

U N C L A S S I F I E D

AGENCY FOR INTERNATIONAL DEVELOPMENT

Washington, D. C. 20523

PROJECT PAPER  
Amendment #2

BANGLADESH: Technical Resources  
(388-0027)

November 5, 1981

U N C L A S S I F I E D

PROJECT DATA SHEET

TECHNICAL CODE  
 A - Add  
 C - Change  
 D - Delete

Amendment Number 2

PROJECT CODE 3

COUNTRY/ENTITY  
 BANGLADESH

PROJECT NUMBER  
388-0027

BUREAU/OFFICE  
 ASIA 04

PROJECT TITLE (maximum 40 characters)  
 Technical Resources

PROJECT ASSISTANCE COMPLETION DATE (PACD)  
 MM DD YY  
02 15 86

7. ESTIMATED DATE OF OBLIGATION  
 (Under "B" below, enter 1, 2, 3, or 4)  
 A. Initial FY 79 - B. Quarter 2 C. Final FY 84

8. COSTS (\$000 OR EQUIVALENT \$1 = )

A. FUNDING SOURCE	FIRST FY <u>79</u>			LIFE OF PROJECT		
	B. FX	C. L/C	D. Total	E. FX	F. L/C	G. Total
AID Appropriated Total	1,100	150	1,250	9,555	1,445	11,000
(Grant)	( 1,100 )	( 150 )	( 1,250 )	( 9,555 )	( 1,445 )	( 11,000 )
(Loan)	( - )	( - )	( - )	( - )	( - )	( - )
Other						
1. Host Country	-	50	50	-	1,355	1,355
2. Other Donor(s)	-	-	-	-	-	-
<b>TOTALS</b>	<b>1,100</b>	<b>200</b>	<b>1,300</b>	<b>9,555</b>	<b>2,800</b>	<b>12,355</b>

9. SCHEDULE OF AID FUNDING (\$000)

A. APPRO- RIATION	B. PRIMARY PURPOSE CODE	C. PRIMARY TECH. CODE		D. OBLIGATIONS TO DATE		E. AMOUNT APPROVED THIS ACTION		F. LIFE OF PROJECT	
		1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan
1)	103	280	720	-	4,650	-	5,000	9,650	-
2)	105	660	740	-	750	-	600	1,350	-
3)									
4)									
<b>TOTALS</b>				<b>5,400</b>	<b>-</b>	<b>5,600</b>	<b>-</b>	<b>11,000</b>	<b>-</b>

0. SECONDARY TECHNICAL CODES (maximum 6 codes of 3 positions each)  
 710 790 840 240

11. SECONDARY PURPOSE CODE

2. SPECIAL CONCERNS CODES (maximum 7 codes of 4 positions each)  
 A. Code B. Amount  
 BWB \$1,350,000 TNG \$250,000 RGEN \$1,150,000

3. PROJECT PURPOSE (maximum 480 characters)

To improve the policy research and project development, management and evaluation capabilities of ERD and other BDG agencies engaged in agriculture, rural development, energy and women's development programs.

4. SCHEDULED EVALUATIONS  
 Interim MM YY 01 81 Final MM YY 02 86

15. SOURCE/ORIGIN OF GOODS AND SERVICES  
 \$ 1,000  941  Local  Other (Specify)

16. AMENDMENTS/NATURE OF CHANGE PROPOSED (This is page 1 of a \_\_\_\_\_ page PP Amendment)

This amendment increases LOP funding from \$5,400,000 to \$11,000,000 and extends the project by two years to a total of seven years.

17. APPROVED BY  
 Signature: [Signature]  
 Title: Director  
 USAID/Bangladesh  
 Date Signed: MM DD YY 11 05 81

18. DATE DOCUMENT RECEIVED IN AID/W, OR FOR AID/W DOCUMENTS. DATE OF DISTRIBUTION  
 MM DD YY 11 20 81

## Table of Contents

### **Part I Project Description**

- A. Problem
- B. Recommendations
- C. Background
- D. Other Donors
- E. Justification for Additional Funding
- F. Detailed Description
- G. Issues

### **Part II Project Analyses**

- A. Social Soundness Assessment
- B. Technical Feasibility
- C. Administrative Feasibility
- D. Environmental Concerns

### **Part III Financial Plan**

- A. Analysis of Financial Effects
- B. Project Costing
- C. Obligation Schedule

### **Part IV Implementation Plan**

### **Part V Evaluation**

### **Part VI Conditions and Covenants**

### **Annexes**

- A. BDG Letter of Request
- B. Logframe
- C. Project Authorization Amendment
- D. Statutory Checklist
- E. BDG Letter requesting waiver of requirement that participant training transport costs be partially borne by ERD.

## Part I Project Description

### A. Problem

As one of the poorest nations in the world, and receiving over one billion dollars of foreign assistance every year, the Bangladesh Government (BDG) faces the monumental task of using these funds efficiently and producing coordinated schemes to direct resources to the areas in which they are most needed. The BDG has an ever-present requirement for project feasibility studies, research and evaluation reports and management consultancies in order to cope with its management responsibility. Since the layer of skilled project designers and managers within the BDG is extremely thin, another basic requirement is training for mid-level officials.

Over the past two years the Mission has been assisting the BDG to address these problems through the Technical Resources Project, under which \$ 5,400,000 have been obligated for technical assistance and training. This is the authorized ceiling for the project, of which \$2,419,000 have already been firmly committed to sub-projects and training and discussions are in progress with the BDG for use of an additional \$1,271,000. Given the current level of activity, the Mission expects the remaining funds to be committed by mid CY 82. However, the BDG will still require large scale assistance of the types provided by this project, and the Mission has no source of funding for it.

### B. Recommendations

The Technical Resources Project has provided the Mission with a flexible response mechanism which has enabled us to support quickly BDG requirements for technical assistance and training in a wide variety of subject matters. The basic rationale for the project remains valid and the BDG will continue to need these kinds of assistance for the foreseeable future. Rather than write a new Project Paper to meet this need, the Mission recommends that the current Technical Resources Project be increased by \$ 5.6 million, to a total LOP amount of \$11 million, and that the project be extended by two years, to February, 1986. The additional funds will be obligated in FYs 82, 83, and 84. This Project Paper Amendment supports those recommendations.

C. Background

USAID and the BDG signed the Grant Agreement for Technical Resources on February 15, 1979, obligating \$1,250,000. Subsequent amendments, for \$2,250,000 on April 25, 1980 and for \$1,900,000 on December 15, 1980, brought LOP funding to \$5,400,000. A large project feasibility study, Integrated Land and Water Use, was ready for funding in February, 1979 and that accounted for most of the first year's technical assistance funds. A small management consultancy with the Ministry of Agriculture was also funded in the first year. Training plans for BDG agencies engaged in agriculture/rural development and for women were developed jointly by the External Resources Division, Ministry of Finance (ERD), and USAID and the first participants were processed for training. On the technical assistance side, there was a hiatus in project activity of almost one year, as during that period the BDG took much time in processing and funding the training programs and in coordinating the requests from other Ministries.

Discussions held in connection with the project evaluation resulted in greater ERD attention to the project and closer USAID monitoring. Simultaneously, a large number of activities began to be discussed for funding under the project, often in support of other USAID projects. Most notable is the assistance to the Food Planning and Monitoring Unit which will provide a service within the BDG which USAID has felt was necessary for some time.

For a variety of reasons, therefore, the project is now moving forward satisfactorily with a large number of activities under consideration. Given the improved project performance by ERD, the Mission expects new project ideas to continue to surface and funds currently obligated will soon be fully committed. A brief description of each subproject that has been funded or is under serious consideration for funding under the project follows.

1. Technical Assistance - Funds Committed

a. Integrated Land and Water Use (\$900,000):

This major project feasibility study began in February, 1979 and the final report was submitted in May, 1981. The purpose of the study was to select the site for a large AID-funded irrigation and farmer organization project and then to determine the type of assistance AID should provide. The study directly supported the Mission's overall

program and no other funding was available for it. The final report for this sub-project was received in late May 1981 as scheduled. Information from this report is expected to be of great utility in the formulation of BDG and Mission Initiatives in irrigation and water management in the near future.

b. Famine Warning (\$ 5,000):

A consultant spent one month in Bangladesh conducting a pre-feasibility study on mapping famine-prone areas of the country. The report will enable the BDG and USAID to provide food aid more quickly and effectively when shortages begin to develop.

c. Ministry of Agriculture and Forest (\$ 60,000):

Under this management consultancy, CRUX, Inc. provided six months of assistance to the Ministry of Agriculture to strengthen its planning and management capabilities. Specifically, the consultant worked with the Planning Cell to strengthen it as an operating unit within the Ministry and provided direct assistance in day-to-day project evaluation and policy development work. This sub-project was completed in April, 1980.

d. Nutrition Unit (\$ 5,000):

This sub-project was designed to assist the Ministry of Agriculture set up a Nutrition Unit in its Planning and Development Division and also to provide one year of technical assistance to the Unit. The then USAID Nutrition Advisor considered this an important step in reaching one of the Mission's priority goals of improved nutrition in the country. Unfortunately, the selected consultant cancelled his contract for personal reasons, and an alternate nutrition activity has not so far been developed by the concerned Ministry.

e. Food Planning and Monitoring Unit (\$ 450,000):

The FPMU was set up by the BDG in direct response to a USAID concern that such a unit was needed to ensure a rational country-wide food policy. The Government has requested a team of two or three advisors to help the FPMU develop a crop forecasting system, carry out price policy analysis with respect to food crops and assist in developing a grain reserve policy. This activity was approved by USAID in November, 1980 and currently AID/W and USDA are recruiting experts to fill these slots.

f. Farm Level Survey and Economic Analysis (\$112,000):

The sub-project was authorized in January, 1981 to assist the Bangladesh Rice Research Institute (BRRI) in carrying out survey and analysis work which will be used to set research priorities, formulate input supply and price policies and assess the impact and potential of BDG programs to boost foodgrain production and raise farmer incomes. BRRI has begun work on the surveys, a BRRI official has been sent to the USDA course on Establishing Data Bases and Analytical Systems for Economic Decision Making in Agriculture, and short term consultants are being recruited.

g. Low Pressure Buried Pipe (\$140,000):

Under this activity, USAID will supply pipe and provide for its installation to support a FAO research effort on a low pressure buried pipe distribution system. This is a pilot project that will develop and test the design, construction, materials, organization, operation and management of various types of buried pipe systems. The implementation letter authorizing this expenditure was issued in March, 1981 and implementation procedures are being worked out.

h. Tissue Culture Workshop (\$16,250):

This workshop, conducted by the Bangladesh Agricultural Research Council, trained 20 established research workers from 12 research institutions and four universities in Bangladesh in tissue culture technology and the utilization of this technology in plant breeding.

i. Karnaphuli Rehabilitation Feasibility Study (\$50,000):

The BDG has requested USAID assistance in conducting a feasibility study to determine what is required to rehabilitate and possibly uprate the first and second units of the Karnaphuli Hydroelectric Power Station. These units were installed with AID financing in 1962. USAID issued a PIL authorizing the study in April, 1981 and the feasibility study was carried out in September 1981.

2. Technical Assistance - Proposed Activities

a. Water User Organizations (\$ 100,000) :

Currently irrigation systems are used very inefficiently because local organizations to manage distribution of water either do not exist or are not functioning adequately. USAID has proposed a study of water user organizations to determine the constraints in the present systems and to work out a proposal for a viable organization. The proposal is awaiting ERD approval.

b. Study of Private Sector Support for Small Industries in Bangladesh (\$ 50,000):

The purpose of this short-term study is to provide technical assistance for the analysis of small industry policies, both in the public and private sectors, that will improve the policy and planning atmosphere for developing small industries in Bangladesh. The Mission may work with the National Coordinating Council For Small and Cottage Industries on this activity. It is anticipated that the final report will help lay the groundwork for increased USAID support to the private industrial and commercial sectors in Bangladesh. ERD has approved this activity and the scope of work for an investigator is being refined. It is expected that an implementation letter authorizing this sub-project will be issued in November, 1981.

c. ERD Project Monitoring and Coordination Cell (\$ 56,000):

ERD has established a unit to monitor the various projects funded by USAID, including especially those funded by the proceeds of PL 480 Title III sales. The Cell will : create an ERD capability to keep accurate PL 480 accounts, especially where Title III currency use offset is concerned; provide ERD the capability to prepare and submit on a timely basis all required PL 480 reports; provide ERD the staff capability for the necessary operational staff work to complement the policy oriented FPMU; and create a better capability to monitor projects approved for financing from Title III proceeds as well as other AID funds. This sub-project will be for a limited time. After an evaluation of its operation at the end of the second year, it is expected that the BDG will absorb its costs.

d. University of Dacca Energy Research Studies (\$800,000):

The Center for Policy Research, University of Dacca, has proposed a series of three studies per year for three years to examine various aspects of energy development and utilization. USAID has discussed the proposal with Dacca University representatives and the proposal is being refined by the CPR in association with the Planning Commission.

e. Bangladesh Handloom Board (\$ 120,000):

In connection with utilization of local currency proceeds resulting from PL 480 Title I sales, the BDG has requested technical assistance to help the Bangladesh Handloom Board with loom technology, design and finishing technology, and project development and implementation. This activity supports the CDSS emphasis on rural employment.

f. Development of Computer Software Library and Personnel Training at Bangladesh University of Engineering and Technology (\$25,000):

The computer facility at BUET is an extremely important center for data processing, utilized not only by the university itself but by the BDG and foreign donors. This sub-project will support the second year's rental the Statistical Package for the Social Sciences (SPSS) in the BUET's IBM 370/115 computer and train its analysts and programmers in the use of the package. Incorporation of SPSS in the operation of BUET's computer will significantly increase data-processing efficiency, to make better use of this scarce and expensive resource. An Implementation Letter for this sub-project is expected to be issued in Fall, 1981.

3. Technical Training

Following the signing of the initial project agreement in February, 1979. ERD solicited training requests from various agencies and drew up a preliminary training plan based on the responses it received. USAID then reviewed the plan with ERD and a final training plan was approved jointly. Since training funds were short in the first year, the training plan was broken down into first and second priority lists and only the first list was authorized for funding. Soon after the training plan was finalized with its cost estimates the Mission received new guidelines for estimating costs of U.S. training from AID/W. In formulating the plan the Mission had emphasized third country training, especially for short-term courses, both because of the cost and because third country training is more appropriate in many cases. The Mission did schedule U.S. training for master's degree

programs and for short courses that we find especially suitable. With the substantial increase in costs for U.S. training, however, the Mission reviewed the plan and transferred as many additional training programs as possible from the U.S. to third countries.

Under the first priority list, candidates for 53 out of a total of 58 positions have been nominated. Thirty-five of these have already completed short term courses, one in the U.S. and 34 in third countries. Three are currently in master's degree programs in the U.S. The Training Unit is arranging programs for the remaining 14 nominees. Of the 5 positions for which candidates have not yet been selected, the Ministries either have not been able to identify suitable candidates or they have decided that the proposed training no longer suits their needs. The funds originally reserved for these positions will be reprogrammed.

Participants under the first priority list have received training in project design, implementation and evaluation, rural credit, agriculture, statistics, and nutrition. These are areas of obvious need for the BDG and the training also serves to support, both directly and indirectly, the projects AID is carrying out in the Rural Development sector. The second priority list was authorized for funding following obligation of the FY 80 allotment. The Training Unit has received nominations for 57 of the 67 positions. The types of training will be similar to those funded under the first priority list. A plan for the third priority list will be submitted to AID by ERD in October 1981.

#### 4. Women's Training

The women's training component was included in the project so that the Mission would be able to provide program planning and management training to women who have only recently had the opportunity to move into management positions in the BDG in large numbers. This component will also provide skills training to lower level BDG employees. The Project Paper provided \$ 350,000 for women's training and the Mission subsequently added \$ 400,000 more because of the serious need for improving women's skills. The Ministry of Women's Affairs (MWA) was delegated the job of administering this portion of the project by ERD.

In 1979 USAID and the BDG approved a training plan for approximately \$ 250,000 which included an in-country management seminar, academic training in the U.S. , and technical skills and non-formal education training in third countries. To date, one and a half years after the plan was approved, two women are in master's degree programs and four have been nominated for short-term courses. Only recently has MWA begun to plan the in-country management seminar and to identify training needs and candidates for third country skills and non-formal education training. Actual progress, however, has been and remains unsatisfactory.

There are a number of reasons why the women's activities described in the training plan have not been implemented in a timely manner. MWA is a small and recently established entity; there has been a scarcity of personnel at all levels and due to the recent increase in staff there has been lack of continuity in project management. At first there was no MWA officer specifically assigned to the project. Since MWA began actively working on the project, other Ministries have not cooperated in providing MWA with information on the training needs of the women in their organizations nor have they provided nominations for training programs or funds for air travel. Perhaps the greatest constraint is that MWA has not seen itself as a coordinating body for women employees' interests in all BDG agencies; yet, that is what is required to properly administer this component of the project.

During the last few months MWA has begun to take greater interest in the project. The MWA Deputy Secretary is preparing a detailed plan for the women's portion of the grant, including the in-country management seminar.

5. Detailed Pipeline Analysis

Total Funds Available. (\$000)	<u>FY 79</u>	<u>FY 80</u>	<u>FY 81</u>	<u>Total</u>
1. Technical Assistance	\$ 1,090	\$ 1,140	\$ 1,250	\$ 3,480
2. General Training	60	860	250	1,170
3. Women's Training	100	250	400	750
	<u>1,250</u>	<u>2,250</u>	<u>1,900</u>	<u>5,400</u>
1. Technical Assistance	Sub-obligated Amount	Disbursed	Accrued	Pipeline as of 9/30/81
Sub-projects				
a. Integrated Land & Water Use (TAMS)	900	839	61	0
b. Famine Warning	5	0	5	0
c. Management Consultant Min. of Ag. (CRUX)	60	60	0	0
d. Farm Level Survey (BRRJ)	112	11	8	93
e. Nutrition Unit	5	5	0	0
f. Food Planning & Monitoring Unit	450	27	223	200
g. Tissue Culture Workshop	16	14	2	0
h. Low Pressure Buried Pipe	140	0	0	140
i. Karnaphuli Rehabilitation	39	0	39	0
j. Monitoring Cell Not yet sub-obligated	56	0	0	56
	-	-	-	(1,697)
Sub Total	1,783	956	338	489
2. Technical Training PIO/Ps issued Not yet sub-obligated	551	308	14	279
				(618)
3. Women's Component PIO/Ps issued Not yet sub-obligated	117	53	10	54
				(697)
Total	2,452	1,317	362	772
Total Pipeline including unsubobligated funds				3,012

D. Other Donors

The World Bank also recognizes Bangladesh's requirements for technical assistance to improve development administration and project implementation capacity. From 1973 to 1978 IDA provided Bangladesh with three technical assistance credits totaling \$21.5 million. Because of the BDG's continuing, and increasing, need for these funds, a Fourth Technical Assistance Project for \$16 million is under discussion.

E. Justification for Additional Funding

Based on the Mission's experience over the past year, it is expected that the technical assistance funds remaining unearmarked will be committed by the middle of 1982. Some of the activities that are under discussion now will be dropped, new possibilities will come to light, and some on-going projects may require extension. The flexibility that was built into the project enables the BDG and the Mission to respond quickly to a very rapidly changing situation and to provide funds on relatively short notice to worthy sub-projects that crop up unexpectedly. It is important that the Mission maintain this flexible response capability, not only to deal with the same type of activities but also to support the Mission's recently approved FY 83 CDSS. The CDSS calls for a major change in our program, emphasizing sectoral programming. This change in program will require sector studies to determine which policy and program issues will be addressed and also to identify specific projects that will be supported.

The Mission's Analysis and Evaluation Plan for FY 81-84 reviews the kinds of information required for planning, design, execution, monitoring, and evaluation of development efforts during the next three years. It also reviews the Mission's current project portfolio to determine the role of analysis, monitoring and evaluation in guiding existing projects to successful completion. This project will provide the BDG and USAID with a ready source of funds to support the activities identified in the plan.

Also in response to the FY 83 CDSS, which argued for strong USAID support to the energy sector, the Mission has produced an Energy Strategy paper that will serve as the basis for its involvement in this sector. The paper outlines a series of about twenty feasibility studies that will be required in the petroleum, power, forestry, and non-conventional energy sub-sectors. Since the primary purpose for involvement in the energy sector is to increase food production (through rural electrification, local fertilizer production, etc.), the Agriculture, Nutrition, and Rural Development funding category will be used. It is anticipated that about three million dollars will be required for these studies.

Specific items which may require major funding under this project amendment include :

1. **Food Planning and Monitoring Unit** - The original plan for this sub-project provided for three consultants for one year each. It was recognized, given the importance and complexity of the tasks they were to perform, that the consultants might be needed for two or three years. It now seems likely that the first phase of the activity will provide several shorter-term consultants. This will probably require an increase in the current budget of \$450,000 and a second phase, for a similar amount of money, is a good possibility.

2. **Ag Sector Assessment** - Experts from Utah State University visited Bangladesh in January/February, 1981 for preliminary discussions. The BDG and the Mission expect the full scale sector assessment to begin in Fall, 1981. Experience in other countries indicates that this will require about 25 months of long-term consultants and 20 months of short-term consultants, and will cost about \$660,000.

3. **Energy Sector Feasibility Studies** - The energy sector studies recommended by the Mission's review paper include five in petroleum (oil and gas) six in the power sub-sector, one in forestry, seven in the non-conventional energy sub-sector and a series of studies on energy policy. Many of these studies will be funded under this project. The minimum amount of project funds estimated to be needed for such energy sector studies is \$3,000,000.

4. The additional training to be funded under the project will be generally in the same areas as current training programs. However, there will be a greater effort to tie in the training directly to technical assistance activities or to support other USAID projects.

5. Specialized training for women in management and productive skills will continue to be needed by the BDG throughout the life of this project. Implementation progress so far has been disappointing and \$500,000 remains unprogrammed from the women's training component. While there have been encouraging signs during the past few months that MWA will begin to implement the project more vigorously, there is still little likelihood that, under current administrative arrangements and training criteria, additional funds would be required.

In order to make a greater contribution to the vast need for women's training, the Mission proposes that the requirement that participants be BDG employees should be waived for women. This would open up training opportunities to qualified women in semi-autonomous, voluntary, and private sector organizations which are supporting national development.

Types of training to be funded would include public administration, management, project design, implementation and evaluation, and other fields which are related to/in <sup>women</sup> development activities. To ensure that the training of non-government employees would benefit the nation as a whole, each such participant would be required to countersign the PIO/P containing a statement similar to the Government bond that BDG employees must sign before going abroad for training. The statement would require that the participant work in Bangladesh for a minimum of two years following her training, and, in the case of long-term programs, at least two years for each year of training. In both cases, the work would be in a field related to the AID-financed training.

#### F. Detailed Description

1. Sector Goal, The goal of this project is to increase the BDG's ability to respond effectively to development problems. The Mission expects that partially as a result of the funds made available to the BDG in the agriculture, rural development and women's developments sectors, the Government will be able to increase its development expenditures in those sectors and also improve the quality of projects undertaken.

Project Purpose : The purpose of the project is to improve the policy research and project development, management, and evaluation capabilities of ERD and other BDG agencies engaged in agriculture, rural development, energy and women's development programs. Agriculture and rural development are (along with population control) the BDG's and the Mission's priority areas of concern. Improved performance in these two areas is critical to achieving the major BDG development goal, i. e., food grain self sufficiency by 1986. USAID and the BDG have only recently begun to focus on the importance of energy availability to achieving this goal. A series of feasibility studies will provide the basis for development projects in this sector. While not addressing population control directly, the project will focus attention on women's development programs. It is generally recognized that increased economic opportunities and participation for women are directly related to lower fertility rates. Also, the Mission's Family Planning Services project provides this type of support to the population sector.

Through its management and coordination of overall project activities, by the end of the project ERD will have further developed its ability to respond to the technical assistance and training needs of other BDG agencies.

BDG technical agencies should be better able to identify and develop projects with less reliance on foreign experts. The returned participants will provide the quality manpower required for this task.

### 3. Outputs

a. **Sector Assessments and Policy Studies.** To support the change in the Mission's program from project to sector aid as presented in the FY 83 CDSS, an agriculture sector assessment will be done over the next three years and policy studies will be carried out in the energy and rural industry sectors. While central funds may be available for some of these studies, some of the funding will have to be provided under this project.

b. **Project Development.** To date, one project development study has been completed, - Integrated Land and Water Use, - and it is expected that a full-scale irrigation project will be initiated for FY 83. A feasibility study of Karnaphuli Hydroelectric Station, Units 1 and 2, has been approved and this may result in a project to rehabilitate and/or uprate the units. It is expected that at least five additional project development opportunities will surface during the next two years.

c. **Research and Evaluation.** During the course of the project, the Mission hopes to develop an increased capability for policy oriented research among Bangladesh Government, semi-autonomous and academic institutions. Activities which have been funded so far are the Farm Level Survey and Economic Analysis which is being undertaken by the Bangladesh Rice Research Institute, a Tissue Culture Workshop conducted by the Bangladesh Agricultural Research Council and a Low-Pressure Buried Pipe pilot project which the Rural Development Academy at Bogra is carrying out with FAO assistance. Based on experiences to date, USAID's assistance under this category may include short and long-term consultants, operating funds for specific studies, and overseas training for key personnel. It is anticipated that, in addition to those cited above, eight or nine research and evaluation studies will be funded.

d. **Technical and Management Consultanties.** The BDG has a continuing requirement for both short and long-term consultanties. As noted above, there are consultants associated with some of the research activities funded under this project, but there is also a need for technical and management experts working within BDG agencies to improve routine, day-to-day efficiency. One of the first activities funded by the

project was a short-term management consultant to the Ministry of Agriculture. A recently authorized sub-project will provide two or three long-term consultants to assist the newly established Food Planning and Monitoring Unit. When ERD establishes its proposed Monitoring and Coordination Cell, USAID may provide some logistical support, at least partially funded under the project. In addition, four or five more management/technical consultancies may be funded.

e. **Technical Training.** The training program will be directed toward middle management personnel, e.g., deputy secretaries, division chiefs and section managers, of the main BDG agencies concerned with agriculture and rural development. The primary emphasis will be on professional, short-term training in third countries as opposed to academic, long-term training in the United States. Besides the steeply rising costs of U.S. training, this emphasis reflects USAID's and the BDG's judgement that there are now many third country institutions that can offer programs of equal quality with the U.S. and that the training received in third countries is more easily adaptable to the situation in Bangladesh. Thirty-five BDG personnel have completed short-term courses so far, 34 of these in third countries. The Mission estimates that 200 key personnel will be trained under the project.

f. **Women's Training.** During the past few years, there has been a notable increase in the number of women professionals assigned to management positions in Bangladesh. In most cases these women have had academic work in fields such as economics, sociology, etc., but no training or experience in program planning and management. In order to strengthen the performance of these women managers, the project will provide management training in the U.S. and third countries for about 40 women.

Also, in order to reach village women more directly and to have some impact on their economic well-being, the project will provide training in practical skills, such as sericulture and cottage industries, in third countries. The women selected for this training will be from BDG and private organizations working in development programs for rural women. It is expected that about 80 women will receive skills training. The women's component of the project is funded under the Education and Human Resources appropriation and is meant to provide training for women in all sectors. The BDG has moved very slowly in implementing this portion of the project but it appears that the Women's Affairs Ministry is now working seriously on project implementation. Some of these funds may be used to hire a consultant to assist MWA in identifying training needs and candidates.

g. In-country Management Seminars. For women at lower professional levels in the BDG and private organizations, MWA will arrange a series of workshops, to be conducted in Bangla, in program planning and management, organizational development, leadership development, and project preparation and evaluation. Those women who have received training abroad should be able to assist in setting up and conducting these seminars. This portion of the project may also be used to assist local institutions, e.g., mother's clubs, private women's organizations, etc., to conduct seminars for rural women on such topics as legal rights of women, how to obtain and utilize credit, and marketing of cottage industries. A total of five seminars will be funded.

#### Inputs

Inputs for the project include technical assistance, participant training, local costs to support the women's in-country seminars and consultants, and some equipment in support of the various technical assistance activities. There is no separate line item for equipment in the budget because it is provided only in direct support of the technical assistance and is included in that line item.

During the second phase of the project, special emphasis will be given to support for ERD and it is expected that this support will significantly improve ERD's capability to implement the project. One activity will be the Monitoring and Coordination Cell, which will improve ERD's capability to monitor and report on PL 480 Title III activities as well as other USAID-Funded projects.

The BDG inputs to the project will include counterpart personnel and in-kind support for the technical assistance activities and transportation on Bangladesh Biman for training.

#### G. Issues

1. Women's component. As noted in the Background section on the women's component, implementation of this portion of the project has been unsatisfactory. The MWA has produced a plan for the use of only about one third of the total funds available and has been able to implement only a fraction of the plan. The Mission anticipates that new leadership at MWA, which is moving to improve their performance, and the proposal in Part I, E. 5 to open up the project to the private sector will justify additional funding for this component. However, USAID's expectations have proved overly optimistic in the past and it is not unlikely that unforeseen circumstances, such as staff turn-over at MWA, may again undercut progress on this component of the project. MWA, ERD, and USAID realize that at this late

stage, no further allowances can be made for stagnation on project implementation. The Mission considers that, at a minimum MWA must complete the following actions during the next six months :

1. Develop a plan for the use of the \$ 500,000 remaining unprogrammed.
2. Nominate candidates for the training identified in the first training plan.
3. Conduct the first in-country management seminar and provide a schedule for subsequent seminars.

If these actions are not completed within six months, the Mission and ERD should consider deleting any additional funds for the women's component and only concentrate on utilizing the \$ 750,000 already obligated.

2. Section 514, FY 81 Continuing Resolution. This section of AID's current legislation requires that at least 20 percent of the funds for U. S. participants with FY 81 money must be selected independently of the host government. In a series of messages to AID/W the Mission has expressed the difficulties it and the BDG would have in complying with this requirement. The Mission has been able to avoid this issue this year because there are adequate prior year funds in the project to cover any U. S. training in FY 81. However, if Section 514 remains in effect in future years, it will present a serious problem. It is possible that all U. S. training would have to be deleted from the project.

3. Travel Costs. The BDG has issued a policy determination on foreign training to the effect that only those fellowships or training programs could be accepted where the donors bear all costs, including those for travel. USAID has required that trainees sent under its projects have their travel costs borne by the BDG to the farthest point served by the national airline. The letter from ERD to the Mission dealing with this issue is appended as Annex F.

Part II Project Analyses

A. Social Soundness Assessment

Introduction

Assessment of the social soundness of the second phase of the Technical Resources project rests upon the experience gained in implementing the project's first phase and upon the evaluation of the project executed in early 1981.

Sociocultural Feasibility

The Technical Resources Project's purpose is to improve policy research, management, and evaluation capability in ERD and other nation-building agencies in agriculture, rural development, energy and women's affairs. As such, the project fits into operations of the BDG at national levels, and its immediate beneficiaries are those BDG agencies participating. However, the function of activities sponsored under this project is

to provide both knowledge input and management capability which improve effectiveness and overall performance in development-related activities, thus augmenting and improving the impact of a wide variety of conventional projects aimed at low-income target populations in rural areas. The first phase of this project will result in 165 BDG officials receiving higher technical training applicable to performance of their duties and beneficial to their careers; execution of major engineering and socio-economic feasibility studies of irrigation and rural development and famine warning and the provision of advisory consultant assistance to the Ministry of Agriculture's Nutrition Unit. Given the complex nature of government in Bangladesh, and the problem the BDG faces as it continues to progress in converting an essentially care-taker oriented post-colonial bureaucracy to development orientation, this project has shown itself to meet a clear and important management need which is related both to BDG goals and to Mission development strategy.

#### Equity Issues

Operation of the first phase of the project has brought to light problems of implementation which are to be addressed specifically in the design of its second phase. Most prominently, the training element aimed particularly at women has fallen far short of its intended goal. In a society with high sexual segregation, limited education and career opportunities for women, and few women employed by Government, little attention is paid to improving professional capabilities for women. Only 7 women have benefited so far from this project, out of a total of 30 slots which were reserved for them. The second phase of this project will address this problem directly, by strengthening the Ministry of Women's Affairs, increasing funding for research on women's issues, establishing a data bank on women in Bangladesh, and calling for better performance by the BDG in identifying, nominating, and sending qualified women for specialized training.

A second equity-related issue is the fact that this project is not a hands-on, direct project aimed at rural low-income target groups, but rather a project which is intended to improve management and delivery of development inputs through better performance on the part of BDG agencies. However, in the context of USAID and other donor efforts in disseminating development inputs through the complex bureaucratic system found in Bangladesh, this kind of assistance to management capability is vital.

Transition from a static, red-tape-ridden administration which is highly centralized in a country where transport and communication facilities are limited and inefficient, to more development-oriented decentralized form of operation, is essential if change is to be transmitted and implemented. This project's first phase has shown that it can be a valuable tool in achieving bureaucratic changes which may lead to broader developmental changes in the society.

### The Diffusion of Project Effects

In a sense, the Technical Resources project is intended to have its major effects indirectly rather than directly-that is, its outputs are intended to diffuse into implementation of a wide variety of activities executed by line ministries of the BDG. Recipients of training provided by this project will become more effective planners and administrators, capable of designing, executing, and evaluating development activities with greater skill and expertise. Research activities, such as the feasibility study of integrated land and water management executed under Phase I of this project, become important elements in development of policy toward achievement of national goals. Perhaps even more subtly, strengthening research and training capabilities for women can lead to a more significant role for professionally trained women in Bangladesh, stimulating more younger women to emulate them in the future.

#### B. Technical Feasibility

Funds provided by this amendment will continue types of activities already funded under the project. Judgements on the technical feasibility of sub-activities will have to be made as they are identified. Based on the Mission's previous experience, there should be no technical problems with implementation of the project.

#### C. Administrative Feasibility

The BDG office responsible for overall coordination of the project is the American Desk of ERD. As noted in the Project Evaluation Summary of January, 1981, and referred to in various parts of this paper, ERD has/always provided the

support necessary to ensure timely project implementation. Nevertheless after considering alternative methods of providing technical assistance and training the Mission has decided to continue this project with only minor modifications.

Regional Project Development and Support funds are very limited and cannot always be assured on a timely basis and in adequate amounts. Separate technical assistance and training projects with line Ministries would probably cut significantly the paper work and time necessary to process applications for funding. Since each Ministry's requirements would be relatively small, however, the extra work of preparing a number of small project papers would negate the advantage of dealing directly with the line ministries.

The difficulties associated with these alternatives and the improvement in ERD's performance have led the Mission to propose this continuation of the Technical Resources Project. The following steps are being taken to ensure smooth implementation of the project. First, the Project Monitoring and Coordination Cell will directly assist ERD to improve its implementation of this project. Second, as a condition precedent to disbursements under this amendment, ERD will agree to circulate to concerned ministries up-to-date information on funding availability under the project. The Mission anticipates that the combination of these factors will significantly increase the effectiveness and timeliness of project implementation.

D. Environmental Concerns

There will be no environmental impact resulting directly from this project. The types of activities funded have been part of the Mission's overall program for some time and have not affected the environment. Furthermore, with the exception of the sector assessments and project development studies, the activities are among those for which, according to Section 216.2 of AID's Environmental Procedures, no environmental assessments are required. An environmental assessment will be included as part of the scope of work for any sector assessment or project development study initiated under this project.

### Part III Financial Plan

#### A. Analysis of Financial Effects

The Mission does not foresee any major impact on the BDG's recurring budget as a result of this project. The BDG's contribution will consist of counterpart personnel and in-kind support services for technical assistance activities and travel costs to the farthest point served by Bangladesh Biman for participant training. Experience with the project so far indicates that the counterpart personnel and in-kind support require no additional BDG resources and the travel funds are a regular part of each agency's annual budget request. The original project authorization waived Section 110(a) of the Foreign Assistance Act which requires that the host country contribute 25% of the cost of a project. That waiver continues to be in effect.

#### B. Project Costing

The project budget is illustrative. It is possible to make fairly accurate estimates of costs per month of technical assistance for different types of activity and costs per month for the four kinds of training: short-term, long-term, U.S. and third country. However, the types of activities and training that will finally be financed cannot be predicted accurately. Costing for the various components is discussed below and is based on Mission experience with similar types of activities.

##### 1. Consultants

a) Sector Assessments and Policy Studies. It is expected that one sector assessment will be completed. The study may require about 25 months of long-term consultants and 20 months of short-term consultants. It is estimated that it will cost about \$660,000. A series of policy studies in the energy sector are expected to cost about \$800,000 and an industry sector study under the sponsorship of FBCCI is estimated at \$50,000.

b) Project Development Studies. The Mission estimates that seven project development studies will be completed. Studies of this type have normally taken 60 to 65 work months.

and are usually done by institutional contractors. The average cost will be about \$11,000 per month and a total of approximately 400 months of consultant services will be required.

c) Technical Assistance Consultancies. The technical assistance consultancies that have been funded under the project so far have varied widely in length and scope. Based on experience to date, approximately one work year will be required for each of ten consultancies, and the contracts will be divided between PSCs and institutions so that the average cost per month will be approximately \$8,000.

d) Research and Evaluation Studies. Comments from c. above apply here. It is estimated that twelve studies will be carried out.

e) Participant Training. It is estimated that a total of 320 Bangladeshis will receive training under the project, including both the technical and women's training components. The following table provides the cost estimates :

<u>Type of Training</u>	<u>No. of Participants</u>	<u>Ave.Mos.per Participant</u>	<u>Ave.Cost per month</u>	<u>Total Cost</u>
U.S. Academic	15	18	\$ 1,850	\$ 499,500
U.S. Non-Academic	30	3	3,500	315,000
3rd Country Academic	25	24	700	420,000
3rd Country Non-Acad.	250	4-6	1,100	1,320,000
TOTAL	320			2,554,500

In addition it is estimated that AID-funded travel will cost \$213,500.

f) In-Country Management Seminars. The Mission estimates that each of the seminars will cost about \$50,000, including consultants, trainers, materials, training facility, and per diem for trainees. Five seminars will be conducted.



Summary Cost Estimate and Financial Plan (\$000)

<u>Activity</u>	FX	AID LC	BDG LC	Total
Section 103				
1. Sector Assessment	845	665	-	1,500
2. Project Studies	3,930	440	-	4,370
3. TA Consultancies	875	85	-	960
4. Research and Evaluation	1,035	115	-	1,150
5. Participant Training including travel	1,670	-	80	1,750
6. Counterpart Personnel and in-kind support	-	-	1,200	1,200
Section 105				
1. Training	1,100	-	50	1,150
2. In-Country Seminar	100	150	25	275
<b>TOTAL</b>	<b>9,555</b>	<b>1,445</b>	<b>1,355</b>	<b>12,355</b>

Part IV Implementation Plan

Overall coordination of the project rests with the USAID Program Office and the American Desk of ERD. Implementation of the various project activities is assigned to the most appropriate BDG agencies and USAID Divisions. Funds are obligated in annual increments through a Grant Agreement. Individual activities are requested by ERD and approved by AID through Project Implementation Letters.

The schedule below lists only those actions which are considered critical to project implementation. It does not attempt to estimate a date for each sub-project.

<u>Action</u>	<u>Action Agent</u>	<u>Date</u>
Nomination made for current women's training plan	MWA, ERD	December, 1981
PP Amendment approved	AID/W	December, 1981
Second women's training plan approved	MWA, ERD, USAID	December, 1981
Ag. Sector Assessment begun	USAID	December, 1981
Women's In-Country management seminar	MWA, USAID	October, 1981
FY 82 Grant Agreement Amendment signed	USAID, ERD	January, 1982
Third plan for technical training approved	USAID, ERD	February, 1982
Evaluation	USAID, ERD	September, 1982
FY 83 Grant Agreement Amendment signed	USAID, ERD	December, 1982
FY 84 Grant Agreement Amendment signed	USAID, ERD	December, 1983
Final Evaluation	USAID, ERD	February, 1986

## Part V Evaluation

The first evaluation of the project was completed in January, 1981. The next evaluation of project activities is scheduled for September, 1982. This evaluation will concentrate especially on ERD's performance in coordinating and ensuring timely implementation of the project. The decision on whether to proceed with the proposed FY 83 and FY 84 obligations will be based on this assessment. An in-depth final evaluation will be held in February, 1986. Individual activities under the project are to be monitored and evaluated separately as they progress and are completed. These individual evaluations, performed by the implementing BDG agency and USAID division will be reviewed and incorporated as parts of the overall project evaluation.

## Part VI Conditions and Covenants

### A. Conditions Precedent

1. A condition precedent to the first disbursement of funds under the PP amendment is that, within thirty (30) days of signing the FY 82 Grant Agreement amendment, ERD will circulate to concerned BDG Ministries and agencies up-to-date information on the availability of funds and procedures for requesting these funds.

2. The BDG will agree in writing to waive the requirement that female participants must be BDG employees.

### B. Covenants

1. ERD will agree to circulate an updated version of the information listed in A above every six (6) months.



1. 11/11/81  
2. File  
ANNEX A

ANNEX A

External Resources Division  
Ministry of Finance  
Sher-e-Bangla Nagar  
Dacca-7

540

D.O. No. ERD/USA(P)-5/77/235

Date.....June.30...1981.

Sub:-Amendment of the Technical Resources Project Grant.

Dear Mr. Kimball,

Please refer to the Technical Resources Project Grant under which \$ 5.4 million have been obligated and the total fund is expected to be subobligated by mid CY 82.

In the course of discussions with concerned USAID Official it has been found more practical to extend the validity of the current TRP Grant and enhance the ceiling of the grant to \$ 11.00 million, for the purpose of continued technical assistance/training to personnel in various fields as out-lined in the project paper.

We, therefore, request you to provide an additional grant of \$ 5.6 million for the Technical Resources Project Grant and extend the validity of the grant agreement upto February 1986.

With regards,

Yours sincerely,

( M. A. Latif Lasker )

To  
Mr. Frank E. Kimball,  
Director,  
USAID Mission to Bangladesh,  
Jibon Bima Bhaban (4th Floor),  
10, Dilkusha C.A., Dacca.



AS TO:	
REPLY	7/16
DATE	
INFO	
DIR	
DDIR	
PRO	
RDE	
ENG	
F/AGR	
CLB	
PPAW	
TRG	
CONT	✓
MGT	
PER	
TRV	
ELA	✓
GSO	
REPLY/NAN	
Int'l	
Date	
File	

PROJECT DESIGN SUMMARY  
LOGICAL FRAMEWORK

ANNEX B

Title of Project: \_\_\_\_\_  
From FY 79 to FY 86  
Total U.S. Funding \$11,000,000  
Date Prepared: May 77, 1981

Project Title & Number: Technical Resources (388-0027)

NARRATIVE SUMMARY	OBJECTIVELY VERIFIABLE INDICATORS	MEANS OF VERIFICATION	IMPORTANT ASSUMPTIONS
<p>Program or Sector Goal: The broader objective to which this project contributes:</p> <p>To increase the BDG's ability to respond effectively to development problems.</p>	<p>Measures of Goal Achievement:</p> <ol style="list-style-type: none"> <li>1. Policies and projects will be directed toward increasing income and improving income distribution.</li> <li>2. During the project period, the BDG will direct at least 32 percent of total development expenditures to agriculture, irrigation and water resources.</li> </ol>	<ol style="list-style-type: none"> <li>1. Review of BDG policies.</li> <li>2. Review of BDG annual Budget.</li> <li>3. IMF/IBRD Reports.</li> </ol>	<p>Assumptions for achieving goal targets:</p> <ol style="list-style-type: none"> <li>1. There is political stability in the country.</li> <li>2. The BDG continues its policy emphasis on foodgrain self-sufficiency and reduced population growth.</li> </ol>
<p>Project Purpose:</p> <p>Improve the policy research and project development, management and evaluation capabilities of ERD and other BDG agencies engaged in agriculture, rural development, energy and women's development programs.</p>	<p>Conditions that will indicate purpose has been achieved: End of project status.</p> <ol style="list-style-type: none"> <li>1. ERD will have an improved capability to plan, coordinate, and manage an integrated program for providing technical assistance and training to BDG agencies.</li> <li>2. BDG technical agencies will be better able to identify and develop projects.</li> <li>3. Returned participants will be assigned in areas that will make maximum use of their training.</li> </ol>	<ol style="list-style-type: none"> <li>1. Direct observation of ERD performance.</li> <li>2. BDG submission of projects to donors.</li> <li>3. USAID survey of returned participants.</li> </ol>	<p>Assumptions for achieving purpose:</p> <ol style="list-style-type: none"> <li>1. Service requirements for returned participants are effectively enforced.</li> </ol>
<p>Outputs:</p> <ol style="list-style-type: none"> <li>1. Sector Assessments and Policy Studies</li> <li>2. Project development studies</li> <li>3. Research/evaluation studies</li> <li>4. Technical/management consultancies</li> <li>5. Key technical and managerial personnel trained</li> <li>6. Women's training -             <ol style="list-style-type: none"> <li>a. Women managers trained;</li> <li>b. Women trained in practical skills;</li> <li>c. In-country seminars</li> </ol> </li> </ol>	<p>Magnitude of Outputs:</p> <ol style="list-style-type: none"> <li>1. 3</li> <li>2. 7</li> <li>3. 12</li> <li>4. 10</li> <li>5. 200</li> <li>6.             <ol style="list-style-type: none"> <li>a. 40</li> <li>b. 80</li> <li>c. 5</li> </ol> </li> </ol>	<ol style="list-style-type: none"> <li>1. Consultant reports</li> <li>2. Follow-up returned participants</li> <li>3. Observation of training workshops</li> </ol>	<p>Assumptions for achieving outputs:</p> <ol style="list-style-type: none"> <li>1. Consultants are able to work effectively with BDG agencies.</li> <li>2. BDG appoints qualified counterpart personnel on a timely basis.</li> <li>3. Suitable training programs can be identified.</li> <li>4. BDG implementing agency capable of arranging training workshops.</li> </ol>
<p>Inputs:</p> <ol style="list-style-type: none"> <li>1. Technical Assistance             <ol style="list-style-type: none"> <li>a. Sector Assessments</li> <li>b. Project studies</li> <li>c. Research/Evaluation</li> <li>d. Management Consultants</li> </ol> </li> <li>2. Technical training</li> <li>3. Women's Component             <ol style="list-style-type: none"> <li>a. Training</li> <li>b. Management workshops</li> </ol> </li> </ol>	<p>Implementation Target (Type and Quantity)</p> <p>AID (\$000)</p> <ol style="list-style-type: none"> <li>1. 7980</li> <li>2. 1670</li> <li>3. 1350</li> </ol> <p>BDG</p> <ol style="list-style-type: none"> <li>1. 1225</li> <li>2. 130</li> </ol>	<ol style="list-style-type: none"> <li>1. Contractor final reports</li> <li>2. PIO/Pe and workshop reports.</li> </ol>	<p>Assumptions for providing inputs:</p> <ol style="list-style-type: none"> <li>1. Availability of AID and BDG funds.</li> <li>2. BDG and AID able to agree on scopes-of-work.</li> <li>3. BDG able to select qualified nominees.</li> </ol>
<p>BDG</p> <ol style="list-style-type: none"> <li>1. Counterpart personnel and in-kind support</li> <li>2. Participant travel</li> </ol>			

PROJECT AUTHORIZATION

## AMENDMENT

BANGLADESH

Technical Resources Project  
Project No. 388-0027

1. The Technical Resources Project for Bangladesh was authorized on February 7, 1979, and amended on February 14, 1980. Pursuant to Sections 103, 105, and 106 of the Foreign Assistance Act of 1961, as amended, that amended authorization is hereby further amended to increase the total planned obligations for the project by \$5,600,000 to \$11,000,000 in grant funding. The amount of such increase, \$5,600,000, shall be available for obligation during a three year period from the date of this amendment, subject to the availability of funds in accordance with the A.I.D. OYB/allotment process to assist in financing foreign exchange and local currency costs for the project.

2. The authorization as previously amended referred to above remains in force except as amended herein.

Clearances:

ASIA/BI, James Norris  
ASIA/DP, Robert Halligan  
ASIA/PD, G. R. van Raalte

Initials:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Date:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Signature

James Norris  
Acting Assistant Administrator  
Bureau for Asia

March 3, 1982  
Date

GC/ASIA:ST:sa:fv:3/1/82

## 5C(1) - COUNTRY CHECKLIST

Listed below are statutory criteria applicable generally to FAA funds, and criteria applicable to individual fund sources: Development Assistance and Economic Support Fund.

A. GENERAL CRITERIA FOR COUNTRY ELIGIBILITY

1. FAA Sec. 116. Has the Department of State determined that this government has engaged in a consistent pattern of gross violations of internationally recognized human rights? If so, can it be demonstrated that contemplated assistance will directly benefit the needy? No
  
2. FAA Sec. 113. Has particular attention been given those programs, projects, and activities which tend to integrate women into the national economies of developing countries, thus improving their status and assisting the total development effort? Yes
  
3. FAA Sec. 481. Has it been determined that the government of the recipient country has failed to take adequate steps to prevent narcotic drugs and other controlled substances (as defined by the Comprehensive Drug Abuse Prevention and Control Act of 1970) produced or processed, in whole or in part, in such country, or transported through such country, from being sold illegally within the jurisdiction of such country to U.S. Government personnel or their dependents, or from entering the U.S. unlawfully? No
  
4. FAA Sec. 620(b). If assistance is to a government, has the Secretary of State determined that it is not dominated or controlled by the international Communist movement? Yes

5. FAA Sec. 620(c). If assistance is to a government, is the government liable as debtor or unconditional guarantor on any debt to a U.S. citizen for goods or services furnished or ordered where (a) such citizen has exhausted available legal remedies and (b) the debt is not denied or contested by such government? No
6. FAA Sec. 620(e)(1). If assistance is to a government, has it (including government agencies or subdivisions) taken any action which has the effect of nationalizing, expropriating, or otherwise seizing ownership or control of property of U.S. citizens or entities beneficially owned by them without taking steps to discharge its obligations toward such citizens or entities? No
7. FAA Sec. 620(a), 620(f), 620D; Continuing Resolution Sec. 511, 512 and 513; ISDA of 1980 Secs. 717 and 721. Is recipient country a Communist country? Will assistance be provided to Angola, Cambodia, Cuba, Laos or Vietnam? (Food and humanitarian assistance distributed directly to the people of Cambodia are excepted). Will assistance be provided to Afghanistan or Mozambique without a waiver? Are funds for El Salvador to be used for planning for compensation, or for the purpose of compensations, for the confiscation, nationalization, acquisition or expropriation of any agricultural or banking enterprise, or property or stock thereof? No  
No  
No  
No
8. FAA Sec. 620(i). Is recipient country in any way involved in (a) subversion of, or military aggression against, the United States or any country receiving U.S. assistance, or (b) the planning of such subversion or aggression? No  
No
9. FAA Sec. 620(j). Has the country permitted, or failed to take adequate measures to prevent, the damage or destruction, by mob action, of U.S. property? No

10. FAA Sec. 620(k). Does the program furnish assistance in excess of \$100,000,000 for the construction of a productive enterprise except for productive enterprises in Egypt that were described in the Congressional Presentation materials for FY 1977, FY 1980 or FY 1981? No
11. FAA Sec. 620(1). If the country has failed to institute the investment guaranty program for the specific risks of expropriation, inconvertibility or confiscation, has the AID Administrator within the past year considered denying assistance to such government for this reason? No
12. FAA Sec. 620(m). Is the country an economically developed nation capable of sustaining its own defense burden and economic growth and, if so, does it meet any of the exceptions to FAA Section 620(m)? No
13. FAA Sec. 620(o); Fishermen's Protective Act of 1967, as amended, Sec. 5. If country has seized, or imposed any penalty or sanction against, any U.S. fishing activities in international waters, N/A
- a. has any deduction required by the Fishermen's Protective Act been made?
- b. has complete denial of assistance been considered by AID Administrator?
14. FAA Sec. 620(q); Continuing Resolution Sec. 518  
(a) Is the government of the recipient country in default for more than six months on interest or principal of any AID loan to the country? (u) Is the country in default exceeding one year on interest or principal on any U.S. loan under a program for which the Continuing Resolution appropriates funds? No  
No

73

15. FAA Sec. 620(s). If contemplated assistance is development loan or from Economic Support Fund, has the Administrator taken into account the percentage of the country's budget which is for military expenditures, the amount of foreign exchange spent on military equipment and the amount spent for the purchase of sophisticated weapons systems? (An affirmative answer may refer to the record of the annual "Taking into Consideration" memo: "Yes, taken into account by the Administrator at time of approval of Agency OYB." This approval by the Administrator of the Operational Year Budget can be the basis for an affirmative answer during the fiscal year unless significant changes in circumstances occur.) N/A
16. FAA Sec. 620(t). Has the country severed diplomatic relations with the United States? If so, have they been resumed and have new bilateral assistance agreements been negotiated and entered into since such resumption? No  
N/A
17. FAA Sec. 620(u). What is the payment status of the country's U.N. obligations? If the country is in arrears, were such arrearages taken into account by the AID Administrator in determining the current AID Operational Year Budget? Not in arrears
18. FAA Sec. 620A: Continuing Resolution Sec. 521. Has the country aided or abetted, by granting sanctuary from prosecution to, any individual or group which has committed an act of international terrorism? Has the country aided or abetted, by granting sanctuary from prosecution to, any individual or group which has committed a war crime? No  
No
19. FAA Sec. 666. Does the country object, on the basis of race, religion, national origin or sex, to the presence of any officer or employee of the U.S. who is present in such country to carry out economic development programs under the FAA? No

20. FAA Sec. 669,670. Has the country, after August 3, 1977, delivered or received nuclear enrichment or reprocessing equipment, materials, or technology, without specified arrangements or safeguards? No
- Has it detonated a nuclear device after August 3, 1977, although not a "nuclear-weapon State" under the nonproliferation treaty? No

B. FUNDING SOURCE CRITERIA FOR COUNTRY ELIGIBILITY

1. Development Assistance Country Criteria.

a. FAA Sec. 102(b)(4). Have criteria been established and taken into account to assess commitment progress of the country in effectively involving the poor in development, on such indexes as: (1) increase in agricultural productivity through small-farm labor intensive agriculture, (2) reduced infant mortality, (3) control of population growth, (4) equality of income distribution, (5) reduction of unemployment and (6) increased literacy? Yes

b. FAA Sec. 104(d)(1). If appropriate, is this development (including Sahel) activity designed to build motivation for smaller families through modification of economic and social conditions supportive of the desire for large families in programs such as education in and out of school, nutrition, disease control, maternal and child health services, agricultural production, rural development, assistance to urban poor and through community-based development programs which give recognition to people motivated to limit the size of their families? N/A

35

2. Economic Support Fund Country Criteria.

a. FAA Sec. 502B. Has the country (a) engaged in a consistent pattern of gross violations of internationally recognized human rights or (b) made such significant improvements in its human rights record that furnishing such assistance is in the national interest? N/A

b. FAA Sec. 532(f). Will ESF assistance be provided to Syria? N/A

c. FAA Sec. 609. If commodities are to be granted so that sale proceeds will accrue to the recipient country, have Special Account (counterpart) arrangements been made? N/A

d. FAA Sec. 620B. Will ESF be furnished to Argentina? N/A

5C(2) PROJECT CHECKLIST

Listed below are statutory criteria applicable generally to projects with FAA funds and project criteria applicable to individual funding sources: Development Assistance (with a subcategory for criteria applicable only to loans); and Economic Support Fund.

CROSS REFERENCES: IS COUNTRY CHECKLIST UP TO DATE?  
HAS STANDARD ITEM CHECKLIST BEEN REVIEWED FOR THIS PROJECT?

A. GENERAL CRITERIA FOR PROJECT

1. Continuing Resolution Unnumbered; FAA Sec. 634A; Sec. 653(b).

(a) Describe how authorizing and appropriations Committees of Senate and House have been or will be notified concerning the project; (b) is assistance within (Operational Year Budget) country or international organization allocation reported to Congress (or not more than \$1 million over that amount)?

a. FY 82  
Congressional  
Presentation, Asia  
Programs, p.24-25

b. Yes

2. FAA Sec. 611(a)(1). Prior to obligation in excess of \$100,000, will there be (a) engineering, financial other plans necessary to carry out the assistance and (b) a reasonably firm estimate of the cost to the U.S. of the assistance?

N/A

3. FAA Sec. 611(a)(2). If further legislative action is required within recipient country, what is basis for reasonable expectation that such action will be completed in time to permit orderly accomplishment of purpose of the assistance?

Yes

4. FAA Sec. 611(b); Continuing Resolution Sec. 501. If for water or water-related land resource construction, has project met the standards and criteria as set forth in the Principles and Standards for Planning Water and Related Land Resources, dated October 25, 1973?

N/A

5. FAA Sec. 611(e). If project is capital assistance (e.g., construction), and all U.S. assistance for it will exceed \$1 million, has Mission Director certified and Regional Assistant Administrator taken into consideration the country's capability effectively to maintain and utilize the project?

N/A

6. FAA Sec. 209. Is project susceptible of execution as part of regional or multi-lateral project? If so, why is project not so executed? Information and conclusion whether assistance will encourage regional development programs. No
7. FAA Sec. 601(a). Information and conclusions whether project will encourage efforts of the country to: (a) increase the flow of international trade; (b) foster private initiative and competition; and (c) encourage development and use of cooperatives, and credit unions, and savings and loan associations; (d) discourage monopolistic practices; (e) improve technical efficiency of industry agriculture and commerce; and (f) strengthen free labor unions. N/A
8. FAA Sec. 601(b). Information and conclusion on how project will encourage U.S. private trade and investment abroad and encourage private U.S. participation in foreign assistance programs (including use of private trade channels and the services of U.S. private enterprise). N/A
9. FAA Sec. 612(b), 636(h); Continuing Resolution Sec. 508. Describe steps taken to assure that, to the maximum extent possible, the country is contributing local currencies to meet the cost of contractual and other services and foreign currencies owned by the U.S. are utilized in lieu of dollars. The host country contribution is 100% local currency. The amount of U.S.-owned local currency is very small and used primarily for local administrative costs.
10. FAA Sec. 612(d). Does the U.S. own excess foreign currency of the country and, if so, what arrangements have been made for its release? No
11. FAA Sec. 601(e). Will the project utilize competitive selection procedures for the awarding of contracts, except where applicable procurement rules allow otherwise? Yes

176

12. Continuing Resolution Sec. 522. If assistance is for the production of any commodity for export, is the commodity likely to be in surplus on world markets at the time the resulting productive capacity becomes operative, and is such assistance likely to cause substantial injury to U.S. producers of the same, similar or competing commodity?

N/A

B. FUNDING CRITERIA FOR PROJECT

1. Development Assistance Project Criteria

a. FAA Sec. 102(b), 111, 113, 281(a).

Extent to which activity will (a) effectively involve the poor in development, by extending access to economy at local level, increasing labor-intensive production and the use of appropriate technology, spreading investment out from cities to small towns and rural areas, and insuring wide participation of the poor in the benefits of development on a sustained basis, using the appropriate U.S. institutions; (b) help develop cooperatives, especially by technical assistance, to assist rural and urban poor to help themselves toward better life, and otherwise encourage democratic private and local governmental institutions; (c) support the self-help efforts of developing countries; (d) promote the participation of women in the national economies and the improvement of women's status; and (e) utilize and encourage regional cooperation by developing countries?

a. The project is intended to facilitate the implementation of donor projects directed toward the poor majority.

b. Technical assistance for cooperatives may be provided upon BDG request.

b. FAA Sec. 103, 103A, 104, 105, 106, 107. Is assistance being made available: (include only applicable paragraph which corresponds to source of funds used. If more than one fund source is used for project, include relevant paragraph for each fund source.)

7/1

(1) [103] for agriculture, rural development or nutrition; if so (a) extent to which activity is specifically designed to increase productivity and income of rural poor; 103A if for agricultural research, full account shall be taken of the needs of small farmers, and extensive use of field testing to adapt basic research to local conditions shall be made; (b) extent to which assistance is used in coordination with programs carried out under Sec. 104 to help improve nutrition of the people of developing countries through encouragement of increased production of crops with greater nutritional value, improvement of planning, research, and education with respect to nutrition, particularly with reference to improvement and expanded use of indigenously produced foodstuffs; and the undertaking of pilot or demonstration of programs explicitly addressing the problem of malnutrition of poor and vulnerable people; and (c) extent to which activity increases national food security by improving food policies and management and by strengthening national food reserves, with particular concern for the needs of the poor, through measures encouraging domestic production, building national food reserves, expanding available storage facilities, reducing post harvest food losses, and improving food distribution.

(2) [104] for population planning under Sec. 104(b) or health under Sec. 104(c); if so, (i) extent to which activity emphasizes low-cost, integrated delivery systems for health, nutrition and family planning for the poorest people, with particular attention to the needs of mothers and young children, using paramedical and auxiliary medical personnel, clinics and health posts, commercial distribution systems and other modes of community research?

Yes, funding is provided for research into socio-economic conditions of rural poor, T.A. for rural development related agencies.

(3) [105] for education, public administration, or human resources development; if so, extent to which activity strengthens nonformal education, makes formal education more relevant, especially for rural families and urban poor, or strengthens management capability of institutions enabling the poor to participate in development; and (ii) extent to which assistance provides advanced education and training of people in developing countries in such disciplines as are required for planning and implementation of public and private development activities.

Yes, project is designed to improve management capacity of women assigned to BDG agencies.

(4) [106: ISDA of 1980, Sec. 304] for energy, private voluntary organizations and selected development activities, if so, extent to which activity is: (1) (a) concerned with data collection and analysis, the training of skilled personnel, research on and development of suitable energy sources, and pilot projects to test new methods of energy production; (b) facilitative of geological and geophysical survey work to locate potential oil, natural gas, and coal reserves and to encourage exploration for potential oil, natural gas, and coal reserves; and (c) a cooperative program in energy production and conservation through research and development and use of small scale, decentralized, renewable energy sources for rural areas:

(ii) technical cooperation and development, especially with U.S. private and voluntary or regional and international development organizations;

(iii) research into, and evaluation of, economic development process and techniques;

(iv) reconstruction after natural or manmade disaster;

(v) for special development problems, and to enable proper utilization of earlier U.S. infrastructure, etc., assistance;

41

(vi) for programs of urban development, especially small labor intensive enterprises, marketing systems, and financial or other institutions to help urban poor participate in economic and social development

c. (107) is appropriate effort placed on use of appropriate technology? (relatively smaller, cost-saving, labor using technologies that are generally most appropriate for the small farms, small businesses, and small incomes of the poor.)

N/A

d. FAA Sec. 110(a). Will the recipient country provide at least 25% of the costs of the program, project, or activity with respect to which the assistance is to be furnished (or has the latter cost-sharing requirement been waived for a "relatively least developed" country)?

No, waiver attached to original Project Paper is applicable to this Amendment.

e. FAA Sec. 110(b). Will grant capital assistance be disbursed for project over more than 3 years? If so, has justification satisfactory to Congress been made, and efforts for other financing, or is the recipient country "relatively least developed"?

N/A

f. FAA Section 281(b). Describe extent to which program recognizes the particular needs, desires, and capacities of the people of the country; utilizes the country's intellectual resources to encourage institutional development; and supports civil education and training in skills required for effective participation in governmental processes essential to self-government.

In part, the project seeks to enhance the capabilities of Bangladeshi technical and managerial personnel and to mobilize them for more effective development programs.

g. FAA Sec. 122(b). Does the activity give reasonable promise of contributing to the development of economic resources, or to the increase of productive capacities and self-sustaining economic growth?

Yes

4/3

2. Development Assistance Project Criteria  
(Loans Only)

a. FAA Sec. 122(b). Information and conclusion on capacity of the country to repay the loan, at a reasonable rate of interest. N/A

b. FAA Sec. 620(d). If assistance is for any productive enterprise which will compete with U.S. enterprises, is there an agreement by the recipient country to prevent export to the U.S. of more than 20% of the enterprise's annual production during the life of the loan? N/A

3. Project Criteria Solely for Economic Support Fund

a. FAA Sec. 531(a). Will this assistance promote economic or political stability? To the extent possible, does it reflect the policy directions of FAA Section 102? N/A

b. FAA Sec. 531(c). Will assistance under this chapter be used for military, or paramilitary activities? N/A

5C(3) - STANDARD ITEM CHECKLIST

Listed below are the statutory items which normally will be covered routinely in those provisions of an assistance agreement dealing with its implementation, or covered in the agreement by imposing limits on certain uses of funds.

These items are arranged under the general headings of (A) Procurement, (B) Construction, and (C) Other Restrictions.

A. Procurement

1. FAA Sec. 602. Are there arrangements to permit U.S. small business to participate equitably in the furnishing of commodities and devices financed? Yes
  
2. FAA Sec. 604(a). Will all procurement be from the U.S. except as otherwise determined by the President or under delegation from him? Yes
  
3. FAA Sec. 604(d). If the cooperating country discriminates against U.S. marine insurance companies, will commodities be insured in the United States against marine risk with a company or companies authorized to do a marine insurance business in the U.S.? Yes
  
4. FAA Sec. 604(e); ISDCA of 1980 Sec. 705(a). If offshore procurement of agricultural commodity or product is to be financed, is there provision against such procurement when the domestic price of such commodity is less than parity? (Exception where commodity financed could not be reasonably procured in U.S.) N/A
  
5. FAA Sec. 603. Is the shipping excluded from compliance with requirement in section 901(b) of the Merchant Marine Act of 1936, as amended, that at least 50 per centum of the gross tonnage of commodities (computed separately for dry bulk carriers, dry cargo liners, and tankers) financed shall be transported on privately owned U.S.-flag commercial vessels to the extent that such vessels are available at fair and reasonable rates? No

44

6. FAA Sec. 621. If technical assistance is financed, to the fullest extent practicable will such assistance, goods and professional and other services be furnished from private enterprise on a contract basis? If the facilities of other Federal agencies will be utilized, are they particularly suitable, not competitive with private enterprise, and made available without undue interference with domestic programs? Yes
  
7. International Air Transport. Fair Competitive Practices Act, 1974. If air transportation of persons or property is financed on grant basis, will provision be made that U.S. carriers will be utilized to the extent such service is available? Yes
  
8. Continuing Resolution Sec. 505. If the U.S. Government is a party to a contract for procurement, does the contract contain a provision authorizing termination of such contract for the convenience of the United States? N/A

B. Construction

1. FAA Sec. 601(d). If capital (e.g., construction) project, are engineering and professional services of U.S. firms and their affiliates to be used to the maximum extent consistent with the national interests? N/A
  
2. FAA Sec. 611(c). If contracts for construction are to be financed, will they be let on a competitive basis to maximum extent practicable? N/A
  
3. FAA Sec. 620(k). If for construction of productive enterprise, will aggregate value of assistance to be furnished by the U.S. not exceed \$100 million? N/A

45

C. Other Restrictions

1. FAA Sec. 122(b). If development loan, is interest rate at least 2% per annum during grace period and at least 3% per annum thereafter? N/A
  
2. FAA Sec. 301(d). If fund is established solely by U.S. contributions and administered by an international organization, does Comptroller General have audit rights? Yes
  
3. FAA Sec. 620(h). Do arrangements exist to insure that United States foreign aid is not used in a manner which, contrary to the best interests of the United States, promotes or assists the foreign aid projects or activities of the Communist-bloc countries? Yes
  
4. Continuing Resolution Sec. 514. If participants will be trained in the United States with funds obligated in FY 1981, has it been determined either (a) that such participants will be selected otherwise than by their home governments, or (b) that at least 20% of the FY 1981 fiscal year's funds appropriated for participant training will be for participants selected otherwise than by their home governments? Yes
  
5. Will arrangements preclude use of financing:
  - a. FAA Sec. 104(f). To pay for performance of abortions as a method of family planning or to, motivate or coerce persons to practice abortions; to pay for performance of involuntary sterilization as a method of family planning, or to coerce or provide financial incentive to any person to undergo sterilization? Yes

116

- b. FAA Sec. 620(g). To compensate owners for expropriated nationalized property? Yes
  
- c. FAA Sec. 660. To provide training or advice or provide any financial support for police, prisons, or other law enforcement forces, except for narcotics programs? Yes
  
- d. FAA Sec. 662. For CIA activities? Yes
  
- e. FAA Sec. 636(i). For purchase, sale, long-term lease, exchange or guaranty of the sale of motor vehicles manufactured outside U.S., unless a waiver is obtained. Yes
  
- f. Continuing Resolution Sec. 504. To pay pensions, annuities retirement pay, or adjusted service compensation for military personnel? Yes
  
- g. Continuing Resolution Sec. 506. To pay U.N. assessments, arrearages or dues. Yes
  
- h. Continuing Resolution Sec. 507. To carry out provisions of FAA section 209(d) (Transfer of FAA funds to multilateral organizations for lending.) Yes
  
- i. Continuing Resolution Sec. 509. To finance the export of nuclear equipment fuel, or technology or to train foreign nationals in nuclear fields? Yes
  
- j. Continuing Resolution Sec. 510. Will assistance be provided for the purpose of aiding the efforts of the government of such country to repress the legitimate rights of the population of such country contrary to the Universal Declaration of Human Rights? No
  
- k. Continuing Resolution Sec. 516. To be used for publicity or propaganda purposes within U.S. not authorized by Congress? No



File  
#542

External Revenue Dept.  
Ministry of Finance  
Shree-Bangla Bangu  
Dacca-7

D.O. No. ERD/USA(LP)-5/77/238

Date.....1st July...1981....

Sub:-Draft Project Paper Amendment for the Technical Resources Project.

Dear Mr. Kimball,

Please refer to the draft project paper amendment for the Technical Resources Project which proposes to increase the project fund to \$ 11 million from the current funding level of \$ 5.4 million.

The project paper envisages transportation on Bangladesh Biman for training as one of EDG inputs for this project. I would like to mention here that the policy of the Government of Bangladesh on Foreign Training lays down that only those fellowship/training should be accepted by the Government where all expenditure including travel costs are borne by the donors. You may kindly recall that during negotiation of this agreement in September 1973, it was observed that USAID would be requested to waive the condition of bearing transportation cost to the farthest point served by Bangladesh Biman for participant training. At that time this condition could not be waived & we had to face a lot of difficulties for implementation of the training programme. Establishment Division of Bangladesh Government agreed in principle to approve the training facilities with this condition as the agreement had already been signed but they also made it clear that in future assistance for foreign training should include all costs of participant including their travel costs so that there is no violation of the existing Government policy in respect of a particular Technical Assistance Programme. In this connection it may be mentioned that under all other major Technical Assistance Programmes like the British Technical Assistance Programme, the Dutch Technical Assistance Programme and the Australian Technical Assistance Programme the donor Governments/Agencies bear all the costs including international travel costs even upto all points served by Biman considering our severe resource constraints. Without such a provision it would have been almost impossible for the Government to utilize the various training programmes so very necessary for our manpower planning and skill development.

INFO	
DIR	
DIRA	
PRO	
RDE	
END	
FAOR	
CS	
FRW	
TRC	
CONT	✓
MOT	
PER	
TRV	
RLA	✓
OSD	
REPLY/NAN	
Initl	
Date	
File	



48



External Resources Division,  
Ministry of Finance  
Shor-e-Bangla Nagar  
Dacca-7

D.O. No.....

Date.....

:- 2 -:

In view of these circumstances, we would request you kindly to take up the matter with AID/Washington so that this condition of bearing transportation cost for participant training to the farthest point served by Bangladesh Biman is waived. This would enable us to process the training programme under this project smoothly and in a timely manner.

With kind regards,

Yours sincerely,

( L. A. Matin Lasker )

To  
Mr. Frank B. Kimball,  
Director,  
USAID Mission to Bangladesh,  
Jibon Bima Bhaban (4th Floor),  
10, Dilkusha C.A.,  
Dacca.

44