PD-ABK-312

US-AEP DIRECTOR'S STATEMENT

Background: The United States has promoted development ideas and investment in the developing countries for almost five decades. In Asia, this has returned high dividends. South Korea, and Taiwan, both A.I.D. graduates, are legendary economic successes. Indonesia, Malaysia, and Thailand are on the cusp. China and India loom ever larger in the world economy. And Sri Lanka shows real signs of making it.

This Asian economic phenomenon is strikingly different from the development experience of the 1950s and 1960s. First, technical change is accelerating and international markets are increasingly interdependent and competitive. Second, comparative advantage is no longer thought of in terms of natural endowments but, rather, in terms of human creative power, highly educated workforces, and organizational talent. Third, there is an increasingly firm commitment to the idea of the market. Fourth, there is now a relatively mature institutional and physical infrastructure. Finally, an important and growing cadre of professional, managerial, and technical people are at work in a more decentralized decision-making milieu. In short, Asia's advanced economic and technological systems define a powerful new platform for development promotion.

Against this backdrop, important new ideas and world realities will shape our continuing engagement in the region.

1. Asia itself. Asia is home to over half of the world's population, the world's poor, and the world's largest cities, and to two of the world's largest countries. Asia is also the world's most important new market. The sinews which bind the region to the United States are strengthening - reflected in the makeup of our population, academic and cultural institutions, and patterns of international trade.

2. The Environment. Rapid economic growth in Asia has brought in its wake an equally rapid build-up in environmental pressures and consequences. Over the near term, economic growth and environmental pressures will continue to grow in relation one to the other. Over the longer term, Asia's advanced economic and technology systems could be important platforms for environmental improvement.

3. Technology. Analysis of sustainable development systems in Asia points to technology as both problem and solution. Without a dramatic increase in the resource efficiency of production, and without similar progress in preventing pollution, pressures on regional resources will continue to grow. Fortunately, technologies and practices which reduce environmental effects while at the same time improving economic productivity exist and, indeed, are widely available in the experience and marketplace of the United States.

4. The Marketplace. The private sector and the marketplace have become the driving development force in Asia. There has also been an explosion in trade between Asia and the industrialized countries. The technological infrastructure in many countries approaches world standard. In this circumstance, the marketplace, trade, and the advanced economic and technology systems in the region become the important media for affecting development direction and outcomes.

5. Globalization. Paralleling the collapse of the Soviet Union, the rise of democratic and market-oriented national systems, and rapid economic growth in Asia, the globalization of the marketplace for trade, investment, and technology cooperation in the 1980s and 1990s may be the single most important new circumstance for development promotion.

6. Development Cooperation. Up to now, aid agencies have been the important intermediaries between the developing and industrialized countries. Regrettably, official assistance has often had the inadvertent effect of fostering a seductive public alternative to private investment and technology transfer. If the driving force of economic development is likely to be the private sector, and if net increments to investment and technology transfer must be found in the marketplace, then development assistance will have to give way to new patterns of development cooperation.

7. Reinventing Government. It is evident that government can no longer be principally responsible for development, the economy, and the environment. New patterns of government activity and intervention have to be defined; patterns that rely fundamentally on the strength of private enterprise and other nongovernmental institutions and organizations; patterns that are more catalytic than operational; patterns that leverage funds and resources from a wide range of partners; patterns that can, in fact, redefine the United States - Asia development relationship and define a new Partnership.

8. Partnership. It will be increasingly important to develop new ways of engaging the considerable human and institutional resources of the United States and Asia to meet development, environmental, health, and other important objectives for the region and the world. The absolute imperative is to move away from parallel play to coordinated play, to get more from government resources, to recognize the complimentarity between the goals of different institutions and organizations, to make the connection between domestic and international agendas, and to widen the reach of United States engagement and responsibility in Asia.

9. Leverage. A development strategy premised on dollar-for-dollar public finance is obviously limited. Today, the international capital markets can be tapped for the full range of urban infrastructure, if properly organized and managed, for an

increasing portion of social infrastructure, and for the development and deployment of environmental technologies and practice. Government would do well to allocate its scarce resources to build the environmental marketplace where demand can find its own independent supply of capital and technology.

10. United States-Asia Environmental Partnership. The endgame, and an important new idea in this catalog, is the United States-Asia Environmental Partnership (US-AEP), defining a dynamic, self-generating, and self-sustaining pattern of interaction between individuals and organizations—an alliance, flexible and fluid, with individuals and organizations entering and exiting, mixing and matching what each does best with the best of other institutions and organizations. The energy for the Partnership will probably be found in new systems to support information exchange, financial intermediation, and international networking.

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Where have we been so far? The idea of a United States-Asia Environmental Partnership was first raised at A.I.D.'s Asia Bureau Mission Directors' Conference in April 1991. By June 1991, the Bureau developed a Concept Paper. The Administrator gave his go-ahead in August of that year; a TPCC sub-committee was established in October; the President announced the initiative in January 1992; Working Groups were organized in that same month; and a Secretariat was organized in March 1992.

In May 1992, the Asia Bureau authorized a five year Partnership Project for $100 million and between September 1992 and September 1993 the Secretariat has obligated $58 million.

Before outlining our budget experience and requirements through FY 1995, it is important to differentiate between "core funds" (those funds available from A.I.D. through the Partnership Project—$100 million) and "partnership funds" (those funds committed to Partnership activities and the Partnership idea by other federal agencies, businesses, and nongovernmental organizations—estimated at as much as $400 million).

This differentiation is important. To many, the Partnership is an A.I.D. project. To others, the Partnership is a United States government initiative, promoted and sponsored by A.I.D. And to still others, the Partnership is a more expansive idea, a creative force, a policy, even a movement, reflecting how the United States might engage with Asia into the next century—with an eye to development promotion, environmental improvement, and mutual advantage—as a creative new development mechanism. In fact, we are a combination of these perspectives. And while the following material should be read against this broad tapestry of ideas and interests, the material is yet the FY 1995 Budget Submission for the United States-Asia Environmental Partnership.

Components: A.I.D. project funds support activities under four components: Human and Organizational Development, Technology Cooperation, Environmental and Energy Infrastructure, and Biodiversity Conservation.

1. Professional and Organizational Development: This component is intended to engage individuals from participating countries in all aspects of environmental improvement (e.g., developing legislative and regulatory materials; enhancing human resource capabilities in government, enterprise, and nongovernmental organizations; developing professional environmental associations in participating countries and forging linkages with related organizations in the United States). In addition to the in-country effects, it is expected that A.I.D. inputs will also build an international network based on common environmental concern.

2. Technology Cooperation: This component is intended to encourage, develop, adapt, transfer, support, and deploy specific environmental technologies, and promote technology transfer arrangements and ventures. A results-oriented set of activities, directed to specific organizational targets in Asia, are intended to identify problems, develop solutions, and assess technology options.

3. Environmental and Energy Infrastructure: This component is intended to promote, identify, nurture, and complete specific technology transfer arrangements related to targeted environmental infrastructure projects. Strategic initiatives intended to promote an integrated approach to planning and execution are under development in the areas of water and wastewater, clean energy, and hazardous waste.

4. Biodiversity Conservation: This component is intended to develop, expand, and support practical interventions to preserve, protect, and utilize physical areas of biodiversity employing mechanisms that encourage environmentally sustainable economic use. While the Secretariat is working with the nongovernmental communities in Asia and the United States to develop an enterprise-related approach to biodiversity conservation, the Bureau is working equally hard to engage other elements of the United States government and other countries (e.g., Japan) in meeting broader, longer-term investment requirements.

The Secretariat's Quality Control contractor will quantify the results produced under all components.

Activities: The following activities have been authorized under the United States-Asia Environmental Partnership project:

1. Fellowships and Organizational Development (POD)

   - Fellowships - The Asia Foundation

- Technology Exchanges - World Environment Center
- Short Term Training - U.S. Environmental Training Institute
- Environmental Action - Environmental Protection Agency

2. Technology Cooperation (TC)

- Technology Representation - Department of Commerce
- Technology Fund - National Association of State Development Agencies
- Trade Finance - Bankers Association for Foreign Trade

3. Environmental and Energy Infrastructure (EEI)

- Infrastructure Finance Advisory Service - EXIM/OPIC/SBA/TDA managed by K&M Engineering
- Strategic Initiatives
  Water & Wastewater - Indonesia and Thailand - USAID's/RHUDO's
- Transaction Grants - Trade and Development Agency

4. Biodiversity (BC)

- Biodiversity Conservation Network - World Wildlife Fund, The Nature Conservancy, and World Resources Institute

5. Partnerships

- Clean Energy - Department of Energy/ADEPT
- USAID Cooperation - cooperative activities with USAID missions

Proposed Activities: The following activities are proposed for funding under the United States-Asia Environmental Partnership project in FY 1993 (pending), FY 1994 and FY 1995.

- Environmental Technology Network for Asia (93 - under TC) - an international information system forwarding "technology opportunities" from Asia to the United States and providing information on Asian environmental regulations in the U.S.
- Enterprise Finance (93 - under Partnerships) - Overseas Private Investment Corporation.
- Organizational Development (94 - under POD) - an institutional twinning and development activity for industry and professional associations. (Possibly competed with POD above.)
- NGO/Businesses Alliance (94 - under Partnerships) - cooperative environmental initiatives, engaging NGOs and enterprise.
- Environmental Technology Transfer (94 - under TC) - a twinning and development activity to promote international partnering.

- State Initiatives (94 - under Partnerships) - a incentives activity to draw state resources into the international environmental arena.
- Project Finance (94 - under EEI) - using credit authority to promote financial innovation in the environment.
- Strategic Initiatives (94 - under EEI) - environment and energy
- Strategic Initiatives (95 - under EEI) - Hazardous Waste

Budget Proposal: The Partnership is directed to the Agency's environmental objective. It also relates to economic growth (to the extent the Partnership improves the international marketplace for technology cooperation), to democracy (to the extent it supports nongovernmental participation in promoting governmental response to grassroots environmental concerns), and to population (to the extent economic and population growth are the principal determining factors of environmental quality). For purposes of this budgetary exercise, the Partnership is attributed exclusively to the environmental objective.

The proposal is within the project authorization level of $100 million. During FY 1993, Housing Investment Guarantees of $50 million were associated with the Partnership in Indonesia and Thailand. While analysis is still underway, cumulative A.I.D. funds of $8.0 million associated with technology exchanges, representation, transaction grants and Technology Fund I obligations will be matched by more than $10.0 million in additional non-A.I.D. resources, a total of 125 percent. Our goal clearly is to increase the leveraging of our resources. Possible increases to the authorized levels are discussed in the Issues section below.

Resource Assumptions: Projected resource requirements are described in the attached tables. We have provided a special table that reflects actual and projected resource requirements from FY 92 through FY 95 by project components and sub-activities. For purposes of this table we assumed 100 percent funding of our FY 94 and 95 request. For the required Table V for the FY 94 MCC level we are requesting sufficient funds to carry forward ongoing activities, including provision for competing at least four of these activities in FY 94 (i.e. Fellowships, Technology Exchanges, Short-term Training and Technical Support). The US-AEP's MCC level for FY 94 is $17.467 million dollars. We have included all new starts as above the MCC level and ranked them in order of priority. Each would be incrementally funded in FY 94. Depending on actual resource allocations in FY 94, these new sub-activities could initially be funded at a lower level to accommodate start up in FY 94.

Our projections for a FY 94 budget at 75 percent of the request level of $23.290 million is predicated on identical assumptions and principals used in formulating the MCC level, i.e., adequately fund

mortgages and maintenance of essential sub activities of the US-AEP. All new activities would be funded from the increment between 75% and 100% of our request. As noted, we propose six new sub-activities in FY 94. Despite these activities all being ranked above the 75 percent or MCC level, they represent a critical dimension of the US-AEP's effort to build partnerships between non-governmental organizations and communities in the United States and Asia. Specifically, our new activities will help develop the institutional relationships necessary for the US-AEP to become a self-sustaining and viable movement for improving environmental quality in the region through cooperation and technology transfer.

For FY 95 we project only one new sub-activity involving Hazardous Waste (although we may consider a new biodiversity activity depending upon a mid-term evaluation of our current Biodiversity Conservation activity). Our resource allocations at 50 percent and 75 percent of our straight line request of $23.290 million in FY 95 would require us to adjust our pace of project implementation and at the 50% level forego the Hazardous Waste strategic initiative. In light of the United States considerable experience in hazardous waste management, we believe this would diminish Asia's access to appropriate technologies and practices for meeting a growing environmental threat to the region at the same time that Asia's own recognition of the problem is increasing.

Procurement Notes: Proposed activities will have procurement plans developed as part of activity design. Ongoing activities will be obligated through existing contracts and grants. The following ongoing activities are proposed for <u>competitive procurement</u> in FY 1994.

- <u>Professional and Organizational Development</u>: Phase II procurements for professional development, exchange, and training will be combined and tendered competitively.
- <u>Technical Support III</u>: This Phase III activity will be tendered competitively.

Program Highlights - FY 1992

NOTE: Program Highlights for FY 1993 are being developed

- **Reseeding Mt. Pinatubo. Detecting deadly mycotoxins. Mapping polluted areas.** To address these and other such environmental problems in 12 Asian countries, over 30 grants were awarded to more than 80 US environmental companies from 17 states to conduct seminars, equipment demonstrations, engineering round tables and other technology transfer activities. The grants, administered under US-AEP by the National Association of State Development Agencies, are matched 3:1 by the companies, trade groups or state economic development agencies.

- **Designing waste-water treatment facilities for one Southeast Asian country and safe power transmission lines for another.** Three American engineering firms won contracts to design these facilities with the support of US-AEP-funded Trade and Development Agency environmental training grants (from $100,000 to $200,000 each) to the governments of both countries. The contracts totalled $24 million. Because American engineers are in the design roles, $30 to $120 million more in U.S. equipment could be sourced in the three projects.

- **Assessing the coal-fired Mae Moh Power Generation Station in northern Thailand. The station produces 27% of the country's electricity and emits dangerous levels of sulfur dioxide.** At the Thai government's request, a US-AEP Environmental Action Team led by the United States Environmental Protection Agency with the Department of Energy and the World Health Organization analyzed pollution issues at Mae Moh. The Team identified equipment which would significantly reduce the environmental menace. A follow-up reverse trade mission, funded by the USAID Mission in Thailand, will be organized by the US-ASEAN Business Council.

- **Protecting the last old-growth, low-elevation forest on the Philippine island of Luzon and its watershed, which are located within the former Subic Bay Naval Base. With the base closing, new protection was needed.** The US-AEP Secretariat spearheaded meetings of non-governmental and multi-national organizations and US government agencies in Washington to discuss the forest's conservation while the USAID Mission pursued Philippine options. Then, under the auspices of the Subic Bay Metropolitan Authority and the Philippine Department of Natural Resources, local government officials, the non-governmental organization community, and the international donor community met at Subic Bay. Under the US-AEP, the US Forest Service and the Peace Corps will provide long-term technical assistance.

- **Disposing of hazardous waste. Managing industrial solid wastes. Bioremediating poisoned lands.** To address such issues, 19 environmental officials from eight countries participated in three training programs in the United States funded by the US-AEP program, Waste Management Inc. and Environmental Remediation, Inc. In Jakarta, 35 Indonesian environmental managers received training, sponsored by AT&T and Waste Management, Inc. The United States Environmental Training Institute administers these activities.

- **Protecting Asia's rich biodiversity which is threatened by rapid economic development.** Two planning grant proposals and eight pre-proposals for grants to help local people find economic uses for forest or marine products while preserving the surrounding environment have been submitted to the Biodiversity Conservation Network by non-governmental

organizations, governments and businesses in the region and the United States. The US-AEP-supported Network is an activity of the Biodiversity Support Program, a consortium of the World Wildlife Fund, The Nature Conservancy and the World Resources Institute.

- **Maintaining the ecology and economy of outer-island Indonesia.** Cultural Survival Enterprises, a Boston-based non-governmental organization, and the Jakarta-based Sejati Foundation are cataloging potential non-timber forest products produced by indigenous communities in parts of Indonesia under the US-AEP-sponsored environmental fellowship program administered by The Asia Foundation.

- **Supporting discussion of environmental law and its relationship to the General Agreement on Tariffs and Trade (GATT) and to sustainable development, topics critical to long-term solutions in Asia.** "Trade and the Environment in Pacific Rim Nations," a conference in Hong Kong sponsored jointly by the US-AEP program, the American Bar Association and the Inter-Pacific Bar Association, drew nearly 100 participants from the region and the United States to discuss these issues.

- **Addressing the problem of vehicular pollution that is choking Asian cities.** Participants from seven Asian countries offered recommendations to reduce vehicular pollution at a conference on "Mega-Cities on the Pacific Rim" in Jakarta organized by the World Environment Center. The US-AEP program provided support to four delegations. A reverse trade mission will bring Asian business people to the US to evaluate American waste minimization techniques and technologies.

- **More than half Asia's pollution results from industrial wastes.** US-AEP Environmental Business Representatives in nine Asian countries will channel environmental trade leads to the US business community, assist US environmental businesses operating overseas, and link Asian businesses with US counterparts. The United States Foreign and Commercial Service will manage this program.

- **To cope with growing problems, Asian governments are planning major clean power, water, waste water, solid waste and hazardous waste infrastructure projects.** Cooperating with the Export Import Bank, the Trade and Development Agency, the Overseas Private Investment Corporation, the Small Business Administration and other offices of A.I.D., the US-AEP program will establish an Infrastructure Financing Advisory Service in Washington DC to help US companies bid on environmental infrastructure contracts in Asia and secure project financing.

Issues

1. Portfolio Review

The Secretariat completed a portfolio review in June, 1993 (copy attached). As a part of that review, the following issues were identified:

- the need for further elaboration of the Partnership idea;
- to develop greater consensus around strategic directions;
- the need to develop further non-activity based relationships;
- introduction of competition to activity management; and
- refinement of Bureau and internal operational systems.

2. New Activities

A review of FY 1994 and FY 1995 activity descriptions will be scheduled.

3. Expanded Authorization

There are a set of environmental opportunities and requirements which suggest the possibility for increasing the current authorization from $100 million. Although the program has been authorized at the $100 million level, notification to the Congress reported only $50 million. FY 94 obligations are projected to exceed the original $50 million figure.

Countries - The US-AEP could be a vehicle for the Asia Bureau as it anticipates programming in new countries (e.g., China and Viet Nam). For example, in the case of Viet Nam, the Secretariat could place program staff at The Asia Foundation office in Hanoi, including temporary assignment of its Field Representative, or other representatives from, among others, the Department of Commerce, National Association of State Development Agencies, and the World Environment Center. Virtually overnight, the Secretariat could implement its full range of programs in Viet Nam. The US-AEP might also be a convenient "boundary" for describing United States development interests.

The US-AEP could also be a vehicle for subsuming projects and programs from operations which may be affected by A.I.D. budgetary cutbacks (e.g., ASEAN and the Pacific Islands). In both of these cases, there are important environmental projects which could come under the operational responsibility of the Secretariat.

And finally, if the proposed merger of the Asia and Near East Bureaus is consummated, it might also make sense to include countries from West Asia (e.g., Turkey), or, following the reorganization, the Near East (e.g., including Egypt and Tunisia, or even the Mediterranean Littoral) under the US-AEP.

Programs - The Bureau might also want to consider using the institutional and program infrastructure developed by the Secretariat to expand into new areas (e.g., environmental policy, environmental health, even population). The Secretariat has a lean staffing profile and a set of programs in place which could carry higher program levels. To the extent the Bureau is looking for management efficiency, and a "new programming premise," the US-AEP could be an attractive model.

Leverage - Beyond the leverage inherent to inter-institutional cooperation, the US-AEP has been working in the area of financial innovation, in some instances with the leverage inherent to credit reform. Specifically, in Indonesia and Thailand, working with the Housing Investment Guaranty, we will be able to leverage some $50 million in guaranty authorizations to more than $200 million in capital resources for environmental infrastructure. Working with OPIC, $1 million in credit authority may well generate up to $65 million in investment resources. In these circumstances, it may be possible to use A.I.D.'s credit authorities to promote financial innovation to support environmental technology cooperation and transfer. In a time of budget stringency, this kind of leverage may be well worth considering carefully.

4. Export Promotion

It is uniformly agreed that A.I.D.'s task is to promote development —not exports. But, it is also important to understand that development promotion can have an impact on U.S. exports.

Demand for environmental improvement and its associated policy structure has to be created. This is a classic A.I.D. assignment. If effective systems for technology cooperation were in place, one could then leave supply to the private sector and export agencies. But the systems are not in place. Demand and supply curves don't always cross. The underpinnings for the international marketplace for environmental technology cooperation have to be strengthened (i.e., policy sets, information, financial, and networking systems). This is also a classic A.I.D. assignment. In fact, it parallels the Agency's work on both the demand and supply side in other sectors (e.g., "social marketing" of family planning services). Once these policies, systems, structures, and networks are in place, Commerce and the other export agencies can perform their assignment - export promotion.

AEPPUB\DOCS\ABSDRAFT

Actual Planned Obligations (FY 92 – 95)

GRANTS, CONTRACTS & TRANSFERS	AUTHORI-ZATIONS (LOP)	OBLIGATIONS * FY '92	FY '93	FY 94	FY 95
A. TECHNOLOGY COOPERATION					
1. Technology Representation	3.639	0	3.139	0	0.500
2. Technology Fund I (NASDA)	0.875	0.625	0.250	0	0
3. Technology Fund II (NASDA)	5.300	0	2.000	3.300	0
4. Trade Finance (BAFT)	0.120	0	0.060	0.060	0
5. ETNA	0.600	0	0.000	0.600	0
6. Technology Transfer Encouragement	2.000	0	0	1.000	1.000
SUBTOTAL	12.534	0.625	5.449	4.960	1.500
B. ENVIRONMENTAL & ENERGY INFRASTRUCTURE					
1. IFAS	1.900	0	1.500	0.400	0
2. Strategic Initiatives (SI)					
o Water / Waste Water	2.000	0	0.500	1.500	0
o Energy	2.000	0	0	1.000	1.000
o Hazardous Waste	2.000	0	0	0	1.000
3. Transaction Grants (TDA)	0.500	0.500	0.000	0	0
4. Credit (Project Finance)	3.104	0	0	0.604	2.500
SUBTOTAL	11.504	0.500	2.000	3.504	4.500
C. PROFESSIONAL & ORGANIZATIONAL DEVELOPMENT					
1. Fellowships (TAF)	3.600	1.400	1.953	0.200	0
2. Technology Exchanges (WEC)	3.500	1.400	1.871	0.200	0
3. Short-term Training (US-ETI/Phase I)	0.547	0.300	0.247	0	0
4. Short-term Training (US-ETI/Phase II)	1.300	0	0.800	0.500	0
5. Environmental Action (EPA I)	2.270	0.970	0.700	0.800	
6. Environmental Action (EPA II)	3.000	0	0	1.000	1.300
7. Professional Development (Competitive)	10.000	0	0	2.500	4.000
8. Organizational Development	2.000	0	0	1.000	1.000
SUBTOTAL	26.217	4.070	5.571	6.000	6.300
D. BIODIVERSITY CONSERVATION					
1. Biodiversity Conservation Network (WWF, T&D, WRI)	20.000	3.300	4.600	0.665	5.000
E. USAID COOPERATION					
1. Bangladesh	0.100	0	0.100	0	0
2. India	0.250	0	0.250	0	0
3. Indonesia	0.230	0	0.230	0	0
4. Nepal	0.095	0	0.095	0	0
5. Philippines	0.250	0	0.250	0	0
6. Sri Lanka	0.100	0	0.100	0	0
7. Suva	0.100	0	0.100	0	0
8. Thailand	0.250	0	0.250	0	0
9. Other	2.500	0	0	1.500	1.000
SUBTOTAL	3.875	0.000	1.375	1.500	1.000
F. PARTNERSHIPS					
1. Clean Energy (DOE/ADEPT)	1.000	0	0.125	0.375	0.500
2 Enterprise Finance (OPIC)	1.000	0	0.804	0.396	0
3. NGO/Business Alliance	2.000	0	0	1.000	1.000
4. States' Initiative	3.000	0	0	1.000	1.500
SUBTOTAL	7.000	0.000	0.729	2.771	3.000
G. PROJECT SUPPORT					
1. Tech Support I (TR&D)	3.589	2.200	1.389	0	0
2. Tech Support II (TR&D)	4.700	0	3.000	1.700	0
3. Tech Support III (Competitive)	4.000	0	0	1.500	1.590
4. Strategy Development	0.400	0.400	0.000	0	0
5. Field Representative	0.500	0	0.300	0.200	0
6. Science Advisors (AAASs)	0.360	0	0.170	0.190	0
7. Quality Assurance	1.000	0	0.300	0.300	0.400
8. Project Development & Support (PD&S)	0.399	0.282	0.117	0	0
SUBTOTAL	14.948	2.882	5.276	3.890	1.990
TOTAL	96.078	11.377	25.000	23.290 >	23.290 >

* Herein obligation is defined in terms of the amount authorized in a specific contract, grant or cooperative agreement that has been signed or is with the Office of Procurement.

Sec A.3. $5.3 million includes buy-in level of $2,000,000.

Authorization does not take into account the level of obligations for fiscal years.

> Level directed for exercise - $25.0 million is requested.

NOTE: "Mortgage" going into FY96 is $13.121 million (difference between $(6.078 million and sum of obligations of FYs 92, 93, 94, and 95).

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FY 1995 ANNUAL BUDGET SUBMISSION
TABLE IV - PROJECT BUDGET DATA

BUREAU FOR ASIA
498 - ASIA REGIONAL

L / G	-LIFE OF AUTHD	PROJECT- PLANNED	OBLIG THRU FY 1992	FY 1993 OBLIG ATIONS	FY 1993 EXPEND ITURES	FY 1994 OBLIG ATIONS	FY 1994 EXPEND ITURES	YR END MORTGAGE	YR END PIPELINE	FY 1995 PROPOSED OBLIG	FY 1995 PROPOSED EXPEND
499-0015	U.S.-ASIA ENVIRONMENTAL PARTNERSHIP				INITIAL YR:	FINAL YR:		PROJ/NON PROJ IND: PA			
DP G	---	46,580	---	---	---	23,290	---	23,290	23,290	23,290	24,430
EH G	---	35,700	144	7,000	500	---	515	28,556	6,629	---	4,600
FN G	---	14,200	8,028	5,000	2,000	---	2,146	1,172	10,882	---	7,700
HE G	---	18,600	2,857	5,000	1,700	---	1,722	10,743	6,135	---	3,950
SD G	---	31,500	355	8,000	1,000	---	1,075	23,145	7,280	---	3,780
PROJECT TOTAL:	---	146,580	11,384	25,000	5,200	23,290	5,458	86,906	54,216	23,290	44,460
COUNTRY TOTALS:	---	146,580	11,384	25,000	5,200	23,290	5,458	86,906	54,216	23,290	44,460
GRANTS:	---	146,580	11,384	25,000	5,200	23,290	5,458	86,906	54,216	23,290	44,460
LOANS:	---	---	---	---	---	---		---	---	---	---
---- APPROPRIATION SUMMARY ----											
ARDN:	---	14,200	8,028	5,000	2,000	---	2,146	1,172	10,882	---	7,700
POP:	---	---	---	---	---	---	---	---	---	---	---
HEALTH:	---	18,600	2,857	5,000	1,700	---	1,722	10,743	6,135	---	3,950
CS:	---	---	---	---	---	---	---	---	---	---	---
AIDS:	---	---	---	---	---	---	---	---	---	---	---
EHR:	---	35,700	144	7,000	500	---	515	28,556	6,629	---	4,600
PSEE:	---	31,500	355	8,000	1,000	---	1,075	23,145	7,280	---	3,780
FDAP/DP:	---	146,580	11,384	25,000	5,200	23,290	---	86,906	54,216	23,290	24,430
ESF:	---	---	---	---	---	---	---	---	---	---	---
OTHER:	---	---	---	---	---	---	---	---	---	---	---

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TABLE V
FY 1994 MCC LEVEL
(Project 499-0015)

MCC Level (Ongoing)	Increment	
A. Technology Cooperation		
Tech Fund II (NASDA)	3.300	
Trade Finance (BAFT)	0.060	
ETNA/CTIS	0.600	3.960
B. Environmental Infrastructure		
IFAS	0.400	
Strategic Initiatives		
Wastewater	1.500	1.900
C. Professional/Organizational Development		
Fellowships (TAF)	0.200	
Technology Exchange (WEC)	0.200	
Short-term Training (US-ETI)	0.500	
Environment Action I (EPA)	0.600	
Environmental Action II (3.0)	1.000	
Prof. Development II	2.500	5.000
D. Biodiversity	0.446	0.446
E. USAID Cooperation	1.500	1.500
F. Partnership		
Clean Energy (DOE/ADEPT)	0.375	
Enterprise Finance (OPIC)	0.396	0.771
G. Project Support		
Tech Support II (TR&D)	1.700	
Tech Support III (4.0)	1.500	
Quality Assurance (1.0)	0.300	
Field Representative	0.200	
AAAS	0.190	3.890
Total MCC Request	17.467	

Increment Level (Ranked)	
1. States' Initiatives (3.0)	1.000
2. NGO/Business Alliances (2.0)	1.000
3. Energy (Strategic Initiatives (2.0)	1.000
4. Organ. Development (2.0)	1.000
5. Technology Transfer Encouragement (1.0)	1.000
6. Credit (Project Finance) (4.0)	0.604
7. Biodiversity	0.219
Total Increment Request	5.823
Total Request	23.290

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FY 1994 POLICY/PROGRAM LEVEL
(Project 499-0015)

Ongoing	75% Increment	
A. Technology Cooperation		
Tech Fund II	3.300	
Trade Finance (BAFT)	0.060	
ETNA/CTIS	0.600	3.960
B. Environmental Infrastructure		
IFAS	0.400	
Strategic Initiatives		
Water/Wastewater	1.500	1.900
C. Professional/Organizational Development		
Fellowships (TAF)	0.200	
Technology Exchanges (WEC)	0.200	
Short-term Training (US-ETI)	0.500	
Environmental Action (EPA I)	0.600	
Environmental Action (EPA II [3.0])	1.000	
Prof. Development II	2.500	5.000
D. Biodiversity	0.446	0.446
E. USAID Cooperation	1.500	1.500
F. Partnership		
Clean Energy (DOE/ADEPT)	0.375	
Enterprise Finance (OPIC)	0.396	0.771
G. Project Support		
Tech Support II	1.700	
Tech Support III (4.0)	1.500	
Quality Assurance	0.300	
Field Representative	0.200	
AAAS	0.190	3.890
75% Level Request	17.467	

Increment Level (Ranked)		
1. States Initiatives (0)	1.000	
2. NGO/Business Alliances (2.0)	1.000	
3. Energy (Strategic Initiatives [2.0])	1.000	
4. Organ. Development	1.000	
5. Tech Encouragement (1.0)	1.000	
6. Credit (4.0)	0.604	
7. Biodiversity	0.219	
Increment Request		5.823
100% Request	23.290	

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FY 1995 POLICY/PROGRAM ACTIVITIES
(Project 499-0015)

Activities by Component	Ranking (indicated by subscripts) 50%	75%	100%
Technical Cooperation			
Technology Representatives			0.500_6
Technology Transfer	0.500	0.500	1.000
Environmental Infrastructure			
Strategic Initiatives			
Energy	1.000	1.000	1.000
Hazardous Waste		1.000_1	1.000_1
Credit II (Project Finance)	1.000	1.750_3	2.500_2
Prof./Organ. Development			
Prof. Development II	2.000	4.000_4	4.000
EPA II	1.000	1.300_5	1.300
Organ. Development	0.500	0.500	1.000_7
Biodiversity	2.000	3.627_2	5.000_5
USAID Cooperation	1.000	1.000	1.000
Partnership			
Clean Energy			$.500_8$
NGO/Business Alliances	1.000	1.000	1.000_3
States' Initiatives			1.500_4
Project Support			
Tech Support III	1.445	1.590_6	1.590
QA/PD&S	0.200	0.200	0.400_9
	11.645	17.467	23.290

Subscripts show ranking within each additional increment, ie., up to 75% and up to 100%, respectively.

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FY 1995 POLICY AREAS				
Project Name/Number	Policy Area	100%	75%	50%
499-0015 US-AEP	Environment	23.290	17.467	11.645

FY 1994 POLICY AREAS				
Project Name/Number	Policy Area	100%	75%	
499-0015 US-AEP	Environment	23.290	17.467	

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Date: 9/8/93