



U.S. AGENCY FOR
INTERNATIONAL
DEVELOPMENT

P.D.-ABK-515

93256

OCT 24 1994

ACTION MEMORANDUM FOR THE ASSISTANT ADMINISTRATOR FOR MANAGEMENT

FROM: AA/LAC, Mark L. Schneider *MLSchneider*

SUBJECT: RDO/C Close-out: Combined Program and Operational Plan

ACTION: Your approval is requested for the attached FY 1996 close-out plan for RDO/C, as summarized below.

BACKGROUND: The USAID/RDO/C Action Plan and Close-out Plan for the Eastern Caribbean Program was reviewed and approved by the LAC Bureau on March 29, 1994, and in subsequent follow-up issues meetings on June 24, 1994, and August 29, 1994.

There were 19 active projects in FY 1993. This close-out plan anticipates completing eight projects in FY 1994, four in FY 1995 and seven by the end of FY 1996. The Basic Needs Trust Fund will be extended from its present PACD to September 30, 1996, as discussed in Section (A)1a below. All bilateral projects will terminate by September 30, 1996; no new bilateral project starts will be authorized.

The Bureau believes USAID will continue to have interests in the sub-region. Accordingly, the Bureau may seek your approval in the future to extend BNTF beyond close-out and/or to develop new regional/Global Bureau projects which could include one or more Eastern Caribbean nations.

With respect to close-out operations, staffing plans to manage RDO/C close-out from USAID/Guyana have been approved by M and the Bureau, systems have been developed to monitor project progress toward close-out, and plans are being implemented to dispense with real and non-expendable property.

The attached documentation (Action Plan and the DAEC reporting cable, State 127829) summarizes these program and operational plans.

It is my understanding that this Memorandum raises no controversial issues of a policy nature which warrant a separate meeting.

DESCRIPTION:**A. Program Close-Out****1. Schedule of Portfolio Close-out and Continuing Activities.**

Except for a possible future extension of BNTF beyond close-out, and two possible new regional activities continuing after close-out that might include the Eastern Caribbean (discussed below), all bilateral, regional and global activities will terminate by September 30, 1996. Furthermore, with the exception of a requested two-year PACD extension of BNTF, no new bilateral projects will be authorized.

(a) Possible Extension of the Basic Needs Trust Fund (538-0103) BNTF, beyond close-out.

In a special meeting convened on August 31, 1994, the LAC Bureau reviewed a Mission proposal to extend the Basic Needs Trust Fund (BNTF) project under Caribbean Development Bank (CDB) management at least to September 30, 1996. The project has a PACD of August 1994.

In its Action Plan, the Mission proposed continued limited assistance to the subregion even after USAID physical presence ends, and identified the CDB as a prospective intermediary. In subsequent exchanges between the Bureau and Mission, it was agreed that no extension beyond the RDO/C close-out date would be sought at this time, but that the Bureau would continue to monitor the need for further renewal of the project. There is both economic and political justification for its continuation.

The small island states of the Eastern Caribbean remain highly vulnerable to external forces, including changes in both trade regimes and natural disasters. These close neighbors to the U.S. have proven that their political importance is far beyond their size, most recently in response to the crisis in Haiti. Continued funding for the BNTF provides a means of demonstrating U.S. support for the region and of assisting the countries to alleviate some of the negative impact of trade adjustments and natural calamities even as we disengage.

The Mission proposal was supported by a rapid assessment of BNTF project impact documenting case after case how these public works projects (e.g., construction of schools, health facilities, day-care centers, water systems, roads and footpaths) are improving the quality of every day life in target communities. In addition to their political popularity, the sub-projects have also tended to be well selected in terms of meeting basic human needs, and there is evidence that the program has led to

At the meeting it was agreed that the project should be extended to close-out, and depending on future availability of funds, up to \$1 million/year could be provided in FY 1995 and FY 1996 for this activity. The Bureau believes that a PACD extension of the project to the September 30, 1996 close-out date raises no policy issues. The Bureau will assess the foreign policy value of further extending and providing additional funding for BNTF, and would seek your approval for any continuation of this activity after close-out.

(b) Possible New Regional Initiatives

The Bureau rejected the Mission's proposal (Action Plan pp 25-26) to extend three projects beyond close-out, i.e., the Caribbean Policy Project, CPP (538-0184), Environment and Coastal Resources Project, ENCORE (538-0171), and Health Care Policy Planning and Management (538-0181). However, as per State 127829, the Bureau, in acknowledging the importance of supporting regional free trade and coral reef protection, is collaborating with the Global Bureau in the design of two new regional projects, the Western Hemisphere Free Trade Initiative (WHFT) and the Global Bureau's proposed Coral Reef Management (CRM) project, that will incorporate components of CPP and ENCORE.

The CPP project is an integral part of the Bureau's strategic interest in helping the Eastern Caribbean move towards hemispheric free trade while addressing trade-related issues including environmental protection, labor and intellectual property rights. Similarly, the ENCORE project could be the centerpiece of the Global Bureau's environmental strategic objective, focussing in particular on environmental laws and awareness linked to the protection of the region's unique and extensive coral reefs.

The possible incorporation of specific elements of CPP under the WHFT project, and elements of ENCORE under CRM are issues which need not be reviewed at this early stage in project development. We propose to adhere to the same procedures you approved in the Belize close-out Memo of June 13, 1994, namely that the Bureau will invite your participation in the reviews of any proposed new

increased community participation and public spending to manage and maintain these facilities. There is a strong commitment by the CDB with potential to leverage additional donor funds, and cost-sharing by the Caribbean countries themselves. It is a regional program which includes Jamaica and Guyana, both of which are on-going sustainable development countries. Were the Bureau to recommend its continuation beyond September 1996, it would likely be managed by USAID/Guyana.

regional project which envisions significant activities in close-out/non-presence countries.

2. Program Funding

RDO/C requested an FY 95 program level of \$4.5 million and a final FY 96 program level of \$4.345 million in order to address a mortgage of \$9 million for four projects (West Indies Tropical Produce, Caribbean Policy Project, Caribbean Leadership Development Training, and Health Care Policy Planning). At the Action Plan review, the Bureau approved levels of \$4.095 million for FY 95, with no additional funding approved in FY 96. However, the Bureau is now faced with deeper than anticipated cuts in its overall FY 95 levels, which will diminish funding available for sustainable development activities not otherwise protected by a directive or earmark. The Bureau and RDO/C are now in the process of assessing what impact, if any these cuts will have on close-out plans.

3. Evaluations

RDO/C will continue to use the monitoring and evaluation system established for reporting on strategic objectives, particularly at the program outcome level, and will carry out project-level final evaluations as planned. In addition, the Mission intends to carry out a retrospective evaluation of USAID assistance to the eastern Caribbean over the last 16 years.

4. Local Currency Counterpart

There are no USAID-managed local currency activities in the RDO/C portfolio.

5. Participant Training

Long-term training has been provided under the Caribbean Leadership Development Project/CLASP II project, the Regional Management Training Project and CASS training through Georgetown University. All participants are slated to complete their training prior to Mission close-out.

B. Operational Close-Out

1. Personnel

During FY 93 seven USDH positions were eliminated along with 13 FSN positions. In FY 94 five additional USDH positions will be eliminated and 19 FSN/TCN and USPSC employees will be separated. In FY 95 two USDH and 16 other employees will leave, and the RDO/C Director will be physically transferred from Barbados to Guyana where she will continue to manage RDO/C close-out and head

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the "Sustainable Development Country" Mission being established there. The remaining four USDH and 19 non-USDH employees will depart Barbados by the end of FY 96 when the RDO/C program ceases operations in its entirety. Apart from controller functions discussed below, any residual RDO/C activities remaining after close-out would be managed by USAID/Guyana. Operating expenses (OE) will decline from \$1.9 million in FY 94 to \$1.7 million in FY 95 and \$.908 million in FY 96.

2. Real and Non-Expendable Property

Standard procedures for disposing NXP, including ADP and security equipment will be adhered to, and the Mission will ensure that IRM and IG/SEC are advised and concur in mission's plans for disposing ADP and security equipment, respectively. RDO/C will advise AS/OMS/OPM of any NXP which is new in cartons. Only this will be advertised for distribution to other missions. Otherwise, all NXP will be disposed of in accordance with HB 23, Chapter 4, Section 227.3. Excess furniture and equipment not suitable for redistribution will be sold at auction.

3. Financial/Records Management

The Mission will retain its USDH Controller through June 1996, and may request short-term TDY assistance. To the extent that any residual financial management responsibilities continue after close-out, they could be assumed by the USAID/W Controller or by USAID/Dominican Republic or another mission in the region. In this event, the Bureau would discuss alternatives with FM and field posts before reaching a decision.

RECOMMENDATION: That you approve the close-out plan for the RDO/C Mission as discussed in this Memorandum.

Approved: _____

Disapproved: _____

Date: _____

10-28-94

Attachments:

- (1) DAEC Reporting Cable, State 127829



U.S. AGENCY FOR
INTERNATIONAL
DEVELOPMENT

Jun 27 1994

Assistant
Administrator
for Latin America
and the Caribbean

ACTION MEMORANDUM FOR THE ASSISTANT ADMINISTRATOR FOR MANAGEMENT

FROM: AA/LAC, Mark Schneider *[Signature]*

SUBJECT: Argentina Close-Out: Combined Program and Close-out Plan

ACTION: Your approval is requested for the attached FY 1995 close-out plan for Argentina, as summarized below.

BACKGROUND: The attached USAID/Argentina Action Plan and Close-out Plan was reviewed and approved by the LAC Bureau on February 3, 1994. This close-out plan calls for all bilateral projects to be phased out during FY 95, and for the Mission to shut its doors by September 30, 1995. No new project starts will be authorized.

On the operational side, close-out issues have been identified and initial plans have been developed. Severance pay procedures have been clarified. A close-out conference was held in La Paz on May 18-19 to finalize operational plans for close-outs in Uruguay, Argentina and Chile.

The attached documentation (Action Plan and the DAEC reporting cable, State 095364) summarize these program and operational plans.

DESCRIPTION:

A. Program Close-Out

1. Schedule of Portfolio Close-out and Continuing Activities.

Except for the specific activity discussed in "C" below, all bilateral, central and regional projects in Argentina are to

terminate by September 30, 1995. Any residual billing, reporting and documentation functions will be completed by USAID/La Paz.

2. Program Funding

FY 1994 will be the final year in which program funding is provided.

3. Evaluations

A single evaluation of the USAID/Argentina democracy program will be completed prior to the end of the individual activities and prior to the departure of the USAID Representative.

Given that all but one project have third quarter FY 1995 PACDs, the Mission will concentrate on completing EOP reporting and documentation during the fourth quarter of FY95.

4. Local Currency Counterpart

There is no local currency in Argentina.

5. Participant Training

USAID/Argentina does not have any long-term participant training in its portfolio.

B. Operational Close-Out

The Mission will prepare a detailed operational close-out plan with the assistance of the Regional Service Center in La Paz. The plan will be submitted to the LAC Bureau in June, 1994.

1. Personnel

The employee release plan presented by the Mission in the Action Plan will be modified in the Operational Close-out Plan to reflect the earlier than proposed closing of the USAID office in Montevideo. The USAID Representative, the only USDH at post, will depart post at the beginning of the 4th quarter of FY95. Entering FY95, the Mission will have 2 program funded FSNs on board. An orderly departure of all FSNs will occur during FY95.

2. Real and Non-Expendable Property

The Mission has determined that its limited NXP will either be transferred to USAID/Bolivia or sold by the Embassy (per MB 23, Ch 131) with proceeds to USAID. The mission has no trust fund or contractor-titled property. USAID is located in rented facilities in downtown, Buenos Aires whose lease will be terminated on September 30, 1995.

3. Records Management

Records will be closed out under a plan to be sent to the Agency's Records Management Officer.

4. Close-out Support

The Mission will receive necessary close-out support from USAID/La Paz. The LAC Bureau has provided adequate OE funding in FY1994 and pledged to make every effort to provide sufficient OE funding in FY1995 to support the Mission during close-out.

C. Outstanding Issues

1. Continuation beyond close-out of the International Cooperative Biodiversity Groups Program (ICBG)

Discussion: A LAC/Bureau recommendation regarding the possible continuation of the jointly sponsored USAID/NIH/NSF ICBG research program beyond close-out in Chile, Argentina and Costa Rica was reviewed and recommended for approval at the Costa Rica close-out meeting chaired by the Agency close-out coordinator.

RECOMMENDATION: That you approve the close-out plan for the Argentina Mission, including the Recommendations on outstanding issues, as presented in the attached documentation and discussed in this memorandum.

Approved: _____

Disapproved: _____

Date: _____

[Handwritten Signature]

7-20-94

Attachments:

- (1) Argentina Action Plan
- (2) DAEC Reporting Cable, State 095364

Clearance

DAA/LAC:NParker not
LAC/DR:EZallman (Draft)
LAC/SAM:AMcDonald (Draft)
AA/PPC:TBrown (Draft)
LAC/DPP:JStepanek (Draft)
LAC/DPP:RMeehan (Draft)
M/MCS:MRogal In AD
G/R&D/POP:JWilkinson (Draft)
GC/LAC:RMeighan (Draft)
LAC/CONT:FRobbins (Draft)

DRAFTED:GBERTOLIN:U:\DRPUB\SAM\ARG\CLOSEMEM.ARG\URU.

NOTE TO: AA/M, LARRY BYRNE

FROM:

M/MPI, BARRY BURNETT

Barry Burnett

JUL 18 1994

SUBJECT: ARGENTINA CLOSE-OUT PLAN

In our July 5 discussion regarding the Argentina Close-out Plan, you asked if the International Cooperative Biodiversity Groups (ICBG) Program was justified in Argentina and Chile. After discussing this program with both the LAC and Global Bureaus, I believe the program's continuation in both countries is justified. Leaving aside the commitment USAID has made to NIH, NSF and the participating countries, there are considerations which warrant USAID's continued support:

Technical: The objectives of the program in Mexico, Argentina and Chile are to discover and develop pharmaceuticals and crop-protection agents from plants from poorly known floristic areas in these countries. In addition to screening for several types of diseases, including AIDS, cardiovascular, allergies and cancer, the potential agricultural applications in the areas of crop protection and animal health represents a unique dimension of this grant. Specifically, researchers are hopeful that natural, safer pesticides might be developed from this dryland research.

Financial: While Argentina and Chile are relatively better-off financially than most developing countries, they lack the capacity for conducting the initial screening for bioactive compounds that this program entails. Indeed, a major objective of the ICBG program is to develop the institutional capacity in the participating countries to conduct their own bioprospecting and biodiversity preservation for sustainable development. It is not clear that the participating Latin American countries could find the resources to sustain this program if USAID were to pull out. Moreover, the United States stands to gain as much from this research effort as the other countries involved in the program.

I am attaching additional information on this program. Essentially, the underexplored dryland flora of the targeted research countries, in combination with the institutions involved in the exercise, presents a unique set of circumstances for advancing the research objectives.

Clearances: NRoyal *[Signature]* Date: 7/15/94
CMcGraw *[Signature]* Date: 7/19/94



AGENCY FOR
INTERNATIONAL
DEVELOPMENT

JUN 29 1994

ACTION MEMORANDUM FOR THE ASSISTANT ADMINISTRATOR FOR MANAGEMENT

FROM: AA/LAC, Mark Schneider

SUBJECT: Belize Close-Out: Combined Program and Operational Plan

DATE: June 13, 1994

ACTION: Your approval is requested of the attached FY 1995 close-out plan for Belize, as summarized below.

BACKGROUND: The Mission's close-out plan for Belize is based on preparations begun in 1992 ABS in connection with the transition to a more developed country status. Since then the program has been steadily downsized, declining from 17 to 13 projects in FY92, to 6 projects in FY93, and to a projected 5 projects by the end of this fiscal year. Complete closeout of all projects will be achieved by September 1996. Except for RENARM as discussed in para B1, LAC also recommends termination of all central and regional projects by June 1996, and does not envision any need for implementation/project assistance by any other USAID organizational unit after closeout. By September 1996 all scholars in U.S. institutions (including those selected to participate in the Georgetown University CASS Program in 1994) will have completed their training, and returned to Belize.

On the operational side, revised staffing patterns and plans have been developed and approved, systems have been developed to monitor project progress toward close-out, and plans are being implemented to deal with real and non-expendable property.

The attached documentation (Action Plan and the DAEC reporting cable, State 087383) summarize these program and operational plans.

DESCRIPTION:

A. Program Close-Out

1. Schedule of portfolio close-out and continuing activities.

Without exception, all Mission and Global funded activities in Belize will terminate with Mission close-out. A regional project

managed by USAID/G-CAP, now scheduled to end in FY 1995, may be extended after an evaluation. This is discussed below.

A. Mission and Global Funded Projects

All USAID projects, including participant training in the Georgetown University CASS program and G/R&D/POP's provision of contraceptives to the Belize Family Planning Association (in accordance with the IPPF/WHF phaseout plan) will terminate by September 1996. Further, on the LAC Bureau's recommendation you have already approved (on June 2, 1994 at the Costa Rica closeout review) the acceleration and completion of matching grant activities in Belize through the US PVO, Katalysis, by September 1996.

B.1 Regional Project Managed by USAID/Guatemala (Central American and Panama)

The DAEC reporting cable, State 087383, recommended the continuation after September 1996 of regional RENARM umbrella project activities in Belize that protect the regional Maya Biosphere Reserve (this Reserve incorporates the tropical rain forest areas of Mexico, Belize and Guatemala). The RENARM project was planned as a ten year project and funded for six years. We subsequently became aware that the PACD is September 30, 1995.

Now in year five, a "mid-term" evaluation has just been completed. Consequently, USAID/G-CAP is soon expected to seek a project extension that will include continuation of these regional activities in Belize. Activities to protect the Maya Biosphere in Belize will continue unless the Mission recommends major design changes, whereupon the Bureau would seek your concurrence (i.e., if we believed the component had merit but would not continue to qualify for exclusion as a truly regional activity).

2. Program Funding

The Mission requested \$2.596 million in FY 1994 and a final \$2.5 million request in FY 1995. Because of LAC funding requirements the second half FY 1994 obligations were reduced by \$402,000.

3. Evaluation An evaluation of the Mission's flagship Natural Resource Management and Protection Project (NARMAP) is now underway which will, inter alia, identify opportunities to expedite implementation and completion before September 1996.

4. Local Currency The Mission and GOB recently disbursed all residual Section 416 sugar quota funds (approximately \$2.5 million), and residual ESF funds (approximately \$300,000). USAID/Belize has no local currency accounts which require Mission management.

5. Participant Training All remaining participants will be scheduled to take up scholarships within the next few months, and all participants in the U.S. will have returned to Belize by September 1996, including the 17 long-term scholars under NARMAP and 16 2-year academics under CAPS-II selected to participate in the Georgetown University CASS program.

B. Operational Close-Out

1. Personnel The Mission will lose three of its six USDH staff in FY94 (GDO, Controller and PDO), leaving the Representative, Executive Officer (until closeout) and the ADO. The ADO will be in charge of all projects in a combined office until this position is eliminated in FY95.

FSN, TCN and U.S. PSC positions have also been reviewed, and the Mission plans to release these employees as their contract dates fall due over the next two years. The Mission will continue to work with its FSN staff on educational and employment opportunities.

2. Real and Non-Expendable property The Mission has developed plans for the disposition of non-expendable, expendable, and real property. All project property will be turned over to the respective Ministries in accordance with project agreements; the State Department has expressed interest in purchasing the USAID office building, appraisals have been completed, and negotiations are currently proceeding in Washington (between USAID/FA/OMS and STATE FBO); non-expendable property will be made available for re-distribution; and plans are underway to dispose of other property through local sealed bid sales.

3. Records Management The Mission is budgeting for TDY Controller assistance at the end of each fiscal year to handle end of year reports as needed. At the same time, the Mission is working with its Accounting Station in Tegucigalpa on the gradual assumption of Controller and voucher examining duties. It is expected that all fiscal records and files will be turned over to Tegucigalpa during August/September 1996.

C. Outstanding Issues None

D. RECOMMENDATION: That you approve the combined program and operational close-out plan for the Belize Mission as presented in the attached documentation and discussed in this memorandum.

Approved: _____

Disapproved: _____

Date: 7-1-94

E. Possible Future Activities under Regional Projects

After the AP review, which was held in February, 1994, the LAC Bureau developed a number of regional projects which are being reviewed as part of the LAC Regional Action Plan. The participation of Belizean institutions in activities under some of these projects may be necessary to ensure achievement of hemisphere-wide objectives.

For example, Belize may be assisted to help establish its capacity to join hemisphere-wide free trade systems under the LAC Free Trade Expansion project (598-0822). Belizean institutions may participate in hemisphere-wide NGO networks aimed at deepening the practice of citizenship and strengthening civil society (LAC Regional Strategy Support, 598-0826), and supporting good governance (Legislative Strengthening, 598-0828). These networks will facilitate the exchange of information and sharing of lessons learned from non-sustainable development countries to sustainable development countries. In addition, initiatives that may be agreed upon at the upcoming Summit of Western Hemisphere leaders in Miami on December 9 and 10, may call for participation of Belizean institutions. The Partnership for Educational Reform in the Americas Project (PEPA, 598-0823) is a presumptive response to a likely initiative.

We are bringing this to your attention at this time for two reasons. First, our thinking about future LAC Regional initiatives has now evolved sufficiently to permit Agency consideration of the extent to which Belize and all other close-out countries may participate in future projects. We believe that their participation will be necessary to ensure achievement of our objectives in some cases. In no case will in-country presence of USDH or contractors be proposed.

Second, we wish to use this medium to propose a process for resolving the issue. Ideally, we would like M representatives to participate in the upcoming series of LAC Bureau Action Plan meetings at which each new project proposal would be reviewed. M's concerns and policy guidance would be taken into account in setting the parameters for design of each approved project. If you wish to personally review each case, an alternative would be to set up a single meeting after the regular Action Plan meetings to review just those projects in which a role for close-out countries is envisioned. There are other alternatives as well. The Bureau has sufficient policy guidance on this issue to ensure that Agency commitments re: close out countries are observed. Thus, you may wish to not have M further participate in discussions of individual projects. Or, you may wish to have an internal M review of the Action Plan and participate in the reviews of only those projects about which M has concerns.

Recommendation: That you designate a representative to participate in LAC Regional Action Plan Review meetings. The representative should be authorized to determine whether M agrees that those projects may involve activities in close-out countries.

Approved: _____ *

Disapproved: _____ *

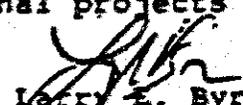
Date: _____

If you disapprove the above recommendation, please indicate whether you wish to meet to go about setting up the process or prefer one of the other alternatives described.

- * I would be pleased to designate a representative, Mr. Barry Burnett, to participate in the LAC Bureau's Regional Action Plan Review Meetings. Mr. Burnett can provide any necessary clarification and insight on our policies with regard to activities in close-out countries. However, I shall reserve the authority to make a final judgement on these regional projects during the summer budget review meetings.

Attachments:

(1) DAEC Reporting Cable, State 087383


Larry E. Byrne, AA/M
July 8, 1994

Drafted: LAC/DR:RWL

Clearance

DAA/LAC:NParker *Approved for*
LAC/DR:EZallman *GEZ*
LAC/DR:DChiriboga (draft)
PPC/POL/PAR:JSchlotthauer (draft)
M/FA/MC:MRogal (draft)
G/R&D/POP:DGillespie (draft)
G/R&D/PO/AE:GStandrod (draft)
GC/LAC:RMeighan (draft)
BHR/PPE:LRogers (info)
G/R&D/POP:CHemmer (info)
LAC/DPP:RMeehan (info)
LAC/DPP:JStepanek (info)
LAC/CAR:Ecampbell (draft)

Distribution:

Per AP list



U.S. AGENCY FOR
INTERNATIONAL
DEVELOPMENT

JUN 27 1994

Assistant
Administrator
for Latin America
and the Caribbean

ACTION MEMORANDUM FOR THE ASSISTANT ADMINISTRATOR FOR MANAGEMENT

FROM: AA/LAC, Mark Schneider *MKS*

SUBJECT: Uruguay Close-Out: Combined Program and Close-out Plan

ACTION: Your approval is requested for the attached FY 1995 close-out plan for Uruguay, as summarized below.

BACKGROUND: The attached USAID/Uruguay Action Plan and Close-out Plan was reviewed and approved by the LAC Bureau on February 3, 1994. This close-out plan calls for all bilateral projects to be phased out during FY 95, and for the Mission to shut its doors by September 30, 1995. No new project starts will be authorized.

On the operational side, close-out issues have been identified and initial plans have been developed. Severance pay procedures have been clarified. A close-out conference was held in La Paz on May 18-19 to finalize operational plans for close-outs in Uruguay, Argentina and Chile.

The attached documentation (Action Plan and the DAEC reporting cable, State 095364) summarize these program and operational plans.

DESCRIPTION:

A. Program Close-Out

1. Schedule of Portfolio Close-out and Continuing Activities.

Except for the specific activity discussed in "C" below, all bilateral, central and regional projects in Uruguay are to terminate by June 30, 1995. Any residual billing, reporting and documentation functions will be completed by USAID/La Paz.

2. Program Funding

FY 1994 will be the final year in which program funding is provided.

3. Evaluations

Two evaluations of the USAID/Uruguay program (growth and democracy objectives) will be completed prior to the end of the individual activities and prior to the departure of the USAID Representative.

Given that all projects have third quarter FY 1995 PACDs, the Mission will concentrate on completing EOP reporting and documentation during the fourth quarter of FY95.

4. Local Currency Counterpart

Local currency counterpart associated with the a 1986 ESF Program had a balance of the equivalent of approximately \$5 million at the time of the Action Plan review. The USAID Representative will try to arrange for complete disbursement of the local currency account in accordance with current guidelines before the current government leaves office in March 1995. If he is unable to do so, he will advise USAID/Washington that it may need to make an exception to the local currency management policy in order to have funds disbursed by the time USAID closes.

There are no other local currency programming issues.

5. Participant Training

USAID/Uruguay does not have any long-term participant training in its portfolio.

B. Operational Close-Out

The Mission will prepare a detailed operational close-out plan with the assistance of the Regional Service Center in La Paz. The plan will be submitted to the LAC Bureau in June, 1994.

1. Personnel

The employee release plan presented by the Mission in the Action Plan will be modified in the Operational Close-out Plan to reflect the earlier than proposed closing of the USAID office in Montevideo. The USAID Representative, the only USDH at post, will depart post at the beginning of the 4th quarter of FY95. Entering FY95, the Mission will have 8 FSNs on board, 5 OE and 3 program funded. An orderly departure of all FSNs will occur during FY95.

2. Real and Non-Expendable Property

The Mission has determined that its limited NXP will either be transferred to USAID/Bolivia or sold by the Embassy (per HB 23, Ch 131) with proceeds to USAID. The mission has no trust fund or contractor-titled property. USAID is located in the U.S. Embassy, which is property of the U.S.G.

3. Records Management

Records will be closed out under a plan to be sent to the Agency's Records Management Officer.

4. Close-out Support

The Mission will receive necessary close-out support from USAID/La Paz. The IAC Bureau has provided adequate OE funding in FY1994 and pledged to make every effort to provide sufficient OE funding in FY1995 to support the Mission during close-out.

C. Outstanding Issues

The Peace Corps SPA program will continue after close-out. It qualifies for a categorical exception as provided in the PPC close-out guidance.

RECOMMENDATION: That you approve the close-out plan for the Uruguay Mission as presented in the attached documentation and discussed in this memorandum.

Approved: _____

Disapproved: _____

Date: _____

7-1-94

Attachments:

- (1) Uruguay Action Plan
- (2) DAEC Reporting Cable, State 095364



U.S. AGENCY FOR
INTERNATIONAL
DEVELOPMENT

JUN 29 1994

Assistant
Administrator
for Latin America
and the Caribbean

ACTION MEMORANDUM FOR THE ASSISTANT ADMINISTRATOR FOR MANAGEMENT

FROM: AA/LAC, Mark Schneider *MS*
SUBJECT: Chile Closeout: Combined Program and Operational Plan
DATE: June 16, 1994

ACTION: Your approval is requested for the attached FY 1996 closeout plan for Chile, as summarized below.

BACKGROUND: The attached USAID/Chile Action Plan and Closeout Plan was reviewed and approved by the LAC Bureau on February 24, 1994. This closeout plan calls for all bilateral projects to be phased out during FY 1995 and FY 1996, and for the Mission to shut its doors by September 30, 1996. No new project starts will be authorized.

On the operational side, revised staffing patterns and plans have been developed and approved, systems have been developed to monitor project progress toward closeout, and plans are being implemented to dispense with real and non-expendable property.

The attached documentation (Action Plan and the DAEC reporting cable, State 085088) summarize these program and operational plans.

It is my understanding that this Memorandum raises no controversial issues which would require a separate meeting.

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DESCRIPTION:**A. Program Closeout****1. Schedule of Portfolio Closeout and Continuing Activities.**

Except for those specific RHUDO/SA Housing Guaranty Activities discussed in "C" below and the continuation beyond closeout of the International Cooperative Biodiversity Groups Program (ICBG) which you approved on June 2, 1994 at the Costa Rica Closeout meeting, all existing bilateral, central and regional projects in Chile are to terminate by September 30, 1996. All residual billing, reporting and documentation functions will be completed by USAID/La Paz.

2. Program Funding

FY 1995 will be the final year in which program funding is provided.

3. Evaluations

This is USAID/Chile's second closeout. In 1980 as part of its first closeout a report detailing all USAID and its predecessor agency work from 1942 (Good Neighbor Policy) was commissioned. Now, another edition, detailing the 1988-1996 USAID/Chile program accomplishments, is being commissioned.

In addition, several program and project evaluations have been scheduled prior to closeout, including the Mission's use of a U.S. Environmental Protection Agency PASA to appraise USAID performance in Chile's environmental sector.

Given that most projects have first quarter FY 1996 PACDs (except the regional RHUDO supported activities), the Mission will concentrate on completing EOP reporting and documentation during the second semester of FY 1996.

4. Local Currency Counterpart

Local currency counterpart associated with the Primary Health Care Project (513-0350/0351) has been fully disbursed. There are no remaining local currency programming issues.

5. Participant Training

USAID/Chile does not have a long-term participant training in its portfolio.

B. Operational Closeout

The Mission will prepare a detailed operational closeout plan with the assistance of the Regional Service Center in La Paz. After LAC Bureau review, the plan will be transmitted to M for approval.

1. Personnel

The employee release plan was approved by the LAC Bureau as presented by the Mission. The USAID Representative, the only USDR at post, will depart post during the 4thQ of FY 1996. Entering FY 1996, the Mission will have 9 FSAs on board, 6 OE and 3 program funded. Based on PACDS, an orderly departure of all FSAs will occur during FY 1996, with one scheduled to depart in the 1stQ and the remainder departing in the 4thQ.

2. Real and Non-Expendable Property

The Mission has determined that the condition of its limited NXP warrants its sale by the Embassy (per HB 23, Ch 131) with proceeds to USAID. The mission has no trust fund, contractor or project-titled property. USAID is located in the U.S. Consulate, which is property of the State Department.

3. Records Management

Records will be closed out under a plan to be sent to the Agency's Records Management Officer.

4. Closeout Support

The Mission will receive necessary closeout support from USAID/La Paz. The LAC Bureau also pledged to make every effort to provide sufficient OE funding to support the Mission during closeout.

C. Outstanding Issues

1. Continuation beyond closeout of RHUDO/SA Housing Guaranty Activities HG-008 and HG-009

G/ENV/UP recommends continuation of the Housing Guaranty Programs HG-008 and HG-009 through June 1998 and June 2001 respectively. Each of these HGs guarantees a \$5 million line of local currency credit to the housing cooperatives federation (COVIP). No new appropriated funds are required. However, these guaranties constitute a contingent liability against which the lender, Citibank/Santiago, could draw in the event of a claim. Thus, disbursements would only be required if COVIP fails to meet its commitments to Citibank.

The 1988 HG-008 agreement authorized a \$5 million guaranty for ten years. The Housing Office agreed to the full term prior to Chile's designation as a closeout country. Similarly, the \$5 million HG-009 guaranty was authorized in 1991 for ten years. The guaranty was issued for five years and the borrower (COVIP) has now requested that it be extended for the full period authorized, i.e., to the year 2001. COVIP has been advised by USAID of our intent to maintain these ten year commitments.

Recommendation

The Bureau recommends that HG-008 continue to 1998 and HG-009 continue to 2001 (as per the authorization agreements). Abrogation of these guaranties would be politically embarrassing and could adversely affect the Chilean borrower (COVIP-- Cooperativa de Vivienda Popular) and the achievement of low-cost housing program objectives. Maintenance of these guaranties beyond Mission closeout requires no additional program funds or technical assistance. No resident TA is required beyond FY 1996, and all monitoring activities related to these HG programs will continue to be undertaken by RHUDO/SA in Quito, Ecuador.

Approved: _____

Disapproved: _____

Date: 7-28

2. Monitoring of RHUDO/SA Guaranty Program (HG-010): The HG-010 could provide up to \$40 million in credit guarantees by FY 1996, including \$20 million for low income home mortgages, \$5 million for pilot municipal waste water facilities and \$15 million for inner city revitalization in Santiago and Valpariso. Initial lending has already begun under HG-010, but new lending will not be undertaken unless the borrowing can be completed by September 30, 1996. There will be residual USAID monitoring and oversight required beyond closeout which can be effectively managed by RHUDO/SA in Quito, Ecuador.

Recommendation

The LAC Bureau recommends that only new lending which can be disbursed by September 30, 1996 be approved by the Mission, and that those activities related to the requisite monitoring and oversight of the HG-010 loans beyond closeout be approved.

Approved: _____

Disapproved: _____

Date: 7-28



U.S. AGENCY FOR
INTERNATIONAL
DEVELOPMENT

MAY 31 1994

ACTION MEMORANDUM FOR THE ASSISTANT ADMINISTRATOR FOR MANAGEMENT

FROM: AA/LAC, Mark Schneider *MS*

SUBJECT: Costa Rica Close-Out: Combined Program and Operational Plan

DATE: May 23, 1994: A review of this Memo is scheduled for Thursday June 2nd at 2.00 p.m. in room 3676 NS

ACTION: Your approval is requested for the attached FY 1996 close-out plan for Costa Rica, as summarized below.

BACKGROUND

The attached USAID/Costa Rica Action Plan and Close-out Plan was reviewed and approved at the LAC Bureau DAEC on March 9, 1994. It projects the phaseout of all bilateral projects in FY 1995 and FY 1996 with no additional project starts authorized, a full and timely disengagement by the Mission from its sizable and complicated host-country owned local currency portfolio, a phased transfer of all accounting functions to a neighboring Mission, and full Mission closure by September 30, 1996.

At the DAEC, the Bureau recommended continuing USAID funding beyond Mission close-out of two regional activities which only indirectly benefit Costa Rica, i.e., the LAC/DI grant to the Costa Rican based Inter-American Institute for Human Rights (IIHR), and the regional housing guaranty program administered by the Central American Bank for Economic Integration (CABEI). The DAEC referred consideration of other cases for project continuation beyond close-out to an ad hoc Bureau exceptions committee which met on May 3, 1994 using additional (draft) close-out guidance from PPC. This post-DAEC review was warranted by the number and complexity of regional and centrally administered projects, and the practical limitation of conducting several case-by-case project reviews in the DAEC. All projects for which a positive recommendation to continue beyond close-out is being recommended, are presented along with the Bureau's rationale in Section C.

The attached documentation (Action Plan and the DAEC reporting cable, State 088513) summarize these program and operational closeout plans.

DESCRIPTION:**A. Program Close-Out****1. Schedule of Portfolio Close-out and Continuing Activities.**

The Mission has established a special Close-out Division to facilitate timely and orderly termination of all project and local currency activities. Except for specific exceptions discussed in Section C, all USAID funded bilateral, central and regional project activities in Costa Rica will end by September 30, 1996. In some instances, project implementation may be accelerated to insure new obligations are not incurred after this date.

Further, the Bureau does not, at this time, recommend the extension of regional or global projects in Costa Rica (such as RENARM or the Renewable Energy Applications and Training Project) with program activity completion dates (PACDs) prior to September 1996. An evaluation is now underway of RENARM which could include recommendations to extend the project beyond its September 30, 1995 PACD, and to continue regional activities in Costa Rica. Alternatively, a new regional environmental initiative could be developed. In either event, the Bureau would, on a case-by-case basis, seek the concurrence of the close-out coordinator for including Costa Rica in the design of new (or amended) regional initiatives. Finally, there would be an appropriate presumption of Bureau disapproval for the continuation of any other activities, not reported to the Bureau, beyond September 30, 1996.

2. Program Funding

Due to Mission closeout in FY 1996, USAID/Costa Rica has moved all remaining funding requirements to FY 1995. FY 1995 will be the final year in which program funding is provided.

3. Evaluations

The Mission will conduct several project and selected sector evaluations prior to close-out. In FY 1993 sector evaluations were carried out for both the Financial Sector and Reform of the

¹ This includes ending USAID funding for activities in Costa Rica now supported under the regional RENARM project, the LAC Bureau's Environmental Support Program, LAC TECH, and Neotropical Migratory Birds Projects, and funding Costa Rican activities through the Global Bureau's Cooperative Development Research Program, Forest Resources Management II, Conservation of Biological Diversity, Renewable Energy Applications and Training, and Biomass Energy Systems and Technology projects.

State programs; a training sector assessment is scheduled in FY 1994 and a population sector assessment is scheduled for FY 1995. In addition, the Mission is planning to carry out PD&S- and local currency-funded impact studies reviewing the USAID role in Costa Rica from inception.

4. Local Currency Counterpart

The Mission has 30 sectoral and projectized local currency activities valued at \$194 million. These include endowments and trusts, sectoral support, program trust fund activities, operating expense trust funds and GOCR projects. The Mission is making good progress in organizing, negotiating and implementing the phaseout of its management responsibilities over this portfolio. Mission management established a "Local Currency Committee" which has developed the work plans and tracking system to insure complete divestiture before September 1996, and it is anticipated that 26 of the 30 will be completed or divested in FY 1994 and FY 1995, with the four remaining activities terminated in early 1996.

5. Participant Training

Under the CAPS program, participants are expected to complete training by August 1996. Under the ATIE component of the Policy and Training Support Project (PATS), five PhD students for whom dual degrees have been approved, and who have already commenced training will complete their studies in 1998. Accordingly, the Mission has proposed, with Bureau concurrence, an OYB transfer to the LAC regional program to insure necessary and appropriate support for these participants.

B. Operational Close-Out

The operational close-out plan (see Action Plan discussion pp 49-53) describes actions underway to complete project implementation, situate all staff and dispose of all non-expendable and physical infrastructure.

1. Personnel

All staff will depart by September 30, 1996. Project staff (i.e., the technical, program and project development staff) will be reduced as projects are completed, while management staff reductions (involving the Controller and Executive Offices) will be more gradual given the significant close-out responsibilities. A contractor has been hired to assist FSN staff in onward placement and career planning.

2. Real and Non-Expendable Property

The Mission has developed plans for the disposition of non-expendable, expendable, and real property. All project property will be transferred to the appropriate NGO or Ministry in accordance with project agreements, and assets purchased with host-country owned local currency (including the USAID building) will be assigned/returned to the GOCR. Other property will, as appropriate, be disposed of through local sealed bid sales.

3. Records Management and Residual Controller Functions

The Bureau is in the process of identifying the most appropriate Mission to assume residual Controller functions associated with USAID Costa Rica (i.e., the bilateral responsibilities and the USAID/Panama, RIG/CR, OFDA and ROCAP operations presently being handled in Costa Rica). Mission plans call for the transfer of functions starting June 1995 so by July 1996 a receiving Mission will be able to produce all accounting reports for bilateral and regional entities. The Bureau has been discussing residual controller functions with several Missions and selection of the receiving mission will be made in the very near future.

C. Outstanding Issues

The LAC Bureau recommends continuation beyond closeout of eight project activities discussed below.²

Extensions of the IIHR (C.1) and the LOGROS HG program (C.2) were recommended at the DAEC while the LAC Bureau, Mission and the Global Bureau continued to compile an inventory of all remaining regional and global projects, with PACDs after September 1996, for which continuation beyond Mission close-out was a potential issue. On May 3, 1994 the Bureau's Costa Rica Exceptions

² The LAC Bureau declined to recommend continuation beyond September 1996 of USAID funding for two University Development Linkage Project activities (i.e., the collaborative linkage between North Carolina State, the University of Costa Rica and the National University in agriculture and natural resource management and the linkage of Iowa State, Prairie View A&M, University of Costa Rica, the National University, CATIE and EARTH in agricultural research, education and training) and for two small research grants under the Global Bureau's Program in Science and Technology Collaboration (i.e., the Population Response of Plant Enemies to Tropical Trees (12.421), and Detection and Replication of Cucumber Virus (10.326)). The Global Bureau disagrees with the LAC Bureau's recommendation to discontinue USAID funding of these four research projects by September 1996, and is expected to independently present its case before the AA/M.

23

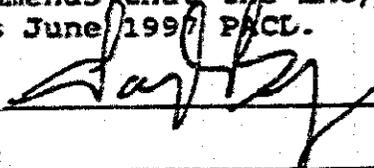
Committee reviewed six global projects, and one LAC Regional project (excluding the LOGROS project which was also reviewed at the DAEC) meeting this criteria. Based on this review the Bureau also recommends continuation beyond close-out of the USAID/NSF Collaborative Program on Biodiversity (C.3); the USAID/NIH International Cooperative Biodiversity Groups Program (C.4); the Agricultural Biotechnology for Sustainable Development Project (C.5); the Bean/Cowpea CRSP (C.6); one PSTC biodiversity research grant (C.7); and the LAC Bureau's regional Parks in Peril Project (C.8).

The Bureau's rationale for recommending the extension of these activities is presented below. In every instance USAID monitoring and oversight would be provided by appropriate regional Mission or by a USAID/W office.

1. On-going USAID support to the Inter-American Institute of Human Rights (IIHR) beyond close-out

IIHR provides a unique resource to the Central American region through its promotion of human rights issues and concerns. The Institute's focus is truly regional, and is only incidentally located in Costa Rica. Accordingly, the Bureau urges that Mission close-out not preclude on-going support for this regional activity. Promoting democracy and human rights is an important Agency goal, and it would not be prudent or cost-effective to encourage IIHR to relocate nor to build a capacity in another institution outside Costa Rica.

Recommendation: The LAC Bureau recommends that the LAC/DI \$10.2 million grant to IIHR continue to its June 1999 PACL.

Approved: 

Disapproved: _____

Date: 6-2-94

2. On-going USAID support for the Local Government Regional Outreach Strategy (LOGROS) Project

The LAC Bureau recommends continuation beyond closeout of regionally-focussed elements of the R/CAP Guatemala managed LOGROS project in Costa Rica. This regional project, which has a PACD of September 1999, includes both consensus-building/technical assistance component and a capital/housing guaranty (HG) program component.

(A) Technical assistance, training and regional consensus building.

Recommendation: Country-specific activities including direct support to the Costa Rican Municipal Association (UNGL) will end with mission closeout. However, the Bureau recommends that the LOGROS Project continue to fund regional activities in Costa Rica (including regional training, conferences and workshops) and continue to extend technical assistance for truly regional activities which involve other Central Americans along with Costa Ricans.

Approved: _____

Disapproved: _____

Date: 6-2-91

(B) Capital/Housing Guaranty Program.

The capital component of the LOGROS project includes Housing Guaranty programs and grants administered by the Central American Bank for Economic Integration (CABEI). These provide low-cost housing loans and, under an innovative new component, municipal finance and infrastructure investment. The justification for continuing this component after September 1996 resides in the organizational structure of this regional organization. CABEI, which is managed by a Board of Directors from all Central American countries (plus Mexico and Taiwan), must, under its charter, serve all Central American countries without discrimination. Moreover, to require CABEI to cease on-lending housing guaranty resources to Costa Rica would countermand organizing principles based on regional integration which the U.S.G. supports, and could undermine sound lending practices.

Recommendation: The Bureau recommends that the housing guaranty program and grants through CABEI continue beyond Mission close-out

Approved: _____

Disapproved: _____

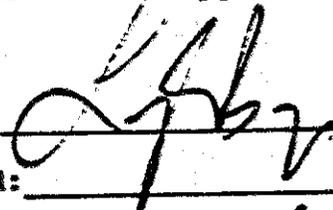
Date: 6-2-91

98

- 3. USAID/NSF Collaborative Program on Biodiversity (CPB), and
- 4. International Cooperative Biodiversity Groups Program (ICBG).

The Bureau believes the rationale for continuing both of these inter-agency collaborative research programs is identical. Both the USAID/NSF Collaborative Program on Biodiversity (administered by the National Science Foundation), and the International Cooperative Biodiversity Groups Program (administered by the Fogarty International Center of NIH) received funds in 1993 from USAID through interagency budgetary transfers carried out in accordance with Section 632(a) of the FAA (22 U.S.C. 2392) and mutually agreed upon Memoranda of Understanding. In 1993, \$500,000 of Development Assistance funds were transferred to the NIH as lead agency for the ICBG Program, and 1,500,000 of DA funds were transferred to the National Science Foundation to administer CPB.

Recommendation: The Bureau will discourage proposing future Allocation of Funds Agreements to support activities in non-presence countries, but believes that it would be impractical and unwise to seek to identify and rescind any uncommitted funds transferred to other USG agencies in 1993 which might be applied to project activities after September 1996. Therefore, the Bureau recommends the continuation of USAID supported activities beyond mission close-out.

Approved: 
 Disapproved: _____
 Date: 6-2-97

5. Agricultural Biotechnology for Sustainable Productivity.

This Global Bureau research project links public and private U.S. institutions with Costa Rican partners to develop and commercialize improved germplasm for greater pest resistance and to propagate higher quality tissue cultures for important cash crops. The LAC Bureau believes Costa Rica provides a unique environment and uniquely qualified counterpart institutions for this agricultural research which entails the U.S. private sector's sharing of proprietary technologies with Costa Rican researchers and institutions, and policy training and consultation in the areas of intellectual property protection and biosafety. Early termination could mean that the U.S. private sector would cease sharing proprietary technologies, and that potentially promising commercial ventures would less likely be developed.

01/01/97

159,000 / 207,000

Recommendation: the Bureau recommends the ABSP Project be allowed to continue to its September 1997 PACD to allow for the completion of field testing.

Approved: _____

Disapproved: _____

Date: _____

6-6-94

6. Collaborative Research Support Program (CRSP) - Bean/Cowpeas
The Bean and Cowpea CRSP is a collaborative effort between Michigan State University and the University of Costa Rica. The project works to improve the productivity and nutritional value of this regionally important staple crop through an integrated research program in which several Central American countries are linked. As such, the research in Costa Rica is a critical to the entire region. Moreover, the CRSP is focussing on means to combat viruses which can also benefit U.S. producers.

Recommendation: the Bureau recommends the Bean/Cowpeas CRSP be allowed to continue to its April 1997 PACD.

Approved: _____

Disapproved: _____

Date: _____

6-6-94

7. Program in Science and Technology Collaboration (PSTC)

PSTC funds small research grants which enable US institutions to carry out field research in Costa Rica. The Office of Research in S&T Science has reported that all but one the seven research grants currently underway can be completed prior to September 1996. The only research activity which cannot be completed prior to closeout is "Detection and Replication of Cucumber Mosaic Virus" (10.326) which has a PACD of July 21, 1997. The purpose of this genetic research, which involves a comprehensive biological inventory of the Guanacasta Conservation Area, is to study the viral replication of the Cucumber Mosaic Virus (CMV) in tropical banana and melon crops in order to ascertain how best CMV (and other viruses) might be attacked. The genetic analysis of the samples cannot reasonably be completed prior to July 1997.

This virus, which has been adapting from temperate to tropical areas, has reached epidemic proportions. Moreover, this research could shed light on the emergence of new viral diseases more generally, and in this respect has scientific relevance beyond the economics of major crops into animal and even human health.

Recommendation: Based on the recent additional information on this research activity described above, the LAC Bureau recommends the extension of the "Detection and Replication of Cucumber Mosaic Virus" to its July 1997 PACD.

Approved: _____

Disapproved: _____

Date: _____

6-6-91

8. Parks in Peril

The LAC Bureau Parks in Peril Program, administered through a significant cost-sharing cooperative agreement with The Nature Conservancy, is designed to help maintain biodiversity and tropical forests in the region by improving the protection of critically threatened national parks which harbor ecosystems and species of global ecological significance.

Project activity in Costa Rica focuses on truly regional activities, including support for the bi-national (Costa Rica and Panama) Amistad Biosphere Reserve which includes the smaller Talamanca-Caribbean Biological Corridor, the only place in this hemisphere where an intact forest extends from the continental divide (including Mt. Cirripo with an altitude of 12,533 feet) to the sea (and includes several important coral reefs). This natural corridor harbors over 90% of the region's known plant species and most of the region's animal species. It is considered by environmentalists to be a unique and globally significant biological asset.

Recommendation: the Bureau recommends that the regional Parks in Peril Program be allowed to continue in Costa Rica.

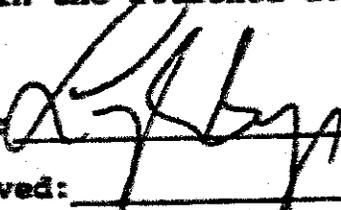
Approved: _____

Disapproved: _____

Date: _____

6-6-91

RECOMMENDATION: That you approve the close-out plan for the Costa Rica Mission, including the Bureau Recommendations on outstanding issues, as presented in the attached documentation and discussed in this memorandum.

Approved: 
Disapproved: _____
Date: 6-6-91

Attachments:

- (1) DAEC Reporting Cable, State 088513

Drafted: LAC/DR:RWL

Clearance

DAA/LAC:NParker

LAC/DR:EZallman

LAC/DR:DChiraboga (draft)

PPC/POL/PAR:JSchlotthauer (draft)

LAC/DPP:JStepanek (draft)

G/R&D/POP:DGillespie (draft)

G/R&D/PO/AE:GStandrod (draft)

G/ENV/UP:JGisiger (draft)

LAC/DR/ENV:JBrokaw (draft)

M/FA/MC:MRogal (info)

LAC/DPP:RMeehan (info)

USAID/CR:SWingert (info)

ROCAP/G:LKlassen (info)

Distribution:

As per AP list

June 22, 1994

Note to: AA/M, Larry Byrne
From: M/MPI, Barry Burnett ^{HP}
Subject: Costa Rica UDLP-Iowa State

The LAC Bureau would appear to be inviting your disapproval of the Iowa State Linkage Project. My own view of this activity is that by the end of FY 1996, the project will have completed 80 percent of its planned implementation period. At that point, particularly with two years advance notice, the universities should be able to make other arrangements for funding the last year, accelerating implementation, or modifying the project's scope. Therefore, I recommend that you disapprove the recommended one year extension of the Iowa State UDLP.

Clearances: M/MPI: Michael Rogal (substance) Date: 6-23-94
M/MPI: Caroline D. McGraw CR/LLC/Jan Date: 6-23-94



U.S. AGENCY FOR
INTERNATIONAL
DEVELOPMENT

JUN 6 1994

ACTION MEMORANDUM FOR THE ASSISTANT ADMINISTRATOR FOR MANAGEMENT

FROM: AA/LAC, Mark Schneider *MS*
SUBJECT: Costa Rica Closeout: University Development Linkages Project
DATE: June 3, 1994

ACTION: The USAID/Costa Rica Action Plan and Closeout Plan was reviewed and approved on June 2nd except for resolution of the university linkages issues, as time was needed to assess the additional information presented by the Global Bureau. LAC has now reviewed this material, and recommends you approve an extension of the university linkage with Iowa State to its September 1997 PACD, and disapprove extension of the university linkage with North Carolina State.

1. Iowa State: The University Development Linkage Project with Iowa State, Prairie View A&M, University of Costa Rica, CATIE and EARTH in agricultural research, education and training has a PACD of September 1997. While focused on Costa Rica, it has potential regional significance, works on a priority agency objective, has a significant matching component, and would only involve \$150,000 in additional USAID expenditures after September 1996.

This linkage has led to the establishment of the InterAmerican Center for Science, Education and Technology in San Jose, a unique collaborative facility which has promise to become a valuable regional institution for advancing research and training in ecologically sustainable agricultural practices. Further, plans are underway to initiate a Spanish language Ph.D. program in Sustainable Agriculture in the Humid Tropics at the University of Costa Rica. This would be the first of its kind in Latin America.

The LAC Bureau suspects that this linkage could be maintained by the universities without USAID assistance were the universities so committed. Nevertheless, we concur with the Global Bureau that the full five-year investment would facilitate the continuation of these educational/research programs and the deployment of a self-sustaining financial plan.

Recommendation: That you approve a one-year only extension (to September 1997) of the Iowa State UDLP

Approved: _____

Disapproved: _____

Date: 1-27-94

2. North Carolina State: The University Development Linkage Project with North Carolina State, University of Costa Rica, and the National University promotes the development of environmentally sustainable agricultural land use practices in the San Carlos region of northern Costa Rica. It involves multidisciplinary projects, faculty exchanges and both graduate and post-graduate training working with a local farmers cooperative (CAPLE). Proximity to the Cano Negro Wildlife Refuge together with the three distinct agroecological climatic conditions in the region, make this a unique research site. The linkage has some potential to transfer knowledge and technological expertise to other Central American scholars and practitioners. It has a PACD of April 1998, and extension to that date would only involve \$150,000 in USAID expenditures after Mission closeout.

While every site is unique, LAC is not convinced that the site offers scholars uniquely significant research opportunities. Moreover, as the focus of this collaboration is on a unique set of circumstances in San Carlos (both institutional and ecological) it is difficult to understand how the linkage could benefit Central America more generally. Finally, this would not be a one-year extension. The PACD of this linkage is 1998.

Recommendation: That you disapprove continuation of the North Carolina State UDLP after September 30, 1996 and all obligations of USAID funds after that date.

Approved: _____

Disapproved: _____

Date: 6-8-94

Drafted: LAC/DR:RWL

Clearance

DAA/LAC:NParker

LAC/DR:EZallman

LAC/DR:DChiraboga (draft)

LAC1/DR:ERupprect (draft)

James for
SLS



U.S. AGENCY FOR
INTERNATIONAL
DEVELOPMENT

JAN 26 1995

ACTION MEMORANDUM FOR THE ASSISTANT ADMINISTRATOR FOR MANAGEMENT

FROM: AA/LAC, Mark Schneider *[Signature]*

SUBJECT: Costa Rica - Use of ESF Host Country Owned Local Currency Trust Funds (ESF HCOLC) for Career Training for Departing USAID FSNs.

DATE: January 11, 1995

ACTION: Your approval is requested for USAID/Costa Rica to establish a training program for departing USAID FSNs using ESF HCOLC trust funds.

BACKGROUND: The Administrator has encouraged close-out missions to support departing FSN staff where possible by providing re-training and job placement support. Towards this end, the Mission is proposing an 18-month (\$200,000) training program to more fully "prepare USAID employees to effectively contribute to Costa Rica's economic growth and sustainable development". Written concurrence for this proposal from the GOCR Minister of Planning (USAID's official counterpart) was obtained on January 6, 1995.

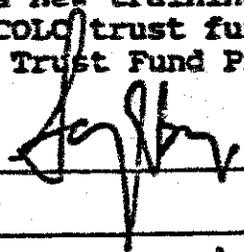
DISCUSSION: The proposed training would enhance the employability of FSN personnel and contribute to Costa Rica's longer term development. Under the activity, approximately 71 USAID employees will be trained in Costa Rica in such areas as business administration, computer sciences, engineering and agriculture per the future career aspirations of individual staff.

Funds to be used are counterpart interest generations from the Economic Stabilization and Recovery IX program (515-0245). RLA, Mike Williams, in clearing this proposal, has determined that these ESF HCOLC Trust Funds are an appropriate funding source, and that OE funds would not be appropriate since the Mission would not be benefiting from the training.

This proposed new activity will begin in early CY 1995 and end by June 1996 (i.e., prior to the terminal September 30, 1996 close-out date). The activity is consistent both with Agency/Bureau goals and with Mission strategy, and would be managed by the Mission under its on-going system for managing O.E.-funded training.

AUTHORITY: According to LAC guidance, the Bureau must approve new uses of ESF Trust Fund resources not covered in the relevant PAADs. The Mission did not contemplate this activity at the time. Further, Mission Close Out guidance (94 State 188492) dated June 15, 1994 requires that initiation of new activities will be treated as exceptions to close-out, requiring specific approval of M, PPC and the Regional Bureau. Concurrence by the GOCR, though not required, was obtained on January 6, 1995.

RECOMMENDATION: That you approve USAID/Costa Rica's establishment of a new training activity for departing USAID FSNs funded with ESF HCOLO trust funds, and authorize the Mission to approve a Program Trust Fund Program Authorization for that purpose.

Approve: _____ 

Disapprove: _____

Date: _____ 2-1

Drafted By: RLoudis: 1/11/95
File: U\RLLOUDIS\DOCS\cr.hco 

Clearances: N.Parker, DAA/LAC for 1/26/95
CSchoux, LAC/SPM for Feb 1-25-95
Swingert, USAID.CR for 1/26/95
BBundy, LAC/CEN for 1/26/95
A.Adams, GC for 1/23/95
J.Lombardo PPC for 1/23/95
C.McGraw, M for 1/26/95