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PROPOSAL  
to the  
U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT  
for  
PROJECT MANAGEMENT  
of  
PRIVATE VOLUNTARY ORGANIZATION (PVO)  
ECONOMIC SUPPORT  
PROJECT NUMBER 660-0097

Submitted by <sup>201</sup>  
<sub>219-5</sub>  
AMERICAN ORT FEDERATION

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## I. PURPOSE

This project seeks to expand and strengthen PVOs' long-term capability to implement development projects in Zaire and thereby help to ensure sustained and locally-based development. Towards this end, the project will increase the institutional capability of selected US and indigenous PVOs within the context of three categories of sub-projects. These sub-project categories will be closely linked with the Government of Zaire's (GOZ) and USAID's development strategies in three critical areas in the rural sector: 1) agriculture, 2) health, and 3) energy.

## II. BACKGROUND

The creation of a rural infrastructure such as farm to market access roads, health delivery services and facilities, and reliable and maintainable low-cost energy sources to villages, schools and hospitals is a precondition for creating a sound rural economy. The Government of Zaire (GOZ) public sector has limited financial and organizational resources to meet these critical needs which affect three-fourths of its population. The GOZ recognizes the value of the PVO network as an important channel for basic human services to reach its large and widely dispersed population. As a result, PVOs have been given wider rein in carrying out development initiatives in Zaire than is found elsewhere in Africa. Over the years voluntary agencies have played an increasingly critical role in support of a broad range of economic and social development

programs in diverse sectors, such as agriculture, health, education, road construction and maintenance and mini-hydroelectrification. AID has drawn upon this PVO network for US bilateral projects, especially in the health field in rural areas where PVOs are generally the sole provider of services. Utilization of PVOs to implement development projects reduces the GOZ financial and administrative burden for the funding and implementation of such projects.

The majority of PVOs in Zaire are church-related groups. Most of the Protestant groups are members of a consortium, ECZ (Eglise Christ du Zaire), headquartered in Kinshasa, which is registered with USAID/Zaire as an indigenous PVO. By virtue of belonging to ECZ, all members are individually registered with USAID/Zaire. The ECZ membership is international (i.e., indigenous, American, Third Country). The Catholic groups are coordinated by the Catholic Church in Zaire through its Development Bureau in Kinshasa. In most instances USAID works with the members of ECZ and the various Catholic dioceses through their national organizations. The Salvation Army is a US PVO presently operating in the rural sector.

Catholic, Protestant and GOZ hospitals and outreach clinics are managed by PVOs. Out of 140 rural zones in Zaire 50 zones in the currently expanding basic rural health program have one hospital each and a total of 700 outreach clinics. The maintenance and expansion of rural hospitals and outreach clinics is part of a coordinated AID/PVO/GOZ program to improve rural health care delivery services and facilities. At the present time,

200-250 outreach clinics are not covered by the present program. These facilities need to be upgraded primarily through equipment maintenance and small-value commodity transfers such as sterilization equipment, bed pans, syringes, and oral rehydration salts.

Lack of or inadequate access roads and bridges from farm to market represents a major constraint to developing a competitive marketplace, inhibits the production of seeds and their distribution, inhibits increased food production, and has an overall negative impact on the economy. Through its Office des Routes, the GOZ has concentrated its road construction and maintenance efforts on main roads. Some farm to market access roads are being maintained by PVOs and private local contractors (themselves in need of technical assistance) but a much larger planned and coordinated effort is required to have a significant impact on the rural economy.

Electrification for rural schools, clinics, and small towns is another area which requires additional resources. Hydroelectric power is the major source of energy in Zaire due to a combination of environmental and economic factors. Once installed, the power source is cheap to maintain and saleable. There are a number of PVOs currently operating their own mini-hydro facilities providing power to their own schools, hospitals, clinics, and adjoining towns; but a number of these facilities have deteriorated and need to be upgraded and expanded.

### III. PROBLEM

In Zaire PVOs have proven to be valuable instruments for the delivery of needed services. PVOs contribute human resources and generate revenue from private sources for the support of development projects. In order to expand their programs, many PVOs need to improve their management practices -- bookkeeping and accounting procedures -- and improve their technical know-how in the repair and maintenance of equipment and service vehicles, inventorying of essential supplies, and in choosing technology of proven efficiency and cost effectiveness.

For example, vaccines will become useless unless the refrigeration equipment is well maintained; health delivery services become much less efficient without the necessary physical examination tools, such as blood pressure equipment, etc.; roads and bridges require continuous maintenance in order to guarantee access to markets and health facilities. In the same manner, hydro-electric facilities deteriorate without proper and continuous maintenance.

### IV. OBJECTIVES

The objectives of the project are threefold:

- (1) the management and allocation of a central umbrella fund to support all project activities, including financing and monitoring of sub-project activities;

- (2) the upgrading of indigenous PVOs as viable development agencies; and
- (3) the implementation of PVO sub-projects that conform to GOZ/USAID development strategy under the three selected priority areas, which are also areas of ongoing PVO activity.

## V. PROJECT DESCRIPTION

### A. SUMMARY

This project will attempt to build upon and expand the vital role PVOs are playing in creating a locally operated rural infrastructure as a precondition for creating and sustaining a sound rural economy.

The institutional capability of the PVOs will be upgraded and expanded within the context of three categories of sub-projects, corresponding to three vital areas of rural infrastructure development in which PVOs are already operating; e.g., 1) rehabilitation and maintenance of farm to market access roads and bridges, 2) operation and maintenance of rural outreach clinics, 3) mini-hydroelectrification for schools, hospitals, and villages.

B. MAJOR PROJECT INPUTS

USAID: USAID will authorize, obligate, and disburse to ORT through a Federal Reserve Letter of Credit (FRLC) funding totalling \$5,000,000.00. USAID/Zaire and ORT will select the PVOs, sub-projects, and sub-project sites. USAID will provide the ORT project management with all data at its disposal that will aid in the selection of PVOs, sub-project activities, and sub-project sites.

ORT: ORT will have the responsibility and authority for managing the total project. This will include assisting PVOs in the preparation of proposals for sub-project financing; approval of sub-project grants subject to USAID/Kinshasa concurrence; disbursing of funds for sub-project start-up and subsequently upon receipt of project invoices. ORT's additional responsibilities will include: procurement; appraising, monitoring and evaluating sub-projects; technical assistance to PVOs in organizational management and staff training as well as for sub-project operations (e.g., technical consultants and trainers).

GOZ: GOZ financial involvement will be minimal since this project supports private sector institutions; however, as the GOZ assigns government-paid employees to PVO-run service facilities, e.g., rural health clinics, and also provides government buildings for PVO

use, this will constitute a substantial GOZ contribution.

C. AREAS FOR SUB-PROJECT ACTIVITY: SUMMARY

1. ORT SUB-PROJECT: AGRICULTURE/MARKETING --  
FARM TO MARKET ACCESS:

a) Problem

A lack of or inadequate access roads and bridges from farm to market inhibits the creation of a competitive marketplace and the motivation to farm.

b) Purpose

This project has several purposes: (1) to increase the farmers' income and create incentives for farming through the sale of seeds and excess food production at the marketplace; (2) create a competitive marketplace; and (3) give the farmer access to needed technology -- improved seeds, fertilizer, and equipment.

c) Objective

The objective of this ORT project is to upgrade the indigenous capability to implement road

and bridge rehabilitation and maintenance projects and to create locally raised revenues for road and bridge maintenance so that these projects can become self-sustaining.

ORT will provide technical assistance to PVOs already implementing road maintenance projects in Zaire. In addition, ORT will look into the feasibility of utilizing villagers for road maintenance activities and attempt to overcome a major constraint to this approach, e.g., the loss of incentive to continue the activity on a long-term basis.

d) Project Site

The initial focus of the project will be in the Bandundu region. Outreach to other regions will be determined by funding availability.

e) Criteria for Selection of Access Roads and Bridges to be Rehabilitated or Maintained:

- a) must give access to areas of productive potential
- b) must give access to appropriate market
- c) market prices must give margin over cost of production and transport

- d) size of market must be able to absorb new supply

Given ORT's ongoing relationship with the GOZ's Office des Routes in providing technical assistance in the areas of road and heavy equipment maintenance, as well as procurement and inventory of equipment and spare parts, ORT would like to study the feasibility of cooperating with the Office des Routes to seek establishing an integrated road maintenance strategy which would require a combined public/private sector input.

## 2. RURAL HEALTH

### Problem

Presently 200-250 rural outreach clinics operated by PVOs are not covered by the coordinated AID/PVO/GOZ program to upgrade and expand rural hospitals and outreach clinics. The main deficiencies in these clinics lie in poorly maintained equipment and vehicles as well as a lack of small value items such as bed pans, physical examination tools, scales, and storage equipment for drugs and supplies.

### Purpose

This sub-project will be an integral part of the current national health program implemented

through PVOs. The project's overall aim is to expand and upgrade rural health delivery services and facilities.

Objective

The objective of this project will be to upgrade the 200-250 rural outreach clinics presently managed by PVOs but not covered by the AID/PVO/GOZ program.

Technical assistance to the PVOs will be limited to staff upgrading and training, and maintenance of hospital equipment and vehicles. ORT project management as well as ORT's procurement division in New York will procure small value commodities, both consumable (bandages, oral rehydration salts) and non-consumable (e.g., sterilization equipment, scales, physical examination tools, storage boxes for drugs and supplies).

The technology introduced into these clinics should be of proven efficiency and cost effective, such as Oral Rehydration Therapy (ORT).

The PVOs selected to implement sub-projects in this area must meet the criteria set forth in sub-heading "D" below, and the sub-projects must meet the criteria set forth in "E" below.

3. RURAL MINI-HYDROELECTRIFICATION

Problem

There are a number of PVOs currently operating their own mini-hydroelectric facilities which provide electricity for their own schools and hospitals as well as adjoining towns. These facilities have deteriorated and need to be rehabilitated, upgraded, and expanded.

Purpose

The purpose of this sub-project is to determine whether PVOs can efficiently operate mini-hydroelectric activities by selling power to provide resources for maintaining the facilities as a cost-effective means of making these facilities self-sustaining.

Objective

This pilot sub-project will attempt to increase the capacity of one or more PVOs to upgrade and maintain a hydro-electric facility.

Technical assistance will be provided in the areas of equipment installation, repair and maintenance; procurement of equipment; staff training; marketing techniques; and market assessments.

The PVOs selected to implement sub-projects in this area must meet the criteria set forth in sub-heading "D" below, and the sub-projects must meet the criteria set forth in "E" below.

D. SELECTION CRITERIA: PVOs

- (1) ORT\* will establish, review, and apply the criteria for selection of PVOs which includes the following:
  - (a) in the case of US PVOs, registration with AID Washington's Office of Private Voluntary Cooperation;
  - (b) proof of experience in the priority sectors covered in the project;
  - (c) most current annual financial statement and a list of its Board of Directors, which demonstrate acceptable financial conditions and management structure;
  - (d) proof of indigenous non-profit status and recognition as such by GOZ or USAID;
  - (e) identifiable needs in terms of supplies, credit, technical assistance, staff training which are functionally and financially within the scope of the project; and
  - (f) track record of performance in Zaire or other sub-Saharan Africa countries.

\* and USAID/ZAIRE

E. SELECTION CRITERIA: SUB-PROJECTS

- (1) ORT\* will establish, review, and apply the following criteria for the selection of sub-project activities:
  - (a) the project relates to one of the three main categories of sub-project activity, namely the upgrading of rural health clinics, rehabilitation and maintenance of farm to market access roads, and rural mini-hydro-electrification;
  - (b) a plan is provided for in-kind or financial contribution from the implementing PVO;
  - (c) a project proposal defines the purpose, objectives, manpower and training needs, commodity requirements, work plan, monitoring/evaluation, line item budget, and enumerates indicators for measuring successful completion of project objectives; and
  - (d) cost effectiveness.

F. MAJOR PROJECT OUTPUTS

Although it is not possible at this time to estimate with a great degree of precision, we anticipate that the project will strengthen some 20 PVOs, upgrade 200 clinics and 500 kilometers of road, as well as establish one pilot mini-hydro facility and assist in

or prepare for the rehabilitation of several additional facilities.

We also anticipate that some 2 million rural inhabitants will be affected by these improved services.

VI. PROJECT IMPLEMENTATION OBJECTIVE

- A. Preliminary Phase - presentation to USAID of a detailed budget breakdown and work plan for Project Management Activities which will indicate US dollar and local currency costs. (Work Plan to be updated annually)
- B. Phase I
1. Establishment of procedures for the management and disbursement of all project funds which includes draw-down on the Federal Letter of Credit and setting up a local bank account.
  2. Recruitment, transport, and field placement of 2-3 ORT expatriate specialists (a. Project Manager, b. Procurement Specialist, c. Financial Management Specialist). Whether "b" and "c" can be combined will depend upon the number, size, and technical assistance requirements of the sub-projects.
  3. Establishment of a logistical support system in-country as well as within ORT headquarter offices.
  4. Establishment of Project Management facilities including office rental and procurement of equipment and supplies.

5. Recruitment of local hire personnel including 1-2 secretaries, 2 drivers, 1 office messenger, 1-2 maintenance personnel, 1 watchman.
6. Cooperation with USAID, ECZ and the Catholic Church in identifying PVOs operating in the sub-project priority areas.
7. Liaison with PVOs identified.
8. Procurement of project vehicles.
9. Establishment of procurement procedures and determination of categories of commodities which should be purchased in the United States and which must be purchased locally.
10. Establishment of reporting procedures and reporting schedules (i.e., ORT to USAID, PVOs to ORT).
11. Establishment of the financial management system for the monitoring of sub-grant expenditures. This will include establishing uniform budgeting formats, reporting procedures and schedules; establishing categories of allowable and disallowable costs according to AID regulations; establishing a method for monitoring sub-grantee expenditures against budget.

C. Phase II

1. Application of criteria for selection of PVOs and sub-projects.

2. Assistance to PVOs in preparation of sub-project proposals.
3. Determination of technical assistance needs of sub-projects in the areas of staff training, equipment maintenance, management procedures, and commodity selection.
4. Review and approval of proposals with USAID concurrence.

D. Phase III

1. Disbursement of funds to support sub-projects; this may include an advance of funds for sub-project start-up.
2. Ongoing monitoring and evaluation of sub-projects will serve to assess performance and progress; measure achievements against objectives; aid decision making and timely intervention; inform AID of program effectiveness.
3. Procurement and delivery of commodities for sub-projects. This will include obtaining best prices from suppliers, preparation of all documentation required for purchase and delivery, application of AID source and origin requirements.
4. Review of sub-project reports.
5. Establishment of workshop or seminars as perceived necessary.
6. Evaluation of final sub-project reports.
7. Technical assistance inputs to PVOs and sub-

projects as required which may include recruitment of short or long term consultants.

E. Phase IV

1. Close out of the project upon utilization of all obligated funds.
2. Submission of final reports and project impact evaluations which will include environmental impact.
3. Make recommendations for carry on activities.

VII. COST PROJECTIONS

At this time the projected project management costs will be approximately \$950,000.00 and sub-projects' costs \$4,050,000.00. A detailed budget for project management will be presented to USAID as per "Preliminary Phase" of project objectives cited above under "Project Implementation Objectives."

Project Management costs will cover the following:

Project Manager  
Procurement Specialist )  
Financial Manager ) May be combined  
Administrative Support Costs (overhead and home  
office backstopping)  
Project Monitoring  
Office Rental/Maintenance

Office Equipment and Supplies  
2-3 Four Wheel Drive Vehicles  
Local Hire Personnel -- drivers, maintenance  
personnel, watchman, office messenger  
International Travel and Transport for Inspection  
Trips and Transport of Expatriate Personnel  
and their Families  
Housing for Expatriates and their Families  
Short-term Consultants for Project Monitoring,  
Evaluation, and Other Purposes

Sub-project costs cannot be accurately broken down until we get a better sense of sub-projects' size, scope, and duration during Phase II of the "Implementation Objectives" cited above.

#### ORT TECHNICAL ASSISTANCE

ORT, the Organization for Rehabilitation through Training, is a Private Voluntary Organization established in 1880 to administer a fund and provide skills training to farmers and artisans in Eastern Europe.

Today, ORT operates a worldwide network of vocational education and technical assistance programs in 34 countries of Africa, Asia, Europe, Latin America, the Middle East, and North America. The network's 1983 operating budget exceeded \$90,000,000.

ORT's Technical Assistance program began in 1960 as a result of a request from AID's predecessor, the International Cooperation Administration to survey the training needs of eight newly emerging sub-Saharan African countries. On the basis of its recommendations, ORT was requested to implement projects in several of these countries.

Since 1960 ORT has implemented 112 projects in 44 developing countries, primarily in Africa, at the request of host governments, multi-lateral and bi-lateral international development agencies, and commercial and industrial enterprises. ORT maintains an updated computerized register of specialists around the world who are professionals and trainers with extensive overseas experience.

In all technical Assistance projects ORT's ultimate objective is to establish a self-sustaining locally-based human resource capability. Training methods and instructional technology are adapted to the culture and local personnel are trained to assume the supervisory and training functions after the phase-out of expatriate specialists.

The main fields of ORT Technical Assistance are vocational and technical education, agriculture and rural development, rehabilitation and maintenance of transport systems, manufacturing and mining, public and private service enterprises, and urban development.

ORT Technical Assistance services include needs assessments and analysis, program design, project implementation, evaluation, participant training and procurement.

On-going monitoring and evaluation are integral parts of all ORT programs. These provide a valuable tool for measuring

achievements against objectives and aid decision-making and timely intervention.

In ORT's procurement office in New York there exists an accumulation of know-how in product-finding, packing, and shipping. ORT ensures the best prices, reliable and speedy delivery to a multitude of seaports and airports, and provides documentation as required by host governments and funding agencies.

ORT has implemented the following technical assistance projects in Zaire:

Transport

1971-75	Training of road staff in five training production units and five training centers. More than 1000 staff trained and 2000 km of roads rehabilitated. (Office des Routes)
1975-Present	Management of equipment maintenance (Office des Routes) including purchasing all spares, seven regional workshops, one training production unit.
1975-80	Management and training for national river ferry service.
1980-82	Training of regional staff for roads and ferries.
1981-Present	Training of office staff for the Office des Routes in computer methods.

1973-1980      Technical assistance and training for ONATRA, the inland waterway transport authority. (A new contract for ONATRA just awarded to ORT)

Health

1973-77      Training of regional/village medical and paramedical staff in family planning and mother and child care.

Drinking Water Provision

1975      Training of local village water supply staff of Regideso .

Agricultural Education

1980-82      Training of two groups of Zairois in Europe in several agricultural disciplines.