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Second Economic and Operational Evaluation

of the

Jordan Commodity Import Program

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Executive Summary of Second CIP Evaluation

Background

This CIP was developed before Jordan's current foreign exchange difficulties. It aimed to provide balance of payments support for economic growth and thus additional jobs. The program also intended to support structural adjustment via private sector development. This second evaluation of the Jordan CIP follows up and earlier one in March 1987. By May 1989, the CIP provided $165.5 million (M) in U.S. commodities to the private ($79.0 M) and public ($86.5 M) sectors. Almost all funds have been obligated in a very timely and effective manner. With only enough foreign exchange to finance a few days of imports, the program has shifted toward providing foreign exchange to prevent instability of a potential recession caused by a foreign exchange shortage. To illustrate the flexibility of this program in dealing with these short term realities, the GOJ decided at the time of the evaluation to cancel a $9.7 M public sector radar system because of its worsening foreign exchange situation. These funds are being transferred to the quicker disbursing private sector window.

Economic Evaluation

Despite Jordan's deteriorating macroeconomic, foreign exchange and debt positions, this CIP has successfully achieved its major objectives as reflected in the Mission's Country Development Strategy Statement (CDSS) and Jordan's development plan. Balance of payments support, private sector development and policy reform have been aided substantially through 1) $165.5 million in commodity disbursements, 2) policy dialogue discussions and 3) development projects supported by local currency generation. The CIP funded private sector development projects are well thought out and cover an impressive array of activities which could greatly enhance Jordan's future private sector development and form a beginning foundation for its future export promotion activities. However, the CIP has not been used to leverage economic policy reform. The CIP also contributed to technology transfers and employment generation. It appears to have increased U.S. export markets to Jordan and through its exports, other regional markets. The CIP has been praised consistently as a highly productive economic tool during interviews with the U.S. embassy, Jordanian public sector, private banks and end-users. CIP success in providing "quick disbursing" balance of payments support rests in part with efficiency of AID/Jordan's CIP office. When the private sector window disbursements stagnated during the early stages of the program, timely improvements of the loan terms favoring private banking and manufacturing allowed program funds to move quicker. On the

negative side, the effective CIP interest rate of 6.25 percent presently charged to private sector borrowers could have been raised to a level below the 8.5 to 9 percent market rate to reduce the program subsidy and maintain its attractiveness to private investors. The subsidy increased further during the last year of CIP operations because of devaluation. These subsidies may be justified as "start up" costs for attracting private sector banks and enterprises into the program. They should be diminished substantially in the future.

The CIP requirement of policy dialogue particularly at the early stages of the program appears to have laid the groundword for recent wide-ranging policy reforms including interest rate liberalization and exchange rate reform. The Mission appeared to be particularly successful in removing a number of restrictive business practices. The reforms are primarily due to Jordan's foreign exchange shortages, and conditionalities of an IMF standy, a requirement for rescheduling debt at the Paris Club. While too early to measure, these policy reforms should further stimulate private sector activities and employment. They should channel more scarce foreign exchange into productive investments. On the negative side, U.S. development projects are currently funded inadequately through the CIP's special account. This may undermine efforts to reach various economic and social objectives, including those affecting the private sector. AID/Jordan development projects funded by the CIP special account cover infrastructure, agriculture, human resources, finance, health and population planning, Recent programs have aimed at developing the private sector. Although some progress has been made, privatization efforts to date are disappointing. The CIP special account also has financially supported numerous projects of other donors, including the World Bank. These programs appear to be generally well managed and contributing toward reaching the goals laid out in the Mission's CDSS and Jordan's development plan.

The evaluation team recommends that the next CIP be geared 100 percent toward the private sector. In contrast to the current program with about 40 percent of the private sector financing allocated to the parastatals, the next program should be available for only private sector firms. State owned enterprises or mixed firms with public sector majority ownership should be excluded generally from the private sector window. The team recommends that the next CIP focus on small-and medium-sized microenterprise export promotion because it contributes to foreign exchange earnings and employment for men and women. The team recommends that the Mission's export promotion focus should be integrated and reflected in 1) commodities financed for private firms, 2) policy dialogue and 3) AID/Jordan development project supported by the CIP. The CIP should always maintain its flexibility to finance larger technology transfers for both the private and public sectors particularly if they generate substantial employment and foreign exchange or prevent work stoppages.

Focusing the program on export promotion could enhance the ability of the Mission to leverage the CIP in ways that complement the policy dialogue efforts of the World Bank and others. Indicators and related goals should be presented explicitly to measure progress in private sector export performance, and related efforts in financial support, policy reform and technology development.

Because liquidity is less problematic and funding is more fungible across national boundaries for larger firms and banks, future programs, if possible, should be directed at less subsidized terms toward smaller banks and/or enterprises. This would be reflected by CIPs current trend of smaller loans for smaller sized firms. Because of the short-run and commercial, rather than industrial, outlook of Jordan's private banking system, the CIP in the absence of other distortions should provide loan repayment schemes better reflecting the useful life of the import. The 50-50 shipping requirement which up to the present has been absorbed by the public sector should be "line itemed" and not passed on to the private businesses to avoid interest rate or balance of payments distortions to maintain U.S. commodity competitiveness.

Operational Evaluation

The Jordan CIP since the last evaluation continued to be managed effectively. The CIP office was particularly adept at following all Regulation I procedures and 50-50 shipping requirements with speedy disbursements. Only $227,757 remains uncommitted in the public sector program. About $123 thousand in the private sector component are not covered by letters of credit. Public sector procedures appear to have improved considerably as a result of the recommendations in the previous evalution. An award for a radar station was recently cancelled and $9.7 million will be transferred to the private sector CIP. This will result in additional private sector transactions, but the demand for CIP funding in the private sector has accellerated so that the remaining funds may all be committed before a new CIP grant can become operational. There may be a short overlap. Arrival accounting and end use checks have been transferred to the Controller's office as recommended. Despite a good beginning, this office is well aware that these functions can be improved substantially. New funds becoming available in the private sector CIP, especially as it stresses smaller transactions to small and medium size microenterprises, will require considerable additional work in the USAID CIP Office. The Mission should assess whether the current staff of only one American and one secretary can efficiently administer the extra tasks.

Economic Evaluation

Introduction

Macroeconomic Background*--Economic arguments for U.S. financial support for Jordan are stronger now than in 1985 when the U.S. enacted a $250 million (M) aid supplemental, of which $165.5 M was funded throught the Commodity Import Program (CIP). Growth rates were declining then, but the situation was thought to be temporary. There was no sense of urgency by the Govenment of Jordan (GOJ) because foreign reserves were not at critically low levels. Jordan still exported to a buoyant Arab market. Transshipments for the Iraqi war effort were booming. Demand for high-skilled Jordaninans throughout the Arab states was still strong. Arab aid was generous, with promises of more. In 1989, the downward trends are continuing. The problems are now recognized to be structural, not transitional. The GOJ appears to recognize the need for policy reforms to catalyze structural change and to revive the economic growth rate to offset an extremely high 3.7 percent population growth rate.

The Jordanian economy has paralleled the regional recession caused by declining oil prices. In 1987, workers' remittances were Jordan's main source of foreign exchange. They dropped by 20 percent to $938 M, the lowest level since 1980. This source has dried up further with the King Hussain's decision to sever administratively the West Bank from Jordan. Grant aid was reduced to $588 M, its lowest level in a decade. Exports rose 14 percent to $734 M, but imports jumped by 11 percent to 2.694 billion, reversing past net export trends. Declining remittances, net exports, grants and rising debt service combined to cause a rapid drawdown of Jordan's foreign exchange reserves. Total debt now totals $8.1 billion.

Per capita income has fallen for the sixth straight year and a foreign exchange crisis has emerged as official convertible foreign currency exchange reserves can now finance only a couple days of imports. In the past nine months, Jordan has adopted policy measures designed to restructure the economy towards self-sustaining growth. Jordan is working with the IMF and World Bank to gain agreement for a stabilization and structural adjustment program. With an IMF standby, Jordan plans to reschedule its debt this summer. In attempting to meet the conditions for an IMF standby agreement, Jordan plans to tighten its budget, but planned expenditures for debt service and food subsidies are considered to be grossly inadequate. Recent riots in the south of Jordan caused by a rise in government controlled prices, conditions for an IMF standby aggreement, have led to a changing top government officials and not a reversal of the economic reforms. With the exception of instituting politically unpopular economic reforms, job creation for a labor force expanding 4 percent per annum will possibly be Jordan's major problem over the next few years.

This section relies heavily on the work of the Mission economist.

Commodity Import Program--This is the second evaluation of the Jordan CIP which began in late 1985 with $160 M allocated to the public, private and mixed sectors over three years: $50 M in 1985, $50 M in 1986 and $60 M in 1987. An additional $5.5 M (3.967 for corn and $1.575 M for U.S.-flag freight was added for yellow corn for the Ministry of Supply to quickly generate $4.326 M in local currency for West Bank development projects. This evaluation examines the entire CIP, but focuses on an evaluation of the period since the March 1987 evaluation and recommendations for the future program design.

According to AID's Evaluation Guidelines for NonProject Assistance (CIPs) and CIP-Like Activities (1985, p. 5), a CIP is used traditionally to "provide rapid and voluminous infusions of capital or goods into a country's economy, particularly in contrast to USAID projects involving long-term technical assistance or training with a small commodity input ... Within limits, the rate of infusion can be controlled to meet shifting economic or political circumstances. It is one of AID's most flexible assistance tools". The team found that the Mission has used the CIP with the flexibility originally intended, as illustrated by the above effort to fund West Bank development projects and by the recent switch in funding from a large $9.7 M radar system to smaller infusions of foreign exchange financing for the private sector.

This CIP began in 1985 when Jordan was in a stronger balance of payments position. Signs of long-run economic instability were present, as reflected by declining growth rates, increasing unemployment, declining worker remittances, falling Arab financial support and increasing uncertainty in traditional export markets. In the mid-1980s, the original CIP emphasis was on providing foreign exchange to "foster a higher rate of economic growth." Balance of payments support for growth and employment creation, rather than avoiding a potentially destabilizing recession from a defecit foreign reserve position, were the key objectives. The purpose of the Jordan CIP, as stated in the original Program Assistance Approval Document (PAAD), was "to relieve the balance of payments and financial constraints now limiting Jordan's economic growth" which would be needed "if jobs are to be found for Jordan's expanding labor force." The program also was anticipated to facilitate high level policy discussions.

The CIP also aimed to promote the private sector, as indicated by its financing of private sector commodity purchases. Private banks channeled financing to private enterprises and parastatals, which in turn repaid the principal and part of the interest into a special fund of Jordan Dinars (JDs) to finance the local currency component of USAID/Jordan development assistance projects consistent with the Mission's CDSS.

Comments on First Evaluation and AID/W Review--The GOJ indicated its intent to promote and facilitate maximum use, at least 50 percent of total CIP funds, for private sector enterprises allocated through the private banking system. The first evaluation was conducted after disbursements of $100 M in the first two tranches. The first evaluation found the program "meeting its principle objectives" and recommended that "the third tranche ... be disbursed as planned." The second evaluation team also finds the CIP generally meeting its primary objectives, and recommends some major shifts in the program toward promotion of private sector export activities.

The second evaluation team found private sector support substantially less than 50 percent because of the inappropriate classification, as defined in the PAAD, of parastatals as private sector firms. Even if parastatal purchasing procedures are the same as private sector firms, parastatals are government owned enterprises and their funds must be treated as public sector funds. Firms controlled by the private sector, with more than 50 percent private ownership, could be considered for the private sector window. The second evaluation team found only 60 percent of half the total funds, or 30 percent of total funds, being allocated to the private sector. If the Mission had attempted to leverage private sector funds for private sector reforms, it would have had substantially less leveraging strength. Statistics for phosphates, potash and the airline indicate, however, that funds to parastatals were productive and contributed to employment and foreign exchange earnings.

Economic criticism by the first evaluation team and the subsequent AID/W review committee focused on failure to achieve a specific set of policy dialogue and private sector lending objectives. The second evaluation team also found that private sector lending objectives apparently were not met, although substantial policy reforms removing impediments to business establishment and liberalizing interest rates should spur on future private sector development. Despite these successes to promote the private sector, the role of the government does not yet appear to be diminishing.

The AID/W review found policy discussions were being held as required under the program, and only marginally achieving market-penetration objectives for new lines of U.S. manufactures. The AID/W review committee concluded that the CIP was not a key element in promoting policy dialogue. The second evaluation team also found that policy discussions were being held and were told by Mission staff that the CIP is not being used to leverage policy dialogue. But because of the policy dialogue, by the Mission and World Bank/IMF, and the current balance of payments problems, many reforms encouraging private sector activity have taken place.

The team also found numerous cases where U.S. technology, previously unavailable in Jordan, was financed by both the private and public CIPs. Private sector examples are the rice polishing and packaging plant in Aqaba, the liquid fertilizer plant in Aqaba and American root starts for fruit trees near Wadi Rum. Parastatal examples include the "drag lines" for the phosphate mines. Public sector examples are an oil rig, and American tug boats at the Port of Aqaba. The large commercial farm near Wadi Rum was previously a

parastatal that has been privatized. The private firm has a long term lease on the land, but is limited in its use of water. Most of their equipment is American made. However, farm production is currently limited by its capacity to pump the water out of the ground. These commodities represent substantial U.S. market penetration into Jordan. The team noted the American style dress for industrial engineers and other employees at the user sites. In contrast to other countries, the American style blue jeans were worn by most of the men.

Because of relatively free access to foreign exchange, the AID/W review concluded that changing the proportion allocated to public/private/mixed sectors in the third tranch would not have significant effect on the level of lending to the private sector by banks. The second evaluation team found this was probably the case in 1987 before the credit squeeze. However, the second evaluation team found that conditions appear to be different now for small and medium enterprises. Despite liquidity in the economy, most foreign exchange is controlled by the larger banks and enterprises. Small establishments are not so liquid and must pay more for foreign exchange. Small and medium size microenterprises find it more difficult to obtain foreign exchange financing even at higher rates. Investment financing with longer repayment terms reflecting life of production equipment is also lacking. Smaller firms, if they can obtain foreign exchange, must pay substantially more than their larger more established counterparts. The second evaluation team concluded that if resources are directed to small and medium sized microenterprises, the chances of a CIP impact on private sector development would be greater. This would also be the case if their technologies and managment practices were previously not present in Jordan.

Corporations and parastatals were more likely to purchase large scale equipment from American manufacturers than their foreign competitors, because of the favorable credit terms of the CIP. The "drag lines" for the phosphate parastatal certainly would have purchased from the British competitor without the CIP. The American firm subsequently bought out the British competitor and now appears to be the major firm in the market. Its chances for future sales of this type of equipment have been enhanced.

The review committee also suggested that a local currency use plan for the special fund be developed as soon as possible. The second evaluation team found that there was a local currency use plan that supported the objectives laid out in the Mission's CDSS. The projects appear to be well managed. They seem to support the general objectives of the Mission's CDSS and GOJ's development plan. The difficulties of obtaining CIP generated local currency funding for these projects are described elsewhere in this evaluation.

Key Issues

50-50 Transportation Requirement--How can a private sector CIP with its 50/50 shipping requirement and its associated higher transport costs be efficiently operated without the introduction of other cost offsetting differentials such as interest rate subsidies or overvalued exchange rates?

Under current CIP proceedures, shifting the Jordan program toward the quicker disbursing private sector will mean increasingly passing on higher U.S. transport costs to the private sector. Higher transport costs will likely limit the range of competitive U.S. commodities attractive to the Jordanian businessmen because of their boost to effective prices. Offsetting the transport cost disadvantage could require introduction of economic distortions into the CIP. But, special interest rate concessions or a distorted exchange rate in the macroeconomy would exacerbate the employment situation and foreign exchange position by encouraging technologies that were too capitial and import intensive. Neither alternative is consistent with AID/W policy positions, the Mission's CDSS or GOJ's development goals.

The importance of this barrier was strongly apparent in all the team's private sector interviews and in the CIP private sector questionnaire which found that 46 of the 75 firms participating in the survey perceived the 50/50 shipping cost to be the major difficulty in dealing with USAID. This was substantially higher than the second ranked factor of "too much paperwork" selected by only 20 firms.

The Cargo Preference Act of 1954 establishes requirements for use of U.S.-flag vessels when ocean transportation service may be used to transport U.S. Government-financed commodities. A.I.D. is responsible for insuring that commodities imported by borrowers/grantees under A.I.D. loan and grant agreements are shipped in accordance with these requirements. As a result, current AID regulations require that, if available at fair and reasonable rates, U.S.-flag vessels be used to ship 50 percent of gross freight revenue, of gross tonnage and of quantitative units of all CIP commodities. The only U.S.-flag vessel company now servicing Jordan is Waterman, which charges rates roughly two to two-and-a-half times as high as its competitors. One major Jordanian CIP importer, who has imported the same equipment with both Waterman and its less expensive shipping competitors, stated that transport shipping costs, as a percent of c.i.f price, rose from a 6-7 to a 14-15 percent range. This differential is substantial enough to limit the range of U.S. commodities attractive to Jordanian businessmen, if concessions are not available elsewhere in the program through subsidized loan terms, a rapidly devalued Jordan Dinar (JD) or other attractive features.

Up to now, the Jordan CIP has financed commodities worth $79 M for the private sector and $87 M for the public sector. The Jordan CIP office has efficiently passed higher transport costs on to the public sector. The public sector has absorbed roughly 90 percent of the total requirement. Until now, it is estimated that only 10 percent ($16 M) of the total was absorbed by the private sector. The $16 M was covered by Jordaninan businessmen importing items with no non-U.S. competitors or with a substantial U.S. price advantage. These items are limited. This restriction on the private sector CIP would significantly undermine the purpose of providing quick disbursing balance of payments support.

The evaluation team found that the Mission could estimate the cost differential without great difficulty and absorb the transport costs differential through "line iteming" procedures within the Mission. Mission staff, at first glance, saw no operational problems with this solution. The team suggested that this approach of "line iteming" the transport cost differential was an efficient "second best" way of dealing with this troubling facet of the program. The team suggests this approach would be an efficient solution for other CIP's in dealing with the 50/50 transport requirement, when promoting private sector development with maintainance of appropriate exchange rate and interest liberalization policies. See the operational discussion below for procedural issues and a ranking of alternative choices. Combination of shipping strategies could lower the amount needed to cover the Mission's "line item" for the shipping cost differentials.

Recommendation--USAID/Jordan persuade the GOJ to "line item" the transportation cost subsidy for the private sector to avoid adding additional policy distortions. These costs could be estimated easily. This proceedure would avoid differential treatment of firms not using Waterman. Encourage the commodity office to pass on this type of procedure to other Missions promoting private sector CIPs.

Policy Dialogue and Focusing Future Programs--Should the Jordan CIP be more focused in order to better leverage economic policy?

In constrast to other country programs, the Jordan CIP has not been used to leverage policy reforms. Other CIPs have been successful with policy dialogue by focusing their commodity disbursements, banking services, local currency programs and policy dialogue in one of two areas depending on the size of the program. This has not been the case in Jordan.

As part of a team, including the World Bank and the IMF, the Mission has encouraged some broad reforms in the area of exhange rate valuation, interest rate liberalization, and other areas mentioned in the summary of the Jordanian policy reforms in Appendix D. However, few if any can be singularly and directly attributed to the Mission's policy dialogue. Recent policy changes are due primarily to Jordan's looming foreign exchange crisis. Jordan is required to meet the conditions for obtaining an IMF standby agreement, which is a prerequisite for a Paris Club rescheduling of its soaring foreign debt. The ability to adapt policies in a timely fashion to changing economic and politcal factors remains a major barrier to Jordanian development.

The Jordan CIP is now economy-wide. It is not focused. Commodity financing has been directed 50 percent to the public sector, 20 percent to parastatals and 30 percent to the purely private sector. Policy dialogue has also not been focused, but has ranged over a wide variety of topics including privatization, liberalization of financial markets, improving cost recovery in water and energy, fostering market driven agricultural marketing, family planning and health. Local currency projects supported by the CIP also cover many areas and topics.

Only a fraction of the development projects are focused in any one area, although all are consistent with the CDSS. Thus with a relatively limited level of funding, the policy dialogue efforts appear to be spread too thin to make an impact.

Mission staff have argued that the program is basically political and not economic. They have argued that the process is difficult and the funding levels are not sufficient to undertake meaningful policy dialogue. But as the current looming macroeconomic situation attests, a major problem facing Jordan now is its capacity to develop macroeconomic policies for sustainable growth. Structural change for the economy is needed to earn more foreign exchange and to generate additional employment.

Recommendation--The Mission should focus its policy dialogue on one or two key policy areas. The policy reform efforts should complement the work of the IMF and World Bank. To gain leverage in Mission policy dialogue, CIP commodities disbursed and local currency projects funded through the special fund should be focused increasingly on sectors or areas related to a more specific set of policy dialogue targets. The team's recommended area of small and medium size microenterprise and export promotion are discussed below.

Private Sector Loan Terms--Should CIP loan terms continue to be concessionary?

Until recently, low inflation has led to a resulting high real rate of interest at times reaching 8 percent. High historical interest rates had contributed to domestic savings, investments and growth. But the declining foreign exhange reserves and budget deficits over the recent past because of declining foreign aid and worker remittances have created a situation of increased reliance on printing money. The consequence is rising inflation. The impact has been to create a real interest rate structure that is now most likely negative. Without a more flexible exchange and interest rate policy, the negative real rates of intesrest could lead to capital flight and encourage capital and import intensive investments determined by noneconomic factors.

The loan terms have been concessionary to both participating private banks and private sector enterprises. This may have been appropriate at the early stages of CIP, when commodities were not moving quickly through the private sector window. Such subsidies are not appropriate now, especially with the overvalued JD and the apparent high effective rates being paid for foreign exchange by small and medium size microenterprises. The team found during interviews that the program is now very popular and does not need such a large subsidy. The subsidy would encourage capital and import intensive technologies inconsistent with Jordan's major problems of unemployment and scarcity of foreign exchange.

The CIP's basic interest rate ranged from 6.25 to 10 percent. Most customers are charged the lower 6.25 percent rate. During the CIP, the market rate of interest ranged from 8.5 to 9.5 percent, indicating a subsidy of more than 2 to 3 percent, not including the overvaluation of the currency and the current inflation rate which is estimated to be between 15 and 40 percent depending on what basket of commodities are used. According to bankers, flexible interest rate are not used in Jordan, although attempts in the past have been unsuccessful probably because inflation was low and stable, in contrast to the present.

An additional commission fee of roughly 1 to 4 percent is added on to the interest rate to account for risk. During the CIP period the GOJ allowed interest rates to rise from 8 to 10 percent. The commission fee, previously 2 percent nationwide, in principle is allowed to rise without limit. Because of the removal of limits on the commission, effective interest rates are now considered "liberalized."

Increased uncertainty has tended to overshadow greater interest rate flexibility during the current period. As a result, the flexible cap has not yet responded to raise nominal interest rates to levels approaching a positive real interest rate. A possibly more important factor is credit standards, set by the Central Bank, that encourage very conservative lending practices through their emphasis on collateral, personal guarantees, and low debt leverage.

The banking system is "commercial" rather than "industrial" and tends to finance commodities for short terms. This is rational given the current uncertainly over expected inflation. The length of repayment for CIP commodities ranged from 6 months to 5 years. There is now pressure by the government to lower the length of repayment.

In addition to the basic interest rate and commission, an extra "unofficial" one-time fee may be charged to account for purchasing foreign exchange at the higher parallel rate. At the time of the evaluation the parallel rate, depending on the intensity of need, was as high as 660 fils per the dollar compared to the official rate of 542 fils per dollar. It is common practice for banks to charge an additional "unofficial" one time fee to cover the spread between the parallel and official rates. The fee may drop substantially with the devaluation of the JD, but now appears to be rising. It is uncertain whether this fee is charged to participants of the private sector CIP.

Despite the roughly 2 to 3 percent subsidy and its attractiveness as the JD was devalued, the private CIP stagnated initially because private banks were not receiving adequate return for their efforts to market and administer the program. The banks were the only conduits for the funds. Their share of the 6.25 percent interest was initially 20 percent, with 80 percent and principal repayment going to the CIP special fund to finance the the Mission's local currency needs and those of its development projects. Bank return, 1.05 percent on a 6.25 percent loan, was not enough to move CIP commodities. Banks chose to move other funds which yielded higher returns. When the banks' "spread" rose from 20 to 50 percent of the 6.25 percent interest, the return to the bank on the loan rose more than 2 percent from 1.05 to 3.124 percent. The rate of financial return from the rise in interest rate made the funds attractive to both the banks and the private sector. This was probably more than enough to make the program attractive to the banks.

Raising the "spread" going to the banks meant they would be getting a larger part of the local currency earnings at the expense of the public sector special account projects, which were the recipients of the repayments via the CIP special fund. However, this "spread" did probably develop more transactions at a quicker rate and thus generated local currency at a quicker rate. See the estimates in the auditors reports.

Recommendations--The subsidy should be lowered substantially by raising the lower end of the interest rate schedule to at least 10 percent, depending on the expected inflation rate at the time of the next program. Expected inflation should be an important determinant of the final interest rate terms of the CIP. The spread going to the private sector banks should be lowered to at least 30 percent or levels comparable with similar services elsewhere in the banking industry. As before, if the banks fail to market the program, their share should be increased. The length of repayment should also be raised, if necessary, to reflect useful life of the commodity. The CIP might also incorporate an optional flexible exchange rate to take into account uncertain future inflation. Carry out, staff permitting, periodic audits of banks that may not be passing on the terms of the CIP to the users, but are claiming to do so. After one warning, drop these offenders from the program. Continue via policy dialogue to press for additonal interest rate flexibility to allow nominal interest rates to rise to positive real levels--those above the expected inflation rate.

The Jordanian banking sytem is oligopolistic. One dominant bank controlls 46 percent of the banking system's loans and 68 percent of its deposits. Three largest banks make up 80 percent of the deposits, 68 percent of the loans and 77 percent of the assets. The largest has traditionally been a risk-averter, preferring liquidity to high returns on its assets. This bank currently makes the majority of its loans at 10 percent--the maximum by law, plus 1 percent commission. Because of the banking market structure, this bank can, if it chooses, discipline the market by taking loan customers away by offering them lower rates. It may enjoy a competitive advantage with depositors who prefer perceived security over higher expected return. If a competitor becomes too aggressive it could possibly raise deposit rates and siphon off competitors' depositors or cause them to increase rates, thus lowering margins.

This bank under CIP ranks second in value of Letters of Credit (LCs) and third in number of transactions. See Table 1 for a ranking of the banks by number of CIP transactions and value of CIP funding levels. This bank entered the program relatively late, after the program's profitability was demonstrated, further indicating their risk averseness.

The bank can lead the other banks, and thus restrain efficient financial intermediation and constrain funding levels made available to riskier creditors. Riskier customers could be those that are critical for restructuring the economy towards Jordan's nontraditional exports. They could also include smaller and middle size firms that have less collateral to offer for obtaining a loan.

Table 1

PRIVATE SECTOR

NAME OF BANK	Dollar Value	Rank	Transactions	Rank
Jordan Investment & Finance Corporation	19,519,198.01	1	64	2
Arab Bank Ltd.	16,460,570.99	2	47	3
Finance & Credit Corp.	14,450,689.67	3	93	1
Bank of Jordan	5,439,391.07	4	9	9
Petra Bank	5,409,675.80	5	35	5
Arab Finance Corp.	4,201,858.08	6	41	4
Jordan National Bank	3,299,736.96	7	21	6
National Financial Investment	1,977,298.04	8	7	10
Cairo-Amman Bank	1,810,573.32	9	7	10
Jordan Gulf Bank	1,681,312.75	10	14	7
Grindlays Bank	1,671,058.55	11	10	8
Housing Bank	747,134.00	12	1	12
Arab Land Bank	232,000.00	13	2	11
Arab-Jordan Investment Bank	171,000.00	14	1	
British Bank of the Middle East	132,069.50	15	2	11
Jordan Finance House	73,427.00	16	1	12

In the CIP, smaller banks have demonstrated an ability to "move" products quickly. They tend to charge a more realistic effective interest rate. They have demonstrated capacity to deal with the large parastatals. The AID goal of creating a healthy private sector should also include the banking system. A private sector strategy would also include ways to increase the competitiveness of the banking industry. Increased competitiveness leads to a more efficient banking system that reaches other more risky segments of the economy.

The financial system, adequate in the past, may not work efficiently in the future as Jordon moves from low to high inflation and from macroeconomic stability to instability. It needs to adapt to the new realities.

Recommendations--Future CIP be set up to try, if possible and practical, to stimulate financing opportunities for small and medium size banks in an effort to create a more competitive banking structure and enhance the efficiency and an adequate level of risk taking in the domestic economy. Because of the conservative nature and the "commercial" rather than "industrial" orientation of the banking industry, prioritize credit for smaller and middle size firms.

Shifting toward Private Exporters--Should the CIP shift 100 percent to the private sector? Should the CIP focus on export promotion within the private sector?

Basic infrastructure exists and is of quite high quality in Jordan. Roads, communication systems, the port, and other basic infrastructure are all very adequate for Jordan's current needs. Private sector manufacturing appears to be lagging the public sector.

Interviews with bankers and businessmen particating in the private sector CIP confirmed a substantial potential for U.S. commodies. U.S. commodities are viewed as being of high quality. The team found substantial potential for shifting Jordanian demand from foreign towards U.S. manufactured products. The popularity of U.S. commodities was substantiated by the private sector CIP survey summarized below in private sector development impact.

Despite a slow start, the program succeeded because of highly (subsidized) favorable terms, high quality goods, reasonable transport costs (since the 50-50 requirment was passed on primarily to the public sector), adequate service, available information and marketing by the banks, and relatively free access to imports for investment.

Moreover, the private sector window is much quicker because of the bureaucracy of the public sector tendering process. This quick disbursement characteristic of the private sector CIP appears to be gaining in importance as the foreign exchange shortages become more acute. There appeared to be universal support within the public and private sectors for realocating more resources to the private sector, particularly small and medium size enterprises introducing modern technology, good standards, and quality products. Small businessmen are finding it increasingly difficult to find financing. Many U.S. trained industrial engineers and businessmen, often without substantial collateral, are struggling to get the credit needed to open up new plants and introduce new technologies into Jordan.

As the foreign exchange situation in Jordan deteriorates, availability of financial resources will be more constraining than in the past, especially for smaller firms.

Recommendations--Make the next CIP totally private sector. Concentrate on providing commodities for small and medium sized enterprises. However, maintain a mechanism in the program to allow flexibility for financing, if needed, large commodities for the public sector or parastatals. Be flexible enough to include funding of plant and equipment that introduce technologies not currently available in Jordan, especially those that provide substantial numbers of jobs for Jordanian men and women.

The team found that Jordan had all the basics for an outward looking export strategy: a highly skill population, good port (largely due to the CIP), excellent roads, other basic infrastructure, a terrific location for trading, and a small cadre of successful exporters. Export industries tend to be labor intensive in Jordan, and thus provide jobs. Export industries also provide needed foreign exchange earnings, for preventing a potential recessionary defecit and achieving sustainable growth.

Interviews with all the bankers suggested that more finance was needed for the riskier investments, including exports. Bankers interviewed said that they would have no problems moving the CIP funds to potential exporters.

Recommendations--Shift the CIP increasingly toward export promotion of nontraditional exports. Prioritize small and medium size firms having good potential for exporting to global and regional markets, providing substantial employment for males and females, and introducing new products or new technologies nonexistant or rare in Jordan. See Lessons Learned below for a discussion of the rice processing plant in Aqaba for a prototype of technology transfer that would aid Jordan's structural readjustment from inward to outward looking.

Speed of Disbursement Versus Other Goals--How important is the speed of disbursement versus other goals?

Fast disbursing balance of payments support is one of the key attributes of any CIP. Flexibility to shift from balance of payments support for growth or to prevent potential recessionary foreign exchange deficits to longer term development projects is another key attribute of the CIP. The current situation suggests that over the next year, balance of payments support to prevent a foreign exchange deficit is a distinct possibility, if an IMF standby agreement is not reached. If achieved, the program should be flexible enough to aid Jordan's effort to restructure its economy in an outward oriented direction.

A program recommended by this evaluation is consistent with all the basic goals that have been developed by the mission in their CDSS. It is consistent with Jordan's development plan. A private sector CIP is fast disbursing. An export promotion CIP generates employment and foreign exchange earnings. Interviews suggest that an export oriented CIP could quickly disburse commodities. By prioritizing small and medium size microenterprises, the CIP may be contributing to private sector development by facilitating capital access for new endeavors that differ from the current Jordanian state of the art.

However, the program must maintain its quick disbursing property if it is to be valuable as a balance of payments support mechanism. Thus it is important to maintain flexible proceedures to get the program back on track if it stalls. This appears to have been a strength of the current Jordan CIP.

Recommendations--Maintain flexible proceedures to prevent rigidities that could halt the program. Try to remove the major subsidy components of the programs. Delays in the program can be costly, particularly if Jordan does not obtain an IMF standby agreement, and enters a period where balance of payments support is critical for providing the resouces needed for this import dependent country to continue operating. In such a scenario, the program might need to be restructed differently to provide key inputs and raw materials to keep the country's production units operating.

Impact of CIP Disbursements and Local Currency Programming

CIP Balance of Payments Support for Growth or Stabilization--Though difficult to measure, the CIP appears to have contributed substantial balance of payments support particularly for infrastructure that enhances economic growth. Some commodities might have been purchased without the CIP. But the generated foreign exchange helped to maintain foreign reserve levels to prevent the country from falling into a potential recession from a foreign exchange deficit. A quarter of the public sector CIP went to the Port Corporation at Aqaba which has increased dramatically its capacity. Transshipments to regional markets have soared. This CIP funded infrastructure provides Jordan with substantial additional foreign exchange.

Most of the $86.5 M public sector purchases were probably "additional" and represented big ticket items whose purchase might have been postphoned without the CIP. These items generally supported infrastructure that contributed directly to increased productivity and growth by providing additional large scale equipment and supplies for building new infrastructure. According to interviews, the U.S. is very competitive in these items.

Field visits, discussions with auditors, comments from a wide spectrum of AID staff and Jordan bureaucrats indicated that the equipment and other commodities were generally being used very effectively. The major user of the public sector CIP was the Ports Corporation-Aqaba. It utilized $22 M, which represents around a quarter of the total public sector CIP. The port also benefits from a $3 M CIP financed coastal radio system. The port's increased ability to handel ships rose dramatically over the period covered by the CIP. According to the Central Bank of Jordan statistics, imported goods transiting through Aqaba to Iraq and Saudi Arabia rose from 3.2 M tons in 1984 to 6.9 M tons in 1988, dominating nontransit imports that dropped for 3.2 M tons to 2.2 M tons in the same period. This also represented a major source of foreign exchange earnings.

Exports also rose dramatically, especially for CIP supported parastatals which received 40 percent of the private sector CIP. Phosphate exports rose steadily from 4.7 M tons in 1984 to 5.8 M tons in 1988. Potash, a big user of CIP funds with 45 transactions primarily for spare parts, increased exports from 0.294 M in 1984 to 1.285 M tons in 1988. Fertilizers after a drop in 1985 to 0.520 M tons rose to 0.690 M tons in 1988. Other domestic exports rose steeply from 0.036 M tons in 1984 to 0.238 M tons in 1988, indicating increasing manufacturing activity and a rising diversity of exports. Further indicators of the productivity of expenditures for the Port of Aqaba include the rise in number of vessels from 2,329 in 1984 to 2,583 vessels in 1988. For passangers, the number of departures and arrivals rose from 177 thousand to 240 thousand

and from 344 thousand to 584 thousand, respectively. Port authorities said that from 1985 to the present the waiting period of ships at the port dropped from over 20 days to less than 5 days. The resulting revenues charged by the port apparently rose also.

Forty percent ($32M) of the $79 M private sector CIP was directed toward parastatals. The phosphates parastatal earned $450 and the potash parastatal earned $150 million in foreign exchange in 1988. The Royal Jordanian Airline, another parastatal recipent of CIP funds, was also a major foreign exchange earner. The above statistics indicate that successful exports of phosphates and potash were closely tied to the increase in public infrastructure, particularly the CIP funded improvements made in the port at Aqaba. The export success of phosphates is surprising in light of the decline in industrial production from 6.2 M tons in 1984 to 5.6 M tons in 1988, and suggests that foreign exchange problems might have been more acute without the CIP. Potash industrial production rose from 0.486 M tons in 1984 to 1.298 M tons in 1988.

These companies would probably have been provided the foreign exchange in the absence of the CIP. Commodities financed represented balance of payments support that that shifted business to U.S. exporters from their foreign competitors. This was certainly the case for the "drag lines" bought by the phosphate parastatal through a CIP "tied aid" arrangement. On the negative side, the "tied aid" arrangement resulted in over $4 M in funds being diverted from the CIP special fund, causing friction between the GOJ and the Mission. However, the CIP funds generally provide classical balance of payments support for Jordan with foreign reserves to meet its other needs.

The impact on the economy depends on how the marginal foreign exchange reserves were used GOJ. It appears that the funds were used productively and not wasted on luxury goods or unproductive investments. Perusal of the budget and discussions suggested that monies were spent on productive investment goods they are contributing to growth. Or if they were used to raise foreign reserves, they also contributed toward avoiding disasterous consequences from running out of reserves needed for key imports to maintain the overall operations of the country.

The remaining 60 percent ($57 M) of the $79 M went to private sector firms. These funds are probably the most fungible and have the least impact for large firms with easy access to foreign exchange. Large enterprises and corporations appear to be well capitalized and liquid. They have overseas accounts and can easily transfer surpluses out of Jordan if conditions warrent. Thus funding projects for large scale firms could lead to a subtantial fraction of the funds being transferred out of the country into an overseas account. In contrast, funds going to small and medium size enterprises are likely to represent real economic impact to the Jordanian economy because they often cannot obtain financing elsewhere and thus would not engage in new business activities without access to credit. These firms also more likely to introduce new business practices and management techniques.

Jordan's financial markets are not competitive in structure, and this appears to contribute to inefficencies in performance. Banks appear to avoid adequately providing credit for riskier investments. They avoid providing longer run credit for industrial projects, and favor shorter run commercial endeavors which may have a substantially lower expectred rate of return. Thus many successful operations using CIP funding would have had problems obtaining credit in a timely fashion. These firms may also be major contributors to growth. These that also export and produce import substitution goods, such as the large private agricultural farm near Wadi Rum, also save foreign exchange. Those starting new plants with U.S. technology are also introducing into Jordan new technologies that can greatly enhance growth though higher productivity.

Employment--Jordan's labor force is rising 4 percent per annum and mounting unemployment is a key problem. According to the Mission economist, the World Bank projects a worst case scenario of 18 percent by 1992, assuming skilled Jordanians will not find new jobs abroad and unskilled Jordanians do not displace foreign workers in low level jobs. Between October and March, applications for U.S. visas totalled 16,000, a 45 percent rise over the same period last year and supports the downturn in the economy and rising unemployment.

The CIP survey of the private sector suggests that the CIP positively impacted employment for 28 percent of the firms. The team's interviews with private sector users also indicated, in some cases, a substantial employment impact. For example, the rice processing plant in Aqaba began from scratch and now employs almost 300 Jordanians full time. It has created a large numbers of service jobs for small trucking businesses, garages, restaurants, and stores from Aqaba to Iraq.

Another chemical mixing plant, which transfered a plant from the U.S. had 8 persons in its primary plant in Aqaba and is currently building numerous supplemental plants thoughout Jordan and neighboring countries, where a primary mix from the plant will be adapted in specific Jordanian and neighboring countries to local soils and environment. The plan is to have their satallite staffs, including extention agents, work with farmers to provide the right types of fertilizers for irrigated areas with different soil types.

Another pharamacutical plant hires about 300 workers and is considering establishing a new plant, possibly with the aid of CIP private sector funding. This company exports a variety of medicines and pharmaceuticals throughout the Middle East.

Exporting firms appear to be rather labor intensive and provide jobs in relatively high technology areas. They also appear to hire substantial numbers of women.

Recommendation--Concentrate CIP funding on technology transfers of relative labor intensive plants manufacturing for export. Use a "size-of-firm" critieria, favoring smaller establishments, and an employment criteria, favoring higher employment, in selecting between competing firms seeking commodity finance.

Policy Dialogue--The team found that the Mission had a policy dialogue priorities list and an agenda. The agenda covered a broad array of activities and is presented with the Mission's progress report and indicators in Appendix D. While policy dialogue took place as required by CIP regulations, the CIP was not viewed as a tool for leveraging economic policy reforms. There was no conditionality. The Mission conducted useful discussion dealing with policies reforms that might be appropriate for Jordan. The program may have been leveraged, but it was for political gains.

One of the reasons the CIP was not more useful in economic policy dialogue may have been its economy-wide structure. The CIP commodities and projects supported by the special fund covered diverse areas, thus weakening the CIP's leveraging potential. See the discussion above on the need for focusing all parts of the program on the same area. Experience in other countries suggests that a more directed program with disbursed commodities, policy dialogue and development projects all focused on one sector may have more success for achieving policy reform. Policy reform can take place even without strong conditions being placed on the recipient government.

As a consequence of severe economic shortages in foreign exchange, particularly since 1987, major reforms in currency devaluation and interest rate liberalization were undertaken by the GOJ. Economic conditions and a need to meet the conditions for an IMF standby, not the CIP, were primarily responsible for bringing about much of the macroeconomic reforms on the Mission's policy reform agenda. However the reforms carried out over the past year have been substantial. Businessmen interviewed by the team are well aware of them and appear to be responding to the added incentives. But they are also aware that the economy is going through an uncertain period of transition.

The reforms have been summarized by the Mission economist as follows

> Through successive depreciations of the currency, the Dinar now stands 40 percent below its dollar rate a year ago. With the more competitive exchange rate, producers report growth in export sales, though this has yet to be seen in trade statistics due to the lag in their collection. Import compression has already occurred; imports in the four months after July 1988 were down 32 percent in dollar terms over the comparable period of 1987. Controls on deposit rates have been completely lifted. The ceiling on lending rates has been raised in the past year from 8 percent to 10 percent and the prior limit on commission rates removed, effectively liberalizing lending rates as well. With market forces now allowed to set interest rates, investment funds should be more efficiently invested, and depositors and remittors able to gain higher returns. In August, industrial licensing requirements were eliminated, thus removing what had been a barrier to market entry and a stifling of domestic

competition. Changes were also made to Jordan's investment encouragement law, making tax holidays more attractive by providing a tax loss carry-forward and simplifying the law's administration. In a move to encourage exports, improvements were made to the existing duty drawback scheme, and central bank discount facilities for export finance were made more attractive. Tariff levels were reduced for a number of raw materials, and prior import bans on domestically produced items removed, although a temporary ban of one year was placed on the import of cars, consumer electronics, and other non-essential consumer items. To promote use of domestic labor, work permit fees for non-Arab labor were substantially increased. Tighter enforcement of foreign exchange controls and imposition of a higher departure tax were designed to reduce foreign exchange expenditures for foreign travel and overseas educational and family support. Along with these policy changes, Jordan is working with the IMF and World Bank to gain agreement for a stabilization and structural adjustment program. Once IMF agreement is in hand, Jordan plans to approach the Paris Club for debt rescheduling this summer. [Cable #.O. 12356 (April 1989)]

It is difficult to separate out the different impacts from policy dialogue of USAID/Jordan from that of the IMF and World Bank. The IMF and World Bank have larger funding levels and conditionality. The U.S. does not use conditionality and apparently does not leverage the CIP funds per se. Rather they rely on general discussions. Some Mission staff claim that the discussions may have little or no impact. However, the U.S. policy dialogue has laid some groundwork and has reinforced the need for the recent policy reform initiatives. Interviews with different sectors of the economy strongly supported the reforms and stated that the current reforms are moves in the right direction.

Recommendations--In the future, CIP policy dialogue initiatives should be directed toward developing the private sector in general and export promotion in particular. This can include a variety of related issues including financial deepening, development of a system of technology transfers, and training. Policy reform might concentrate on reforms in areas impacting on private sector and export development. These efforts should be reinforced by CIP special fund development projects. This type of an approach should complement policy dialogue efforts by the World Bank and IMF. By focusing Mission policy dialogue on areas where CIP commodities are being disbursed and CIP funded projects are directed, the program would have more leverage even without explicit conditionality.

Private Sector Development--The team found that lending to large parastatals and private sector firms probably did not have much impact on developing the private sector. Perusal of various statistical sources did not provide evidence of a strong shift of country resources towards private sector activities. In fact the most dramatic increases were with the parastatals--government owned enterprises--that were financed by the private sector CIP. But the employment and foreign exchange earning capacities of these parastatals appear to have made those commodities represented "high return" investments. As indicated elsewhere in this evaluation, only a fraction of the commodities disbursed and projects supported by the CIP special fund were directed toward developing the private sector. Most were allocated to the public sector.

One large pharmacutical exporter interviewed by the team said his firm was "loaded" with foreign exchange and didn't need the CIP. This was consistent with what the team was told by the bankers. Credit was not the problem, if you have good quality products and standards. For this successful exporter, the problem in Jordan was that many small manufacturers refuse to adapt modern industrial practices and lack standards for dealing with markets outside of Jordan. These traditional managers are too proud to hire outside consultants to show them new techniques and ways of doing things. This suggests great need in developing a program for smaller firms attempting to introduce new product lines and technologies of production and management into the country.

The evaluation team found the private sector managers of firms supported by the CIP to be progressive and forward looking. They are often using modern business practices. The private sector was generally considered by both the private and public sector as much more productive and innovative than their public sector counterparts.

While difficult to quantitatively measure the impact of the program on private sector activity, the following survey provides some insight on how the program is perceived by CIP private sector recipients. A CIP questionnaire filled out by 75 private firms and parastatals under the CIP private sector window indicated that

- The CIP positively impacted total production for 99 percent of the firms (16% above average, 18% average, 30% somewhat and 35% minimal)

- The CIP positively impacted employment for 28 percent of the firms (7% large increase and 21% small increase)

- Firms continued to use the CIP for the following reasons in descending order: quality of U.S. goods (59 firms), better than commercial financial terms (59 firms), favorable exchange rate (51 firms), spare parts availability (13 firms), quality of local representative (10 firms), no other source (8 firms), and speed of delivery (5 firms)

- Firms perceived benefits in dealing with the local banks because: interest rates were lower (50 firms) and repayment was longer (52 firms)

- Perceived difficulties in dealing with local banks included: interest rates were too high (10 firms), bank was not interested (6 firms), bank was not creditworthy (5 firms) and terms were too short (4 firms)

- Perceived difficulties in dealing with USAID in descending order were: 50/50 shipping costs (46 firms), too much paperwork (20 firms), slow deliveries (16 firms), unclear rules (11 firms), no published information about the program (6 firms), no contact with USAID (4 firms) and prices too high (3 firms)

- Perceived advantages in dealing with U.S. suppliers included good quality of commodities (62 firms), good service (44 firms) and low prices (12 firms)

Large private firms and parastatals have access to capital and foreign exchange. Access to subsidized CIP financing had little impact on the economy. Access to CIP funding would enhance the profit sheets of the large firms and parastatals because the loan terms were better than alternative competitive sources of finance. It was a boon to U.S. exporters who were able to capture business from their foreign competitors as was the case of the multimillion dollar "tied aid" drag line sale to the phosphate parastatal captured from a British competitor. Later, the American company bought out its British competitor.

The program also had a significant impact on the private sector when less established entrepreneurs were in the process of introducing a new plant or processing procedure into the country. While the entrepreneur might eventually succeed in obtaining funding, oftentimes he would not and the business opportunity would be dropped. See the case of the rice processing plant described below.

Funds supporting small and medium size enterprises were more likely to have a positive impact on the private sector because of the lack of available finance for developing new production techniques. Despite current foreign exchange liquidity among large banks, there is a scarcity for the smaller riskier firms. Thus the funds directed toward this segment probably had an important impact on private sector development.

This same argument holds for the banks which funded the comodities. The banking system is dominated by one large conservative bank which tends to keep industry-wide lending practices extremely concervative. The bank was slow to enter the CIP program until it recognized that the program was a success and that it could provide subsidized credit for customers. The bank later went on to rank second in CIP transactions and third by value of lending, as indicated in Table 1. The CIP program provided support for this dominant bank and its customers. But it also supported 16 other banks whose development is critical for building a competitive banking structure. The CIP program was particularly helpful for those banks with assets of less than $15 M. The CIP will become inreasingly more supportive as foreign exchange for smaller banks and enterprises becomes more expensive.

Recommendations--The CIP should become 100 percent private sector. In contrast to current practices, parastatals with majority government ownership should not be labeled private sector. These firms should be referred to as parastatals or state owned enterprises to avoid confusing the issue of ownership. If future CIPs finance commodities for parastatals, the commodities should be treated as part of a public sector program, even if the actual purchasing procedures parallel those of the private sector. Because of weaknesses in financing mechanisms for small and medium size enterprises, the private sector CIP should be geared to smaller loans for smaller firms. If possible and practical, the program should try to encourage small and medium size Jordanian banks to enter the program, so as to encourage a more competitive "industry oriented" Jordanian banking sector that would contribute to economically efficient banking practices. The program should be flexible enough to add the public sector when political and economic conditions warrent.

Other--Throughout this evaluation are examples of other economic impacts, including the introduction of "new" technologies, rare or nonexistant in Jordan. The team witnessed at user sites the introduction on new technologies and management practices.

CIP supported operations often generated additional "second-round" impacts on the economy illustrated by the rice processing plant in Aquba described elsewhere. The impacts often extend beyond the local community as exemplified by various transshipments, to Amman and Iraq, which generated small service industries along the major routes. These highways are being built partly with CIP public sector commodities.

The CIP has also contributed to regional integration. For example, an improved Aqaba port, the major user of the public sector CIP, has enabled dramatic inreases in transshipments to Saudi Arabi, Iraq, Egypt, Kuwait and even Turkey. Facilitating these transshipments enhances regional integration and allows these smaller countries to take advantage of economies of scale available through regional demand.

The CIP's special fund has supported a wide variety of economic and social programs, including those in health and population planning. Many of private sector projects are currently laying foundations for a more export oriented CIP program. While time restrictions precluded visits to the sites, discussions with auditors, project managers, and others indicated that the programs were generally well managed and contributing toward their objectives as laid out in the CDSS. Mission staff indicated the projects were quite successful because they are chosen for their high economic rate of return. The CIP funded special account also supports a wide variety of World Bank projects chosen for their high economic and social rate of return. Only recently have negotiations on the funding of AID/Jordan projects been hampered by lack of local currency funding.

The CIP also appears to have favorable affected the operations of Jordanian private companies which act as distributors and agents for American manufactures. Spare parts will be needed for years to come and service capabilities will have to be strengthened. Without future CIP availability for the public and mixed sectors, private sector distributors will have to purchase the spare parts for their own account and sell them in local currency to the owners of the CIP financed account.

Recommendations--Begin focusing, if possible, all future CIP supported development projects on private export promotion and its related activities in areas such as export risk insurance, export financing, quality and standards, technology transfer and development, and skills. Consider underwriting private export trade associations and other private and public programs that provide timely information and services on global and regional export markets to potential Jordanian exporters.

Operational Evaluation

Comments on First Evaluation and AID/W Review

The first evaluation recommended speedier identification for proposed transactions, and AID/W suggested maximum use of mission authority to approve transactions. The accelerated issuance of L/Cs since the first evaluation, especially in the private sector CIP, indicate strongly that the recommendations were being implemented.

AID/W also agreed to a larger number of Requests for Quotations (RFQs) thus eliminating the long delays in specification reviews. It also kept the CIP office much more informed on when tenders could be issued.

More familiarity with AID procedures by the importing agency and a closer working relationship between the Agency and the CIP office speeded up solutions on disagreements about specifications between M/SER/OP and the importing agency.

Reproduction and distribution of tender documents improved considerably by SER/OP corrective actions.

Instructions in tender documents are now more specific and bid/quotations are being directed to the proper office.

Award decisions are still not made within the prescribed 45 day period, not because of delays in the evaluation process, but often because budget funds become tight and award can only be announced after covering funds assured.

The proposal that awarded decisions should be submitted directly to USAID/Jordan without involvement of the MOP was discussed, but the MOP insisted on remaining involved since they have the primary responsibility for the CIP.

USAID/Jordan continues to press AID/W for speedier information about Letter of Commitment bank disbursements, but response so far is inadequate.

In response to the recommendation regarding arrival accounting and end use check, USAID transferred these functions from the CIP to the Controller's Office. Arrival accounting and end use checks could still be substantially improved.

The question of the 50-50 U.S.-flag requirement for the CIP is being discussed in another section of this evaluation.

Key Design Issues

50-50 Shipping Requirement--The interim evaluation of the CIP program in March of 1987 identified the mandatory requirement of shipping 50 percent of the cargo on U.S.-flag vessels as a potential major impediment for the smooth operation of the program. The report pointed out that the Act's impact was especially burdensome for private sector purchases of bulk cargo agricultural products. Applications for CIP funds totalling $2.6 M had to be turned down by USAID as the importers could not afford to ship the cargo on U.S. flag vessels. This situation has not changed, and will become more of a problem if the program shifts more to the private sector.

The problem of the high rates of freight charged by the only U.S. shipping line servicing Jordan, Waterman, stems from: a) lack of competition and b) no return cargo. The former could be overcome to some extent if A.I.D. could persuade the Maritime Administration (MARAD) to count shipment of cargo on through bills of lading issued by a U.S. shipping company as satisfying the 50 percent U.S.-flag requirement. This would considerably lower the spread between U.S. and non U.S. shipping rates. See example in Annex . The team believes this should be possible as a U.S. carrier would receive cargo, which otherwise it would not receive.

As to the latter cause of the problem, the team ascertained that there is no cargo presently being shipped to the U.S. from Jordan which could even remotely utilize the U.S.-flag ships for a return cargo to the U.S.

The interim evaluation report made several recommendations among which was the above mentioned question of the "through bills of lading" transshipments issued by a U.S.-flag carrier being counted against the 50 percent U.S.-flag requirement for the program.

USAID did not follow up on the recommendations since the impact of the Cargo Preference Act was only a "minor irritant" affecting the program, because up to 90 percent of public sector imports were shipped on U.S.-flag vessels.

Shifting toward the private sector in future CIP agreements, however, could cause the Cargo Preference Act to become a major impediment for the program.

Several possibilities exist to alleviate this impediment with the cooperation of A.I.D./Washington, and possibly the GOJ.

1. AID/W should determine whether the freight rates charged by Waterman for cargos to Aqaba are fair and reasonable.

2. AID/W should again attempt to persuade MARAD to count transshipments on "through bills of lading" issued by a U.S.-flag vessel to be counted as U.S.-flag shipments to Jordan. MARAD rejected this recommendation after the last CIP evaluation without a reason for the rejection.

Transshipments with "through bills of lading" by a U.S.-flag carrier generates additional revenue for this carrier because of an AID financed transaction and freight being paid with Jordan CIP funds. The Jordan CIP should get credit for the additional revenue.

3. AID/W should try once more to persuade Congress to agree to a line item in the Foreign Assistance Act to cover U.S.-flag freight differentials. This not only would benefit the Jordan CIP but also procurements in all AID recipient countries.

4. USAID and the GOJ to agree to a line item for freight differentials in the Grant Agreement.

Recommendation--Since items 1 and 3 in team's opinion, have very little chance of leading to an acceptable accommodation. Thus,

1. AID/W should once again try to persuade MARAD to count transshipments against the 50 percent U.S.-flag requirement of the project, and

2. USAID and the GOJ should agree to a line-item in the private sector CIP for freight differentials. See discussion above on economic arguments against passing on this transport differential to the private enterprises. See Appendix J.

If Washington succeeds with the first recommendation, then the second can be reduced accordingly.

Types of Commodities Financed--The team does not recommend a limit on the commodities financed under the CIP beyond those prescribed in A.I.D Commodity Eligibility Listing. It appears, however, that new materials for export oriented companies, plant equipment for the same, and spare parts should be accorded priority. If the obstacle of the 50-50 shipping requirement can be removed, as proposed, agricultural commodities for feed stock for animals should also be considered.

Recommendation--A.I.D Commodity Eligiblity Listing should determine which commodities can be financed by a future CIP.

Loan Terms and Changing Economic Conditions--The most important aspect for loan terms in the next private sector CIP is that they be flexible. Under the present extreme shortage of foreign exchange with importers eager to apply for CIP funds, a reduction of the subsidy features of the current CIP is, desirable and feasible. Such reduction should not cause CIP funds not being disbursed at a reasonable pace.

When the new CIP becomes operational, conditions may be quite different. If the IMF and World Bank funds may become availalble. The Gulf States may resume their grants. The Paris Club may extend their loans. The JD may be further devalued. This would call for an adjustment of the terms proposed.

Recommendation--The interest rate for the loan should be at least 10 percent. The portion of the interest the local bank can retain should be reduced to 3.0 percent and the length of the loan should reflect the utilization factor of the commodity. The implementing document, however, should make it clear that loan terms are adjustable reflecting economic changes in the country. To determine appropriate loan terms CIP office should, from time to time, study this question in consultation with the Regional Economic advisor, the GOJ and the Mission director. If such studies don't lead to a satisfactory solution, an appropriate contractor should be conmsidered.

The Mission may consider variable downpayment requirement at the time of opening an LC. Ten percent might be reserved for small and medium size microenterprises. Larger firms might pay a downpayment of twenty percent. Parastatals, if allowed to participate because of special circumstances, might be required to pay thirty percent. This might direct available funds to the more desirable participants.

The exchange rate at the date of the opening of the LCs will be applicable throughout the whole transaction.

Importer Eligibility of Distributors and Agents--Private sector distributors and agents for American companies should be permitted to participate in the future CIP. In fact, if possible, they should be encouraged to buy spare parts for their own account especially those whose principals supplied A.I.D.-financed equipment to public sector companies.

The Mission might consider to allocate some of the available funds for spare parts. There is nothing that can hurt the reputation of A.I.D and US manufacturers more than idle machinery because of lack of spare parts.

A.I.D/W was concerned about Jordanian private sector agents acting as importers for specific equipment a public sector wanted to purchase without having to use the public sector CIP procedures. This could have assured the public sector importer getting the equipment he wanted and also that he could have taken advantage of the credit terms under the private sector. The Team is aware of only one such transaction for a VHF radio purchased from GE. The file documents that commission for the importer, charged in the sales price contrary to AID regulation, was refunded to A.I.D and returned to the Jordan CIP. To exclude private sector importers selling CIP financed commodities to a public sector entity, because of one questionable transaction, would be counter productive.

Recommendation--Distributors and agents for American manufacturers and exporters should continue to be eligible to participate in the private sector CIP.

Procurement Practices of Public and Private Sectors--Practices in both the public and private sectors will have to remain governed by A.I.D Regulation I. Current practices are adequate. The USAID CIP office should be commended for having approved some allowable, though seldom considered, transactions such as the purchase of a used drilling rig, "tied aid" for some draglines and financing of the low bids by U.S. companies in international tenders. A request to A.I.D /W to finance nursery stock, which is normally ineligible, may eventually contribute to Jordanian production of all its fruit requirements. This evaluation recommends 100 percent financing of private sector requirements with priority for medium and small export oriented companies with export potential. However flexibility is essential to assure that the available funds are utilized in a timely fashion.

Therefore, team does do not propose an upper dollar limit on individual transactions nor a prohibition of participation of large companies, especially those that employ substantial number of people and are engaged in the introduction of new technologies and modern management techniques.

Meeting these priorities will place more responsibility on the CIP office in judging approval of proposed transactions and may require additional staffing. Meeting these priorities will also require banks to provide more information about their customers' employment and export activities.

Recommendation--Future CIP funds should be made available only to the private sector but should provide that in exceptional situations parastatal and public sector applications be authorized.

Treatment of Mixed Firms--Mixed sector firms,--with private sector involvement but with a majority government ownership, benefitted substantially from the 40 percent availability of private sector funds under the initial CIP. The parastatals should not be permitted to use new CIP funds unless exceptional circumstances prevail. The majority of such firms have export earnings and appear to be able to retain a certain percentage for their import needs. They can also buy needed spare parts in JDs from the private sector distributors or manufacturers agents. With the exception of the phosphate and potash parastatals, which have a special government duty free authority for some spare parts, according to interviews, mixed companies have to pay duty for spare parts when they purchase them for their own account. Buying them from local distributors will not result in increased prices.

Recommendation--Mixed companies should be informed that they can no longer participate in the private sector CIP.

Staffing Implication--At the time of this evalutation there are still two procurements in the public sector CIP to be finalized. Also, important questions of delivery of two tug boats must be addressed. The cancellation of the Westinghouse radar contract will create further work for the CIP office since the funds are being shifted to the private sector window. The chief of the office appears to have done an outstanding job in administerng the program, but at this point he is alone with one secretary. When the approximately $10 M from the radar cancellation will be made available for the a private sector, numerous additional transactions will need to be considered. The team recommends that at least one local employee should be added to the CIP office. This will be even more important when the proposed $18 million for a new CIP will become operational, especially if suggestions in this report regarding a new CIP are implemented since applications would require the need of closer review with new guidelines for approval.

The team was informed that USAID is in the process of changing the Staffing Pattern Action Request (SPAR) for the chief of the CIP office which will call for the next incumbent to be a contracting officer with some commodity experience. The evaluation team considers this to be inappropriate. There are very few contracting officers with extensive experience in commodity transactions and Regulation I rules. All commodity management officers presently have some contracting training.

Recommendation--Add at least one local employee to the CIP office. Maintain a commodity management officer with experience in contracting as chief of the office.

Operations Since Last Evaluation

Public Sector Funding--As of the time of this evaluation public sector tender awards amounted to $76,233,408,73. However, an award for a radar system for Aqaba, totaling $9,704,567, was cancelled by GOJ the week of May 15. Since no letter of commitment had yet been issued to the awardee (Westinghouse) the funds will be available for new financing of purchases in the near future. The GOJ expressed its desire to have these funds transferred for private sector transactions.

Because of this cancellation of public sector procurement regulated by AID Regulations I, formal tender re-quirements currently amounts to $66,528,841,73. In addition USAID authorized procurement transactions in the amount of $10,087,634,22 which were exempt from formal procurement requirements. The majority of these transactions were for the purchase of spare parts. Some were for sole source items. Some were for approved standardization. A review of the latter two categories reveals that all these transactions were covered by properly executed waivers of formal bid procedures.

There were also a limited number of transactions financed by public sector CIP funds where a U.S. company was the low bidder in international tenders. The CIP Office verified that there was sufficient competition of U.S. bidders. Documentation in the files for not insisting on new tenders was found to be properly executed.

Two requests for CIP funding in an amount of $500,000 are still under review. The current status of the public sector allocations of $86,548,800 for the three tranches of the CIP is summarized as follows:

Awards of tenders	$66,528,841,73
Other approved awards	$10,087,634,22
Balance of allocation	227,752,05
	76,844,233,00
Amount to be transferred to private Sector CIP	9,704,567,00
	86,548,800000

See Table 2 for public sector users ranked by value of purchases. See Table 3 for public sector tenders awards in the value of more than 1 Million dollars.

Table 2
Public Sector Major Tender Awards
(Thousands of $s)

Importer	Commodity	US Supplier	Amount $	Remarks
Port of Aqaba	Tug/Tow Boats	Halter Marine, Inc	12,518	Tow Boat in operation Tug Boats under sea trial
Ministry of Supply	Yellow corn	Continental Grain	4,191	Arrived
Natural Resrcs. Auth	Used Oil Rig	Branham Industries	4,552	In operation
Telecommunication Corp	Drop Wire etc.	Superior Trade Co.	4,191	Arrived/In use
Port of Aqaba	Forklift and Cranes	Caterpiller Hyster, Taylor Grove	3,825	In operation
Ministry of Transport	Coastal Radio Station	Contel Page Intl.	3,289	Under Construction
Port of Aqaba	Cranes and Forklifts	Grove Crain Co., Hyster Co. New World Research	2,714	In operation
Nat'rl Resources Auth.	Drilling Equipment	Dresser Indust., Ingram Petrolium Srvcs.	2,500	Received/In Use
Jordan Valley Auth.	Earth moving & Vehicles	Ford, GM	1,711	In operation
Ministry of Health	X-Ray	Kodak, GE	1,695	LC issued but not shipped
Jordan Elec. Auth.	Computer	International Interface Sys. Inc.	1,518	Received/In use
Ministry of Health	CatScanner	Picker Int	1,480	One in operation One to be shippe
Natural Resrcs. Auth.	Lab Equipment	Ruska Intl U.S. Export Mrktng, Leco Corp	1,403	Received/in use
University of Jordan	Computer	International Interface System Inc.	1,138	Received/In Use
Jordan Elec. Auth.	Microwave	AAE Sys Inc	1,115	Received 80%
Ministry of Education	Lab Equipment	Horizon Trade, Maison Intl. Education Eqt. Sys.	1,115	Received/In use
Telecommunication Corp	Telephone Sets	TW Comm. Corp, Maison Intl.	1,094	Received/In use
Telecommunication Corp	Vehicles	Navistar, Banner Industries	1.041	Received/In use
Univ of Science & Tech	Computer	Intl. Interface System Inc.	1,008	Received/In use

Table 3
Public Sector Users of CIP
By Dollar Volume
(000 Omitted)

Organization	U.S.$	Percent
1 .Port Authority Aqaba	21,829	25,29
2 .Natural Resources Authority	13,622	15,78
3 .Civil Aviation Authority	12,858	14,90
4 .Telecommunication Corp.	7,879	9,13
5 .Ministry of Supply	5,542	6,42
6 .Ministry of Health	4,485	5,20
7 .Ministry of Transport	3,799	4,39
8 .Jordan Electricity Authority	2,703	3.13
9 .Jordan Radio & TV Corp.	2,062	2,39
10.Ministry of Education	1,843	2,14
11.Jordan Valley Authority	1,791	2,07
12. Various	1,354	1,57
13.University of Science & Technology	1,020	1,18
14.Ministry of Planning	915	1,06
15.Ministry of Higher Education	627	0,73
16.Ministry of Agriculture	479	0,55
17.Civil Registration Dept.	408	0,47
18.Yarmouk University	370	0,43
19.Ministry of Public Works	343	0,40
20.Ministry of Industries	327	0,38
21.Dept of Statistics	327	0,38
22.Ministry of Communications	241	0,28
23.Jordan National Geographic	131	0,15
24.Jordan New Agency	105	0,12
25.Metrological Dept.	85	0,10

Public Sector Procedures--The Ministry of Planning established a CIP section to coordinate the public sector CIP with the USAID CIP office. This office is well managed and its relation with USAID is most cooperative.

The office established a "Transaction Data Sheet/Public Sector" which is well designed. Approval of the transaction is recorded by USAID, the Ministry of Planning and the Central Bank. The USAID CIP office properly attended all bid openings and approved proposed awards which met A.I.D regulations. Upon USAID approval of the awards, a letter of credit was issued by the Central Bank and confirmed by one of the Letter of Commitment (L/Com) Banks.

Upon receipt of the payment documents the Central Bank deposited the Jordan Dinar (JD) equivalent of the transaction in the special local currancy CIP account. The Central Bank, according to memo of understanding between USAID and the Ministry of Planning (MOP), was to have deposited the JD at the highest official rate at the time of deposit. They, however, used the highest official rate at the time of L/C opening in accordance with Implementation Letter No.1 for determinating the amount. Team understands that this misunderstanding was due to a lack of communications between the Ministry of Planning and the Bank and USAID. See Appendix No. 1 and 2.

Delay of public sector CIP financing because of the budgeting problem noted in the earlier evaluation seems to have been overcome.

Since there have been many more requests from the public sector for CIP financing than the funds available, the Ministry of Planning established a Committee to select the highest priority items, available from the U.S. The cost of the selected American manufactured items, to the MOP, were within the budget estimates of the various participants. Very rarely had additional funds been made available.

USAID/Amman also established a Public Sector Review Committee to determine whether the funding proposals presented by the MOP were consistent with USAID's program strategy, not detrimental to its overall programs, or not otherwise sensitive. This committee rejected a number of financing requests such as station wagons, where intended utilization was not documented. It also rejected lab equipment with insufficient information and core bits where the purchaser tried to restrict competition.

This dual GOJ and USAID/Jordan review of financing requests assured that only priority items were financed and that they met the criteria of the Mission's CDSS.

General consensus of all public and private sector officials interviewed, was that commodities financed by the CIP are of excellent quality. We heard of only one rather minor purchase by the Aqaba Port Authority that did not meet its quality requirements.

Since the team is recommending that future CIPs be almost exclusively available for the private sector, no recommendations are being offered as to how the public sector CIP could be improved. Current procedures are adequate.

The USAID CIP Office must be complemented for its administration of the program in accordance with all A.I.D regulations.

Public Sector Commodity Composition--The GOJ selected infrastructure development and mining as the highest priorities for CIP commodity funding.

The Port of Aqaba was by far the largest beneficiary of available CIP funds.

In the mining sector, most funds were authorized for the Natural Resources Authority.

Telecommunications equipment and the Civil Aviation Authority were considered the next important sectors.

About $6.5 M were allocated for computers for various public sector entities.

The team considers that proper commodities were being financed.

See Tables 2 and 3 and Charts C3 and C4 for details.

Private Sector Funding-- As of May 23, $78,967,580,88 of private sector CIP funds are committed and covered by letters of credit. Only $123,000 are still available for purchases. In the near future, however, another $9,407,567 of public sector CIP funds will become available. Interviews with importers and banks indicate that disbursement of these funds should be rapid.

The current popularity of the CIP is indicated by a comparison of transactions at the time of the previous evaluation with those since. One hundred fourty-nine letters of credit with a face value of 49 M had been established by March of 1987. Since then there have been two hundred and seventy four transactions valued at $30 M.

This comparison shows many more smaller transactions since the terms of the CIP were adjusted. Another contributing factor to this change in transactions versus dollar value may be attributable to Annex 1 to the third amendment of the Grant Agreement # 278-K-643 dated June 30, 1987. This annex expresses the desire to split the $25 M allocation to the private and mixed sectors of the second $55,548,800 of the grant "according to demand". A goal of $15 M was set for private sector firms (with private sector owning majority control) and $10 M for mixed ownership firms (private sector involvement with majority government ownership). The same desired split of the $30 M for the private sector of the final $60 M of the grant is for $22.5 M for private sector firms owning majority control and $7.5 M for mixed ownership firms with private sector involvement but with majority government ownership. This well conceived revision of the original understanding of allocations for the private sector undoubtedly contributed to more strictly private sector firms participating in the program.

Private Sector Procedures-- Seven transactions in the private sector totaled over $1.0 M and are subject to section 4.6 of the Grant Agreement (Procurement For Private Sector). Two more for spare parts are not affected. One of the eight is also affected by section 4.8 of the agreement (Financing Physical Facilities). Documentation in the files do not refer in USAID's approval of the transaction to the relevant sections of the agreement.

A review of transaction files indicates that "Reg I" procedures were followed. Instead of relying on Japanese commodities, availability of CIP funds for purchases from the United States, especially during a time of severe foreign exchange shortage, made it possible for a considerable quantity of U.S. heavy construction and mining equipment to be available for ongoing projects. It is especially noteworthy that two new industrial enterprises with export potential were financed with the funds. Both are already fully operational. Details are presented below in Lessons Learned. Another breakthrough attibutable to the CIP concerns US automotive manufacturers which previously were almost completly shut out of the market. Not the least important items financed were irrigation and agricultural equipment for huge private sector farms. It is quite possible that several of these new industrial ventures would not have been initiated at this time had these funds not been allocated to the private sector.

No instances of financing of luxury items and those prohibited by A.I.D regulations were found, however, the team questions whether financing of cheddar cheese ($45,000) and toilet seats ($70,000), both of which are eligible is appropriate developmentally. Transactions of this nature should be avoided in the future.

Private Sector Commodity Composition--Parastatal companies were the most active in purchasing commodities financed through private sector CIP. The Phosphate and Potash Mining Companies ordered about $18.3 M in equipment and spare parts. Next came Alia (Royal Jordanian Airlines) which purchased $14.9 M in CIP commodities. Among the strictly private firms, the two agricultural companies were the most active users of CIP financing. Approximately $8 M in commodities were ordered by industrial private enterprises. Most had substantial export potentials. Computers, equipment for construction companies, vehicles and spares, electrical and medical lab equipment and instruments were users of the remaining funds.

The team consideres that the mix of commodities will aid the Jordanian economy.

See Tables 4 and 5 and Charts C5 and C6 for details.

Recommendation--Wherever transactions of over one million are approved for financing, the USAID CIP file should show evidence that Sections 4.6 and 4.8 (where applicable) have been considered.

Table 4
Major Commodities Financed with Private
and Mixed Sector Funds
(Thousand $ Dols)

Importer	Commodity	US supplier	Amount Dollar	Remarks
Phosphate Co. (M)	Draglines	Bucyrus-ERIE	12,957	In operatic
Alia (M)	AIRPLANE Engines	GE	10,140,	In operatic
Aqaba Packaging Co.(P)	Plant Equipment	COMET Rice	4,031	In operatic
Trokon-Losinger (P)	Construction Equipment	CATERPILLER	2,359,	In operatic
Alia (M)	Spare Parts	GE	2,357,	Arrived
Al Mashrek (P)	Feed Stock	Continental Grain	1,553	Arrived
Al Mashrek (P)	Meat Bone	Continental Grain	1,305	Arrived
Alia (M)	Spare Parts	Garret	1,299	Arrived
I Phosphate (M)	Loaders	Caterpiller	1,200	In operatic
National Company (P)	Computers	DEC	999	Net yet Shipped
Rum Agricutlural Co. (P)	Irrigation Equipment	LAKE	829	In operatic
Phosphate Co. (M)	Drill	Bucyrus-ERIE	819	In operatic
Ata Ali (P)	Ind Equipment	Glacier Inc.	805	In operatic
Al Jafar (P)	Construction Equipment	Caterpiller	768	In operatic
Housing Bank (M)	Computers	Wang	747	In operatic
Phosphate Co. (M)	Drills	Driltech	733	In operatic
Sukhtian (P)	VHF Radio	GE	663	In operatic
General Computers (P)	Computers	IBM	605	Not Yet Shipped
General Computers (P)	Computers	IBM	605	1st Shipmen Arrived
Gramco. (P)	Irrigation Equipment	Valmont	601	In operati

P = Private
M = Mixed

Table 5

Largest Importers Under Private/Mixed Sector of CIP
(000 omitted)

Company	Type of Business	Dollar Value	No. of Actions
Phosphate	Mining	15,193	5
Alia	Airline	14,911	28
Aqaba Packageing	Industrial	4,031	1
Potash Co.	Mining	3,244	54
Rum Agricultural	Farming	2,956	15
Al-Mashrek	Industrial	2,858	2
GRAMECO	Farming	2,526	15
Trocon Losinger	Construction	2,359	1

Arrival Accounting--This function was shifted from the responsibilities of the CIP Office to that of the Controller as recommended in the previous 1987 evaluation report. Some progress in the procedures has since been achieved but much remains. Visits to the port have accelerated and more shipping agents, than just the one handling Waterman, have been visited. This is necessary since non-U.S. flag cargo can arrive on ships of any of the shipping companies. USAID is now arranging to receive "out turn" reports from Waterman's agent and the others.

Only two public sector shipments were found to have remained in the port for more than 90 days. They included some lab equipment and a catscan for the Ministry of Health. The latter remained in the port because the building was not ready to receive it. Upon notification of the CIP Office both shipments were cleared promptly through customs. Private sector importers tended to quickly remove their cargos because storage charges are quite high.

USAID has documentation that commodities in the value of $66 M financed with private/mixed CIP funds arrived in Jordan. On the public sector side the value of arrivals amounts to $54.4 M. This lower dollar value is due primarly because two tug boats, valued at $12.2 million, for the port are still being sea tested.

Recommendation--The USAID Controller's Office should request "out turn" reports from all shipping agents in Aqaba whose vessels carry any cargo from the United States. If possible increase frequency of trips to Aqaba once a month to be scheduled for one to two weeks after the arrival of Waterman vessels.

End-Use Checks--Big ticket items for the public sector and those for mixed/private sector companies have been almost the only items checked for proper use of the equipment. With the exception of some items being serviced, there were no reports that the equipment was not operating. The team visited the Port of Aqaba, two private sector industries, the Aqaba Packageing Company and the Jordan-Kuweit Liquid Fertilizer plant and the RUM Agricultural Company and found all A.I.D.-financed equipment to be properly used. Smaller importers with the private sector funds have not been checked to any extent as it was felt that these companies could not afford to keep the imported equipment idle.

Recommendation-- The end-use checks in the public sector should be increased to include commodities of lesser value especially lab equipment which in other countries was frequently found to still be stored in packaging cases long after arrival because there was nobody who knew how to use it. There should also be more frequent visits to smaller private sector companies to ascertain whether the A.I.D.-financed commodities were being properly utilized.

Lessons Learned

Two turnkey private production facilities are outstanding examples of the most effective utilization of private sector CIP financing. On the public sector side allocation of funds to improve infrastructure of the Port of Aqaba demonstrates how CIP funds can be used most effectively to improve the economy and earn foreign exchange.

Aqaba Packageing Company- The Aqaba Packageing Company (APC) is an example of effective utilization of CIP funds. It is a 50/50 percent joint venture of Jordanian investors and the Comet Rice Company of the U.S. The team was told that the plant would not be in operation without the availability of CIP funds and the five year repayment terms of the bank loan.

APC receives about 33,000 tons of milled rice once a month from the Comet Rice Company of Louisiana, stores it in its own silos, and after cleaning and polishing the rice, packages it to its customers' specifications, mostly in 45 kilo and five kilo plastic bags. The plant operates 24 hours per day in three shifts seven days a week. Long grain and short grain rice is handled separately both in ocean transport, storage, polishing and packaging operations. Iraq and Saudi Arabia, at this time, are the main customers.

During the cleaning and polishing operation brokens and bran in the amount of about 1.5% of imported tonnage is separated and is sold locally to animal feed companies. Operation capital is being held to a very low percentage as the imported rice is paid for by the recipients of the packaged polished rice.

APC is a venture which benefits Jordan, the U.S. and its export customers who receive clean bagged rice without having to pay heavy transportation costs for bagged cargo. All equipment for the plant came from the U.S. and APC processes U.S. grown rice exclusively. For Jordan it earns foreign exchange, employs 280 workers, all of them Jordanians, in its plant and produces income for truckers for shipping 1500 tons of bagged rice per day to Iraq alone.

Jordan-Kuweit Company for Agriculture and Food Products--This Company imported machinery worth $270,305 from the United States with private sector CIP funds. The plant which was ordered in April 1988 went into production January 1989. It can produce 10-15 tons of liquid fertilizer per hour. At present it is only producing 20-30 tons a day because its markets are still being established. Of the Nitrogen Phosphate and Potash (NPK) ingredients of the fertilizer only urea has to be imported. The company at present has one satellite station in operation in Jordan and is establishing one in Kuweit. More satellite installations are planned to be added shortly. The Aqaba plant produces a basic mixture of NPK and ships it in bulk to the satellite where it is refined to meet the farmers need. While the plant itself is fully automated and can be operated by two engineers and one helper, the company employs a number of sales people and will establish their own extension service to help the farmers with their fertilizing requirements.

Besides Kuweit, exports to other Gulf states are expected.

Ports Corporation - Aqaba-- The port of Aqaba was the foremost beneficiary of CIP financing for the public sector. $21.8 million worth of equipment is on order and most of it has already been delivered. Additionally the port benefits from the Coastal Radio Station ($3.2 M) which the Ministry of Transport imported.

The port activity increased dramatically in the last ten years with the tonnage of exports and imports growing from 3,659 to 20,096 thousand tons from 1978 to 1988 and the number of ships using the port from 1,197 to 2,583 during the same period. The Deputy Director General estimates the tonnage in 1989 to increase again to 22,210 thousand tons. CIP funds having been allocated to the port makes a lot of sense especially because there are more export cargoes being handled then imports and that of the imported tonnage there are three times more transit goods, earning foreign exchange, then imports for Jordan.

The average turnaround time for vessels is five days with the exception of lash vessels that can turn around in 5 to 6 hours. The port estimates that export cargo will increase substantially as cement and, lately, clinker are selling briskly to African countries. Sales of phosphates, potash and fertilizers are also on the rise.

Plans for the future are for the port to be a transshipping center for container cargoes.

Port operations will keep the CIP financed equipment fully employed. Much more equipment is needed which in some cases will be from American manufacturers because of the need for standardization. With 27 GROVE cranes having already been delivered a repeat order is almost certain when additional cranes are needed.

The technical director of the port, with a minor exception, is very satisfied with the equipment that was delivered. GROVE engineers were in Aqaba to put the cranes in operation and train the operators. The 6 Caterpiller and 4 Hyster fork lifts operate to the ports entire satisfactions. Two Taylor 30 ton fork lifts for containers have been tested and operators have been trained. One pilot boat and two tow boats also perform well.

The two 3600 HP tug boats are at present being sea tested with Aqaba technicians in attendance. Delivery of these boats, however, still poses problems. They weigh 420 tons and therefore can not be unloaded in Aqaba. The nearest crane capable of handling such weight is in Suez but apparently there are still some problems with the Egyptians agreeing to its use.

The only dissatisfaction experienced by the port with CIP financed equipment concerns Northwest tow trucks which do not operate as designed and present other problems. The local agent for this equipment is not capable of providing adequate service and spare parts.

Appendix A

INTERVIEWS

Washington, D.C.

AID

Robert Richardson, COM/OP
Steve Kinsley, COM/OP
Renata Cameron, COM/OP
James Harmon, COM/OP
Peter Deinken, ANE/MENA
David Carr, ANE/DP
David Cowles, AID/PRE
Neal Zank, PPC/PDPR
Don Masters, ANE/DP
Chris Hermann, DP/E

State Department

Jeff Irwin, NEA/ARN/State Desk

Other

Sadir Chitale, World Bank
Robert Zaborski, World Bank

Jordan

AID

Patricia Macheson, ANE/PD
Francis A. Donovan, CMO, USAID/Jordan
Despina Ackall, CMO, USAID/Jordan
Mark Krackiewicz, Economist, USAID/Jordan
Dave Lockhart, EXO, USAID/Jordan
Lewis P. Reade, Mission Director, USAID/Jordan
Richard Johnson, Deputy Director, USAID/Jordan
Tom Daly, Private Sector Project Officer, USAID/Jordan
Jim Bever, ANE/MENA
Nimi Wijesooriya, F&M, USAID/Jordan
Emile Sahoury, F&M, USAID/Jordan
Aylette Villemain, Private Sector Project Officer, USAID/Jordan
William McKinney, Program Office Head, USAID/Jordan
Frank H.Wade, Auditor, USAID/Nairobi
Peter N. Mwai, Auditor, USAID/Nairobi
Toby Jarman, Deputy Inspector General for Audit, USAID/Nairobi
James Dempsey, PDO, USAID/Jordan
Mohammad Yassin, F&M, USAID/Jordan

State Department

Ismail Dajani, Commercial Officer, American Embassy-Amman
Peter Londono, Chief, Economic and Commercial Office, Ammerican Embassy-Amman
Patrick Theros, Deputy Chief of Mission, American Embassy-Amman

Private Sector

Samir Haddad, Finance & Credit Corporation,
Hani S. Qaqish, Deputy General Manager, Finance & Credit Corporation
Sameh Faraj, General Manager, Jordan Investment & Finance Corporation
Rafiq Azar, Executive Manager, Arab Finance Corporation
Faik Daher Khatib, Deputy General Manager, Caterpillar
Mahmoud Noureddin, Sales Manager, Caterpillar
Suheil Khreino, Executive Director, Telestar (Waterman Agents), Amman
Tewfic Abuzeid, Manager, Telestar, (Waterman Agents), Aqaba
Miflih 'Aqel, Arab Bank
Ghada Dabbas, General Manager, Citibank
Rafiq Azar, Arab Jordan Finance Company
Danny Eifling, Storage and Export Shipping Manager, Comet Delta
Kamal Wajih, General Manager, Aqaba Packaging Company
Mohammad Dawoud, Technical Manager, Aqaba Packaging Company
Khaled As'ad, Jordan-Kuwait Company for Agriculture and Food Products, Aqaba
Hajim Hammadi, Jordan-Kuwait Company for Agriculture and Food Products, Aqaba
Farid Jamoukha, Dep. Farm Manager, Rum Agricultural Company
Samih Abubaker, Horticulturist, Rum Agricultural Company
Ma'en Shuqair, The Arab Pharmaceuticals
Amin Shuqair, The Arab Pharmaceuticas
Nabil Hammoudeh, Managing Director, Jordan Chemicals Co., Jordan Feed Co., National Hatcheries Co.
Abdel Hadi Hammoudeh, Jordan Chemicals Co., Jordan Feed Co., National Hatcheries Co.
Adnan A. Faraj, Managing Director, Arab Center for Pharmaceuticals and Chemicals

Public Sector

Ziad Bakhit, CIP Coordinator, Ministry of Planning
Pat Johnson, Consultant, Ministry of Planning
Hassan Samman, Head, Foreign Banking Deptartment, Central Bank of Jordan
Golda Imsais, Foreign Banking Department, Central Bank of Jordan
Khaldun A. Abuhassan, Chairman, Amman Chamber of Industry
Mohammed Abu-Ebeil, Technical Manager, Technical Manager, Aqaba Port Corporation
Majad Al-Amari, Chief of Studying Section, Aqaba Port Corporation
Akif Abu-Tayeh, Dep. Director General, Aqaba Port Corporation
Hassan Sa'oudi, Specifications and Standardization Dept., Ministry of Trade and Industry

PART I
JORDAN

AGENCY FOR INTERNATIONAL DEVELOPMENT
PROJECT IMPLEMENTATION REPORT
AS OF 3/31/89

PROJECT NO.	TITLE	L/G INDICATOR	APPROVAL DATE	AGREEMENT DATE	CP MET DATE	ORIGINAL COMP DATE	REVISED COMP DATE	AUTHORIZATION LOCATION
278-K-643	Commodity Import Program	G	9/16/85	9/17/85	11/6/85	11/88	5/91	AID/W

COST ESTIMATES (DOLS 000)

	ORIGINAL	REVISED
TOTAL COST	165,549	
AID	165,549	
HOST GOVT		
OTHER DONORS		
PRIVATE SECTOR		

FINANCIAL DATA (DOLS 000):

	GRANT	LOAN	TOTAL
APPROVED LOP	165,549		165,549
OBLIGATIONS	165,549		165,549
MORTGAGE	- 0 -		- 0 -
COMMITMENTS	155,446		155,446
ACCRUED EXPENDITURES	151,550		151,550
UNEXP. BAL.(PIPELINE)	13,999		13,999(8.5%)

LAST EVALUATION
MARCH 1987
NEXT EVALUATION
MAY 1989

IMPLEMENTING AGENCY: Ministry of Planning

PROJECT OBJECTIVES

PROJECT DESCRIPTION: Jordan's CIP finances foreign exchange for U.S. imports of public and private sectors.

PRINCIPAL AID INPUTS: 165,549 to finance imports from U.S.

EXPECTED OUTPUTS: Higher levels of imports, economic growth and job opportunities.

CONTRACTORS/CONSULTANTS: N/A

PROJECT STATUS: This CIP is fully obligated at 165,549. 99% of obligations have either been awarded under the Public Sector (86,321) or approved under the Private Sector Program (78,969). Major commodities are mining equipment and spares; airport radar, instrument landing, lighting and spares; port equipment covering cranes, tug boats, tow & pilot boats, and spares; agricultural products and equipment; and computers. Less than 500,000 dollars remain to be awarded. Processing of this remainder is expected to be completed by May 1989.

MAJOR ACTIONS NEXT 6 MONTHS: Final Evaluation is scheduled for May 1989.
Audit: IG audit began April 9 and is expected to last until on/about April 20, 1989.

PROJECT OFFICER: Francis A. Donovan

MISSION DIRECTORS ASSESSMENT: The major activities of this program, actual importations, are drawing to a close. Management of this program must now focus on monitoring equipment arrivals, programming of local currency generations, executing the final evaluation, and assisting with the IG audit.

PART II (278-K-643)

DATE OF ORIGINAL AGREEMENT	AGREEMENT AMENDMENTS	TDD-ORIGINAL DATE	TDD AMENDMENTS
9/17/85	1. 9/23/86	11/6/88	1. 11/6/89
	2. 9/30/86		2. 7/31/91
	3. 6/30/87		3.

OBLIGATIONS (DOLS 000):

1. CUMULATIVE TO DATE:	165,549
2. CURRENT YEAR:	- 0 -
3. FUTURE YEARS:	- 0 -

ACCRUED EXPENDITURES (DOLS 000):

CUMULATIVE THROUGH FY 1988:	131,760	
	ESTIMATED	ACTUAL
FIRST QUARTER FY 1989 :	10,602	9,421
SECOND QUARTER FY 1989:	10,547	10,369
THIRD QUARTER FY 1989 :	8,500	
FOURTH QUARTER FY 1989:	4,140	

CONTRACTS:

1. SIGNED AND ACTIVE (Name of contractor, date signed, amount, progress and completion date):
   a. Private Sector L/C's or L/Com's; 1986 - 1988; Amount: 75,877; Completion by 11/89.
   b. Public Sector L/C's or L/Com's; 1986 - 1988; Amount: 75,673; Completion by 5/91.
2. PLANNED (Purpose, expected date, estimated amount and name of contractor if known):
   a. Private Sector L/C's or L/Com's, Apr-Jun 1989; Amount: 3,040; contractors: various; Completion by 11/89.
   b. Public Sector L/C's or L/Com's; Apr-Jun 1989; Amount: 10,648; contractors: various; Completion by 5/91.

COVENANTS STATUS (Show number of each covenant and date met. If not met, explain why):

Covenants Met

PROBLEMS/ISSUES FOR EXECUTIVE MANAGEMENT CONSIDERATION:

Evaluation and audit results should be used in design of planned FY 1990 CIP.

Table C1

JORDAN COMMODITY IMPORT PROGRAM
PUBLIC SECTOR REPORT - MAR 31, 1989

ATTACHED FOR YOUR INFORMATION IS ABOVE REPORT FOR WHICH SUMMARIES ARE PROVIDED BELOW:

SECTION _ 1 : APPROVED AWARDS

A - TENDERS AWARDS	$76,233,408.73
B - OTHER APPROVED AWARDS	$10,087,634.22
TOTAL	$86,321,042.95
C - BALANCE REMAINING (ALLOCATION $86,548,800)	$227,757.05

SECTION _ 2 : TENDERS OR AWARDS UNDER EVALUATION

NONE

SECTION - 3 : REQUESTS UNDER REVIEW $500,000.00

JORDAN COMMODITY IMPORT PROGRAM
PUBLIC SECTOR TENDER REPORT

:N _ 1 _ GOVT OF JORDAN AWARDS APPROVED BY USAID

TENDER AWARDS

FQ NO.	COMMODITIES	OPEN DATE	ESTIMATED VALUE	APPROVAL DATE	AMOUNT APPROVED	PUB NO.
2/1-86/KOJ	ELECTRONIC RADIOSOUND	25-Oct-86	$57,353.00	12-Nov-86	$57,353.00	50
-86/KOJ	VEHICLES	02-Oct-86	$267,560.00	15-Nov-86	$278,690.00	46,47
-86/KOJ	DRILLING EQUIPMENT	01-Oct-86	$2,400,000.00	27-Dec-86	$2,500,972.66	70-83+196
-86/KOJ	EARTH MOVING EQUIPT & VEHICLES	07-Oct-86	$2,020,720.00	11-Dec-86	$1,711,075.18	52-58-93
5-86/KOJ	LABORATORY EQUIPMENT	15-Oct-86	$413,250.00	24-Dec-86	$443,949.40	60-66
-86/KOJ	VEHICLES	22-Oct-86	$420,000.00	24-Dec-86	$504,948.87	67, 68, 69
-86/KOJ	COMPUTER	08-Nov-86	$1,000,000.00	24-Feb-87	$1,518,003.00	119
-86/KOJ	BUSES & WAGONS	30-Oct-86	$112,628.00	11-Dec-86	$112,628.00	51
10-86/KOJ	VEHICLES	05-Nov-86	$168,000.00	27-Dec-86	$179,380.00	89
/11-86/KOJ	PICKUP & BUSES	06-Nov-86	$92,000.00	28-Jan-87	$129,792.00	95, 184
12-86/KOJ	AGR. EQUIP. & VEHICLES	09-Dec-86	$1,000,000.00	28-Jan-87	$479,078.40	100 - 105
3/2-87/KOJ	RADIOS & GENERATOR & VEHICLES	08-Dec-86	$250,000.00	28-Jan-87	$89,088.44	97, 98, 99, 132
3-87/KOJ	DROPWIRE & RELATED	10-Feb-87	$6,000,000.00	01-Jun-87	$4,191,091.79	123,124,164-169,1
10-87/KOJ	WRAPPING MACHINE	28-Jan-87	$38,000.00	09-Apr-87	$20,086.42	135
1-87/KOJ	LAB. EQUIPMENT	15-Dec-87	$750,000.00	14-May-87	$1,115,467.79	136-139, 152-157
6-87/KOJ	WEIGHT & MEASURER	13-Jan-87	$33,000.00	07-May-87	$35,432.00	146
21-87/KOJ	VEHICLES	06-Apr-87	$100,000.00	14-May-87	$125,133.00	149
19-87/KOJ	COMPUTER	30-Mar-87	$40,000.00	14-May-87	$36,715.00	151
/13-87/KOJ	RADIO EQUIP. & COMPUTER	28-Feb-87	$230,000.00	21-May-87	$229,907.29	170, 190- 193+31
17-87/KOJ	FORKLIFTS & CRANES	08-Mar-87	$3,600,000.00	01-Jun-87	$3,825,247.64	181-183
/26-87/KOJ	TOWER	03-Mar-87	$150,000.00	29-Jun-87	$335,423.18	194
3-87/KOJ	YELLOW CORN	21-Oct-86	$5,548,800.00	23-Oct-86	$5,542,236.76	49
/34-87/KOJ	VEHICLES	17-Jun-87	$60,000.00	16-Aug-87	$69,045.00	210
4-87/KOJ	PRINTING PRESS & OTHER	03-Jan-87	$180,000.00	16-Aug-87	$60,655.84	205-208
24-87/KOJ	VEHICLES	05-May-87	$575,000.00	14-Sep-87	$689,949.00	222-223
/31-87/KOJ	MICRO COMPUTER	07-Jun-87	$134,000.00	29-Sep-87	$131,040.00	228
RA/39-87/KOJ	PHOTOCOPIER/TELE	12-Jul-87	$150,000.00	08-Oct-87	$16,498.00	232
/32-87/KOJ	LINESMANS TOOLS	06-Jun-87	$100,000.00	19-Oct-87	$223,074.50	233, 234
/50-87/KOJ	VIBRATORY ROLLER	02-Aug-87	$1,500,000.00	04-Nov-87	$343,212.00	239
/18-87/KOJ	MEDICAL RECORDS	09-Mar-87	$500,000.00	04-Nov-87	$490,374.52	250, 251, 252
/45-87/KOJ	CHEMICALS	23-Jul-87	$420,000.00	04-Nov-87	$546,703.33	253, 254, 255
/36-87/KOJ	APPROACH LIGHTING SYS.	05-Jul-87	$525,000.00	17-Dec-87	$477,099.00	284
/38-87/KOJ	BEACON/WARNING LIGHTS	07-Jul-87	$350,000.00	17-Dec-87	$136,529.28	287
1/9-86/KOJ	CATSCANNER	18-Dec-86	$1,200,000.00		$1,480,000.00	274, 275
/15-87/KOJ	TELEPHONE SETS	31-Mar-87	$1,091,442.00		$1,094,553.00	272, 273
/25-87/KOJ	COPIERS & MICRO FILM	10-May-87	$107,000.00	17-Dec-87	$41,363.15	282, 283
/28-87/KOJ	VEHICLES	08-Jul-87	$800,000.00	17-Dec-87	$1,041,772.57	285, 286
E/42-87/KOJ	CIVIL ENGINEER EQUIP.	20-Jul-87	$85,000.00		$54,045.89	237
/43-87/KOJ	OIL DRILLING SPARE PARTS	21-Jul-87	$336,500.00		$589,017.89	257 - 265
/44-87/KOJ	COILED TUBING UNIT	22-Jul-87	$350,000.00		$340,301.20	256
/57-87/KOJ	SECURITY SEALS	12-Aug-87	$35,000.00	17-Dec-87	$21,450.00	281
/56-87/KOJ	INTERACTIVE GRAPHICS	20-Aug-87	$66,000.00	16-Dec-87	$21,929.00	279, 280

WSP/47-87/KOJ	TRUCK, DOZER & BUSES	28-Jul-87	$435,000.00		$449,181.00	276, 277, 278,326
MOP/77-87/KOJ	AMBULANCE	16-Nov-87	$200,000.00	20-Dec-87	$609,643.00	288, 89, 90
MOP/54-87/KOJ	BUSES	18-Aug-87	$500,000.00	22-Dec-87	$288,615.00	291, 292, 302, 30
JPC/52-87/KOJ	CRANES FORKLIFTS	05-Oct-87	$2,100,000.00	22-Dec-87	$2,714,646.14	293, 294, 295
YUI/14-86/KOJ	CHEMICALS	19-Nov-86	$350,000.00	25-Dec-87	$369,991.86	296 - 301
JPC/73-87/KOJ	CARGO HANDLING GEAR	26-Oct-87	$100,000.00	28-Dec-87	$703,955.51	306 - 308
NRA/75-87/KOJ	DRILL ROCK BITS	05-Nov-87	$500,000.00	29-Dec-87	$213,445.70	309, 310
JTC/70-87/KOJ	ELEC. MECHANICAL LAB.	02-Nov-87	$60,000.00	30-Dec-87	$57,868.00	311
JPC/67-87/KOJ	PILOT BOAT	12-Nov-87	$500,000.00	30-Dec-87	$547,396.00	313
JPC/59-87/KOJ	TUG/TOW BOATS	31-Aug-87	$12,500,000.00	30-Dec-87	$12,518,850.00	314
MOE/66-87/KOJ	PICKUPS	06-Oct-87	$400,000.00	26-Jan-88	$47,872.00	316
MOE/40-87/KOJ	LAB EQUIPT	27-Jun-87	$403,571.00	22-Feb-88	$381,289.37	317-323
NRA/80-87/KOJ	LAB EQUIPT	29-Nov-87	$1,050,000.00	02-Apr-87	$1,403,964.56	327-333+337+346+
JRTC/42-87/KOJ	CLEANER	07-Oct-87	$200,000.00	02-Apr-87	$29,072.00	335
JUST (LOCAL)	COMPUTER	10-May-87	$1,200,000.00	11-Apr-87	$1,008,312.00	336
MIT/65-87/KOJ	LAB EQUIPT	07-Oct-87	$200,000.00	11-Apr-87	$7,883.00	338
MIT/81-87/KOJ	LAB EQUIPT	30-Nov-87	$135,000.00	11-Apr-87	$96,158.90	342-343+349
MOT/49-87/KOJ	COASTAL RADIO STATION	30-Sep-87	$3,691,920.00	09-Jan-88	$3,789,881.00	348
JPC/65-87/KOJ	AUTOMOTIVE WORKSHOP EQUIPT	22-Dec-87	$335,000.00	07-Jul-88	$341,179.29	351-356
JPC/17-87/KOJ	CONTAINERS FORKLIFT	20-Jan-87	$700,000.00	14-Aug-88	$790,918.04	358
JTC/62-87/KOJ	UNINTIRRUPTED POWER SUPPLY	16-Dec-87	$180,000.00	14-Aug-88	$207,158.00	359
MOH/84-87/KOJ	REHABILITATION EQUIP.	23-Dec-87	$131,153.14	18-Sep-88	$129,221.76	360,361,362
NRA/51-87/KOJ	USED OIL RIG & SPARES	03-Aug-87	$4,300,000.00	02-Oct-88	$4,552,241.00	363+365
MOH/62-87/KOJ	X-RAY	14-Oct-87	$1,350,000.00	14-Dec-88	$1,695,593.74	364+367
JTC/86-87/KOJ	PAY TELEPHONES & BOOTHS		$602,000.00	15-Dec-88	$865,066.00	366
JRTC/42-87/KOJ	GENERATOR	07-Oct-87	$156,623.00	20-Dec-88	$156,800.00	368
JTC/67-87/KOJ	SUPER MINI COMPUTER	01-Nov-87	$100,000.00	21-Dec-88	$109,814.00	369
CAA/1-88/KOJ	INST. LANDING SYSTEM	13-Jun-88	$795,000.00	22-Dec-88	$785,406.00	370
CAA/37-87/KOJ	RADAR SYSTEM	06-Jun-87	$10,300,000.00	*	$9,704,567.00	371
JPC/17-87/KOJ	CONTAINTER FORKLIFT	20-Jan-87	$350,000.00		$387,445.07	

TOTAL ESTIMATES $64,077,577.14

SUBTOTAL _ A _ $76,233,408.73

_ B _ OTHER APPROVED AWARDS (SEE ATTACHMENT A OF THIS REPORT)..... $10,087,634.22

*TOTAL AWARDS $86,321,042.95

_ C _ BALANCE REMAINING

BALANCE OF FUNDS AVAILABLE FOR AWARD

1 _	PUBLIC SECTOR ALLOCATION	$86,548,800.00
2 _	*TOTAL AWARDS	$86,321,042.95
3 _	BLANCE REMAINING FOR AWARD	$227,757.05

* AID APPROVAL FOR DIRECT L/COM FUNDING IS PENDING AID/W ADVICE.

APP-4 D

SECTION 2: TENDERS OR AWARDS UNDER EVALUATION

IFB/RFQ NO.	COMMODITIES	OPEN DATE	ESTIMATED VALUE	
JTC/33-87/KOJ	RADIO COMMUNIC.	29-JAN-87	-0-	CANCELLED
JPC/78-87/KOJ	COMMUNIC. CABLES	17-NOV-87	-0-	CANCELLED
		TOTAL	-0-	

SECTCION 3: REQUESTS UNDER REVIEW

001/89	JORDAN PORT CORP	3-TON FORKLIFT	$250,000
002/89	JORDAN UNIV. HOSPI	GAMMA CAMERA	$250,000
		TOTAL	$500,000

APP-8

ATTACHMENT A - OTHER APPROVED TRANSACTION

PUB NO.	MINISTRY	COMMODITY	APPROVAL DATE	VALUE OF TRANSACTIONS
PUB 001	NATURAL RESOURCES AUTH.	AMARADA COMPLETE W/CLOCK	10-Apr-86	$8,274.90
PUB 002	NATURAL RESOURCES AUTH.	SUBSURFACE SAMPLER	10-Apr-86	$12,720.00
PUB 003	CENTRAL BANK OF JORDAN	A/C COMPRESSER	10-Apr-86	$4,179.00
PUB 004	CIVIL AVIATION AUTH.	METAL DETECTOR	14-Apr-86	- 0 -
PUB 005	CIVIL AVIATION AUTH.	SPARE PARTS	14-Apr-86	$1,178.19
PUB 006	CIVIL AVIATION AUTH.	SPARE PARTS	14-Apr-86	$1,260.94
PUB 007	CIVIL AVIATION AUTH.	SPARE PARTS	14-Apr-86	$7,372.07
PUB 008	CIVIL AVIATION AUTH.	SPARE PARTS	14-Apr-86	$6,478.49
PUB 009	CIVIL AVIATION AUTH.	SPARE PARTS	14-Apr-86	$4,450.00
PUB 010	CIVIL AVIATION AUTH.	SPARE PARTS	14-Apr-86	$3,105.00
PUB 011	CIVIL AVIATION AUTH.	SPARE PARTS	14-Apr-86	$2,305.75
PUB 012	CIVIL AVIATION AUTH.	SPARE PARTS	14-Apr-86	$2,012.00
PUB 013	CIVIL AVIATION AUTH.	SPARE PARTS	14-Apr-86	$1,965.81
PUB 014	J. RADIO & T.V. CORP.	SPARE PARTS	14-Apr-86	$19,823.55
PUB 015	AQABA RAILWAY CORP.	SPARE PARTS	14-Apr-86	$69,156.51
PUB 016	NATURAL RESOURCES AUTH.	ROCK BITS	29-May-86	$245,897.50
PUB 017	CIVIL AVIATION AUTH.	SPARE PARTS	29-May-86	$10,339.00
PUB 018	NATURAL RESOURCES AUTH.	ROCK BITS	29-May-86	$749,300.00
PUB 019	NATURAL RESOURCES AUTH.	ROCK BITS	29-May-86	$646,594.00
PUB 020	METEOROLOGICAL DEPT.	WEATHER CHART	16-Jun-86	$12,358.00
PUB 021	J. RADIO & T.V. CORP.	MONOCHROME MONITOR	02-Jul-86	$13,080.00
PUB 022	J. RADIO & T.V. CORP.	VIDEO TAPES	07-Jul-86	$58,100.00
PUB 023	METEOROLOGICAL DEPT.	QUESTER	20-Jul-86	$7,260.00
PUB 024	CIVIL AVIATION AUTH.	SPARE PARTS	20-Jul-86	$3,211.00
PUB 025	NATURAL RESOURCES AUTH.	SPARE PARTS	24-Jul-86	$106,504.25
PUB 026	MINISTRY OF OCC. TERR.	COMPUTERS	29-Jul-86	$56,685.00
PUB 027	CIVIL AVIATION AUTH.	SPARE PARTS	29-Jul-86	$9,278.35
PUB 028	CIVIL AVIATION AUTH.	SPARE PARTS	29-Jul-86	$21,600.00
PUB 029	CIVIL AVIATION AUTH.	SPARE PARTS	29-Jul-86	- 0 -
PUB 030	CIVIL AVIATION AUTH.	SPARE PARTS	26-Aug-86	$760.00
PUB 031	CIVIL AVIATION AUTH.	SPARE PARTS	26-Aug-86	$15,576.00
PUB 032	J. RADIO & T.V. CORP.	SPARE PARTS	26-Aug-86	$11,688.50
PUB 033	CIVIL AVIATION AUTH.	SPARE PARTS	28-Aug-86	$1,844.80
PUB 034	CIVIL AVIATION AUTH.	SPARE PARTS	28-Aug-86	$15,033.98
PUB 035	CIVIL AVIATION AUTH.	SPARE PARTS	28-Aug-86	$7,773.00
PUB 036	CIVIL AVIATION AUTH.	SPARE PARTS		- 0 -
PUB 037	J. RADIO & T.V. CORP.	SPARE PARTS		- 0 -
PUB 038	JORDAN UNIVERSITY	HEMOI-ANNALZER	02-Sep-86	- 0 -
PUB 039	CIVIL AVIATION AUTH.	SPARE PARTS	11-Sep-86	$2,459.16
PUB 040	CIVIL AVIATION AUTH.	SPARE PARTS	11-Sep-86	$4,692.00
PUB 041	CANCELLED			
PUB 042	J. RADIO & T.V. CORP.	SPARE PARTS	11-Sep-86	$43,693.60
PUB 043	MIN. OF INDUSTRY & TRADE	WEIGHT EQUIPMENT	23-Oct-86	$188,500.00
PUB 044	CIVIL AVIATION AUTH.	SPARE PARTS	23-Oct-86	$27,709.13
PUB 045	HEDJAZ JORDAN RAILWAY	SPARE PARTS	23-Oct-86	$4,308.18
PUB 048	CIVIL AVIATION AUTH.	SPARE PARTS	24-Nov-86	$41,343.60
PUB 059	J. RADIO & T.V. CORP.	SPARE PARTS	21-Dec-86	$83,892.25
PUB 084	CIVIL AVIATION AUTH.	SPARE PARTS	27-Dec-86	$7,376.00

48.

PUB 085	J. RADIO & T.V. CORP.	SPARE PARTS	27-Dec-86	$5,164.95
PUB 086	J. RADIO & T.V. CORP.	SPARE PARTS	27-Dec-86	$2,493.05
PUB 087	NATURAL RESOURCES AUTH.	LOGGING ACCESSORIES	27-Dec-86	$42,115.10
PUB 089	J. RADIO & T.V. CORP.	SPARE PARTS	27-Dec-86	$30,308.97
PUB 090	CIVIL AVIATION AUTH.	SPARE PARTS	31-Dec-86	$4,256.00
PUB 091	CIVIL AVIATION AUTH.	SPARE PARTS	31-Dec-86	$116,092.00
PUB 092	NATURAL RESOURCES AUTH.	TAPES	15-Jan-87	$51,400.00
PUB 096	J. RADIO & T.V. CORP.	SPARE PARTS	15-Jan-87	$29,817.75
PUB 106	J. RADIO & T.V. CORP.			
PUB 107	J. RADIO & T.V. CORP.	SPARE PARTS	03-Feb-87	$4,173.71
PUB 108	WATER AUTHORITY	SPARE PARTS	03-Feb-87	$16,652.60
PUB 109	WATER AUTHORITY	SPARE PARTS	03-Feb-87	$3,030.70
PUB 110	CIVIL REGISTRATION DEPT.	COMPUTERS	05-Feb-87	$408,228.00
PUB 111	WATER AUTHORITY	SPARE PARTS	15-Feb-87	$54,330.49
PUB 112	CIVIL AVIATION AUTHORITY	SPARE PARTS	15-Feb-87	$100,626.70
PUB 113	CIVIL AVIATION AUTHORITY	SPARE PARTS	15-Feb-87	$31,617.90
PUB 114	WATER AUTHORITY	SPARE PARTS	24-Feb-87	$3,556.30
PUB 115	WATER AUTHORITY	SPARE PARTS	24-Feb-87	$1,369.03
PUB 116	CIVIL AVIATION AUTHORITY	SPARE PARTS	24-Feb-87	$5,227.00
PUB 117	CIVIL AVIATION AUTHORITY	TRANSCEIVERS & PARTS	24-Feb-87	$18,950.00
PUB 118	CIVIL AVIATION AUTHORITY	SPARE PARTS	24-Feb-87	$3,020.00
PUB 120	JORDAN VALLEY AUTH.	SPARE PARTS	02-Mar-87	$2,537.70
PUB 121	CIVIL AVIATION AUTH.	SPARE PARTS	05-Mar-87	$93,603.95
PUB 122	WATER AUTHORITY	SPARE PARTS	05-Mar-87	$196,013.15
PUB 125	J. RADIO & T.V.	TUBES	19-Mar-87	$64,500.00
PUB 126	CIVIL AVIATION AUTH.	SPARE PARTS	19-Mar-87	$69,557.00
PUB 127	WATER AUTH.	SPARE PARTS	19-Mar-87	$7,933.94
PUB 128	CANCELLED			
PUB 129	WATER AUTHORITY	SPARE PARTS	19-Mar-87	$18,290.35
PUB 130	UNIVERSITY OF JORDAN	ACCESSORIES	19-Mar-87	$16,375.00
PUB 131	JORDAN VALLEY AUTH.	SPARE PARTS	23-Mar-87	$1,154.76
PUB 133	UNIVERSITY OF JORDAN	COMPUTER SYSTEM	02-Apr-87	$1,138,069.00
PUB 134	NATURAL RESOURCES AUTH.	SPARE PARTS	02-Apr-87	$12,125.00
PUB 140	J. RADIO & T.V.	ACCESSORIES	09-Apr-87	$98,850.00
PUB 141	J. RADIO & T.V.	TAPES	09-Apr-87	$79,675.00
PUB 142	J. RADIO & T.V.	FILMS	09-Apr-87	$41,832.00
PUB 143	CIVIL AVIATION AUTH.	ACCESSORIES	09-Apr-87	$6,285.40
PUB 144	JORDAN ELEC. AUTH.	MICROWAVE SYSTEM	09-Apr-87	$1,115,000.00
PUB 147	NATURAL RESOURCES AUTH.	LAB. EQUIP.	07-May-87	$30,390.48
PUB 148	J. RADIO & T.V.	TUBES	04-May-87	$184,500.00
PUB 150	MIN. OF COMMUNICATION	STAMP MACHINE	14-May-87	$42,445.00
PUB 158	CANCELLED			
PUB 159	WATER AUTHORITY	SPARE PARTS	14-May-87	$186,579.16
PUB 160	JORDAN VALLEY AUTH.	SPARE PARTS	19-May-87	$23,060.00
PUB 161	JORDAN VALLEY AUTH.	SPARE PARTS	19-May-87	$15,400.68
PUB 162	JORDAN VALLEY AUTH.	SPARE PARTS	19-May-87	$37,788.27
PUB 163	JORDAN ELEC. AUTH.	SPARE PARTS	19-May-87	$5,682.50
PUB 171	TELECOMMUNICATIONS CORP.	LONGLINE REPEATER	20-May-87	$22,107.48
PUB 172	J. RADIO & T.V.	SPECTRUM ANALYZER	31-May-87	$39,870.50
PUB 173	NATURAL RESOURCES AUTH.	SPARE PARTS	01-Jun-87	$27,698.20
PUB 174	CIVIL AVIATION AUTH.	SPARE PARTS	01-Jun-87	$12,832.00
PUB 175	CIVIL AVIATION AUTH.	SPARE PARTS	01-Jun-87	$1,392.58

ATTACHMENT A

FUB 176	J. RADIO & T.V.	MICROPHONES	24-May-87	$15,486.30
FUB 177	CANCELLED			
FUB 178	J. RADIO & T.V.	WAVE FORM	24-May-87	$17,650.32
FUB 185	TELECOMMUNICATION CORP.	SPARE PARTS	16-Jun-87	$5,135.69
FUB 186	WATER AUTHORITY	SPARE PARTS	24-Jun-87	$114,889.13
FUB 187	CANCELLED			
FUB 188	CIVIL AVIATION AUTH.	SPARE PARTS	23-Jun-87	$7,071.91
FUB 189	CIVIL AVIATION AUTH.	SPARE PARTS	23-Jun-87	$2,456.54
FUB 195	TELECOMMUNICATION CORP.	SPARE PARTS	23-Jun-87	$3,650.00
FUB 197	JORDAN ELEC. AUTH.	SPARE PARTS	01-Aug-87	$11,524.00
FUB 198	WATER AUTHORITY	SPARE PARTS	01-Aug-87	$21,616.80
FUB 199	TELECOMMUNICATIONS CORP.	SPARE PARTS	08-Jan-87	$16,199.41
FUB 200	CIVIL AVIATION AUTH.	SPARE PARTS	09-Aug-87	$101,949.00
FUB 201	NATURAL RESOURCES AUTH.	SETTING TOOLS	07-Aug-87	$41,335.00
FUB 202	DEPT. OF STATISTICS	COMPUTER	16-Aug-87	$154,221.00
FUB 203	CIVIL AVIATION AUTH.	SPARE PARTS	16-Aug-87	$2,542.24
FUB 204	CIVIL AVIATION AUTH.	SPARE PARTS	22-Sept-87	$5,230.75
FUB 211	CANCELLED			
FUB 212	AQABA RR	SPARES	24-Sep-87	$6,854.00
FUB 213	JRTC	SPARES	27-Sep-87	$13,748.75
FUB 214	AQABA RR	SPARES	24-Sep-87	$2,396.43
FUB 215	CIVIL AVIATION AUTH.	SPARES	14-Oct-87	$5,140.25
FUB 216	AQABA RR	SPARES		- 0 -
FUB 217	HIJAZ RR	SPARES	22-Sep-87	$12,690.00
FUB 218	JVA	SPARES	12-Oct-87	$39,253.82
FUB 219				
FUB 220	YARMOUK UNIVERSITY	COMPUTER	05-Oct-87	$101,000.00
FUB 221	METEOROLOGICAL DEPT.	BALLOONS	25-Oct-87	$8,820.00
FUB 224	NATURAL RESOURCES AUTH.	SEISMOLOGY EQUIP.	PASA	$974,000.00
FUB 225	CIVIL AVIATION AUTH.	FIXED DISK	14-Oct-87	$3,182.00
FUB 226	CIVIL AVIATION AUTH.	COMPUTER ACCESSORIES	19-Oct-87	$57,720.00
FUB 227	AQABA RAILWAY CORP.	SPARE PARTS	12-Oct-87	$169,831.71
FUB 229	JORDAN ELECTRICITY AUTH.	SPARE PARTS	29-Oct-87	$7,522.00
FUB 230	J. U. FOR SCIENCE & TECH.	SPARE PARTS	11-Jan-88	$12,910.43
FUB 231	CIVIL AVIATION AUTH.	MU METER VEHICLE	23-Dec-87	$13,353.80
FUB 235	CIVIL AVIATION AUTH.	SPARE PARTS	23-Dec-87	$9,998.00
FUB 236	J. RADIO & T.V.	VIDEO TAPES	21-Oct-87	$115,839.13
FUB 240	MINISTRY OF PLANNING	PC COMPUTERS	09-Dec-87	$16,928.00
FUB 241	WATER AUTH.	SPARE PARTS	03-Dec-87	$6,573.53
FUB 242	WATER AUTH.	SPARE PARTS	03-Dec-87	$18,405.94
FUB 243	CIVIL AVIATION AUTH.	SPARE PARTS	03-Dec-87	$12,673.00
FUB 244	JORDAN ELEC. AUTH.	SPARE PARTS	25-Nov-87	$12,570.00
FUB 246	WATER AUTH.	SPARE PARTS	03-Dec-87	$10,223.31
FUB 245	WATER AUTH.	SPARE PARTS	03-Dec-87	$8,351.75
FUB 247	UNIVERSITY OF JORDAN	SPARE PARTS	01-Feb-88	$15,562.25
FUB 248	CIVIL AVIATION AUTH.	SPARE PARTS	17-Dec-87	$148,460.28
FUB 249	J. RADIO & T.V. CORP.	ACCESSORIES	20-Apr-87	$184,500.00
FUB 266	J. ELECTRICITY AUTH.	SPARE PARTS	29-Dec-87	$11,877.25
FUB 267	J. ELECTRICITY AUTH.	RADIO TRANSCEIVERS	28-Dec-87	$21,554.40
FUB 268	cancelled			
FUB 269	WATER AUTHORITY	SPARE PARTS	27-Jan-88	$32,592.00
FUB 270	CIVIL AVIATION AUTH.	SPARE PARTS	31-Dec-87	$49,684.00
FUB 271	AQABA RAILWAY CORP.	SPARE PARTS	11-Jan-88	$311,063.00
FUB-357	J. RADIO & T.V. CORP.	VEHICLES	15-Dec-88	$42,187.76
			TOTAL	$10,060,571.73

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Table C2

Appendix C

DATE MAR 01, 1987

COMMODITY IMPORT PROGRAM --- TRANSACTION SUMMARY ---- PRIVATE SECTOR .

TRANSACTION REF	DATE	IMPORTER	TYPE OF BUSINESS	U.S. SUPPLIER	BRAND NAME	MAIN CATAGORY	SUB-CATAGORY	SCHEDULE (B) NUMBER	L/C NUMBER	L/C DATE	DOLLAR AMOUNT	SHIPPING TERMS	SHIPMENT TYPE	L/C BANK	LOCAL BANK
PRI-001	04-Dec-85	POTASH	MINING	MACKTRUCK INT'L	MACK	TRUCKS	SPARES	692.2010-2985	252/85	18-Dec-85	$206,681.77	C&F	AIR FREIGHT	MANTRUST	FINANCE & CREDIT CORP.
PRI-002	11-Dec-85	POTASH	MINING	EQUIP & PARTS EXPORTS INC.	MACK	TRUCKS	SPARES	692.2010-2985	3/86	07-Jan-86	$37,907.40	C&F	AIR FREIGHT	MANTRUST	FINANCE & CREDIT CORP.
PRI-003	24-Dec-85	POTASH	MINING	MACKTRUCK INT'L	MACK	TRUCKS	SPARES	692.2010-2985	4/86	07-Jan-86	$9,152.23	FOB	AIR FREIGHT	MANTRUST	FINANCE & CREDIT CORP.
PRI-004	24-Dec-85	POTASH	MINING	PHILADELPHIA GEAR CORP	GEAR PACK	HARVESTER	SPARES	680.491-9240	2/86	07-Jan-86	$23,042.00	C&F	SEA FREIGHT	MANTRUST	FINANCE & CREDIT CORP.
PRI-005	29-Dec-85	POTASH	MINING	KOCH	KOCH	FIBERGLASS	PIPES	540.4200-7050	22/86	22-Jan-86	$50,957.44	FOB	SEA FREIGHT	MANTRUST	FINANCE & CREDIT CORP.
PRI-006	02-Jan-86	POTASH	MINING	LUCIAN Q. MOFFITT INC.	LUCIAN	HARVESTER	BEARINGS	680.0500-3730	24/86	25-Jan-86	$17,806.00	C&F	SEA FREIGHT	MANTRUST	FINANCE & CREDIT CORP.
PRI-007	09-Jan-86	POTASH	MINING	EIMCO PROCESS EQUIPMENT	EIMCO	CENTERFUGE	SPARES	661.7620-9680	25/86	25-Jan-86	$27,406.27	C&F	SEA FREIGHT	MANTRUST	FINANCE & CREDIT CORP.
PRI-008	12-Jan-86	POTASH	MINING	[illegible] USE ELECTRIC CORP.	WESTINGHOUSE	TRANSFORMER	OIL	475.4555-4565	27/86	04-Feb-86	$17,304.00	C&F	SEA FREIGHT	MANTRUST	FINANCE & CREDIT CORP.
PRI-009	27-Jan-86	POTASH	MINING	KOCH	KOCH	FIBERGLASS	PIPES	540.4200-7050	28/86	09-Feb-86	$12,577.85	C&F	AIR FREIGHT	MANTRUST	FINANCE & CREDIT CORP.
PRI-010	CANCELLED	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PRI-011	CANCELLED														
PRI-012	19-Feb-86	POTASH	MINING	SUNDSTRAND HYDR	SUNDSTRAND	FILTER-DRIVE	SPARES	692.4004-4020	242/14/86/JA	06-Mar-86	$11,863.75	C&F	SEA FREIGHT	MANTRUST	JORDAN NATIONAL BANK
PRI-013	25-Feb-86	POTASH	MINING	CHALLENGE COOK	CHALLENGE	TRAILERS	SPARES	692.6010-6060	282/18/86/JA	10-Mar-86	$51,612.40	C&F	SEA FREIGHT	MANTRUST	JORDAN NATIONAL BANK
PRI-014	CANCELLED														
PRI-015	03-Mar-86	POTASH	MINING	BFGOODRICH Co	SLURRY	HARVESTER	HOSES	772.6210-6280	282/20/86/JA	10-Mar-86	$11,723.00	C&F	SEA FREIGHT	MANTRUST	JORDAN NATIONAL BANK
PRI-016	25-Feb-86	POTASH	MINING	WESTINGHOUSE ELECTRICAL CORP	WESTINGHOUSE	ELECTRO CENTERS		685.9002-9090	283/15/86/JA	10-Mar-86	$270,000.00	C&F	SEA FREIGHT	MANTRUST	JORDAN NATIONAL BANK
PRI-017	03-Mar-86	JORDAN ICE &WATER CO	PEPSI	LANCER INTL	LANCER	AERATING MACHINES		662.1215-	112/86	15-Mar-86	$169,986.85	C&F	SEA FREIGHT	MANTRUST	ARAB FINANCE CORP
PRI-018	15-Mar-86	CANCELLED													
PRI-019	02-Apr-86	NEAR EAST COMPUTER	COMPUTER	COMPUTER VISION CORPORATION	ISM	COMPUTER		676.2600 -287	422/57/86/JA	13-Apr-86	$16,495.00	CIF	AIR FREIGHT	MANTRUST	JORDAN NATIONAL BANK
PRI-020	10-Apr-86	POTASH	MINING	EIMCO	EIMCO	EXTRACTOR SPARES		661.7620-9650	486/JA/64/96	24-Apr-86	$13,556.87	C&F	SEA FREIGHT	MANTRUST	JORDAN NATIONAL BANK
PRI-021	10-Apr-86	GOOD LAND AGRI.CO	FARMING	RAINCAT IRRIGAT	RAINCAT	AGRI EQUIPMENT		666.0002-0090	199/16/86/JA	19-Apr-86	$62,300.00	C&F	SEA FREIGHT	MANTRUST	ARAB BANK
PRI-022	CANCELLED														
PRI-023	CANCELLED														
PRI-024	29-Apr-86	SUMMIT	TRADING	GENERAL ELECTRIC	G.E.	VHF RADIO		685.0741-2745	265/86	21-May-86	$[illegible]	C&F	AIR FREIGHT	MANTRUST	FINANCE & CREDIT CORP
PRI-025	29-Apr-86	SUMMIT	TRADING	HARRIS CORP	HARRIS	HF RADIO		685.0741-2745	266/86	21-May-86	$279,050.00	C&F	AIR FREIGHT	MANTRUST	FINANCE & CREDIT CORP
PRI-026	29-Apr-86	PROSPERITY CO	[illegible]	[illegible]	GE	EQUIPMENT TRADING		[illegible]	128/86	21-May-86	$12,[illegible]	C&F	SEA FREIGHT	[illegible]	[illegible] FINANCE CORP

PRI-027	05-May-86	SPECIAL SYSTEMS CO	COMPUTER	LEVANT INC & DEV INC	IBM	DISKETTES		724.4505-4595	865182	07-May-86	$11,250.00	C&F	AIR FREIGHT	MANTRUST	PETRA BANK
PRI-028	06-May-86	POTASH	MINING	EIMCO PROCESS	EIMCO	FILTER	SPARES	66..7620-9880	62209/6070	11-May-86	$16,995.22	C&F	SEA FREIGHT	MANTRUST	GRINDLAYS BANK
PRI-029	06-May-86	POTASH	MINING	UNIVERSAL	MACK	DOLLY ASSEMBLY	SPARES	692.2010-2985	62209/6071	11-May-86	$25,001.30	C&F	SEA FREIGHT	MANTRUST	GRINDLAYS BANK
PRI-030	06-May-86	SPECIAL SYSTEMS CO	TRADING	CAPITAL TRADING INC	IBM	COMPUTER	COMPUTER	676.2600-2870	865186	10-May-86	$58,600.00	C&F	AIR FREIGHT	MANTRUST	PETRA BANK
PRI-031	06-May-86	COMCENT	COMPUTER	WANG LABROTARIE INCORPORATED	WANG	COMPUTER	COMPUTER	676.2600-2870	66/86	17-May-86	$77,089.09	FOB	AIR FREIGHT	MANTRUST	JORDAN GULF BANK
PRI-032	23-Apr-86	UNITED PETROLEUM CO	OIL	STERLING PRODUC COMPANY	SHELL	MOTOR OIL	MOTOR OIL	475.451-4550	91/86	15-May-86	$36,098.08	FOB	SEA FREIGHT	MANTRUST	FINANCE &CREDIT CORP
PRI-033	CANCELLED														
PRI-034	CANCELLED														
PRI-035	14-May-86	JORDAN DATA SYSTEMS	ELECTRONIC	LIEBERT	LIEBERT	AIRCONDITIONING		661.2220-2328	220/86	29-Jul-86	$32,000.00	C&F	AIR FREIGHT	MANTRUST	JORDAN INVESTMENT & FINANC
PRI-036	13-May-86	AL-HIKMA PHARMACEUTICLS CO	PHARMACEUTICH	CYCLO PRODUCT	CYCLO	HYDROBROMIDE		442.5000-5500	137/86	23-May-86	$121,000.00	C&F	AIR FREIGHT	MANTUST	JORDAN INVESTMENT & FINANC
PRI-037	12-May-86	MOUSA GHOUSLANI & CO	CONTRACTOR	ENVIREI INC	ENVIREI	TRICKLING FILTERS		661.7620-9880	86160/29	21-May-86	$65,815.00	FOB	SEA FREIGHT	MANTRUST	PETRA BANK
PRI-038	19-May-86	MOUSA GHOUSLANI & CO	CONTRACTOR	WESTINGHOUSE	WESTINGHOUSE	MOTOR CONTROL CENTER		685.9002-9090	86160/31	24-May-86	$13,683.00	C&F	SEA FREIGHT	CHASE	PETRA BANK
PRI-039	21-May-86	ALMASHREK FEED CO	INDUSTRY	CONT/GRAIN COMPANY	------	FEED	FEED	184.5600	150/86	05-Jun-86	$1,553,076.46	C&F	SEA FREIGHT	CHASE	JORDAN INVESTMENT & FINANC
PRI-040	27-May-86	UNITED PETROLEOM CO	TRADING	STERLING ENTERPRISE		OIL	MOTOROIL	475.4510-4550	117/86	05-Jun-86	$19,457.30	C&F	SEA FREIGHT	MANTRUST	FINANCE & CREDIT CORP
PRI-041	04-Jun-86	NATIONAL CMPUTER LTD	TRADING	LANTOR INC	LANTOR	COMPUTER	ACCESSORIES	676.2600-2870	865234	21-Jun-86	$96,265.00	C&F	AIR FREIGHT	MANTRUST	PETRA BANK
PRI-042	04-Jun-86	NATIONAL COMPUTER LTD	TRADING	LANTOR INC	LANTOR	COMPUTER	ACCESSORIES	676.2600-2870	865349	30-Sep-86	$58,144.00	C&F	AIR FREIGHT	MANTRUST	PETRA BANK
PRI-043	CANCELLED														
PRI-044	CANCELLED														
PRI-045	12-Jun-86	S.A.M.ENG. CO	ENGINEERING	SHOMAR INT'L	SHOMAR	DRILLING EQUIPT	EQUIPMENT	664.0539-0558	86039	15-Jun-86	$160,450.00	C&F	SEA FREIGHT	MANTRUST	NATIONAL FINANCIAL INV CO
PRI-046	14-Jun-86	DATA GENERAL CO	ENGINEERING	DATA GENERAL CORPORATION	IBM	COMPUTER	COMPUTER	667.2600-2870	215/86	02-Oct-86	$163,792.80	FOB	AIR FREIGHT	MANTRUST	JORDAN INV &FINANCE CO
PRI-047	14-Jun-86	POTASH	MINING	MACK TRUCKS	MACK	TRACTORS	TRACTORS	692.3110-3460	62209/6095	23-Jun-86	$567,544.00	C&F	SEA FREIGHT	MANTRUST	GRINDLAYS BANK
PRI-048	15-Jun-86	ORTHODOX CLUB	EDUCATIONAL	EDWARD DON&CO	DON	FURNITURE	FURNITURE	727.1000-5100	122/86	22-Jun-86	$16,837.50	FOB	SEA FREIGHT	MANTRUST	FINANCE & CREDIT CORP
PRI-049	22-Jun-86	AL-MASHREK FEED CO	INDUSTRIAL	CONT GRAIN CO	CONT	MEAT BONE MEAL	MEAT BONE MEAL	184.5600	181/86	24-Jun-86	$1,305,055.43	FOB	SEA FREIGHT	MANTRUST	JORDAN INV & FINANCE CORP
PRI-050	25-Jun-86	POTASH	MINING	FOXBORO CO	FOXBORO	PROCESS CONTROL	CONTROL	711.0100-0160	62209/6111	23-Jul-86	$13,016.48	C&F	AIR FREIGHT	MANTRUST	GRINDLAYS BANK
PRI-051	25-Jun-86	JORDAN MEDICAL	INDUSTRIAL	BECTON & DICKINSON	BECTON	NEEDLES	NEEDLES	709.0200-3000	86160151	05-Jul-86	$83,700.00	C&F	SEA FREIGHT	MANTRUST	PETRA BANK
PRI-052	CANCELLED														
PRI-053	01-Jul-86	A.RASHED CO	TRADING	BF GOODRICH CO	GOODRICH	TYRES	TYRES	772.4500-6600	23953	19-Aug-86	$122,923.42	FOB	SEA FREIGHT	MANTRUST	BANK OF JORDAN
PRI-054	10-Jul-86	COMCENT	TRADING	CALCOM	CALCOM	PLOTTERS	PLOTTERS	676.2600-2870	227/86	04-Aug-86	$11,109.00	C&F	AIR FREIGHT	MANTRUST	JORDAN INV & FINANCE CO
PRI-055	14-Jul-86	COMCENT	TRADING	CALCOM	CALCOM	COMPUTERS	COMPUTERS	676.2600-2870	50/86	17-Jul-86	$16,637.14	C&F	AIR FREIGHT	MANTRUST	JORDAN GULF BANK
PRI-056	19-Jul-86	POTASH	MINING	DRESSER INDUSTRY INC	DRESSER	SPARES	SPARES	661.1010-1040	386/86	23-Jul-86	$13,417.00	C&F	SEA FREIGHT	MANTRUST	ARAB FINANCE CORP

PRI-057	[illegible]	[illegible] TERS CO	[illegible] ENGINEERING	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	C&F	AIR FREIGHT	MANTRUST	[illegible]
PRI-058	[illegible]	ALAGSH INV CO	TRADING	FEED PROCESSOR	FRATER	MACHINERY	FRATER	[illegible]	56647	[illegible]	[illegible]	FOB	SEA FREIGHT	MANTRUST	JORDAN FINANCE HOUSE
PRI-059	CANCELLED														
PRI-060	CANCELLED														
PRI-061	CANCELLED														
PRI-062	23-Jul-86	SUKHTIAN	TRADING	S.E. MOR INC ILLINOIS	ROCKY	COMPUTERS	PHOTOVOL-TAIK	667.3535-6069	226/86	22-Oct-86	$169,130.00	C&F	SEA FREIGHT	MANTRUST	FINANCE & CREDIT CORP
PRI-063	CANCELLED														
PRI-064	CANCELLED														
PRI-065	17-Jul-86	GHOZLANY	TRADING	MORAIR	MORAIR	PUMPS	PUMPS	660.9200-9490	86160186	30-Jul-86	$25,751.00	C&F	SEA FREIGHT	MANTRUST	PETRA BANK
PRI-066	17-Jul-86	GHOZLANY	TRADING	LAYNE & BOWLER	L & B	PUMPS	PUMPS	660.9200-9490	86160186	29-Jul-86	$13,522.00	FOB	SEA FREIGHT	MANTRUST	PETRA BANK
PRI-067	17-Jul-86	GHOZLANY	TRADING	DEZURIK	DEZURIK	VALVES	VALVES	680.0500-3730	86160187	29-Jul-86	$15,[illegible].21	FOB	SEA FREIGHT	MANTRUST	PETRA BANK
PRI-068	CANCELLED														
PRI-069	23-Jul-86	SUKHTIAN	TRADING	S.E. MOR INC ILLINOIS	CIP	COMPUTERS	COMPUTER	676.2600-2870	224/86	22-Oct-86	$508,860.00	CIF	AIR FREIGHT	MANTRUST	FINANCE & CREDIT CORP
PRI-070	23-Jul-86	SUKHTIAN	TRADING	S.E. MOR INC ILLINOIS	CIP	COMPUTERS	COMPUTER	676.2600-2870	225/86	22-Oct-86	$508,860.00	CIF	AIR FREIGHT	MANTRUST	FINANCE & CREDIT CORP
PRI-071	23-Jul-86	SUKHTIAN	TRADING	S.E. MOR INC ILLINOIS	CIP	COMPUTERS	COMPUTER	676.2600-2870	227/86	22-Oct-86	$377,268.50	CIF	AIR FREIGHT	MANTRUST	FINANCE & CREDIT CORP
PRI-072	23-Jul-86	SUKHTIAN	TRADING	S.E. MOR INC ILLINOIS	CIP	COMPUTERS	COMPUTER	676.2600-2870	228/86	22-Oct-86	$359,992.50	CIF	AIR FREIGHT	MANTRUST	FINANCE & CREDIT CORP
PRI-073	23-Jul-86	SUKHTIAN	TRADING	S.E. MOR INC ILLINOIS	CIP	COMPUTERS	COMPUTER	676.2600-2870	229/86	22-Oct-86	$359,935.00	CIF	AIR FREIGHT	MANTRUST	FINANCE & CREDIT CORP
PRI-074	27-Jul-86	POTASH	MINING	US TECHNICAL SERVICES CORP	————	TRAIN	TRAIN	690.1505-2010	367/86	30-Jul-86	$223,825.00	FAS	SEA FREIGHT	MANTRUST	ARAB FINANCE CORP
PRI-075	27-Jul-86	AL-ARSA INV	TRADING	YORK MACH CO	YORK	GRAIN SILOS	SILOS	652.9110-9700	86050	06-Aug-86	$12,701.00	FOB	SEA FREIGHT	MANTRUST	JORDAN FINANCE HOUSE
PRI-076	31-Jul-86	DARWASEH TR-ADING CO	TRADING	CONT GRAIN CO	————	YELLOW CORN	CORN	130.3465-3475	223/86	06-Aug-86	$360,000.00	C&F	SEA FREIGHT	MANTRUST	JORDAN INV & FINANCE CORP
PRI-077	12-Aug-86	SINNIAR	ENG & CONT	GRIFFEN PIPE PRODUCT CO	GRIFFEN	PIPES	PIPES	610.5510-5540	230/86	25-Aug-86	$19,385.66	C&F	SEA FREIGHT	MANTRUST	JORDAN INV & FINANCE CORP
PRI-078	19-Aug-86	HADDAD	ENG & CONT	MYELLER CO	MYELLER	VALVES	VALVES	680.0500-3730	55/86	27-Aug-86	$40,000.00	C&F	SEA FREIGHT	MANTRUST	JORDAN GULF BANK
PRI-079	19-Aug-86	HADDAD	ENG & CONT	CLA - VAL CO	CLAVAL	PRESSURE	VALVES	680.0500-3730	71/86	01-Sep-86	$21,591.59	C&F	SEA FREIGHT	MANTRUST	JORDAN GULF BANK
PRI-080	27-Aug-86	AL-NIKMA	PHARMACEU-TICALS	MALLINCROOT INC	PARACETAMOL	PARACETAMOL	DRUG	435.8000-8100	238/86	09-Sep-86	$203,330.85	C&F	SEA FREIGHT	MANTRUST	JORDAN INV & FINANCE CORP
PRI-081	27-Aug-86	GHOZLANY	CONT & ENG.	WATERMAN INC	WATERMAN	VALVES	VALVES	652.9110-9700	86160209	01-Sep-86	$32,743.00	C&F	SEA FREIGHT	MANTRUST	PETRA BANK
PRI-082	27-Aug-86	GHOZLANY	CONT & ENG	HONEYWELL INC	HONEYWELL	RECORDER & CALIBRATOR	EQUIPT	711.0100-0160	86160211	01-Sep-86	$12,800.00	C&F	SEA FREIGHT	MANTRUST	PETRA BANK
PRI-083	27-Aug-86	GHOZLANY	CONT & ENG	CAPITAL CONT-ROLS CO	CAPITAL	CHLORINATION	EQUIPMENT	661.7620-9680	86160210	01-Sep-86	$19,600.00	C&F	SEA FREIGHT	MANTRUST	PETRA BANK
PRI-084	01-Sep-86	POTASH	MINING	EIMCO PROCESS	EIMCO	BELT FILTER	FILTER	773.2520-1500	397/86	03-Sep-86	$121,598.93	C&F	SEA FREIGHT	MANTRUST	ARAB FINANCE CORP
PRI-085	19-Jul-86	SINNIAR	ENGINEERING	LAYNE & BOWLER	L & B.	PUMPS	PUMPS	660.9200-9490	272/86	16 SEP 86	$20,649.65	C&F	SEA FREIGHT	MANTRUST	JORDAN INV & FINANCE CORP
PRI-086	12-Aug-86	SINNIAR	ENGINEERING	FEARON BARNES INC	FEARON BARNES	PUMPS	PUMPS	660.9200-9490	262/86	02-Sep-86	$20,[illegible]	C&F	SEA FREIGHT	MANTRUST	JORDAN INV & FINANCE CORP
PRI-087	12-Aug-86	SINNIAR	ENGINEERING	DEZURIK	DEZURIK	VALVES	VALVES	[illegible]	[illegible]	[illegible]	[illegible]	C&F	SEA FREIGHT	MANTRUST	JORDAN INV & FINANCE CORP

PRI-088	CANCELLED														
PRI-089	12-Aug-86	SINNIMAR	ENGINEERING	ALEXANDER D. SHOMAR INT'L	SHOMAR	GATE VALVE	GATE VALVE	69 [illegible]-3733	270/86	13-Sep-86	$[illegible]	C&F	SEA FREIGHT	MANTRUST	JORDAN INV & FINANCE CORP
PRI-090	22-Aug-86	[illegible] MANAGEMENT LTD	ENGINEERING	TANK [illegible] INT	TANKY	COMPUTER	COMPUTER	676.260[illegible]-2870	102/86	02 OCT 86	$[illegible]	FOB	AIR FREIGHT	MANTRUST	JORDAN [illegible]
PRI-091	14-Sep-86	M.E.MODERN SYSTEMS CO	CONTRACTING	3M COMPANY	3M	SCOTCHLITE	SCOTCHLITE	653.3110-3190	202/86	16-Sep-86	$107,260.00	FOB	AIR FREIGHT	MANTRUST	FINANCE & CREDIT CORP
PRI-092	CANCELLED														
PRI-093	CANCELLED														
PRI-094	08-Sep-86	POTASH	MINING	WESTINGHOUSE	WESTINGHOUSE	MUTTAL GEAR SPARES	SPARES	680.4910-9240	399/86	25-Sep-86	$21,145.00	C&F	AIR FREIGHT	MANTRUST	ARAB FINANCE CORP
PRI-095	28-Sep-86	POTASH	MINING	PHILADELPHIA GEAR CORP	PHILADELPHIA	SPARES FOR GEAR BOI	SPARES	680.4910-9240	401/86	02 OCT 86	$14,040.00	C&F	SEA FREIGHT	MANTRUST	ARAB FINANCE CORP
PRI-096	28-Sep-86	RUM AGRI CO	AGRICULTURAL	GENETICS INT'L	GENETICS	WHEAT SEED	SEEDS	130.6540	142/86	07-Oct-86	$77,019.21	C&F	SEA FREIGHT	MANTRUST	ARAB BANK LTD
PRI-097	28-Sep-86	SINNIMAR	ENGINEERING	GRIFFIN PIPE	GRIFFIN	PIPES	PIPES	610.5510-5540	292/86	07-Oct-86	$72,071.38	FAS	SEA FREIGHT	MANTRUST	JORDAN INV & FINANCE CORP
PRI-098	28-Sep-86	POTASH	MINING	WESTINGHOUSE	WESTINGHOUSE	SWITCHGEARS SPARES	SPARES	674.4210-9002	402/86	08-OCT-86	$12,976.00	C&F	AIR FREIGHT	MANTRUST	ARAB FINANCE CORP
PRI-098/A	19-Jul-86	SINNIMAR	ENGINEERING	WESTECH INC	WESTECH	CLARIFIER	CENTRIFUGAL	661.7620-9880	302/86	09-Oct-86	$118,000.00	FOB	SEA FREIGHT	MANTRUST	JORDAN INV & FINANCE CORP
PRI-099	07-Oct-86	RUM AGRI CO	AGRICULTURAL	CATERPILLAR	CATERPILLAR	ENGINES	ENGINES	660.4110-4139	148/86	09-Oct-86	$136,156.00	FAS	SEA FREIGHT	MANTRUST	ARAB BANK LTD
PRI-100	07-Oct-86	RUM AGRI CO	AGRICULTURAL	JOHNSON PUMP CO	JOHNSON	PUMPS	PUMPS	660.9200-9490	147/86	09-Oct-86	$505,705.00	FAS	SEA FREIGHT	MANTRUST	ARAB BANK LTD
PRI-101	05-Oct-86	DARMAZEH CO	AGRICULTURAL	CONTINENTAL GRAIN CO	———	SOYA BEAN MEAL	SOYABEAN	184.5600	305/86	09-Oct-86	$577,500.00	FAS	SEA FREIGHT	MANTRUST	JORDAN INV & FINANCE CORP
PRI-102	11-Oct-86	JORDAN DATA SYSTEM	ENGINEERING	DATA GENERAL CORPORATION	DATA GENERAL	COMPUTER	COMPUTER	676.2600-2870	331/86	12-Oct-86	$78,232.00	FOB	AIR FREIGHT	MANTRUST	JORDAN INV & FINANCE CORP
PRI-103	11-Oct-86	JORDAN DATA SYSTEM	ENGINEERING	DATA GENERAL CORPORATION	DATA GENERAL	COMPUTER	COMPUTER	676.2600-2870	332/86	12-Oct-86	$156,392.00	FOB	AIR FREIGHT	MANTRUST	JORDAN INV & FINANCE CORP
PRI-104	CANCELLED														
PRI-105	CANCELLED														
PRI-106	CANCELLED														
PRI-107	25-Oct-86	S.A.M. ENG &	ENGINEERING	SHOMAR INT'L	SHOMAR	DRILLING EQUIP	DRILLING	664.0539-0558 610.6020-8054	86068	5-NOV-86	$37,326.00	C&F	SEA FREIGHT	MANTRUST	NATIONAL FINANCIAL INV CO
PRI-108	27-Oct-86	SPECIAL SYSTEMS CO	COMPUTERS	LEVANT CO	LEVANT	COMPUTERS	COMPUTERS	676.2600-2870	865405	29-Oct-86	$45,650.00	C&F	AIR-FREIGHT	MANTRUST	PETRA BANK
PRI-109	28-Oct-86	CANCELLED													
PRI-110	28-Oct-86	AL-HIKMA	PHARMACEUTICALS	HANSON RESEARCH	HANSON	LAB-EQUIPTS	DISSOLUTION APPARATUS	709.0200-3000	343/86	05-Nov-86	$26,836.40	FOB	AIR-FREIGHT	MANTRUST	JORDAN INV & FINANCE CORP
PRI-111	04-Nov-86	SINNIMAAR	ENGINEERING	WATERMAN INC	WATERMAN	SLUICE GATES	SLUICE GATES	680.0500-3730	375/86	08-Nov-86	$11,817.20	C&F	SEA-FREIGHT	MANTRUST	JORDAN INV & FINANCE CORP
PRI-112	02-Nov-86	JORDAN SYSTEM	COMPUTER	DATA GENERAL	DATA GENERAL	COMPUTER	COMPUTER	676.2600-2870	359/86	08-Nov-86	$80,120.00	C&F	AIR-FREIGHT	MANTRUST	JORDAN INV & FINANCE CORP
PRI-113	CANCELLED														
PRI-114	15-Nov-86	ATA ALI	INDUSTRIAL	GLACIER INC	GLACIER	MACHINARY	MACHINARY	666.2000-2540	24253	18-Nov-86	$805,518.00	C&F	SEA-FREIGHT	MANTRUST	BANK OF JORDAN
PRI-115	11-Nov-86	ALIA	AIRLINES	MALABAR CO	MALABAR	SPARE PARTS	SPARE PARTS	694.6503-6517	244/86	25-Nov-86	$52,992.00	C&F	AIR-FREIGHT	MANTRUST	FINANCE & CREDIT CORP
PRI-116	11-Nov-86	ALIA	AIRLINES	I KO CORP	I KO	SPARE PARTS	SPARE PARTS	694.6503-6517	245/86	25-Nov-86	$61,395.00	C&F	AIR-FREIGHT	MANTRUST	FINANCE & CREDIT CORP

PRI-117	17-Nov-86	KUM AGRI CO	AGRICULTURAL	LINDSAY	LINDSAY	IRRIGATION	EQUIPMENTS	662.6005-6055	1217/168/86	22-Nov-86	$143,641.12	C&F	SEA-FREIGHT	MANTRUST	ARAB BANK LTD
PRI-118	20-Nov-86	JORDAN DATA	COMPUTER	DATA GENERAL	DATA GENERAL	COMPUTER	COMPUTER	676.2600-2570	383-86	22-Nov-86	$31,416.00	C&F	AIR-FREIGHT	MANTRUST	JORDAN INV & FINANCE CORP
PRI-119	CANCELLED														
PRI-120	CANCELLED														
PRI-121	19-Nov-86	POTASH	MINING	AURORA PUMPS	AURORA	SPARES/PUMPS	SPARES	685.9002-9090	413/86	26-Nov-86	$9,990.00	C&F	SEA-FREIGHT	MANTRUST	ARAB FINANCE CORP
PRI-122	CANCELLED														
PRI-123	CANCELLED														
PRI-124	23-Nov-86	DERHALLY CO	PHARMACEUT-ICALS	ONE LAMBDA INC	LAMBDA	LAB-EQUIPT	LAB-EQUIPT	438.5500-6000	3458/86	27-Nov-86	$50,522.14	C&F	AIR-FREIGHT	UBAF	ARAB BANK LTD
PRI-125	23-Nov-86	DERHALLY CO	PHARMACEUT-ICALS	PURITAN-BENNET INT'L		VENTILATOR	VENTILATOR	709.4520-4540	3469/86	27-Nov-86	$25,739.00	C&F	AIR-FREIGHT	UBAF	ARAB BANK LTD
PRI-126	28-Nov-86	SAM ENG	ENGINEERING	FORD METER CO	FORD	TAPPING SLEEVE	SLEEVES	674.4210-9002	86076	29-Nov-86	$203,442.95	C&F	SEA-FREIGHT	MANTRUST	NATIONAL FINANCIAL INV CO
PRI-127	01-Dec-86	ALIA	AIRLINES	GARRET	GARRET	AIRCRAFT SPARE	SPARES	694.6503-6517	251/86	08-Dec-86	$135,836.32	C&F	AIR-FREIGHT	MANTRUST	FINANCE & CREDIT CORP
PRI-128	CANCELLED														
PRI-129	10-Dec-86	ALIA	AIRLINES	PARKER CO	PARKER	AIRCRAFT SPARE	SPARES	694.6503-6517	258/86	16-Dec-86	$6,164.70	C&F	AIR-FREIGHT	MANTRUST	FINANCE & CREDIT CORP
PRI-130	10-Dec-86	ALIA	AIRLINES	GARRET CO	GARRET	AIRCRAFT SPARE	SPARES	694.6503-6517	260/86	17-Dec-86	$1,299,957.87	C&F	AIR-FREIGHT	MANTRUST	FINANCE & CREDIT CORP
PRI-131	CANCELLED														
PRI-132	08-Dec-86	GHOZLANY	CONTRACTING	INFILCO INC	INFILCO	SCREENS	SCREENS	642.4400-8040	B6160299	18-Dec-86	$24,095.00	C&F	SEA-FREIGHT	MANTRUST	PETRA BANK
PRI-133	15-Dec-86	AGRI-VET INT	AGRI-EQUIPT	D.B.SMITH	B.B.	SPRAYERS	SPRAYERS	662.6005-6055	20/86	23-Dec-86	$28,062.92	C&F	SEA-FREIGHT	MANTRUST	JORDAN GULF BANK
PRI-134	04-Dec-86	J.P.M.	MINING	AM AMERIND	AM	TRUCKS	TRUCKS	692.0544	86074	15-Dec-86	$156,272.00	C&F	SEA-FREIGHT	MANTRUST	NATIONAL FINANCIAL INV CO
PRI-135	CANCELLED														
PRI-136	14-Dec-86	ALIA	AIRLINES	PARKER HANNIFIN	PARKER	SPARES	SPARES	694.6503-6517	263/86	27-Dec-86	$13,699.80	C&F	AIR-FREIGHT	MANTRUST	FINANCE & CREDIT CORP
PRI-137	17-Dec-86	TROKON-LOSINGER ENKA	CONTRACTORS	CATERPILLAR	CATERPILLAR	EARTH MOVING EQUIPMENT	EARTH MOVING EQUIPMENT	664.0214-0236 692.3110-3460 692.0556-0570	B6160306	24-Dec-86	$2,359,577.44	C&F	SEA FREIGHT	MANTRUST	PETRA BANK
PRI-138	20-Dec-86	AL- MAHDA	CONTRACTORS	BLAW-KNOX	BLAW-KNOX	ASPHALT FINISHER	ASPHALT FINISHER	678.5007-5090	17/M/6/87	27-Dec-86	$135,000.00	C&F	SEA FREIGHT	MANTRUST	JORDAN NATIONAL BANK
PRI-139	30-Dec-86	GENERAL COMPUTERS		I.B.M.	I.B.M.	COMPUTER	COMPUTER	676.2600-2570	21/DM/4/87	03-Jan-87	$255,105.34	C&F	AIR-FREIGHT	MANTRUST	JORDAN NATIONAL BANK
PRI-140	16-Dec-86	J.P.M.C.	MINING	BUCYRUS-ERIE	B.E.	DRILLS	DRILLS	664.0505-0513	86078	05-Jan-87	$819,367.00	C&F	SEA-FREIGHT	MANTRUST	THE NATIONAL FINANCIAL INV
PRI-141	CANCELLED														
PRI-142	04-Jan-87	MEDISERV	TRADING	LIFE FORCE MEDICAL CO	L.F.M.	FURNITURE	FURNITURE	727.0120-0140	3/87	11-Jan-87	$64,426.00	C&F	SEA-FREIGHT	MANTRUST	JORDAN GULF BANK
PRI-143	CANCELLED														
PRI-144	CANCELLED														
PRI-145	06-Jan-87	ALIA	AIRLINES	GARRET	GARRET	SPARES	SPARES	694.6503-6517	17/87	24-Jan-87	$6,550.00	FOB	AIR-FREIGHT	MANTRUST	FINANCE & CREDIT CORP
PRI-146	CANCELLED														

PRI-147	15-Jan-87	MOUSSA NAHEEM	CONTRACTING	LOF GLASS	LOF GLASS	GLASS	GLASS	541.1500-6100	NT1554	16-Jan-87	$478.452.82	C&F	SEA-FREIGHT	MANTRUST	CAIRO BANK
PRI-148	19-Jan-87	ATTIYEH BROS	INDUSTRIAL	INT'L SERVICES	POLYETHELENE	POLYETHELENE		770.0020-2500	6717009	02-Mar-87	$67,000.00	C&F	SEA-FREIGHT	MANTRUST	PETRA BANK
PRI-149	31-Dec-86	ALIA	AIRLINES	G.E.	G.E.	AIRCRAFT SPARE	SPARES	694.6503-6517	19/87	24-Jan-87	$2,357,734.00	FOB	AIR-FREIGHT	MANTRUST	FINANCE & CREDIT CORP
PRI-150	07-Jan-87	EQUIPT SALES & SERVICE CO	ENGINEERING	G.FAILAING CO	G.F.	PUMP	PUMP	660.9200-9490	437/87	17-MAR-87	$60,000.00	FOB	SEA-FREIGHT	MANTRUST	ARAB FINANCE CORP
PRI-151	06-Jan-87	EQUIPT SALES & SERVICE CO	ENGINEERING	G.FAILAING CO	G.F.	DRILLPIPE	DRILLPIPE	610.3010-4660	438/87	16-MAR-87	$67.648.00	FOB	SEA-FREIGHT	MANTRUST	ARAB FINANCE CORP
PRI-152	06-Jan-87	EQUIPT SALES & SERVICE CO	ENGINEERING	G.FAILAING CO	G.F.	DRILL TRAILER	DRILL TRAILE	692.1680	436/87	18-MAR-87	$214,500.00	FOB	SEA-FREIGHT	MANTRUST	ARAB FINANCE CORP
PRI-153	20-Jan-87	RUM AGRI CO	AGRICULTURAL	JOHNSTON		PUMP CONTROL	PANELS	685.9002-9090	84/JA/21/87	27-JAN-87	662,494.60	FOB	SEA-FREIGHT	MANTRUST	ARAB BANK
PRI-154	CANCELLED														
PRI-155	24-Jan-87	RUM AGRI CO	ENGINEERING	SHEED MCBRIDE	SHEED MCBRIDE	IRRIGATION EQUIPT	IRRIGATION EQUIPT	662.6005-6055	JA/23/87	28-JAN-87	$322,191.56	C&F	SEA-FREIGHT	MANTRUST	ARAB BANK LTD
PRI-156	26-Jan-87	SPECIAL SYS-TEMS CO	ENGINEERING	CAPITAL TRADING	CAPITAL TRADING	COMPUTER	COMPUTER	676.2600-2870	875029	02 FEB 88	$51,100.00	C&F	AIR-FREIGHT	MANTUST	PETRA BANK
PRI-157	CANCELLED														
PRI-158	28-Jan-87	ALIA	AIRLINES	GARRET	GARRET	SPARES	SPARES	694.6503-6517	24/87	03-Feb-87	$8,933.00	FOB	AIR-FREIGHT	UBAF	FINANCE & CREDIT CORP
PRI-159	28-Jan-87	ALIA	AIRLINES	DATA METRICS	DATA METRICS	PRINTERS	PRINTERS	676.2600-2870	23/87	03-Feb-87	$22,601.70	FOB	AIR-FREIGHT	UBAF	FINANCE & CREDIT CORP
PRI-160	CANCELLED														
PRI-161	21-Jan-87	POTASH	MINING	WANG	WANG	COMPUTER	COMPUTER	676.2600-2870	427/87	18 FEB 88	$76,796.03	C&F	AIR-FREIGHT	MANTRUST	ARAB FINANCE CORP.
PRI-162	01-Feb-87	ATA ALI	INDUSTRIAL	CREPAGO INC	CREPAGO	FREEZERS	FREEZERS	683.3005-3290	875033	04-Feb-87	$82,600.00	C&F	SEA-FREIGHT	MANTRUST	PETRA BANK
PRI-163	08-Feb-87	RUM AGRI CO	AGRICULTURAL	MC BRIDE	MC BRIDE	SPRINKLER	SPRINKLER	662.6005-6055	35/87	12-Feb-87	$142,072.26	C&F	SEA-FREIGHT	MANTRUST	ARAB BANK
PRI-164	CANCELLED														
PRI-165	01-Feb-87	ALIA	AIRLINES	AM-SAFE	AM-SAFE	SPARES	SPARES	727.0300	45/87	28-Feb-87	$34,973.45	FOB	AIR-FREIGHT	UBAF	FINANCE & CREDIT CORP
PRI-166	CANCELLED														
PRI-167	CANCELLED														
PRI-168	22-Jan-87	SINNINAR	ENGINEERING	CAPITAL CONTROL	CAPITAL	PURIFIER	PURIFIER	661.7620-9880	73/87	06-Feb-87	$19,343.77	C&F	SEA-FREIGHT	MANTRUST	JORDAN INV & FINANCE CORP
PRI-169	04-Feb-87	G.C.E	ENGINEERING	CAPITAL TRADING	IBM	COMPUTER	COMPUTER	676.2600-2670	143/OW/16/87	18-Feb-87	$36,990.00	C&F	AIR-FREIGHT	MANTRUST	JORDAN NATIONAL BANK
PRI-170	CANCELLED														
PRI-171	09-Feb-87	ALIA	AIRLINES	PANGBORN	PANGBORN	SPARES	SPARES	662.6005-6055	40/87	22-FEB-86	$18,670.68	FOB	AIR-FREIGHT	UBAF	FINANCE & CREDIT CORP
PRI-172	09-Feb-87	ALIA	AIRLINES	GARRET	GARRET	SPARES	SPARES	694.6503-6517	39/87	22-FEB-86	$39,619.00	FOB	AIR-FREIGHT	UBAF	FINANCE & CREDIT CORP
PRI-173	09-Feb-87	ALIA	AIRLINES	GARRET	GARRET	SPARES	SPARES	694.6503-6517	38/87	21-FEB-86	$18,397.10	FOB	AIR-FREIGHT	UBAF	FINANCE & CREDIT CORP
PRI-174	CANCELLED														
PRI-175	09-Feb-87	ALIA	AIRLINES	HYDRO-AIRE	HYDRO-AIRE	SPARES	SPARES	694.6503-6517	36/87	30-MAR-87	$15,376.00	FOB	AIR-FREIGHT	UBAF	FINANCE & CREDIT CORP
PRI-176	CANCELLED														

PRI-177	CANCELLED														
PRI-178	12-Feb-87	PETRA CO	TRADING	HUSSMANN CO	HUSSMANNN	REFRIGERATION	REFRI-GERATION EQUIPT	661.3510-3540	87160041	15-Mar-87	$4[illegible],798.00	C&F	SEA-FREIGHT	IRVING	PETRA BANK
PRI-179	19-Feb-87	ALIA	AIRLINES	GARRET	GARRET	SPARES	SPARES	694.6503-6517	47/87	28-Feb-87	$23,694.00	FOB	AIR-FREIGHT	UBAF	FINANCE & CREDIT CORP
PRI-180	CANCELLED														
PRI-181	CANCELLED														
PRI-182	CANCELLED														
PRI-183	12-Feb-87	PETRA CO	TRADING	HUSSMANN CO	HUSSMANNN	INSTALLATION		661.3510-3540	87160040	15-Mar-87	$75,357.00	-	-	IRVING	PETRA BANK
PRI-184	CANCELLED														
PRI-185	12-Feb-87	PETRA CO	TRADING	N.C.R.	N.C.R	COMPUTERS	COMPUTERS	676.2600-2870	87160042	06 MAR 87	$204,834.00	C&F	AIR-FREIGHT	IRVING	PETRA BANK
PRI-186	26-Feb-87	JORDAN DATA	COMPUTERS	DATA GENERAL	DATA GENERAL	COMPUTERS	COMPUTERS	676.2600-2870	115/87	22 MAR 87	$66,628.00	FOB	AIR-FREIGHT	MANTRUST	JORDAN INVESTMENT & FINANC
PRI-187	CANCELLED														
PRI-188	01-Mar-87	ALIA	AIRLINES	GARRET	GARRET	SPARES	SPARES	694.6503-6517	57/87	12-MAR-87	$8,230.00	FOB	AIR-FREIGHT	UBAF	FINANCE & CREDIT CORP
PRI-189	CANCELLED														
PRI-190	23-Mar-87	GRAMCO	AGRICULTURAL	JOHNSTON PUMP	JOHNSTON	PUMPS	PUMPS	685.9002-9090	443/87	13-Apr-87	$56,085.00	C&F	SEA-FREIGHT	MANTRUST	ARAB FINANCE CORP
PRI-191	23-Mar-87	POTASH	MINING	JOHN CRANE	JOHN CRANE	PACKINGS	PACKINGS	518-1115-5180	442/87	01 APR 87	$13,903.90	C&F	AIR-FREIGHT	MANTRUST	ARAB FINANCE CORP
PRI-192	29-Mar-87	GRAMCO	AGRICULTURAL	SABA INC	SABA	PIVOTS	PIVOTS	662-6005-6055	445/87	07 APR 87	$292,292.00	C&F	SEA-FREIGHT	MANTRUST	ARAB FINANCE CORP
PRI-193	06-Apr-87	ALIA	AIRLINES	JCAIR KS	JCAIR	SPARES	SPARES	694.6503-6517	74/87	13-Apr-87	$33,505.00	FOB	AIR-FREIGHT	UBAF	FINANCE & CREDIT CORP
PRI-194	17-Mar-87	N.C.S	COMPUTERS	DIGITAL EQUIPT	DIGITAL	COMPUTERS	COMPUTERS	676.2600-2870	875144	27-Apr-87	$114,520.00	FOB	AIR-FREIGHT	IRVING	PETRA BANK
PRI-195	17-Mar-87	N.C.S	COMPUTERS	DIGITAL EQUIPT	DIGITAL	COMPUTERS	COMPUTERS	676.2600-2870	875144	27-Apr-87	$114,520.00	FOB	AIR-FREIGHT	IRVING	PETRA BANK
PRI-196	06-Apr-87	GRAMCO	AGRICULTURAL	LOCKWOOD NEBRASKA	LOCKWOOD	AGRI-EQUIPT	AGRI-EQUIPT	666.0002-0090	447/87	13 APR 87	$224,656.10	C&F	SEA-FREIGHT	MANTRUST	ARAB FINANCE CORP
PRI-197	06-Apr-87	GRAMCO	AGRICULTURAL	ARROW MACHINARY WASHINGTON	ARROW	AGRI-EQUIPT	AGRI-EQUIPT	666.0002-0090	450/87	13 APR 87	$406,791.04	C&F	SEA-FREIGHT	MANTRUST	ARAB FINANCE CORP
PRI-198	06-Apr-87	GRAMCO	AGRICULTURAL	CATERPILLAR ILLINOIS	CATERPILLAR	AGRI-EQUIPT	AGRI-EQUIPT	660.6820-6840	448/87	13 APR 87	$45,000.00	C&F	SEA-FREIGHT	MANTRUST	ARAB FINANCE CORP
PRI-199	10-Mar-87	BETA ENG CO	ENGINEERING	ICCI	ICCI	COMPUTER SPARE	SPARES	676.2600-2870	875071	16-Mar-87	$18,595.00	C&F	AIR-FREIGHT	IRVING	PETRA BANK
PRI-200	04-Mar-87	JORDAN ICE & AERATED WATER	INDUSTRIAL	WITTEMANN INC	WITTEMANN INC	CO2 LIQUIFYING SYSTEM	MACHINERY	660.2400	87016	20-Mar-87	$72,197.09	C&F	SEA-FREIGHT	MANTRUST	NATIONAL FINANCIAL INV
PRI-201	CANCELLED														
PRI-202	17-Mar-87	ALIA	AIRLINES	DANIELS	DANIELS	SPARES	SPARES	694.6503-6517	60/87	28-Mar-87	$8,528.44	FOB	AIR-FREIGHT	UBAF	FINANCE & CREDIT CORP
PRI-203	06-Apr-87	GRAMCO	AGRICULTURAL	JOHN DEERE CO	JOHN DEERE	TRACTORS	TRACTORS	692.3110-3460	449/87	13 APR 87	$136,846.00	C&F	SEA-FREIGHT	MANTRUST	ARAB FINANCE CORP
PRI-204	07-Apr-87	GRAMCO	AGRICULTURAL	DEKALB ILLINOIS	DEKALB	SEEDS	SEEDS	1[illegible].1220-1240	446/87	25 APR 87	$11,000.00	C&F	SEA-FREIGHT	MANTRUST	ARAB FINANCE CORP
PRI-205	13-Apr-87	ALIA	AIRLINES	IFR SYSTEMS	IFR SYSTEMS	SPARES	SPARES	694.6503-6517	125/87	16-Jun-87	$3[illegible],855.00	FOB	AIR-FREIGHT	UBAF	FINANCE & CREDIT CORP
PRI-206	15-Apr-87	POTASH	MINING	RAISON INT'L	RAISON INT'L	SPARES	SPARES	661.2[illegible]-2[illegible]8	45[illegible]/87	07 MAY 87	$20,797.80	C&F	SEA-FREIGHT	MANTRUST	ARAB FINANCE CORP

PRI-207	15-Apr-87	POTASH	MINING	BIRD MAC CO	BIRD MAC CO	SPARES	SPARES	661.7620-9880	455/87	29 APR 87	$13,027.00	C&F	SEA-FREIGHT	MANTRUST	ARAB FINANCE CORP
PRI-208	16-Apr-87	AL-HIKMA	PHARMACEUTICALS	DOW CHEMICALS	DOW	CHEMICALS	CHEMICALS	431.1210-1260	147/87	30-Apr-87	$45,122.40	C&F	SEA-FREIGHT	MANTRUST	JORDAN INV & FINANCE CORP
PRI-209	22-Apr-87	MAINTENANCE REPAIRS CO	ENGINEERING	CARRIER N.Y.	CARRIER	AIR CONDITIONING		661.2220-2228	60/87	30-Apr-87	$53,434.00	C&F	SEA-FREIGHT	UBAF	FINANCE & CREDIT CORP
PRI-210	22-Apr-87	RUR AGRI CO	ENGINEERING	ALLIED CORP ILLINOIS	ALLIED	HARROWS	HARROWS	666.0002-0390	JA/89/87	29 APR 87	$39,901.60	C&F	SEA-FREIGHT	MANTRUST	ARAB BANK
PRI-211	CANCELLED														
PRI-212	29-Apr-87	M.E.M.S	TRADING	3M	3M	REFLECTIVE ROLLS	REFLECTIVE ROLLS	653.3110-3190	66/87	06-May-87	$117,300.00	C&F	SEA-FREIGHT	UBAF	FINANCE & CREDIT CORP
PRI-213	31-Dec-86	ALIA	AIRLINES	G.E.	G.E.	ENGINES	ENGINES	660.4930	3803/86	17-May-87	$10,140,000.00	FOB	AIR-FREIGHT	UBAF	ARAB BANK
PRI-214	03-May-87	AL-QUDS FACTORY	INDUSTRY	GENERAL BUSINES	G.B	TEXTILES	TEXTILES	338.2600-2990	394/DA/87	12-May-87	$53,062.36	C&F	SEA-FREIGHT	MANTRUST	JORDAN NATIONAL BANK
PRI-215	04-May-87	ALIA	AIRLINES	GARRET	GARRET	SPARES	SPARES	694.6503-6517	92/87	13-May-87	$55,920.00	FOB	AIR-FREIGHT	UBAF	FINANCE & CREDIT CORP
PRI-216	10-May-87	ALIA	AIRLINES	WESTERN GEAR	WESTERN GEAR	SPARES	SPARES	694.6503-6517	103/87	22-May-87	$51,035.13	FOB	AIR-FREIGHT	MANTRUST	FINANCE & CREDIT CORP
PRI-217	CANCELLED														
PRI-218	06-May-87	AL-HIKMA	PHARMACEUTICA	CYCLO CO	CYCLO CO	CHEMICALS	CHEMICALS	442.5000-5500	171/87	23-May-87	$49,000.00	C&F	AIR-FREIGHT	MANTRUST	JORDAN INV & FINANCE CORP
PRI-219	06-May-87	AL-HIKMA	PHARMACEUTICA	LAB LINE CO	LAB LINE CO	LAB-EQUIPI	LAB-EQUIPI	711.0100-0160	170/87	23-May-87	$10,633.61	C&F	AIR-FREIGHT	MANTRUST	JORDAN INV & FINANCE CORP
PRI-220	10-May-87	HOUSEHOLDS TOILETERS CO	INDUSTRIAL	DU PONT	DU PONT	CHEMICALS	CHEMICALS	421.6200	112/87	03-Jun-87	$129,329.57	C&F	SEA-FREIGHT	MANTRUST	FINANCE & CREDIT CORP
PRI-221	16-May-87	MEDICAL SCIENTIFIC		LAB-VOLT CO	LAB-VOLT CO	EQUIPMENTS	EQUIPMENTS	711.0100-0160	164/87	01-Jun-87	$82,800.00	C&F	AIR-FREIGHT	MANTRUST	JORDAN INV & FINANCE CORP
PRI-222	20-May-87	ALIA	AIRLINES	EITEL CO	EITEL CO	SPARES	SPARES	694.6503-6517	113/87	03-Jun-87	$30,729.68	FOB	AIR-FREIGHT	UBAF	FINANCE & CREDIT CORP
PRI-223	20-May-87	ALIA	AIRLINES	ASINC	ASINC	SPARES	SPARES	694.6503-6517	114/87	03-Jun-87	$53,472.50	FOB	AIR-FREIGHT	UBAF	FINANCE & CREDIT CORP
PRI-224	21-May-87	GRANCO	AGRICULTURE	CATERPILLAR	CATERPILLAR	PUMPS	PUMPS	660.4110-4139	464/87	23 MAY 87	$45,000.00	C&F	SEA-FREIGHT	MANTRUST	ARAB FINANCE CORP
PRI-225	21-May-87	GRANCO	AGRICULTURE	PEERLESS	PEERLESS	PUMPS	PUMPS	660.9200-9490	465/87	23 MAY 87	$56,500.00	C&F	SEA-FREIGHT	MANTRUST	ARAB FINANCE CORP
PRI-226	16-May-87	POTASH	MINING	DRESSER	DRESSER	SPARES	SPARES	660.9200-9490	446/87	24 MAY 87	$16,750.01	C&F	SEA-FREIGHT	MANTRUST	ARAB FINANCE CORP
PRI-227	CANCELLED														
PRI-228	27-May-87	UNITED CHEM	INDUSTRIAL	KOPPERS	KOPPERS	CHEMICALS	CHEMICALS	431.1210-1260	60975	03 JUN 87	$36,915.00	C&F	SEA-FREIGHT	MANTRUST	CIARO ARMAN BANK
PRI-229	CANCELLED														
PRI-230	12-May-87	TANNOUS CO	TRADING	G.M.	G.M.	PARTS	AUTO PARTS	692.3820-3840	1510/87	17-Jun-87	$28,317.78	C&F	SEA-FREIGHT	UBAF	ARAB BANK
PRI-231	13-Jun-87	POTASH	MINING	U.S.TECH	CLEMENT	TRAILERS	TRAILERS	692.0905-0940	62209/7084	13 JUN 87	$326,000.00	C&F	SEA-FREIGHT	MANTRUST	BRINCLAYS BANK
PRI-232	15-Jun-87	UNITED CHEM	INDUSTRIAL	KOPPERS	KOPPERS	CHEMICALS	CHEMICALS	431.1210-1260	61023	18 JUN 87	$80,645.74	C&F	SEA-FREIGHT	MANTRUST	CIARO ARMAN BANK
PRI-233	18-Jun-87	ATA ALI	INDUSTRIAL	GLACIER	GLACIER	MACHINARY	MACHINARY	256.7110-7140	24664	20-Jun-87	$114,444.30	C&F	SEA-FREIGHT	MANTRUST	BANK OF JORDAN
PRI-234	20-Jun-87	ALIA	AIRLINES	TELEDYNE	TELEDYNE	SPARES	SPARES	694.6503-6517	135/87	20-Jun-87	$13,900.00	FOB	AIR-FREIGHT	MANTRUST	FINANCE & CREDIT CORP
PRI-235	30-Jun-87	POTASH CO.	MINING	MACK TRUCKS	MACK	TRUCKS	TRACTORS	692.3110-3460	2209/7102	12-JUL 87	$589,101.57	C&F	SEA-FREIGHT	MANTRUST	BRINCLAYS BANK
PRI-236	05-Jul-87	SPECIAL SYSTE	COMPUTERS	I B M	I B M	COMPUTERS	COMPUTERS	676.2600-2870	575218	13-Jul-87	$17,900.00	C&F	AIR-FREIGHT	MANTRUST	PETRA BANK

PRI-237	CANCELLED														
PRI-238	06-Jul-87	ELECTRICAL INDUSTRIES	INDUSTRIAL	OCCIDENTAL	OCCIDENTAL	CHEMICALS	CHEMICALS	444.0800-7530	140/87	20-Jul-87	$16,097.60	C&F	SEA-FREIGHT	MANTRUST	FINANCE & CREDIT CORP
PRI-239	08-Jul-87	EQUIPT SALES SERVICE	AGRICULTURAL	INDUSTRIAL MACHINARY	GARDNER	GARDNER	SPARES	664.0572-0591	485/87	20-Jul-87	$141,661.05	C&F	SEA-FREIGHT	MANTRUST	ARAB FINANCE CORP
PRI-240	06-Jul-87	EQUIPT SALES SERVICE	AGRICULTURAL	G.FAILING	G.FAILING	SPARES	SPARES	664.0572-0591	487/87	20-Jul-87	$35,376.34	C&F	SEA-FREIGHT	MANTRUST	ARAB FINANCE CORP
PRI-241	08-Jul-87	EQUIPT SALES SERVICE	AGRICULTURAL	MISSION MFRS	MISSION MFRS	SILVER BITS	SILVER BITS	648.7220-5400	486/87	20-Jul-87	$53,965.00	C&F	SEA-FREIGHT	MANTRUST	ARAB FINANCE CORP
PRI-242	16-Jul-87	ALIA	AIRLINES	G.E.	G.E.	SPARES	SPARES	685.2701-2765	149/87	23-Jul-87	$32,705.68	FOB	AIR-FREIGHT	MANTRUST	FINANCE & CREDIT CORP
PRI-243	CANCELLED														
PRI-244	19-Jul-87	DAJANY	OPTICAL	ROZIN INTIL	ROZIN	TESTING EQUIPT	EQUIPMENT	710.1010-8900	875252	01-AUG-87	$26,917.45	FOB	AIR-FREIGHT	IRVING	PETRA BANK
PRI-245	19-Jul-87	PETRA SUPPLY	TRADING	CATERPILLAR	CATERPILLAR	GENERATOR	GENERATOR	660.4133	87160189	13-SEP-87	$48,925.00	C&F	SEA-FREIGHT	MANTRUST	PETRA BANK
PRI-246	30-Jul-87	POTASH	MINING	AEROSPACE	AEROSPACE	ALLOYS	FERRALIUM	607.2600-7040	62209/7138	25-JUL-87	$19,385.28	C&F	SEA-FREIGHT	MANTRUST	GRINDLAYS BANK
PRI-247	29-Jul-87	ALIA	AIRLINES	GARRET	GARRET	SPARES	SPARES	694.6503-6517	159/87	15-AUG-87	$16,082.78	FOB	AIR-FREIGHT	MANTRUST	FINANCE & CREDIT CORP
PRI-248	02-Aug-87	NABEER BROS	TRADING	N & N	N & N	TEXTTLE	TEXTILE	338.2600-2990	321029	30-NOV-87	$35,501.21	C&F	SEA-FREIGHT	MANTRUST	JORDAN NATIONAL BANK
PRI-249	14-Aug-87	JORDAN BOOK	TRADING	JOHN WILEY	JOHN WILEY	BOOKS	BOOKS	270.3020-3080	165/87	25-Aug-87	$82,528.80	FOB	AIR-FREIGHT	MANTRUST	FINANCE & CREDIT CORP
PRI-250	30-Jul-87	POTASH	MINING	LUCIAN	LUCIAN	SPARES	SPARES	680.0500-3730	2209/7130	30-NOV-87	$9,484.70	C&F	AIR-FREIGHT	MANTRUST	GRINDLAYS BANK
PRI-251	13-Aug-87	POTASH	MINING	J.D. INT'L	J.D. INT'L	SPARES	SPARES	692.2010-2985	62209/7135	30-NOV-87	$32,479.49	C&F	SEA-FREIGHT	MANTRUST	GRINDLAYS BANK
PRI-252	19-Aug-87	RUM AGRI	AGRICULTURE	NORTHRUP	NORTHRUP	WHEAT SEEDS	WHEAT SEEDS	130.6540	1106/173/87	31-AUG-87	$43,000.00	C&F	SEA-FREIGHT	MANTRUST	ARAB BANK
PRI-253	22-Aug-87	ALIA	AIRLINES	LANTIS CORP	LANTIS	LOADER	LOADER	664.1010-1063	170/87	12-SEP-87	$242,750.00	FOB	SEA-FREIGHT	IRVING	FINANCE & CREDIT CORP
PRI-254	18-Aug-87	POTASH	MINING	PHILADELPHIA	PHILADELPHIA	SPARES	SPARES	680.4910-9240	506/87	02 SEP-87	$22,150.00	C&F	AIR-FREIGHT	MANTRUST	ARAB FINANCE CORP
PRI-255	22-Aug-87	ALIA	AIRLINES	LANTIS CORP	LANTIS	SPARES	SPARES	664.1065-1098	169/87	09 SEP 87	$21,345.00	C&F	AIR-FREIGHT	IRVING	FINANCE & CREDIT CORP
PRI-256	27-Aug-87	RUM AGRI	AGRICULTURE	LEE CONNATSER	LEE CONNATSER	PLANTER	PLANTER	666.0002-0090	1131/180/87	07-Sep-87	$24,053.55	C&F	SEA-FREIGHT	MANTRUST	ARAB BANK
PRI-257	CANCELLED														
PRI-258	03 SEP 87	SAAD TRADING	TRADING	DE SALES	DE SALES	SEWING THREADS	THREADS	309.0110-9240	133/87	09 SEP 87	$54,259.31	C&F	SEA-FREIGHT	MANTRUST	JORDAN GULF BANK
PRI-259	CANCELLED														
PRI-260	04-Sep-87	JORDAN BOOK	TRADING	PRENTICE HALL	PRENTICE HALL	BOOKS	BOOKS	270.3020-3080	175/87	13-SEP-87	$135,731.82	FOB	AIR-FREIGHT	MANTRUST	FINANCE & CREDIT CORP
PRI-261	04-Sep-87	JORDAN BOOK	TRADING	HARPER & RAW	HARPER & RAW	BOOKS	BOOKS	270.3020-3080	176/87	13-SEP-87	$116,293.05	FOB	AIR-FREIGHT	MANTRUST	FINANCE & CREDIT CORP
PRI-262	09-Sep-87	GRAMCO	AGRICULTURE	CATERPILLAR	CATERPILLAR	ENGINES	ENGINES	660.9200-9490	511/87	13 SEP 87	$62,000.00	C&F	SEA-FREIGHT	MANTRUST	ARAB FINANCE CORP
PRI-263	09-Sep-87	GRAMCO	AGRICULTURE	PEERLESS	PEERLESS	PUMPS	PUMPS	660.9200-9490	512/87	13 SEP 87	$94,166.65	C&F	SEA-FREIGHT	MANTRUST	ARAB FINANCE CORP
PRI-264	CANCELLED														
PRI-265	16-Sep-87	RUM AGR	AGRICULTURE	MCCRAINE	MCCRAINE	SPARES	SPARES	692.3820-3640	12000A164/87	SEPT 87	$37,738.69	C&F	SEA-FREIGHT	MANTRUST	ARAB BANK
PRI-266	17-Sep-87	RUMA CO.	TRADING	YORK	YORK	AIR CONDITIONING		661.2220-2328	875295	27 SEP 87	$38,574.00	C&F	SEA-FREIGHT	MANTRUST	PETRA BANK

PRI-267	10-Sep-87	JORDAN DATA	COMPUTERS	LIEBERT	LIEBERT	AIR CONDITIONING		661.2220-2228	260/87	02 OCT 87	$19,650.00	C&F	SEA-FREIGHT	MANTRUST	JORDAN INV & FINANCE CORP
PRI-268	14-Sep-87	JORDAN BOOK	TRADING	HARCOURT BRACE	HARCOURT BRACE	BOOKS	BOOKS	270.3020-3080	197/87	24 SEP 87	$71,724.51	FOB	AIR-FREIGHT	MANTRUST	FINANCE & CREDIT CORP
PRI-269	15-Sep-87	W.K.C.	INDUSTRIAL	WESTINGHOUSE	WESTINGHOUSE	SPARES	REFRIGERATOR	661.2598	565/87	29 DEC 87	$59,220.00	FOB	SEA-FREIGHT	MANTRUST	ARAB FINANCE CORP
PRI-270	15-Sep-87	W.K.C.	INDUSTRIAL	WESTINGHOUSE	WESTONGUPISE	SPARES	REFRIGERATOR	661.2598	5664567/87	29 DEC 87	$70,481.40	C&F	SEA-FREIGHT	MANTRUST	ARAB FINANCE CORP
PRI-271	22-Sep-87	S.SHAHIN CO	TRADING	GE SALES CO	GE-SALES CO	YARNS	YARNS	309.0110-9240	321/195	30 SEP 87	$58,993.26	C&F	SEA-FREIGHT	MANTRUST	JORDAN NATIONAL BANK
PRI-272	23-Sep-87	JORDAN BOOK	TRADING	PRENTICE HALL	PRENTICE HALL	BOOKS	BOOKS	270.3020-3080	206/87	01 OCT 87	$63,560.00	FOB	AIR-FREIGHT	MANTRUST	FINANCE & CREDIT CORP
PRI-273	23-Sep-87	JORDAN BOOK	TRADING	MACMILLAN	MACMILLAN	BOOKS	BOOKS	270.3020-3080	204/87	01 OCT 87	$44,120.81	FOB	AIR-FREIGHT	MANTRUST	FINANCE & CREDIT CORP
PRI-274	23-Sep-87	JORDAN BOOK	TRADING	LEAUFBIGER	LEAUFBIGER	BOOKS.	BOOKS	270.3020-3080	205/87	01 OCT 87	$58,263.75	FOB	AIR-FREIGHT	MANTRUST	FINANCE & CREDIT CORP
PRI-275	27-Sep-87	ALIA	AIRLINES	GARRET	GARRET	SPARES	SPARES	694.6503-6517	211/87	01 OCT 87	$7,628.50	FOB	AIR-FREIGHT	MANTRUST	FINANCE & CREDIT CORP
PRI-276	CANCELLED														
PRI-277	04-Oct-87	RUM AGRI	AGRICULTURE	JOHNSTON PUMP	JOHNSTON PUMP	PUMPS	PUMPS	661.1204-1500	1357/201/87	12 OCT 87	$497,224.90	C&F	SEA-FREIGHT	MANTRUST	ARAB BANK
PRI-278	04-Oct-87	RUM AGRI	AGRICULTURE	CATERPILLAR	CATERPILLAR	IRRIGATION	IRRIGATION	6604133	JA/200/87	13 OCT 87	$156,756.00	C&F	SEA-FREIGHT	MANTRUST	ARAB BANK
PRI-279	10-Oct-87	POTASH	MINING	WESTINGHOUSE	WESTINGHOUSE	SPARES	SPARES	685.9002-9090	278/87	20 OCT 87	$22,291.53	C&F	SEA-FREIGHT	MANTRUST	JORDAN INV & FINANCE CORP
PRI-280	08-Oct-87	SIGMA	ENGINEERING	THOMAS PATON	THOMAS PATON	COMPUTER	COMPUTER	676.2600-2870	1412-203/87	NOV 87	$72,956.38	FOB	AIR-FREIGHT	MANTRUST	ARAB BANK
PRI-281	26-Oct-87	RUM AGRI	AGRICULTURE	LAKE CO	LAKE CO	IRRIGATION	IRRIGATION	662.6005-6055	1492/221/87	11 NOV 87	$829,368.00	C&F	SEA-FREIGHT	MANTRUST	ARAB BANK
PRI-282	26-Oct-87	GRAMCO	AGRICULTURE	VALMONT IND	VALMONT IND	PIVOTS	PIVOTS	662.6005-6055	543/87	31 OCT 87	$601,892.00	C&F	SEA-FREIGHT	MANTRUST	ARAB FINANCE CORP
PRI-283	26-Oct-87	GRAMCO	AGRICULTURE	IRRIGATIONS CO	IRRIGATIONS CO	PIVOTS	PIVOTS	660.9200-9490	542/87	02 NOV 87	$25,185.00	C&F	SEA-FREIGHT	MANTRUST	ARAB FINANCE CORP
PRI-284	10-Oct-87	POTASH	MINING	HARRIS TRUCK	HARRIS	TRAILER	SPARES	692.2010-2985	312/87	24-NOV-87	$11,165.47	C&F	SEA-FREIGHT	MANTRUST	JORDAN INV. & FINANCE CORP
PRI-285	20-Oct-87	ELECTRICAL INDUSTRIES	INDUSTRIAL	OCCIDENTAL CHEM CORP	OCCIDENTAL	CHEMICALS	CHEMICALS	444.0800-7530	244/87	19 NOV 87	$18,082.25	C&F	SEA-FREIGHT	MANTRUST	FINANCE & CREDIT CORP.
PRI-286	CANCELLED														
PRI-287	17-Nov-87	JORDAN BOOK CENTER	TRADING	JOHN WILEY	JOHN WILEY	BOOKS	BOOKS	270.3020-3080	250/87	26 NOV 87	$136,396.13	FOB	AIR-FREIGHT	MANTRUST	FINANCE & CREDIT CORP
PRI-288	19-Nov-87	IND&TRADING CT	TRADING	FORD MOTOR CO	FORD	VEHICLES	SPARES	692.3820-3840	M-545/87	26 NOV 87	$36,665.25	C&F	SEA-FREIGHT	MANTRUST	ARAB BANK LTD
PRI-289	08-Nov-87	POTASH	MINING	FOXBORO CO.	FOXBORO	ELEC'L. EQT.	SPARES	868.4010-5980	314/87	26 NOV 87	$11,991.16	C&F	AIR-FREIGHT	MANTRUST	JORDAN INV.& FINANCE CORP.
PRI-290	23-Nov-87	AL-HIKMA	PHARMAC'L.	HANSON RES.CORP	HANSON	LAB EQUIPT.	INSTRUMENTS	709.0200-3000	324/87	09 DEC-87	$10,056.48	FOB	AIR-FREIGHT	MANTRUST	JORDAN INV.& FINANCE CORP.
PRI-291	29-Sep-87	SA'AD TRDNG	TRADING	GE-SALES TRADIN	GE-SALES	SEWING THREADS	THREADS	300.3011	167/87	23 DEC 87	$101,898.50	FOB	SEA-FREIGHT	MANTRUST	JORDAN-GULF BANK
PRI-292	21 NOV 87	ARAB CO. FOR MED & AGR	TRADING	FISHER SCIENTIF	FISHER	LAB EQUIP.	LAB EQT.	303.2160 547.6010-6040 661-3010-3050	3604/87	19 DEC 87	$32,860.82	C&F	SEA-FREIGHT	USAF	ARAB BANK-CENTER BRANCH
PRI-293	26 NOV 87	RUM AGR CO	AGRICULTURE	A&B NURSERY	AGRICULTURE	FRUIT TREES	FRUIT TREES	125.3100-8100	JA/254/87	13 DEC 87	$180,787.80	C&F	SEA-FREIGHT	MANTRUST	ARAB BANK - JABAL AMMAN
PRI-294	26 NOV 87	RUM AGR CO	AGRICULTURE	AGR SUN NURSERY	AGR.	FRUIT TREES	FRUIT TREES	125.3100-8100	JA/253/87	13 DEC 87	$113,278.92	C&F	SEA-FREIGHT	MANTRUST	ARAB BANK - JABAL AMMAN
PRI-295	12 DEC 87	POTASH	MINING	PHILADELPHIA BEAP CORP.	BEAP PAL	HARVESTER	SPARE PARTS	674.1011-3598	334/87	21-DEC-87	$78,662.00	C&F	SEA-FREIGHT	MANTRUST	JORDAN INV. & FIN CORP.

PRI-296	21 DEC 87	POTASH	MINING	BIRD MACHINE CO. INC.	BIRD	HEAD LIQUID END	SPARE PARTS	674.4210-5000 711.0100	346/87	29-DEC-87	$22,671.0[illegible]	C&F	SEA-FREIGHT	MANTRUST	JORDAN INV. & FIN. CORP.
PRI-297	27 DEC 87	POTASH	MINING	CLEARLY ENTER.	CLEARLY ENTER.	TRAILER	SPARE PARTS	672.3820-3840	346/87	30-DEC-87	$16,411.16	C&F	SEA-FREIGHT	MANTRUST	JORDAN INV. & FIN CORP.
PRI-298	24 DEC 87	POTASH	MINING	BIRD MACHINE CO	BIRD	CENTRIFUGES	SPARE PARTS	661.7620-7880	349/87	04-JAN-88	$150,670.00	C&F	SEA-FREIGHT	MANTRUST	JORDAN INV. & FIN CORP.
PRI-299	04 JAN 88	ARAB CENTER PHARM & CHEM	TRADING	ACKLEY MACHINE CORP.	ACKLEY	CAPSULES PLANT EQUIPMENT	MACHINE AND PARTS	668.7510-7540 668.5020-5080	63 18/88	11-FEB-88	$127,939.88	C&F	SEA-FREIGHT	MANTRUST	JORDAN-GULF BANK WINDAT BRANCH
PRI-300	19 JAN 88	ARAB EAST AUTOMOBILE CO	PRIVATE	GENERAL MOTORS CORP.	GMC	TRUCKS	TRUCKS	692.0540	61719	06 FEB 88	$246,845.50	FOB	SEA-FREIGHT	IRVING	CAIRO-BANK, MAIN BRANCH
PRI-301	19 JAN 88	FARRADJ & CO.	PRIVATE	GENERAL MOTORS CORP.	GMC	DIESEL ENGINES	SPARE PARTS	681.0520-6064	M/40/88	30 JAN 88	$209,042.40	C&F	SEA-FREIGHT	MANTRUST	ARAB BANK, MANATTA
PRI-302	24 JAN 88	HUSSEIN MOHD HIYASSAT	FARMER	CHICK MASTER INTERN'L INC.	PETERSIKE	HATCHERS	HATCHERS	666.0000-0090	SALT/2/88	28 APR 88	$110,090.00	C&F	SEA-FREIGHT	MANTRUST	JORDAN NATIONAL BANK, SALT
PRI-303	25 JAN 88	JORDAN BOOK CENTER	PRIVATE	FEFFER & SIMONS A.BAKER &TAYLOR	BRITANNIC	BOOKS	ENCYCLOPEDIA	270.3020 270.3080	28/88	07-FEB-88	$106,477.50	FOB	AIR-FREIGHT	MANTRUST	FINANCE & CREDIT CORP.
PRI-304	26 JAN 88	AMMAN RESOURCES	PRIVATE	COMET RICE, INC	COMET	RICE HANDLING PROCESSING EQT	COMPLT.RICE FACILITY	640.3820-3840 AND VARIOUS	88/215	05 MAY 88	$4,031,706.40	C&F	SEA-FREIGHT	MANTRUST	BANK OF JORDAN, JABAL AMMAN
PRI-305	19 JAN 88	SALIM SAAD	TRADING	BEMIS MFG. CO.	BEMIS	TOILET SEATS	TOILET SEATS	650.8480 650.8485	B-2209/B035	07 FEB 88	$70,050.00	C&F	SEA-FREIGHT	MANTRUST	BRINDLEYS, SHMEISANI BRANCH
CIF-13	02 FEB 88	BANK CHARGES									$1,700,000.00				
PRI-306	30 JAN 88	POTASH	MINING	J.D.INTN'L INC.	MACK	TRUCKS	SPARE PARTS	692.2010-2985	32/88	13 FEB 88	$45,776.58	C&F	SEA-FREIGHT	MANTRUST	JORDAN INV.& FIN. CORP.
PRI-307	02 FEB 88	POTASH	MINING	J.D.INTN'L INC.	CHALLENGER	COOK TRAILER	SPARE PARTS	692.2010-2985	31/88	13 FEB 88	$24,626.83	C&F	SEA-FREIGHT	MANTRUST	JORDAN INV.& FIN. CORP.
PRI-308)	07 FEB 88	HUSSEIN MOHD HIYASSAT	AGRICULTURE	ARBOR ACRES FAR INCORP.	ARBOR	BROILER BREEDE CHICKS	CHICKS	100.0220	150/SALT/1/88	28 FEB 88	$45,750.00	C&F	AIR-FREIGHT	MANTRUST	JORDAN NATIONAL BANK, SALT
PRI-309	06 FEB 88	JORDAN-DUTCH HATCHERY FARM	AGRICULTURE	HY-LINE INTER-NATIONAL	HY-LINE	PARENT STOCK CHICKS	CHICKS	100.0220	AID/70/89	27 FEB 89	$73,000.00	C&F	AIR-FREIGHT	MANTRUST	JORDAN INV. & FIN. CORP.
PRI-310	CANCELLED														JORDAN INV. & FIN. CORP.
PRI-311	16 FEB 88	KHALAF AND PARTNERS	TRADING	RADIO SHACK TANDY CORP.	TANDY	COMPUTERS	COMPUTERS	772.6010 676.2600 676.2870	7/88	22 FEB 88	$116,365.42	C&F	AIR-FREIGHT	MANTRUST	JORDAN-GULF BANK, SHMEISANI
PRI-312	18 FEB 88	UNITED CONFEC TIONERY & FOOD	TRADING	CHIMADE INTN'L, INC.	HYSTER	TRUCK	ELECTRIC FORKLIFT	692.4004-4020	588/88	22 FEB 88	$27,413.00	C&F	SEA-FREIGHT	MANTRUST	ARAB FINANCE CORP. (JORDAN
PRI-313	18 FEB 88	JORDAN INDTRL INVST. CORP.	TRADING	AMERICAN ENERGY TECHNLGIES.INC.	AET	INDUSTRIAL	COPPER ABSORBER PLATES	661.6504-7075	88120B	17 MAR 87	$443,650.00	C&F	SEA-FREIGHT	MANTRUST	PETRA BANK, JABAL AMMAN
PRI-314)	20 FEB 88	SULEIMAN TAHBOUS	TRADING	GENERAL MOTORS D/S DISTR. CORP.	GMC	AUTOS	SPARE PARTS & ACCESSORS.	696.3820-3840	520/88	25 FEB 88	$66,390.00	C&F	SEA-FREIGHT	UBAF	ARAB BANK LTD.
PRI-315	29 FEB 88	AL-JAFAR CONTRACTING CO.	TRADING	CATERPILLAR OVERSEAS S/A	CATERPILLAR	TRUCKS AND LOADERS	TRUCKS/WHEEL LOADERS	664.0227-692.0550	61914	20 MAR 88	$766,692.00	C&F	SEA-FREIGHT	IRVING	CAIRO-AMMAN, MAIN BRANCH
PRI-316	26 FEB 88	JORDAN CONTRACTORS CO.	TRADING	MCQUAY, SNYDER GENERAL CORP.	MCQUAY	CHILLERS	CHILLERS & ACCESSORIES	661.3510-3540 661.3598	55/88	14 MAR 88	$35,966.00	C&F	SEA-FREIGHT	MANTRUST	FINANCE & CREDIT CORP.
PRI-317	29 FEB 88	THE HOUSING BANK	BANKING	WANG LAB., INC.	WANG	COMPUTERS	COMPUTERS & COMPONENTS	676.2600-2870	62/88	10 MAR 88	$747,134.00	FOB	AIR-FREIGHT	UBAF	THE HOUSING BANK, MAIN BR.
PRI-318	29 FEB 88	ASFOUR ENTERPRISE	TRADING	WANG LAB., INC.	WANG	COMPUTER EQT	COMPUTERS	676.2600-2670	M/147/88	31 MAR 88	$573,164.98	FOB	AIR-FREIGHT	UBAF	ARAB BANK, MANATTA BRANCH
PRI-319	03 MAR 88	ASFOUR	TRADING	WANG LAB., INC.	WANG	COMPUTER EQT	COMPUTERS	676.2600-2870	M/146/88	31 MAR 88	$170,230.00	FOB	AIR-FREIGHT	UBAF	ARAB BANK, MANATTA BRANCH
PRI-320)	01 MAR 88	POTASH	MINING	GREYCO, INC.	SIOUX	MACHINERY	HP STEAM CLEANER	661.6504-7075	61/88	15 MAR 88	$11,708.26	C&F	SEA-FREIGHT	MANTRUST	JORDAN INV. & FINANCE CORP
PRI-321	06 MAR 88	UNITED CHEMICALS	INDUSTRIAL	KOPPERS INT'L.	KOPPERS	CHEMICALS	CHEMICALS	431.1210-1260 420.7200	60/88	15 MAR 88	$27,100.00	C&F	SEA-FREIGHT	MANTRUST	JORDAN INV. & FINANCE CORP
PRI-322	13 MAR 88	M.E.M.S.	TRADING	3-M	3-M	REFLECTIVE ROLLS	REFLECTIVE ROLLS	653.3110-3190	65/88	20 MAR 88	$18,360.00	C&F	AIR-FREIGHT	MANTRUST	FINANCE & CREDIT CORP.
PRI-323	13 MAR 88	M.E.M.S.	TRADING	3-M	3-M	REFLECTIVE ROLLS	REFLECTIVE ROLLS	653.3110-3190	66/88	20 MAR 88	$127,703.49	C&F	SEA-FREIGHT	MANTRUST	FINANCE & CREDIT CORP.
PRI-324	14 FEB 88	JOR/KUWEIT CO. FOR AGR	AGRICULTURE	SPENCER HARRIS OF ARK., INC.	S.H.	MACHINERY	FLUID FERT. PRODUCTS	675.5007-5090 660.9200.ETC	74/88	04 APR 88	$276,305.00	C&F	SEA-FREIGHT	MANTRUST	FINANCE & CREDIT CORP.

PRI-325	14 MAR 88	UNITED COAFEE & FOOD CO.	TRADING	CHINACE INT L.	CHAMPION	MACHINERY	SOUSE MIXER	661.2000-2540	607/88	19 APR 88	$36,155.00	C&F	SEA-FREIGHT	MANTRUST	ARAB FINANCE CO. (JORDAN)
PRI-326	01 MAR 88	NATIONAL PROTEIN EST	TRADING	M.E.FRANKS,INC.	CHEDDAR	CHEESE	CHEESE	117.1700-8600	663/88	31 MAR 88	$22,590.00	FAS	SEA-FREIGHT	UBAF	ARAB BANK LTD., AMMAN BR.
PRI-327	23 MAR 88	FARRADJ & CO	TRADING	S.M. CORP.	S.M.	SPARE PART	SPARE PARTS	661.0520-6064 661.5452-5460	M/145/88	11 APR 88	$103,850.26	C&F	SEA-FREIGHT	UBAF	ARAB BANK LTD., MAHATTA BR
PRI-328	28 MAR 88	ALIA/ ROYAL JORDANIAN	AIRLINES	GOULD ELECTRON. INC.	GOULD	SPARE PARTS	SPARE PARTS	674.4210-9002	84/88	16 APR 88	$7,678.00	FOB	AIR-FREIGHT	IRVING	FINANCE & CREDIT CORP.
PRI-329	13 FEB 88	PHOSPHATE CO.	MINING	DRILTECH INC.	DRILTECH	DRILLS	ROTARY DRILL	660.4110-4139	27/88	04 MAY 88	$700,262.00	CIF	SEA-FREIGHT	UBAF	FINANCE & CREDIT CORP.
PRI-330	03 MAR 88	NATIONAL PAINTS FACTORY	TRADING	MYERS ENG. INC.	MYERS	DISPERSER	VACUUM DISPERSER	661.6504-7075	88003B	16 APR 88	$65,645.00	CIF	SEA-FREIGHT	MANTRUST	BRITISH BANK OF MIDDLE EAS
PRI-331	14 APR 88	ERT SALES & SERVICE CO.	TRADING	KORODY-COYLER LTD.	KORODY	DIESEL ENGINES	SPARE PARTS	660.4110-4139	609/88	19 APR 88	$43,829.74	C&F	SEA-FREIGHT	MANTRUST	ARAB FINANCE CORP. (JORDAN
PRI-332	21 APR 88	JECCA	TRADING	RAINSOFT WATER CONDITIONING CO	RAINSOFT	EQUIPMENT	RESID/INDUS SOFTENERS	661.7620-9880	213/88	02 JUN 88	$175,000.00	C&F	SEA-FREIGHT	UBAF	ARAB LAND BANK
PRI-333	28 APR 88	BOOK CENTER	TRADING	C.V.MOSBY CO.	-	BOOKS	BOOKS	270.3020-3080	96/88	12 MAY 88	$100,551.00	C&F	AIR-FREIGHT	MANTRUST	FINANCE & CREDIT CORP.
PRI-334	28 APR 88	JORDAN CONTRACTOR	CONTRACTOR	FULTON BOILER WORKS	FULTON	MACHINERY	STEAM BOILER & BURNERS	653.4810-4190 661.2510-2530	97/88	21 MAY 88	$28,067.63	C&F	SEA-FREIGHT	MANTRUST	FINANCE & CREDIT CORP.
PRI-335	CANCELLED														
PRI-336	16 APR 88	PETRA BANK	BANKING	VERIFONE,INC	IDM	COMPUTERS	TERMINALS PRINTERS	676.2600-2870 676.3050-5585	88160128	09 MAY 88	$259,000.00	FOB	AIR-FREIGHT	MANTRUST	JORDAN INV. & FINANCE CORP FETRA BANK
PRI-337	09 MAY 88	POTASH CO.	MINING	FOIBORO CO.	FOIBORO	SPARES	SPARES	687.3530-6089	147/88	28 MAY 88	$11,985.00	C&F	AIR-FREIGHT	MANTRUST	JORDAN INV. & FINANCE CORP
PRI-338	28 MAY 88	SCI &MED SUPP	TRADING	COULTER ELECTRO	COULTER	CELL COUNTER	CELL COUNTER	711.0100 713.0160	109/88	12 JUN 88	$10,840.00	C&F	AIR-FREIGHT	MANTRUST	FINANCE & CREDIT CORP.
PRI-339	28 MAY 88	SCI & MED SUP	TRADING	GENERAL ELECTRI	G.E.	X-RAY SYSTEM	X-RAY SYSTEM	709.6120-6340	110/88	19 JUN 88	$60,124.00	C&F	AIR-FREIGHT	MANTRUST	FINANCE & CREDIT CORP.
PRI-340	31 MAY 88	FARRADJ & CO	TRADING	DETROIT-DIESEL	G.M.	SPARE PARTS	SPARE PARTS	646.6140-5520	245/88	06 JUN 88	$236,873.35	C&F	SEA-FREIGHT	MANTRUST	ARAB BANK, MAHATTA
PRI-341	31 MAY 88	GEN COMPUTERS	TRADING	IBM	IBM	COMPUTERS	COMPUTERS	676.2600-2870	37/88/JA	09 JUN 88	$294,636.32	C&F	AIR-FREIGHT	MANTRUST	JORDAN-GULF BANK
PRI-342	31 MAY 88	NATIONAL PROTEIN ESTB	TRADING	M.E.FRANKS,INC	CHEDDAR	CHEESE	CHEESE	117.1700-8600	1619/88	07 JUN 88	$22,590.00	FAS	SEA-FREIGHT	UBAF	ARAB BANK LTD
PRI-343	28 [illegible]	A/RAHIM TAMA	TRADING	SENTINEL FOAM PRODUCTS	SENFLEX	PIPE WRAP	PIPE INSULATION	357.9200 358.2050	5066	28 JUL 88	$14,793.00	C&F	SEA-FREIGHT	MANTRUST	CAIRO-AMMAN BANK
PRI-344	[illegible] 88	[illegible] ZUREIKAT	MEDICAL	HEWLETT-PACKARD	SOMOS	CARDIOGRAPHY	ECHOCRDGRPHY	711.0100-713.	866/88	26 JUN 88	$164,000.00	C&F	AIR-FREIGHT	MANTRUST	CAIRO-AMMAN BANK
PRI-345	28 MAY 88	COMM/INDUST	TRADING	FORD MOTOR CO.	FORD	CARS	CARS	692.1015-1040			$150,000.00	FAS	SEA-FREIGHT	MANTRUST	ARAB BANK LTD., MAHATTA
PRI-346	11 JUN 88	COMM/INDUST	TRADING	FORD MOTOR CO.	FORD	SPARE PARTS	SPARE PARTS	692.3820-3840			$35,500.00	C&F	SEA-FREIGHT	MANTRUST	ARAB BANK LTD., MAHATTA
PRI-347	11 JUN 88	POTASH	MINING	BIRD MACHINE CO	BIRD	SPARE PARTS	SPARE PARTS	661.7620-9880	172/88	16 JUN 88	$29,252.90	C&F	SEA-FREIGHT	MANTRUST	JORDAN INV. & FINANCE CORP
PRI-348	09 JUN 88	LIVESTOCK/ POULTRY CO.	AGRICULTURE	BEHLEN MFG. CO.	BEHLEN	SILOS	SILOS	652.9110-9700	88/160	14 JUL 88	$171,000.00	CIF	SEA-FREIGHT	MANTRUST	ARAB JORDAN INVESTMENT BAN
PRI-349	CANCELLED														
PRI-350	13 JUN 88	AL-HIKMEH	PHARMACAL.	CYCLO PRODUCTS	CYCLO	CHEMICALS	CHEMICALS	642.5000-5500	177/88	18 JUN 88	$39,750.00	C&F	AIR-FREIGHT	MANTRUST	JORDAN INV. & FINANCE CORP
PRI-351	13 JUN 88	MUHMUD SHAMD	CONTRACTORS	SUNBIRD INTN'L	FORD	CARS	CARS	692.1015-1040	185/88	20 JUN 88	$90,282.55	FOB	SEA-FREIGHT	MANTRUST	JORDAN INV. & FINANCE CORP
PRI-352	19 JUN 88	POTASH	MINING	EIMCO PROCESS C	EIMCO	SPARES	SPEARS	661.7620-9880	190/88	22 JUN 88	$20,394.84	C&F	SEA-FREIGHT	MANTRUST	JORDAN INV. & FINANCE CORP
PRI-353	20 JUN 88	SUKHTIAN	TRADING	MILLER CHMICAL & FERTILIZER CO.	MILLER	FERTILIZERS	FERTILIZERS	480.8022	157/88	10 JUL 88	$386,266.00	C&F	SEA-FREIGHT	MANTRUST	FINANCE & CREDIT CORP.

PRI-354	20 JUN 88	SUKHTIAN	TRADING	HARRIS MORAN	HARRIS	VEG SEEDS	VEG SEEDS	126.0120-3660	158/88	10 JUL 88	$121,999.00	C&F	SEA-FREIGHT	MANTRUST	FINANCE & CREDIT CORP.
PRI-355	23 JUN 88	POTASH	MINING	CLEARLY ENTERPR	CLEARLY	SPARES	SPARES	692.2010-2985	196/88	26 JUN 88	$16,116.00	C&F	SEA-FREIGHT	MANTRUST	JORDAN INV. & FINANCE CORP
PRI-356	26 JUN 88	RUM AGR	AGRICULTURE	AGRI SUN NURSER	---	FRUIT TREES	FRUIT TREES	125.3100-8100	669/119/88	06 JUL 88	$190,311.72	C&F	SEA-FREIGHT	MANTRUST	ARAB BANK LTD., JABAL AMMA
PRI-357	29 JUN 88	FARRADJ CO.	TRADING	YALE MATERIALS	YALE	SPARE PARTS	SPARE PARTS	692.3820-3840	R/307/88	05 JUL 88	$20,351.66	C&F	SEA-FREIGHT	MANTRUST	ARAB BANK LTD., MAHATTA
PRI-358	03 JUL 88	SHAHEEN CO.	TRADING	GE SALES CO.	GE SALES	YARNS	YARNS	309.0110-9240	33712	07 JUL 88	$90,000.00	C&F	SEA-FREIGHT	MANTRUST	JORDAN NATIONAL BANK
PRI-359	05 JUL 88	REMS TRDNG	TRADING	3M	3M	REFLEC ROLLS	ROLLS	653.3110-3190	160/88	14 JUL 88	$62,982.43	C&F	SEA-FREIGHT	MANTRUST	FINANCE & CREDIT CORP.
PRI-360	06 JUL 88	PHILIP SHAMI	TRADING	RIDGE TOOLS CO.	RIDGID	TOOLS & OILS	TOOLS/OILS	475.4510-4550	33742	17 JUL 88	$19,732.31	C&F	SEA-FREIGHT	MANTRUST	JORDAN NATIONAL BANK/AMMAN
PRI-361	09 JUL 88	GRAMCO	AGRICULTURAL	ARROW MACHINERY	GREMO	ACCESSORIES	GRAIN CART	666.0002-0090	643/88	14 JUL 88	$406,342.98	C&F	SEA-FREIGHT	MANTRUST	ARAB FINANCE CORP.
PRI-362	07 JUL 88	SIGMA	ENGINEERING	THOMAS PATON	THOMAS PATON	COMPUTER EQT	FRTLIZR/DRIL COMPUTER	692.3110-3440 676.2600-2870	992/143/88	02 AUG 88	$127,490.80	FOB	AIR-FREIGHT	MANTRUST	ARAB BANK LTD., JABAL AMMA
PRI-363	09 AUG 88	AL-HIKMA	PHARMACEU	FMC CORP.	FMC	CHEMICALS	AC-DI-SOL	435.8000-8100	267/88	10 AUG 88	$16,550.00	C&F	SEA-FREIGHT	MANTRUST	JORDAN INV. & FINANCE CORP
PRI-364	01 AUG 88	POTASH	MINING	J.B. INT'L.	MACK	TRUCKS	SPARES	692.3820-3840	268/88	13 AUG 88	$37,041.94	C&F	SEA-FREIGHT	MANTRUST	JORDAN INV. & FINANCE CORP
PRI-365	15 AUG 88	RAFED TRDNG	TRADING	SUPERIOR SEALAN	SEALANTS	SILICONE	SILICONE	474.6400	SH/444/88	15 SEP 88	$28,833.60	C&F	SEA-FREIGHT	MANTRUST	ARAB BANK LTD, SHMEISSANI
PRI-366	17 AUG 88	JORDAN BOOK	TRADING	HARCOURT BRACE	BOOKS	BOOKS	BOOKS	270.3020-3080	204/88	25 AUG 88	$51,976.50	FOB	AIR-FREIGHT	MANTRUST	FINANCE & CREDIT CORP.
PRI-367	06 AUG 88	JORDAN SIPES	TRADING	NEW-WAY PCKGNG	NEW-WAY	MACHINERY	LABELLING	662.1220-1265	2216/88	28 AUG 88	$24,275.00	C&F	SEA-FREIGHT	MANTRUST	FINANCE & CREDIT CORP.
PRI-368	21 AUG 88	NABER BROS	TRADING	H&H SHIPPING CO.	TEXTILES	TEXTILES	TEXTILES	338.2600-2990	33886	10 SEP 88	$47,400.00	CIF	SEA-FREIGHT	MANTRUST	JORDAN NATIONAL BANK
PRI-369	28 AUG 88	JORDAN BOOK	TRADING	PRENTICE-HALL	BOOKS	BOOKS	BOOKS	270.3020-3080	206/88	04 SEP 88	$96,802.95	FOB	AIR-FREIGHT	MANTRUST	FINANCE & CREDIT CORP.
PRI-370	24 AUG 88	J.P.M. CO.	MINING	CATERPILLAR O/S S.A.	MACHINERY	LOADERS/ BULLDOZERS	LOADERS BULLDOZER	664.0240-0260 664.0532-0536	33892	03 SEP 88	$1,200,164.00	FOB	SEA-FREIGHT	MANTRUST	JORDAN NATIONAL BANK
PRI-371	24 AUG 88	J.P.M. CO.	MINING	DRESSER	MACHINERY	GRADERS	& LOADERS	664.0240-0260	68037	14 SEP 88	$528,242.00	FOB	SEA-FREIGHT	MANTRUST	NAT'L FINANCIAL INVESTMENT
PRI-372	27 AUG 88	POTASH	MINING	MERCER-RUBBER	MERCER	JOINTS	JOINTS	771.2200-6000	297/88	01 SEP 88	$22,815.00	C&F	AIR-FREIGHT	MANTRUST	JORDAN INV & FINANCE CORP.
PRI-373	09 AUG 88	UNITED CHEMICAL CO.	TRADING	MACNAUGHTON BROOKS	EPOXY	CHEMICALS	COATING ACID	431.4890-5500	306/88	08 SEP 88	$65,033.00	CIF	SEA-FREIGHT	MANTRUST	JORDAN INV & FINANCE CORP.
PRI-374	25 AUG 88	FARRADJ & CO.	TRADING	GENERAL MOTORS	GM	ENGINE SPARES	SPARES	660.5452-5460	416/88		$300,148.32	C&F	SEA-FREIGHT	UBAF	ARAB BANK LTD., MAHATTA
PRI-375	25 AUG 88	FARRADJ & CO.	TRADING	GENERAL MOTORS	GM	TRANSM.SPARES	SPARES	692.4004-4020	415/88		$97,100.00	C&F	SEA-FREIGHT	UBAF	ARAB BANK LTD., MAHATTA
PRI-376	05 SEP 88	SUKHTIAN	TRADING	AMERICAN COLLOI	COLLOID	FERTILIZERS	FERTILIZERS	480.9200-9500	213/88	12 SEP 88	$47,540.00	C&F	SEA-FREIGHT	MANTRUST	FINANCE & CREDIT CORP.
PRI-377	04 SEP 88	POTASH	MINING	BIRD MACHINE	BIRD	SPARES	SPARES	661.7620-9780	307/88	08 SEP 88	$12,768.40	C&F	AIR-FREIGHT	MANTRUST	JORDAN INV. & FINANCE CORP
PRI-378	17 SEP 88	BATSHON AND PARTNER BOOKSHOP	TRADING	WORLD BOOK FOREIGN SALES CORP	--	BOOKS	ENCYCLOPEDIA	270.3020-3080	672/88	25 SEP 88	$18,021.86	CIF	SEA-FREIGHT	MANTRUST	ARAB FINANCE CORP.
PRI-379	14 SEP 88	JORDAN BOOK CENTER	TRADING	ADDISON-WESLEY PUBLISHING CO	—	BOOKS	BOOKS	270.3020-3080	236/88	04 OCT 88	$160,968.00	FOB	AIR-FREIGHT	MANTRUST	FINANCE & CREDIT CORP.
PRI-380	27 SEP 88	ARAB CO. FOR TRADING MED & AGR PROD		PHYSIO CONTROL	LIFEPAK	I.C.U. EQUIPT.	DEFIBRILLATO	709.0200-3000	2803/88	01 OCT 88	$46,760.25	C&F	AIR-FREIGHT	UBAF	ARAB BANK LTD./ AMMAN BR.
PRI-381	27 SEP 88	GEN COMPUTERS	TRADING	IBM	IBM	COMPUTERS	COMPUTERS	676.2600-2870	62/88 JA	29 SEP 88	$605,500.00	FOB	AIR-FREIGHT	MANTRUST	JORDAN GULF BANK, J/A
PRI-382	05 OCT 88	S. SHAHEEN	TRADING	GE SALES CO.	GE SALES	YARNS	YARNS	309.0110-9240	331039	10 OCT 88	$26,172.44	C&F	SEA-FREIGHT	IRVING	JORDAN NATIONAL BANK, MAIN
PRI-383	05 AUG 88	SUKHTIAN	TRADING	CYANAMID INT'L.	-	MEDICINES	MEDICINES	435.1510-1530	246/88	24 OCT 88	$124,904.00	C&F	SEA-FREIGHT	MANTRUST	FINANCE & CREDIT CORP.

PRI-384	10 SEP 88	JORDAN DATA SYSTEMS	ENGINEERING	DATA GENERAL CORPORATION	DATA GENERAL	COMPUTERS	COMPUTERS	676.2600-2870	339/88	10 OCT 88	$51,810.00	FCS	AIR-FREIGHT	MANTRUST	JORDAN INV. & FINANCE CORP
PRI-385	11 OCT 88	ISRAEL MACHI	TRADING	DURACLEAN INT'L	DURACLEAN	CLNG MACHINES	CHEM/SUPPLY	670.4220-4225	8E10317	18 OCT 88	$45,801.00	C&F	SEA-FREIGHT	MANTRUST	PETRA BANK, T/A EL-ALI
PRI-386	12 OCT 88	JORDAN CREDIT CO.FOR AGR	AGRICULTURE	SPENCER HARRIS OF ARK., INC.	S.H.	EQUIPMENT	SAFETY EQT.	772.1205-5290	247/88	18 OCT 88	$42,036.65	C&F	SEA-FREIGHT	MANTRUST	FINANCE & CREDIT CORP.
PRI-387	11 OCT 88	JORDAN CREDIT	AGRICULTURE	SPENCER HARRIS	S.H.	EQUIPMENT	DISPENSING SYSTEM	676.5000-5090	248/88	18 OCT 88	$48,345.55	C&F	SEA-FREIGHT	MANTRUST	FINANCE & CREDIT CORP.
PRI-388	13 OCT 88	GEN COMPUTERS	TRADING	IBM	IBM	COMPUTERS	COMPUTERS	676.2600-2870	770/47/88	29 OCT 88	$600,500.00	FOB	AIR-FREIGHT	MANTRUST	JORDAN NATIONAL BANK
PRI-389	24 OCT 88	EL-GHAMEM CO.	TRADING	BRIGGS/STRATTON	BRIGGS	PUMPS	PUMPS	660.4832-4890	22/89	01 JAN 89	$457,000.80	C&F	SEA-FREIGHT	MANTRUST	FINANCE & CREDIT CORP.
PRI-390	22 OCT 88	NAT'L PAINTS	TRADING	ACS APPLIED COL	ACS	COMPUTER SYST	COMPUTERS	676.2600-2870	880160	12 NOV 88	$66,424.50	FAS	AIR-FREIGHT	MANTRUST	BRITISH BANK OF THE M.E./N
PRI-391	20 OCT 88	POTASH	MINING	SUNDSTRAND SAUE	SUNDSTRAND	CYLINDER KITS	SPARES	660.5210-5270	392/88	05 NOV 88	$15,777.28	C&F	AIR-FREIGHT	MANTRUST	JORDAN INV. & FINANCE CORP
PRI-392	20 OCT 88	SUKHTIAN	TRADING	BIOFIX CORP.	BIOFIX	FERTILIZERS	BIOFIX GRD	460.7015-7025	256/88	09 NOV 88	$10,171.98	C&F	SEA-FREIGHT	MANTRUST	FINANCE & CREDIT CORP.
PRI-393	05 NOV 88	SH. SHAHEEN	TRADING	DE SALES CO.	DE SALES	YARNS	YARNS	309.0110-9240	135/88	06 NOV 88	$100,000.00	C&F	SEA-FREIGHT	MANTRUST	JORDAN GULF BANK
PRI-394	05 NOV 88	SH. SHAHEEN	TRADING	DE SALES CO.	DE SALES	YARNS	YARNS	309.0110-9240	331129	10 NOV 88	$113,014.96	C&F	SEA-FREIGHT	MANTRUST	JORDAN NATIONAL BANK, HEAD
PRI-395	05 NOV 88	JORDAN LIFT MFG CO.	TRADING	GAL MFG CO.	G.A.L.	LIFT PARTS	LIFT PARTS	664.1010-1063	885344	15 NOV 88	$212,987.70	CIF	SEA-FREIGHT	MANTRUST	PETRA BANK, SHMEISANI
PRI-396	06 NOV 88	SPECI SYSTEMS	TRDNG	CAPITAL TRDNG	IBM	COMPUTERS	ACCESSORIES	676.3000-5585	885346	21 NOV 88	$91,200.00	C&F	SEA-FREIGHT	MANTRUST	PETRA BANK, SHMEISANI
PRI-397	25 OCT 88	JORDAN BOOK	TRDNG	MCGRAW-HILL	MCGRAW-HILL	BOOKS	BOOKS	270.3020-3080	259/88	12 NOV 88	$82,160.00	FOB	AIR-FREIGHT	MANTRUST	FINANCE & CREDIT CORP.
PRI-398	06 NOV 88	COMPUTER TRI-ANGLE CENTER	TRDNG	INT'L COMPUTER TRDNG, INC.	ARCHE	COMPUTERS	COMPUTERS	676.2600-2870	88/235	16 NOV 88	$17,567.95	FOB	AIR-FREIGHT	UBAF	BANK OF JORDAN
PRI-399	CANCELLED														
PRI-400	09 NOV 88	GRAMECO	AGRICULTURE	VALMONT INDUST.	VALMONT	PIVOTS	SPARE PARTS	662.6005-6055	684/88	12 NOV 88	$65,185.38	C&F	SEA-FREIGHT	MANTRUST	ARAB FINANCE CORP (JORDAN)
PRI-401	07 NOV 88	SUKHTIAN	TRADING	HARRIS MORAN	HARRIS	VEG SEEDS	VEG SEEDS	126.5700-8500	312/88	20 DEC 88	$34,844.00	C&F	SEA-FREIGHT	MANTRUST	FINANCE & CREDIT CORP.
PRI-402	07 NOV 88	UNITED CHEM	INDUSTRIAL	KOPPERS CO.,LTD	KOPPERS	CHEMICALS	CHEMICALS	431.1210-1260	406/88	17 NOV 88	$48,130.00	C&F	SEA-FREIGHT	MANTRUST	JORDAN INV.& FINANCE CORP.
PRI-403	15 NOV 88	EASTERN CO.	TRADING	PETO SEED CO.	PETO	VEG SEEDS	VEG SEEDS	127.1510-1590	25476	23 Nov 88	$128,194.00	C&F	SEA-FREIGHT	UBAF	BANK OF JORDAN, J/A
PRI-404	30 OCT 88	SUKHTIAN CO.	TRADING	CYANAMID INT'L.	CYANAMID	MEDICINES	MEDICINES	435.1510-1530	324/88	21 Dec 88	$139,280.00	C&F	SEA-FREIGHT	MANTRUST	FINANCE & CREDIT CORP.
PRI-405	20 NOV 88	POTASH CO.	MINING	DRESSER INDUSTR	DRESSER	SPARES	SPARES	661.1200-1500	418/88	29 NOV 88	$11,902.73	C&F	AIR-FREIGHT	MANTRUST	JORDAN INV. & FINANCE CORP
PRI-406	10 OCT 88	NATIONAL COMP SYSTEMS	TRADING	DIGITAL EQUIP CORP.	DIGITAL	COMPUTERS	COMPUTERS	676.2600-2870	289/88	08 DEC 88	$999,431.90	FOB	AIR-FREIGHT	UBAF	FINANCE & CREDIT CORP.
PRI-407	23 NOV 88	EASTERN CO.	TRADING	SCATTINI SEEDS	SCATTINI	VEG SEEDS	VEG SEEDS	127.1510-1590	25585	10 Jan 89	$62,500.00	CIF	AIR-FREIGHT	UBAF	BANK OF JORDAN
PRI-408	23 NOV 88	EASTERN CO.	TRADING	PETOSEED CO.,	PETO	VEG SEEDS	VEG SEEDS	127.1520-1590	25584	10 Jan 89	$128,922.00	CIF	SEA-FREIGHT	MANTRUST	BANK OF JORDAN
PRI-409	27 NOV 88	JEDCO	TRADING	GOULDS PUMPS	GOULDS	PUMPS	PUMPS	660.5200-9490	223/88	02 Jan 89	$57,000.00	C&F	SEA-FREIGHT	MANTRUST	ARAB LAND BANK, SHMEISANI
PRI-410	21 NOV 88	POTASH	MINING	DREYCO, INC.	DREYCO	STEAM CLEANER	STEAM CLEANER WASHER/SPARES	660.1510-1520	430/88	12 DEC 88	$10,329.28	C&F	SEA-FREIGHT	MANTRUST	JORDAN INV. & FINANCE CORP
PRI-411	26 NOV 88	POTASH	MINING	HOFFMAN INTERN	HOFFMAN	SPARES	SPARES	660.1510-1520	431/88	11 DEC 88	$17,648.41	C&F	SEA-FREIGHT	MANTRUST	JORDAN INV. & FINANCE CORP
PRI-412	26 NOV 88	SULEIMAN TANNOUS	TRADING	FEDERAL MOGUL WORLD TRADE CO.	MOGUL	AUTO SPARES	SPARES	670.3820-3840			$8,933.49	C&F	SEA-FREIGHT	UBAF	ARAB BANK LTD.
PRI-413	26 NOV 88	S TANNOUS	TRADING	ECHLIN INC.	ECHLIN	AUTO SPARES	SPARES	670.3820-3840			$38,528.00	C&F	SEA-FREIGHT	UBAF	ARAB BANK LTD.

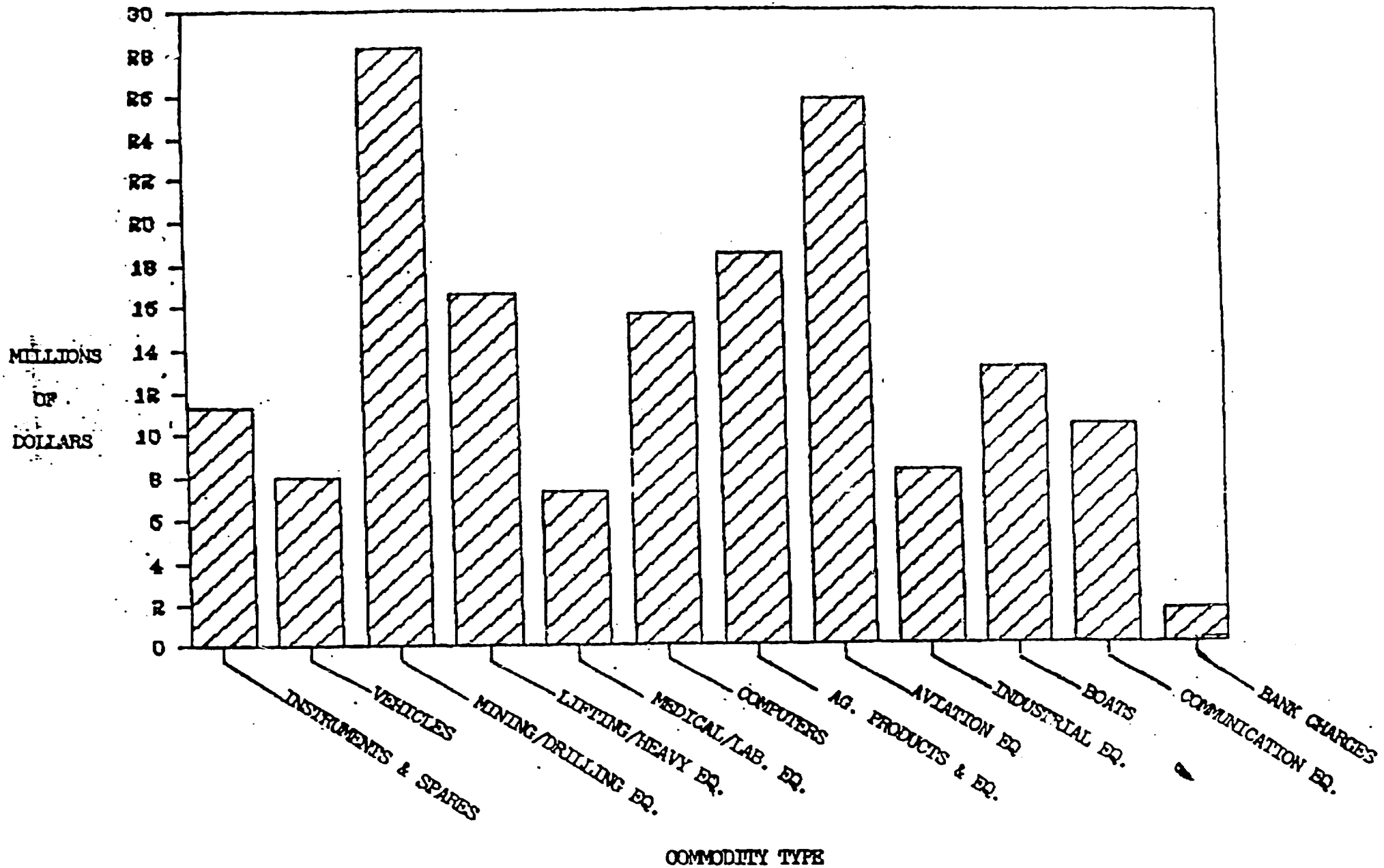
-414	26 NOV 88	S TAMMOUS	TRADING	AUTOMOTIVE PART GIV INT'L.-BWD CORP	BWD	AUTO SPARES	SPARES	692.3820-3840			$22,925.00	C&F	SEA-FREIGHT	UBAF	ARAB BANK LTD.
-415	26 NOV 88	S TAMMOUS	TRADING	INTRACO CORP.	INTRACO	AUTO SPARES	SPARES	692.3820-3840			$19,315.00	C&F	SEA-FREIGHT	UBAF	ARAB BANK LTD.
-416	26 NOV 88	S TAMMOUS	TRADING	GENERAL MOTORS	GMC	AUTO SPARES	SPARES	692.3820-3840			$165,621.00	C&F	SEA-FREIGHT	IRVING	ARAB BANK LTD.
-417	29 NOV 88	NAT'L MINERAL WATER CO.LTD	TRADING	AMERICAN BOTTLE WATER SYSTEM	OSMO	MACHINERY	BOTTLING UNIT	661.3560-7620 662.1220-1265			$290,950.00	C&F	SEA-FREIGHT	MANTRUST	FINANCE & CREDIT CORP.
-418	13 DEC 88	EASTERN CO.	TRADING	HOCKMAN LEWIS	CHAPIN	AGRICULTURAL	SPRAYERS	662.6005-6055	25528		$22,072.00	C&F	SEA-FREIGHT	MANTRUST	BANK OF JORDAN
-419	09 DEC 88	JGR DATA SYS	ENGINEERING	DATA GENERAL	DATA GEN	COMPUTERS	COMPUTERS	676.2600-2870	21/89	24 JAN 89	$62,543.00	FOB	AIR-FREIGHT	MANTRUST	JORDAN INV & FINANCE CORP.
-420	08 DEC 88	COM INDUS CO.	TRADING	FORD MOTOR CO.	FORD	AUTO SPARES	AUTO SPARES	692.3820-3840			$50,517.45	C&F	SEA-FREIGHT	MANTRUST	ARAB BANK, AMMAN
-421	14 DEC 88	UNITED CHEM	INDUSTRIAL	KOCH MATERIALS	KOCH	LIQ ASPHALT	LIQ ASPHALT	522.8300-9680	20/89	26 JAN 89	$40,000.00	C&F	SEA-FREIGHT	MANTRUST	JORDAN INV. & FINANCE CORP
-422	09 JAN 89	MED-SCI& CHEC	MEDICAL	LAB-VOLT SYSTEM	LAB-VOLT	LAB VOLT	LAB EQUIP	665.9002-9090	19/89	08 JAN 89	$51,500.00	C&F	SEA-FREIGHT	MANTRUST	JORDAN INV. & FINANCE CORP
-423	03 JAN 89	MEDIT TRADING	TRADING	FIRESTONE	FIRESTONE	TIRES/TUBES	TIRES/TUBES	357.8020-8080	23/89	25 JAN 89	$60,770.00	C&F	SEA-FREIGHT	MANTRUST	JORDAN INV. & FINANCE CORP

$78,981,102.33

Chart C1

COMMODITY IMPORT PROGRAM - JORDAN

BY COMMODITY U.S. DOLS 165.5 MILLION



COMMODITY IMPORT PROGRAM - JORDAN

BY SECTOR U.S. DOLS 165.5 MILLION

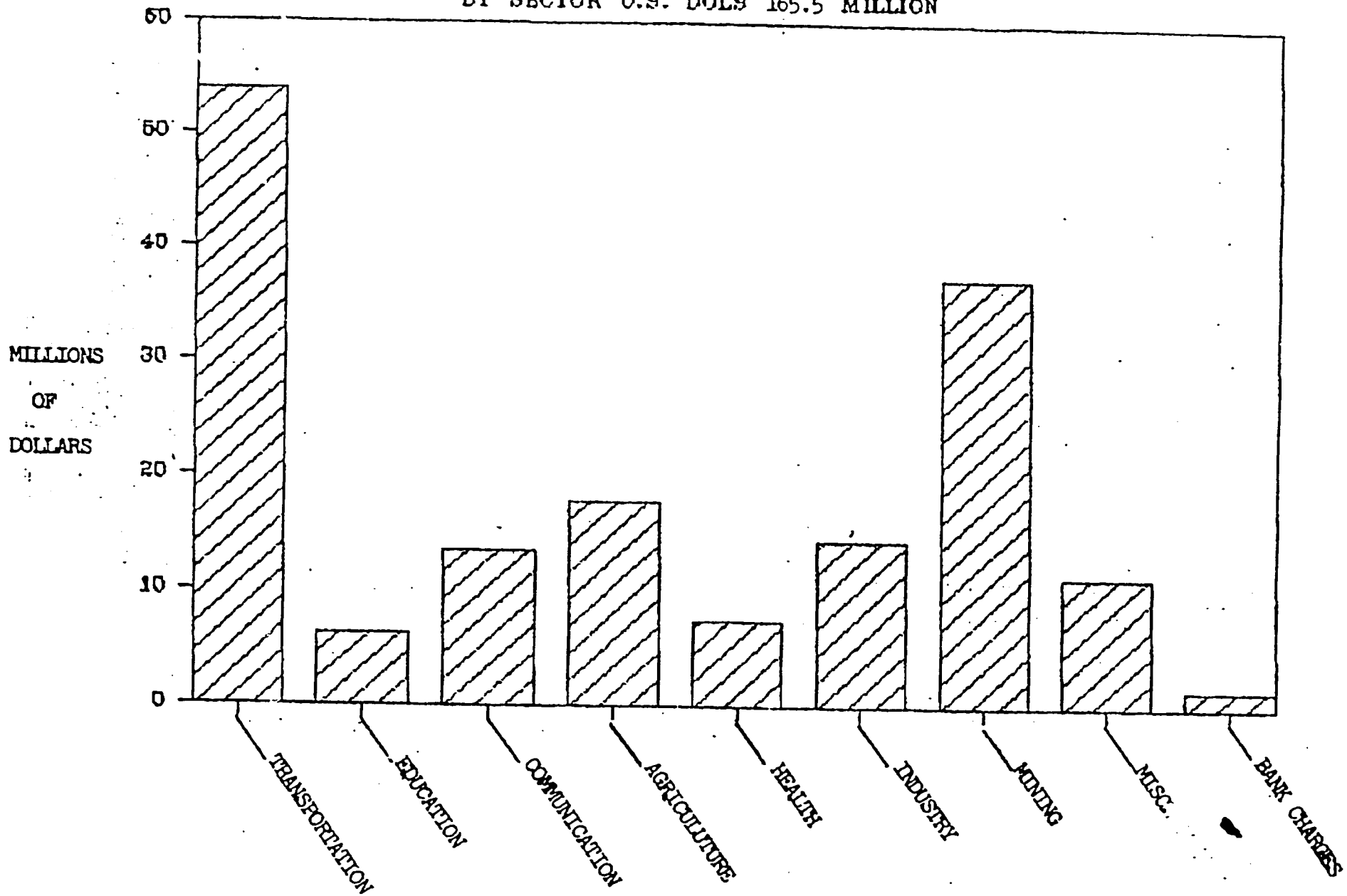
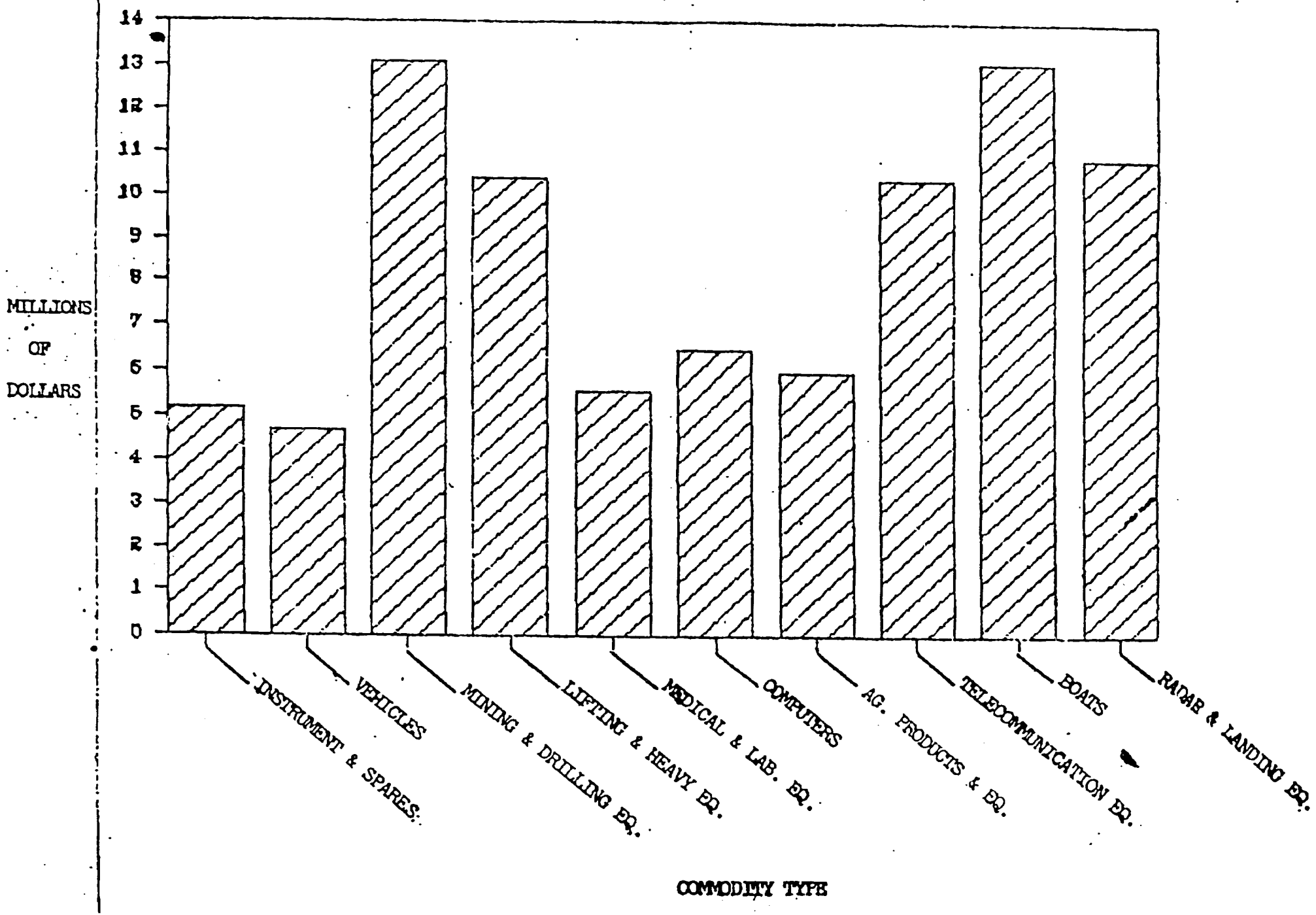


Chart C3

Appendix C

PUBLIC SECTOR - BY COMMODITY

DOLS 86.5 MILLION



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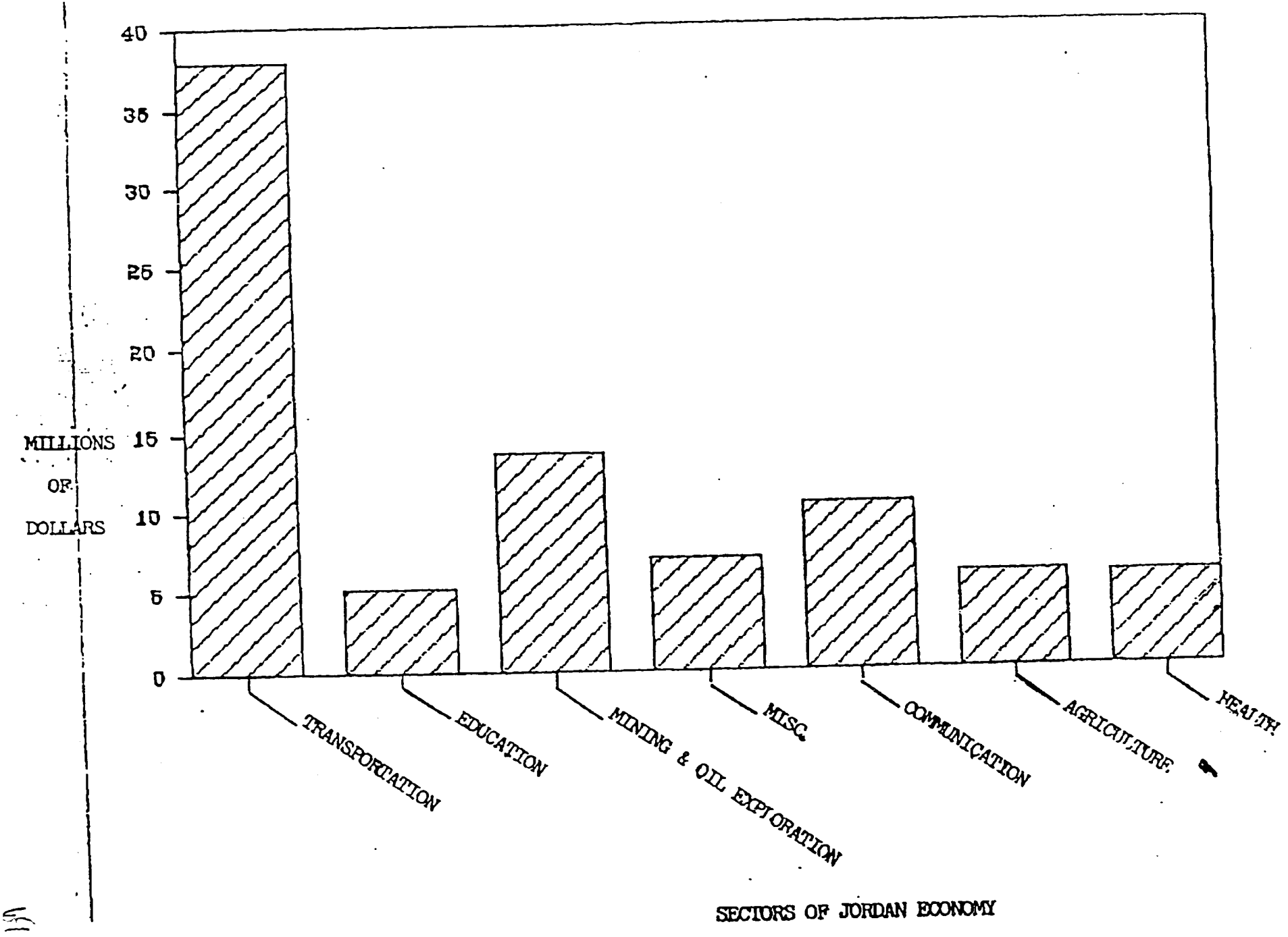
Appendix C

Chart C4

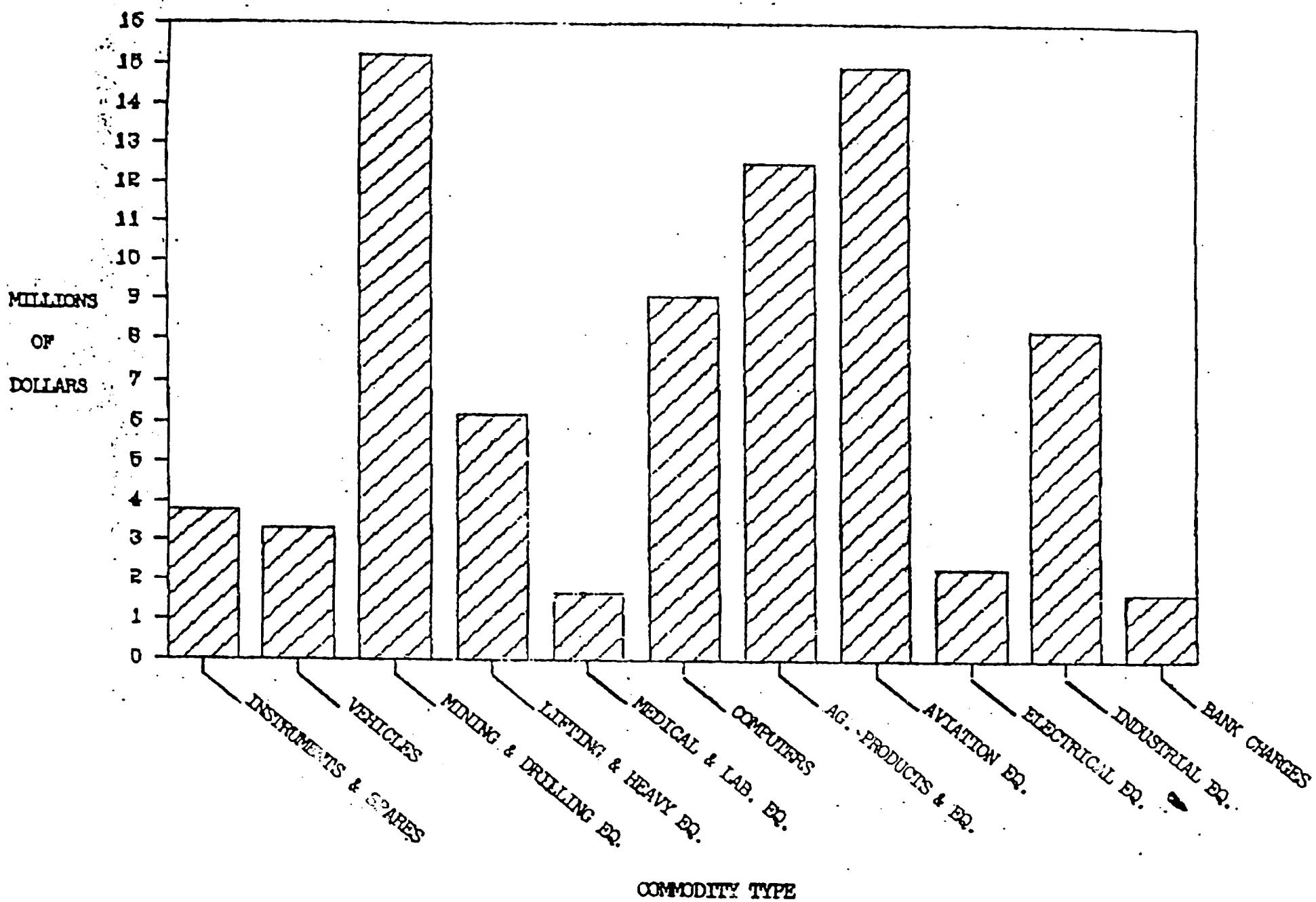
PUBLIC SECTOR - BY SECTOR DOLS 86.5



Appendix C

Chart C5

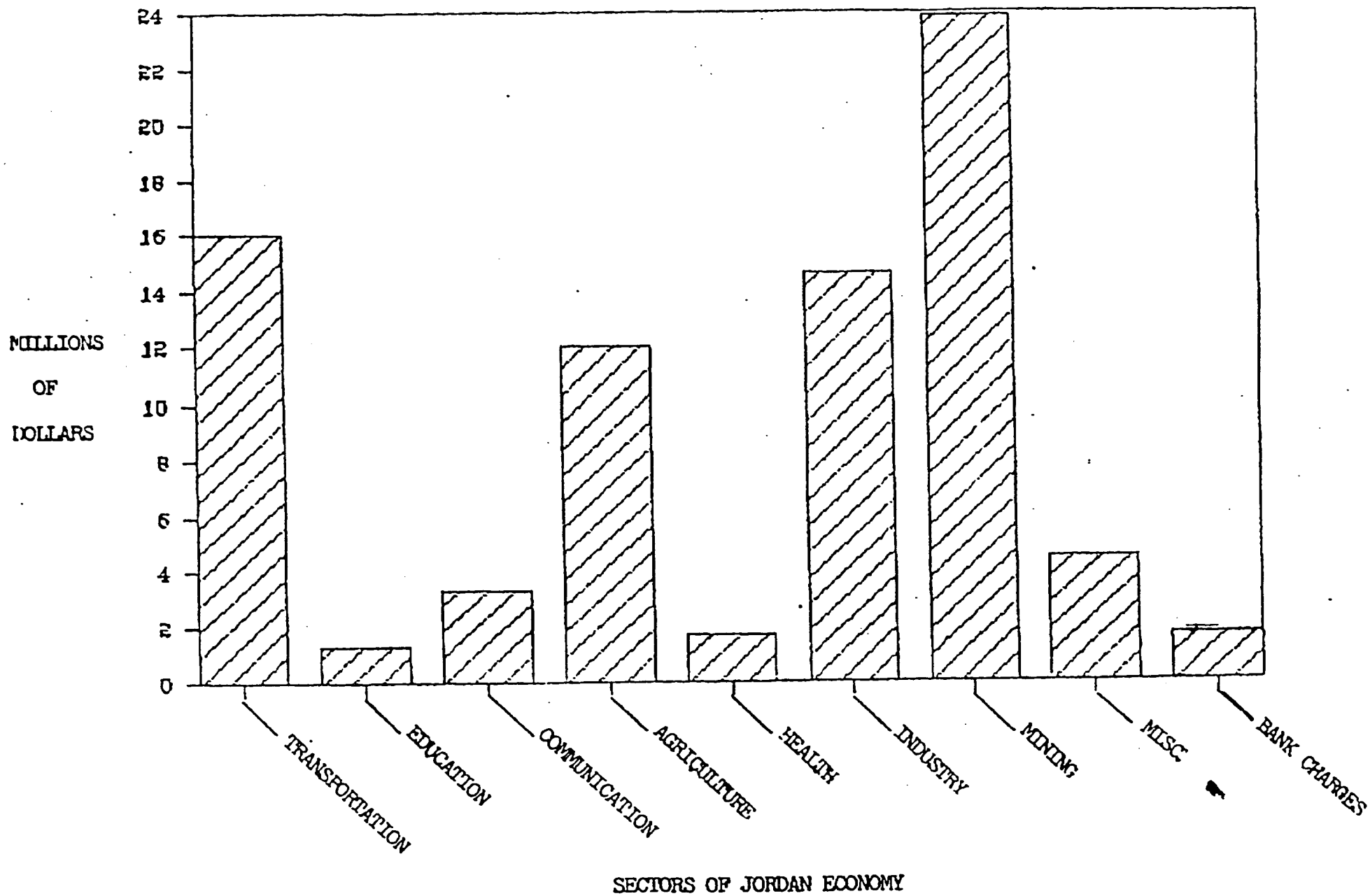
PRIVATE SECTOR - BY COMMODITY DOLS 79 MILLION



PRIVATE SECTOR – BY SECTOR

DOLS 79 MILLION

Appendix C



POLICY DIALOGUE PRIORITIES

Priority One

A. Liberalization of financial markets (lifting of interest rate controls, reduced use of syndicated loans, reduction in market segmentation, relaxation of government interventions in bond and stock markets, development of secondary markets, new financial instruments).

B. Privatization:

   i. assistance to shape GOJ privatization policy and implement projects;
   ii. dialogue on roles of public and private sectors.

C. Deregulation of agricultural produce marketing

D. Cost recovery and improved efficiency in water and sewer services.

E. Government regulation of industrial market entry and operation.

F. Investment incentives and differential tax and other economic policy treatment of large vs. small enterprise sector.

Priority Two

A. Population policy and provision of family planning and primary health care services.

B. Economic pricing of energy and improved efficiency in supply and distribution of energy.

C. Rationalization of transportation user charges.

Priority Three

A. Tax policy.

B. Food subsidies.

C. Competitiveness: export promotion, import protection, exchange rate.

D. Higher education finance and subsidies.

COUNTRY DEVELOPMENT
STRATEGY STATEMENT
FY 1988

USAID'S POLICY DIALOGUE AGENDA

A N N E X A

J O R D A N

VII. ANNEXES

A. USAID'S POLICY DIALOGUE AGENDA

Jordan has utilized past U.S. assistance prudently and the Jordanian economy has grown rapidly during the past decades. This long, successful development relationship has given USAID a unique opportunity to conduct a continuing interchange of ideas, information and technical opinions between USAID staffers and Jordanian counterparts at many levels within both public and private sectors. Against this background of mutual trust and professional respect, USAID will implement a vigorous policy dialogue during the period covered by this CDSS.

In addition to formal policy dialogue through the CIP macro-economic policy consultations and dialogue with individual Government officials, USAID plans to broaden participation in its policy dialogue by helping developing associations of consumers and producers and to provide them with analytical capacities to strengthen their advocacy positions. Consumer groups could, for example, become effective in advocating changes in the regulation of retail trade, import monopolies, and cross-subsidy schemes which adversely affect the majority of consumers. An association of new and young manufacturers might, for example, be an effective advocate for change in the Industrial licensing system.

USAID's Policy Dialogue Agenda, as outlined in the following matrix, lists the types of actions being considered in support of our policy dialogue and includes tailored technical assistance, as in the case of privatization, and focused training for policy analysis and implementation.

ISSUES AND CONCERNS	POSSIBLE ACTIONS
I. MACRO-ECONOMIC	
A. ISSUE: Encourage the GOJ to reduce subsidies andrationalize prices for food, energy, water, and higher education.	. Continue CIP policy dialogue consultations.
	. Conduct expert study of beneficiaries, cost effectiveness of food subsidies through fiscal policy planning project.
	. Undertake energy pricing and water tariff studies.
	. Commence dialogue with Ministry of Higher Education on raising tuition fees, thereby improving university financing, and mounting student loan program.
B. ISSUE: Encourage GOJ to carefully examine and reform its tax/tariff system to serve needed restructuring.	. Conduct an expert study of the overall incentive/disincentive impact of the tax/tariff system on savings, consumption, productive sector investment, employment, and exports.

ISSUES AND CONCERNS	POSSIBLE ACTIONS
C. ISSUE: Encourage the GOJ to reduce its controls on Jordan's financial markets by:	
1. Abolition or reduction in Central Bank ceilings on lending and deposit rates.	. Conduct CIP Policy Dialogue consultations.
2. Developing secondary market for Governement bonds and treasury bills.	. Provide technical assistance and training for bankers on risk and credit analysis, bond trading, etc.
3. Reducing GOJ "Directed Credit" actions via syndicated loans and corporate bonds.	. Conduct CIP policy dialogue consultations.
4. Reducing market segmentation, for example, by helping the Jordan Housing Bank use the more liberal aspects of its charter to extend lending beyond housing per se.	. Technical assistance to the Jordan Housing Bank in conjunction with HIG.
D. ISSUE: Encourage GOJ to employ the to employ the exchange rate as an instrument of adjustment.	. CIP policy dialogue consultations.
	. Coordinate policy dialogue with World Bank and IMF.
	. Conduct studies of Jordan's competitive position, of shadow price of foreign exchange.
E. ISSUE: Encourage GOJ to reduce level of protection afforded domestic market and raise incentives to export.	. Expert study of impacts of tax, tariffs, and import bans on incentives to produce for domestic market vs. export vs. import (fiscal policy planning project).
II. PRIVATE SECTOR	
A. ISSUE: Encourage GOJ to adopt fiscal, monetary, exchange rate and trade policies conductive to private sector growth.	. See actions under macro-economic program above.
	. Assist business organizations and, as appropriate create new ones, to advocate policy change, through enhanced policy analysis capabilities.

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ISSUES AND CONCERNS	POSSIBLE ACTIONS
B. ISSUE: Encourage GOJ to significantly reduce its regulation of market entry and market operation by reducing regulation of:	
1. Industrial licensing	. Hold dialogue discussions with the GOJ;
	. Form a manufacturers' association to be advocate for deregulation
	. Identify constraints on services industry development through sector assessment.
2. Retail trade	. Help consumers' group to lobby for change.
3. Ministry of Supply's import monopolies and price controls	. Conduct an expert study of beneficiaries, cost effectiveness of subsidies and price controls through fiscal policy planning project.
C. ISSUE: Encourage GOJ to formulate policy on privatization of public enterprises and Government functions.	. Conduct CIP economic policy consultations.
	. Furnish technical assistance to Ministries of Finance and Trade and Industry on privatization policy.
	. Assist in identifying enterprises and specific Government functions for privatization and furnish technical assistance for business analysis of such firms and functions.
	. Continue CIP review of public sector procurements to encourage privatization of Government functions through "make or buy" and "contract out or force account" analyses.
III. AGRICULTURE	
A. ISSUE: Encourage the GOJ to reduce/eliminate its complex pattern of subsidies and cross subsidies on basic foodstuffs (bread, rice, sugar, meat, eggs).	. Conduct an expert study of subsidy beneficiaries and of cost effectiveness of implicit objectives of subsidies (Fiscal Policy planning project).

ISSUES AND CONCERNS	POSSIBLE ACTIONS
	. Provide technical assistance to help the GOJ rationalize its food security policies.
B. ISSUE: Encourage the GOJ to reduce its interventions in farm produce marketing by:	
1. Seeking active private sector involvement in utilizing several agricultural marketing/processing centers in the Jordan Valley.	. Conduct agribusiness survey to identify investment and market opportunities.
	. Furnish technical assistance for privatization, leasing of centers.
	. Complete Jordan Valley impact evaluation and make use of results on marketing in agricultural policy dialogue.
IV. WATER AND WASTEWATER	
A. ISSUE: Encourage the GOJ to strengthen its institutional framework for coordinating between the various agencies that have responsibility for the identification, allocation, protection, conservation and overall management of Jordan's water resources	. Help the Water Authority of Jordan (WAJ) to complete and adopt its recommendations for formulating an equitable water tariff structure throughout Jordan.
	. Help WAJ to complete its assessment of training needs and begin to implement its findings.
	. Help WAJ to complete and implement its study of overall management needs.
B. ISSUE: Encourage the GOJ to continue to devote substantial water sector resources to the collection and treatment of wastewater in urban areas, primarily for health reasons.	. Complete an A.I.D. financed Water Sector Assessment to help WAJ better understand its operational and maintenance needs in the sector.
C. ISSUE: Encourage the GOJ to explore newly developed technologies for low cost wastewater treatment and to plan for effluent use for agriculture in Jordan.	. Ditto

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ISSUES AND CONCERNS	POSSIBLE ACTIONS
D. CONCERN: Encourage the GOJ to continue its exploratory work in groundwater sources and in studying methods to resolve problems of deep extraction and demineralization.	. Ditto
E. CONCERN: Encourage the GOJ to further develop its remaining surface water sources, and to build and operate impounding dams to optimize their regulating effect.	. Provide technical assistance and training through USAID: Water Resources Project.
F. CONCERN: Encourage the GOJ to monitor the physical and chemical qualities of known water resources to control the quality of spent water to allow for its reuse.	. Ditto
VI. HUMAN RESOURCES	
A. ISSUE: Encourage the GOJ to improve market clearing of labor supply and demand.	. Conduct a dialogue with the Ministry of Higher Education, community colleges on raising tuition fees, thereby improving university financing, and mounting a student loan program.
B. CONCERN: Encourage more women to take advantage of participant training opportunities and/or entrepreneur development programs.	. Ditto
VII. POPULAITON AND HEALTH	
A. ISSUE: Encourage the GOJ to promote a health policy of providing family planning services.	. Provide technical assistance to the Ministry of Healh; provide funding for policy workshops and staff training in family planning.
B. CONCERN: Encourage the GOJ to formulate a more open national population policy.	. Provide support (financing and technical assistance) to the Secretariat of the National Population Commission.
C. CONCERN: Encourage the GOJ to emphasize primary health care activities.	. Design of new project on Child Survival and primary health care.
D. CONCERN: Stimulate the involvement of the private sector in the health sector.	. Conduct an expert study of comprehensive health insurance.

ISSUES AND CONCERNS	POSSIBLE ACTIONS
	• Provide technical assistance on production techniques to local pharmaceutical firms.
VIII. ENERGY	
A. ISSUE: Encourage GOJ to adopt economic pricing for energy.	• Continue CIP economic plicy consultations.
	• Furnish consultants to Ministry of Energy to conduct energy pricing, and energy supply/demand studies.
IX. TRANSPORTATION	
A. ISSUE: Encourage GOJ to privatize Government owned transport systems.	• Technical assistance to develop plans for privatization of Alia and the public transportation company.
B. ISSUE: Encourage GOJ to rationalize user charges and enforce axle load regulations.	• Policy dialogue during design of Amman-Na'ur-Dead Sea Raod.
C. Encourage GOJ to relax constraints on East-West Bank trade.	• Ditto

	Goals and Intermediate Objectives	Previous Action Plan Indicator	FY 86/87 Current Status/Baseline	FY 88/89 Progress Indicators
1	Goal: Remove impediments to business establishment and investment, market entry, and domestic market competition			
	Intermediate Objectives by end FY 1990:			
a	Reduce the number of approvals and time required to set up new businesses	new	Up to 69 steps and six months are now reportedly required to receive approval for new business establishment. (Exact process to be established in 1987 study)	Number of steps reduced by at least 30 and time required reduced to three months.
b	Revisions to provisions and administration of investment incentives law in place	new	Current law lacks predictability regarding kinds of incentives to be granted and may be less attractive than competitor countries.	Survey completed of incentive recipients to identify problems in administering law; comparison with competitor countries completed.
c	By 1990, have under debate revisions of tax, tariff, and pricing policies which most place small enterprises in competitive disadvantage with large enterprises	new	Magnitude of differential incidence of tax, customs, labor and output pricing on small vs. large enterprises not assessed.	Small Business Foundation carrying out research agenda on differential incidence of tax, customs, labor and output pricing on small vs. large enterprises
2	Goal: Liberalize financial markets			
	Intermediate Objectives by end FY 1990:			
a	Allow greater returns for risk capital than for government guaranteed financial instruments	new	Nominal yield on gov. guaranteed bond is now 8.0% vs. 9.0% for commercial bank loan; with 85% tax exemption for bond income taken into account, bond yield is equivalent to 14.8% vs. 9.0% for commercial bank loan	After tax returns equalized for government guaranteed risk free bonds and commercial bank loans
b	Increase spread between cost of funds and lending rates	new	Maximum lending rate now 9%; cost of funds averages 7%, leaving a spread of 2%	Spread increased to at least 3% for commercial bank loans to reflect risk and profit factors
3	Goal: Reduce role of Government in the economy			
	Intermediate Objectives by end FY 1990:			
a	Reduce the percentage of workforce employed by the government	new	Government employment total; 38% of the workforce.	Government employment reduced to 35% of the workforce.
b	Convert public agencies and corporations into public shareholding companies	new	Ten of 30 public autonomous agencies and public corporations are potential targets for privatization.	At least one-third of potential targets converted to public shareholding companies.
c	Divest government ownership in mixed public-private companies	new	Government now directly owns shares valued at JD 65 million in 35 companies.	At least JD 15 million in Government ownership in mixed companies sold.

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	Goals and Intermediate Objectives	Previous Action Plan Indicator	FY 86/87 Current Status/Baseline	FY 88/89 Progress Indicators
4	Goal: Create market environment conducive to increased private sector participation in marketing and processing of agricultural produce			
	Intermediate Objectives by end FY 1990:			
a	Remove domestic price controls on fruits and vegetables	new	Government currently sets daily price ranges for nearly 30 fruits and vegetables.	On an experimental basis, controls on at least two of four major vegetables lifted.
b	Reduce government dominance in agroprocessing	new	AMPCO owns and operates four processing plants.	At least half of AMPCO facilities leased or sold to private sector.
c	Expand private sector access to EEC fruit and vegetable markets	new	AMPCO currently handles 85% of fruit and vegetables destined for EEC markets	Percentage of fruit and vegetables exported through private sector channels is doubled to 30%.
d	Lift requirement that fruit and vegetable produce destined for Amman and export markets pass through Amman Wholesale Market	new	Only 10% of produce that legally should pass through Amman Wholesale Market is sold outside of Amman Wholesale Market	Amount of produce sold outside of Amman Wholesale Market increased to 25%.
5	Goal: Undertake pro-active as compared to reactive Government program in family planning			Signature of ProAg for bilateral family planning/MCH project in 1989.
	Intermediate Objectives:			
a	By 1991, family planning services available in all MOH centers of Health Ministry	new	Currently only 3 MOH Centers provide selected family planning services	Full family planning services available in 30 out of 100 MOH centers
6	Goal: Increase attention to primary and preventive health care as against tertiary care			
	Intermediate Objectives by end FY 1990:			
a	Increase primary health care's share of government's recurrent health budget to 40% and 30% of capital health budget	new	About 75% of MOH recurrent expenditures and 90% of capital expenditures are devoted to hospitals	Increase primary health care's share of government health budget to 30% of recurrent and 15% of capital expenditures

	Goals and Intermediate Objectives	Previous Action Plan Indicator	FY 86/87 Current Status Baseline	FY 88/89 Progress Indicators
7	Goal: By 1991, achieve full cost recovery in providing water and wastewater services			Training for WAJ personnel on operations and maintenance of networks is underway, and commitments for new construction projects exist
	Intermediate Objectives:			
a	A gradual increase in water/sewer rates to reach in 1991, 100% of system cost	new	Existing revenues recover 62% of system cost	In 1988, tariff rates increased and costs reduced to achieve 66% recovery of system costs
b	Increase water meters' registration accuracy to 90% or better	new	Average registration accuracy of water meters is 75%	100,000 new water meters installed and together with training program for WAJ personnel in meter repairing and maintenance, meter registration accuracy increased to 80%
c	Improve the water billing collected accounts to 100%	new	Collection efficiency of billings is 80%	Frequency of bill issuance increased and 90% of issued bills collected
d	Reduce the water leakage in water networks to less than 15%	new	35% of the water produced and pumped are lost through leakage in the water networks	New water networks installed to replace the old deteriorated networks in major cities together with completion of leakage detection training program to WAJ personnel with result of reducing water leakage to 20%

Goals and Intermediate Objectives	Previous Action Plan Indicator	FY 86/87 Current Status/Baseline	FY 88/89 Progress Indicators
Goal: Create market environment conducive to increased private sector participation in marketing and processing of agricultural produce			
Intermediate Objectives by end FY 1990:			
Remove domestic price controls on fruits and vegetables	new	Government currently sets daily price ranges for nearly 30 fruits and vegetables.	On an experimental basis, controls on at least two of four major vegetables lifted.
Reduce government dominance in agroprocessing	new	AMPCO owns and operates four processing plants.	At least half of AMPCO facilities leased or sold to private sector.
Expand private sector access to EEC fruit and vegetable markets	new	AMPCO currently handles 85% of fruit and vegetables destined for EEC markets	Percentage of fruit and vegetables exported through private sector channels is doulbed to 30%.
Lift requirement that fruit and vegetable produce destined for Amman and export markets pass through Amman Wholesale Market	new	Only 10% of produce that legally should pass through Amman Wholesale Market is sold outside of Amman Wholesale Market	Amount of produce sold outside of Amman Wholsale Market increasd to 25%.
Goal: Undertake pro-active as compared to reactive Government program in family planning			Signature of ProAg for bilateral family planning/MCH project in 1988.
Intermediate Objectives:			
By 1991, family planning services available in all MCH centers of Health Ministry	new	Currently only 3 MCH Centers provide selected family planning services	Full family planning services available in 30 out of 100 MCH centers
Goal: Increase attention to primary and preventive health care as against tertiary care			
Intermediate Objectives by end FY 1990:			
Increase primary health care's share of government's recurrent health budget to 40% and 30% of capital health budget	new	About 75% of MOH recurrent expenditures and 90% of capital expenditures are devoted to hospitals	Increase primary health care's share of government health budget to 30% of recurrent and 15% of capital expenditures

Goals and Intermediate Objectives	Previous Action Plan Indicator	FY 86/87 Current Status/Baseline	FY 88/89 Progress Indicators
Goal: Remove impediments to business establishment and investment, market entry, and domestic market competition			
Intermediate Objectives by end FY 1990:			
Reduce the number of approvals and time required to set up new businesses	new	Up to 69 steps and six months are now reportedly required to receive approval for new business establishment. (Exact process to be established in 1987 study)	Number of steps reduced by at least 30 and time required reduced to three months.
Revisions to provisions and administration of investment incentives law in place	new	current law lacks predictability regarding kinds of incentives to be granted and may be less attractive than competitor countries.	Survey completed of incentive recipients to identify problems in administering law; comparison with competitor countries completed.
By 1990, have under debate revisions of tax, tariff, and pricing policies which most place small enterprises in competitive disadvantage with large enterprises	new	magnitude of differential incidence of tax, customs, labor and output pricing on small vs. large enterprises not assessed.	Small Business Foundation carrying out research agenda on differential incidence of tax, customs, labor and output pricing on small vs. large enterprises
Goal: Liberalize financial markets			
Intermediate Objectives by end FY 1990:			
Allow greater returns for risk capital than for government guaranteed financial instruments	new	Nominal yield on gov. guaranteed bond is now 8.0% vs. 9.0% for commercial bank loan; with 85% tax exemption for bond income taken into account, bond yield is equivalent to 14.8% vs. 9.0% for commercial bank loan	After tax returns equalized for government guaranteed risk free bonds and commercial bank loans
Increase spread between cost of funds and lending rates	new	Maximum lending rate now 9%; cost of funds averages 7%, leaving a spread of 2%	Spread increased to at least 3% for commercial bank loans to reflect risk and profit factors
Goal: Reduce role of Government in the economy			
Intermediate Objectives by end FY 1990:			
Reduce the percentage of workforce employed by the government	new	Government employment totals 38% of the workforce.	Government employment reduced to 33% of the workforce.
Convert public agencies and corporations into public shareholding companies	new	Ten of 34 public autonomous agencies and public corporations are potential targets for privatization.	At least one-third of potential targets converted to public shareholding companies.
Divest government ownership in mixed public-private companies	new	Government now directly owns shares valued at JD 65 million in 33 companies.	At least JD 15 million in Government ownership in mixed companies sold.

Goals and Intermediate Objectives	Previous Action Plan Indicator	FY 86/87 Current Status/Baseline	FY 88/89 Progress Indicators
Goal: By 1991, achieve full cost recovery in providing water and wastewater services			Training for WAJ personnel on operations and maintenance of networks is underway and commitments for new construction projects cease
Intermediate Objectives:			
A gradual increase in water/sewer rates to reach in 1991, 100% of system cost	new	Existing revenues recover 63% of system cost	In 1988, tariff rates increased and costs reduced to achieve 80% recovery of system costs
Increase water meters' registration accuracy to 90% or better	new	Average registration accuracy of water meters is 75%	100,000 new water meters installed and together with training program for WAJ personnel in meter repairing and maintenance, meter registration accuracy increased to 85%
Improve the water billing collected accounts to 100%	new	Collection efficiency of billings is 80%	Frequency of bill issuance increased and 90% of issued bills collected
Reduce the water leakage in water networks to less than 15%	new	35% of the water produced and pumped are lost through leakage in the water networks	New water networks installed to replace the old deteriorated networks in major cities together with completion of leakage detection training program to WAJ personnel with result of reducing water leakage to 20%

Appendix E

Mediterranean Trading Corp. مؤسسة البحر المتوسط للتجارة

«A. OKKEH and Co.» «عوني عكة وشركاه»

Firestone

Ref. 211/89 الرقم

DATE 17th May 1989 التاريخ

Mr. Frank Donovan,
C.I.F,
U.S.AID,
Amman,

Dear Mr. Donovan,

I wish to thank you for the courtasy, of meeting us this morning when we discussed the problem of shipping our consignment of tires (Firestone) on a US flag ship.

Please find enclosed copies of masseges exchanged between us and Firestone Corporation in Akron, from which you will find that shipping on Waterman Lines will cost us about $20,000 over and above any other shipping line, which makes our cost unrealistic.

I seek your kind assistance in this respect to grant us a waiver to ship on either United Arab Shipping Co, ($4900) per 40 container, or Sealand ,Lykes ($5700) with transhippment some where in europe.

Our princepals in Akron advised us that they have already contacted Miss. Linda Bernstein, who is aware of the problem, and advised that we should contact you for consideration.

Awaiting to hear from you favaroubly,

I remain,

Yours Faithfully,

A. Okkeh

- Waterman
20' cont/$7000 x 4 = $28,000
- Sealand/Lykes - 40' cont/$5700 x 2 = $11,400
- Foreign Flag (UASCo) - 40' cont/$4900 x 2 = $9,800

TRANSACTION DATA SHEET
PRIVATE SECTOR

Appendix F

USAID Transaction No._____

Bank (Local) _____

L/COMM/Bank (U.S.) _____ L/COMM NO:_____

Importer _____
Address _____
Telephone No._____
Telex No. :_____

Type of Business (Check appropriate line)

Joint Stock Co., :_____
Private Corporation:_____
Partnership :_____
Sole Proprietorship:_____

Commodity:
Description: _____
_____

Type:(Check One) [ ] Capital Goods [ ] Intermediate Goods
[ ] Raw Materials

Schedule "B" Number _____

US Supplier

Importers Certification:

I/We the undersigned certify that the above information is true and correct in all respects.

NAME _____
DATE_____

SIGNATURE_____

Bank Certification and Recommendation

We certify that the above described transaction is in accord with the A.I.D. Commodity Import Program Operating Circular as approved by the Ministry of Planning, Government of Jordan. Furthermore we recommend that the above transaction be approved as follows:

Amount (U.S.$):_____
Quantity :_____
Terms: Interest Rate_____%;
Down Payment_____%;
Period of Financing for Remaining Balance_____(mo/years)

Name :_____
Title:_____
Date :_____

Signature:

COMMODITY IMPORT PROGRAM
TRANSACTION DATA SHEET/PUBLIC SECTOR

Reserved for USAID/Jordan

USAID has _____ to Central Bank issuance of a letter of credit for this Transaction.

USAID Transaction No. _____

_____ Commodity Management Officer _____
Signed Name Title Date

Bank: Central Bank of Jordan

L/Comm/Bank (U.S.) _____

L/Comm No.: _____

Importer:

Address: _____
Tel. No.: _____
Telex No.: _____

Public Sector Entity under which importer falls: _____

Commodity

Description: _____

Type: (check one) [ ]Capital Goods [✓]Intermediate Goods [ ]Raw Material

Schedule "B" Number: _____

U.S. Supplier: _____ Tel. No.: _____
_____ Telex No.: _____
_____
_____

Importers Certification:

I/We the undersigned certify that the above information is true and correct in all respects and that Funds are available in chapter: _____ line items No.: _____ of FY 198__ Budget.

NAME: Ministry of Planning

DATE: _____

SIGNATURE: _____

Central Bank of Jordan Certification and Recommendation:

We certify that the above described transaction is in accord with the A.I.D. Commodity Import Program procedures outlined in Grant Agreement No. 278-K-643 and Implementation Letters thereto approved to date by AID and the Ministry of Planning, Government of Jordan. Furthermore we recommend that the above transaction be approved as follows:

Amount (U.S. $): _____

Quantity: _____

Terms: Down Payment _____ __%;

Balance upon receipt of documents by Central Bank of Jordan_____

Name: _____

Title: _____

Date: _____

Signature: _____

CZCAJI
RUEHC
RUFHAM #5143 351 **
R UUUUU ZZH
170805Z DEC 87
AMEMBASSY AMMAN
SECSTATE WASHDC PRIORITY 5827

— Wadi file with PRI-?

CLASS: UNCLASSIFIED
CHRGE: AID 12/16/87
APPRV: DIR:LPREADE
DRFTD: CM:FDONOVAN:MB
CLEAR: ~~NONE~~
DISTR: AID-2 AMB DCM ECON

GL 12/20/87

CLAS AMMAN 15143

DAC

R OP/COMS, MORRIS MCDANIEL

O. 12356:N/A
BJECT: JORDAN CIP 278-K-643, FRUIT TREE ELIGIBILITY FOR PRIVATE SECTOR CIP

USAID REQUESTS CIP ELIGIBILITY APPROVAL FOR A DANIAN PRIVATE SECTOR IMPORT OF FRUIT TREES AND VINES OM THE U.S. THE IMPORTER, RUM AGRICULTURE COMPANY, HAS CESSFULLY PARTICIPATED IN JORDAN'S PRIVATE SECTOR CIP PORTING OVER DOL 3 MILLION OF VARIOUS AG EQUIPMENT UMPS, IRRIGATION EQUIPMENT, VARIOUS SEEDS). THIS RRENT APPLICATION IS FOR FOLLOWING:

A) 73,920 APPLE TREES/73,525 GRAPE ROOTS/-C AND F AQABA VIA REFRIGERATED CONTAINER FOR DOLS 180,786. U.S. SUPPLIER IS E AND P NURSERY, SELMA, CA. (209) 896-4028 ORDER NO. 2551.

B) 13,125 PEACH TREES/8,750 NECTARINE TREES/7000 APRICOT TREES/3990 PLUM TREES/5,250 ALMOND TREES/800 APPLE TREES/-C AND F AQABA, REFRIGERATED CONTAINER FOR DOLS 98,079. SUPPLIER IS AGRI SUN NURSERY, SELMA, CA. (209) 896-7444.

THERE IS A HEAVY LOCAL DEMAND FOR FRUITS PROVIDED BY F ABOVE TREES, AND PREVIOUSLY THIS PRIVATE SECTOR MPANY TRIED TO FILL THAT NEED BY IMPORTING THESE TREES OM SPAIN. THE RESULTS OF THE SPANISH PRODUCT WERE VERY OR AND THE JORDANIAN COMPANY, WHICH HAS SEVERAL RICANS AS TECHNICAL CONSULTANTS, HAS NOW DECIDED TO RCHASE FROM THE U.S., EVEN IF CIP FINANCING IS NOT PROVED. THEY ARE CONVINCED THAT WITH AN AMERICAN ALITY TREE THEY WILL BE ABLE TO PRODUCE AND SELL A ALITY PRODUCT WITH REASONABLE PROFIT. THE TREES WOULD PLANTED IN ABOUT 48 ACRES OF NEWLY DEVELOPED LAND IN E SOUTH OF JORDAN WHERE THE GOV'T OF JORDAN HAS COURAGED PRIVATE SECTOR AGRICULTURAL INVESTMENTS. IN AID'S OPINION, SUPPORT OF THESE PRIVATE SECTOR VENTURES ROUGH INSTRUMENTS LIKE THE CIP IS PRECISELY WHAT WE OULD BE DOING AS PART OF OUR ENCOURAGEMENT OF THE IVATE SECTOR ROLE IN DEVELOPMENT. FOR THIS REASON, AID REQUESTS OP/COMS COMMODITY ELIGIBILITY APPROVAL OF ESE PRODUCTS.
PPROVED:LPREADE, DRAFTED:FDONOVAN)
DDARTH

[redacted]

ZCZCAJ0123
P RUEHAM
R RUEHC #1923 3520327
NR UUUUU ZZH
P 180325Z DEC 87
M SECSTATE WASHDC
O AMEMBASSY AMMAN PRIORITY 4834
T
UNCLAS STATE 391923

LOC: 23/24 882
18 DEC 87 0727
CN: 61756
CHRG: AID
DIST: AID

file

P121-?

CIP

AIDAC

E.O. 12356: N/A

SUBJECT: CIP GRANT 278-K-843 - PRIVATE SECTOR PROCUREMENT - FRUIT TREE ELIGIBILITY

A/COMS IN CONJUNCTION WITH M/SER/PPE HAS REVIEWED SUBJECT REQUEST AND RATIONALE PROVIDED TO MAKE FRUIT TREES ELIGIBLE IS ACCEPTABLE. PLEASE ASSURE THAT THE EXPORTERS COMPLY WITH ANY REQUIREMENTS FOR EXPORTING THIS TYPE OF COMMODITY, I.E., DISEASE FREE, ETC.
SHULTZ
BT
#1923

NNN

UNCLASSIFIED STATE 391923

UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT

AMMAN — JORDAN

وكالة الولايات المتحدة للانماء الدولي

عمان - الاردن

See page 2

OFFICE OF THE DIRECTOR

مكتب المدير

October 29, 1985

Excellency:

Subject: A.I.D. Commodity Import Program
Grant Agreement No. 278-K-643
Implementation Letter Number 1

This letter sets forth the procedures for utilizing the U.S. dollar proceeds of the subject Grant and provides information to assist you in implementing the Grant. Except as AID may otherwise agree in writing, the Grant and the procurement and utilization of eligible commodities and commodity-related services financed under it are subject to the terms and conditions of the subject Grant Agreement ("Agreement"), and AID Regulation 1, in effect and as from time-to- time amended, and made a part of said Agreement. If any provision of AID Regulation 1 is inconsistent with the Agreement, the provisions of the Agreement shall govern. Nothing in this Implementation Letter or its attachments modifies the Agreement. This Implementation Letter and the attachments may be supplemented or modified as necessary by subsequent Implementation Letters. Among other things, Ministry of Planning and USAID shall work jointly towards establishing a schedule for various procedures related to the implementation of the CIP.

The Grant shall finance commodities and commodity-related services as defined by AID Regulation 1, needed to assist the Government of Jordan (Grantee) in correcting distortions in the balance of payments, achieving development objectives, and improving the Jordan standard of living. Except as the parties may otherwise agree in writing, pursuant to Annex I of the Agreement, Grant funds shall be allocated for the Program, including commodity-related and other services, as follows:

Public Sector* - Fifty Percent (50%)
Private Sector** - Fifty Percent (50%)

* Includes Government corporations and authorities with 100% ownership by the GOJ.
** Includes public stock companies and joint venture companies regardless of ownership.

The Grant shall not finance commodities and commodity-related services for use by the military or police forces.

His Excellency
Dr. Abdalla Nsour
Minister of Planning
Amman

VII. PERIODIC DISCUSSIONS (SECTION 6.5):

Periodically, and not less than twice annually, the Grantee and A.I.D. will continue to meet to discuss economic issues of relevance to the purpose to be achieved with resources provided under the Grant. Among other things, those discussions will include further consideration of the terms and conditions to be supplied to organizations utilizing resources provided by the Grant.

VIII. SPECIAL ACCOUNT (SECTION 6.6):

A. Grantee will establish a Special Account in the Central Bank of Jordan and deposit therein currency of the Government of Jordan in amounts equal to proceeds accruing to the Grantee or any authorized agency thereof as a result of the sale or importation of the Eligible Items, except as the parties may otherwise agree in writing. Funds in the Special Account may be used for such purposes as are described in the Memorandum of Understanding regarding the Special Account, provided that such portion of the funds in the Special Account as may be designated by agreement of both parties shall be made available to A.I.D. to meet part of its local currency requirements in Jordan.

A separate Implementation Letter will describe the accounting system for the Special Account established pursuant to Section 6.6 of the Grant Agreement.

B. For companies under the private sector procedure, deposits to the Special Account in local currency will be made in cash at a minimum of 10% at the time of the opening of the Letter of Credit and the remainder in accordance with deferred payment procedures. For public organizations, a minimum of 10% deposit will be made on the date the Letter of Credit is opened and the remainder paid to the special account on the date the commodities clear customs in Jordan. The Grantee shall make such deposits at the highest rate of exchange prevailing in the date the Letter of Credit is opened and declared for foreign exchange currency by the Central Bank of the Hashemite Kingdom of Jordan.

C. Any unencumbered balances of funds which remain in the Special Account upon termination of assistance hereunder shall be disbursed for such purposes as may be agreed to between the Grantee and A.I.D.

IX. SET ASIDES (SECTION 6.7):

Unless the Parties otherwise agree in writing, any set asides or extraordinary allocations of funds shall be mutually agreed to by the Parties and set forth in implementation letters. The Parties may also agree in such implementation letters as to which set asides will not result in the accrual of proceeds to the Grantee and hence not require the deposit of counterpart funds into the Special Account.

X. INFORMATION:

In accordance with Section 8.4 of the Agreement, the Grantee is required to provide appropriate publicity as to the purchases, imports and utilization of imports financed under the Grant as a United States program.

XI. MARKING:

The Grantee is required to assure that importers advise all suppliers of the marking requirements of A.I.D. Regulation 1, Section 201.31 (d).

XII. ADDITIONAL REPRESENTATIVES:

In accordance with Section 8.2 of the Grant Agreement, I hereby designate the person holding or acting in the office of the Chief of the Project Office as an additional representative under the Agreement. The individual holding or acting in such office shall have authority to issue Implementation Letters and CPIs and revisions thereto. The individual currently holding the office of Chief is Thomas Rishoi. His specimen signature is enclosed as Attachment B to this Implementation Letter.

I trust that you or any of your representatives will feel free to contact me or the Chief of the Project Office concerning any problem or question relative to the implementation of the Grant, or this Implementation Letter and Attachments.

Please indicate your concurrence with the contents of this letter by signing the attached copy and returning it to me.

Sincerely yours

Richard A. Johnson
Acting Director

Concur: _____
His Excellency
Dr. Abdalla Nsour
Minister of Planning

MEMORANDUM OF UNDERSTANDING
REGARDING SPECIAL ACCOUNT
BETWEEN
THE HASHEMITE KINGDOM OF JORDAN
AND
THE AGENCY FOR INTERNATIONAL DEVELOPMENT

Pursuant to Section 6 of the Economic, Technical and Related Assistance ("Bilateral") Agreement dated July 1, 1957 and Section 6.6. of the Grant Agreement for Commodity Imports (Grant) dated September 17, 1985 this Memorandum confirms and sets forth mutually agreed upon uses and procedures for administration of the said Special Account by the Ministry of Planning.

Article I. Establishment of the Special Account.

The Hashemite Kingdom of Jordan (" GOJ") acting through the Central Bank, shall establish, in the Central Bank, a Special Account in the name of the Ministry of Finance.

Article II. Deposits Into The Special Account.

(a) Deposits into this Special Account shall be in the currency of the GOJ in amounts equal to proceeds accuring to the GOJ or any of its authorized agents as a result of the sale or importation of Eligible Items, as definded in Section 4.2 of the Grant, except as the parties to said Grant may otherwise agree in writing.

(b) [redacted]

(c) Such deposits will be in accordance with the importers agreement with the participating bank or Central Bank.

Article III. Uses.

The funds deposited into the Special Account shall be used for; (1) mutually agreed upon economic development projects and activities as specified in the Special Account Budget attached hereto as Annex A and as, from time to time amended, by the parties to this Memorandum and; (2) for support of AID's administrative cost as set forth in a Trust Account Agreement between the Government of Jordan and USAID Jordan.

Determine if Trust Fund Account established + (b) used to maximum extent

See

D-1-1

Article IV. Records and Inspection.

Documentation in support of deposits to, and disbursements from the Special Account shall be maintained for a period of three (3) years following the date of the last disbursement by AID for activities financed hereunder; such records may be inspected by AID or its authorized representatives at any reasonable time.

Article V. Effectiveness of the Memorandum and Termination.

This Memorandum will remain in effect until terminated by mutual written agreement of USAID and the GOJ or on the date of the final expediture of funds from the Special Account, whichever is earlier. Termination of this Memorandum will terminate the obligations of the parties hereunder, except with regard to disbursement obligations which may have arisen pursuant to non-cancelled commitments entered into with third parties prior to the termination of the Memorandum, and subject to the procedures contained in Article VI.

Article VI. Availability of Funds.

Funds made available under this Memorandum will remain available until expended. In the event of termination of the Memorandum pursuant to Article V, funds which have not been committed pursuant to non-cancelled commitments entered into with third parties prior to termination will be used for such purposes as may, subject to applicable law, be agreed to between the parties hereto.

Article VII. Communications.

Any notice, request, document, or other communication submitted by the GOJ or USAID to the other under this Memorandum shall be in writing and shall be deemed given or sent when delivered to the other party at the following address:

TO THE G.O.J.

Minister of Planning
Amman, Jordan

TO U.S. A.I.D.

Director
USAID
C/O American Embassy
Amman, Jordan

All such communications shall be in English.

Article VIII. Representatives.

For all purposes relevant to this Memorandum, the GOJ shall be represented by the individual holding or acting as Minister of Planning and USAID shall be represented by the individual holding or acting as USAID Director. Either of the representatives may designate additional representatives for all purposes hereunder. Each party shall provide the names of such additional person(s) by written notice to the other along with specimen signatures. The parties may accept as duly authorized any instrument signed by such representatives in implementation of this Memorandum until receipt or written notice of withdrawal of their authority.

Article IX. Entire Memorandum and Amendment.

This Memorandum, including any attachments hereto, shall constitute the entire Memorandum of Understanding between the parties.

Accepted on this Day of April 13, , 1986

Hashemite Kingdom of Jordan	United States Agency For International Development
BY : A. Nsour	BY: L. P. Reade
NAME: Abdolla Nsour	NAME: L. P. READE
TITLE: Minister of Planning	TITLE: Director, USAID/Jordan Acting

ANNEX A

SPECIAL ACCOUNT ALLOCATION

CRITERIA

CRITERIA

Uses of Special Account JD by Jordan will be consistent with Jordanian development objectives as stated in the Five Year Plan. Within these broad objectives, emphasis will be given to project activities which have a relationship to productivity, improving the balance of payments situation and increasing employment opportunities. Projects/activities which will directly or indirectly support private sector growth and use of the private sector as a development mechanism will also receive priority consideration.

ALLOCATIONS

For JD costs of priority projects from the Development Budget which are r fundable or under funded because of current Government fiscal difficulties. Government counterpart to AID financed projects will receive priority consideration in cases where funding difficulties may result in implementation delays which would hamper achievement of project objectives.

For JD costs of projects not included in the Budget but which are considered of importance to meeting the above criteria.

For incountry technical services and training. This could include english language training for DAT participants, studies by Jordanian firms or institutions scholarships for needy students at vocational and community colleges etc.

For the AID Trust Fund which is governed by a separate agreement.

These allocations apply to all funds deposited in the Special Account and interest earned by such funds.

Procedures

Within the allocations stated above, the Government will seek AID approval prior to commitment of funds to projects/activities. Approval and record keeping documentation shall be kept to the minimum necessary to determine that criteria are being adhered to and that funds from the special account are being made available in a timely manner in accordance with the Memorandum of Understanding and intent of the Commodity Import Program.

Appendix I

Profile of Exporters Aided by CIP

Seventy five private sector recipients of CIP funds participated in a CIP survey. The survey results indicates that 10 of the firms were engaged in exporting. These firms hired a substantial number of both males and females. The following is a brief profile of the 10 exporters

- Pharmaceutical preparations for Saudi Arabia, Iraq, Syria, Arab Emirates, Sudan and Libya and employ 254 persons (202 males & 52 females)

- Textiles for Saudi Arabia, Kuwait, U.A.E., Tunis, and Oman and employ 20 persons (5 Males and 15 females)

- Electrical Equipment for Saudi Arabia, Kuwait, Iraq, Arab Emirates, and Italy and employ 100 persons (30 males and 70 females)

- Ice Cream and Frozen Deserts for Saui Arabia, Kuwait, Arab Emirates, EEC and employ 400 persons (300 males and 100 females)

- Wholesale grain distributer for Saudi Arabia and Egypt and employ 7 persons (7 males)

- Construction for Iraq and Syria and employ 33 persons (32 males and 1 female)

- Manufactured elevators and moving stairways for Saudi Arabia, Iraq, Arab Emirates and EEC and employ 109 persons (95 males and 14 females)

- Phosphate Fertilizers (Parastatal) for East Europe, West Europe, Aisa, Far East, Canada and Mexico employ 4,050 persons (3,879 males and 71 females)

- Mixed Fertilizers for Saudi Arabia and Kuweit and employ 36 persons (28 males and 8 females)

- Manufactured refrigeration equipment and supplies to Egypt and Tunisia and employ 70 males

Appendix J

Suggestions for a Freight Differential Line-Item

USAID/Jordan CIP office will estimate the freight differential between U.S. and non-U.S. shipping charges for cargos financed with approximately fifty percent of funds of the new CIP agreement. For example, if U.S. flag shipments would have to cost $9 M out of a $19 M grant, the line-item for differentials would be about $900,000.

Upon arriving at the estimate, USAID will negotiate with the GOJ to get their agreement for the corresponding dollar amount of the grant to be set aside for payments of freight differentials. Since the CIP is a grant, the GOJ will not have to repay the set-aside amount but will forego deposits in the corresponding JD amount in the Special Account.

All CIP funds under the grant wi l, as usual, be used to establish Letters of Commitment.

The USAID/CIP office will request all applicants for CIP financing to submit two freight offers with their application for a Letter of Credit. One for the U.S. and the other non-U.S. flag. The CIP office will select the applications for shipments on U.S. flag vessels, ask the importer's bank to establish a letter of credit for a C and F amount on U.S. flag vessels. At the same time the CIP office will advise the bank that the loan to the importer will only have to be for an amount of FOB plus foreign flag freight.

The CIP office will keep a record of the differentials applicable to the transactions to assure that they do not exceed the amount of the line-item.

The local L/C bank, if so advised by the CIP office, will only report the transactions of commodity plus foreign freight to the Central Bank.

A.I.D. EVALUATION SUMMARY: PART I

A. REPORTING A.I.D. UNIT:

USAID/EGYPT
ES#:

B. WAS EVALUATION SCHEDULED CURRENT FY EVALUATION PLAN?

Yes X Slipped __
Ad hoc __

C. EVALUATION TIMING:

Interim __ Final __
Ex Post __ Other X

D. ACTIVITY EVALUATED: AID/PVO COLLABORATION

E. ACTION DECISIONS APPROVED BY THE MISSION DIRECTOR:	OFFICER	COMPLETION DATE
Develop Concept Paper for PVO umbrella project	Karim Gohar	12/31/88
Develop PID for PVO umbrella project	Karim Gohar/Peter Downs	04/17/89
Develop PP for PVO umbrella project	Karim Gohar/Peter Downs	06/15/89

F. CLEARANCE/APPROVAL OF EVALUATION SUMMARY AND ACTION DECISIONS:

Technical Directorate

Karim Gohar, PDS/P
Peter Downs, PDS/PS

Program Development and Support Directorate

L. Erikson, PDS/P
D. Leaty, (A)OD/PDS
V. Molldrem, AD/PDS

Deputy Director

C. Weden

Approved: _____ 7/25/89
Marshall D. Brown, DIR

G. EVALUATION ABSTRACT

Using survey results and extensive interviews, this study assessed the relationship between US Private Voluntary Organizations (USPVOs) and Indigenous Private Voluntary Organizations (IPVOs) operating in Egypt, and their respective relationships with the GOE and with USAID in order to suggest a structure for an umbrella project to simplify funding and implementation of projects.

Principal Findings and Conclusions:

There are important d fferences in Egyptian and US uses of the term "PVO". In Egypt the term PVO describes a wide variety of national, regional, and local level non-profit social, welfare, relief, cultural, and development organizations. In October, 1988, there were almost 14,000 Egyptian PVOs registered with the MSA.

Further funding is needed for the private voluntary sector in Egypt. But there is no evidence that more direct grant funding would necessarily have the effect of building IPVO's institutional capacity and ensuring their self-sufficiency.

There is a strong need for expansion of the talent pool of Egyptians skilled and willing to take leadership and management roles in Egyptian PVOs.

There is no consensus about the most desireable form or scope for a PVO umbrella project.

Key Recommendations:

It is desirable to begin with a limited "umbrella" program to address immediate bureaucratic constraints.

Initial start-up efforts should be consistent with longer term evolution of a more comprehensive approach to fostering a development oriented voluntary agency community in Egypt.

A trial umbrella activity should aim to improve the Egyptian institutional capacity for sustainable, community-based, self-help development activities.

The managing institution should be: a USPVO, a US non-profit organization or joint venture of such organizations; should have a demonstrable capacity to manage the grant program, including ability to handle AID management and financial accountability, as well as sensitivity to PVO needs, interests, and style; and should have a demonstrable track record in Egypt, the management activity should be bi-lingual for reports and proposals.

H. Evaluation Costs

1. Evaluation Team	Contract Cost OR TDY Cost (US $)	Source of Funds
John T. Rigby, TransCentury/Team Leader Andrea Collins, CRS Peter Downs, USAID Seifalla Hassanein, USAID Karl Jensen, USAID Makram Naguib, USAID Fawzia Tadros, USAID	$14,455	263-0102

A.I.D. EVALUATION SUMMARY: PART II

I. SUMMARY OF EVALUATION FINDINGS, CONCLUSIONS, & RECOMMENDATIONS

Evaluation Purpose and Methodology

Using survey results and extensive interviews, this study assessed the relationship between US Private Voluntary Organizations (USPVOs), Indigenous Private Voluntary Organizations (IPVOs), and their respective relationships with the GOE and with USAID in order to suggest a structure for an umbrella project to simplify funding and implementation of projects.

Findings and Conclusions

There are important differences in Egyptian and US uses of the term "PVO". The term PVO in Egypt is now usually associated with those community-based social and welfare organizations supported and regulated by the Ministry of Social Affairs (MSA), largely volunteer staffed. In Egypt the term PVO describes a wide variety of national, regional, and local level non-profit social, welfare, relief, cultural, and development organizations. The areas under which Egyptian PVOs are permitted to function under existing law include: Maternity and child care; family welfare; social, financial assistance; care of the aged; care of the handicapped; educational, cultural and religious services; local community development; literacy activities; organization; prisoner and family care; family planning and international friendship.

At the end of October 1988 there were almost 14,000 Egyptian PVOs registered with MSA for work at the local levels and an additional 160 national level PVOs. Within the national level there is an emerging number of development-oriented organizations.

There are a relatively small number of USPVOs working in Egypt and they operate pursuant to a variety of official GOE arrangements. USPVOs have a record of successful working relationships with Egyptian institutions. USPVO plans in Egypt concentrate largely on promoting local skills and systems for development-oriented work by Egyptian counterparts.

USPVOs require a greater level of acceptance by the GOE of the value of their role in promoting and assisting community-based institutional growth. The USPVOs would like USAID to provide:

- a higher level of support in their dealings with the GOE;
- higher levels of USAID/GOE funding of their work in support of local development institutions; and
- an easing of USAID's grant approval and monitoring requirements.

It is clear that there is a need for further funding in the private and voluntary sector in Egypt. However, there is no clear basis for concluding that additional funding or its availability from a new source such as an Umbrella project would enhance their long term self-sufficiency and sustainability.

There is a strong need, despite some creative efforts to date, for expansion of the talent pool of Egyptians skilled, available and willing to take leadership and management roles for Egyptian PVOs.

There is an "apparent" need for Egypt's public sector to develop a stronger sense of confidence that its private sector can productively and honestly function without micro-regulation.

There is the opportunity for the development within Egypt of a number of intermediate-level Egyptian PVOs which can support the work and growth of the community-based PVOs.

Finally there would appear to be a need for the relatively more affluent and powerful segments of Egypt's society to share more fully in support of the private and voluntary development activities in the country.

The umbrella mechanisms used in other countries have elements applicable to Egypt, but a mechanism for Egypt must be tailored to the specific realities in Egypt which include the nature and structure of the PVO system in Egypt and the circumstances of the GOE/USAID funding relationship. Various approaches to "umbrella" or "wholesale" funding of USPVO or IPVO activities which have been used in other AID projects include:

USAID management, through Mission staff, of small grant funding to USPVOs and IPVOs

Use of a consortium of IPVOs to administer sub-grants to IPVOs and USPVOs

Use of a single USPVO or IPVO as a selected intermediary for sub-grants and technical assistance to IPVOs and USPVOs.

Recommendations

There is no clear consensus among all interested parties as to the value of a comprehensive PVO "umbrella" program, or the optimum form it might take.

A collaborative learning process involving the Government of Egypt, USAID, USPVOs, and Egyptian IPVOs seems required to merge various interests in furtherance of an expanded IPVO and USPVO role in Egypt's economic and social development.

The disciplined boundaries of project design may be too confining for the dialogue required to bridge perception gaps between and among US and Egyptian governments and PVOs.

However, it is possible and desirable to begin with some limited form of a PVO "umbrella" effort to address some of the immediate bureaucratic constraints. The initial start-up efforts should be consistent with longer term evolution of a more comprehensive approach to fostering a development oriented voluntary agency community in Egypt.

A trial "Umbrella" should provide grant funding to USPVOs and/or IPVOs with the view to improving the Egyptian institutional capacity for sustainable, community-based, self-help development activities.

The managing institution should be a USPVO, a US non-profit organization or joint venture of such organizations.

The managing institution should have a demonstrable capacity to manage the grant program, including the ability to handle AID management and financial accountability, as well as sensitivity to PVO needs, interests, and style.

The managing institution should have a demonstrable track record in Egypt. There should be commitments to use Egyptian personnel. The management activity should be bi-lingual for the purposes of proposals and reports.

A.I.D. EVALUATION SUMMARY: PART I

A. REPORTING A.I.D. UNIT:

USAID/EGYPT
ES#:

B. WAS EVALUATION SCHEDULED CURRENT FY EVALUATION PLAN?

Yes X Slipped __
Ad hoc __

C. EVALUATION TIMING:

Interim __ Final __
Ex Post __ Other X

D. ACTIVITY EVALUATED: AID/PVO COLLABORATION

E. ACTION DECISIONS APPROVED BY THE MISSION DIRECTOR:	OFFICER	COMPLETION DATE
Develop Concept Paper for PVO umbrella project	Karim Gohar	12/31/88
Develop PID for PVO umbrella project	Karim Gohar/Peter Downs	04/17/89
Develop PP for PVO umbrella project	Karim Gohar/Peter Downs	06/15/89

F. CLEARANCE/APPROVAL OF EVALUATION SUMMARY AND ACTION DECISIONS:

Technical Directorate

Karim Gohar, PDS/P
Peter Downs, PDS/PS

Program Development and Support Directorate

L. Erikson, PDS/D
D. Leaty, (A)OD/PDS
V. Molldrem, AD/PDS

Deputy Director

C. Weden

Approved: _____ 7/25/87
Marshall D. Brown, DIR

G. EVALUATION ABSTRACT

Using survey results and extensive interviews, this study assessed the relationship between US Private Voluntary Organizations (USPVOs) and Indigenous Private Voluntary Organizations (IPVOs) operating in Egypt, and their respective relationships with the GOE and with USAID in order to suggest a structure for an umbrella project to simplify funding and implementation of projects.

Principal Findings and Conclusions:

There are important d fferences in Egyptian and US uses of the term "PVO". In Egypt the term PVO describes a wide variety of national, regional, and local level non-profit social, welfare, relief, cultural, and development organizations. In October, 1988, there were almost 14,000 Egyptian PVOs registered with the MSA.

Further funding is needed for the private voluntary sector in Egypt. But there is no evidence that more direct grant funding would necessarily have the effect of building IPVO's institutional capacity and ensuring their self-sufficiency.

There is a strong need for expansion of the talent pool of Egyptians skilled and willing to take leadership and management roles in Egyptian PVOs.

There is no consensus about the most desireable form or scope for a PVO umbrella project.

Key Recommendations:

It is desirable to begin with a limited "umbrella" program to address immediate bureaucratic constraints.

Initial start-up efforts should be consistent with longer term evolution of a more comprehensive approach to fostering a development oriented voluntary agency community in Egypt.

A trial umbrella activity should aim to improve the Egyptian institutional capacity for sustainable, community-based, self-help development activities.

The managing institution should be: a USPVO, a US non-profit organization or joint venture of such organizations; should have a demonstrable capacity to manage the grant program, including ability to handle AID management and financial accountability, as well as sensitivity to PVO needs, interests, and style; and should have a demonstrable track record in Egypt, the management activity should be bi-lingual for reports and proposals.

H. Evaluation Costs

1. Evaluation Team	Contract Cost OR TDY Cost (US $)	Source of Funds
John T. Rigby, TransCentury/Team Leader	$14,455	263-0102
Andrea Collins, CRS		
Peter Downs, USAID		
Seifalla Hassanein, USAID		
Karl Jensen, USAID		
Makram Naguib, USAID		
Fawzia Tadros, USAID		

A.I.D. EVALUATION SUMMARY: PART II

I. SUMMARY OF EVALUATION FINDINGS, CONCLUSIONS, & RECOMMENDATIONS

Evaluation Purpose and Methodology

Using survey results and extensive interviews, this study assessed the relationship between US Private Voluntary Organizations (USPVOs), Indigenous Private Voluntary Organizations (IPVOs), and their respective relationships with the GOE and with USAID in order to suggest a structure for an umbrella project to simplify funding and implementation of projects.

Findings and Conclusions

There are important differences in Egyptian and US uses of the term "PVO". The term PVO in Egypt is now usually associated with those community-based social and welfare organizations supported and regulated by the Ministry of Social Affairs (MSA), largely volunteer staffed. In Egypt the term PVO describes a wide variety of national, regional, and local level non-profit social, welfare, relief, cultural, and development organizations. The areas under which Egyptian PVOs are permitted to function under existing law include: Maternity and child care; family welfare; social, financial assistance; care of the aged; care of the handicapped; educational, cultural and religious services; local community development; literacy activities; organization; prisoner and family care; family planning and international friendship.

At the end of October 1988 there were almost 14,000 Egyptian PVOs registered with MSA for work at the local levels and an additional 160 national level PVOs. Within the national level there is an emerging number of development-oriented organizations.

There are a relatively small number of USPVOs working in Egypt and they operate pursuant to a variety of official GOE arrangements. USPVOs have a record of successful working relationships with Egyptian institutions. USPVO plans in Egypt concentrate largely on promoting local skills and systems for development-oriented work by Egyptian counterparts.

USPVOs require a greater level of acceptance by the GOE of the value of their role in promoting and assisting community-based institutional growth. The USPVOs would like USAID to provide:

a higher level of support in their dealings with the GOE;
higher levels of USAID/GOE funding of their work in support of local development institutions; and
an easing of USAID's grant approval and monitoring requirements.

It is clear that there is a need for further funding in the private and voluntary sector in Egypt. However, there is no clear basis for concluding that additional funding or its availability from a new source such as an Umbrella project would enhance their long term self-sufficiency and sustainability.

There is a strong need, despite some creative efforts to date, for expansion of the talent pool of Egyptians skilled, available and willing to take leadership and management roles for Egyptian PVOs.

There is an "apparent" need for Egypt's public sector to develop a stronger sense of confidence that its private sector can productively and honestly function without micro-regulation.

There is the opportunity for the development within Egypt of a number of intermediate-level Egyptian PVOs which can support the work and growth of the community-based PVOs.

Finally there would appear to be a need for the relatively more affluent and powerful segments of Egypt's society to share more fully in support of the private and voluntary development activities in the country.

The umbrella mechanisms used in other countries have elements applicable to Egypt, but a mechanism for Egypt must be tailored to the specific realities in Egypt which include the nature and structure of the PVO system in Egypt and the circumstances of the GOE/USAID funding relationship. Various approaches to "umbrella" or "wholesale" funding of USPVO or IPVO activities which have been used in other AID projects include:

USAID management, through Mission staff, of small grant funding to USPVOs and IPVOs

Use of a consortium of IPVOs to administer sub-grants to IPVOs and USPVOs

Use of a single USPVO or IPVO as a selected intermediary for sub-grants and technical assistance to IPVOs and USPVOs.

Recommendations

There is no clear consensus among all interested parties as to the value of a comprehensive PVO "umbrella" program, or the optimum form it might take.

A collaborative learning process involving the Government of Egypt, USAID, USPVOs, and Egyptian IPVOs seems required to merge various interests in furtherance of an expanded IPVO and USPVO role in Egypt's economic and social development.

The disciplined boundaries of project design may be too confining for the dialogue required to bridge perception gaps between and among US and Egyptian governments and PVOs.

However, it is possible and desirable to begin with some limited form of a PVO "umbrella" effort to address some of the immediate bureaucratic constraints. The initial start-up efforts should be consistent with longer term evolution of a more comprehensive approach to fostering a development oriented voluntary agency community in Egypt.

A trial "Umbrella" should provide grant funding to USPVOs and/or IPVOs with the view to improving the Egyptian institutional capacity for sustainable, community-based, self-help development activities.

The managing institution should be a USPVO, a US non-profit organization or joint venture of such organizations.

The managing institution should have a demonstrable capacity to manage the grant program, including the ability to handle AID management and financial accountability, as well as sensitivity to PVO needs, interests, and style.

The managing institution should have a demonstrable track record in Egypt. There should be commitments to use Egyptian personnel. The management activity should be bi-lingual for the purposes of proposals and reports.

UNITED STATES AID MISSION TO CAIRO

ASSESSMENT OF AID/PVO COLLABORATION

REPORT

Private Voluntary Organization Office

Program Development and Support Directorate

November 1988

112

Members of AID/PVO Assessment Team:

John T. Rigby	- Contractor, Team Leader
Andrea Collins	- Catholic Relief Services
Peter Downs	- USAID (PDS/P/PS)
Seifalla Hassanein	- USAID (DR/LAD)
Karl Jensen	- USAID (IS/IR)
Makram Naguib	- USAID (DR/LAD)
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Appendices

I. Executive Summary

A. This is an assessment of USPVOs and IPVOs, their relationship with each other, with the Government of Egypt, and with USAID. The assessment reviews the basis, and suggest a structure, for an Umbrella Project to simplify funding and implementation of projects.

B. Findings:

1. There are important differences in Egyptian and US uses of the term "PVO". The term "PVO" in Egypt is now usually associated with those community-based social and welfare organizations supported and regulated by the Ministry of Social Affairs (MSA), largely volunteer staffed. The USPVOs tend to be development-oriented, non-profit organizations, professionally (but low-cost) staffed and highly motivated, largely independent of Government.

2. There are almost 14,000 community-level "PVOs" registered with MSA, with another 160 centrally registered "PVOs", often with branches in the Governorate. Within this latter group, as well as some of the stronger community-level groups, there is emerging a number of intermediate level, development-oriented organizations.

3. There is a relatively small number of USPVOs working in Egypt, and they operate pursuant to a variety of official GOE arrangements. USPVOs have a record of successful working relationships with Egyptian institutions, Often Egyptian "PVOs". USPVO plans in Egypt largely concentrate on promoting local skills and systems for development-oriented work by Egyptian organizations

4. USPVOs require a greater level of acceptance by the GOE of the value of their role in promoting and assisting community-based institutional growth. The USPVOs seek from USAID:

- a higher level of support in their dealings with GOE;
- higher levels of USAID/GOE funding of their work in support of local development institutions; and
- an easing of USAID's grant approval and monitoring requirements.

C. Conclusions:

1. A "PVO" typology is suggested to bridge gaps between Egyptian and US usages of the term "PVO" :

- Group II level IPVOs are Egyptian "PVOs" and other indigenous non - profit, non - government groups, which are centrally and/or originally organized and provide support assistance (not limited to financial) to the institutions and persons working at the Group I level; and

- Group II level USPVOs are those USPVOs in Egypt which work with and in furtherance of the Egyptian institutions and persons working wither at the Group I or Group II level.

2. USPVOs now in Egypt (and some aspiring to work here) require wider understanding and acceptance by the GOE and by USAID development institution growth.

3. There is some preliminary indication of support within the Government of Egypt for the role and work of USPVOs and intermediary level IPVOs through improved procedures which would obviate the mutual bureaucracies of the GOE and USAID which may inhibit this work.

D. Recommendations:

1. USAID Missions increasingly use "umbrella" mechanism to simplify funding and implementation of USPVO and IPVO projects. The mechanisms used in other countries have elements applicable to Egypt, but a mechanism for Egypt must be tailored to the specific realities here, including (a) the nature and structure of the "PVO" system in Egypt, and (b) the particular circumstances of the GOE/USAID funding relationship.

2. The assessment reviewed a range of possible "umbrella" mechanisms for Egypt. In the long term, a comprehensive "umbrella" mechanism may well be desirable and feasible. At this point, however there is not yet a sufficient meeting of the minds among all interested parties to warrant commencement of formal design of a comprehensive, "umbrella" project. Further dialogue among the GOE, USAID, USPVOs and IPVOs is required.

3. There is, however a basis for proceeding now with a limited, trial "umbrella" activity aimed initially at supporting the growth of Egyptian intermediary PVOs (as per the typology in C.1., above) through and in association with the work of USPVOs. A possible mechanism to house this trial

would be an ad hoc Council formed by USPVOs (authorized to work in Egypt) and Egyptian PVOs (registered with USAID as eligible for direct USAID grant funding). The Council might be designated as a "PVDO" Council, signifying that it is composed of private voluntary development organizations, distinguishing it from other forms of PVOs. The Council could execute the management contract with a USPVO or other non - profit, competitively selected, to administer a sub-grant program for USPVOs and intermediary level Egyptian PVOs. The sub-grant resources would be provided through a cooperative agreement between USAID and the "umbrella" manager.

II. Scope , Nature of the Assessment

The objective of this assessment was stated as follows in the Scope of Work :

> "Following analysis of USAID / PVO needs and discussions with USAID and PVOs, recommend the structure of an Umbrella Project to simplify funding and implementation of projects."

The detailed Scope of Work is contained in Appendix A.

The assessment is to elicit, and analyze, the views of the Government of Egypt, USAID, Egyptian PVOs, and USPVOs on current and prospective PVO roles in development work in Egypt.

An assessment team was assembled, composed of the following :

John Rigby - Contractor, Team Leader
Andrea Collins - Catholic Relief Services
Peter Downs - USAID (PDS/P/PS)
Seifalla Hassanein - USAID (DR/LAD)
Karl Jensen - USAID (IS/IR)
Makram Naguib - USAID (DR/LAD)
Fawzia Tadros - USAID (HRDC/H)

The work of the assessment team was done under the immediate supervision of Karim Gohar (PDS/P/PVO) with on-going support of Laila Boutros (PDS/P/PVO).Lottie Eriksson (PDS/P) was active in the assessment, although not formally a member of the team.

Prior to commencement of the assessment team work, USAID circulated questionnaires on PVO needs in Egypt to staff within USAID and to representatives of USPVO community. The USPVO and USAID staff were consulted by team members and commented on this Report in draft. During the course of the assessment, interviews were conducted with the persons listed in Appendix B; and a bibliography of books and materials consulted during the assessment is contained in Appendix C.

In addition to frequent individual consultations among team members, a series of team meetings was used to develop focus and share views, along the way, on the assessment and on the likely shape of a PVO umbrella project in Egypt. After an initial organizing meeting on October 16, 1988, the following team meetings were held :

- At a meeting on October 24, the team focused on means to help Egyptian PVOs achieve development objectives; an introductory memorandum, with materials for discussion at the meeting, is annexed as Appendix D;
- The team meeting on October 27 reviewed some of the issues and options pertaining to selection of an umbrella mechanism ;
- The meeting on November 3 was led by team member Peter Downs, following the discipline of the Log Frame analytical method.

Weekly update briefing sessions were held with Charles Weden (DD), John Patterson (AD/PDS), and Sydney Anderson (PDS/P).Final assessment debriefing also included Mission Director Marshall Brown.

III. Findings

1. Introduction

The term "PVO" has specific connotations in the U.S. which are not always shared in Egypt. In fact, on several occasions during the assessment there were instances where Egyptians, in discussing USPVOs, or Americans, in discussing Egyptian PVOs, said about the other: "They are not Real PVOs". In the U.S., the "PVOs" are sometimes also called "Voluntary Agencies" (VOLAGs), or Non-governmental organizations (NGOs), and they are mostly development-oriented or service-oriented institutions, independent of government, professionally managed (but at lower cost and higher motivation than For-profit firms). In its 1988 Policy Paper on PVOs, A.I.D. defines PVOs as :

> "tax-exempt non-profit organizations which receive some portion of their annual revenue from the private sector (demonstrating their private nature) and receive voluntary contributions of money, staff time or in-kind support from the general public (a demonstration of their voluntary nature). Not all non-profit organizations are necessarily PVOs".

A.I.D. maintains a registry of those U.S. non-profit organizations which it deems "PVO" for purposes of A.I.D. funding.

The 1988 A.I.D. Policy Paper goes on to say that :

> Increasingly, PVO programs have become quite responsive to major agency priorities in addressing development problems and meeting basic human needs in the LDCs. For example, the work of PVOs in the field of small-scale private enterprise development is recognized as fulfilling an important role in the developing of the private sector. In the area of institution building, PVOs assist local institutions to develop the skills necessary to address their own development problems..."

While USPVOs have funding resources independent of USAID, and most often work independtly of USAID, there are times when USPVO and A.I.D. program

interests come together. In a 1985 report to the Congress, the A.I.D. Administrator cited with enthusiastic approval a General Accounting Office (GAO) set of findings about the uniqueness and value of PVOs in A.I.D.'s line of work, emphasising the special value of PVO managerial independence :

- PVOs develop programs through their own networks, not A.I.D.'s ;
- PVOs undertake pilot projects which provide a basis for large follow-up projects and provide opportunities for experimentation;
- PVOs are willing to take risks and innovate;
- PVOs promote voluntarism, that is people organizing to meet needs which government cannot or will not meet;
- PVOs can start projects relatively more quickly than A.I.D.;
- PVOs mobilize human resources, both at the community level as well as government officials and corporate executives;
- PVOs attract staff members who are highly motivated, sensitive to different cultures, willing to work for modest salaries, and willing to live under difficult conditions in remote locations.

Clearly, then, the kinds of organizations which A.I.D. historically viewed as "PVOs" are significant agents for change at the community level. However, unlike Egyptian PVOs, the USPVOs do not themselves originate in — nor are they "owned" by — the communities of the poor and the powerless which the PVOs so often effectively serve.

In Egypt, the term "PVO" is used to describe a wide range of national, regional, and local level non-profit social, welfare, relief, cultural, and development organizations. As discussed in the Section immediately below, "PVO" is most often recognized as applying to those 14,000 organizations registered with and regulated by the Ministry of Social Affairs. (The "O" in the 1964 Law on Egyptian "PVOs" is from the Arabic word "gama'at" , perhaps as readily translated "association" or "society" as "organization", since it connotes as much the inter-relationship of the members as the structure of the group.)

While Egyptian PVOs and USPVOs share many characteristics -- in operating style as well as, for some Egyptian PVOs, the status of being exogenous to communities in which they serve -- the vast bulk of the Egyptian PVOs derive from origins in the communities where they serve. Those "remote" locations where USPVOs are willing to work are the very places that most Egyptian PVOs call "home".

Under A.I.D. usage , the Egyptian PVOs would normally be identified by the term such as IPVO ("I"ndigenous PVO), and would also cover some non-government organizations such as cooperatives; in Egypt, however, the English acronym "PVO" would not generally be recognized as being applicable to a cooperative or any group other than those "PVOs" recognized as such by the MSA.

With these preliminary observations, it is not necessary at this stage to draw too fine a point on the "PVO" term usage. Generally in this report, the terms USPVO and IPVO will be used to distinguish between the U.S. organizations, relying on context and other descriptors when further refinement in the terms are warranted.

2. Egyptian PVOs

(a) Origins and History

The more proximate origins of the voluntary service movement in Egypt are traceable to the 19th Century (although community mutual support and self-help efforts to some degree go back to antiquity; also, the "habs" or "waqf" traditions of Islam go beyond religious to include medical, social, education, and cultural benefits for the public).

Some authors point to the influence of European welfare societies, observed overseas by sojourning Egyptians then adapted on return to Egypt.

The first Islamic Benevolent Association was formed in 1878, and the first Coptic Benevolent Association was formed in 1891.

By the 1920s, various voluntary associations had been formed, and their operations were expanding. These tended to pursue a wide range of community interests. By the 1930s, specialized voluntary associations emerged, particularly in the social studies and community development fields. By the time of the creation of the Ministry of Social Affairs in 1939, there were already scores of voluntary associations in Egypt offering social, economic, educational as well as religious services for the citizenry.

Law 49 (1945) established voluntary associations (now known as "PVOs", although until recent years they were most often identified as "PVAs") as the only legal form of non-governmental citizen activity, requiring MSA registration and substantial MSA monitoring of the associations ' activities. Law 384 (1956) ordered the dissolution and reorganization of all of the voluntary associations, formed federations of the associations, and decentralized some aspects of MSA authority over the associations to the Governorate level. Finally, in 1964 with law 32, the comprehensive regulatory scheme for PVAs or PVOs was refined and the PVO system which obtains in Egypt today was put into place.

(b) <u>The MSA Regulatory Scheme</u>

Law 32 (1964) increased Government (MSA) involvement with the voluntary associations by prescribing the charter and by-laws, authorized MSA to review and approve Board membership (substituting MSA choices or even MSA

personnel when MSA deems it necessary), giving MSA authority to dissolve an association without court order, and restricting association activities to one category from a prescribed list (with additional categories only on approval by MSA).

The areas in which PVOs are permitted to function under Law 32 (1964) (with the last four being added by Decree No. 12 in 1968) are :

1. Maternity and child care
2. Family welfare
3. Social, financial assistance
4. Care of the aged
5. Care of handicapped
6. Educational, cultural, and religious services
7. Local community development
8. Literacy activities
9. Organization
10. Prisoner (and family) care
11. Family planning
12. International friendship

PVOs must secure Ministry permission to start new projects, and specific MSA permission is required if a PVO is to engage in more than one of the above fields of service.

As of the end of October 1988 there are almost 14,000 Egyptian PVOs registered with MSA for work at local level; there are an additional 160 national level PVOs registered with MSA, with branches in the Governorates. Of the PVOs, approximately one-third are Community Development Associations (CDAs), with a somewhat broader range of activities than the single-purpose societies listed above.

CDAs are organized at the village level; villages in Egypt have populations in the range of 5,000 - 20,000 or more persons. Under Law 32, no more than one CDA may exist in a village.

CDAs have Boards which are supposed to rotate their membership (by one-third) each year. In some instances, these Boards originate from within the communities of the poor, sometimes they are prompted by MSA, and sometimes they are formed by prominent citizens concerned about the welfare of their neighbors.

CDAs receive their funding through a variety of means, including MSA grants, community contributions (MSA permission is required for solicitations), external and even foreign funds (with MSA approval), fees for services (day care centers, clinics), and some cost recovery from sale of products derived from training activities (sewing, carpentry, carpet making, metal work, etc.). CDAs are not permitted to actually engage in business. All CDAs with annual revenues or expenditures in excess of L.E. 1.000 must have accounts prepared by a chartered accountant (with help from MSA, if required).

Law 32 (1964) created two types of quasi-governmental federations to coordinate the work of the PVOs, in addition to MAS's regulatory oversight :

- regional federations of PVOs at the Governorate level ; and
- specialized, central federations dealing with specific, functional categories of work and concern.

Decree 1303 (1969) supplemented Law 32 by forming a General Federation, at the central (Cairo) level, to serve a further coordinating role among the Regional Federations and the specialized central federations.

Thus, there are six administrative bodies, somewhat intertwined and overlapping, which have responsibilities for various aspects of Law 32 and with which CDAs and other MSA-related PVOs must relate :

- The MSA, central level, concerning receipt of foreign aid, initiating activities in additional Governorates, and some documentation required to be under seal of the Minister;
- The Municipality Board (Executive Board of the Governorate), over such issues as conformity with laws and regulations, registration procedures, changes in bank accounts, annual financial reports;
- The Moudireyya for Social Affairs (District Level) which often houses the CDA along with the MSA Social Unit, and is the point of most direct contact between the CDA and MSA;

- The Regional Federations, which inspect and comment on PVO financial statements, review decisions of the CDA and other PVO Boards concerning receipt of gifts and legacies;

- The General Federation (Cairo Level), which oversees work of the Regional Federations, and serves in an advisory capacity to the Ministry of Social Affairs; and

- The Specialized Federations (Cairo level)

(c) Cooperatives

As noted earlier, the term "PVO" in Egypt does not, in official Terminology, extend to cooperatives. However, for purposes of this assessment, cooperatives are included since they are local non-governmental entities with which USPVOs sometimes associate in development work (including that funded by USAID).

Prior to 1960, the Ministry of Social Affairs was also responsible for all co-operative societies.

In 1960, under Egypt's first Five-Year Plan, cooperatives were split among various ministries :

- Agricultural cooperatives were assigned to the Ministries of Agriculture and Land Reclamation and Agrarian Reform;

- Handicapped cooperatives were assigned to the Ministry of Local Government and Building

- Housing cooperatives were assigned to the Ministry of Housing; and

- Consumer cooperatives were assigned to the Ministry of Supply

Subsequent laws in 1976 (Law No. 825) and 1980 (Law No.122) further revised the cooperative and cooperative credit system, increasing its complexity.

Consumer cooperatives under Law 109 (1976) and producers cooperatives under Law 110 (1976) have on occasion in recent years become associated with USPVOs in small enterprise or income generating programs. Those laws appear susceptible of interpretation that the cooperative members can engage in community development activities without encroaching on the regulatory scheme for PVOS, outlined above. As noted earlier, some of the USPVOs work in Egypt in association with one or another form of cooperative.

(d) Prior AID Support of Egyptian PVOs

USAID's support of Egyptian PVOs has been accomplished indirectly through its funding of USPVOs as well as directly through the Neighborhood Urban Services Program (NUS) and LD-II. In addition, USAID has funded cooperatives through Projects 263-0095 (agricultural coops, which grew out of some pilot work undertaken by a USPVO) and Project 263-0066 (low-income housing and community up-grading).The Egyptian Organization Family of the Future, which is registered as an Egyptian PVO as a special project of the Egyptian Family Planning Association, receives all of its funds (for contraceptive marketing) from a USAID grant (with 20% of the income actually coming from contraceptive sales).

In NUS, USAID provided some $ 8 million in small grants to Egyptian PVOs covering the following activities :

- nursery /day care facilities
- health services
- skills training centers
- services for handicapped persons
- homes or clubs for the elderly
- residences for guests, orphans, neglected children
- youth and womens'clubs
- other multi-purpose social centers

LD-II will continue some funding of urban PVOs and will extend local PVO support to rural Governorates. PVO activities in LD-II funded by grants are comparable to those of NUS. The first cycle of LD-II grants, covering only the 4th quarter of FY 1987, was in the amount of $ 586,000, all to rural Governorates. The grants for LD-II's second cycle, covering the last quarter of FY 1988, will be in excess of $ 6 million. A chart listing LD-II Egyptian PVO funding is contained in Appendix I.

(e) Egyptian "Intermediary" PVOs

This assessment has not attempted to draw up a "short list" of Egyptian PVOs (or USPVOs, for that matter) that might be candidates for USAID registration or for technical or financial support through a USAID PVO Umbrella Project. The assessment has, however, inquired into the existing or potential capacity within the Egyptian PVO community for PVOs which, like the USPVOs, serve as resource, support, and development agencies for the community-based PVOs.

USAID, through NUS and LD-II, has provided financial support to several thousand Egyptian PVOs. In addition, USAID funding of U.S. Universities, cooperatives organizations, and USPVOs, has had major elements of nurturing and/or incubation of Egyptian PVOs. However, to date only one Egyptian PVO has established its eligibility with USAID to receive direct grant funding from USAID. This is CEOSS (the Coptic Evangelical Organization for Social Services), whose registration was approved by USAID in 1988. A second Egyptian PVO - AWA (the Adventist Welfare Association) - has a registration application pending with USAID. A third Egyptian PVO - The Hoda Sharawi Association - submitted its registration questionnaire response to USAID on November 10, 1988.

The USAID criteria funding legibility requirements for Egyptian PVOs are reflected in the questionnaire set out in Appendix F. Using this as a point of reference, there are already some Egyptian PVOs that might fit in the category of resource and support agencies for community-based PVOs in Egypt. Examples of such Egyptian PVOs are listed below.

- Centrally - Registered PVOs

(This includes Egyptian PVOs, usually centrally registered with MSA, serving Egyptian PVOs either through branches and/or as resource institutions for other PVOs)

CEOSS and AWA are such organizations. Another intermediary - type PVO, previously funded by USAID (through Project 263-0030 in association with the University of North Carolina) is the Integrated Social Services Center, with branches at Tanta and Assiut, for upgrading of Community Development Associations (CDAs).

Other Egyptian PVOs identified during the assessment with some potential for registration and serving as "intermediaries" include the following :

- Association for the Productive Families
- Egyptian Save the Children Society
- Society for Egyptian Ladies
- Wafaa Wa Amal Association
- Society for Community Development and Rehabilitation Research
- Egyptian Association for Social Defense
- Women Association for Health Care
- General Association for Christian Girls
- YMCA, YWCA
- YMMA
- Balady ("My Country") Association
- Association of Mattaria for Intellectual Development

Within the governorates, there are larger, better established CDAs (such as the Association for Cultural and Social and Cooperative Services in Sidi-Bishr, Alexandria) which can serve as support centers or "intermediaries" for other, smaller PVOs at the Governorate level.

In addition, while not developed in any detail, it was suggested during the assessment that some of the Government units (e.g., within the Regional Federation structure itself), could serve as bases for technical support work for assisting Egyptian PVOs, going beyond their current, more limited oversight and coordination roles. (In this connection, care would have to be taken to avoid interference with the objectives and activities of LD-II in providing support services, as well as funding, for Egyptian PVOs.)

- PVOs Concerned With Gender Issues

There are ample examples of Egyptian PVO work in what can accurately be styled "women's activities". Certainly productive activity by women in Egypt is not in short supply. By and large, however, the PVO women's activities center on several set forms of "involvement" of women (e.g. sewing centers) or "servicing" (e.g. day care centers). There are, however, some organizations (registered PVOs) which have some history of dealing with gender specific constraints to development, including the following :

- Hoda Sharawi Association (Feminist Union)
- The Society for the Economic Liberation of Women
- Gama'at Sayedat Misr
- Egyptian Family Planning Association
- Egyptian Home Economics Association

- PVOs Involved With Environmental Concerns

A limited number of Egyptian PVOs are committed to the view that strategies for economic and social development can be made compatible with a sustainable physical environment. Among some of the Egyptian PVOs which have a professed interest in this area are :

- The Conservation Organization for National Wealth
- The Egyptian National Man and Biosphere Committee
- The Arab Office for Youth and Environment
- Y.E.S. (Youth for Environmental Services)

(some quasi - governmental or university - affiliated institutes not clearly Governmental in nature, and with environmental interests and/or programs include) :

- The Academy of Scientific Research and Technology (ASRT)
- National Research Center NRC)
- The High Institute of Public Health (semi - independent branch of University of Alexandria)
- Institute of Environmental Studies and Research (an independent institute of Ain Shams University)
- The Desert Research Institute

(In addition, a newly formed futurist organization, entablished under the Civil Companies law as a "not - for - profit" company, the Center for Development and Future Studies, will have the environment and ecological concerns as a prime focus).

3. USPVOs

This AID / PVO assessment did not undertake a substantive evaluation of the merits of USPVO projects in Egypt.The worth of these programs, and the policy of USAID that there should be increased support for PVOs in Egypt (both USPVOs and Egyptian), were premises for the assessment. USAID's view that support of PVOs should be increased is expressly voiced in USAID's FY 1989 Country Development Strategy Statement (CDSS) and in USAID's Mission Order 1-5, as amended August 17, 1988.

Appendix G is a summary by USAID of the nature and scope of USAID's funding of USPVOs in Egypt in 1988. This funding includes grants, contracts, and cooperative agreements executed directly between USAID and the USPVOs, as well as sub-grants to several USPVOs under the special PVO Development Fund established by monetized surplus commodities under Title II of PL-480.

The USPVOs and other U.S. non - profit organizations working in Egypt do so under a variety of Governmental approvals. Mission Order 1-5 cited above provides that a USPVO, to receive a contract or grant agreement with USAID, must first have "adequate GOE authorization to operate in Egypt". The types of Government authorization, whether bilateral agreement or "letter of authorization", and the circumstances when either (or neither) would be required for a USPVO, are outlined in the excerpt from Mission Order No. 1-5 annexed as Appendix H.

As indicated above, the USPVOs which are registered with A.I.D., whether or not they receive USAID funds, operate in Egypt under a variety of arrangements and official recognition, including the following :

- Catholic Relief Services (CRS) has a bilateral agreement with the Inter - Ministerial Committee on Voluntary Assistance (IMC), chaired by the Ministry of Supply
- CARE has an agreement executed jointly with the IMC and the Ministry of Social Affairs (MSA)
- Save the Children (US) has an agreement with MSA
- ACDI has an agreement (derivative from a predecessor agreement by the USPVO Partnership for Productivity) with the Ministry of Agriculture
- Project Hope has an agreement with the Ministry of Higher Education
- Amideast has an agreement with the Ministry of Foreign Affairs

Several other U.S. organizations, while registered with A.I.D. in the United States, are operating in Egypt without USAID funds, and under a variety of local arrangements. For example, the Institute for Cultural Affairs is operating under a Governorate Agreement. Plan International (affiliated with the USPVO Foster Parents Plan) is operating pursuant to MSA decree while its bilateral agreement is awaiting approval. Academy for International Development (AED), a USPVO, is operating in Egypt under contract and not a USAID grant. Heifer Project, International provides MSA - approved assistance to the ISSC at Tanta. The USPVO VITA has not succeeded in getting approval of a bilateral agreement with a Ministry, but provides some technical information by mail to Egyptian PVOs and, from time to time, provides training in the U.S.

There are some US non - profit organizations or voluntary agencies which are not registered with USAID as USPVOs and that operate in Egypt with their own resources. World Vision International is registered as an Egyptian

PVO. Ford Foundation has an agreement with the Ministry of Foreign Affairs. The Near East Foundation provides support for development practitioners through grant funding directly from the United States.

The USPVOs and other US non - profit organizations working in Egypt under these various arrangements reflect their intention of providing support (whether financial, technical services, or both) to and through Egyptian institutions (mostly PVOs and cooperatives).

B. PVO Needs In Egypt

1. Introduction

Prior to commencement of this assessment, USAID/Cairo prepared a questionnaire patterned on a world - wide questionnaire of USPVOs and USAID Missions. (The results of the global study are reported in "A Study of A.I.D./PVO Collaboration. USAID, November 9, 1987, Christine Burbach and John Olesen). The questionnaire inquired into a number of elements of USPVO and USAID/Cairo's self and mutual appreciation. It generated opinions on USPVO relations with Egyptian PVOs. In addition, it sought views on possible elements and structure for a PVO umbrella project.

A summary of the questionnaires and responses is annexed in Appendix I.

No questionnaire was developed for the Egyptian PVO community, or for the Egyptian Government. The information developed for the assessment concerning Egyptian organizational needs was obtained through interviews.

2. Egyptian PVOs

The assessment of Egyptian PVO needs has been based upon limited direct contact with those PVOs specifically in connection with this exercise. However, the assessment has drawn upon a wide range of knowledgeable persons in the public and private sector in Egypt, together with review of substantial written information on Egyptian PVOs, Thus, the following comments reflect, certainly, an informed judgment.

- First, it is clear that there is need for further funding in the private and voluntary sector in Egypt. However, there is no clear basis for concluding that additional funding or its availability from a new source (e.g., an Umbrella Project vs. LD-II) should necessarily take the form of cash grants to the Egyptian CDAs and other community based PVOs. To the contrary, there is some strong opinion (including from within MSA) that simply providing additional grant funding to the community level PVOs may retard rather than advance their long-term self-sufficiency and sustainability.
- There is strong need, despite some creative efforts to date (including by USPVOs), for expansion in the talent pool of Egyptians skilled, available, and willing to take leadership and management roles for Egyptian PVOs. This includes, for example, the need for increased knowledge and skills on the part of the Egyptian Community Development Association (CDA) PVO Boards of Directors. (One senior official in MSA lamented that the bulk of CDA Board member training consists of learning the steps that need to be taken to avoid contravening the provisions of Law 32).

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IPVO needs also include increased knowledge and skills among those trainers, extension workers, and other PVO practitioners who will serve as the next generation of resource support cadres for the community-based private voluntary sector in Egypt.

- There is an "apparent" need for Egypt's public sector to develop a stronger sense of confidence that its private sector can productively and honestly function without micro-regulation. The word "apparent" is placed in quotations, because the question of what needs to be done with reference to the relationship of the Egyptian Government to local community associations is an internal issue, beyond the juridiction of this assessment. The point, though, is that the government's comprehensive regulatory scheme does have the effect of deterring IPVO growth from social welfare groups to more development-oriented organizations.
- There is the opportunity for the development within Egypt of a number of intermediate - level Egyptian PVOs which can support the work and growth of the community-based PVOs.
- Finally, there would appear to be a need for the relatively more affluent and powerful segments of Egypt's society to share more fully in support of the private and voluntary development activities in the country.The question whether this "apparent" need is a genuine need will most likely be determined by Egyptian society itself over time, and is not properly the target of a PVO Umbrella Funding mechanism. Egypt does have a strong tradition of leadership and support by its more affluent and powerful citizens in charitable and welfare efforts. As Egypt's PVOs, working at

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community and intermediate levels, shift to more developmental roles, they may experience a need for renewed leadership and support for this shift at the "top" in the private sector in Egypt.

3. The USPVOs

The USPVO community in Egypt has a particular concern that it has not established itself among the priorities of either USAID or the Government of Egypt, even though the USPVOs represent a low-cost means of supporting local institutional growth within priority areas of GOE interest. Thus, while the U.S. Congress mandates an increasing share of the A.I.D. budget for programming through USPVOs, USAID/GOE funding is small in comparison with other USAID programs, viewed as a percentage of total USAID/GOE expenditures in Egypt. Of course, given the nature of USAID's funding relationship with Egypt, it is not sufficient for the USPVOs to be accorded a priority rank by USAID; they must also be viewed with some priority by the Government of Egypt.

In addition, the administrative demands of A.I.D. (and USAID) regulations and process are compounded, in the eyes of USPVOs, by the complex set of relations and dealings between USAID/Cairo and the Government of Egypt, and between the latter and the USPVOs.

In general, then, USPVOs in Egypt see their greatest need as stronger evidence that they are accorded a priority role by USAID. The evidence they seek would be reflected in a combination of the following :

- Greater expenditure by USAID of its political capital in support of USPVO dealings with the Government of Egypt;
- Levels of USAID/GOE funding through USPVOs more commensurate with the particular competences they offer in Egypt's current development efforts (and particularly their competence to support Egypt's indigenous private and

voluntary role in community - based, self - help efforts); and

- acceptance by USAID of project approval and oversight procedures which reflect greater respect for the maturity and competence of the USPVOs' own development program capacity.

IV. Conclusions

The assessment supports the following conclusions :

1. There are fundamentally different Egyptian and U.S. usages of the label "PVO".

A typology going beyond the distinction between USPVOs and IPVOs is needed for better understanding by the Government of Egypt and USAID (beyond USAID's PVO office) of the particular role that USPVOs and IPVOs might play in Egypt's development.

2. The organizational and operational characteristics reviewed during this assessment suggest the following typology :

(a) Group I Level IPVOs

There are Egyptian PVOs, community - based and often community controlled, intended and capable of providing basic community services on a self - help, sustainable basis. These IPVOs, for example, are those receiving cash grants through the USAID - supported NUS and LD-II programs. These base level IPVOs are under a comprehensive scheme of Government regulation and oversight. They are intended more for social welfare and public relief, but some have a potential to help enable self - determined productive development in rural and urban Egypt.

There are other Egyptian groups and institutions, such as cooperatives, not officially designated "PVOs" under laws of Egypt but which also reflect community ownership and work at the same community level as the Group I Level IPVOs, described above.

(b) Group II Level IPVOs

There are Egyptian PVOs, and other non-profit private sector (and units or affiliates of public sector) institutions, which are centrally and/or regionally organized and which provide support assistance (not limited to financial) to the institutions and persons working at the Group I level.

Many of the private non-profit institutions organized and working at this level tend to have greater capacity (than the IPVOs at the

Group I level) to cope with the regulatory scheme without losing their independence. Often the Group II level IPVOs employ professional staff.

(c) Group II Level USPVOs

The USPVOs in Egypt work with and in furtherance of the Egyptian institutions and individuals who work at the Group I and/or the the Group II levels.

3. While the GOE regulatory scheme for IPVOs operating at the Group I and Group II levels may achieve social welfare purposes for which it was established, the scheme also, whether intentionally or not, inhibits a more developmental role for IPVOs.

4. The USPVOs in Egypt have a positive, albeit low-visibility, track record working in Egyptian institutions and organizations concerned with community-based, sustainable self-help development efforts. The USPVOs represent a useful channel in Egypt, consistent with Egypt's social welfare regulatory and support scheme, to aid in expansion of Egypt's capacity for community-based development. The USPVOs in Egypt, and other USPVOs which have expressed an interest in working in Egypt, see their future roles as continuing to concentrate on strengthening the capacity of Egypt's indigenous private and voluntary community which works at both the Group I and Group II levels, described above.

5. The USPVOs must secure wider understanding by the Government of Egypt, and by USAID, of the unique and positive role which the USPVOs can play in Egypt's economic and social development, and particularly their beneficial impact on Egyptian PVOs.

6. There is support within the Government of Egypt for exploration of activities and procedures to expand the role of USPVOS and IPVOs through USAID-supported programs. Further, there is unanimity among the Government of Egypt, USAID, and the USPVOs that USAID - supported work of IPVOs and USPVOs

can most effectively be expanded if processes are devised to obviate, rather than compound, the respective bureaucratic imperatives of all interested parties.

V. Recommendations On An IPVO and USPVO Umbrella Project

A. The Umbrella Concept — Some precedents

Over the past 15 years, A.I.D. has engaged in an increasing number and variety of support programs globally for IPVOs and USPVOs. Increasingly, A.I.D. has used "umbrella" or "wholesale" funding mechanism. Among the various approaches to "umbrella" funding of USPVO and IPVO activities have been the following :

1. USAID management, through Mission staff, of small-grant funding to USPVOs and IPVOs

The Mission-housed "umbrella" approach has been the preference of USAID Missions in Asia, which pioneered the PVO "umbrella" concept within A.I.D. The Asia "umbrella" programs include Indonesia, Bangladesh, the Philippines, and Sri Lanka. As the programs have developed, some of the IPVOs supported by the USAID missions themselves have become "Umbrellas", providing sub-grants or technical assistance to smaller, emerging IPVOs.

2. Use of a consortium of IPVOs to administer sub-grants to IPVOs and USPVOs

Use of a "consortium umbrella" has been a common approach of the A.I.D. Latin America / Caribbean Bureau USAID missions, In Costa Rica, and Guatemala, a U.S. non - profit PVO consortium (PACT) was engaged under a form of management contract to administer the sub-grant program in behalf of the local IPVO consortia. For Haiti, the local IPVO consortium (HAVA) operates the sub - grant "umbrella" without expatriate firm involvement.

3. Use of a single USPVO or IPVO as a selected intermediary for

sub-grants and technical assistance to IPVOs and USPVOs

This approach has been followed mostly by USAID Missions in Africa, usually accompanied by limitation of the sub-grants to one or several sectoral areas, and with strong preference given to sub-grants to IPVOs over USPVOs :

- Chad (for small enterprise support projects)
- Kenya (two umbrella projects, one through a USPVO for small enterprise support through IPVOs and another, recently curtailed, through an IPVO consortium for general IPVO support)
- Liberia (recently commenced, a USPVO - managed umbrella, for IPVO support in health, education, and enterprise)
- Senegal (managed by a US non-profit - not a USPVO - with sub-grants and technical to IPVOs and USPVOs, emphasis on credit through IPVOs and associated village organizations)
- Somalia (a USPVO intermediary provides staff support services to an IPVO support program housed in a Government ministry)
- Sudan (two umbrella projects, one managed by a private contractor as part of a renewable energy program with grants to IPVOs, the other a decentralized IPVO support program through three regionally - based USPVO intermediaries)
- Zaire (initial USPVO - managed umbrella for IPVO health and rural infrastructure subprojects, new and broader umbrella project now out for bid by USPVOs, to administer sub - grants to IPVOs, USPVOs, and Peace Corps)

A common purpose among virtually all of the "umbrella" projects reviewed is increasing the capacity of the IPVOs. This IPVO institutional development is achieved through a combination of direct financial support of the IPVO, and technical support services, often provided by or through the USPVOs or other IPVOs. Another common objective of these umbrella mechanisms has been simplification of the procedures so that the means for achieving the institutional development objectives might be more readily accessed by the IPVOs and the USPVOs.

These other USAID "umbrella" experiences contain replicable elements for Egypt, but the particular format for Egypt should be dictated by

the unique combination of capacities, needs and context of development institutions here. An "umbrella" transplant is not called for.

B. Some Alternative Approaches For a PVO "Umbrella" in Egypt

Several specific alternatives for an umbrella mechanism tailored to Egypt have been reviewed during the assessment. These include the following:

(a) Officials within the Ministry of Social Affairs (MSA) suggested that an "umbrella" support mechanism for IPVOs and USPVOs might be established and housed within the quasi-governmental General Federation of PVOs, described above. This mechanism might channel grants and technical support services to PVOs both centrally through that Federation as well as on a decentralized basis through the Regional Federations for MSA-associated PVOs.

Under the Ministry suggestion, the "umbrella" within the PVO Federation system would have its own Project Board, with, for example, 1/3 membership reserved for USPVOs and the balance for private and public sector Egyptian membership. There would be separate Project Boards at the Regional (Governorate) levels.

(b) Three of the community development-oriented USPVOs have submitted an unsolicited proposal to USAID proposing establishment of an independently functioning PVO Development Fund, for support of IPVOs through USPVO activities in Egypt. The Fund would be administered by a Board composed 1/3 of USPVOs, 1/3 US cooperatives, and 1/3 Egyptian PVO/cooperatives. Once the Fund is established with USAID and Government of Egypt approval, further USAID and GOE approval of sub-grants would not be required. The sub-grants would be extended under simplified procedures, relying largely upon the project design capabilities of the PVOs themselves.

(c) Another approach, suggested by the assessment Team Leader, envisions creation of a new Egyptian non-profit Foundation (dubbed the "Misr Foundation") which would house an umbrella project under cooperative agreement with USAID, covering both technical assistance support and financial sub-grant support for IPVOs and USPVOs. For the first few years of operations the sub-grant activities of the Foundation would be handled under a management contract, financed through a separate cooperative agreement with a USPVO or other non - profit organization. This proposal would also contain a mechanism for establishment of a permanent endowment fund, from private Egyptian contributions, in order that the activities of the Foundation might be continued beyond the term of the USAID funding. In order to stimulate the creation of such an endowment, USAID might commit to furnishing endowment contributions on a matching basis, within established limits.

While these three specific approaches do not exhaust the

possibilities for a PVO "umbrella" in Egypt, they rather well cover the range of feasible choices. Each of the suggested approaches contains significant elements of appeal as well as major drawbacks:

—All three approaches called for an umbrella mechanism established independently of USAID, serving as an intermediary (or "buffer") between the USPVOs and IPVOs, on the one hand, and USAID and the Government of Egypt, on the other hand. There are clear merits in the decentralization features of the ministry's suggested approach (Germany's GTZ has commissioned an Egyptian consultant to explore decentralized PVO funding support through the PVO Federation system). The independence foundation's endowment goal is desirable for sustainability, as is its strategy for ultimate Egyptian stewardship of the foundation with substantial private sector stake in the foundation's capital endowment. And the USPVO proposal has the important practical benefit of being able to commence promptly, without the need for creation or introduction of an unfamiliar intermediary institution, and it would center PVO support activities within a mechanism particularly sensitive to PVO needs and styles.

—On the other hand, there are distinct disadvantages in each proposal. For example, the ministry's suggestion would essentially limit the activity to MSA-recognized IPVOs, and the Federation-centered mechanism would scarcely escape the bureaucratic reach of the Government itself. The independent foundation approach entails creation of a *new*, untested mechanism, centrally-based and potentially monolithic, whose efficacy would depend upon attraction and assembly of a unique blend of persons for stewardship of the foundation's resources. The USPVO proposal,

as originally presented, holds the possibility of self-dealing among limited number of institutions, and poses severe challenges of acceptance under USAID's financial responsibility standards. The following section of the Report recommends an approach combining better features of the three approaches.

C Recommendations.

There is no clear consensus among all interested parties as to the value of a comprehensive PVO "umbrella" program, or the optimum form it might take. The collaborative, mutual learning process involving the Government of Egypt, USAID, USPVOs, and Egyptian IPVOs seems required to merge various interest in furtherance of an expanded role of IPVOs and USPVOs in Egypt's economic and social development.

The process of exploring a far-reaching "umbrella" program is not far enough along to be susceptible of formal project design. In fact, the disciplined boundaries of project design may be too confining at this point for the dialogue required to bridge perception gaps between and among US and Egyptian Governements and PVOs.

It is possible, however, and desirable to begin now with some limited form of a PVO "umbrella" effort, at least on a small scale, to address some of the immediate bureaucratic constraint. The initial start-up efforts should be consistant with the longer term evolution of a more comprehensive approach to fostering a development-oriented voluntary agency community in Egypt.

An inaugural sequence could be as follows:

—A PVDO council could be formed, signifying "Private Voluntary

Development Organizations", along the lines of the USPVO-IPVO initiative outlined in the unsolicited "umbrella" proposal of the USPVOs identified earlier. Membership in the Council would be open to USPVOs registered with A.I.D. (and eligible to work in Egypt), as well as Egyptian organizations established as eligible to receive USAID funds. The council membership would draw from these USPVOs and IPVOs working at the Group II level, described in the typology in the previous section. As new Egyptian IPVOs become eligible for USAID funding, they could become members of the Council, if they wished.

—The PVDO Council could have, as one of its purposes, a leadership role in continuing the dialogue to determine long-term approaches to expansion of the Egyptian PVDO capacity, including (but not limited to) a comprehensive PVO "umbrella" support program such as suggested in broader models reviewed in this assessment.

Of course, the PVDO Council should not become a major bureaucratic structure in its own right, and should not supplant or smother the existing informal networks among USPVOs and IPVOs. Thus, the Council would rely primarily upon contributed staff and executive time of the Council members.

—The Council could , with approval of its membership and agreement of the GOE and USAID (evidenced in a Project Grant Agreement among the parties), undertake to house an initial and experimental "umbrella" grant mechanism. This might be viewed as an extension of the concept of the earlier Monetization Fund mechanism, but with a higher level of independence from USAID and the GOE.

—Rather than have the PVDO Council itself assume an operational

bureaucratic function in administering the trial "umbrella" program, a management contract could be let—separately funded by cooperative agreements with USAID—for the task of administering an initial "umbrella" pool of grant funds. The "umbrella" manager could also be assigned the task of assisting IPVOs secure qualification for USAID funding by meeting the USAID registration requirements. While A.I.D. regulations now permit sub-grants through intermediaries to IPVOs not registered with USAID, it would be best during this experimental "umbrella" period for USAID to retain the role of approval of registrants, perhaps aided by the staff work of the "umbrella" manager.

— The cooperative agreement for the "umbrella" management would presumably be awarded through the AID competitive bidding process, with the following as principal selection criteria:

- The managing institution should itself be a USPVO, a US non-profit organization or joint venture of such organizations;
- The managing institution should have a demonstrable capacity to manage the grant program, including ability to handle AID management and financial accountability, as well as sensitivity to PVO needs, interests, and style; and
- The managing institution should have a demonstrable track record (institutionally and /or persons nominated for service) in Egypt. There should be commitments to use Egyptian personnel. The management activity should be bi-lingual (Arabic and English) for purposes of proposals and reports.

The trial "umbrella" activity will provide grant funding to USPVOs and/or IPVOs with the view to improving the Egyptian institutional capacity for sustainable, community-based, self-help development activities. In order to stimulate as much IPVO and USPVO innovation and creativity in the focus of actual projects, there would not be

a restrictive, pre-determined list of project topics. Local institutional strengthening would be a prerequisite for all projects supported. Based on USPVO and IPVO work in Egypt to date, it is likely that the project topics would center on one or more of the following:

- income generation, employment
- agriculture, consumer goods production
- addressing gender specific constraints to development
- community organization and development
- preventive health care
- functional education
- sustenance of a liveable environment.

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Lou McNeil, in DIC, quickly and thoroughly assembled relevant and useful material.

An array of people brought particularly new thoughts and insights to my attention. Sarah Loza shared her "dream" of a private sector endowment fund. Roger Hardister produced living examples of his focus on developing skills of practitioners. Hind Khattab instructed me on origins of self-help traditions in modern Egypt, supplementing Makram Naguib's eloquence on the topic. Sawsan El Mesiri tracked down information on the form and contents of the Regional PVO Federations. Linda Oldham impressed realism on me, and the value of PVO "R&D".

Of course, like all others who have sought to inquire into private and voluntary organizations in Egypt, I was treated to the high-watt luminance of several sessions with Dr. El-Banna.

There's a Bambara saying, "The stranger only sees what he knows." I am grateful to those who helped me to come to know what to look for.

John Rigby
November 1988

USAID/Egypt

Assessment of AID/PVO Collaboration

Report, November 1988

APPENDICES

A - Assessment Scope of Work

B - Persons Consulted

C - Bibliography

D - Memorandum (with Attachments)
For October 24, 1988 Team Meeting

E - LD-II PVO Funding

F - IPVO Registration Questionnaire

G - USAID PVO Funding

H - Excerpt from Mission Order No. 1-5

I - USAID/USPVO Questionnaire

USAID/Egypt
Assessment of AID/PVO Collaboration

SCOPE OF WORK

I. OBJECTIVES:

Following analysis of USAID/PVO needs and discussions with USAID and PVOs, recommend the structure of an Umbrella Project to simplify funding and implementation of projects.

II. BACKGROUND:

At present there are ten U.S. PVOs implementing USAID-funded activities in Egypt. Eighteen of such activities are currently under implementation or have been completed in FY 87. The greater number of these are in the form of grants in the areas of agriculture, health, nutrition, and employment and income generation.

Historically, the major source of funding PVO unsolicited grant proposals has been the PD&S funds. Recently, there has been a pronounced decline in submission and approval of PVO proposals, primarily the result of the difficulty in obtaining Ministry of International Cooperation (MIC) authorization. USAID has for some time now been considering and seeking alternate funding sources and mechanisms which would simplify and expedite both the review of PVO proposals within the Mission as well as the lengthy MIC approval process. In May, 1987 the Mission finalized the procedures for financing and monitoring PVO activities funded from the proceeds generated by the monetization of some Title II commodities, with the expectation that the experience with these simplified procedures would provide the basis for a future PVO Fund.

Egyptian PVOs number approximately 13,000. USAID supports a great number of them through the local units in the 26 governorates under the Local Development II Project. The typical activities supported are day-care centers, village public health clinics, literacy classes, vocational training centers for youth and adults and technical planning, management and implementation. However, the potential development resource represented by IPVOs remains to be fully utilized.

The Mission policy is to activate IPVOs to participate in USAID development efforts. USAID has therefore started identifying the institutional characteristics of Egyptian PVOs to better utilize their potential development resources. USAID has recently completed its first-time registration of an Egyptian PVO, namely CEOSS (The Coptic Evangelical Organization for Social Services).

CEOSS is a good example of a very active and effective IPVO with extensive experience in development. CEOSS has implemented two USAID-funded, CRS-sponsored activities in the areas of beekeeping and income generation. USAID has approved in principle a second phase of CEOSS's Income and Employment Generation activity and three other activities under the USAID/CRS Special Account, namely, Cattle Breeding; Rabbit Raising and Agricultural Extension.

III. STATEMENT OF WORK:

The assessment will answer the following key questions:

1. Briefly, what are the common goals and purposes of these PVOs, and as stated in their current short- and long-term strategic plans? What are the major distinctions which set apart the goals and strategies of each? How have their strategies changed over the last 10 years?

2. Do PVOs believe they have a good understanding of USAID's country development strategy overall and in specific sectors?

3. What characteristics are shared by the particularly successful PVO projects in terms of:

   a. Project Concept,
   b. Target groups,
   c. Scale of project,
   d. Sector Focus, and
   e. Counterpart relationships.

4. In the light of interviews and questionnaire responses, what do US PVOs operating in Egypt perceive as their major strengths and weaknesses:

   a. Strategic planning capability,
   b. Project design,
   c. Project implementation,
   d. Technical assistance,
   e. Expertise in technical sectors,
   f. Relationship with host government,
   g. Institutional development,
   h. Project sustainability, and
   i. Replicable pilot projects.

5. Do the PVOs contemplate becoming more involved in the near future in efforts to increase the capacity of Indigenous Private Voluntary Organizations (IPVOs)? What linkages exist at present? How strong are they? What do the PVOs think is the appropriate framework for such assistance? What assistance is needed? What assistance could they provide?

6. What kinds of PVO umbrella projects has USAID financed around the world that could be applicable to Egypt?

7. How do IPVOs view their experiences with USAID projects? What are the advantages and frustrations of working through a US PVO?

8. Analyze PVO relationships with USAID and the major government counterpart organizations, including Ministry of International Cooperation (MIC), MSA and technical Ministries; specifically with regard to:

   a. grant application and approval procedures, reporting requirements, etc., and

   b. communication and information exchange.

   If problems exist in these or other areas, recommend ways to improve relationships. Can the number of government clearances be reduced?

9. What internal obstacles do PVOs face in program operations, project design and implementation processes, including PVO internal management and programming constraints/restraints? If necessary, recommend assistance USAID could provide.

10. What is the attitude of the Ministry of International Cooperation (MIC) towards PVOs? What does it view as the major strengths of PVOs and opportunities for their participation? Identify MIC's minimum requirements for an umbrella project.

11. In light of the findings, recommend structure for PVO Umbrella Project. Identify the generic criteria and minimum requirements USAID should seek in USAID-supported PVO activities. Recommend changes as needed to improve PVO-USAID communication, assist PVO project design/implementation, and simplify USAID procedures.

IV. **TEAM COMPOSITION:**

The evaluation team will be conducted by a six person team:

- An external consultant (Team Leader) having broad experience with PVOs, and
- Two USAID/Egypt USDHs and two FSNs, and one PVO staff member.

V. METHODS AND PROCEDURES:

1. Prior to commencement of the evaluation, USAID/Egypt will compile available project documents and evaluation summaries on USAID funded PVO projects as well as background information. (USAID Policy Determination on PVO's, other USAID evaluations of PVO activities, etc.) A modified version of the questionnaire used in A Study of A.I.D./PVO Collaboration (USAID, 11/9/87) will be sent to US PVOs with offices in Egypt and USAID/Egypt staff working with PVOs. To assist in timely completion of interviews, the PVO Office will schedule appointments with US PVO directors.

2. The team leader will spend 3 days in AID/W taking an inventory of AID-financed PVO umbrella projects, focusing particularly on effective methods of streamlining sub-grant approval and implementation procedures, without running afoul of AID's accountability responsibilities.

3. Before starting work in Cairo, the team will be briefed by the Associate Director of Program Development and Support and the Program Office Director and hold a half day planning session.

4. The Evaluation Team will review background material and interview PVO, GOE, and USAID staff. The team will also interview selected IPVOs.

5. The team will analyze questionnaire and interview information and prepare an evaluation report providing findings, conclusions, and recommendations responsive to the questions in the Statement of Work.

VI. DURATION:

The above tasks require 5 work weeks by the Team Leader who will be responsible for writing the final report and 2 weeks by each of the USAID/Egypt staff and the PVO representative.

VII. REPORTING REQUIREMENTS:

1. The evaluation team will brief the Associate Mission Director/Program Development and Support and the PVO and Evaluation Officers mid-way through the evaluation on progress to date.

2. The team will submit a draft report to USAID and participating PVOs three weeks after they commence work. A meeting will be held to discuss the draft. The final report will take these comments into account.

3. The team will submit the final evaluation report to USAID and PVOs within one week after discussions on the draft. Copies of the final report will be provided to participating PVOs (9) and USAID (8) copies.

4. The format for the report should be as follows:

   - Executive Summary of not more than three single spaced pages which includes major findings and recommendations.

   - Main Report consisting of the information and evidence on which the conclusions and recommendations are based. The information should be analyzed, and integrated to respond directly to the key questions in the Statement of Work. The report should not exceed thirty double-spaced pages.

   - Annexes should include the evaluation Scope of Work, analysis of questionnaire responses and comparison with results of the original survey, a bibliography of documents consulted, a list of individuals interviewed and their agency affiliation, and other information considered appropriate by the team.

5. The team will conduct debriefings for USAID to present their major findings, conclusions and recommendations.

APPENDIX B

PERSONS CONSULTED

Agency for International Development

A.I.D./Washington:

George Laudato PPC
Steve Grant ANE/PVO
Richard Whitaker ANE/PVO
Anne Drabek AFR/PVO

USAID/Egypt:

Assessment Team:

Peter Downs PDS/P
Seifalla Hassanein DR/LAD
Karl Jensen IS/IR
Makram Naguib DR/LAD
Fawzia Tadros HRDC/H

Marshall Brown D
Charles Weden DD
John Patterson AD/PDS
Vikka Molldren PDS/P
Daniel Leaty PDS/P
Sydney Anderson PDS/P
Karim Gohar PDS/P/PVO
Laila Boutros PDS/P/PVO

Don Wadley DR/LAD
Tony Doggett DR/LAD
James Sarn HRDC/H
Terry Tiffany HRDC/P
Jerry Wood HRDC/ET
Mark Ward LEG
Frank Miller PDS/PS
Lottie Erickson PDS/P

Government of Egypt

Dr. M.A.A.S. El-Banna	MSA
Abdul Azziz Al-Hakkim	General Federation of Vol. Agencies
Dr. Abd. H. El-Har	"
Sayed Labib	Directorate of Social Affairs, Alex.
Mahmoud M. Gad El-Maaz	Dept. of Productive Families, MSA
Zeinab T. El Naggar	MSA
Anwar Sherif	MSA
Ahmed Abd. El-Salam Zaki	Ministry of International Cooperation

PVOs

Nabih Abbas	Sidi Bishr Society
Ragui Assad	Center for Development and Future Studies
Paul Barker	CARE
Mrs. Bousina	Alex. Federation of PVOs
Drew Collins	CRS
Peter W. Cross	IESC
Michael Diamond	Plan International
Sherif Ebeid	ACDI
Mohammed 'id	Guidance Association (Alex.)
Mahmoud Gad	ISSC, Tanta
Jay Jackson	CARE
Neal Keny	Save the Children
Dr. Fathy el-Malak	YMCA
Sawsan El-Mesiri	CHF (consultant)
Michael O'Farrell	AALC
Linda Oldham	Save the Children (consultant)
Nabil Riyad	YMCA (Alex.)
Alex Rondos	CRS
Nabil Samuel	CEOSS
Linda Schmidt	Plan International
John C. Viste	Amideast
Joshua Walton	ACDI

Other

Roger Hardister	Near East Foundation
Barbara Ibrahim	Ford Foundation
Rachel Mai Jones	Consultant
Hind Khattab	Consultant
Sarah Loza	Consultant
Leo A. Pastore	Chemonics (Sen. Admin. Officer, LD-II)

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	Zaire

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October 24, 1988

To: Members of PVO/NGO Assessment Team

From: John Rigby
Team Leader

Re: Getting Into Focus: Purpose and Targets

At this stage, one week into our effort, I see our assignment revolvi around four fundamental, interrelated issues:

- o Compatibility of a discrete PVO umbrella project with the wider range of USAID activities in Egypt, including existing mechanisms for USAID support of PVOs (e.g., through LDII, Health JWG, etc.)
- o Current, prospective relationship between USPVOs and IPVOs
- o Nature, extent of Government of Egypt role
- o Mechanism(s) adequate to reconcile the "multipolarity" among principal players -- i.e., GOE, USAID, PVOs, IPVOs.

My initial inquiries, including consultations with each of you and following leads you have suggested, make it abundantly clear that the vast array of sub-issues and topics prompted by these four basis points make it essential that our inquiry operate from some more precise focus on just where, within the PVO/IPVO spectrum, we should direct our attention. What, really, can be done with an umbrella project? With whom should we be dealing.

For starters, I suggest we establish a GOAL and PROJECT PURPOSES along the lines of Attachment A, expressed in LogFrame (first vertical column) form. The thrust is umbrella project assistance to help Egyptian community-based organizations achieve development objectives, the USPVO and Egyptian IPVO intermediaries. The project assistance would be funding and other forms of help (including R&D, management training anc technical assistance).

Understanding of the types of organizations with which the umbrella

project might work and/or those groups intended to be benefited by the resources of the project, requires some categorization

-- of the place, within the PVO/NGO spectrum, of PVOs/IPVOs likely to be involved with an umbrella project; and

-- of the kinds of institutional or capacity improvement (and indicators) which the project might foster.

On these points, I annex three papers which I find helpful in my current work here, and which reflect analyses which have some standing within the global A.I.D. experience of dealing with PVOs/NGOs. I solicit your help to me in translating these to the specifics and realities of Egypt. The annexes are:

o Appendix B -- David Korten's "Generational Analysis" of PVOs (expressed here in terms of IPVOs).

  I see our focus in Egypt as falling largely within the Second ("community development" "Generation"

o Appendix C -- An analysis (by DAI and Cornell) of institutional development indicators based on a study of two USPVOs concentrating on institutional strengthening of indigenous PVOs.

  This suggests that programs aimed at institutional strengthening through collaborative relationships are susceptible of monitoring and evaluation.

o Appendix D -- A more recent ISTI study, taking the two earlier pieces (App. B and C) a bit further, but covering a mix of USPVO work with independent IPVOs as well as local "spin-offs" of USPVOs.

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Proposed PVO/NGO Umbrella Project

Initial Draft LogFrame "ACHIEVEMENTS" Column

jtr/October 24, 1988

GOAL: To improve the quality of life of low income residents in rural and urban Egypt through sustainable community-based self-help activities

PURPOSES:

1. Indigenous private voluntary associations, groups and organizations plan, finance, implement, and maintain programs and projects which promote sustainable community-based, self-help activities

2. Indigenous private voluntary associations, groups, and organizations secure capacity and mobilize local and external resources necessary to achieve Purpose 1.

OUTPUTS:

1. Indigenous private voluntary associations, groups and organizations (Group I) assisted to achieve Purposes 1 and 2.

2. Intermediary IPVOs (Group II) assisted to help Group I achieve purposes

3. Intermediary USPVOs (Group II) assisted to help Group I and Group II achieve purposes.

INPUTS

1. R&D for, and management training and technical assistance to, Groups I, II, and III.

2. Grants to Groups II and III.

3. Project management, support and evaluation..

STRATEGIES OF DEVELOPMENT ORIENTED IPVOS

David Korten's "Generation"
Analysis of IPVOs

		GENERATIONS		
		FIRST	SECOND	THIRD
DEFINING FEATURES	--	Relief & Welfare	Community Development	Sustainable Systems Development
PROBLEM DEFINITION	--	Shortage	Local Inertia	Institutional & Policy Constraints
TIME FRAME	--	Immediate	Project Life	Indefinite Future
SCOPE	--	Individual Or Family	Neighborhood Or Village	Region Or Nation
CHIEF ACTORS	--	IPVO	IPVO & Community	All Public And Private Institutions That Define The System
DEVELOPMENT EDUCATION	--	Starving Children	Community Self-Help	Interdependence System-Failure
MANAGEMENT ORIENTATION	--	Logistics Management	Project Management	Strategic Management

jtr - 10/21/88

DAI-CORNELL INSTITUTIONAL DEVELOPMENT CATEGORIES AND INDICATORS

Taken from the January 1985 study prepared under contract for AID by Development Alternatives, Inc. (under Contract PDC-1406-I-1097-00) and Cornell University (under Contract DAN-1096-G-SS-4099-00). The complete title of the Report is:

Private Voluntary Organizations and Institutional Development: Lessons From International Voluntary Services, Inc. and The Institute for International Development, Inc.

This outline covers indicators, based on study of two US PVOs concentratin on institutional strengthening of indigenous PVOs (IPVOs), whether institutional development has been achieved in terms of

- o organizational capacity building capacities
- o organizational linkage categories
- o categories common to organizational capacity building and organizational linkages

A. ORGANIZATIONAL CAPACITY BUILDING CATEGORIES

1. Resource Management (allocation, distribution, mediation)

   a. IPVO possesses and maintains adequate financial resources, facilities and equipment
   b. Resources are allocated according to predetermined and established criteria
   c. Resources are distributed efficiently and in a timely fashion
   d. System(s) exists for mediation in conflicts over distribution of resources

2. Service Delivery

   a. Services or products are of the type and quality required to meet the needs of beneficiaries and constituents
   b. Supply is being distributed efficiently

3. Diversification (ability to innovate and be flexible)

   a. Programs/solutions have been undertaken to meet additional beneficiary demands
   b. iversification has not overextended the IPVO
   c. Expansion of service delivery has not overextended the IPVO

4. Human Resources, Administrative Performance/Incentives

   a. IPVO has adequate number of internal human resources to perform key functions
   b. Appropriate incentives exist to motivate staff (compensation, benefits, per diem, bonuses, rewards for high performance, etc.)
   c. IPVO has authority hire, fire, and remunerate staff
   d. IPVO has training program for its staff (formal, informal, regular, etc.)

5. Leadership and Management Style

   a. Leaders are selected in ways that are perceived as legitimate by staff/members
   b. Decisions are made on the basis of consultation (open or closed management style).

6. Planning, Monitoring, and Evaluation

   a. There is a planning process that is documented, perceifved as useful, and used by the IPVO
   b. Information is gathered and records are kept that permit assessment of progress toward meeting objectives (expenses, activities, performance, outputs, problems).
   c. Evaluations have been used to assist in the planning process

7. Learning

   a. IPVO has made deliberate moficiations of its objectives and programs on basis of experience/evidence
   b. Evidence of regular interchange of information among IPVO staff, with constituancy groups, and interested organizations.

B. ORGANIZATIONAL LINKAGE CATEGORIES

8. Forging Links (horizontal and vertical)

   a. IPVO has entered into formal/informal agreements to exchange services, resources, or information
   b. IPVO has received official recognition from public, private, or international authorities

9. Claim-making (leverage and advocacy)

   a. IPVO represents interests of its constituency with the government, local elites, and other authorities
   b. IPVO able to mobilize resources required/desired by its constituency from other sources

C. CATEGORIES COMMON TO ORGANIZATIONAL CAPACITY BUILDING AND ORGANIZATIONAL LINKAGE

10. Resource Mobilization/Income Generation

a. IPVO has access to resources required to do the job.
b. IPVO has control over resources.
c. IPVO has specific awareness of future resources needed and realistic idea of where they will come from.
d. IPVO mobilizes resources from its members/constituency

11. Accountability/Responsiveness

a. Speicific procedures exist for client group input, and
b. IPVO has satisfactorily responded to client group demands
c. IPVO accounts to constituency for their financial participation

12. Conflict Management (resolution/mediation)

a. IPVO mediates conflictging interests among constituency or members

13. Demonstration Effect

a. IPVO has served as a model for replication.

D

ISTI STUDY ON "ACCELERATING INSTITUTIONAL DEVELOPMENT"

Taken from the September 1987 Report of the International Science and Technology Institute, Inc. (ISTI), "Accelerating Institutional Development." This was a Final Report, prepared by Richard Huntington, in the "PVO Institutional Development Evaluation Series" commissioned by AID's Bureau for Food for Peace and Voluntary Assistance, Office of Private and Voluntary Cooperation.

The ISTI Report, following on the Korten analysis and the DAI-Cornell framework for judging institutional development, compiled "an empirically based assessment of the role of U.S. PVOs in fostering and strengthening sustainable private institutions in third world communities. The ISTI Report covered studies of 28 IPVOs or developing country affiliates of 12 USPVOs, in 18 countries (6 in each of AID's regional bureau areas).

The Final Report included this summary of five principal characteristics of successful institutional development yeilding a strong and viable IPVO:

1. People

   Leadership and the ability to attract and retain good senior staff

2. Roots

   An organization must have a community base of support. The community may be a village or chieftancy, or it may be a network of influential people in a capital city combined with a program to involve citizens, churches, or other groups in periodic activities to support the organization in question.

3. Networks

   The worst thing that can happen to a small service or development organization is that it became isolated and thereby reinvents wheels, duplicates the activities of others, and fails to make the best use of scarce resources. An institution needs to have:

   o Networks with similar organizations in country

   o Relationships with appropriate government entities; and

   o International relationships

4. Systems and Strategies

There need to be management and information systems, even simple ones, used in a way that allows for the correction of errors, the improvement of programs, the development of promising lines, and the dropping of unpromising programs. Institutional strength includes the ability to evolve, grow, and adapt to changing situations. This depends on having a vision of the major institutional goals, including acknowledgement of priorities and trade offs, and strategies and timnetables for accomplishing them. Management information systems provide the information necessary to guide, monitor, and evaluate the progress and performance.

5. Resources

An organization must have a diversified portfolio of financial support and sources of income, e.g., private funds, the parent PVO, multilateral donors, bilateral donors, private foundations, NGOs from different nations, income generating activities, home government support, philanthropic contributions, etc. Given the uncertainties of budget cuts, shifting priorities of donors and national governments, an organization too dependent on one source will not outlive the current regime, trend, or budgetary distribution.

The PVOs which participated in the ISTI study, and their related IPVOs which were covered by the study, are:

PVOs	IPVOs
Episcopal Church of the USA (ECUSA)	Church of the Province of Kenya
YMCA of USA	Kenya YMCA
Goodwill Industries of America	Caribbean Association for the Rehabilitation of the Disabled (CARD)
	Jairos Jiri Institute, Zimbabwe
	Asociacion Panameña de Industrias de Buena Voluntad (APIT)
Save The Children Federation	Fundacion de Desarollado Communidad (FUDECO), the Domincan Republic
	Save the Children, Zimbabwe

PVOs	IPVOs
World Relief Corporation (WRC)	Comite de Developpement et de Planification (CODIPLA), Haiti
World Vision Relief Organization	World Vision Relief Organization (WVRO), the Philippines
	World Vision Relief Organization (WVRO), Indonesia
International Institute for Rural Reconstruction (IIRR)	International Institute for Rural Reconstruction, HQ and Social Laboratory, Cavite, the Philippines
	Guatemalan Rural Reconstruction Movement
Foundation for the Peoples of the South Pacific (FSP)	FSP/Solomon Islands (Soltrust)
	Solomon Islands Development Trust
	FSP/Tonga; Tonga Community Development Trust (TCDT)
Centre for Development and Population Activities (CEDPA)	CEDPA Alumnae Units, Kenya
	CEDPA Alumnae Units, Egypt
	PRERANA, India
Accion International	Asociacion Para El Desarrollo de Microempresas (ADEMI), the Dominican Republic
Lutheran World Relief	LWR Andean Regional Office Centro de Investigacion Educacion Desarrollo (IDEAS), Peru
	Centro de Investigacion Educacion y Desarrollo (CIED), Peru
	El Equipo para Desarrollo de Cajamarca (EDAC), Peru
Opportunities Industrialization Centers International (OIC)	Liberian OIC
	OIC-Ghana
	OIC-Nigeria
	Lesotho OIC

PVO DISBURSEMENTS BY AID FISCAL YEAR

GOVERNORATE	FY 87 4thQ	FY 88 1stQ.	2ndQ	3rdQ	4thQ	TOTAL
1. MENOUFIA	100,000				1,312,760	1,412,760
2. NEW VALLEY	50,000				213,345	263,345
3. SOHAG	100,000				935,650	1,035,650
4. DALIUBIA (Fayoum)	100,000				419,210	519,210
5. DAKAHLIA	100,000				1,300,550	1,400,550
6. BEHEIRA	100,000				1,100,075	1,200,075
7. ASSIUT	100,000				890,665	990,665
8. DAMIETTA	100,000				235,900	335,900
9. BENI SUEF	100,000				647,595	747,595
10. KAFR EL SHEIKH	100,000				al	100,000
11. SHARKIA	100,000				1,593,165	1,693,165
12. QENA	100,000				842,210	942,210
13. GHARBIA	100,000				1,121,920	1,221,920
14. CAIRO (k)		800,000			al	800,000
15. ALEXANDRIA (k)		560,000			al	560,000
16. GIZA (k)		160,000			al	160,000
17. QALIUBIA (k)		160,000			381,805	541,805
18. PORT SAID (k)		100,000			108,875	208,875
19. SUEZ (k)		100,000			186,375	286,375
20. GIZA		100,000			681,625	781,625
21. FAYOUM		100,000			a	100,000
22. ISMAILIA		100,000			182,445	282,445
23. ASWAN		100,000			441,395	541,395
24. MINIA		100,000			1,354,635	1,454,635
25. MATROUH				50,000	201,865	251,865
26. RED SEA				50,000	145,260	195,260
27. NORTH SINAI				40,000	265,015	305,015
28. SOUTH SINAI					111,855	111,855
TOTAL L.E.	1,250,000	2,380,000	0	140,000	14,674,195	18,444,195
TOTAL $	568,182	1,081,818	0	63,636	6,378,812	8,092,448

Regis-

[illegible]

I. Please respond to the following questions in [illegible]

Agency Name:

1. Purpose:

(a) Is your organization philanthropic [illegible] service oriented in purpose?

(b) Is your organization nonprofit, non[illegible] nongovernmental?

(c) Is your organization a university, [illegible] accredited degree-awarding institution [illegible] foundation or other similarly structured organization engaged exclusively in research or scientific activities?

(d) Is your organization a church or organization engaged exclusively in religious activities?

2. Voluntarism:

(a) Is your organization voluntarily [illegible] some specific purpose? What is the [illegible]

(b) In the last audited fiscal year, did your organization receive voluntary contributions [illegible] money, donated goods or services from the general public?

(c) Does your organization draw upon volunteer services and/or in-kind support from the general public for the performance of some aspects of its activities?

3. Privacy:

(a) In the last audited fiscal year, did your organization receive cash from private, nongovernmental sources, e.g. individuals, groups, corporations and/or foundations?

(b) In the last audited fiscal year, did your organization receive cash from non-private sources, e.g. cash contributions directly or indirectly from the government, the United Nations, and other public international organizations, and foreign governments [illegible] all in-kind contributions)?

Best Available Document

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(c) During the last audited fiscal year, what was the ratio of cash received from private [illegible] to the cash received from non-private [illegible]?

4. Program Activities:

(a) What voluntary charitable and/or development assistance operations of a nonprofit nature your organization involved in?

(b) Describe in detail the program scope and activities currently implemented by your organization.

5. Financial and Administrative Control:

(a) Does your organization have an annual financial statement prepared by an independent (chartered) accountant/auditor attesting to the fairness or accurateness of the figures as presented in the audit and that accounts are maintained in accordance with generally accepted accounting principles?

(b) What is the annual size of your organization's operations? Compare income to expenditures over the last fiscal year.

(c) Is your organization controlled by an active and responsible governing Board of Directors which maintains effective policy and administrative control? How often does this Board meet? Does its members serve without compensation? If paid officers serve on the Board, can they constitute a majority in any decision?

(d) Of the organization's total expenditures during the last audited fiscal year, what was the percentage of expenditures in support of the stated program objectives?

(e) During the last audited fiscal year, what was the ratio of the cost for promotion, publicity, fund raising and administration to program costs?

(f) In the last audited fiscal year, what percentage was the fund raising, publicity and promotion costs of the total cash and in-kind contributions to the organization?

Best Available Document

(g) In the last audited fiscal year, what percentage was the total expenditure for fundraising, publicity, promotion and administration of the total cash and in-kind contributions to the organization?

(h) What are the salaries of the top five headquarters and overseas (if any) directors?

6. Legal Status:

(a) Under which Egyptian law(s) is your organization established as a legal entity?

(b) If registered with the Ministry of Social Affairs (MSA), what is the Registration Number and date?

(c) What are the activities authorized by the MSA registration?

1. Charitable _____
2. Developmental _____
3. Health Services _____
4. Educational Services _____
5. Other _____

(d) Does your organization enjoy a tax-exempt status? Does your organization enjoy a customs-exempt status?

(e) What are the appropriate government approvals, licenses, and/or articles of incorporation which affirm the legal nonprofit nature of your organization?

II. Registration Documentation to be Furnished in Support of Certification of Eligibility:

a. Articles of incorporation, by-laws, constitution, and any other relevant documents which describe the purpose of your organization, its methods of management, and scope of program.

b. A copy of the MSA registration certification.

c. Copies of statements of tax and customs exemptions.

d. Copies of all other appropriate government approvals and licenses which affirm the legal nonprofit nature of your organization.

Best Available Document

e. Latest financial statement prepared by an independent (chartered) accountant/auditor who can certify, in accordance with generally accepted accounting principles, that the organization is financially viable.

f. Current budget, detailing sources of income, administrative (personnel and related overhead) expenses, and program costs.

g. Annual report of program activities (with a last year or document of similar import.

h. Names and addresses of members of Board of Directors; average number of times Board meets in a year; and minutes of Board Minutes and/or other evidence demonstrating that the Board has an active role in the governance and that there is no apparent conflict of interest in the conduct of the organization's governing body.

i. Compensation statement disclosing the top five headquarters and overseas (if any) directors.

In the absence of any of the above documents, please furnish available substitutes which you judge provide the same or equivalent information.

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January 19, 1988.

INDIGENOUS PVOS (IPVOS)

Egyptian PVOs number approximately 13,000. USAID supports a great number of them through the local units in the 26 governorates under the Local Development II Project. The typical activities supported are day-care centers, village public health clinics, literacy classes, vocational training centers for youth and adults and technical planning management and implementation. However, the potential development resource represented by IPVOs remains to be fully utilized.

The Mission policy is to activate IPVOs to participate in USAID development efforts. USAID has therefore started identifying the institutional characteristics of Egyptian PVOs to better utilize their potential development resources. Mission registration procedures are currently being finalized to make IPVOs eligible for direct USAID funding.

USAID is currently reviewing applications for registration submitted by two IPVOs, namely CEOSS (Coptic Evangelical Organization for Social Services) and AWA (Adventist Welfare Association).

CEOSS is a good example of a very active and effective IPVO with extensive experience in development. CEOSS has implemented two USAID-funded, CRS-sponsored activities in the areas of beekeeping and income generation. USAID has approved in principle three CEOSS activities under the USAID/CRS Special Account, namely: Cattle Breeding; Rabbit Raising and Agricultural Extension.

Clearance:

PPP/P/PVO: Karim Gohar in Draft.

LB

Drafted by: PPP/P/PVO: Laila Boutros (1/19/88):hk
DOC NAME (DIRBRIEF).

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January 19, 1988.

U.S. PRIVATE VOLUNTARY ORGANIZATIONS

(A) PROGRAM SCOPE:

At present there are ten U.S. PVOs implementing USAID-funded activities in Egypt. Currently, USAID supports U.S. PVO activities in the areas of agriculture, health, nutrition, and income generation. The greater number of USAID-supported PVO activities are in the form of direct grants. Historically, the source of funding for unsolicited proposals has been the umbrella project, Technical Cooperation and Feasibility Studies ($) and AID Activity Trust Fund (L.E.).

CARE and CRS stand at the forefront of U.S. PVOs with the longest-standing presence in Egypt; they have been operating in Egypt under Bilateral Agreements with the Government of Egypt (GOE) since 1974 and 1976, respectively. These two organizations have been the cooperating sponsors for the PL-480 Title II food program in Egypt since 1975.

Over the past ten years CARE and CRS implemented a fair number of USAID-funded activities in the areas of income generation, agricultural mechanization, aquaculture, beekeeping, nutrition education, community development, road construction and provision of potable water. CARE has recently started implementing a project* which provides additional income to rural families and at the same time aims at upgrading the programming and management capabilities of 65 indigenous Community Development Associations in four governorates. CARE is due to soon start a USAID-approved activity which provides financial and management assistance to two fishermen cooperatives in South Sinai while CRS is planning to start a project which provides assistance to small scale enterprises.

ACDI is one U.S. PVO which only recently finalized a Bilateral Agreement with the GOE. An ACDI proposal for a pilot T.V. series for rural agricultural education was recently approved in principle by USAID. This activity* holds promise as a successful endeavor in an area new to U.S. PVOs operating in Egypt.

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* To be financed from the USAID/CRS Monetization Special Account described in Section (B) of this document.

The following table lists all PVO activities currently under implementation or completed in FY 87:

PVO	Umbrella Project	Type of Activity	PACD	Type of Agreement
AALC	Tech Trnsfr & Mnpwr. Dev. & AID Activity Trust Fund	Vocational Trng.	9/88	Grant
ACDI	Small Farmer Production	TA in Ag. Credit	7/87	Grant
ACDI	Ag. Prod.& Credit Prog.	TA in Ag. Credit	8/88	Contract
ACDI	Sector Dev. & Support	TA in SSE Credit	9/88	Coop. Agree.
AMIDEAST	Peace Fellowship Prog.	Fellows Placement	5/88	Contract
AMIDEAST	Tech Trnsfr & Mnpr. Dev. & AID Activity Trust Fund	Counselling Serv.	9/88	Grant
CARE	Tech & Feas. Studies & AID Activity Trust Fund	Integ. Basic Serv.	10/88	Grant
CHF	Comm. Hsng Upgrading	Consult. Advisory	8/88	Contract
CRS	AID Activity Trust Fund	Silk Production	8/87	Grant
CRS	Tech Trnsfr & Feas/Stud. & AID Activity Trust Fund	Nutrition Education	9/88	Grant
CRS	AID Activity Trust Fund	Fish Culture	5/89	Grant
FPIA	Pop & Family Planning	Family Planning	12/88	Grant
HOPE	Tech & Feas. Studies & AID Activity Trust Fund	TA Nurs. Curricul.	1/88	Grant
IESC	Business Supp. & Invest.	TA in Bus. Invest.	9/88	Grant
SAVE	Tech Trsfr & Mnpr Dev. & AID Activity Trust Fund	Rural Development	3/87	Grant

(B) PVO DEVELOPMENT FUND:

Recently there has been a pronounced decline in approvals of PVO activities, which is the result of the difficulty to secure MIC funding authorization. USAID is now attempting to secure alternate funding sources and mechanisms which would simplify and expedite both the review of the activity proposals within the Mission and the lengthy procedure for MIC's approval of each single activity, no matter how low the funding requested by the PVO.

Over the past few years PL-480 Title II and related legislation were amended, offering opportunities to monetize surplus commodities and thereby create funds for PVOs to carry out development activities. In FY 87 AID/W approved the monetization of 1050 M/T raisins and 2000 M/T NFDM. By March 87 the Mission had finalized the procedures for financing PVO activities from the proceeds generated and deposited in a USAID/CRS Special Account initially totalling LE 4,273,000. These procedures do not require MIC approval and are meant to reduce the USAID approval process to the minimum prudently possible. This fund finances activities which promote Egypt's food self-reliance or Child Survival activities in Egypt.

Several proposals have been submitted by CARE, CRS, ACDI, SAVE and one Egyptian PVO, the Coptic Evangelical Organization for Social Services (CEOSS)*, for funding from the USAID/CRS Account.

Three activities, namely: CRS Assyut Beekeeping; CRS Samalout Beekeeping and CARE Village Self-Reliance have been approved and are under implementation. Five other activities entitled: ACDI/T.V. Series for Rural Agricultural Education; CEOSS Rabbit Raising; CEOSS Cattle Breeding; CEOSS Agricultural Extension and SAVE Child Survival have been approved in principle. All the funds in the USAID/CRS Account have been either disbursed or reserved. The experience with this Account will provide the basis for a permanent PVO Development Fund. The source of such a fund remains to be identified.

(C) FUTURE DIRECTIONS:

- Carrying out an overall assessment of the PVO program in Egypt to date, and developing generic criteria to determine the kinds of PVO activities the Mission should support.

- Establishing a permanent PVO Development Fund and developing procedures for financing PVO activities.

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* See "Indigenous Private Voluntary Organizations" document in the Briefing Library.

- Securing increasing participation of PVOs, when such engagement is developmentally most advantageous, in appropriate components of USAID-funded projects.

- Facilitating and promoting the interaction of U.S. and Egyptian PVOs.

Clearance:

PPP/P/PVO: Karim Gohar _____.

Drafted by: LMBoutros: 12/27/87 - 12/29/87 - 12/30/87 - 1/18/88
Doc. Name (DIRBRIEF), P.1-4.

B. TITLE II

1. Relationship to the Mission Strategy and ESF Program:

The PL-480 Title II program has supported USAID's health and nutrition goals since 1974, through maternal-child health feeding programs, school lunch programs, and selected feeding programs targeted at displaced Bedouin populations in the Sinai. The decision was made in 1984, however, to phase out the Title II program by 1989, based on: (1) the generally high level of food availability in Egypt, and (2) AID's conviction that a significantly improved nutritional contribution to reduced infant mortality and morbidity will come through nutrition education of mothers, including developing their capacity to fashion infant foods from their own food resources. The School Lunch Program ended in FY 1985; the Other Child Feeding and General Relief Programs are phasing out in FY 1988; and the MCH program will finish in FY 1989.

With the decision to phase out the Title II program, USAID encouraged U.S. PVOs in Egypt to consider developing proposals to utilize other A.I.D. resources including monetization of Title II and Section 416 commodities. In FY 1987 CRS has monetized 2000 M/T NFDM and 1050 M/T Raisins. The proceeds of the sale of commodities amounting to LE 4,273,000 were deposited in a Special Account. This newly established Account finances principally PVO activities which promote Egypt's food self-reliance, and secondarily PVO activities in the area of child survival. Three activities are currently under implementation while another five activities have been approved in principle. During the current FY 88, the mission will be considering alternative sources for replenishing this fund and establishing a permanent PVO Development Fund which would replace the Project 0102 as the source of funding for PVO activities.

2. Capacities of the Cooperating Sponsors:

As the Title II program is phasing out, the capacities of the Ministries of Health, Education, and Social Affairs to administer the program are no longer at issue. Along with the phase-out, USAID, CARE, and CRS had hoped to assist the GOE with some self-reliance measures that could compensate for the phase-out of Title II food. The Ministry of Education and the Nutrition Institute, however, have been slow to implement a program to develop an indigenous nutritious cookie for school lunch programs. Similarly, the Ministry of Health and the Nutrition Institute were unable for three years to obtain MIC approval for USAID funding to develop an indigenous weaning food supplement (WFS) for the MCH program. In FY 87, USAID finally decided to drop the WFS proposal.

3. Need for Complementary Inputs:

There are only modest needs for complementary inputs between now and the end of the Title II program in 1989.

Clearance: PPP/P/PVO: Karim Gohar _____.

Document # 0847A, page 15, Drafted by: PPP/P/PVO: Laila Boutros (1/19/

October 16, 1988.

CASH GRANTS TO PVOs

PVO	PROJECT TITLE	USAID CONTRIBUTION LE	USAID CONTRIBUTION $	APPROVAL DATE	COMPLETION DATE	GOE/PVO CONTRIBUTION LE	GOE/PVO CONTRIBUTION $	TOTAL COST OF PROJECT LE	TOTAL COST OF PROJECT $
	ESF/FT-800 ON-GOING PROJECTS:								
CRS	Intensive Fish Culture (Amended)	1,358,000		10/20/83	05/30/89	1,260,000		2,618,000	
CRS	Nutrition Education II	783,100	259,498	06/27/83	10/31/88	2,899,288		3,682,388	259,498
CARE	High Dam Lake Integ. Basic Services	512,000	282,700	11/01/84	12/31/89	1,117,256		1,629,256	282,700
CARE	South Sinai Fisheries Development	1,308,173	77,600	08/23/88	11/27/90	599,230	184,030	1,907,403	261,630
	Sub Total	3,961,273	619,798			5,875,774	184,030	9,837,047	803,828
	ON-GOING MONETIZATION PROJECT:				DURATION	GOE CONTRIBUTION			
CARE	Village Self-Reliance	1,515,000			3 years	1,831,000	830,000	3,346,000	830,000
ACDI	National Pilot Test of a Television Series for Rural Agric. Education	1,427,744			1 year	517,900		1,945,644	
CRS	Assiut Beekeeping	110,567			3 years	73,164		183,731	
CRS	Samalout Beekeeping	132,476			3 years	56,176		188,652	
SAVE	Child Survival	497,168			3 years	110,638	102,169	607,806	102,469
CEOSS *	Agricultural Extension	309,016			3 years	105,394	58,696	414,410	58,696
CEOSS *	Cattle Breeding	230,162			3 years	60,882	19,720	291,064	18,720
CEOSS *	Rabbit Raising	135,491			3 years	51,471	9,280	186,962	9,280
	Sub Total	4,357,044				2,806,625	1,020,165	7,164,269	1,020,165
	PROJECTS UNDER DEVELOPMENT:								
CEOSS *	Income and Employment Generation II	785,770				312,715		1,098,185	
	Sub Total	785,770				312,715		1,098,185	
	Grand Total	9,104,687	619,798			8,995,114	1,204,195	18,099,801	1,823,993

PROJECT NUMBER	PVO	PROJECT TITLE	USAID CONTRIBUTION LE	$	APPROVAL Date	COMPLETION Date	REMARKS CLOSURE LETTER DATE
PROJECTS COMPLETED:							
263-0005-G-00-1010-00	CARE	Bir El Abd Potable Water	270,000		12/10/80	01/31/83	December 13, 1982
263-0498006	CRS	10 Horsepower Agriculture	67,500		09/26/79	03/31/81	November 8, 1982
263-0498001	CRS	CEOSS Beekeeping	69,510		12/28/78	06/30/82	December 5, 1982
263-899-935-9605	CRS	Nutrition Education I	218,075		06/13/79	12/31/81	March 1, 1983
263-80-G-011	CRS	Nomads in the Red Sea	108,840		04/27/80	05/03/83	July 12, 1983
263-00FT-G-00-1054-06	CARE	High Dam Lake Fish. Shelters	307,000		08/09/81	12/31/83	March 29, 1984
263-00FT-G-00-2047-00	CRS	Multicrop Threshers/Winnowers II	480,648		06/27/82	03/31/84	July 16, 1986
263-0026-G-00-1048-00	SAVE	Rural Development in Minia	341,133	257,525	07/20/81	03/31/87	September 16, 1987
263-00FT-G-00-3023-00	CRS	Income & Employment Generation	259,330		05/22/83	08/22/86	September 16, 1987
263-00FT-G-00-5004-00	CRS	Revival of Raw Silk Production	136,205		11/01/83	08/31/87	September 16, 1987

Drafted by: PDS/P/PVO: Laila Boutros.

DOC # 0330A - DISK # 0048A).

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b. USAID approval of subordinate agreements or contracts;

c. USAID involvement in selection of key personnel; and

d. USAID monitoring to permit specified kinds of direction of the work because of interrelationships with other projects.

B. Agency Policy:

AID Policy Paper: Private and Voluntary Organizations states that PVOs are development partners "both as intermediaries in conducting AID's programs and as independent entities in their own right". This support to PVOs is consistent with the dual Congressional intent to facilitate the development activities of PVOs which are consonant with AID development objectives, while at the same time protecting and preserving the independence and voluntary nature of PVOs.

C. USAID/Egypt Policy:

The Country Development Strategy Statement (CDSS) identifies those major development goals of the GOE which USAID will support. In Egypt USAID-supported PVO activities need not be confined to the same sectors and the same geographic regions as USAID; however, they should be an integral part of a consistent and coordinated utilization of resources to address Egypt's major development priorities.

Based upon the long and solid record of PVOs in Egypt's development, the CDSS states that USAID will increase its support for PVOs, U.S. and indigenous, during the planning period.

III. FUNDING PROVISIONS

A. PVO Eligibility for Funding:

1. Non-Indigenous PVOs:

Eligibility of all non-indigenous PVOs for USAID grant and cooperative agreement funding is contingent upon the following:

a. Registration with AID:

To receive an OPG or any other type of direct AID support, except disaster relief under Section 491 of the FAA, the organization must be registered with AID. Registration signifies that the particular organization meets AID's definitions of a PVO. AID/W is responsible for registering (and annually reviewing the registration of) U.S. and all other non-indigenous PVOs.*

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* Two registries -- one of U.S., the other of foreign PVOs -- are maintained and issued periodically by AID/W.

b. GOE Operating Authorization:

The non-indigenous PVO must have adequate GOE authorization to operate in Egypt. The range of GOE operating authorizations include GOE/PVO bilateral agreement, GOE/PVO letter of authorization, and the GOE/USG bilateral agreement. The key circumstance dictating which GOE operating authorization shall be considered adequate centers on the PVO intent in coming to and operating in Egypt. The policy follows:

(1) When a non-indigenous PVO comes to Egypt at its own instigation and proposes to expend its own funds, it may decide to carry out an activity under a "letter of authorization" which is a GOE mechanism providing temporary authorization for the PVO to carry out a specific activity. Letters of authorization may be issued by an undersecretary, the director of a university or a hospital, or a governor. With only a letter of authorization, USAID may fund the PVO via a contract. However, when the PVO seeks grant or cooperative agreement funding from USAID to support its own activities, the appropriate GOE operating authorization is a GOE/PVO bilateral agreement. The bilateral is necessary because it:

(a) maintains the organizational and financial independence of the PVO in relation to the USG;

(b) helps GOE ministries understand the modus operandi of PVOs -- these ministries frequently are more familiar with contractors and the procedures applicable to contractors;

(c) avoids ambiguity and misunderstanding with the GOE concerning the PVO's status in the country; and

(d) avoids embarrassment and suspicion which could occur if a PVO without a bilateral receives a USAID grant but attempts to operate the multi-faceted type of program (normally authorized by a bilateral agreement) instead of the activities strictly limited to those of a contractor.

(2) When the PVO comes to Egypt at USAID's request, (e.g. in response to an RFP) to carry out a USAID-requested activity whether by contract, grant, or cooperative agreement over a USAID-dictated time period, the operational authorization would be based on documentation such as the AID/GOE Bilateral Agreement, the individual AID/GOE bilateral grant agreements, PIO/Ts, ...etc. In such situations, no bilateral agreement between the PVO and the GOE will be necessary.