

PD-AAF-850

(2)

367012300180Y



Auditor General

AUDIT REPORT
ON
RADIO EDUCATION TEACHER TRAINING
PROJECT NO. 367-0123
USAID/NEPAL

Audit Report Number 5-367-81-2

Issue Date October 16, 1980

Area Auditor General Near East
Agency for International Development

TABLE OF CONTENTS

	<u>Page No.</u>
EXECUTIVE SUMMARY	i
BACKGROUND	1
FINDINGS, CONCLUSIONS AND RECOMMENDATIONS	3
A. PROJECT IMPLEMENTATION STATUS	3
B. HOST COUNTRY SUPPORT	3
C. KEY IMPLEMENTATION DELAYS	11
D. PROJECT EVALUATION	15
<u>EXHIBITS</u>	
A - SUMMARY OF OBLIGATIONS AND EXPENDITURES	20
B - LIST OF RECOMMENDATIONS	21
LIST OF REPORT RECIPIENTS	23

AUDIT REPORT
ON
RADIO EDUCATION TEACHER TRAINING
PROJECT NO. 367-0123
USAID/NEPAL

EXECUTIVE SUMMARY

Introduction

The Radio Education Teacher Training (RETT) Project's purpose is to assist in developing a capacity within the Government of Nepal (HMG) to train at least 2,500 untrained primary school teachers annually. The project will provide training through radio broadcasts and workshops to remote rural areas, and will attempt to create a cost-effective mechanism for assisting untrained teachers to meet certification standards. Thus it will help provide Nepal with future savings in teacher training costs.

It is intended that approximately 3,600 primary teachers will have received or started training by the end of the project. Hopefully, an annual capacity to train at least 2,500 primary teachers and an institutional capability for continuing the program will exist by that time. USAID/Nepal believes this project has greater significance than merely the training of 2,500 teachers inasmuch as it will provide a vehicle for offering adult education far beyond what is currently offered.

Southern Illinois University (SIU), an AID-financed contractor, has primary responsibility for project implementation. SIU's primary efforts relate to the training of local project staff members. As of June 30, 1980 USAID/Nepal had obligated \$3.3 million for the project and expenditures totaled about \$0.86 million. The HMG's contribution was to be no less than 14 percent of the total life-of-project costs through in-kind support, staff salaries and participant travel costs.

The purpose of our audit was to determine if the project is being implemented in compliance with AID policy and procedures and to identify problem areas requiring management attention.

Audit Conclusions

The RETT project is currently confronted with sufficient implementation problems that its feasibility and viability is questionable. We have identified major problems which indicate a lack of HMG interest which will eventually critically limit the achievement of project goals. These problems are:

- HMG support for the project has been extremely limited in every important area. A full-time project director has never been appointed and other local staffing has been maintained at less than half the required number. There have also been extreme shortages of financial support and long delays in selecting candidates for training and in utilizing returned participants for project purposes. This has delayed production of sufficient training materials necessary for maintaining programmed time frames, wasted available training opportunities, increased project costs and set the project back by at least a year. For example, the tours of two SIU technicians have had to be extended by a total of 17 months at an added cost of \$80,000 as enough local staff was not available for training purposes when the technicians arrived in Nepal. At the current support level, HMG will not contribute their 14 percent share of project costs. This problem stems partly from the lack of an adequate project budget and partly from the fact that the current FY 1981 budget was reduced by about 50 percent even prior to submission for HMG review. USAID/Nepal later advised us that HMG has agreed to transfer returned participants to project activities and to assign sufficient writing personnel to the project as requested. Two recommendations requiring corrective actions in regard to HMG's financial support and continual budget deficiencies have been made. (See pp. 3 to 9.)

- **Delays in finalizing construction activities have adversely effected project implementation in two key areas. The location for installation of the transmitter/ antenna (TA) system, which is being provided under the project at a cost of about \$740,000, is presently in question. In addition, the construction of a building to include project staff offices and practice recording studio has been delayed for a year due to questions over financing and supervision of construction. Both of these factors could seriously delay project completion and attainment of objectives. Two recommendations were made for corrective action. (See pp. 11 to 15.)**

- **USAID/Nepal has failed to prepare a Project Evaluation Summary (PES) after the joint annual review which covered the period from September 1978 to October 1979. As these are now out-of-date and because attainment of project objectives appears questionable, there is a need for an intensive evaluation to determine if the project should be continued as presently planned. We recommended that USAID/Nepal perform an intensive review in conjunction with the joint annual review planned for November 1980 with special emphasis on determining project viability, and the feasibility of expanding the project scope if that would better promote institutionalization of radio education in Nepal. (See pp. 15 to 19.)**

BACKGROUND

The primary objective of the Radio Education Teacher Training (RETT) Project is to develop a capacity within the Government of Nepal (HMG) to train a minimum of 2,500 untrained primary school teachers annually. The training will be provided through radio broadcasts to the rural and mountainous areas of Nepal and by utilizing brief residence workshops and self-instructional materials previously distributed to the teachers. The project will test the economic and educational feasibility of using this method of teacher training to reach remote rural areas as well as village and urban settings at a cost per teacher significantly below present training costs. The project will attempt to create a cost-effective mechanism and methodology for assisting untrained teachers to meet certification standards. Thus it will help to provide Nepal with future savings in teacher training costs. At the end of the project, it is intended that approximately 3,600 primary in-service teachers will have received or started training. Hopefully, an annual capacity to train at least 2,500 primary teachers through radio broadcasting will exist. It is expected that trained personnel, validated radio programs, printed materials, and an administrative, management and production system capable of continuing the program will exist and contribute to increasing the access of the remote population of Nepal to relevant and quality education at a reasonable cost.

USAID/Nepal believes this project has significance going far beyond the importance of training 2,500 teachers per year. They indicate that if the project succeeds, its importance will reach to all areas of education and training both in school and out. It will provide a vehicle for offering adult education in health, family planning and agriculture far beyond what is currently offered and it will demonstrate the feasibility of using radio in Nepal for in-school use for both teacher and school level education. Hence, they view the HMG responsibility as very great in being called upon to assure not only that this project succeeds, and that 2,500 teachers are trained annually, but that the institutional capability, complete with increased individual expertise, is increased to the point that this medium can be used effectively for expanded educational purposes.

The Project Paper of March 1977 envisions project development in the context of a continuing assessment of the possibility of expanding

the currently fragmented and rudimentary educational radio service into a national education radio system. The expansion of radio for educational purposes is expected to be supported by various donor agencies and this primary teacher training project is viewed as a logical first step in the development of such a system. The project's prime objective, however, will be to develop Nepal's capacity to train a minimum of 2,500 primary school teachers a year. At this rate, within five to eight years of full project implementation enough teachers will have been trained to meet the need for qualified personnel throughout the primary system.

Management of the RETT project rests primarily with an HMG policy committee chaired by the Secretary of the Ministry of Education (MOE) and an HMG Project Director. The Director also holds the full time position of Joint Secretary in the MOE. USAID/N is represented on the policy committee. Southern Illinois University (SIU), an AID-financed contractor, has primary responsibility for implementing the project. SIU provides technical assistance to the project working closely with the policy committee and the HMG Project Director. Their assistance efforts relate primarily to the training of local project staff members who work directly for the Project Director. As of June 30, 1980 USAID/Nepal has obligated \$3.3 million for the project and expenditures totalled about \$.86 million. Funding details are shown in Exhibit A.

The purpose of our audit was to determine if the project is being implemented in compliance with AID policy and procedures and to identify problem areas requiring management attention. Our examination included a review of commodity procurement activities, causes of implementation delays and a general review of project management activities. We reviewed pertinent project records and held discussions with USAID/N officials and the contract staff of SIU. We visited several sites proposed as locations for installation of project equipment and inspected the site selected for construction of a building to house the project staff and a recording studio to be used for the production of materials for broadcasting. Our examination was carried out in accordance with generally accepted auditing standards.

FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

A. PROJECT IMPLEMENTATION STATUS

The RETT Project is currently confronted with difficult implementation problems that will require prompt corrective action by the HMG and USAID/Nepal. Collectively, we believe there are sufficient implementation problems that both the short-term and long-term feasibility and viability of the project is questionable. In our detailed review we identified major problems with host country support levels, in the decision making process, and in the utilization of AID provided resources. Most of these shortcomings are indicative, we believe, of a lack of project interest by host country personnel that will eventually critically limit the achievement of project goals. Thus, in our opinion, the project should be subjected to an intensive evaluation to determine if it should be continued as presently planned or revised to encompass a broader based program that would include other HMG radio education programs relating to in-school student training.

B. HOST COUNTRY SUPPORT

HMG support for the RETT project has been very limited in virtually every area of importance. A full-time Project Director has never been appointed and other local staffing has been maintained at less than half the required number. Both these conditions have existed in spite of the fact that conditions precedent to disbursement under the initial FY 1977 ProAg stipulate that the HMG will appoint a Project Director and furnish evidence that adequate personnel would be provided to staff all elements of the project including field supervisors, section coordinators and for requisite training activities. In other areas, there have been extreme shortages of financial support both in terms of the HMG's required contribution to the project and in terms of minimal levels of project operations. In addition, there have been long delays in selecting candidates for training and in utilizing returned participant trainees for the purposes for which they were trained.

HMG Project Director

The HMG has never appointed a full-time Project Director. This has contributed to delays in approvals, indecision and failure of the HMG to provide adequate project staffing and support funds.

Initially, project implementation was the responsibility of the Institute of Education (IOE) with the Dean of the IOE being the first Project Director. This arrangement proved unsatisfactory because the Dean had many other duties and, as a result, he was not responsive to needs of the project which contributed to the limited HMG support and limited progress made in implementing the project.

In a letter to the MOE dated June 7, 1979 the USAID Director expressed the desire and need for a full-time Project Director. This problem was alleviated to some extent in April 1980 when responsibility for the project was moved from the IOE to the MOE with an MOE Joint Secretary being named Project Director. SIU officials consider the new secretary to be excellent but, being a Joint Secretary with substantial other duties he is accessible to the SIU contract team leader and the Associate Project Director only on a limited basis. This again complicates project management because the Associate Director has limited authority to run the project. In addition, the HMG has changed Associate Directors three times since the project started.

Management of the project is further complicated by the fact that the Secretary of the MOE is Chairman of the HMG's policy committee responsible for all major decisions on project matters and the incumbent of the Secretary position has changed five times since the project began. This has required SIU to brief each new Secretary on project objectives and has delayed committee meetings and some pertinent decisions such as on project staffing.

USAID officials express concern that while the new HMG Project Director will be able to handle current matters, his availability may be limited as demands on his time increase over the next two years. For example, field activities will gradually increase during the next two years requiring increases in HMG logistic support funds and staffing matters which he will have to address. To some extent, the project is already behind schedule due to the lack of a full-time Project Director with sufficient authority to make and enforce decisions. Thus, USAID should assure that when field work begins to accelerate, decisions are being made by

the HMG's Project Director on a timely basis. As necessary, USAID should require the Project Director to delegate certain responsibilities to the Associate Director where this will facilitate project implementation.

Project Staffing

The HMG has never provided sufficient personnel to implement the RETT project as required by the FY 1977 ProAg. This has increased project costs, delayed production of sufficient training materials necessary to maintain programmed time frames and, so far, has set the project back at least a year. For example, when the SIU training technicians arrived in May and September 1979 there was not enough local staff, in terms of quantity or quality, to train in the writing of materials for broadcasting to teachers in the field. This has contributed to the decision to extend the tours of two SIU training technicians a total of 17 months at an added cost of about \$80,000.

In addition, project accomplishments in terms of script writing has been poor and may pose a serious impediment to adequate project implementation. For instance, at the start it took about 5 months for the first writing team to produce an acceptable 18 minute radio script. Much of the problem was caused by the former Project Director who insisted the project operate on a low budget utilizing part time people as writers. As a consequence, local staff were temporarily assigned to the project from other areas in the MOE or IOE and often withdrawn without notice resulting in a fairly constant turnover of personnel. Thus, much of the time spent teaching the staff at the outset was wasted and progress was slow. In June 1979 the USAID Director wrote to the MOE about their poor performance. He outlined the necessity at that critical time to have 8 to 10 full-time radio script and self-instruction writing teams made up of 16 to 20 writers as was envisioned in the project paper. A total of three or four more writing teams (6 to 8 writers) were needed in addition to the current staff but little was done until the following year.

Some improvements in HMG staff support were noted with the change in Project Directors and the shifting of HMG project responsibility to the MOE in April 1980. As of June 30, 1980 the writing staff is fairly stable but still short of effective writers. Until recently, there has been considerable absentism and the team members still lack an incentive to produce. To increase production SIU has initiated a strict production

schedule but, because of insufficient production, the pilot year program originally scheduled to start in August 1980 with 150 broadcast hours to train 120 teachers has been changed to an experimental year and reduced to 75 hours of broadcasting.

It is estimated that 350 units of 18 minute broadcasts will be needed to cover the total hours of broadcast time planned for the pilot year. However, at present script production is about one year behind schedule and the teams are only producing at the rate of about 12 acceptable units per month or about 288 for the entire two year period or a possible shortfall of about 72 units.

As of June 30, 1980 only 11 acceptable 18 minute units for the experimental year had been produced. These units are for the six week (one hour per week) broadcast period starting August 20 through September 30, 1980. Another 18 units will be needed to cover the 9 week period from October 1 through November 30, 1980. Current production objectives are to complete 60 percent of the required 350 units by June 30, 1981 and the balance of units during the pilot year while broadcasting a full program of 4 hours per week. However, at the current production rate only 155 units (12 units x 12 months + 11 units) will be produced by June 30, 1981 instead of the 210 units programmed (60% of 350). Furthermore, these projections assume the current accelerated rate will be maintained after the departure of the SIU training specialists scheduled for June 1981. Thus, there is an obvious need for project personnel to increase their script production level and to locate more adequately trained writers.

In answer to our draft report, USAID advised us that the HMG policy committee has agreed to assign additional writers and has notified USAID that 7 additional writers, a total of 8 complete teams, will be working with the project in October 1980. Based on this action we are withdrawing our recommendation that the writing staff be increased.

HMG Project Contributions

At the current level of support the HMG will not contribute their share of at least 14 percent of the total project costs as required by the Project Agreement. They have not provided the specified program support in certain areas and in many cases the project paper overstated the value of the planned HMG inputs. As related below, we checked five major

categories of their planned contributions and found that they would contribute only about 38 percent of the required amount.

The HMG's contribution was to be no less than 14 percent of the total life-of-project costs through in-kind support, staff salaries and participants travel costs. This lesser level of support is considerably below the normal 25 percent host country contribution required by the Foreign Assistance Act because the HMG was facing serious budgetary restraints in the education field. On that basis USAID requested and obtained a waiver of the usual 25 percent requirement. Nepal is one of the poorer least developed countries (LDC's) included in the UNCTAD LDC list and hence qualified for the waiver on that basis.

The waiver request was based on the project paper presentation of projected inputs as of March 1977. The USAID project funding contribution was estimated at \$3.285 million and HMG's at \$523,000 or 13.7 percent of the total inputs. As of June 30, 1980, USAID obligations for the project totaled \$3.285 million but the HMG contribution was at a much lower rate than the required level. According to the project paper the HMG local currency contribution was to consist of the following categories with accompanying valuations in U.S. dollars:

a) Project Personnel Salaries and Benefits	\$129,000
b) Project Personnel Support Costs of travel, per diem, supplies, medical exams, office and classroom space, and postage.	83,900
c) Use of Radio Nepal Transmission System	95,900
d) Teacher Time Listening to Radio Broadcasts	75,500
e) Residency Costs	78,600
f) Non-Project Personnel, involved in administrative and other project support	38,400
g) Use of Radio Studio and Equipment	12,700
h) Salaries of Personnel Receiving Training (excludes teachers)	<u>9,000</u>
Total (converted at rate of \$1 equals 12.45 rupees)	<u>\$523,000</u>

The results of our review of the larger projected contributions included in the project paper's 14 percent, i. e. items (a) through (e) are as follows:

The Item (a) contribution of personnel salaries and benefits is valued in the paper at \$129,000 but the project has been consistently under staffed. While the project paper envisioned an average of about 45 staff positions over the 4 year period, the staff has been slow to build-up. There has never been more than the current staff of 21 with a total annual salary equivalent to about \$20,500. If the project continues at the present HMC staffing level the contribution will be about \$72,000 over a four year period or about 56 percent of the required amount.

The HMG's Item (b) contributions have been very limited. So far the HMG contribution, other than personnel salaries and allowances, has been essentially limited to participant travel costs and the provision of temporary office space up until May 1980. At present, most operating expenses for the project, including rent to house the SIU and project staff, are being paid from SIU contract funds. Unless the HMG increases its budget support in these areas we estimate the HMG will contribute no more than 50 percent of the required \$83,900 in this area.

The Item (c) contribution for use of the Radio Nepal's transmission system is valued at \$95,900 in the project paper. The paper specifies a total of 400 hours of broadcasting per year or a total of 1,200 hours over 3 years. This equates to \$80 per hour of broadcast time. However, due to delays and the lack of production materials, broadcasting was not planned to start until August 1980 or about one year late and then only at the rate of 1 hour per week for the 40 week school year. Broadcasting is expected to increase during FY 1982 but will not exceed a maximum of 150 hours. Even if the broadcast hours during the first year increases to 2 hours per week or 230 total hours, we estimate this contribution will amount to only about \$16,500 or 19 percent of the required amount.

The Item (d) contribution for teacher time listening to broadcasts was valued in the project paper at \$75,500 but will only amount to about \$14,300 or 19 percent due to the limited broadcasting as explained in item (c) above.

The Item (e) contribution for residence costs valued in the project paper at \$78,600 envisions teachers in residence at district headquarters and at MOE facilities for training for 6 weeks per year. Although this training exercise is just beginning, the SIU staff is already encountering some HMG reluctance to maintaining the full training schedule envisioned in the project paper thus it is unlikely that this contribution will even approach the required amount.

Part of the problem affecting the HMG contribution level has been the lack of an adequate project budget. For example, the project has been using HMG temporary personnel from other HMG agencies because their personnel budget for the HMG's FY that started in July 1979 was never approved. If this budget, covering 59 staff positions, had been approved on time it would have provided sufficient staff positions to get the project back on schedule.

To make matters worse, the budget for HMG's current FY 1981 was reduced by about 50 percent even prior to submission for HMG review. The reduced budget,* totalling \$58,500 included funding for 32 positions with a salary value of \$20,600 plus operating expenses of \$37,900. However, on July 21, 1980 we were advised that the HMG further reduced the budget to \$26,134 and included only about \$11,000 for salaries. This represents only 53 percent of the reduced salary request and only 40 percent of the request for other operating expenses. In fact, the reduced funding for salaries is 37 percent less than the current salary budget for the present staff of 21 employees. Given these major reductions, we do not believe the project can accomplish its objectives if the HMG continues with this kind of half-support. In our opinion, the budget should have been approved as submitted to enable the HMG to at least start meeting their required financial commitment to the project.

Recommendation No. 1

The Director, USAID/N should determine the total value of HMG project support and require them to contribute at least their 14 percent share of project costs.

(USAID concurred with this recommendation.)

Recommendation No. 2

In connection with Recommendation No. 1, the Director USAID/N should assess the impact on the project of continual budget deficiencies, particularly the cut in the FY 1981 budget submission, and require the HMG to

*(Local Currency figures were converted at the rate of \$1 equals rupees 11.9.)

increase its financial contribution at least to a level required to ensure completion of experimental and pilot year objectives.

(USAID has completed a budget assessment and has requested an increased contribution from HMG. They advised that a response to their letter is currently in process at the Ministry of Finance.)

Participant Training

Early in the project, the SIU team leader attempted to generate interest in participant training but the IOE was not very responsive. The IOE was responsible for project implementation until that responsibility was transferred to the MOE in April 1980. SIU requested nominations in October 1978 for one year's training in the U.S. to train two participants in materials writing. The IOE never responded to the request thus the planned training was recently cancelled and reprogrammed in May 1980 to reflect training policies of the MOE. Other programs offered by USAID and other donors for training in India and third countries were lost in 1979 because the IOE did not follow up to assure that necessary paperwork was completed in time to take advantage of the offers. Also, there were not enough full-time writing team members to take advantage of all training opportunities available to the project. Had the IOE supplied personnel and taken advantage of these training opportunities it would have helped to prevent the current shortage of broadcast and field training materials.

In late 1979 another attempt was made to improve staffing levels of writers and programmers. Between June and October, 1979 USAID/N and SIU selected 9 participants whose training was to be funded under the contract at an estimated cost of \$76,000. Two Radio Nepal engineers were sent to the U.S. for long-term training in broadcast engineering. They have not yet returned. The other 7 participants were programmed for third country training in radio script and self-instruction field materials writing and in radio program production and studio operations which are critical areas of project needs. All 7 participants had returned by December 31, 1979 but only 4 were being utilized on the project. Two participants trained in the critical areas of script writing and program production at an estimated cost to the project of \$7,900 have never worked on the

project. Instead, they returned to their former positions as script writers and program producers for the in-school broadcasting program which is a UNESCO sponsored program to teach students, not teachers. The third participant not working on the project was trained in general studio operations at an estimated cost of \$3,400. He also returned to the UNESCO sponsored program where he had worked previously.

In our draft report, we recommended that arrangements be made for the above three trainees to be assigned to the RETT Project or that a refund of their training costs be obtained. USAID has since advised us that HMG has agreed to transfer the producers and a letter from the HMG Project Director states the two individuals have been assigned to RETT. USAID also advised that the services of the studio operations participant are available to the project because they are using the MOE studio where he works and he will be responsible for future project studio operations.

C. KEY IMPLEMENTATION DELAYS

Delays in finalizing construction activities funded under the RETT project will significantly impact on the programs effectiveness. Due to HMG indecision, project implementation in two key areas has been and will continue to be delayed unless prompt corrective action is taken.

Status of Supplemental Transmitter/Antenna System

A new 100 Kilowatt (KW) transmitter and antenna system is being provided under the project at an estimated cost of about \$740,000. The transmitter system is to be supplied to the Ministry of Communications (MOC) for Radio Nepal to support the teacher training project. Radio Nepal is responsible for all broadcasting in Nepal. The requirement for an additional transmitter/antenna system is referred to in the project paper but it was felt that more specific data was needed. Thus, AID/W hired Teleconsult Inc. to perform a survey of the existing transmitter/antenna facilities of Radio Nepal. As part of the survey, the consultant surveyed existing broadcast facilities at Radio Nepal. In this connection he reviewed two documents on this project: The Morcon Systems report of December, 1976 and the AID Project

Paper of March 1977. His July 1978 report recommended that the medium wave transmitter be augmented by two or three different short wave frequencies to obtain good country coverage. One other alternative mentioned was to use all Radio Nepal transmitters simultaneously to carry out the project. There was strong feeling against this latter plan because it might lead to conflicting demands for transmitter time between the project and Radio Nepal and probably stifle project expansion. In addition, the existing facilities of Radio Nepal do not permit the simultaneous use of three short wave frequencies as recommended in the Morcon report. According to the report, another alternative and the one currently evolving, is to have adequate transmitter capacity so that Radio Nepal's program and the RETT program could be broadcast simultaneously over sufficient channels with good coverage. The consultant said that when Radio Nepal transmits its regular program on medium wave and on at least one short wave band, it does not have the facilities to transmit a teacher training program to the country on two other bands at the same time. This proposed system then permits each service to use whatever hours are best and expand naturally. Therefore, he said, "it appears that an additional short wave transmitter is indicated to ensure that Radio Nepal can provide a major schedule of teacher training transmissions over a prolonged time."

One of the existing transmitters at the Radio Nepal site is a 100 KW Harris short wave broadcast transmitter installed in late 1977. The consultant's report states that this transmitter "uses the most sophisticated mechanical and electronic techniques which can change frequencies automatically in a few seconds. This new transmitter and antenna combination should be much easier to operate than the older Marconi transmitter and various antennas at the Radio Nepal site". The report concludes that the purchase of another 100 KW transmitter, as visualized under the RETT project, appears to be a practical solution. While a 100 KW transmitter may transmit strong signals to areas far beyond the borders of Nepal, the uncertainties of reliable reception throughout the mountains indicate that a strong signal may be very desirable. If a transmitter of less power were considered, it would reduce overall flexibility in the plant and make it impossible to obtain all the important operating advantages that can be realized if the new transmitter is identical to the existing one.

Location of Supplemental Transmitter/Antenna

A location for installation of the new transmitter/antenna (T/A) system is in question at the present time and this could seriously delay completion of the project and attainment of project objectives.

The new T/A system for Radio Nepal is to be titled in the MOC thus it was initially planned to locate the system at Khumaltar where Radio Nepal's other T/A systems are installed. However, a recent survey of proposed sites for the new T/A system was performed by an SIU radio engineer and he concluded that the Radio Nepal Khumaltar site does not have sufficient land space available. On the other hand, the survey showed that Sano Thimi, the MOE site where the project is to be based, has sufficient level land available to easily accommodate the antenna. In addition, a small building or other floor space would have to be made available at this site to house the transmitter. This location is close to the Radio Nepal Khumaltar site and transportation between them could be easily arranged.

On June 30, 1980, the MOE's policy committee supported a USAID/N. SIU proposal to place the new transmitter at Sano Thimi. Location of the new system at Sano Thimi would assure better control by the MOE for furtherance of project objectives. It would be near the project offices and practice studio soon to be under construction. It would also be near the MOC's existing broadcasting studio which is currently involved in broadcasting the in-school training program sponsored by UNESCO. However, the HMG must still make a final determination on the location and USAID/N is currently awaiting assurance that a building and land will be provided to accommodate the new T/A system. Since it requires over a year from the time the survey is completed until the system is contracted, delivered and tested it is important that the locational decision be made as rapidly as possible. There has already been slippage in the time schedule, and attainment of short and long-term objectives could be curtailed if the system is not completed prior to departure of the SIU team leader scheduled in 1982. The order for the system was scheduled to be placed by September 1, 1980 with delivery by April 1981.

Recommendation No. 3

The Director, USAID/N should, as a condition to proceeding with procurement of the T/A system, require the HMG to make a final determination on location for the new T/A system and ensure that the land and building necessary to accommodate the system will be provided on schedule. (USAID concurred with this recommendation.)

Office Building and Practice Studio

The construction of a building to include project staff offices and practice recording studio has been delayed for a year due primarily to questions over financing and supervision of construction. This has contributed to the slow rate of progress on the project. The project funded building, estimated to cost about \$130,000, was originally scheduled to be completed by March 31, 1980 or 18 months after the arrival of SIU's team leader but, at the present time, construction has not yet started which is certain to cause serious future problems.

The studio part of the facility will not be built to professional broadcasting standards but will suffice for training purposes. Another donor has indicated an interest in providing funds to up-grade the studio at a later date. Until recently, the project had been operating out of a MOE student hostel but in May 1980, project offices were moved to rented space to allow students to utilize the hostel. Rental costs are being paid from SIU contract funds.

Currently, an Invitation For Bid for construction of the facility is being reviewed by an Architectural and Engineering (A&E) firm prior to issuance to pre-qualified contractors. It is anticipated that a contract will be awarded by September 15, 1980. Construction is planned to begin in October 1980 and the building is to be completed in April 1981. This is a critical point for the project; it is important that the building be completed by April 1981 because the tours of two SIU training advisors were only extended to June 1981 and these individuals are needed to provide more training in script writing and materials production, and hopefully to assist in setting up the new training facility. Equipment for the recording studio has been ordered and is scheduled for delivery by December 1980.

In the meantime, the project staff uses an MOE studio for practice and preparation of broadcast materials. However, availability of the studio has been limited and inconsistent due in part to sporadic cooperation from the MOE authorities in charge of the studio. RETT project officials are also negotiating for use of another studio located at the Ministry of Health and Family Planning which is not being used at the present time. We were advised by the SIU team leader that a formal request for the studio has been made and if approved, enough studio time will be available until the new office/studio facility is completed.

We have been assured that USAID/N is closely monitoring the progress of the award of the construction contract and that the A & E firm and USAID/N will give priority to completing the facility within the new time frame. However during the interim period some further provision for temporary studio space should be provided.

Recommendation No. 4

The Director, USAID/N should require the MOE to provide sufficient studio time to the project until the new office/studio facility is completed.

(As a result of this recommendation, USAID has written to the MOE requesting additional studio time for the project.)

D. PROJECT EVALUATION

Project Evaluation Summary (PES)

USAID/N has failed to prepare a PES subsequent to the Joint Annual Review (JAR) which was led by HMC and SIU with participation of USAID/N. The PES is required by Handbook No. 3 and was established as an integral part of the annual program review. One purpose of the PES is to summarize project progress and its current status. The JAR was held November 13 1979 and the related report discussed several issues but did not indicate the decisions made. The PES was also initiated in November 1979 but was not promptly completed and since then, the issues and problems have changed so there is a need for a new evaluation and PES.

The USAID's Office of Education and Human Resources was phased out in January, 1980. Currently, USAID has no Education Advisor and monitors project activities through its Project Development and Implementation Support Office (FDIS). Therefore, the current load of implementing this project has been with the SIU team leader with support from FDIS and the USAID/N Director.

In response to our audit, USAID/N prepared a FES in draft based on the JAR held November 13, 1979. Both the JAR and FES cover the period from September 1978 to October 1979 and are out-of-date as a summary of current project progress and prospects for achieving objectives within allotted time frames. For example, the pilot years program which was to start in August 1980 has since been reduced to an experimental year because of inadequate staffing and low production of materials for broadcasting. Instead of 2 hours of broadcasting in the experimental year, the current schedule is one hour per week. Finally, attainment of project objectives now appears to be questionable.

Thus, there is a continuing need for evaluation and involvement of USAID/N. Some of the current issues to be resolved are summarized below:

- 1) The project is not fully staffed the broadcasting goals will not be fully accomplished and three participants trained with project funds must now be assigned as agreed.
- 2) Location of the new transmitter and antenna system has not been fully resolved. Land and a building for the system still needs to be provided by HMG.
- 3) Construction of a building for project staff offices and recording studio should be expedited to gain maximum benefit prior to departure of the SIU training staff.
- 4) Procurement of shortwave radios for use of teacher trainees in the field should be closely monitored to ensure timely delivery.
- 5) The HMC's logistics mechanism and capability to distribute self-instructional materials to all provinces is in

need of review and evaluation.

- 6) The need for coordination and possible consolidation of Nepal's radio education resources should be reviewed.

Need for Review and Consolidation of Radio Education Resources

Slow project progress due to lack of project facilities, lack of staffing, delays in training, and limited HMG resources have made the viability of the RETT project highly questionable as a separate educational effort. Successful completion of the project may require a broader Radio Education Training Program effort that will include activities of both the RETT project and the HMG's in-school student training program.

UNESCO's Education Advisor submitted a proposal to the MOE's Joint Secretary for school administration in June 1980 outlining possible areas of cooperation between the RETT project and Audio-Visual Section (AVS) of the Curriculum Textbook and Supervision Development Centre (CTSDC). The AVS uses the MOE studio at Sano Thimi for recording programs for broadcasting the in-school training program. The UNESCO proposal includes among other things; (a) the pooling of staffs for mutual benefit (b) use by AVS of the maintenance, distribution and control systems for radio sets being developed under the RETT project, and (c) assistance from RETT field teams in evaluating the effectiveness of broadcasting of the in-school training program at the field level.

In August 1979 the SIU team leader met with the Joint Secretary of the MOE. The Joint Secretary was the HMG's Project Director. Discussions were held on ways to jointly train supervisors for the two Radio Education programmes in Nepal. The meeting was in response to an SIU team suggestion made several months earlier on the need for supervisory training. As of our review date, no substantive action had been taken to coordinate or pool the staffs of both projects but the RETT project does have limited use of the CTSDC recording studio.

In the opinion of the SIU team leader, the primary factor for assuring successful institutionalization of training teachers by radio is having a cadre of dedicated writers and producers who have been well trained

in production of a successful radio education package. Obviously this would also be true of the in-school radio training program.

We have concluded that, based on current progress, limited HMG resources, lack of HMG support for the RETT project and limited interest of RETT project writers, it is unlikely the RETT project writing staff will develop into a dedicated cadre of writers with institutional capability to train teachers. The RETT project and in-school training project are competitive and many activities overlap in producing radio broadcasting materials. In our opinion the staffs of both projects are limited and neither project appears to have the potential for delivering effective institutionalized radio teaching programs to the many mountainous and rural areas in Nepal on a long term basis which is the ultimate objective of the RETT project.

We believe the viability of the RETT project is highly questionable when considering HMG's limited resources and limited support to the project. We believe the RETT and in-school training programs may best succeed in long-term radio education if the facilities, human resources and administrative competence of both programs are shared by both programs with the objective of merging into one institutionalized radio education program. For example, costs to the programs could be reduced and personnel more effectively utilized by coordinating field work requirements of both programs. This could result in savings of travel and allowance costs and more timely implementation of training activities.

Therefore, we believe the USAID should determine if the RETT project is viable as a separate entity. If so, the evaluation should determine specific identified steps that must be taken by HMG and USAID/N to assure success of the project. The evaluation should also set specific time frames in which to complete the various steps or otherwise cancel the project. In the interest of conserving and making more efficient use of material and human resources, since teachers and students work in the same proximity, the review should consider the feasibility of broadening the RETT project to encompass the training of teachers and students with a view to institutionalization of Radio Education in Nepal under one program direction.

Recommendation No. 5

The Director, USAID/Nepal should, in conjunction with the Joint Annual Review planned for November 1980, prepare a PES and perform an intensive review of HMG's Radio Education activities in Nepal to determine if the RETT Project is viable and should be continued as a separate entity; and if so, set specific time frames for completion of activities, with the project subject to cancellation if there is no reasonable compliance with those time frames. As part of the review, the Director should determine the feasibility of expanding the RETT project into a broader Radio Education program to include activities of the HMG's in-school student training program. (USAID has agreed that a current program evaluation is needed. They also agreed, in general, with the intent of this recommendation indicating that the issues raised can be dealt with during the upcoming JAR and subsequent USAID/N evaluation.)

EXHIBIT A

USAID/NEPAL
RADIO EDUCATION TEACHER TRAINING
SUMMARY OF OBLIGATIONS AND EXPENDITURES
AS OF JUNE 30, 1980

<u>Project Funding</u>	<u>Obligations</u>	<u>Expenditures</u>
	(In Thousands)	
<u>S. I. U. Contract Funding</u>		
Technical Assistance	\$1,166	\$665
Commodities	769	109
Participants	144	65
Contractor Support	210	-0- <u>1/</u>
Sub-Total	<u>\$2,289</u>	<u>\$839</u>
 <u>USAID Direct Funding</u>		
Technical Assistance	\$ 8	\$ 5
Commodities	847	-0-
Participants	11	8
Construction	130	6
Sub-Total	<u>\$ 996</u>	<u>\$ 19</u>
Total	<u>\$3,285</u> <u>2/</u>	<u>\$858</u>

1/ Expenditures are included in technical assistance expenditures.

2/ Funding is expected to carry the project through September 1982.

LIST OF RECOMMENDATIONS

Page No.

Recommendation No. 1

The Director, USAID/N should determine the total value of HMG project support and require them to contribute at least their 14 percent share of project costs.

(USAID concurred with this recommendation.)

9

Recommendation No. 2

In connection with Recommendation No. 1, the Director USAID/N should assess the impact on the project of continual budget deficiencies, particularly the cut in the FY 1981 budget submission, and require the HMG to increase its financial contribution at least to a level required to ensure completion of experimental and pilot year objectives.

(USAID has completed a budget assessment and has requested an increased contribution from HMG. They advised that a response to their letter is currently in process at the Ministry of Finance.)

9-10

Recommendation No. 3

The Director, USAID/N should, as a condition to proceeding with procurement of the T/A system, require the HMG to make a final determination on location for the new T/A system and ensure that the land and building necessary to accommodate the system will be provided on schedule.

(USAID concurred with this recommendation.)

14

Recommendation No. 4

The Director, USAID/N should require the MOE to provide sufficient studio time to the project until the new office/studio facility is completed.

(As a result of this recommendation, USAID has written to the MOE requesting additional studio time for the project).

15

LIST OF RECOMMENDATIONS

Page No.

Recommendation No. 5

The Director, USAID/Nepal should, in conjunction with the Joint Annual Review planned for November 1980, prepare a PES and perform an intensive review of HMG's Radio Education activities in Nepal to determine if the RETT Project is viable and should be continued as a separate entity; and if so, set specific time frames for completion of activities, with the project subject to cancellation if there is no reasonable compliance with those time frames. As part of the review, the Director should determine the feasibility of expanding the RETT project into a broader Radio Education program to include activities of the HMG's in-school student training program. (USAID has agreed that a current program evaluation is needed. They also agreed, in general, with the intent of this recommendation indicating that the issues raised can be dealt with during the upcoming JAR and subsequent USAID/N evaluation.)

19

LIST OF REPORT RECIPIENTS

USAID/Nepal

Director 5

AID/W

Deputy Administrator (DA/AID) 1

Bureau For Asia

Assistant Administrator (AA/ASIA) 5

Office of Pakistan, Nepal and Sri Lanka Affairs (ASIA/PNS) 1

Audit Liaison Officer 1

Bureau For Development Support

Assistant Administrator (AA/DS) 1

Office of Development Information and Utilization (DS/DIU) 4

Bureau For Program and Policy Coordination

Office of Evaluation (PPC/E) 1

Office of Legislative Affairs (AA/LEG) 1

Office of General Counsel (GC) 1

Office of Financial Management (FM) 1

IDCA Legislative and Public Affairs Office 1

Office of Auditor General

Auditor General (AG) 1

Communications and Records Office (AG/EMS/C&R) 12

Policy, Plans and Programs (AG/PPP) 1

Area Auditor General

Area Auditor General/Washington 1

Area Auditor General/Africa (East) 1

Area Auditor General/East Asia 1

Area Auditor General/Egypt 1

Area Auditor General/Latin America 1

OTHER

General Accounting Office (GAO/W) 1

Inspection and Investigation Staff (IIS/Washington) 1

New Delhi Residency 1

La Paz Residency 1