.C. 1962, et seq.)? (See A.I.D. Handbook 3 for guidelines.)

N/A

**7. Cash Transfer and Sector Assistance (FY 1993 Appropriations Act Sec. 571 (b)):** Will cash transfer or nonproject sector assistance be maintained in a separate account and not commingled with other funds (unless such requirements are waived by Congressional notice for nonproject sector assistance)?

N/A

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8. **Capital Assistance** (FAA Sec. 611(e)): If project is capital assistance (e.g., construction), and total U.S. assistance for it will exceed \$1 million, has Mission Director certified and Regional Assistant Administrator taken into consideration the country's capability to maintain and utilize the project effectively?

N/A

9. **Multiple Country Objectives** (FAA Sec. 601(a)): Information and conclusions on whether projects will encourage efforts of the countries to: (a) increase the flow of international trade; (b) foster private initiative and competition; (c) encourage development and use of cooperatives, credit unions, and savings and loan associations; (d) discourage monopolistic practices; (e) improve technical efficiency of industry, agriculture and commerce; and (f) strengthen free labor unions.

This project is designed to provide critical technical assistance in the areas of privatization, economic p.p., entrepreneurship, and democracy which are key elements to economic growth, stability and greater international trade and investment.

10. **U.S. Private Trade** (FAA Sec. 601(b)): Information and conclusions on how project will encourage U.S. private trade and investment abroad and encourage private U.S. participation in foreign assistance programs (including use of private trade channels and the services of U.S. private enterprise).

This project will greatly enhance the economic infrastructure of this region which will pave the way for U.S. investment and trade opportunities.

#### 11. **Local Currencies**

a. **Recipient Contributions** (FAA Secs. 612(b), 636(h)): Describe steps taken to assure that, to the maximum extent possible, the country is contributing local currencies to meet the cost of contractual and other services, and foreign currencies owned by the U.S. are utilized in lieu of dollars.

N/A

b. **U.S.-Owned Currency** (FAA Sec. 612(d)): Does the U.S. own excess foreign currency of the countries and, if so, what arrangements have been made for its release?

Cambodia - No  
Mongolia - No  
Thailand - No

c. **Separate Account** (FY 1993 Appropriations Act Sec. 571). If assistance is furnished to a foreign government under arrangement which result in the generation of local currencies:

N/A

(1) Has A.I.D. (a) required that local currencies be deposited in a separate account established by the recipient government, (b) entered into an agreement with that government providing the amount of local currencies to be generated and the terms and conditions under which the currencies so deposited may be utilized, and (c) established by agreement the responsibilities of A.I.D. and that government to monitor and account for deposits into and disbursements from the separate account?

(2) Will such local currencies, or an equivalent amount of local currencies, be used only to carry out the purposes of the DA or ESF chapters of the FAA (depending on which chapter is the source of the assistance) or for the administrative requirements of the United States Government?

(3) Has A.I.D. taken all appropriate steps to ensure that the equivalent of local currencies disbursed from the separate account are used for the agreed purposes?

(4) If assistance is terminated to a country, will any unencumbered balances of funds remaining in a separate account be disposed of for purposes agreed to by the recipient government and the United States Government?

## 12. Trade Restrictions

(a) Surplus Commodities (F 1993 Appropriations Act Sec. 520(a)): If assistance is for the production of any commodity for export, is the commodity likely to be in surplus on world markets at the time the resulting productive capacity becomes operative, and is such assistance likely to cause substantial injury to U.S. producers of the same, similar or competing commodity?

N/A

(b) Textiles (Lautenberg Amendment) (FY 1993 Appropriations Act Sec. 520(c)): Will the assistance (except for programs in Caribbean Basin Initiative

Cambodia - No  
Mongolia - No  
Thailand - No

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countries under U.S. Tariff Schedule "Section 807," which allows reduced tariffs on articles assembled abroad from U.S.-made components) be used directly to procure feasibility studies, prefeasibility studies, or project profiles of potential investment in, or to assist the establishment of facilities specifically designed for, the manufacture for export to the United States or to third country markets indirect competition with U.S. exports, of textiles, apparel, footwear, handbags, flat goods (such as wallets or coin purses worn on the person), work gloves or leather wearing apparel?

13. **Tropical Forests** (FY 1991 Appropriations Act Sec. 533 (c)(3) (as referenced in section 532(d) of the FY 1993 Appropriations Act): Will funds be used for any program, project or activity which would (a) result in any significant loss of tropical forests, or (b) involve industrial timber extraction in primary tropical forest areas?

Cambodia - No  
Mongolia - No  
Thailand - No

14. **PVO Assistance**

a. **Auditing and registration** (FY 1993 Appropriations Act Sec. 536): If assistance is being made available to a PVO, has that organization provided upon timely request any document, file, or record necessary to the auditing requirements of A.I.D., and is the PVO registered with A.I.D.?

Cambodia - No  
Mongolia - No  
Thailand - No

b. **Funding sources** (FY 1993 Appropriations Act, Title II, under heading "Private and Voluntary Organizations"): If assistance is to be made to a United States PVO (other than a cooperative development organization), does it obtain at least 20 percent of its total annual funding for international activities from sources other than the United States Government?

15. **Project Agreement Documentation** (State Authorization Sec. 139 (as interpreted by conference report)): Has confirmation of the date of signing of the project agreement, including the amount involved, been cabled to State L/T and A.I.D. LEG within 60 days of the

N/A Will be obligated through contract actions not thru Project Agreements

agreement's entry into force with respect to the United States, and has the full text of the agreement been pouched to those same offices? (See Handbook 3, Appendix 6G for agreement covered by this provision).

16. **Metric System** (Omnibus Trade and Competitiveness Act of 1988 Sec. 5164, as interpreted by conference report, amending Metric Conversion Act of 1975 Sec. 2, and as implemented through A.I.D. policy): Does the assistance activity use the metric system of measurement in its procurements, grants, and other business-related activities, except to the extent that such use is impractical or is likely to cause significant inefficiencies or loss of markets to United States firms? Are bulk purchases usually to be made in metric, and are components, subassemblies, and semi-fabricated materials to be specified in metric units when economically available and technically adequate? Will A.I.D. specifications use metric units of measure from the earliest programmatic stages, and from the earliest documentation of the assistance processes (for example, project papers) involving quantifiable measurements (length, area, volume, capacity, mass and weight), through the implementation stage?

Cambodia - Yes  
Mongolia - Yes  
Thailand - Yes

17. **Women in Development** (FY 1993 Appropriations Act, Title II, under heading "Women in Development"): Will assistance be designed so that the percentage of women participants will be demonstrably increased?

Yes

18. **Regional and Multilateral Assistance** (FAA Sec. 209): Is assistance more efficiently and effectively provided through regional or multilateral organizations? If so, why is assistance not so provided? Information and conclusions on whether assistance will encourage developing countries to cooperate in regional development programs.

The presence of multilateral programs (e.g. ADB) does not necessarily guarantee the furtherance of specific U.S. social and economic development objectives. Therefore, the most efficient and effective means of achieve this goal is through A.I.D. contract actions.

19. **Abortions** (FY 1993 Appropriations Act, Title II, under heading "Population, DA," and Sec. 524):

a. Will assistance be made available to any organization or program

No

which, as determined by the President, supports or participates in the management of a program of coercive abortion or involuntary sterilization?

b. Will any funds be used to lobby for abortion? No

20. **Cooperatives** (FAA Sec. 111): Will assistance help develop cooperatives, especially by technical assistance, to assist rural and urban poor to help themselves toward a better life? N/A

21. **U.S.-Owned Foreign Currencies**

a. **Use of currencies** (FAA Secs. 612(b), 636(h); FY 1993 Appropriations Act Sec. 507, 509): Are steps being taken to assure that, to the maximum extent possible, foreign currencies owned by the U.S. are utilized in lieu of dollars to meet the cost of contractual and other services. Yes

b. **Release of currencies** (FAA Sec. 612(d)): Does the U.S. own excess foreign currency of the countries and, if so, what arrangements have been made for its release? Cambodia -  
Mongolia - No  
Thailand -

22. **Procurement**

a. **Small business** (FAA Sec. 602(a)): Are there arrangements to permit U.S. small business to participate equitably in the furnishing of commodities and services financed? Yes

b. **U.S. procurement** (FAA Sec. 602(a) as amended by section 597 of the FY 1993 Appropriations Act): Will all procurement be from the U.S., the recipient countries, or developing countries except as otherwise determined in accordance with the criteria of this section? Yes

c. **Marine insurance** (FAA Sec. 604(d)): If the cooperating countries discriminate against marine insurance companies authorized to do business in the U.S., will commodities be insured in the United States against marine risk with such a company? Yes

d. **Non-U.S. agricultural procurement** (FAA Sec. 604 (e)): If non-U.S. procurement of agricultural commodity or product thereof if to be financed, is there provision against such procurement when the domestic price of such commodity is less than parity? (Exception where commodity financed could not reasonably be procured in U.S.)

N/A

e. **Construction or engineering services** (FAA Sec. 604 (g)): Will construction or engineering services be procured from firms of advanced developing countries which are otherwise eligible under Code 941 and which have attained a competitive capability in international markets in one of these areas? (Exception for those countries which receive direct economic assistance under the FAA and permit United States firms to compete for construction or engineering services financed from assistance programs of these countries.)

N/A

f. **Cargo preference shipping** (FAA Sec. 603): Is the shipping excluded from compliance with the requirement in section 901 (b) of the Merchant Marine Act of 1936, as amended, that at least 50 percent of the gross tonnage of commodities (computed separately for dry bulk carriers, dry cargo liners, and tankers) financed shall be transported on privately owned U.S. flag commercial vessels to the extent such vessels are available at fair and reasonable rates?

N/A

g. **Technical assistance** (FAA Sec. 621 (a)): If technical assistance is financed, will such assistance be furnished by private enterprise on a contract basis to the fullest extent practicable? Will the facilities and resources of other Federal agencies be utilized, when they are particularly suitable, not competitive with private enterprise, and made available without undue interference with domestic programs?

Yes

h. **U.S. air carriers** (International Air Transportation Fair Competitive Practices Act, 1974): If air transportation of persons or property is

Yes

financed on grant basis, will U.S. carriers be used to the extent such service is available?

i. **Termination for convenience of U.S. Government** (FY 1993 Appropriations Act Sec. 504): If the U.S. Government is a party to a contract for procurement, does the contract contain a provision authorizing termination of such contract for the convenience of the United States? Yes

j. **Consulting services** (FY 1993 Appropriations act Sec. 523): If assistance is for consulting service through procurement contract pursuant to 5 U.S.C. 3109, are contract expenditures a matter of public record and available for public inspection (unless otherwise provided by law or Executive order)? Yes

k. **Metric conversion** (Omnibus Trade and Competitiveness Act of 1988, as interpreted by conference report, amending Metric Conversion Act of 1975 Sec. 2, and as implemented through A.I.D. policy): Does the assistance program use the metric system of measurement in its procurements, grants, and other business-related activities, except to the extent that such use is impractical or is likely to cause significant inefficiencies or loss of markets to Untied States firms? Are bulk purchases usually to be made in metric, and are components, subassemblies, and semi-fabricated materials to be specified in metric units when economically available and technically adequate? Will A.I.D. specifications use metric units of measure from the earliest programmatic stages, and from the earliest documentation of the assistance processes (for example, project papers) involving quantifiable measurements (length, area, volume, capacity, mass and weight), through the implementation stage? Yes

l. **Competitive Selection Procedures** (FAA Sec. 601(e)): Will the assistance utilize competitive selection procedures for the awarding of contracts, except where applicable procurement rules allow otherwise? Yes

23. **Construction**
- a. **Capital project** (FAA Sec. 601(d)): If capital (e.g., construction) project, will U.S. engineering and professional services be used? Yes
- b. **Construction contract** (FAA Sec. 611(c)): If contracts for construction are to be financed, will they be let on a competitive basis to maximum extent practicable? Yes
- c. **Large projects, Congressional approval** (FAA Sec. 620(k)): If for construction of productive enterprise, will aggregate value of assistance to be furnished by the U.S. not exceed \$100 million (except for productive enterprises in Egypt that were described in the Congressional Presentation), or does assistance have the express approval of Congress? N/A
24. **U.S. Audit Rights** (FAA Sec. 301(d)): If fund is established solely by U.S. contributions and administered by an international organization, does Comptroller General have audit rights? N/A
25. **Communist Assistance** (FAA Sec. 620(h)): Do arrangements exist to insure that United States foreign aid is not used in a manner which, contrary to the best interests of the United States, promotes or assists the foreign aid projects or activities of the Communist-bloc countries? Yes
26. **Narcotics**
- a. **Cash reimbursements** (FAA Sec. 483): Will arrangements preclude use of financing to make reimbursements, in the form of cash payments, to persons whose illicit drug crops are eradicated? N/A
- b. **Assistance to narcotics traffickers** (FAA Sec. 487): Will arrangements take "all reasonable steps" to preclude use of financing to or through individuals or entities which we know or have reason to believe have either: (1) been convicted of a violation of any law or regulation of the United States or a foreign country relating to narcotics (or

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other controlled substances); or (2) been an illicit trafficker in, or otherwise involved in the illicit trafficking of, any such controlled substance?

27. **Expropriation and Land Reform** (FAA Sec. 620(g)): Will assistance preclude use of financing to compensate owners for expropriated or nationalized property, except to compensate foreign nationals in accordance with a land reform program certified by the President? N/A

28. **Police and Prisons** (FAA Sec. 660): Will assistance preclude use of financing to provide training, advice, or any financial support for police, prisons, or other law enforcement forces, except for narcotics programs? N/A

29. **CIA Activities** (FAA Sec. 662): Will assistance preclude use of financing for CIA activities?

30. **Motor Vehicles** (FAA Sec. 636(i)): Will assistance preclude use of financing for purchase, sale, long-term lease, exchange or guaranty of the sale of motor vehicles manufactured outside U.S., unless a waiver is obtained? Yes

31. **Military Personnel** (FY 1993 Appropriations Act Sec. 503): Will assistance preclude use of financing to pay pensions, annuities, retirement pay, or adjusted service compensation for prior or current military personnel? Yes

32. **Payment of U.N. Assessments** (FY 1993 Appropriations Act Sec. 505): Will assistance preclude use of financing to pay U.N. assessments, arrearages or dues? Yes

33. **Multilateral Organization Lending** (FY 1993 Appropriations Act Sec. 506): Will assistance preclude use of financing to carry out provisions of FAA section 209(d) (transfer of FAA funds to multilateral organizations for lending)? Yes

34. **Export of Nuclear Resources** (FY 1993 Appropriations Act Sec. 510): Will assistance preclude use of financing to finance the export of nuclear equipment, fuel, or technology? N/A

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35. **Repression of Population** (FY 1993 Appropriations Act Sec. 511): Will assistance preclude use of financing for the purpose of aiding the efforts of the government of such country to repress the legitimate rights of the population of such country contrary to the Universal Declaration of Human Rights? Yes

36. **Publicity or Propaganda** (FY 1993 Appropriations Act Sec. 516): Will assistance be used for publicity or propaganda purposes designed to support or defeat legislation pending before Congress, to influence in any way the outcome of a political election in the United States, or for any publicity or propaganda purposes not authorized by Congress? No

37. **Marine Insurance** (FY 1993 Appropriations Act Sec. 560): Will any A.I.D. contract and solicitation, and subcontract entered into under such contract, include a clause requiring that U.S. marine insurance companies have a fair opportunity to bid for marine insurance when such insurance is necessary or appropriate? Yes

38. **Exchange for Prohibited Act** (FY 1993 Appropriations Act Sec. 565): Will any assistance be provided to any foreign government (including any instrumentality or agency thereof), foreign person, or United States person in exchange for that foreign government or person undertaking any action which is, if carried out by the United States Government, a United States official or employee, expressly prohibited by a provision of United States law? No

39. **Commitment of Funds** (FAA Sec. 635(h)): Does a contract or agreement entail a commitment for the expenditure of funds during a period in excess of 5 years from the date of the contract or agreement? No such out puts will be issued.

40. **Impact of U.S. Jobs** (FY 1993 Appropriations Act, Sec. 599):

(a) Will any financial incentive be provided to a business located in the U.S. for the purpose of inducing that business to relocate outside the U.S. in a No

manner that would likely reduce the number of U.S. employees of that business?

(b) Will assistance be provided for the purpose of establishing or developing an export processing zone or designated area in which the country's tax, tariff, labor, environment, and safety laws do not apply? If so, has the President determined and certified that such assistance is not likely to cause a loss of jobs within the U.S.?

No

(c) Will assistance be provided for a project or activity that contributes to the violation of internationally recognized workers rights, as defined in section 502(a)(4) of the Trade Act of 1974, of workers in the recipient country?

No

**B. CRITERIA APPLICABLE TO DEVELOPMENT ASSISTANCE ONLY**

**1. Agricultural Exports (Bumpers Amendment)** (FY 1993 Appropriations Act Sec. 521(b), as interpreted by conference report for original enactment): If assistance is for agricultural development activities (specifically, any testing or breeding feasibility study, variety improvement or introduction, consultancy, publication, conference, or training), are such activities: (1) specifically and principally designed to increase agricultural exports by the host country to a country other than the United States, where the export would lead to direct competition in that third country with exports of a similar commodity grown or produced in the United States, and can the activities reasonably be expected to cause substantial injury to U.S. exporters of a similar agricultural commodity; or (2) in support of research that is intended primarily to benefit U.S. producers?

1) No

2) Yes

**2. Tied Aid Credits** (FY 1993 Appropriations Act, Title II, under heading "Economic Support Fund"): Will DA funds be used for tied aid credits?

No

**3. Appropriate Technology** (FAA Sec. 107): Is special emphasis placed on use of appropriate technology (defined as

Yes

relatively smaller, cost-saving, labor-using technologies that are generally most appropriate for the small farms, small businesses, and small incomes of the poor)?

**4. Indigenous Needs and Resources** (FAA Sec. 281(b)): Describe extent to which the activity recognizes the particular needs, desires, and capacities of the people of the country; utilizes the country's intellectual resources to encourage institutional development; and supports civic education and training in skills required for effective participation in governmental and political processes essential to self-government.

Democracy is a key objective in A.I.D.'s development strategy in Southeast Asia. A.I.D. recognizes the link between a stable political environment and sustainable economic growth.

**5. Economic Development** (FAA Sec. 101(a)): Does the activity give reasonable promise of contributing to the development of economic resources, or to the increase of productive capacities and self-sustaining economic growth?

Yes

**6. Special Development Emphases** (FAA Secs. 102(b), 113, 281(a)): Describe extent to which activity will: (a) effectively involve the poor in development by extending access to economy at local level, increasing labor-intensive production and the use of appropriate technology, dispersing investment from cities to small towns and rural areas, and insuring wide participation of the poor in the benefits of development on a sustained basis, using appropriate U.S. institutions; (b) encourage democratic private and local governmental institutions; (c) support the self-help efforts of developing countries; (d) promote the participation of women in the national economies of developing countries and the improvement of women's status; and (e) utilize and encourage regional cooperation by developing countries.

This project will enable A.I.D. to identify rural development objectives/needs (e.g., entrepreneurship, agriculture activities).

**7. Recipient Country Contribution** (FAA Secs. 110, 124(d)): Will the recipient country provide at least 25 percent of the costs of the program, project, or activity with respect to which the assistance is to be furnished (or is the latter cost-sharing requirement being waived for a "relatively least developed" country)?

N/A

Host government contributions are not required for regional projects.

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8. **Benefit to Poor Majority** (FAA Sec. 128(b)): If the activity attempts to increase the institutional capabilities of private organizations or the government of the country, or if it attempts to stimulate scientific and technological research, has it been designed and will it be monitored to ensure that the ultimate beneficiaries are the poor majority?

Yes

9. **Abortions** (FAA Sec. 104(f); FY 1991 Appropriations Act, Title II, under heading "Population, DA," and Sec. 535):

N/A

a. Are any of the funds to be used for the performance of abortions as a method of family planning or to motivate or coerce any person to practice abortions?

b. Are any of the funds to be used to pay for the performance of involuntary sterilization as a method of family planning or to coerce or provide any financial incentive to any person to undergo sterilizations?

c. Are any of the funds to be made available to any organization or program which, as determined by the President, supports or participates in the management of a program of coercive abortion or involuntary sterilization?

d. Will funds be made available only to voluntary family planning projects which offer, either directly or through referral to, or information about access to, a broad range of family planning methods and services?

e. In awarding grants for natural family planning, will any applicant be discriminated against because of such applicant's religious or conscientious commitment to offer only natural family planning?

f. Are any of the funds to be used to pay for any biomedical research which relates, in whole or in part, to methods of, or the performance of, abortions or involuntary sterilization as a means of family planning?

g. Are any of the funds to be made available to any organization if the President certifies that the use of these funds by such organization would violate any of the above provisions related to abortions and involuntary sterilization?

10. **Contract Awards** (FAA Sec. 601(e)): Will the project utilize competitive selection procedures for the awarding of contracts, except where applicable procurement rules allow otherwise?

Yes

11. **Disadvantaged Enterprises** (FY 1993 Appropriations Act Sec. 563): What portion of the funds will be available only for activities of economically and socially disadvantaged enterprise, historically black colleges and universities, colleges and universities having a student body in which more than 40 percent of the students are Hispanic Americans, and private and voluntary organizations which are controlled by individuals who are black Americans, Hispanic American, or Native Americans, or who are economically or socially disadvantaged (including women)?

The Grey Amendment will be complied with.

12. **Biological Diversity** (FAA Sec. 119(g)): Will the assistance: (a) support training and education efforts which improve the capacity of recipient countries to prevent loss of biological diversity; (b) be provided under a long-term agreement in which the recipient country agrees to protect ecosystems or other wildlife habitats; (c) support efforts to identify and survey ecosystems in recipient countries worthy of protection; or (d) by any direct or indirect means significantly degrade national parks or similar protected areas or introduce exotic plants or animals into such areas?

Yes

13. **Tropical Forests** (FAA Sec. 118; Fy 1991 Appropriations Act. Sec. 533(c) as referenced in section 523(d) of the FY 1993 Appropriations Act):

N/A

a. **A.I.D. Regulation 16**: Does the assistance comply with the environmental procedures set forth in A.I.D. Regulation 16?

Yes

b. Conservation: Does the assistance place a high priority on conservation and sustainable management of tropical forests? Specifically, does the assistance, to the fullest extent feasible:

- (1) stress the importance of conserving and sustainably managing forest resources;
- (2) support activities which offer employment and income alternatives to those who otherwise would cause destruction and loss of forests, and help countries identify and implement alternatives to colonizing forested areas;
- (3) support training programs, educational efforts, and the establishment or strengthening of institutions to improve forest management;
- (4) help end destructive slash-and-burn agriculture by supporting stable and productive farming practices;
- (5) help conserve forests which have not yet been degraded by helping to increase production on lands already cleared or degraded;
- (6) conserve forested watersheds and rehabilitate those which have been deforested;
- (7) support training, research, and other actions which lead to sustainable and more environmentally sound practices for timber harvesting, removal, and processing;
- (8) support research to expand knowledge of tropical forests and identify alternatives which will prevent forest destruction, loss, or degradation;
- (9) conserve biological diversity in forest areas by supporting efforts to identify, establish, and maintain a representative network of protected tropical forest ecosystems on a worldwide basis, by making the establishment of protected areas a condition of support for activities involving forest clearance or degradation, and by helping to identify tropical forest ecosystems and species in need of protection and establish and maintain appropriate protected areas;
- (10) seek to increase the awareness of U.S. Government agencies and other donors of the immediate and long-term value of tropical forests;
- (11) utilize the resources and abilities of all relevant u.s. government agencies;
- (12) be based upon careful analysis of the alternatives available to achieve the best sustainable use of the land; and
- (13) take full account of the environmental impacts of the proposed activities on biological diversity?

c. Forest degradation: Will assistance be used for: (1) the procurement of use of logging equipment, unless an environmental assessment indicates that all timber harvesting operations involved will be conducted in an environmentally sound manner and that the proposed activity will produce positive economic benefits and sustainable forest management systems; (2) actions which will significantly degrade national parks or similar protected areas which contain tropical forests, or introduce exotic plants or animals into such areas; (3) activities which would result in the conversion of forest lands to the rearing of livestock; (4) the construction, upgrading, or maintenance of roads (including temporary haul roads for logging or other extractive industries) which pass through relatively undergraded forest lands; (5) the colonization of forest lands; or (6) the construction of dams or other water control structures which flood relatively undergraded forest lands, unless with respect to each such activity an environmental assessment indicates that the activity will contribute significantly and directly to improving the livelihood of the rural poor and will be conducted in an environmentally sound manner which supports sustainable development?

N/A

d. Sustainable forestry: If assistance relates to tropical forests, will project assist countries in developing a systematic analysis of the appropriate use of their total tropical forest resources, with the goal of developing a national program for sustainable forestry?

N/A

e. Environmental impact statements: Will funds be made available in accordance with provisions of FAA Section 117(c) and applicable A.I.D. regulations requiring an environmental

N/A

impact statement for activities significantly affecting the environment?

14. Energy (FY 1991 Appropriations Act Sec. 533(c) as referenced in section 532(d) of the FY 1993 Appropriations Act): If assistance relates to energy, will such

Yes

assistance focus on: (a) end-use energy efficiency, least-cost energy planning, and renewable energy resources, and (b) the key countries where assistance would have the greatest impact on reducing emissions from greenhouse gases?

15. **Debt-for-Nature Exchange** (FAA Sec. 463): If project will finance a debt-for-nature exchange, describe how the exchange will support protection of: (a) the world's oceans and atmosphere, (b) animal and plant species, and (c) parks and reserves; or describe how the exchange will promote: (d) natural resource management, (e) local conservation programs, (f) conservation training programs, (g) public commitment to conservation, (h) land and ecosystem management, and (i) regenerative approaches in farming, forestry, fishing, and watershed management.

N/A

16. **Deobligation/Reobligation** (FY 1993 Appropriations Act Sec. 515): If deob/reob authority is sought to be exercised in the provision of DA assistance, are the funds being obligated for the same general purpose, and for countries within the same region as originally obligated, and have the House and Senate Appropriations Committees been properly notified?

N/A

17. **Loans**

a. **Repayment capacity** (FAA Sec. 122(b)): Information and conclusion on capacity of the countries to repay the loan at a reasonable rate of interest.

N/A

b. **Long-range plans** (FAA Sec. 122(b)): Does the activity give reasonable promise of assisting long-rang plans and programs designed to develop economic resources and increase productive capacities?

N/A

c. **Interest rate** (FAA Sec. 122(b)): If development loan is repayable in dollars, is interest rate at least 2 percent per annum during a grace period which is not to exceed ten years, and at least 3 percent per annum thereafter?

N/A

d. Exports to United States (FAA Sec. 620(d)): If assistance is for any productive enterprise which will compete with U.S. enterprises, is there an agreement by the recipient country to prevent export to the U.S. of more than 20 percent of the enterprise's annual production during the life of the loan, or has the requirement to enter into such an agreement been waived by the President because of a national security interest?

N/A

18. Development Objectives (FAA Secs. 102(a), 111, 113, 281(a)): Extent to which activity will: (1) effectively involve the poor in development, by expanding access to economy at local level, increasing labor-intensive production and the use of appropriate technology, spreading investment out from cities to small towns and rural areas, and insuring wide participation of the poor in the benefit of development on a sustained basis, using the appropriate U.E. institutions; (2) help develop cooperatives, especially by technical assistance, to assist rural and urban poor to help themselves toward better life, and otherwise encourage democratic private and local governmental institutions; (3) support the self-help efforts of developing countries; (4) promote the participation of women in the national economies of developing countries and the improvement of women's status; and (5) utilize and encourage regional cooperation by developing countries?

See A. 9 above.

19. Agriculture, Rural Development and Nutrition, and Agricultural Research (FAA Secs. 103 and 103A):

a. Rural poor and small farmers: If assistance is being made available for agriculture, rural development or nutrition, describe extent to which activity is specifically designed to increase productivity and income of rural poor; or if assistance is being made available for agricultural research, has account been taken of the needs of small farmers, and extensive use of field testing to adapt basic research to local conditions shall be made.

See A. 9 above.

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b. **Nutrition:** Describe extent to which assistance is used in coordination with efforts carried out under FAA Section 104 (Population and Health) to help improve nutrition of the people of developing countries through encouragement of increased production of crops with greater nutritional value; improvement of planning, research, and education with respect to nutrition, particularly with reference to improvement and expanded use of indigenously produced foodstuffs; and the undertaking of pilot or demonstration programs explicitly addressing the problem of malnutrition of poor and vulnerable people.

See A. 9 above.

c. **Food Security:** Describe extent to which activity increases national food security by improving food policies and management and by strengthening national food reserves, with particular concern for the needs of the poor, through measures encouraging domestic production, building national food reserves, expanding available storage facilities, reducing post harvest food losses, and improving food distribution.

See A. 9 above.

20. **Population and Health (FAA Secs. 104(b) and (c)):** If assistance is being made available for population or health activities, describe extent to which activity emphasizes low-cost, integrated delivery systems for health, nutrition and family planning for the poorest people, with particular attention to the needs of mothers and young children, using paramedical and auxiliary medical personnel, clinics and health posts, commercial distribution systems, and other modes of community outreach.

See A. 9 above.

21. **Education and Human Resources Development (FAA Sec. 105):** If assistance is being made available for education, public administration, or human resource development, describe (a) extent to which activity strengthens nonformal education, makes formal education more relevant, especially for rural families and urban poor, and strengthens management capability of institutions enabling the poor to participate in development; and (b) extent

See A. 9 above.

to which assistance provides advanced education and training of people of developing countries in such disciplines as are required for planning and implementation of public and private development activities.

22. Energy, Private Voluntary Organizations, and Selected Development Activities (FAA Sec. 106): If assistance is being made available for energy, private voluntary organizations, and selected development problems, describe extent to which activity is:

See A. 9 above.

a. concerned with data collection and analysis, the training of skilled personnel, research on and development of suitable energy sources, and pilot projects to test new methods of energy production; and facilitative of research on and development and use of small-scale, decentralized, renewable energy sources for rural areas, emphasizing development of energy resources which are environmentally acceptable and require minimum capital investment;

b. concerned with technical cooperation and development, especially with U.S. private and voluntary, or regional and international development, organizations;

c. research into, and evaluation of, economic development processes and techniques;

d. reconstruction after natural or manmade disaster and programs of disaster preparedness;

e. for special development problems, and to enable proper utilization of infrastructure and related projects funded with earlier U.S. assistance;

f. for urban development, especially small, labor-intensive enterprises, marketing systems for small producers, and financial or other institutions to help urban poor participate in economic and social development.

23. **Capital Projects** (Jobs Through Export Act of 1992, Secs. 303 and 306(d)): If assistance is being provided for a capital project, is the project developmentally sound and will the project measurably alleviate the worst manifestations of poverty or directly promote environmental safety and sustainability at the community level?

N/A

C. **CRITERIA APPLICABLE TO ECONOMIC SUPPORT FUNDS ONLY**

1. **Economic and Political Stability** (FAA Sec. 531(a)): Will this assistance promote economic and political stability? To the maximum extent feasible, is this assistance consistent with the policy directions, purposes, and programs of Part I of the FAA?

2. **Military Purposes** (FAA Sec. 531(e)): Will this assistance be used for military or paramilitary purposes?

No

3. **Commodity Grants/Separate Accounts** (FAA Sec. 609): If commodities are to be granted so that sale proceeds will accrue to the recipient country, have Special Account (counterpart) arrangements been made? (For FY 1993, this provision is superseded by the separate account requirements of FY 1993 Appropriations Act Sec. 571(a), see Sec. 571(a)(5).)

N/A

4. **Generation and Use of Local Currencies** (FAA Sec. 531(d)): Will ESF funds made available for commodity import programs or other program assistance be used to generate local currencies? If so, will at least 50 percent of such local currencies be available to support activities consistent with the objectives of FAA sections 103 through 106? (For FY 1993, this provision is superseded by the separate account requirements of FY 1993 Appropriations Act Sec. 571(a), see Sec. 571(a)(5).)

N/A

5. **Cash Transfer Requirements** (FY 1993 Appropriations Act, Title II, under heading "Economic Support Fund," and Sec. 571(b)): If assistance is in the form of a cash transfer:

N/A

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5. **Cash Transfer Requirements** (FY 1993 Appropriations Act, Title II, under heading "Economic Support Fund," and Sec. 571(b)): If assistance is in the form of a cash transfer:

N/A

a. **Separate account:** Are all such cash payments to be maintained by the country in a separate account and not to be commingled with any other funds?

N/A

b. **Local currencies:** Will all local currencies that may be generated with funds provided as a cash transfer to such a country also be deposited in a special account, and has A.I.D. entered into an agreement with that government setting forth the amount of the local currencies to be generated, the terms and conditions under which they are to be used, and the responsibilities of A.I.D. and that government to monitor and account for deposits and disbursements?

N/A

c. **U.S. Government use of local currencies:** Will all such local currencies also be made available to the U.S. government as the U.S. determines necessary for the requirements of the U.S. Government, or to carry out development assistance (including DFA) or ESF purposes?

N/A

d. **Congressional notice:** Has Congress received prior notification providing in detail how the funds will be used, including the U.S. interests that will be served by the assistance, and, as appropriate, the economic policy reforms that will be promoted by the cash transfer assistance?

N/A

6. **Capital Projects** (Jobs Through Exports Act of 1992, Sec. 306, FY 1993 Appropriations Act, Sec. 595): If assistance is being provided for a capital project, will the project be developmentally-sound and sustainable, i.e., one that is (a) environmentally sustainable, (b) within the financial capacity of the government or recipient to maintain from its own resources, and (c) responsive to a significant development priority initiated by the country to which assistance is being provided. (Please note

N/A

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the definition of "capital project"  
contained in section 595 of the FY 1993  
Appropriations Act.)