

P.DABI-033
87566

USAID / COMMODITY EXPORT PROJECT
**Afghan Construction and Logistics Unit
(ACLU)**

USAID 306-0205-C-00-9372-00

Quarterly Report

for the period

October through December 1993

Construction Control Services Corporation (CCSC)
Washington D.C.

Dr. Larry Sinclair, Chief of Party
Bernard Korfker, Finance/Admin Manager
Peshawar, Pakistan

January 1994

SUMMARY

A.	Termination of USAID Funds	1
B.	Construction.....	1
B-1	USAID Funded Projects.....	1
B-2	NGO Funded Jobs	1
C.	ACLU/CCSC Engineering.....	2
C-1	Planing Section	2
C-2	Roads Section	2
C-3	Structural and Bridge Design Section	2
C-4	Quality Control Section	2
C-5	ARCS Section	2
C-6	Other Donor Funded Engineering Work	2
D.	Sub-Contracting of Projects	2
E.	Equipment & Maintenance	2
F.	Workshops/Training.....	3
G.	Expatriate Consultants	3
H.	Expatriate Permanent Staff Changes.....	3
I.	Introduction	
A.	Background.....	4
B.	ACLU Organization	4
C.	Construction Advisory Committee	4
D.	NGO Status	4
II.	Program Operation (ACLU)	
A.	Construction Department.....	5
A-1	Construction Activities	5
A-2	Work Planned for Next Quarter	6
B.	Subcontracting of Construction Projects	7
C.	ACLU Funds Received From Equipment Rentals.....	7
D.	Engineering Department.....	8
D-1.	Work Accomplished in 1st Quarter FY94.....	8
D-2	Roads Section	8
a.	General.....	8
b.	Work Accomplished in 1st Quarter of FY94....	8
c.	Work Planned for Next Quarter	8
D-3	Structural and Bridge Design Sections.....	9
a.	General.....	9
b.	Work Accomplished in 1st Quarter of FY94....	9
c.	Work Planned for Next Quarter	9
D-4	Quality Control (QC) Section	10
a.	General.....	10
b.	Work Accomplished in 1st Quarter of FY94....	10
c.	Work Planned for Next Quarter	10
E.	Afghan Road Condition Survey (ARCS).....	10

	E-1	General.....	10
	E-2	Work Accomplished in 1st Quarter of FY94....	11
	E-3	Work Planned for Next Quarter.....	11
	F.	Maintenance Department.....	11
	G.	Training	11
	G-1	General.....	11
	G-2	Technical Engineering Training	12
	G-3	English Language Training	12
	G-4	Training Planned for Next Quarter.....	12
III.		Project Administration (Technical Assistance)	
	A.	Personnel	13
	A-1	Expatriate Staff Changes.....	13
	A-2	Consultants.....	13
	A-3	Local Staff	13
	B.	Vehicles	13
	C.	Phasing Out of USAID Funding.....	14
IV.		Project Financial Summary	15
	A.	Financial Reporting	15
	A-1	Project Financial Summary.....	15
	B.	Financial Reconciliation.....	16
	B-1	Statement of Funds Obligated and Committed..	16

SUMMARY

A. Termination of USAID Funds

In November 1992, in accordance with instructions from USAID, CCSC developed a plan for converting ACLU from an organization fully financially supported by USAID, into an independent, viable NGO supported only by funds received from Donor Agencies other than USAID. This CCSC "Conversion Plan" was submitted to O/AID/Rep in December 1992. On 9 June 1993, after having submitted several drafts of the plan to O/AID/Rep, CCSC received a letter from the O/AID/Rep Contracting Officer officially informing CCSC that their USAID contract would be terminated on March 31, 1994 and instructing CCSC to implement the provisions of the Conversion Plan.

One of the principal provisions of the Conversion Plan was that all O/AID/Rep funded field construction work cease as of June 30, 1993. In accordance with this instruction, towards the end of the 3rd Quarter of FY93, ACLU began winding down their field activities and demobilizing construction units engaged in USAID funded jobs. At the beginning of the 4th Qtr of FY93 all USAID funded work stopped. The table below shows staged reductions of ACLU staff during the 3rd Quarter of FY93 and the new staff strengths during the first Qtr. of FY94 after the 30 June 1993 deadline.

ACLU STAFF STRENGTH

Month	Casual (NGO)	Permanent (Core)	Total
Apr - 1993	342	753	1095
May - 1993	342	501	843
June - 1993	385	501	886
July - 1993 (To 15/07/93)	239*	85 + ARCS 8	332
July - 1993 (After 15/7/93)	1	85 + ARCS 8	94
Aug. 1993	53	93	146
Sep. 1993	79	93	172
Oct. 1993	84	93	177
Nov. 1993	140	93	233
Dec. 1993	177	92	269

* Number of casual personnel retained for demobilization of Construction Units.

B. Construction

B-1 USAID Funded Projects

See the 4th Quarter Report for the details of the USAID funded jobs completed prior to June 30, 1993.

B-2 NGO Funded Jobs

During the 1st Quarter of FY94 ACLU completed NGO work in Khost Province. The total value of NGO work completed by December 31, 1993 is Rs. 642,000.

In addition to the completed NGO work mentioned above, ACLU, at the end of the 1st Quarter of FY94, had signed contracts and started work on jobs totaling Rs. 23,186,380 for construction work in Kandahar, Nangarhar, Khost, and Paktia Provinces.

C. ACLU/CCSC Engineering

During the 1st Quarter of FY94 the following work was accomplished:

C-1 Planning Section

The Planning Section compiled monthly progress reports on all active NGO jobs, prepared work plans for on-going work and also prepared cost estimates, bills of quantities, proposals, and contracts for ACLU work funded by Donors other than USAID.

C-2 Roads Section

The Roads Section work consisted of completing the surveying, designing and preparation of drawings for on-going NGO projects and proposals. These projects are located in Kandahar, Urzgan, and Nangarhar provinces.

C-3 Structural and Bridge Design Section

In anticipation of receiving funds from other Donors for ACLU to accomplish the construction work, the Structural Design Section surveyed, designed, and prepared drawings for the third phase of the Kama Water Intake and the Nangarhar University.

C-4 Quality Control Section

The Quality Control Section was mainly involved in the inspection, material sampling, and testing to determine if the quality of the work on active NGO jobs is in accord with the requirements of the contract drawings, specifications, and recognized international standards.

C-5 ARCS Section

During the 1st Quarter of FY94, approximately 2,916 kilometers of additional roads were ARCS surveyed by ACLU ARCS teams. Surveying of roads was resumed in 3rd Qtr. of FY93 and continued in the 4th Qtr. As of December 31, 1993 a total of 14,008 Km of a planned total of 20,000 Km have been surveyed in 24 Provinces and 1,200 Km of the newly surveyed road information has been entered into the database.

C-6 Other Donor Funded Engineering Work

During the 1st Quarter of FY94 accomplished as an NGO survey and design work for other Donors valued at Rs. 491,478.

D. Sub-Contracting of Projects

In accordance with USAID instructions masonry sub-contract work, by pre-qualified NGOs MEMAR and START, ceased on 30 June 1993. During the 1st Quarter of FY94, final payments were made for both jobs.

E. Equipment & Maintenance

As of December 31, 1993 the ACLU Equipment and Maintenance Department, in light of USAID induced staff reductions, had a total of 31 core staff employees. In addition to its primary function of providing logistics and maintenance support for the construction work, the E&M department accomplished equipment repair and maintenance work for NGOs and others valued at Rs. 820,110.

F. Workshops/Training

During the 1st Quarter of FY94, training of engineers from the construction units and the ACLU Engineering Department took place on an on-going basis. These monthly engineering courses plus on the job training will continue, on an on-going basis, into the 2nd Quarters of FY94. Intensive management training of the ACLU staff and prospective Board also took place. This training is in accordance with the approved Training Plan.

G. Expatriate Consultants

There were no CCSC expatriate consultants working with ACLU during the 1st Quarter of FY94. The USAID O/AID/Rep Contracting Officer, in his letter of 26 May 1993, said that O/AID/Rep is currently planning to engage the services of a consultant to assist USAID in its assessment of the sustainability of ACLU as an NGO. The expatriate consultant arrived in October 1993 and submitted a draft report in November. As of December 31, 1993, USAID had not made any decisions based on the Consultants report.

Tayzoon Rasani, PO, CCSC, Durham also visited the project in early December.

H. Expatriate Permanent Staff Changes

In accordance with the scheduled phase-out of CCSC, as outlined in the 8 May 1993 final draft of the ACLU Conversion Plan, the CCSC Construction Supervisor Position was eliminated and Francisco Perez, the Engineer who filled the position, left Peshawar at the end of July 1993 and returned to his home in Mexico.

Fred Wilson, Senior Engineer for CCSC also left the project on December 31, 1993, as per the approved Conversion Plan. He is currently in Peshawar waiting for the expiration of his wife's teaching contract with the American School in Peshawar.

The services of Ron Lovell were terminated on November 30, 1993. Mr. Lovell was terminated for cause (non-performance and bad judgment leading to financial implications for CCSC). This termination was discussed with USAID officials who agreed with the termination. Mr. Lovell will have to pay for his own repatriation costs.

USAID approved Bernard Korfker to replace Mr. Lovell as Finance/Administrative Manager effective December 16, 1993. The Chief of Party paid for Mr. Korfker's services from December 7, 1993 through December 15, 1993 out of his pocket in order to keep continuity in the financial department.

I. Introduction

A. Background

The Afghan Construction and Logistics Unit (ACLU) was formed in early 1988 as a parastatal organization to provide transport for commodities and refugees returning to Afghanistan and to repair and/or rebuild damaged roads and bridges in Afghanistan. Although the transport operation was phased out some time ago, construction work continued at full speed until early FY93.

In the latter part of the 1st Quarter of FY93, CCSC was instructed by USAID to prepare a plan phasing out all ACLU & CCSC activities. Work started on this plan in the 1st Quarter and was completed in the 2nd Quarter of FY93. A report was prepared and submitted to O/AID/Rep in January 1993 with CCSC's recommendations for phasing out AID funded work, while making ACLU a stand-alone NGO.

After considering several close-out dates USAID instructed CCSC to have ACLU cease all USAID funded construction work as of June 30, 1993 and to phase out all ACLU/CCSC USAID supported activities as of March 31, 1994. Since the first phase-out draft, several drafts of a so-called Conversion Plan were submitted to O/AID/Rep. The final draft, submitted on 8 May 1993, was accepted and on May 26, 1993, the O/AID/Rep Contracting Officer wrote a letter to the CCSC COP outlining steps to be taken by CCSC and ACLU to implement the Conversion Plan.

During the 1st Quarter of FY94, after the 30 June 1993 termination of all USAID funded projects, CCSC continued implementing a step by step phase-out of ACLU AID-supported activities, in accordance with the conversion plan requirements.

B. ACLU Organization

See the 4th Quarter report for the details of the reorganization of ACLU from USAID funded construction to a stand alone NGO organization.

C. Construction Advisory Committee

Since the last Advisory Committee Meeting in July 1992 no other meetings of the Committee have been held. After this date, as ACLU is in transition to a 'stand-alone' NGO status, no further Advisory Committee input was provided nor is any anticipated in the future.

D. NGO Status

The Conversion Plan submitted to O/AID/Rep contains a plan to make ACLU a stand-alone NGO. CCSC started implementing this plan in the second quarter of FY93 and, after obtaining USAID approval, continued to finalize implementation of the plan in the third and fourth quarters, of FY93. A contract was signed with the Law Chambers of Qazi M. Jamil to legally register ACLU as an NGO in Pakistan. During the 4th Qtr. of FY93, papers required for ACLU's Pakistan registration were submitted to USAID and were approved this quarter. ACLU has also completed registration in Kabul. USAID has approved a Board of Directors, but, the registration process is with the Corporate Law Authority.

To overlook, control and guide ACLU until the establishment of an approved Board of Directors, CCSC established an Acting Board of Directors consisting of CCSC expatriate staff - COP Larry Sinclair; Chief Engineer, Fred Wilson; Finance/Admin Manager, Ron Lovell; and O&M Manager, John Klaasmeyer.

During the 1st Quarter of FY94, a total of 4 meetings of the Acting Board were held. Until a permanent Board is approved and established meetings of the Acting Board are scheduled to be held on the twentieth of each month. The Acting Board has asked the ACLU General Manager and the Heads of the Engineering, E&M and Construction Departments to attend all of these Board meetings.

II. Program Operation (ACLU)

The ACLU organization is in a period of transition and, with CCSC guidance, is in the process of changing from a construction/engineering concern fully supported by USAID to an independent NGO supported solely by funds received from construction work accomplished for Donors other than USAID. During the 4th Qtr. of FY93, ACLU started implementing organization changes in line with their ultimate goal of becoming an independent NGO.

Since 30 June 1993 when USAID funds (apart from some possible USAID on-going support for ACLU overhead expenditures) were terminated, ACLU has been sustained solely from funds received from NGO work. For this reason ACLU, with CCSC help, is now actively soliciting additional work and is taking steps, as outlined in the Conversion Plan drafted by CCSC, to obtain official NGO status in Pakistan and activate a Board of Directors which, when established, will oversee, guide and direct all ACLU activities.

See the 4th Quarter report for the details of the reorganization of ACLU from USAID funded construction to a stand alone NGO organization.

A. Construction Department

A-1 Construction Activities

On 30 June 1993 all USAID funding for ACLU construction projects ceased and from that time on ACLU concentrated their efforts on obtaining and accomplishing other-Donor funded work in Afghanistan and, on an interim basis, Pakistan.

During and prior to the 1st Quarter of FY94 the following design and construction work, valued at Rs. 41,465,419, was well on its way to being successfully completed.

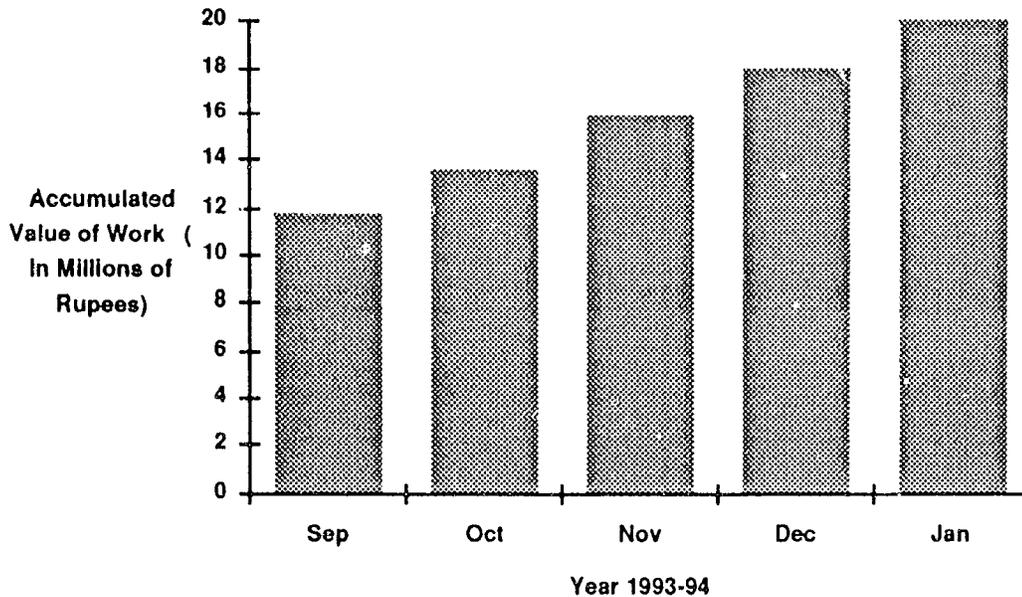
Construction Unit Activities - 1st Quarter FY94

Con #	Job #	Descriptions	Province	Donor	Contract Amount (Rs)	% Comp. (31/12/93)
C-5	4-SR-	Kandahar-Orozgan Rd. 120 Km & Zabul Daichopan Rd. 30 Km	Kandahar & Zabul	ADA	552,000	95
C-6-2	11-SM2A	Design of Class rooms and Dormitory block	Nangarhar	Governor	371,160	80
C-6-2S	11-SM2A1	Subcontract for design of electrification and plumbing	Peshawar	ACLU	(37,116)	20
C-6-3	11-SM3A	Construction of two blocks of University	Nangarhar	Governor	8,197,600	1
C-7	12-SR1-2	Faizabad Interchange 7 Km and Murree Rd. 4Km	Punjab	Karcon	125,452	3 & 18
C-10	18S-B1	Hashim Khel Bridge, 7 span	Nangarhar	Governor	7,804,500	3
C-13	13SR-BS	Repair and reconstruction of 6 bridges, Khost- Gardez Rd.	Paktia	DACAAR	2,309,000	12
C-14A	26-SM2	Design of Kama Canal Intake (III)	Nangarhar	DACAAR	100,000	50
C-14B	26-SM3	Construction of Kama Canal Intake (III)	Nangarhar	DACAAR	7,000,000	10
C-15	17-SB1	Reconstruction of Achine Bridge	Nangarhar	Governor	438,000	0
TOTAL					41,465,419	

DACAAR = Danish Committee for AID to Afghan Refugees
 ADA = Afghan Development Association

The bar graph below shows, on a month by month basis, the cumulative income obtained by ACLU from their first Donor - funded NGO job to the end of the first quarter of FY94 plus projected value of work in the first month of the second quarter of FY94:

ACLU NGO Contracts - 1993-94
(Accumulated Value/Month)



A-2 Work Planned for Next Quarter

During the next quarter (i.e. the 2nd Qtr. of FY94) ACLU will continue in it's increasingly successful attempts to obtain planning, survey, design and construction work from outside Donors. Negotiations are underway for several other jobs including, possible work for the European Economic Commission (EEC) in several Afghanistan Provinces and a Canal cleaning job in Nangarhar province for UNDP. Preliminary negotiations are also under way for transportation jobs with UN!LOG in Afghanistan and the NLC and NFC in Pakistan. A listing of all jobs, at various stages of negotiation, is shown in the table provided below:

List of Potential Future Jobs

Job #	Descriptions	Location Province	Donor	Estimated Project Cost (Rs)	Status
5-SM93	Canal Cleaning 61 Km	Nangarhar	UNDP	25,000,000	Cost Est. is given
6-SB93	Hesarak bridge on Hesarak - Kabul road (5m x 90m)	Nangarhar	UNCHIR	13,000,000	No budget as yet.
8-SR93	Road repair and training 20 Km	Peshawar	UNDP	3,750,000	UNDP will chose a province scheduled.
10-SM93	Various projects selected by EEC	in different Provinces	EEC	20,000,000	No budget as yet.
15-SB93	Dehnow Bridge 4 spans 180 m2	Lowgar	Canada Fund	2,000,000	Proposal submitted.
18-SB2-93	Gandumak # 1. Six span Bridge L=64.75 m W=10.10 m	Nangarhar	Govern. of Nang.	10,270,000	Design is completed.
18-SB3-93	Gandumak # 2, Six span Bridge L=67 m W=10.10 m	Nangarhar	Govern. of Nang.	8,120,000	Design is in progress
18-SB4-93	Two span bridge L=240m, W=5m	Paktia	Govern of Khost	3,140,000	Survey is completed; design is in progress.
20-SB-93	Bridge in Lakan L = 240m, W=5m	Paktia	Govern of Khost	13,200,000	Field survey completed, topographic survey in progress.
23-SR1-93 23-SR2-93 23-SR3-93 23-SR4-93 23-SR5-93	Retaining walls on Torkham - Kabul Highway.	Nangarhar	Canada Fund	7,060,000	Proposal of 23-SR and 23-SR5 are submitted.
25-SR-93	Islamabad-Lahore Motor Highway	Punjab	Power Installation, Ltd.	25,000,000	Cost estimation is in negotiation
27-SR-93	Indus Highway, road construction	NWFP	STFA (Contractor)	50,000,000±	Negotiation of cost estimation in progress.
28-SR-93	Khost Gardez Rd. Survey	Khost	DACAAR		Survey is postponed
22-SR-93	Reconstruction of Torkham - Jalalabad highway	Nangarhar	Govern. of Nang.	20,000,000	Work Plan in Progress
Totals				Rs.	
				290,307,000	

- UNDP = United Nation Development Programme
 UNHCR = United Nations High Commissioner for Refugees
 EEC = European Economic Community

It is expected that many of the above jobs will come on-stream during the second quarter of FY94.

B. Subcontracting of Construction Projects

As reported in previous Quarterly Reports, contracts have been approved by USAID and signed with pre-qualified NGO sub-contractors MEMAK and START to undertake the repair and/or rebuilding of structures on Job #8R and 18R. In accordance with USAID instructions work on these contracts ceased on 30 June 1993 and final payments for this work were made this quarter.

C. ACLU Funds Received From Equipment Rentals

During the fourth quarter of FY93, in view of the impending cessation of all USAID funding, ACLU started actively looking for additional sources of revenue. Rental of not-in-use granted equipment is one such source. At the end of December 1993 ACLU had income from contracted to rent or lease equipment in the total amount of Rs. 4.8 Million.

D. Engineering Department

D-1. Work Accomplished in 1st Quarter FY94

Planning Section work during the 1st Quarter of FY94 consisted of preparing and revising work plans and monthly progress reports - which included quantity take off and tabulation, bar chart and S curve preparation, preparing proposals, writing rental agreements and contracts, and computation of actual vs planned progress, for the following jobs:

Roads/Misc./ Structures	Province	Bridges	Province
3-SR93	Khost	18-SB1&B2	Nangarhar
12-SR93	Islamabad	13-SR-B1- B6	Nangarhar
16-SR93	Khost	R-20-93	Nangarhar
		R-24-93	Nangarhar
		17-SB1-93	Nangarhar
		26-SM2-93	Nangarhar
		26-SM3-93	Nangarhar
		22-SR-93	Nangarhar

Also the Planning Section personnel continued revising the ACLU work plan and prepared cost estimates and proposals for the following jobs to be accomplished by ACLU as an NGO: 13-SR93, 18-SB93, 11-SM93, 16-SR93, 26-SM93, 17-SB93.

D-2 Roads Section

a. General

The Roads Section is responsible for accomplishing all survey work as well as final design, contract drawings and specifications for roads to be constructed. This Section also has the responsibility to check road work to determine if it is being accomplished in accordance with contract drawings and specifications.

b. Work Accomplished in 1st Quarter of FY94

During the 1st Quarter of FY94, Roads Section work concentrated on detailed site surveying volume estimating, and designing of the following, NGO jobs:

Job No	Description	Location	Remarks
4-SR-93	Detailed Survey Shahwalli.	Khost	Preliminary estimate
R-20-93	Detailed Survey of Achin-Shinwar Road.	Nangarhar	Completed
22-SR93	Detailed Survey of Torkham-Jalalabad Road.	Nangarhar	Completed
R-21-93	Survey of Jalalabad - Hesarak Road	Nangarhar	On-going
12-SR93	Cross-Sectional Survey of Islamabad-Murree Road and Volume estimate.	Islamabad	On-going
26-SM-93	Survey and plot of Kama Canal	Khost	On-going

c. Work Planned for Next Quarter

In the 2nd quarter of FY94 the Road Section will complete the design of all roads surveyed in the 4th quarter FY93 and will also continue to survey and design the following Roads plus jobs comes under stream.

Job # Province

4-SR-93 Kandahar, Zabul
 12-SR93 Islamabad
 5SM-94 Mardan

D-3 Structural and Bridge Design Sections

a. General

The Structural and Bridge Design Sections previously were two separate sections with 3 engineers including 2 Lead Senior Engineers. As of 1 May 1993 these sections were reduced by one Lead Design Engineer and the sections have been combined. This section is responsible for the detailed survey, design, contract drawings and specifications for all bridges and other major structures to be constructed by ACLU. The bridge design team also spot checks bridge construction work to ensure it is being accomplished in accordance with the design, drawings and contract specifications.

b. Work Accomplished in 1st Quarter of FY94

Bridge/Structural Design Sections

During the 1st Quarter of FY94 the Bridge Design Section completed the survey, design, checking and drawings for the following bridges and structures:

Job #	Bridges/Structures	Province
11-SM-93	Design of Najmuddin University	Nangarhar
18R	B5	Nangarhar
18R	B4	Nangarhar
18R	B3	Nangarhar
9R	Structures	Paktia
26-SM-93	Intake Structures (NGO Contract) Funded by DACAAR	Nangarhar
9-SB-93	4 Bridges (NGO Contract) Funded by NAC	Badakhshan

c. Work Planned for Next Quarter

In the 2nd quarter of FY94 the Bridge/Structural Design Section plans to complete the design of all remaining bridges/structures on approved roads and finish the redesign of structures damaged by natural occurrences. Design work accomplished for jobs not constructed as of 30 June 1993 will be used to attract outside funding from other Donors. In addition members of the Bridge/Structural Design section will work on planning and designing of the following structures, presently either proposed or under contract with outside Donors:

<u>Job #</u>	<u>Province</u>
11-SM	Nangarhar
26-SM93	Nangarhar
20-SB93	Nangarhar
2-SB-94	Ghazni
3-SB-94	Nangarhar

D-4 Quality Control (QC) Section

a. General

The purpose of the Quality Control Section is to ensure that construction work is accomplished to the proper quality and standard as required by the drawings and specifications. To do this members of the team take and test samples of construction materials, both on site and in the laboratory, to determine if they are in accord with specified standards and continuously monitor, through their permanent QC site staff, the construction work as it progresses.

b. Work Accomplished in 1st Quarter of FY94

During the 1st Quarter of FY94, members of the Quality Control Section team inspected construction work in progress and took samples of, and tested materials for, jobs 11-SM-93, 26-SM-93, and the work on the Islamabad Murree road. Types of testing included specific gravity of fill material, sieve analyses, compaction tests, moisture content, unconfined compression tests establishing bearing capacity of soils, liquid limit and plastic limit of soil, concrete mix design, concrete and reinforcing steel testing.

In addition the senior Geotechnical Engineer visited the sites of NGO work in progress.

c. Work Planned for Next Quarter

During the 2nd Quarter of FY94, the Quality Control Section will continue its inspection work on the following on-going NGO jobs: 11-SM3A-93, 12-SR-93, 18-SB1-93, 13-SR93, 26-SM93, 17-SB93, 2SB-94, 3-SB-94 and other jobs as they come on stream. The QC section laboratory team of Geotechnical and senior laboratory personnel will continue their work of materials testing of construction samples and will also guide the taking of samples and recommend on-site quality control methods for their on going NGO jobs.

E. Afghan Road Condition Survey (ARCS)

E-1 General

As mentioned in previous quarterly reports, the purpose of the ARCS project is to inventory and survey the condition of about 20,000 kilometers of roads in Afghanistan, which will represent all of the important roads in the country. This was previously being accomplished by two ACLU teams of two engineers each, plus four, 2 man NGC teams (3 VITA teams and 1 CBR team). Due to budget limitations the work ARCS subcontracted to NGO's (VITA, CBR & UCC) was canceled in May 1993 and now only the ACLU ARCS teams will continue to perform survey work. In addition, ACLU received guidance from Peter Hager, expatriate civil/roads engineer, who visits ACLU/CCSC Peshawar offices on a regular basis to monitor and oversee the work. Mr. Hager left Peshawar in early February 1993 and is expected to return for a final visit in February 1994.

E-2 Work Accomplished in 1st Quarter of FY94

During the 1st Quarter of FY94 ARCS survey work was accomplished in the following provinces by ACLU teams:

Survey of Roads Accomplished by ACLU

<u>Province</u>	<u>Kilometers Surveyed</u>
Helmand	953.0 Km
Nimroz	430.0 Km
Herat	730.0 Km

E-3 Work Planned for Next Quarter

ACLU ARCS teams will continue survey work during the 2nd Quarter of FY94, security and weather permitting, in the following Provinces - Helmand (team presently surveying in Herat), Balkh, Jowzjan and Fariab plus enter the information into the Data Base.

F. Maintenance Department

F-1 General

The equipment and Maintenance Center supports the work of the Construction Department; it provides logistic support in movement of equipment, materials and supplies, and it furnishes specialty equipment from the yard as needed; it keeps an up-to-date inventory of ACLU equipment; and it maintains an expeditious repair capability for trucks and construction equipment. Its warehouse is stocked with over \$750,000 in spare parts and construction materials and is one of the best equipment maintenance facilities in Afghanistan or Pakistan.

F-2 Funds From Repair & Maintenance Work

In addition to their equipment repair and maintenance work for NGO Jobs, the ACLU Maintenance Department accomplished Rs. 820,110 of equipment maintenance for other NGOs and Donors; E&M department has maintained during 1st Quarter of FY94 total of 466 light vehicles and 114 other pieces of equipment.

G. Training

G-1 General

Recognizing the importance of training to ensure the continued evolution and long term viability of ACLU, a comprehensive training program was prepared. It provides for short term consultants to prepare detailed training plans and conduct workshops tailored to concentrate on specific needs of ACLU over the next year to develop their skills in all technical fields so that, after a period of time, ACLU will be capable of acting on their own, independent of CCSC guidance and control.

The training plan is designed to achieve specific short-term objectives and long-term goals that will enhance the operational skills of the employees, and improve the efficiency of the policy making managerial staff. To date over 600 man-days of training sessions have been given, already exceeding our annual training plan goals.

G-2 Technical Engineering Training

a. On Going Engineering Training

The CCSC COP continues to conduct a Computer aided CPM Course - to date 290 man-hours of training completed.

Training of 14 ACLU engineers in Soil Testing, Bearing Capacity, and Compaction was completed on October 2, 1993.

CCSC Chief Engineer F.D. Wilson conducted 140 man hours of training on Technical Writing for ACLU engineering and management staff during the week ending November 4, 1993.

Fred Wilson conducted another class on December 18, 1993 on writing contracts and technical reports. About 150 man hours of training was given .

b. On Going Management Training

With the aim to further train front line managers of ACLU to function on a self reliant basis in the future, and with a view to install a business oriented approach, a continuous series of management training courses were being conducted by Haider Zaidi. The last course ended in January 1993. Zaidi returned in September 1993 to plan for final training to take place in the next 4 to 6 months.

Haider Zaidi of IDA has completed 140 man-hours of Marketing training course on Wednesday 17/11/93.

He also completed 80 man-hours of a Zero Based Budgeting course in November 1993.

During this quarter all permanent Board members signed the Memorandum and Articles of Association for ACLU. Haider Zaidi and the COP held an orientation session with 5 of the 8 Board members on December 15, 1993. Six hours were spent with the Board giving intensive orientation and training which they will need when the Board legally meets after registration. The Board has expressed their appreciation to USAID for approving the Board and for their efforts to keep ACLU alive for work in Afghanistan. The Board is anxious to go to work helping ACLU.

G-3 English Language Training

No more English Language training are planned except a course in report writing which will be given by the CCSC chief Engineer in the first Quarter of FY94.

G-4 Training Planned for Next Quarter

Engineering Training for the next quarter will consist of a continuation of the monthly professional lecture series. Two more lectures are also planned to be given in 2nd Quarter of FY94 by F.D. Wilson Chief Engineer CCSC on Preparation of Contract Documents and Pre-stressed Concrete Design and Construction Techniques. Further on - the - Job financial and marketing training is planned, conducted by CCSC with outside assistance for the 2nd Quarter FY93. The COP will also continue his CPM course three times a week in the 2nd Quarter of FY94.

Since being informed by O/AID/Rep, that USAID plans to stop funding of all ACLU work no later than 30 June 1993, intensive work has been underway to guide, direct and train ACLU to act independently as a viable NGO who will obtain funds for their projects from donors other than USAID. Further on the jobs training will be conducted by CCSC personnel on an on-going basis.

The thrust of future training will be to upgrade ACLU skills to a commercial level. It is especially urgent, in light of the planned ending of USAID funding, to prepare ACLU to become competitive and profitable and thereby attract as many alternative funding sources as possible. Training is an important part of our goal of achieving this end as quickly as possible.

III. Project Administration (Technical Assistance)

A. Personnel

A-1 Expatriate Staff Changes

In accordance with the scheduled phase-out of CCSC, as outlined in the 8 May 1993 final draft of the ACLU Conversion Plan, the CCSC Construction Supervisor Position was eliminated and Francisco Perez, the Engineer who filled the position, left Peshawar at the end of July 1993 and returned to his home in Mexico.

Fred Wilson, Senior Engineer for CCSC also left the project on December 31, 1993, as per the approved Conversion Plan. He is currently in Peshawar waiting for the expiration of his wife's teaching contract with the American School in Peshawar.

The services of Ron Lovell were terminated on November 30, 1993. Mr. Lovell was terminated for cause (non-performance and bad judgment leading to financial implications for CCSC). This termination was discussed with USAID officials who agreed with the termination. Mr. Lovell will have to pay for his own repatriation costs.

USAID approved Bernard Korfker to replace Mr. Lovell as Finance/Administrative Manager effective December 16, 1993. The Chief of Party paid for Mr. Korfker's services from December 7, 1993 through December 15, 1993 out of his personal funds in order to keep continuity in the financial department.

A-2 Consultants

Haider Zaidi, management consultant with IDA in Lahore, visited the project for the several training courses listed under Training. Qazi Jamil Lawyer completed his final draft of the Memo and Articles of Incorporation for NGO status. The Memo and Articles are being held awaiting USAID approval of a recommended Board of Directors the Articles.

A-3 Local Staff

In accordance with the USAID approved Conversion Plan, the reduction of CCSC local staff continued in compliance with of USAID instruction to end all CCSC activities by March 31, 1994.

As of December 31, 1993, CCSC's local staff consisted of 9 Afghans, 5 Pakistanis and 2 locally hired expatriates.

B. Vehicles

CCSC as reduced its number and vehicle fuel for administrative and official use, two 4WD land cruisers, and two station wagons, Additionally, 7 new 4WD pickups have been transferred to RONCO.

C. Phasing Out of USAID Funding

Towards the end of the first Quarter of FY93, CCSC started the preparation of a plan to phase out all of ACLU and CCSC activities in accordance with USAID instructions. Of 3 scenarios developed by CCSC, as reported in the 2nd Quarter FY93 report, one has been expanded and developed by CCSC and submitted as a Conversion Plan to USAID for approval. CCSC received official instruction from USAID O/AID/Rep Contracting Officer (in a letter dated 26 May 1993 to the CCSC COP) to implement the terms of last draft Conversion Plan submitted on 8 May 1993.

As a result of this instruction the following phase out plans are to be accomplished:

- CCSC early termination of their Technical Assistance Contract on 31 March 1994 (instead of 30 June 1994).
- Elimination of CCSC Construction Supervisor position on 31 July 1993 and the Chief Engineer position on 31 December 1993. All other CCSC expatriate personnel (i.e. Chief of Party, Finance and Administration Manager and the locally hired O&M Manager) to remain until the 31 March 1994 termination date.
- Transfer to ACLU of seven CCSC FSN personnel and the phasing out of the remaining CCSC FSN personnel by 31/3/94 termination, as outlined in the Conversion Plan.
- All O/AID/Rep funded field construction work completed by 30 June 1993. After this date no program funds will be paid to ACLU or any sub-contractors for field construction activities.
- O/AID/Rep funding is to continue to be provided through 31 March 1994 for 1) salaries for a 85 man core staff per Conversion Plan. 2) Certain essential "overhead" expenses of ACLU, such as rents, utilities, fuel and spare parts required for vehicles associated with ACLU headquarters operations and Hayatabad yard equipment.
- CCSC are to continue their overall assistance to ACLU aimed at transferring technical, managerial and financial skills which they will need to operate as an independent, self - sustaining entity after 31 March 1994.
- USAID will not provide any additional funding for the CCSC contract; all requirements under the contract, until 31 March 1994, must be completed within the existing amount of funds obligated.

As a further step towards implementing the conversion plan CCSC has contracted with Qazi Jamil, Attorney at Law, Peshawar to prepare the necessary documents and to register ACLU as a qualified Pakistan NGO. Jamil's first draft was submitted to CCSC on 5 May 1993. The final draft was submitted to CCSC on 16 July 1993 and forwarded on to USAID for comments on 20 July 1993. The draft has been approved by USAID and submitted to the Corporate Law Authority.

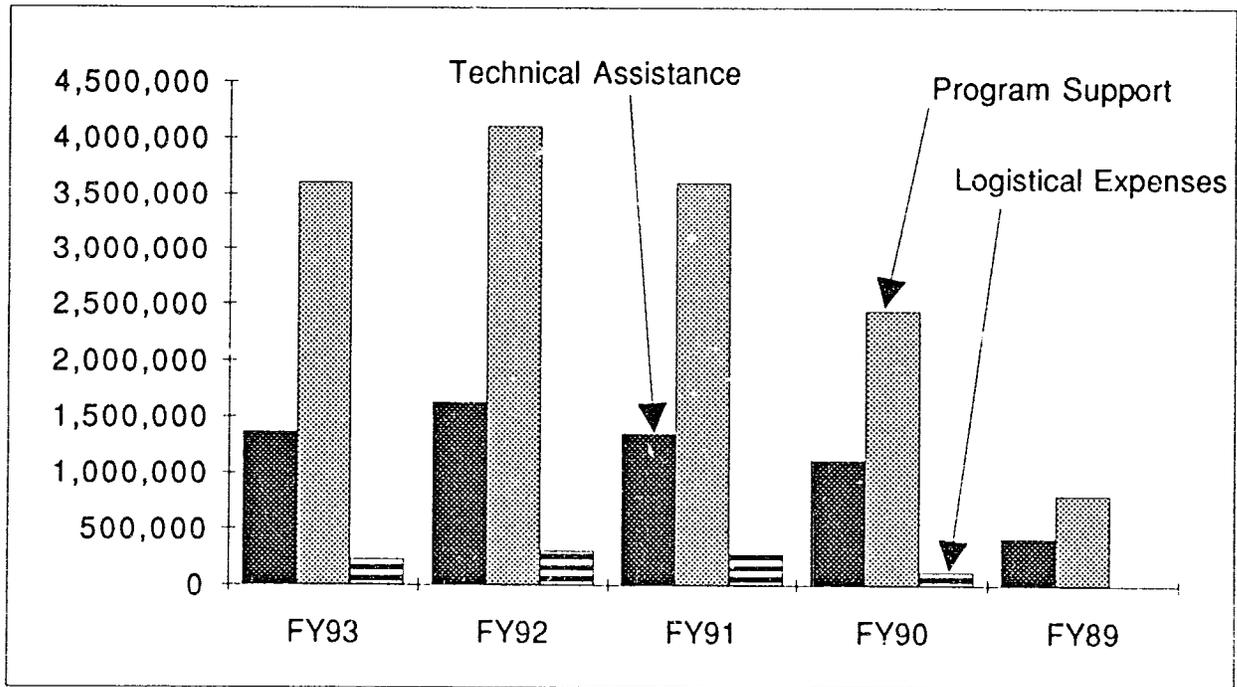
IV. Project Financial Summary

A. Financial Reporting

A-1 Project Financial Summary

As of December 31, 1993

	<u>Technical Assistance</u>	<u>Program Support</u>	<u>Logistical Expenses</u>	<u>Totals</u>
Total Contract Value:	7,951,000	22,895,500	1,550,000	32,396,500
Total Contract Obligation:	5,700,000	16,866,500	1,110,000	23,676,500
Prior Years:				
FY93	1,360,151	3,604,970	230,934	5,196,055
FY92	1,626,884	4,105,770	304,987	6,037,605
FY91	1,348,253	3,601,435	276,183	5,225,871
FY90	1,116,061	2,443,534	116,336	3,675,931
FY89	422,360	808,443	386	1,231,189
Prior Year Totals	5,873,709	14,564,116	928,826	21,366,651
Quarterly Expenses:				
1st Qtr FY94	232,622	123,228	51,005	406,855
FY93 Totals	232,622	123,228	51,005	406,855
Total LOP Expenditures	6,106,331	14,687,344	979,831	21,773,506



B. Financial Reconciliation

B-1 Statement of Funds Obligated and Committed

As of December 31, 1993

Gross Funds Made Available per Contract Obligation: \$21,253,962

L/COM Reserved Funds: 5,250,000

Funds Advanced to CCSC (Peshawar) by USAID:

<u>FY</u>	<u>Period</u>	<u>Rupee</u>	<u>Dollars</u>
1989	Mar 89-Sep 89	29,500,000	\$1,422,679
1990	Oct 89-Sep 90	50,000,000	2,321,396
1991	Oct 90-Sep 91	84,500,000	3,598,427
1992	Oct 91-Sep 92	102,218,014	4,100,763
1993	Oct 92-Sep 93	88,036,000	3,346,024
1st Qtr FY94	Oct 93-Dec 93	33,000,000	110,664
Total Funds Advanced		<u>387,254,014</u>	<u>\$14,899,953</u>

Obligated Funds Retained by USAID Controller \$1,104,009

As of December 31, 1993

Program Expenditures by CCSC:

<u>FY</u>	<u>Period</u>	<u>Rupee</u>	<u>Dollars</u>
1989	Mar 89-Sep 89	16,883,205	\$816,300
1990	Oct 89-Sep 90	52,696,858	2,443,533
1991	Oct 90-Sep 91	83,738,292	3,601,435
1992	Oct 91-Sep 92	102,120,298	4,097,878
1993	Oct 92-Sep 93	95,089,628	3,604,970
1st Qtr FY94	Oct 93-Dec 93	3,716,566	123,228
Total Program Expenditures		<u>354,244,847</u>	<u>14,687,344</u>

Balance in CCSC (Peshawar) Bank Account \$212,609

Controller Book Transfer from Logistics Support \$11,204

Cash Reimbursement from RONCO for Stolen Car \$11,821

Net Obligated Funds Available for Program Use

As of December 31, 1993 \$1,339,643