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**United States Agency for
International Development**

Program Summary

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USAID, Ciurlionio 66, Vilnius, Lithuania. Tel: (370 2) 22 30 31 Fax: (370 2) 26 16 88.

USAID Program Summary

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Executive Summary

The United States Agency for International Development (USAID) is the U.S. Government agency responsible for administering the U.S. economic assistance program in Lithuania and 70 other countries. USAID started its program in Lithuania in 1992 and spends over \$14 million annually in Lithuania in four major areas: private sector development, energy and environment, strengthening democratic institutions, and training and education. Lithuanian and U.S. officials worked together to identify these areas for assistance to support the priorities of the Government of Lithuania (GOL).

The private sector development programs target four specific areas: financial sector reform, business sector promotion, agricultural reform and legal reform. Needs in these four areas are addressed through approximately 20 USAID programs. Legal reform experts assist on preparation of legislation and needed systems for a strong legal foundation. Business sector promotion and agriculture reform programs bring in short-term and long-term experts to improve operations on farms, agro-processors, and other enterprises. Financial sector reform provides technical assistance to the commercial banks, the Bank of Lithuania and the Ministry of Finance to promote the most efficient use of capital for economic development. In support of private sector development programs, the Baltic-American Enterprise Fund will provide an additional \$50 million for the three Baltic countries for 1995-98.

The energy and environment programs complement each other through their common goal of using natural resources more effectively. Through five energy programs, efforts are targeted to make the Ignalina Nuclear Power Plant operate more safely and other experts assist on improving the efficiency of energy usage. Four programs in environmental protection work to reduce the level of waste produced by production enterprises and provide experts and equipment to the Ministry of Environmental Protection on waste monitoring and environmental policy.

The strengthening of democratic institutions provides nine programs in four critical areas. The rule of law program provides advisors at all levels of government, and sent people to the U.S. for orientation on the American legal system. Political party development programs are available to all political parties to improve party organization and development skills and provide assistance at the municipal level. Non-governmental organization development programs assist the media, unions, and other associations that promote the principles of a free and open democratic system. Public administration programs work with local governments on policy and decision making and provided a computerized information system to the Lithuanian parliament.

Cutting across all sectors are the training and education programs. Three programs provide training in business and English skills and two programs send Lithuanian citizens to the U.S. for hands-on training in enterprises or education programs in universities, companies and special seminars.

I. PRIVATE SECTOR DEVELOPMENT

A. Financial Sector Reform

For a free market system to function properly, there needs to be an efficient flow of capital to the various parts of the economy. Since the start of the USAID program in Lithuania, its projects have targeted the Bank of Lithuania (BOL), Ministry of Finance, and the commercial banking sector. Assistance to these three key segments is intended to foster a more efficient use of capital in the public and private sector.

The interagency agreement between USAID and the **U.S. Department of Treasury** to promote the banking and financial sectors started with three regional advisors based in Estonia that worked intermittently at the Lithuanian Ministry of Finance and commercial banks. Now, two long term technical advisors are based in Lithuania. One advisor arrived in February, 1993 for a two-year assignment with the Bank of Lithuania (BOL) to assist with bank restructuring and act as advisor to the BOL. In this capacity, he has helped introduce the national currency, facilitate the establishment of an international banking department, provided advice regarding BOL's divestment from commercial operations, overseen management of foreign loans and modernized BOL banking practices. The second advisor arrived in August, 1994 and advises on tax administration and related tax issues at the Ministry of Finance. Since his arrival, he has worked on tax administration legislation and prepared two major education initiatives for the Ministry of Finance. One training program brought 20 tax inspectors together for a two week course on basic tax inspector skills and issues. The second initiative was a tax administration roundtable for the heads of the tax inspectorates for all three Baltic countries. This roundtable provided an opportunity to share information and establish contacts between the heads of the three inspectorates.

The Treasury program has provided various short-term advisors to Lithuania. One advisor to the Ministry of Finance helped establish an international loan management and repayment schedule system. Another advisor at the Lithuanian Savings Bank worked for three months on bank restructuring and international clearings and collections. Current short-term assistance is helping to develop a Treasury function and cash management system at the Ministry of Finance.

USAID has placed two advisors at the Bank of Lithuania Bank Supervision Department through a contract with **KPMG Peat Marwick**. One is developing a systematic bank review program that will establish a bank rating and loan classification systems and a regular bank examination cycle. She developed a draft code of ethics, provided credit analysis training to BOL and commercial bank employees, and developed a new reporting format for bank examinations. The second advisor arrived in early January, 1995 and will work for six months with at-risk banks on bank liquidations and related issues. A second six month advisor arrives in mid-1995 to work on bank examination issues. To support the bank supervision program, two officials from the BOL bank supervision department were sent to the U.S. for two weeks to learn about bank examinations and bank supervision procedures and strategy.

One upcoming project in the banking sector is bank personnel training, which will also be implemented through KPMG Peat Marwick. This will be provided through the Commercial Bankers Association's bank training center. Upon completion of a needs assessment and related training materials, U.S. instructors will come to Lithuania to teach courses on various banking skills.

Together, these Treasury and KPMG Peat Marwick long- and short-term advisors provide a wide spectrum of assistance needed in the Lithuanian banking and financial sectors. They will continue to focus on tax policy and administration, cash management and accounting standards, bank supervision, and commercial banking.

In 1994, the **World Council of Credit Unions (WOCCU)** began a project to establish a network of agriculture-based credit unions in Lithuania. WOCCU will open 15 credit unions with 1,000 members each over the next three years and aims to increase the efficiency of financial markets and improve the availability of personal financial services.

B. Business Sector Promotion

The last several years have seen a wave of privatizations and start-ups of many private companies. To help in this process, USAID has targeted assistance to privatize state-owned companies and help new private companies work more effectively. The projects in this sector will continue to increase the skill level of private enterprise and improve access to needed capital investment.

The **International Executive Service Corps (IESC)** program provides technical assistance to production and manufacturing enterprises, banks and non-private organizations by bringing retired U.S. executives to Lithuania for short-term assistance. In 1994, 40 IESC volunteers advised 23 enterprises throughout Lithuania in the fields of marketing, curriculum preparation, computerization and valuation for motor manufacturers, banking, agro-processing, bottling and education. IESC has also completed four public administration assistance requests from municipalities to assist in financial management and organizational activities. In 1995, manufacturing and banking will continue to be priority areas supported by a resident advisor now in place. Several enterprises have requested additional volunteers to cover other strategic areas in their companies to create a critical group of change agents in the enterprises.

The **MBA Enterprise Corps** program assigns recent graduates with Masters degrees in Business Administration to newly privatized companies for a period of at least one year. The experience and education these motivated, young managers bring to the companies provide fresh insight and helps the enterprises survive during the development years of a free market economy. The program brought six volunteers to Lithuania in 1994 and placed them in various service companies around the capital area, including a bank, travel agency, real estate company, television station, computer store, and food distributor. In 1995, up to 15 volunteers are expected to arrive and to work in Vilnius, Kaunas and Klaipeda in various manufacturing establishments and service organizations.

Under the **American Business Initiative (ABI)** project, funds have been provided for infrastructure development to support the emergence of a private sector market economy. The assistance has been provided through an agreement between USAID and the Trade and

Development Agency (TDA) to finance feasibility studies for improvements in and environmental impact analysis for the Elektrenai Power Plant, Mazeikiai Oil Refinery, and construction of an oil terminal and pipeline near Klaipeda. In addition, TDA has funded an expert to assist the GOL in assessing the proposed oil terminal and pipeline options. TDA has approved funding for an electric power grid communications system feasibility study as well as for a grant to the International Finance Corporation (IFC) of the World Bank to hire American consultants to examine the modernization needs of the fishing fleets of the three Baltic countries.

Through a grant from USAID, the **Center for International Private Enterprise (CIPE)** has been working with the Lithuanian Free Market Institute in Vilnius to address the target areas of policy advocacy, media, and education. CIPE has been active in forming the Lithuanian Development Bank, establishing the currency board, presenting policy papers to Parliament, publishing articles on economic matters and hosting seminars. Other activities include reviewing draft laws that effect economic development such as the commercial banking law, analyzing the tax system and promoting private sector alternatives to the social support system.

Through USAID contracts with **KPMG Peat Marwick**, privatization models were established at eleven state owned firms in the areas of textiles, electronics, machine tools, food and tobacco. The privatization process for the firms included asset valuation, restructuring of accounting systems, and development of business plans and legal documentation in order to attract private sector investment or acquisition of these state-owned firms. Of the completed projects, the most visible successes have been the tender for Klaipeda Tobacco by Phillip Morris and the sale of Audejas Textile.

The most recent contract with KPMG targets the agribusiness sector. To lay the foundation for this project, two agribusiness experts visited 30 agroprocessors and distributors to conduct overviews of the agricultural sector. Opportunities were identified and KPMG began working with two agribusinesses in 1994. Privatization documents were completed and potential investors have been discussing joint venture options with one of the enterprises, a cheese plant. The second enterprise, a dairy, is still in the tender process for a buyer. KPMG has also placed a resident advisor in Lithuania to assist agri-enterprises in developing feasibility studies for proposed projects and helping them apply to banks for loans.

Future work in the enterprise sector will target "post-privatization" activities. These activities may include restructuring enterprises and/or assisting financial intermediaries in providing investment to private enterprises. The options for assistance in this area will be identified through a diagnostic that will be completed in early 1995.

The **Baltic American Enterprise Fund** will start with a capitalization level of \$50 million for all three Baltic countries. The chairperson and managing director for the Fund have been selected and following an initial orientation trip to the Baltics by the director, offices will be established in the Baltics. The Fund will provide loans and equity investment for small and medium sized enterprises in all sectors.

C. Agricultural Reform

Lithuania has historically been a strong agricultural producer. The past few years have seen an upheaval in the Lithuanian agriculture sector as collective farms have privatized and eastern markets have disappeared. USAID's agricultural programs support private enterprise with the goal of strengthening the efficiency of the agricultural sector.

Under a three-year contract with USAID, **Land O' Lakes (LOL)** is conducting business management training courses and is providing technical assistance programs to dairies in the Birzai region. LOL developed a pilot free-market cooperative and bendrove restructuring project to horizontally integrate the region's dairy sector. Last summer a short-term advisor to Birzai assisted bendroves and private farmers to improve and regulate the quality of their milk, establish a milk pricing structure and encourage year-round calving for a stable milk supply. A long-term advisor works with the Birzai Milk Plant and regional farmers to improve supplier relations, internal dairy operations, quality standards, project development, and marketing techniques to make the Birzai region a model for effective agricultural cooperatives in Lithuania. LOL is also assisting the Ministry of Agriculture in combating dairy herd diseases.

USAID is providing a grant to **Volunteers for Overseas Cooperative Assistance (VOCA)** to provide technical assistance to agribusinesses and cooperatives. The VOCA office in Lithuania organized visits of 40 short-term volunteers last year, who provided assistance in agricultural cooperative development, farm building, agribusiness management and marketing. VOCA also provides volunteers to assess the rural financial sector and identify opportunities for future involvement. VOCA has assisted in drafting technical agricultural legislation and supports the Lithuanian Agricultural Advisory Service (LAAS) through VOCA's contacts with the U.S. Extension Services. VOCA is additionally helping to identify agribusinesses which are in best position to receive loans through the International Bank of Reconstruction and Development (IBRD) agriculture credit program.

D. Legal Reform

Through a USAID grant to the American Bar Association's **Central and Eastern European Law Initiative (CEELI)**, advisory services have been provided to promote commercial law reform through strengthening the judiciary, supporting the local bar association and providing legal education. A long-term Commercial Law liaison works closely with the Ministry of Justice in identifying training needs and addressing diverse legal issues. A Commercial Law Center was established in Vilnius to serve as a training and resource base for commercial law. CEELI also holds seminars on commercial law for Government of Lithuania (GOL) and private sector officials. The CEELI liaison is assisting the Ministries of Economics, Finance and Foreign Affairs, as well as the Parliament's legal department and the Lithuanian Lawyers Association on a variety of issues. CEELI also provides short-term advisors to ministries in areas including preparation and negotiation of international agreements, contract issues, assessment of the judicial system, and continuing judicial and legal education.

Further commercial law assistance is being provided through an agreement between USAID and the U.S. Department of Commerce. **The Commercial Law Development Program**

(CLDP) provides assistance in trade, GATT accession and protection of intellectual property rights area. CLDP has provided short-term advisors in the areas of international economic agreement negotiation and implementation and has conducted seminars on *International Project Finance* and *Government Ethics*. This program also provides assistance on export control issues. Through the CLDP program, two officers from the Lithuanian State Patent Bureau and four representatives from three different ministries received short term training in the U.S.

USAID also funds commercial law assistance through a grant to the **International Development Law Institute (IDLI)** based in Rome. IDLI conducted several seminars in Lithuania on international commercial transactions and brought 12 Lithuanian lawyers to Rome for an intensive joint venture contracts course as well as a lawyers development course. In the fall of 1993, IDLI conducted a workshop on the *Sale of Goods, Shipping and Insurance* and in May of 1994 another on *Legal Banking Aspects*. Three workshops for banking lawyers will be conducted in 1995.

The **Department of Justice (DOJ)** and the **Federal Trade Commission (FTC)** have sent experts to Lithuania to assist the government to develop, refine and enforce economic competition laws and to act as an advocate for market-oriented, competitive solutions to economic problems. The FTC/DOJ placed three advisors in Lithuania to work with the Price and Competition Office to help with competition and consumer protection law policy and enforcement. Two employees from this office received internships in the U.S. and eight participated in FTC/DOJ conferences in Vienna. Two advisors will come for six months in March, 1995 to continue assistance to the Price and Competition Offices in Lithuania and Latvia.

II. Energy and the Environment

A. Energy

Through an agreement with the **U.S. Nuclear Regulatory Commission**, Lithuanian Nuclear Regulatory Agency (VATESI) officials receive training in regulatory issues in the United States. The U.S. Department of Energy (DOE), through the Brookhaven and Argonne National Laboratories, implements a program of technical assistance, training and operational nuclear safety improvement for the Ignalina Nuclear Power Plant (INPP). Recently, under the aegis of the Argonne Laboratory, four nuclear engineering department heads from U.S. power plants conducted a seminar on *Safety Implications of Plant Modification* for the engineering staff of the INPP. The Brookhaven Laboratory provided hardware and custom software for a nuclear power plant analyzer to the Energy Institute in Kaunas in conjunction with INPP and Lithuanian State Power System (LSPS), and are designing an early warning communications system for Lithuania.

Electricity power sector restructuring is the focus of a partnership agreement between LSPS and Alabama Power, a major south-eastern nuclear and non-nuclear electric power utility in the United States. Through an agreement with the **U.S. Energy Institute**, a "Utility Partnership" has been set up, whereby LSPS receives intensive training in power plant management, customer relations, pricing methodologies and transmission management. Work on

electricity demand-side management is being completed under a contract with the management consultant firm **RCG/Hagler,Bailly**. Three industrial enterprises in Kaunas are being provided with energy savings equipment and engineering expertise to reduce their electricity consumption, improve process efficiency and reduce variable production costs. Assistance is being provided to LSPS through a contract with **Bechtel/Arthur Andersen** to assist in the creation of an International Accounting Standards (IAS)-approved accounting system for the energy utility. This work, involving training and a restatement of the accounts under IAS rules, will be completed by May 1995. Work on regional energy cooperation and efficiency is being carried out through a contract with **Electrotek**. This electric engineering firm assisted LSPS to upgrade its dispatch center and improve systems operations and control. Current efforts are on regional power sector integration and the rationalization of the role of the Baltic Dispatch Center in Riga.

Two new contracts addressing concerns in the areas of energy efficiency and sector restructuring will be in place by the middle of 1995. The energy efficiency project will focus on integrated resource planning and demand-side management. Additionally, technical assistance and training in electricity contracting, energy pricing and planning will be provided and a long-term energy advisor will be resident to advise the Government of Lithuania. Through a regulatory reform and energy sector restructuring contract, technical assistance for energy sector legislation and implementing regulations in the areas of pricing, restructuring and privatization, competition and regulation. Finally, technical assistance will be provided for the design and development of a (non-nuclear) energy regulatory capability for Lithuania.

B. Environmental Protection

Minimizing the harm from using natural resources requires implementation of proper policies and laws and responsible management of public resources. USAID's environmental program is designed to support these needs through reform of environmental policies and legislation, public sector environmental management improvements and expansion of the private sector's role in environmental investments.

The **World Environment Center (WEC)** and the **Harvard Institute for International Development (HIID)** received a grant to address industrial pollution prevention and reduction. Waste Minimization Demonstration Projects (WMDP) for the Jonava Azotas nitrogen fertilizer plant and the Kedainiai State Chemical Plant were initiated and both plants have received monitoring equipment for project implementation. Five more plants started waste minimization projects in 1994. In October, the WMDP was completed in Kedainiai. The Final Results seminar was conducted at the Kedainiai Chemical Plant with representatives from 35 manufacturing plants attending. Results from the WMDP indicate that on a \$25,000 investment, the plant will save approximately \$50,000 in the first year. Also in October, WEC experts conducted a medical waste handling/spill response seminar in Kaunas for 50 participants. WEC is funding the start-up of a Pollution Prevention Center (PPC) at the Institute of Environmental Engineering at Kaunas Technological University, which began operation in October, 1994. This center will operate as an independent laboratory and will undertake waste minimization studies at production enterprises.

Currently, HIID is providing assistance in policy reform through a resident advisor in environmental policy and a supplemental training program at HIID. The long-term advisor is located at the Ministry of Environmental Protection (MEP) and will train policy professionals, review the economic impact of pollution policies, assist on water pollution studies and be a resource on environmental policy and environmental economic issues, as well as contribute to the development of a national environmental strategy. Training for the MEP's chief economist was provided in July.

The **United States Environmental Protection Agency (EPA)** sent several teams to Lithuania to work with the Lithuanian Ministry of Environmental Protection and Vilnius University to improve the scientific basis for ecological risk assessments and environmental management. The EPA has helped Lithuanians acquire monitoring equipment, review environmental assessments, provide assessment training and promote standards regarding the transport of hazardous waste. During their most recent visits, the EPA installed environmental monitoring equipment at the Ministry of Environmental Protection and conducted a workshop on environmental risk assessment. Assistance in planning and resource allocation has also been provided. The EPA plans to develop educational modules and promote technologies (for later use throughout Lithuania) to reduce contamination of ground and surface water and to help create and support indigenous institutions and information systems encouraging continued development.

Under the **Environmental Action Program (EAP)** expert assistance and possibly modern equipment will be provided to polluting enterprises in Lithuania which pose a public health hazard. Technical assistance in engineering and project finance are currently being provided to Akmenes Cementas. Specifications for new pollution reduction equipment for plant process will be developed and business and investment plans finalized. The project will assist the company in locating debt or equity financing for required investments which, in addition to decreasing airborne pollution, will modernize production processes and make the industry more efficient. Similar activities will take place at other industrial sites yet to be identified in Lithuania in 1995 and 1996.

III. Strengthening Democratic Institutions (SDI)

The political changes over recent years demonstrate Lithuania's commitment to a democratic form of government. The U.S supports the development of democratic political processes in Lithuania. USAID programs target assistance to this end at every level of the political spectrum, from local municipalities to Parliament, involving groups from political parties to non-governmental organizations.

A. Rule of Law

The American Bar Association's CEELI project has placed a resident liaison in Lithuania and offers short-term advisors for specific legal topics and legal analysis of draft legislation at GOL's request. The liaison helped develop the Lithuanian Lawyers Association and assists in legal training and strengthening the judiciary. Two Baltic Regional Judicial Conferences have been held and a draft Judicial Ethics code is being considered for adoption.

The USIS **Rule of Law** program has provided funds to send Lithuanian judges, administrators, prosecutors and attorneys to the U.S. for 30 days to examine the American legal system. Under this program, U.S. legal experts have participated in Lithuanian legal conferences and specialized book collections on legal reform issues have been provided.

USIS also provided a medium-term advisor on organized crime to the Office of the Procurator, who coordinated the work of the Procuracy, Ministry of the Interior and Interpol in this area. The advisor also ran seminars throughout the country on organized crime issues for local prosecutors and investigators and worked on preparing a new law on organized crime.

B. Political Party Development

The **International Republican Institute (IRI)** and the **National Democratic Institute (NDI)** have been providing assistance to local democratic institutions. A long-term IRI advisor is conducting grass roots training through a series of ten workshops throughout Lithuania for local political parties to help them build organizational, communication and legislative skills. An NDI seminar was held in 1993 on the role of the media in a democracy, which targeted journalists and journalism professors. Three Lithuanian women participated in a "Young Women in Politics" conference conducted by NDI in February 1994 in Bucharest, and three more will participate in a 1995 conference on the same theme.

C. Development of Non-Governmental Organizations

A three-year NGO support program, the **Democracy Network Program**, begins in 1995 to provide training and technical assistance to indigenous NGOs to strengthen their organizational capacity and sustainability. The US-Baltic Foundation, with NDI and the Christian Children's Fund, was awarded a grant to administer the program, which will assist the development of NGOs in the areas of democratic society building, sustainable economic development, environmental protection and social safety nets. The International Center for Not-for-Profit Law (ICNL) was awarded a contract to address the legal framework surrounding NGO operations in Lithuania and will provide assistance to lawmakers, Parliament and the Government of Lithuania to help foster legislation conducive to NGO growth. The National Forum Foundation will oversee the regional portion of the grant to help cooperation between parallel organizations in other countries develop.

An interagency **Democracy Commission** chaired by the U.S. Ambassador to Lithuania was established in 1994 to oversee the administration of \$100,000 annually. The Democracy Commission awards individual grants of up to \$24,000 to NGOs, PVOs, educational institutions and individual Lithuanian nationals for one-time projects which promote democratic development in Lithuania.

Under the **Mass Media Training Project**, USIA has provided to Lithuanian journalists the opportunity to visit the U.S. to observe U.S. radio and television programming and equipment. In October 1993, a U.S. media consultant came to Lithuania to work with reporters and other mass media personnel. Another communications consultant completed a four-month program with Lithuanian State TV and the Institute of Radio and Journalism and successfully drafted a plan for reorganization of the Lithuanian State Television news department. An independent,

private television station received equipment under this program and Vilnius University was given radio equipment for its journalism program.

The **AFL-CIO Free Trade Union Institute (FTUI)** conducts seminars on trade unionism, democracy and the transition to a market economy, worker safety, health, labor law enforcement, privatization and payment of social insurance benefits to labor activists in Lithuanian trade unions. A printing press was purchased and installed in the Lithuanian Worker's Union in 1994 and two U.S printers trained LWU in its use for two weeks.

D. Public Administration Reform

USAID is undertaking the development of a three-year program to be initiated in 1995 to strengthen the strategic policy planning capacity of local government and to improve local level policy and decision making. The **Public Administration Program** will work with local governments to manage the development of transformation policies and implement reform programs to stabilize democracy and foster the growth of a market economy. The goals of the program are to decentralize power at both national and local levels, ensure accountability, transparency and responsiveness in government and assist the effective and efficient functioning of a reformed, democratic government at all levels and across all ministries and departments. In addition, a long-term NDI advisor is working on municipal level development as of early 1995.

To assist in building strong parliamentary institutions functioning independently in a multi-party democratic environment, a grant of \$1.5 million was provided to the Lithuanian Parliament under the **U.S. House of Representatives Special Task Force on the Development of Parliamentary Institutions in Eastern Europe (the Frost Task Force)**. This project included a three-day training seminar for members of Parliament on the topics of parliamentary responsibilities, economic transition, security and organized crime. In addition, a parliamentary library and research facility were created with 350 books and periodicals and a computerized information system including 61 microcomputers, four notebook computers, 41 printers, and three copiers which were given to the Parliament.

IV. Training and Education

The USAID program concentrates on bringing needed expertise to Lithuania. To best ensure the proper transfer and application of these skills, training and education are needed and are provided in all parts of the USAID portfolio, such as banking, legal sector, energy and business development. These efforts are supported by four programs that target training and education activities specifically.

A. Training

USAID funds short-term training programs for Lithuanians contributing to the transformation of Lithuania's economy and developing democracy through the **Participant Training Project for Europe (PTPE)**. For four to six weeks, Lithuanian decision makers active in the areas of privatization and business development, financial sector reform, energy, environmental protection, building democratic institutions, agriculture and legal sector reform receive hands-on training in the U.S. Twenty-four participants completed PTPE programs in 1994 and 22 will be nominated in 1995.

A new program in 1994 funded 29 entrepreneurs to go to the U.S. to experience first-hand business in American companies and learn about the function of a free market economy. The **Entrepreneurial Management and Executive Development Program (EMED)** selects participants from among the owners and senior managers of Lithuanian businesses, commercial banks, private law firms and agribusinesses and sends them to the U.S. to work in parallel businesses for 3-4 weeks of on-the-job training. In 1995, 32 EMED participants will be sent for U.S. training.

B. Education

In 1993-1994, the U.S. Information Agency (USIA) administered a management training and economics education program in Lithuania. Under this project, Purdue University provided assistance to improve business management programs at Kaunas Technological University, Vytautas Magnus University, and the Lithuanian Academy of Agriculture. Funding covered expenses for visiting U.S. lecturers, development and implementation of thirteen-week training modules and translation of books and manuals.

In 1995, **Texas A & M University** will begin a three-year project to develop a school of management training and economics education with Kaunas Technological University. The Center of Management Technology, Entrepreneurship and Public Administration (COMTEPA) in Panevezys will be strengthened with a program of technical assistance, training and advanced communications equipment. Exchange programs will bring Texas A&M faculty to Lithuania, and selected KTU students will have the opportunity to participate in post graduate courses in Laredo, Texas. Approximately 1,400 managers, executives and leaders in the Panevezys area will receive management and entrepreneurship training through this program.

USIA's **English Language Teaching Program** has placed an English as a Foreign Language fellow in a Lithuanian training institute to conduct programs for local English teachers. In 1994, two English Language Fellows were placed in institutes of higher learning in Vilnius and Klaipeda. Three Fellows are resident in the 1994-95 academic year. The English Language Fellows hosted a one-day grant-writing seminar in October 1994 which was attended by forty participants.

V. Other Items

The **United States Department of Agriculture (USDA)** provided a total of 100,000 metric tons of feed grain valued at approximately \$9.8 million and agricultural credits of \$8.8 million to Lithuania in 1992. In 1993, an additional 160,000 tons of corn and 125,000 tons of soybean meal were authorized at a value of \$25 million. Approximately \$10 million in soybean meal was contributed in 1994.

Under the **Emergency Medical Assistance Program**, USAID awarded \$500,000 to Project HOPE to transport pharmaceutical and medical supplies to Lithuania. Under this program, over \$4 million worth of donated medical supplies and pharmaceuticals have been provided to Lithuania.

Thirty-seven **Peace Corps** volunteers provide English language training and assistance in the development of small and medium sized businesses. A few of them are working with Regional Information Centers developed by EC PHARE. Eighteen volunteers are spread throughout the country and work as Small Business Advisors for business organizations and individual businesses. The remaining 19 volunteers teach English at sites identified by the Ministry of Education. In June, 1994, the third group of Peace Corps volunteers arrived in Lithuania.

The United States programs described in sections I through IV are funded by USAID. These activities are coordinated in the Republic of Lithuania by the Office of the USAID representative located at 66 Ciurlionio gatve, Vilnius 2600 LITHUANIA, tel: 22-27-37, fax: 26-16-88.