

9310919④
FD-AAL-912

AID 1880-1X (8-68)

DEPARTMENT OF STATE
AGENCY FOR
INTERNATIONAL DEVELOPMENT

Worksheet Issuance PAGE 1 OF PAGES 8

PIO/T

PROJECT IMPLEMENTATION
ORDER/TECHNICAL
SERVICES

1. Cooperating Country
Worldwide

2. PIO/T No. o/c 259
931-11-995-919-73-4p

3. Project/Activity No. and Title
3118902
Reducing Costs and Improving Performance in Construction of Public Works

4. Appropriation Symbol
72-1111006

5. a. Allotment Symbol & Charge
156-31-099-00-20-11

5. b. Funds Allotted to:
 AID/W Mission

6. Obligation Status
 Administrative Reservation Obligation Sub-Obligation

7. Original or Amendment No.: _____

8. No. of Technicians _____

9. Services to Start (Mo., Day, Yr.)
Between: 3/1/71 And: _____

10. Duration (Months)
a. Of Services 18 b. Of Financing _____

11. a. Type of Action
 AID Contract Cooperating Country Contract Participating Agency Service Agreement Other

11. b. Authorized Agent _____

Financing \$1.00 =	A. Previous Total	B. Increase	C. Decrease	D. Total to Date
12. AID Financing a. Dollars		\$185,000		
b. U.S.-Owned Local Currency				
13. Cooperating Country Contributions a. Counterpart				
b. Other				

FUNDS RESERVED
POSTED

14. Mission References

15. Objective for which the Technical Services are to be used (Describe)

This project is directed to reducing costs -- including both the short-term and long-term drain on the national budget -- of public works in developing countries. It will assist organizations in developing countries concerned with civil engineering projects financed by Government agencies to identify, formulate, and carry out materials research and adaptation projects which are designed to broaden the use of local materials, use less expensive substitute materials, and extend the life-time, enhance the safety, reduce the maintenance, and improve the performance of structures.

(continued on page 7)

16. Mission Clearances	Date	Mission Clearances	Date
<i>[Signature]</i>		<i>[Signature]</i>	<u>3/1/71</u>

17. Date of Original Issuance _____

18. Date of this Issuance _____

19. For the Cooperating Country
The terms and conditions set forth herein are hereby agreed to:

20. For the Agency for International Development

SIGNATURE DATE

TITLE

[Signature]
Kenneth S. Levick
SIGNATURE
Associate Assistant Administrator, TA/PM
TITLE

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	Project/Activity No. and Title Reducing Costs and Improving Performance in Construction of Public Works.		

SCOPE OF WORK

19. Scope of Technical Services

A. Objective for which the Technical Services are to be Used

B. Description

The project will include consideration of the principal types of construction projects involving financing by developing country Governments, including public buildings, roads, dams, bridges, culverts, sewers, and retaining walls and will encompass a variety of materials including concrete, asphalt, bricks, steel, wood, and ceramics. The inherent properties and applicability of the materials, manufacturing and construction processes, specifications, standards, quality control, preservation and maintenance will be examined. In country-specific situations primary attention will be given to locally available materials or those which are inexpensive to import. Also, it may be necessary to delimit the scope of the project more sharply in country-specific situations to correspond more closely to the responsibilities of the concerned research organization in the country.

(continued on page 7)

C. Technicians

(1) (a) <u>Number</u>	(b) <u>Specialized Field</u>	(c) <u>Grade and/or Salary</u>	(d) <u>Duration of Assignment (Man-Months)</u>
3	Public Construction Materials Engineering	\$28,000	24

(see attached estimated budget plan)

(2) **Duty Post and Duration of Technicians' Services**

U.S. and selected developing countries

(3) **Language requirements**

(4) **Access to Classified Information**

Not Required.

(5) **Dependents** Will Will Not **Be Permitted to Accompany Technician** **NA**

D. Financing of Technical Services

(1) **By AID - \$ 185,000**

(2) **By Cooperating Country - NA**

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20. Equipment and Supplies (Related to the services described in Block 19 and to be procured outside the Cooperating Country by the supplier of these services)

A. <u>(1) Quantity</u>	<u>(2) Description</u>	<u>(3) Estimated Cost</u>	<u>(4) Special Instructions</u>
------------------------	------------------------	---------------------------	---------------------------------

NA

B. Financing of Equipment and Supplies.
 (1) By AID - \$ _____ (2) By Cooperating Country - _____

21. Special Provisions

- A. This PIO/T is subject to AID (contracting) (PASA implementation) regulations.
- B. Except as specifically authorized by AID, or when local hire is authorized under the terms of a contract with a U.S. Supplier, services authorized under this PIO/T must be obtained from U.S. sources.
- C. Except as specifically authorized by AID/W, the purchase of commodities authorized under this PIO/T will be limited to the U.S. under Geographic Code 000.
- D. Other (specify): _____

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PIO/T	Project/Activity No. and Title Reducing Costs and Improving Performance in Construction of Public Works		

22. Reports by Contractor or Participating Agency (Indicate type, content and format of reports required, including language to be used if other than English, frequency or timing of reports, and any special requirements)

Progress Reports are to be submitted at 6 month intervals.

Reports of actions taken and results achieved, in each country, are to be submitted as part of the final report. The final report will also include recommendations regarding procedures and techniques which should be followed in subsequent programs of this nature.

Ten copies of all reports are required.

23. Background Information (Additional information useful to Authorized Agent and Prospective Contractors or Participating Agency; if necessary cross reference Block 19.C(4) above.)

A contract is to be placed with a U.S. institution that meets the following qualifications:

- (a) non-profit
- (b) demonstrated technical excellence in the fields of (a) construction materials for public works, (b) materials research and testing, and (c) establishment and management of industrially oriented laboratories.
- (c) familiarity with the administration and implementation of public works type projects.

(continued on page 8)

24. Relationship of Contractor or Participating Agency to Cooperating Country and to AID

A. Relationships and Responsibilities

B. Cooperating Country Liaison Official

Henry A. Arnold, Deputy Director, TA/OST

C. AID Liaison Officials

Henry A. Arnold, Deputy Director, TA/OST

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LOGISTIC SUPPORT

28. Provisions for Logistic Support	In Kind Supplied By		From Local Currency Supplied By	
	AID	Cooperating Country	AID	Cooperating Country
A. Specific Items (Insert "X" in applicable column at right. If entry needs qualification, insert asterisk and explain below in C. "Comments")				
(1) Office Space	NA			
(2) Office Equipment	NA			
(3) Housing and Utilities	NA			
(4) Furniture	NA			
(5) Household Equipment (Stoves, Refrig., etc.)	NA			
(6) Transportation in Cooperating Country		X		
(7) Interpreter Services	NA	X		
Other: (8) International Travel (to maximum extent feasible)				X
(9)				
(10)				
(11)				
(12)				
(13)				
(14)				
(15)				

B. Additional Facilities Available From Other Sources

C. Comments

PIO/T	DEPARTMENT OF STATE AGENCY FOR INTERNATIONAL DEVELOPMENT	<input checked="" type="checkbox"/> Worksheet <input type="checkbox"/> Issuance	PAGE 6 OF 8 PAGES
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FINANCIAL AGREEMENT**29. A. Cooperating Country Financing** NA

Pursuant to paragraph _____ of the PROAG or Other underlying document signed on _____ and subject to the amount shown in Block 13.D above, the Cooperating Country will provide all local currencies required for the expenditures within the country, during the period starting on the Date of this Issuance (Block 18 above) and ending on the Final Contribution Date of the [PROAG or other enabling document]: NA
authorized under this Project Implementation Order, with the exception of the following types of expenditures, which AID hereby agrees to assume:

B. As of the effective date of any contract or agreement executed under this Order, the country will establish in the name of the supplier of the services described herein, a local currency advance in the amount of: NA

30. AID Financing

Pursuant to the provisions of the above-referenced Project Agreement or other document, and subject to the limitation of the Total to Date as shown in Block 12.D above, AID will provide all U.S. Dollar Currencies required for expenditures, during the period starting on the Date of this Issuance (Block 18 above), and ending on the Final Contribution Date of _____ authorized under this Project Implementation Order, with the exception of the following types of expenditures which the Cooperating Country hereby agrees to assume:

CONTINUATION
SHEET

FORM SYMBOL

DEPARTMENT OF STATE
AGENCY FOR
INTERNATIONAL DEVELOPMENT Worksheet Issuance

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TITLE OF FORM

PROJECT IMPLEMENTATION
ORDER/TECHNICAL
SERVICES

1. Cooperating Country

Worldwide

2.a. Code No.

2.b. Effective Date

2.c.

Amendment

 Original O/A No.:

3. Project/Activity No. and Title

Reducing Costs and Improving Performance
in Construction of Public WorksIndicate block
numbers.

Use this form to complete the information required in any block of a PIO or PAA form.

15
(Cont)

Operating in the U.S. and participating countries, the project will also develop a technical basis and provide an impetus for subsequent steps by developing countries -- with or without cooperation of external development agencies -- to (a) undertake the types of materials projects which are most appropriate at different levels of national development, (b) increase the capabilities of local engineers and institutions in the analysis, testing, research, and innovation aspects of materials technologies, and (c) encourage both government and private industry to adopt the concepts of cost reduction or value engineering. Moreover, it will clarify for AID and its successor organizations and other international development agencies -- as well as for developing countries themselves -- the types of adaptive research and other action programs in developing countries that offer the most promise of making a significant impact in the field of materials technology.

19.B.
(Cont)

This project will be carried out in collaboration with host country counterpart organizations in selected and concurring developing countries. A U.S. organization with demonstrated expertise and experience in (a) materials technology, (b) establishing and managing applied research programs, (c) quality control and "value engineering," (d) business aspects of dealing with government and industry, and (e) carrying out of collaborative activities with research centers in developing countries in the field of materials technology will provide leadership. While the precise formulation of the project will depend on negotiations with the contractor, the following general approach is envisaged:

1. Literature search and consultations with U.S. experts concerning past efforts and experiences in this field. (10 percent of effort)
2. With the assistance of AID and drawing on the contractor's existing ties with developing countries, identification of promising technical institutions in four developing countries which are (a) in the mainstream of materials development and usage, and (b) known to be interested in collaborative activities. (10 percent of effort)
3. Working in collaboration with each of the selected "country project centers" and the appropriate government ministries, assessment of the current state of materials technology, clarification of gaps and weaknesses, identification of research opportunities and priorities, and formulation of specific action programs as appropriate. Preparation of summary reports for each country. (50 percent of effort)

CONTINUATION
SHEET

FORM SYMBOL

DEPARTMENT OF STATE
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TITLE OF FORM

PROJECT IMPLEMENTATION
ORDER/TECHNICAL
SERVICES1. Cooperating Country
Worldwide

2.a. Code No.

2.b. Effective Date

2.c. Original Amendment
OR No. _____

3. Project/Activity No. and Title

Reducing Costs and Improving Performance
in Construction of Public WorksIndicate block
numbers.

Use this form to complete the information required in any block of a PIO or PAA form.

19.B.
(Cont)

4. Assistance to the selected local institutions in organizing local conferences and seminars for government planners, financial managers, building organizations, and engineering firms to relate research interests to operational needs and to gain a broad base of support for a program of improvement of public works. (30 percent of effort)

23
(Cont)

- (d) experienced in dealing with the government and business community as well as technical and management personnel of industrial research centers in developing countries.
- (e) competent in the areas of specifications, quality control, value engineering and technical inspection.

It is expected that the final contract will have to be negotiated on the basis of proposals received, costs, and the practicality of the proposed course of action. Original proposals should be based upon projects in Korea, Colombia, Thailand, and Nigeria, but final selection of the countries will be made only after the initial proposals are received and after consultation with the country desks and missions involved.

Cost will be considered in awarding the contract but will not take precedence over contractor qualification or quality of proposal.

In collaboration with the AID Regional Bureau and appropriate AID Missions candidate research institutes in four or more countries will be identified. The successful contractor will participate in the final selection and then proceed to carry out the work described. The contractor will work with the collaborating institution in preparing joint reports in each of the selected countries and will prepare an overall evaluation of the project.

Appropriate reports will be furnished to the AID/W Country Desks, the Regional Bureaus, TA/OST, and the participating countries.

AID-2-3 (6-64) PASA BUDGET PLAN By Object Class	CONTRACT. PARTICIPATING AGENCY SERVICE AGREEMENT WITH: BUDGET PLAN FOR FY <u>71</u>	AMOUNT: \$185,000	PASA CONTROL NO.	Page <u>1</u>
		APPROPRIATION		Page <u>1</u>
		ALLOTMENT	PIO/T NO.	

Position	Class. Grade	FC Grade	Rate	Man Years	Salary	Differ- ential	11	12	21	22	TOTAL
							TOTAL	Personnel Benefits	Int'l.* Travel	Transportation of Things	
Professional (3)				3	\$28,000		\$84,000		\$ 7,000		\$91,000
								Per Diem	12,000		12,000
Clerical				1-1/2	8,400		12,500				12,500

	TOTAL	\$115,500
	Domestic Travel	1,000
23	Rent, Communications, Utilities	_____
26	Supplies and Materials	10,000
31	Equipment	_____
		\$96,500
	Overhead <u>60% of / %</u>	\$ 58,500
	GRAND TOTAL	\$185,000

*Estimated Per Diem:

AIRGRAM

DEPARTMENT OF STATE

931099(5)
PP-44-472
30P

UNCLASSIFIED
CLASSIFICATION

For each address check one ACTION INFO
X

DATE REC'D.

DATE SENT

12-9-71

38
DISTRIBUTION

ACTION
EAB

INFO.

ENGR
OC
CT
EAD

TO - MANILA AIDTO A 230

FROM - AID/W

SUBJECT - Reducing Costs and Improving Performance of Public Works Construction

REFERENCE -

MANILA
HECTO

ATT.

1. AID/W has executed contract AID/csd 3309 with Arthur D. Little, Inc. to carry out pilot technical assistance project with four selected countries. Purpose is to provide technical analysis, program framework and impetus which can be used by the host country to reduce the long term drain on the national budget for construction of public works. Procedure will be for technical assistance teams (from A.D. Little), working in collaboration with host Government agencies and selected technical centers, to assist local personnel to: (1) assess current status of materials technology and clarify opportunities, gaps and weaknesses in materials and processes, (2) assess nontechnical barriers to more effective employment of local resources, (3) formulate research projects and action programs of interest to local user organizations, and (4) organize local conferences to gain support and coordinated action from government planners, financial managers, builders and engineers.

2. Expect that project will identify opportunities for (1) wider use of local materials, (2) cost saving through adaptation and more effective application of modern material technologies, (3) applied research, and (4) improved testing procedures, use of standards, quality control and contracting procedures. Given host country support and active participation, anticipate end result will be (1) increased awareness of potential benefits and willingness on part of policy makers to support follow-on programs to reduce costs and improve performance, (2) improved capability on part of technical and construction personnel to implement such program and (3) availability to AID of analysis and evaluation of methodology employed for subsequent application to other countries.

PAGE	PAGES
1	OF 2

DRAFTED BY	OFFICE	PHONE NO.	DATE	APPROVED BY:
HAArnold:aes	TA/OST	28937	12/6/71	GESchweitzer, TA/OST

AID AND OTHER CLEARANCES

AID/EA/NEAP ~~Alexander:LOWS~~

UNCLASSIFIED
CLASSIFICATION

3. Colombia selected as first country and project now started there. Based on general conversations with Medina, Rojas and others believe Philippines would be excellent choice for second country. Subject your concurrence and willingness GOP to provide counterpart effort, propose Philippines as one of the follow-on countries for implementation in 1972.
4. In addition to the essential support of GOP we estimate approximate counterpart commitment should include 5 professionals for 17 weeks in Manila (with secretarial assistance and office space) plus 4 weeks at A.D. Little in Cambridge, Mass. For U.S. team require 3 desks plus table in 2 rooms near appropriate government Ministry, plus full time English speaking secretary, office equipment and transportation for weeks 20-26 and 35-36 of schedule. After initial survey in Colombia we have also recommended strongly a ministerial level policy group (see page 2 of enclosed trip report on Colombia visit). Attention also invited to conclusions of report, part of which may be relevant to Philippines. In order to accomplish as much work as possible it will probably be helpful for full time Philippine team to have available ad hoc assistance from universities and research institutes to carry out investigations which are needed during course of project.
5. GOP would have no financial obligation for U.S. personnel except for logistic support mentioned para. 4. Per diem costs of A.D. Little personnel covered by contract AID/csd-3309.
6. Contract does not cover any costs associated with local personnel such as local investigations or research which they may wish to undertake during project, seminar to be held near end of project, transportation Philippine team to Cambridge and living costs while at A.D. Little. Office space, secretarial assistance and local transportation in Cambridge will be furnished by A.D. Little. Any costs not covered by A.D. Little contract would be matter of negotiation between Mission and GOP.
7. A tentative outline of work tasks, schedule for accomplishment (for Colombia) and suggestions for host country support are attached for illustrative information. After initial experience in Colombia these would be modified appropriately for Philippines. Arrangements proposed are based on experience to date but are still reasonably flexible. Suggested variations to suit local conditions welcome. These and modifications to reflect experience acquired in Colombia can be considered during reconnaissance visit.
8. Subject your concurrence request Mission comments and reaction from GOP. If affirmative propose two week reconnaissance visit by project manager in late March. Major work period would be June-December.

Enclosures:

1. Outline of Work Tasks
2. Tentative Schedule for Accomplishment (Colombia)
3. Suggestions for Host Country Support
4. Trip Report H.A. Arnold (Colombia)

JOHNSON

9310919(6)
PD-ALL-972

DEPARTMENT OF STATE
AGENCY FOR INTERNATIONAL DEVELOPMENT
WASHINGTON, D.C. 20523

MEMORANDUM

February 26, 1971

TO: TA/OST, Mr. Henry Arnold
FROM: TA/OST, Glenn E. Schweitzer *RFW*
SUBJECT: Construction PIO/T

TA/PM has held the PIO/T until I cleared up two points with Joel, namely, will previous HUD efforts be duplicated and will the collaborating institutes in the LDCs be in a position to put research results into practice? I reassured him on both points.

Let's move forward with the request for proposals. Bill Miner has a proposal from St. Louis University on a related area, but I oppose using a university contractor. We need hard-nosed business oriented types.

cc:
✓ TA/PM:RFisher