

AGENCY FOR INTERNATIONAL DEVELOPMENT PROJECT DATA SHEET		1. TRANSACTION CODE <input type="checkbox"/> A = Add <input type="checkbox"/> C = Change <input type="checkbox"/> D = Delete	Amendment Number _____	DOCUMENT CODE 3
2. COUNTRY/ENTITY Sahel Regional		3. PROJECT NUMBER 625-0974		
4. BUREAU/OFFICE AFR/SWA		5. PROJECT TITLE (maximum 40 characters) Sahel Regional Financial Mgt. II		
6. PROJECT ASSISTANCE COMPLETION DATE (PACD) MM DD YY 06 30 90		7. ESTIMATED DATE OF OBLIGATION (Under 'B.' below, enter 1, 2, 3, or 4) A. Initial FY 86 B. Quarter <input type="checkbox"/> C. Final FY 89		

8. COSTS (\$000 OR EQUIVALENT \$1 =)						
A. FUNDING SOURCE	FIRST FY 86			LIFE OF PROJECT		
	B. FX	C. L/C	D. Total	E. FX	F. L/C	G. Total
AID Appropriated Total	1,796	1,000	2,796	8,500	3,500	12,000
(Grant)	(1,796)	(1,000)	(2,796)	(8,500)	(3,500)	(12,000)
(Loan)	()	()	()	()	()	()
Other U.S.	1.					
	2.					
Host Country						
Other Donor(s)						
TOTALS	1,796	1,000	2,796	8,500	3,500	12,000

9. SCHEDULE OF AID FUNDING (\$000)									
A. APPRO. PRIATION	B. PRIMARY PURPOSE CODE	C. PRIMARY TECH. CODE		D. OBLIGATIONS TO DATE		E. AMOUNT APPROVED THIS ACTION		F. LIFE OF PROJECT	
		1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan
(1) SH	669S	720				12,000		12,000	
(2)									
(3)									
(4)									
TOTALS									

10. SECONDARY TECHNICAL CODES (maximum 6 codes of 3 positions each) 710			11. SECONDARY PURPOSE CODE 663		
12. SPECIAL CONCERNS CODES (maximum 7 codes of 4 positions each) A. Code TNG B. Amount 5,000					

13. PROJECT PURPOSE (maximum 480 characters).

Improve financial management of Sahelian development institutions that directly handle funds provided by AID and encourage institutionalization of improved management practices in public and private sectors.

14. SCHEDULED EVALUATIONS Interim MM YY 10 87 MM YY 04 89 Final MM YY 04 90				15. SOURCE/ORIGIN OF GOODS AND SERVICES <input checked="" type="checkbox"/> 000 <input checked="" type="checkbox"/> 941 <input checked="" type="checkbox"/> Local <input checked="" type="checkbox"/> Other (Specify) 935			
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16. AMENDMENTS/NATURE OF CHANGE PROPOSED (This is page 1 of a _____ page PP Amendment.)

Payment Verification Concurrence *[Signature]*
 Ford Brown, AFR/CONT

17. APPROVED BY	Signature <i>[Signature]</i> Dennis M. Chandler	18. DATE DOCUMENT RECEIVED IN AID/W, OR FOR AID/W DOCUMENTS, DATE OF DISTRIBUTION MM DD YY 06 28 85
	Title Director, Office of Sahel and West African Affairs Date Signed MM DD YY 07 01 85	

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LIST OF ACRONYMS

AFR/SWA	Office of Sahel and West Africa
AID	Agency for International Development
AID/W	Agency for International Development/Washington, D.C. office
BOM	Bureau of Organizations and Methods (Senegal)
CILSS	Comite Permanent Inter-Etats pour la Lutte contra la Secheresse Saheliene
CSA	Commission for Food Security
DCG	Direction et Controle de la Gestion
ENA	Ecole National d'Administration
FAA	Foreign Assistance Act
FM	Financial Management
FMT	Financial management team
GOB	Government of Burkina Faso
GOC	Government of Chad
GOCV	Government of Cape Verde
GOM	Government of Mali
GON	Government of Niger
GOS	Government of Senegal
GOTG	Government of of The Gambia
GRIM	Government of the Independent Republic of Mauritania
IG	Inspector General
IQC	Indefinite Quantity Contract
MDI	Management Development Institute
MIS	Management Information System
MOF	Ministry of Finance
MRD	Ministry of Rural Development
OFM	Office of Financial Management
OICD	Office of International Cooperation and Development
OJT	On-the-job training
PIO/T	Project Implementation Order - Technical
PP	Project Paper
RFTP	Request for Technical Proposal
SRFMP	Sahel Regional Financial Management Project
SRFMP/W	Sahel Regional Financial Management Project/ Washington D.C.
TA	Technical Assistance
USAID	United States Agency for International Development
USDA	United States Department of Agriculture
VPI	Virginia Polytechnic Institute and State University

I. PROJECT RATIONALE AND DESCRIPTION

A. Rationale

The reasons for a Phase II of this project are many. Most of them are positive; although some come from weaknesses of the original project paper, problems in project implementation and a better understanding of country needs which has come after two years of project implementation.

The thrust of the original project was to provide basic project accountability for AID programs in the Sahel. This came about from the enactment of section 121(d) of the Foreign Assistance Act of 1961, as amended (FAA). In addition to basic accountability of AID funded projects, the project sought to improve the financial management by host governments of the eight Sahelian countries. During the more than two years of project life, the basic project accountability has been obtained in most cases, through the efforts of mission controller staff's and the resources provided by the Sahel Regional Financial Management Project (SRFMP).

This project is referred to as the Sahel Regional Financial Management Project Phase II. The basic premise of the project has not changed nor has the purpose, but Phase II will put less effort into basic accountability and more effort into institutionalization. In the first two years of the project over fifty percent of the country teams' time was spent on improving project accounting and in maintaining project certification. During Phase II the teams will normally spend less than twenty-five percent of their time on basic project accountability and a greater effort will be extended toward improving financial management capability at a level beyond the project and institutionalizing better financial management practices within the private and public sectors.

In six of the eight Sahelian countries, the SRFMP I provided expatriate long-term technical assistance. This long-term technical assistance (TA) was supplemented, in many cases, by Sahelian associates. Working closely with mission controllers they (the teams, composed of the expatriates and Sahelian associates) provide workshops, seminars, on-the-job training, consultancy assistance and other services to the host government to improve project accountability and assisted USAID mission staff in assuring certification of AID projects.

The success of the SRFMP I in providing resources to USAID missions and host governments in improving project accountability is acknowledged throughout the region. During Phase I host governments were sensitized to the need for improved financial management. This caused a greater demand on the services of the SRFMP teams not only to improve project financial management but also to provide training to host government employees working in ministries and agencies not directly involved in management of AID financed projects.

To provide for this felt need by host governments and to improve the financial management of donor funded development activities are the reasons for doing a phase II of the SRFMP of five years to on or about June 30, 1990. During this period, this project will continue to provide services both to USAID missions and host governments and

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continue the efforts to institutionalize improved financial management practices.

Although the original (Phase I) project was a success in improving financial accountability and improving financial management of AID Projects, some problems did occur during project implementation which reduced overall effectiveness of the project. Among these was management of the SRFMP project. The project has been implemented through a PASA with USDA/OICD and a Cooperative Agreement with VPI. This project management process was done to expedite implementation, which did occur, but role definition of the implementing agencies became a problem which has been difficult to overcome. This Phase II project proposes that only one implementing agency do the project management.

Another problem has to do with the regionality of the project. The original project paper (PP) proposed a regional project based on the fact that (1) the Sahel is treated as a region in legislation; (2) regional framework will allow lessons to be transferred from country to country based on successes and failures in individual countries; and (3) bilateral intervention, taken separately to achieve the same objectives, would be more expensive to implement. These three premises are still valid but during implementation project management was unable to obtain the full efficiencies projected during design. The transfer of lessons learned from one country to another did not occur at the levels projected, hence, some country teams ended up duplicating materials previously developed in another country. This Phase II project provides for two meetings to be held for the SRFMP teams each year and the project coordinator and material development/training officer will be traveling within the region at least fifty percent of the time. The provision of regional meetings and travel by home office staff is expected to reduce duplication and improve information flow between countries.

This project incorporates recommendations of the two years of implementation and an evaluation, in addition to the design team's visit to six of the eight Sahelian countries (team did not visit Chad or Cape Verde), in proposing a different mix of project inputs for Phase II. The original project projected relatively large amounts of short-term technical assistance from U.S. sources. Experience in the field has found that much of the technical assistance required is available in-country or in the region and is less expensive. Therefore, this amendment proposes less U.S. short-term T.A. and more locally available T.A. from private and public sources to supplement the SRFMP teams.

In many of the countries with SRFMP teams it was found that follow-up and on-the-job training were insufficient. Added to this lack of human resources, host governments and USAID missions were requesting more services than could be provided by the SRFMP teams. Therefore, Phase II has proposed a second Sahelian associate in several countries.

Two other changes have occurred in the mix of inputs for Phase II. They are: (1) the increased use of private Sahelian consulting expertise in training activities and consultancies, and (2) increased training activities both in-country and in other regional institutions. The training activities include short-term training in the region or country (1-3 months) and some long-term training outside of Africa (2-3 years).

The long-term training is proposed for only two countries (Chad and The Gambia) and is based on host government needs and requests.

The purpose of this Phase II is to continue the improvement of financial management practices in the Sahel Region, based on the success of the original project and the opportunities now available. USAID, through SRFMP II, can serve as the vehicle for improving project accountability and the institutionalizing of good financial management. This phase will provide four years of technical assistance and other inputs necessary to encourage institutionalization of improved financial management practices which have been initiated during the earlier phase.

B. Description

The project description basically has not changed from the Phase I project. The project goal and purpose remain the same while the mix of inputs is changed and resulting outputs are increased and better directed to obtaining the project purpose.

Project Goal:

To increase the ability of Sahelian governments to manage donor-assisted development programs, leading to better resource use and more benefits for Sahelian citizens.

Project Purpose:

To improve financial management of Sahelian development institutions that directly handle funds provided by AID (sustain at or above 121(d) requirements) and encourage institutionalization of improved management practice in public and private sectors.

The Phase I project has, for the most part, improved Sahelian countries' financial accountability of AID funded projects. In only a few isolated cases has certification of AID projects been withdrawn. In this phase of the project, the majority of project resources will be focused to encourage institutionalizing improved financial management practices by Sahelian public and private sector institutions.

Project Outputs:

Following is a list of five project outputs which are critical in obtaining the project purpose:

1. USAID project accounts managed by host governments meet FAA 121(d) requirements.
2. Specialized financial management systems for selected projects are in place and operational (e.g., inventory control, auditing/monitoring, budget development, etc).
3. Sahelian governments and individuals employed therein assume responsibility for meeting FAA 121 (d) certification requirements and employing improved financial management practices.

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4. Improved financial management planning is reflected in new USAID funded projects and employed by selected host government agencies and institutions.
5. Numbers of trained accountants and financial managers increase in each country.

Secondary outputs which are expected but not necessary for obtaining the project purpose.

1. Improved training curricula are employed by public and private Sahelian training institutions.
2. Improved status of accountants and financial managers within the Sahel.
3. Other donor organizations use the AID type of financial accountability practices to improve project management and use project resources more efficiently.
4. Host governments accept improved financial management practices as evidenced by their use in managing public and private financial/physical resources.

Project Inputs:

The main project inputs are essentially of the same types as in Phase I. They are:

1. Long-term technical assistance. This primarily takes the form of a resident SRFMP teams (one expatriate financial management expert and up to two Sahelian accountants/financial managers) for each country except Cape Verde and the project coordinator and a training specialist/materials development expert.

2. Short-term technical assistance. Short-term T.A. will be provided from U.S. sources, for particular needs (e.g. inventory control, auditing), and host country or Sahel private and public sources (e.g. training institutions, private consultants).

3. Workshops and seminars. Training will be provided in-country on a national level, as needed, and for specific groups of projects (e.g., training in inventory control for projects requiring this assistance). Workshops will focus on financial management practices and using case situations based on existing projects to develop financial management skills. Moreover, regional workshops will be held during the life of the Project to allow project personnel from the different countries to exchange information on innovations and solutions to their financial management problems with counterparts from other countries in the region.

4. Short-term training. This consists primarily of two to three month training courses for selected host government employees at an institution in that country or in a neighboring Sahelian country. These training courses will be directed specifically to developing work related skills (not academic). They will emphasize accounting training and mid-level financial management training.

5. Long-term training. Long-term training is only proposed for two countries, the Gambia and Chad. Here it is recognized that the progress made over Phase I needs reinforcement by providing skilled financial managers and accountants with academic degrees in these host governments. Other country program may need this type of training in a few years but it is not being proposed at this time.

6. Evaluation consultancies. To ensure project progress and adapt the project to existing opportunities in Sahelian countries, three evaluations are scheduled during the project. The two mid-term evaluations will focus on project implementation (i.e. whether the project is moving in the right direction to maximize project impact and that the proper mix of inputs is available). The final evaluation will primarily be an impact evaluation, providing AID with concrete information on the effectiveness of this type of intervention. Mix of project inputs provided herein enable the respective Sahelian countries to institutionalize improved financial management practices.

Estimated country by country inputs are listed below. As it is difficult to project beyond a two year period, the inputs listed below and in the budget tables are illustrative and are subject to change during project life.

Cape Verde

Project inputs to Cape Verde will involve a six week needs assessment in the first year of the project followed by one month of short-term T.A. for each of the following three years. The short-term T.A. will be used to conduct two two-week seminars/workshops per year. In addition, eighteen months of short-term training, over the last three years, will be provided. This will probably be two trainees for three months each per year in an institution in Senegal.

Mauritania

The major difference between Cape Verde and Mauritania will be the addition of a resident expatriate for the first two years of the project. He/she will be located in the Commission for Food Security (CSA), assisting its staff to improve financial accountability of donor funded food imports and use of local currency generated from food sales. One month of short-term T.A. will be provided in the last three years. Here again the T.A. will assist in two workshops per year. Eighteen person months of short-term training will be provided in the last three years, probably in Senegal.

Chad

Project inputs for Chad will not basically change from Phase I project amendment which added Chad to the project. Long-term T.A. expatriate will be provided for four years and two Sahelian associates will also be provided for the entire project. Three person-months of short-term technical assistance will be provided each year of the project along with two workshops/seminars each year. Nine person-months of short-term training and two person-years of long-term training will probably take place in Senegal or another Sahelian country. Approximately \$18,000 worth of Sahelian private consultancies will be provided over the life of the project.

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Niger

Niger will receive a long-term expatriate and two Sahelian associates during the project life. Short-term T.A. for Niger will be about six person months, one month each for the first two years for planning and budgeting and two person-months each for the last two years (undefined at this time). The short-term T.A. will be associated with the three workshops/seminars held each year. Twelve months of short-term training will be provided as will approximately \$16,000 worth of Sahelian private consultants' time over the project life.

Burkina Faso

The SRFMP Team will be composed of one long-term expatriate and two Sahelian associates. Approximately three workshops/seminars will be held annually with support from the SRFMP team and/or the training specialist. Eighteen months of short-term training will be provided as will be \$12,000 worth of Sahelian private consultants' time.

Mali

The Mali SRFMP Team will have a long-term expatriate and two Sahelian associates. In Mali there will be three person months of short-term T.A., one each to address problems in Auditing, Budgeting and Financial Management. This short-term T.A. will be in conjunction with the four workshops/seminars per year. Short term training of eighteen person-months will also be provided. Sahelian private consultants will be supporting most of the in-country workshops and therefore require about \$40,000 over the project life.

Senegal

Here again there will be a full SRFMP team of one expatriate and two Sahelian associates. There will be four workshops/seminars per year using four person-months of short-term T.A. and approximately \$60,000 worth of Sahelian consultancy services. Here as in other countries where local expertise is available, short-term U.S. T.A. will be replaced by local talent. There will also be about twelve person-months of short-term training.

Gambia

The SRFMP in Gambia will provide four person-years of long-term expatriate T.A., fourteen person-months of short-term technical assistance covering revenue and storekeeping needs assessments as well as providing T.A., and three workshops/seminars per year over the project life. No short-term training will be necessary as MDI currently provides that type of training; but eight person years of long-term training is budgeted for employees in the Auditor and Accountant Generals offices during the project.

II. COST ESTIMATE AND FINANCIAL PLAN

Total project cost is projected at \$12 million over the project life. This project will provide four years of technical assistance. During the initial nine months of the project Phase I will be continuing, thus allowing the selection of the contractor and installation of the Phase II SRFMP teams in-country, for a smooth transition to the new projects. The current estimate is that on or about June, 1986 the long-term T.A. teams will be in all seven countries receiving SRFMP Teams (all countries but Cape Verde).

Upon authorization of the project a PIO/T will be submitted to SER/CM requesting the issuance of an RFTP for the technical services needed in the project. Contractor selection should occur about six months after project authorization and FY 86 funds will be available to obligate the \$2.796 million to the selected contractor. Each of the following three years will see another obligation of approximately \$3 million. This scheduling of funds will be adequate to maintain the project implementation schedule.

The proposed funding schedule for this project should be:

FY 86	\$3 million
FY 87	\$3 million
FY 88	\$3 million
FY 89	\$3 million

Contributions by host governments toward the project were not calculated. The direct country contribution toward this project are training facilities of host country institutions, personnel time of trainees, and in some countries, office facilities for the SRFMP teams.

Annex I provides the background budget tables used in calculating project costs. The following table (Table 1) has figures which have been rounded and/or averaged to provide the reader with a more easily interpreted budget.

TABLE I
ILLUSTRATIVE BUDGET (\$000)

<u>Direct Cost of Project</u>	<u>Mali</u>	<u>Burkina Faso</u>	<u>Niger</u>	<u>Senegal</u>	<u>The Gambia</u>	<u>Chad</u>	<u>Cape Verde</u>	<u>Mauritania</u>	<u>TOTAL</u>
Long-term Expatriate Salary	455	455	455	455	455	455	-0-	225	2,955
In Country Cost	100	100	100	100	100	100	-0-	60	660
Sahelian Team Members	173	168	173	167	31*	126	-0-	-0-	838
Office Support Costs and Materials	170	304	222	253	218	205	-0-	28	1,400
Workshops/Seminars	40	28	36	49	28	20	9	9	219
Private Sahelian Consultants	48	12	17	100	11	18	-0-	-0-	206
Training	15	15	10	8	120	19	15	15	217
TOTAL	1,001	1,082	1,013	1,132	963	943	24	337	6,495

Total Direct Headquarters Cost	1,775
Overhead (65% field, 100% HQ)	1,830
	10,100

Fixed Fee (10%)	1,000
Project Cost	11,100
Contingency 8%	900
TOTAL	\$12,000

* Travel for Counterparts

Note: 1) The above figures have all been rounded to help the reader. Table 1 of Annex I has accurate numbers.
2) Approximately \$3.5 million will be local currency.

III. IMPLEMENTATION PLAN

Implementation

The implementation plan for this Phase II project is coordinated with the ending of Phase I (Sahel Regional Financial Management Project 625-0950). Phase I is scheduled to end on or about June 30, 1986. By that time the contractor will have been selected and the new SRFMP team leaders will be in the field to take over from the current team leaders from Phase I. During the last year of Phase I the Mission will submit, with the aid of the current SRFMP teams, a five year plan for the project implementation. The five year plan will include the last year of Phase I and the four years of Phase II.

Phase II of the project commences at the date of the project authorization. Following the authorization, the AID/W project officer will submit a draft PIO/T to SER/CM which starts the selection process of the contractor to implement Phase II. The lengthy process of competitively selecting a contractor is the main reason for the early authorization of Phase II. The contracting period should not exceed seven months.

During the design of this project the design team was cognizant of AID's desire to increase the amount of contracting done with minority and women-owned firms and other Gray Amendment entities. The project is designed such that these (Gray Amendment) entities have a full opportunity to participate in project implementation. Contractor selection was not limited to these entities as project success is dependent on the best available firm and individuals to provide implementing services. The RFTP for technical services will specifically state that the Gray Amendment entities are encouraged to participate.

Once the contractor has been selected a contract will be signed (the obligating document). The Contractor will bring its resident team leaders in for departure training and french language testing (where required). After this two to four week training, briefing and indoctrination period, the resident team leaders will be sent to post. The incoming team leaders should overlap about two weeks with the departing team leaders of Phase I.

With the resident team leaders in place they will go about hiring their associate Sahelian team members. They may wish to hire the previous associates, and preferably the associates will be citizens of the countries in which they will work.

Two years after the team leaders arrive in the field, another set of team leaders will have to be installed. A two year tour of duty as team leader is probably the maximum that can be expected.

Approximately every six months the resident teams, the project director and the training officer will meet in one of the Sahelian countries. These regional meetings will provide the forum for discussion of particular items of interest (e.g. auditing, budgeting, planning, storekeeping).

Annually, each resident team, in conjunction with the USAID mission will submit a work plan. This will set the basis for short-term consultancies, training activities etc. for the upcoming year. The workplans will be approved by the project director and the AID/W project officer. These annual workplans will update the five year plan. X
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There are two mid-term evaluations scheduled: one approximately 1 1/2 years into the actual implementation, the second an additional 1 1/2 years later. The evaluations will be used both to substantiate progress and to improve project implementation.

The final evaluation will occur just prior to the departure of the resident project team leaders and about two months before the project's end. Its purpose will be to determine the impact of the project on improved financial management in all eight countries.

The evaluations, both mid-term and final, will require that the evaluation teams visit all eight countries. For this reason, six weeks will be required to visit the countries and write up the evaluation. The evaluation teams will include a financial analyst, a management specialist and an evaluation/project design officer. The AID/W project officer should participate in all evaluation either as a team member or an advisor.

Out-of-country training activities, either in another Sahelian country or a developed country will be closely monitored following HB 10 guidance for participant training. In-country training, especially workshops and seminars, will require follow-up by the resident teams to ensure that the training was appropriate. In-country training is the main emphasis of the project. Therefore, records of the training sessions and participants will be necessary to provide information for evaluations.

Procurement Plan

Commodities to be procured under the Project are furnishings, equipment and supplies for the long-term experts and the offices of the in-country financial management teams. Major cost items are vehicles and office equipment for each of the teams. Procurement of all items will be managed by the contractor with funds to be provided through the contract negotiated with AID.

The authorized source and origin for AID financed commodities procured in this project is Geographic Code 941 for The Gambia, Mali, Niger, Burkina Faso, Chad and Cape Verde and Geographic Code 000 for Mauritania and Senegal. Shelf item purchases will include vehicle spares, office supplies, and materials needed to support financial management team operations and workshops conducted in the field.

Indigenous goods and shelf items having their origin in a Code 941 country are eligible for local cost financing in unlimited quantities, up to the total amount available for local procurement. Shelf items having their origin in Code 899 but not in 941 countries are eligible in accordance with the provisions of AID Handbook 1B, Chapter 18.

A source and origin waiver to Code 935, plus a waiver of Section 636(i) of the FAA are requested to authorize the purchase of vehicles of non-U.S. source and origin. (See Waiver request in Annex G.) The seven vehicles will be used by resident SRFMP teams to visit rural accounting station and to perform training sessions in rural areas.

Method of Financial Implementation

<u>Method of Implementation</u>	<u>Method of Financing</u>	<u>Amount (Approx.)</u>
Project Management Services - Direct Contract	Direct Payment	\$12,000,000

All Project expenditures will be managed by the contractor. Foreign exchange disbursements will be handled centrally. Local currency disbursements will be made by resident team leaders.

Implementation ScheduleMonth

- 0 - Project paper authorized
- 1 - PIO/T submitted to contracting office requesting RFTP
- 2 - Advertise in CBD for contractor
Limited scope grant agreements (Protocols) negotiated with countries having SRFMP teams (Niger, Senegal, Mali, The Gambia, Burkina Faso, Mauritania, and Chad)
- 3 - RFTP issued by SER/CM
- 5 - Technical proposals received
- 6 - Technical review panel reviews proposals and select contractor
- 7 - Contract signed
- 8 - SRFMP team leaders have training prior to posting
- 9 - SRFMP team leaders arrive at post
- 10-11 - SRFMP team leaders hire associates (where applicable)
(Starting about month twelve miscellaneous short-term TA will be provided to missions, as needed, until the end of the project).
(Training activities will be held throughout the four years of the contract).
- 21 - Update work plans (annual)
- 22 - 1st regional meeting of SRFMP teams
- 28 - 2nd regional meeting of SRFMP teams
- 28 - 1st mid term evaluation
- 30 - Select team leaders for second two years of project contract
- 33 - Update work plans
- 34 - New team leaders arrive at post
- 34 - 3rd regional meeting of SRFMP teams
- 40 - 4th regional meeting of SRFMP teams
- 45 - Update work plans
- 46 - 2nd mid term evaluation
- 46 - 5th regional meeting of SRFMP teams
- 52 - 6th regional meeting of SRFMP teams
- 58 - Final evaluation
- 59 - SRFMP team leaders leave post
- 60 - Project Assistance Completion Date (PACD)

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IV. MONITORING AND EVALUATION PLAN

Definition of Baseline Information

The project design team has collected information in the USAID Missions involved in the Sahel Regional Financial Management Project on financial accountability status of projects in the Sahel portfolio and on the human resource issues affecting improved project management in the Sahel as well as current information on institutions. Long-term financial management experts and short-term experts assigned to each country will determine at the start-up of the project what the immediate status of training needs in financial management are in each USAID-funded project. This information should include level of accountancy skills, use of financial management information in project administration, participation in financial management workshops, where provided, or other kinds of training. An inventory of the state of financial management skills for each project with local currency inputs should be established and used as a baseline information source against which to measure the project's progress. Baseline data collected during project implementation should be used to determine future financial management improvement needs beyond the life of the project.

Specific countries may be found to have reached a level of financial management sufficient to ensure sound project decision-making and program management. Others may require additional improvement efforts in the form of specific short-term interventions to build capacity. Most country teams have been able to establish some of these baseline inventories and need assessments during Phase I. Before more comprehensive analysis of the state of financial management in each country can be determined, each country team in conjunction with the host government, USAID and appropriate training institutions, should establish priorities on how to monitor targets for project success. These priorities will be given in the five year plan developed during Phase I and updated by the annual workplans. A systematic program to follow-up on all workshops, in-service programs and on-the-job training activities must be required of all country components so that improvement can be measured and successful strategies or materials shared at a regional level.

Basic financial information collected and analyzed by the Controller responsible for each country can be used to determine the state of certifiability of each project during the life of this project. It should be relatively easy to determine whether accountability standards are being met. The determination of increases in financial management capability are more difficult and subtle to measure and will rely primarily on the judgment of the resident technical assistance teams and on evaluations of training programs after a period of time has elapsed. Key variables to be examined would be utilization of basic accounting practices, operation of more complex financial systems for projects which require them, ability to use accounting data in financial planning and program decision-making. Some projects by their nature can reach their highest level of financial management practice in a relatively short time once basic systems are in use and information is used correctly. Others will require technical assistance in financial systems design and additional training of project staff in order to implement more complex accounting systems. A longer time frame will be needed in these more

complex projects to ensure that inputs are being accounted for and managed appropriately. These projects may require additional efforts in financial management improvement as the more complex accounting systems become operational.

A simple, easy to implement management information system (MIS) should be designed collaboratively by project headquarters and field staff to monitor agreed upon indicators on a quarterly basis. The MIS should be simple to understand and respond to and take no more than one day per quarter for the country team to complete. Feedback on the MIS should be provided to the country team by headquarters within one month after submission.

The monitoring of financial information on the Sahel portfolio will be performed throughout the life of the project by the Controllers' offices, project field personnel and the AID/W project Officer to ensure that the project is contributing to the maintenance of certifiability. These persons will make recommendations as to further financial management improvement needs beyond the life of the project.

Indicators of Project Achievement

Using baseline data gathered by Phase I of the project along with criteria for project success outlined below, project personnel will collect information on project achievement at regular intervals throughout the life of the project. It is anticipated that the monitoring function will be gathering data in a regular fashion and thereby reducing the amount of time normally needed in internal evaluation.

Basic indicators of project success include:

- (1) Number of financial managers and other administrative personnel using financial management information in decision-making.
- (2) Types of decisions information is used for.
- (3) Number of accountants trained in new or existing accounting systems.
- (4) Number of host government personnel using financial management information in design of new projects.
- (5) Maintenance of certifiability in all current projects.
- (6) Reduction of accountability problems in new projects.
- (7) Financial management is improved in AID projects which share funding with other donors.
- (8) Institutions or organizations which provide financial management training and numbers of instructors.

Data for evaluation and monitoring will be available from skills inventories of project personnel established during the first six months

of project implementation. Additional data on certifiability will be available from USAID Controller offices. Budgets developed by host governments' project personnel should reflect improved competence in financial management. Individual training sessions will include post-training evaluation components designed by training experts for administration immediately following training sessions and in the project setting at regular intervals.

The ongoing internal evaluation of the project will be under the direction of the headquarters' staff with participation of short-term personnel and resident teams as required. The Project Director will establish a monitoring plan for each country component and ensure participation of all relevant factors in each country's context. Monitoring and ongoing evaluation results will be transmitted to AID officials regularly (at least semi-annually) and lessons learned will be disseminated regionally to make certain the maximum benefits are derived from each country's participation in the project. This function is considered to be a major project activity.

Timing of Evaluation Reports and Use of Information

Three formal evaluations are planned. The first should be scheduled after the resident teams have been operating eighteen months and a significant number of short-term activities have been undertaken. The second evaluation should be planned one year before project end. The final evaluation will take place at the end of the project.

Project staff at the various levels of responsibility within the project will participate in monitoring and evaluation functions at their respective levels. The country teams will report to the USAID Missions and project headquarters on selected project criteria. The Project Director will coordinate the information flow from the field to be sure project outputs are being achieved and that experience is being shared appropriately. The Project Director will be responsible to AID both for monitoring and target setting as well as internal evaluation reports which will be completed as project outputs are accomplished in each country. The built-in evaluation function should preclude the need for lengthy field evaluations to measure project progress. An important aspect of the evaluation function will be the determination of what future financial management improvement strategies may be needed in each country at project's end.

V. CONCLUSIONS OF ANALYSES

With the aid of additional information now available from the last couple of years of implementation of the current project, several project analyses for this project have been updated or revised. Major changes have been made in the Administrative, Institutional and Strategy Analyses, while the Economic and Social Analyses required only minor changes.

Project Strategy Analyses (Annex B)

The Strategy Analysis provides the basis for a Phase II of the SRFMP project. In this analysis are explained the foci for Phase II and justification for changes in the training strategy (both in and out of country). Other than the training emphasis change the project will continue to be implemented as proposed in Phase I. The experiences of the last couple of years have helped to refine the types of activities to be implemented in the upcoming years. Additional information substantiating this analysis is available in the mid-term evaluation done in 1984.

Economic Analysis (Annex C)

This Analysis merely updates the original PP analysis and concludes that Phase II of the project will continue to be an economically sound and cost effective solution to intermediate problems of improving Sahelian financial management. The analysis also justifies the change of project inputs toward more use of local consultancy firms and professionals which have the necessary expertise at a lower cost.

Administrative Analysis (Annex D)

This perhaps is the Section which deviates the greatest from the original PP. Administration by the project implementor had become a problem, therefore, some basic changes have been made. Unlike the original project immediate implementation is not necessary (a transition phase of the project has been funded through June 1986): allowing the use of competitive selection of the new contractor. The home office staff of the Phase II will be smaller, without reducing project efficiency. The regionality of the project will also be enhanced by more frequent regional meetings of the country teams and a larger amount of travel by both the Project Director and the Training/Materials Development Officer.

Social Analysis (Annex E)

The problem of maintaining adequate financial management systems in the Sahel is closely tied to the lack of skilled persons in all technical fields. This project will continue the training of host government personnel through practical on-the-job technical assistance and thereby allow them to manage their limited financial and human resources more efficiently. It does not contribute to an increase in public employment as the persons receiving additional training are already employed by the host governments as project managers and accountants.

The host government personnel are receptive to the prospect of further practical training, especially in those countries where workshops on the topic have already been held. In addition to the direct beneficiaries (project personnel) the beneficiaries of all the projects funded by USAID should benefit from more efficient service delivery.

A collaborative approach will be maintained throughout Phase II of the Project through use of a team approach in technical assistance. Continued participation of Sahelians in the financial management effort is a key component of project design. The project design requires the

recruitment of a small number of expatriate technical experts in financial management. The recruitment potential for Sahelians with advanced accounting and financial management was carefully examined in each country requiring long-term technical assistance, and recruiting sources were identified. Information was collected on institutional capabilities in the Sahel, and basic accounting courses were judged adequate to meet the demand for beginning-level accountants in the region.

The impact of the project should be positive, improving the capacity of the Sahelian governments to manage financial resources provided by AID. No negative impact is anticipated as no local populations will be required to make social or physical changes to implement the project.

Institutional Analysis (Annex F)

This section is critical to the project. It defines institutionalization and develops the method of encouraging institutionalization of improved financial management practices.

Institutionalization of improved financial management practices occurs when the capacity maintained by an organization or group meet functional needs and the organization has been provided sufficient resources to continue. The placement of this capacity will, and does, vary from country to country. In Phase II the project will continue to seek targets of opportunity in the institutionalization of long term financial management capacity building.

During Phase I SRFMP worked at several governmental levels. This approach has been successful and will continue during Phase II. The benefit of the multi-level approach is that even with changes in governments and weakness in some ministries the project has been able to take advantage of opportunities when they occur.

Institutionalization does not, nor should it, mean the provision of an organization merely to provide training in financial management. The recurrent costs inherent in organization building often inhibit institutionalization when governments are trying to reduce costs. Therefore, emphasis is placed on working within organizations and agencies, without increasing personnel or buildings to provide the institutionalization.

Environmental Analysis (Annex H)

As in Phase I, this Phase II project requests a categorical exclusion in that the project consists entirely of technical assistance and training.

VI. CONDITIONS AND COVENANTS

All funds will be obligated through a contract with the implementing agent. New protocols will be negotiated and signed in each country concerning the objectives of project activities, the types of assistance to be provided, and the country's commitment to support the project. Commitments by each country will generally include the following:

- provision of the institutional base for project activities, including the designation of a Coordinator who will provide the official liaison with bilateral projects' management personnel;
- assurance that normal privileges and immunities are provided to the AID-financed technical experts working under the auspices of the project;
- assurance that personnel will be released to attend training sessions organized under the project, and that recognition will be given to personnel completing the training in accordance with that country's official personnel system;
- in specific negotiated cases, assurance that the government will provide additional personnel to perform as members of the in-country financial management team; other host country contributions to the project, such as office space and support of team operations and workshops will also be recorded;
- assurance that all out-of-country trainees (both short- and long-term) upon returning will be employed in a position which will fully utilize their training;
- agreement to participate in evaluations of project activities and identification of financial management improvement activities to be developed or continued after completion of specific project interventions; and
- identification of any recurrent cost implications of project activities, recording the country's commitment to meet any such requirements.

As specific commitments along the lines stated above must be negotiated on a country-by-country basis, these commitments are not included as part of the project authorization.

ANNEX A

Logical Framework

Sahel Regional Financial Management Report

GOALS:

1. Descriptive Summary

Ability of Sahelian governments to manage donor-assisted development programs increases, leading to better resource use and more benefits for Sahelian citizens

2. Objectively Verifiable Indicators

- 1. Numbers of trained host government managers and accountants available to work with donors increases by end of Project.
- 2. Host government reduce or make plans to reduce reliance on TA.
- 3. More sophisticated management training is planned.
- 4. Government policy reflects increased emphasis on improved management.

3. Means of Certification

- 1. Club du Sahel donor records and documentation.
- 2. Host country project assistance requests to USAID and other donors.
- 3. Host government expands its own in-service training programs.

4. Assumptions

- 1. Official Development Assistance to the Sahel is maintained at least at current levels.
- 2. Sahelian governments maintain at least their current level of commitment to development as reported in CDSS's.
- 3. Scarce resources provide climate current for improved management.
- 4. No major natural disasters occur which significantly change the complexion and content of development policies in the Sahel.
- 5. Donors continue, generally to be concerned with the management of the development funds they provide in the Sahel and seek actively to transfer more authority in this respect to host country institutions.
- 6. Projects remain the main vehicle for the delivery of ODA.

PURPOSE:

1. Descriptive Summary

Improve financial management of Sahelian development institutions that directly handle funds provided by AID (sustain at or above 121(d) requirements) and encourage institutionalization of improved management practice in public and private sectors.

2. Objectively Verifiable Indicators (End of Project Status)

1. No current AID project has been decertified.
2. All newly designed or redesigned projects are approved and show improved financial management procedures.
3. Host country project managers are using accounting data for project decision-making at project end.
4. Host countries operate their own financial management training programs in governmental, public or private institutions at project end.

3. Means of Verification

1. USAID Controller records.
2. USAID Project Officer records.
3. Project manager's implementation plans.
4. Host government project budgets and projects.
5. New funding requests to USAID and other donors.
6. Decrease in expatriate TA needs in financial management.
7. H. government and project training plans.

4. Assumptions

1. FAA Sec. 121(d) is not repealed, yet the Sahel development program is maintained at least at current levels.
2. The proportion of AID projects with Local Currency in the total Sahel portfolio remains the same or increases.
3. The proportion of local currency handled by host governments in the projects with local currency in them in the Sahel remains the same or increase.
4. The accounting practices advocated by AID are found to be applicable and can be adapted to host government functions.
5. Host governments can make personnel available to participate in financial management in sufficient numbers to provide a "critical mass" for change in each country.

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OUTPUTS:

1. Descriptive Summary

- 1. Accounts managed by host government in USAID projects meet USAID Controller's accountability standards.
- 2. Specialized financial management systems for selected projects are in place and operational (e.g., inventory control, auditing/monitoring, budget development, etc).
- 3. Host country organizations and individuals assume increasing responsibility for meeting certification requirements and applying financial management methods.
- 4. Improved financial management planning is incorporated into new USAID funded projects and selected host government agencies and institutions.
- 5. Numbers of trained accountants and financial managers increase in each country.

2. Objectively Verifiable Indicators

- 1. USAID controllers offices maintain certification standards and are able to reduce monitoring of project accounts due to improved management by end of project.
- 2. New or redesigned projects have not had to devote additional project TA costs to host country financial management issues. No new or redesigned project requires more Mission Controller staff input than ordinary in the pre-FAA Sec. 121(d) period by end of Project.
- 3. At least 1000 project managers/accountants have been trained in eight countries in financial management by end of Project and selected ones are training others.
- 4. New host government project personnel in selected countries have been trained in improved financial management practice.
- 5. Accounting newsletters begin under project are being produced by local organizations at projects end.

3. Means of Verification

- 1. USAID Controller records.
- 2. USAID Project Officer records.
- 3. Project implementation plans including training plans.
- 4. Budgets and reports developed by HG personnel.
- 5. Accounting newsletters in selected countries.

6. Records of training sessions (reports, etc.) and skills information on participants and materials used.
7. Quality of documents being maintained in projects meets Controllers and host government standards.

Assumptions

1. AID provides training and written guidance in financial management to Mission Project Officers and contract personnel involved in projects having host country managed local currency funds.
2. Guidance and assistance is provided to Missions in the design of new or redesign of existing projects concerning 121(d) requirements.
3. Mission Controller Office staff is maintained at least at current levels. Experienced Project Officers are on board in each Mission.
4. HG procedures and guidance in financial management is developed where necessary and made available to project staffs.
5. Training methods are used which can be replicated by HG personnel and organizations.
6. Governments continue to accept protocol made for timely project implementations.

INPUTS:

Descriptive Summary

1. Seven expatriate financial management advisers and 13 Sahelian financial management advisers provide long-term technical assistance in seven countries. This includes non-project funded Sahelian personnel in the Gambia.
2. All seven countries develop specific financial management systems as required.
3. Short-term technical assistance organizes regional and national workshops/training sessions and in-service training for exchange of benefits in all countries.
4. TA teams, short-term assistance and local personnel develop special training programs and documents.
5. Sahelians are trained short-term regional programs.
6. Gambians receive long-term overseas accountant teaching.

<u>2. Objectively Verifiable Indicators</u>		\$(000)
1.	Long Term Technical Assistance	\$ 2,955
2.	Support costs of Long Term T.A.	660
3.	Sahelian Team Members	838
4.	Field Office Support Cost & Materials	1,400
5.	Field Workshops/Seminars	219
6.	Sahelian consultants	206
7.	Training	217
	Total field Costs	<u>6,495</u>
	HQ cost (direct)	1,775
	Overhead	1,830
	Fixed Fee (10%)	1,000
	- Total HQ and other U.S. Costs	4,605
	- Total project costs	11,100
	Contingency	900
	Total project costs:	12,000

3. Means of Verification

USAID and any contractor's financial records.

Project budget and disbursement records.

PIOC's training reports

4. Assumptions

1. TA and training personnel, including Coordinators are available in a timely fashion and at market prices.
2. The mix of technical assistance and training (including on-the-job) planned for each country is the most appropriate mode of assistance.
3. The host governments remain receptive to what has been planned and continue increased emphasis on financial management improvement through institutions.
4. AID/W assigns a Project Officer to oversee Project operation.
5. Mission assigns Project Officers to oversee local project operations, including negotiations of Limited Scope Grant Agreements.
6. Missions require staff to participate in training provided by AID and to attend occasional project conferences.
7. Host governments release personnel for in-country, in-service, regional and overseas training as mutually agreed on early in project file.

ANNEX BPROJECT STRATEGY ANALYSIS

Basing itself on the guidelines for financial management improvement outlined in the original SRFMP project paper, the present design for Phase II builds on the progress made to date by the country teams to broaden the range of financial management improvement activities being used. Experience in the region over the last three years has enabled project planners to identify a broader range of intervention strategies than those foreseen in 1982. The original strategy called for a mid-term improvement effort to bridge the gap between immediate 121(d) certification concerns and longer term financial capacity building. The Phase II design focuses on building on mid-term improvement and needs assessments in each country to design a longer term strategy tailored for each country's needs within the region. The Institutional Analysis (Annex F) outlines the key institutional factors for each country and the region while describing opportunities for long-term capacity-building in the financial management sector. The present analysis deals with the choice of project strategies and the aspects of SRFMP which the design seeks to maximize.

Key elements drawn on include:

1. Opportunities to expand use of Sahelian financial management specialists both within the project and as external resources;
2. Greater knowledge of each country's financial management human resource base and its strengths and weaknesses;
3. Needs assessments made by host government financial management decision-makers;
4. Better understanding of how to meet 121(d) requirements on a regular basis by USAIDs;
5. Creative responses of the Phase I implementation teams in meeting and some cases surpassing objectives.

Individual situations in each country led each FMT to identify targets of opportunity at the project and national levels which could be served by the technical assistance and training strategies used in Phase I. Current information on successful activities and potential opportunities allows for the identification of a range of project activities which should prove effective in widening the focus of financial management improvement in the Sahel. The two main modes of intervention: technical assistance and training remain, but more possibilities for increasing use of Sahelian expertise in both these areas is planned. This is possible because of the emergence of host government support for better resource use through financial management in several countries across the region as well as the beginnings of a critical mass of Sahelian accountants in public and private sectors. A few local institutions which showed promise several years ago are also moving in directions compatible with SRFMP methods and objectives and thereby offer opportunities to undertake project activities collaboratively. (See Annex F). Given these three conditions of

improved governmental policy support, institutional capabilities and human resource capacity, the Phase II of SRFMP proposes to adapt its project strategy accordingly.

The main project focus of using accountability as a basis for expanding financial management capacity remains. Project norms, however, shift away from the expatriate country team leader as the main project initiator with Sahelian associates used only to assist him. The wider range of activities proposed calls for the team leader to play a coordinating role with at least two Sahelian associates in many cases and a shared sense of responsibility for priority areas within each country's improvement strategies. In Phase II, associates will assume (where they have not already) direct responsibility for substantive areas of the program.

Wherever private sector accounting firms exist, they will be drawn on to assist with on the job training on USAID projects and with selected financial activities. Short-term consultants from both private firms and local training institutions will be used supplemented by U.S. short-term technical assistance for specific problem solving or systems design tasks. These expatriate consultants however will work in teams with SRFMP associates, host government financial managers or other persons with potential long-term interest in the work being undertaken.

The training strategy also expands from a primarily "action training" workshop approach to one which combines this method with greater emphasis of on the job training - OJT. OJT requires more than merely having accountants/financial managers observe how the work is done. A planned sequence of specific tasks and activities must be identified and performed by the person being trained under close supervision until advisor and trainee are satisfied that the new methods are learned. The expanded country teams will allow for this much needed follow-up with accountants and financial managers after training programs and will permit collaborative systems design, installation, training and monitoring in priority projects and sectors within each country. The effective practical training (both action and OJT) will be reinforced by long-term financial management training to accountant or master's degree level in a few countries and short-term third country financial management training in selected regional institutions. These two new dimensions will allow for an upgrading of accounting and financial management skills in specific technical areas and will help re-inforce the human resource base for financial management.

Regional workshops will expand their focus beyond objective setting and methodology to allow teams to share experience and success in specific financial management areas of their choosing. These meetings held every six months in different countries will provide opportunities for materials sharing, demonstration of effective systems and collective problem-solving. Teams will provide input for topic selection in advance to allow regional coordination to summon substantive technical assistance if needed.

Host government financial managers will be assisted in organizing and implementing in-service training programs with project help in both human and material resources. These topics for training will meet host government needs and draw on persons trained through SRFMP to facilitate

assisted by project or outside technical assistance as needed. The emphases will be on finding sustained training program needs and setting up or encouraging long-term capability to meet them.

Under this strategy, the country teams with expanded Sahelian participation become hubs for financial management improvement in a few collaboratively selected priority areas for the life of the project in each country. Some regional themes such as auditing and inventory control will no doubt emerge and can be shared in regional meetings.

The project strategy will build individual and organizational capacity in a few priority areas while exposing financial managers to new training and problem solving techniques. This broader range of actions using a maximum amount of Sahelian resources should permit an effective build-up of capacity in each country by projects end. It will be easier to see where additional emphasis and potential improvement should focus next once the strategy base has been broadened and wider Sahelian ownership of the financial management improvement effort has been realized.

Annex CECONOMICConditions in the Sahel

With the very limited infrastructure left after independence in the 1960s, the Sahel region of West Africa was ill-prepared to cope with the agricultural, economic and human devastation caused by the drought from 1968 through 1973. The massive donor assistance efforts (multilateral, bilateral and private) during the disaster relief period were quickly followed by large-scale donor programs for a long-term recovery program. But the magnitude of funds which host governments were required to manage grew dramatically, and the human resources or the organizational capacities of the Sahelian governments did not keep pace.

This large amount of donor assistance continues today and the institutional growth necessary to handle the increasing financial management needs persists. Some donors prefer to handle all funds directly and to avoid host country accountability issues. AID is committed to a human resource development strategy which encourages the performance of these functions by the host governments themselves.

Problems in accountability and financial management have been identified in numerous AID reports. Intermediate solutions have been found to satisfy the certification requirements for projects with local currency components. This Project assists in maintaining those certified. As basic accountability issues are resolved, it has begun to address the larger issue of improving each government's ability to handle financial resources, both donor and host country.

As the region struggles to develop itself, economic problems caused by poor management practice will persist if attempts are not made to help the decisions. Donor assistance is expected to continue for some time to come. Sahelian institutions are training many of the personnel required; although all their human resource needs cannot be met from within the region alone. The Project proposes a combination of on-the-job practical technical assistance, short-term training workshops and regional and overseas training to meet financial management needs today and to contribute to enlarging the group of host government project personnel with experience in sound financial management.

In addition to increasing the human capital of the region through this training, the Project will benefit the new and existing projects by ensuring that all "capital" allocated to development is spent carefully, accounted for responsibility, and contributes more effectively to the development goals of each country.

Financial Management Considerations

It is expected that present AID-financed projects in the region will benefit positively from the Project because the improvement of financial management will necessarily result in better utilization of project resources. The total resources available to each project would therefore increase through improved internal financial management.

Future AID programs would benefit because the host government personnel involved in each project would have improved the financial management capability and would be available for use by their own governments or to manage new programs. Other donors and regional organizations (e.g. CILSS) should benefit also as host government personnel become trained in improved financial management and can apply their skills to the projects funded by other donors.

The cost/benefit ratio of each project in the AID portfolio should increase as financial management improves. The Project will eventually have a beneficial economic impact on all the projects requiring financial management improvement.

Cost Considerations

The technical assistance approach provided in the Project combined with short- and long-term training efforts where appropriate provides the most realistic as well as cost effective means of achieving the Project's purpose.

Other options could include:

- Technical assistance to specific projects alone (i.e., one person assigned long-term to most projects).
- Increasing Mission staff levels (particularly in Controller's Offices).
- Institution-building directly in national and regional institutions.

Objections to these options are as follows:

- Providing technical assistance to specific projects on an individual basis would prove both costly and inefficient since some projects would not require full-time help.
- The increase of Mission staffing in the Controller's office (two or three persons per Mission) would perhaps solve the certification problem. Some training would also be done but probably only at the basic account level. Although this is a reasonable alternative and could be less costly, its use would severely limit the potential benefits of the Project. It also appears impractical under current AID staffing constraints except for special cases.
- A traditional institution-building program for the improvement of institutions would not be able to target financial management sufficiently to bring about the kind of improvement needed in the short-term to better manage resources. This approach would be costly and contribute to recurrent cost problems when technical assistance is terminated.

The Project provides both an economically sound and a cost effective solution to the intermediate problems of improving Sahelian financial management. Short-term certification requirements are assured while long-term institutional capability in financial management will also be enhanced through practical training interventions. On-the-job training and

short-course instruction both utilize the commitment of the financial managers to improving their ability to perform management functions in the actual decision-making environment. Special additional training programs help build longer-term capacity.

The use of local Sahelian consultants in several countries will help reduce overall Project costs while encouraging the use of local private and institutional resources. The use of Sahelian personnel to meet technical assistance needs amounts to substantial life-of-Project savings when compared to expatriate personnel costs.

A maximum cost-effective strategy has been used in Project design to assure that financial management is being improved in the shortest time for the least cost. The increase in numbers of beneficiaries in Phase II and the staff additions in Sahelian experts will yield a lower cost per direct participant than those realized in Phase I.

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Annex DAdministrative Annex1. Organization and Management of the ProjectBackground

The Sahel Regional Financial Management Project is a regional project designed to address a regionally identified problem. Its immediate objective was to help ensure that host governments achieve and maintain a system of accounting and management for local currencies provided through AID projects, in conformance with legislative requirements of Section 121(d) of the Foreign Assistance Act. Phase II of this project continues the efforts of accountability of AID funded projects and puts additional effort into institutionalization of good financial management, practices by host governments.

This project is a continuation of an effort initiated in the early part of 1981 to improve financial management in the Sahel. This effort has involved the creation of training material, visits to Missions to ascertain conditions, orientation visits to consult with Missions to determine needs and plan future efforts in the individual countries, and workshops conducted on AID basic accounting requirements for local currency and expenditures. The original project was designed to meet the financial management needs indicated by the Missions, within a regional framework.

During the last three years of the project improved accountability and management of AID funded projects has occurred with the installation of resident SRFMP teams in 6 countries. This project will continue these efforts and provide more emphasis on institutionalization of good financial management practices in the Sahel countries.

Management Strategy

The management strategy of this project is for USAID Missions to identify, approve and manage all project-funded in-country financial management improvement activities -- within a policy and implementation framework approved, monitored and evaluated by AFR/SWA in AID/Washington. The implementing agent in Phase II will be a competitively selected contractor who will coordinate with both the USAID missions and AFR/SWA.

Management Arrangementsa. AID

The A.I.D. Project Officer. Primary responsibility for providing AID policy and implementation guidance for the Project will rest with the AID Project Officer, who will be an AID Direct Hire employee assigned to AFR/SWA. He will exercise the AID project monitoring responsibilities, including monitoring the performance of the implementing agent; providing technical guidance in negotiating the contract; preparing or clearing all communications related to the project with USAID Missions; preparing all AID Project documentation and correspondence needed either internally within AID or externally, e.g., with the Congress; acting as the liaison with USAID Missions on Project-related matters as well as on compliance with Section

121(d) of the Foreign Assistance Act; and collecting, analyzing and disseminating information on project activities and on the status of AID compliance with Section 121(d) of the FAA. He will be responsible for leading international and external AID evaluations of the Project.

USAID Field Missions. USAID Field Missions will play a major role in the AID management of the project. Since all substantive Project activities will be aimed at problems in the Sahel countries, USAID Missions will be an active participant in day-to-day on-the-ground Project Implementation actions. They will assist in identifying and will approve all in-country project activities; will negotiate all agreements with their host governments; will review and approve the assignment of all field personnel, both short and long-term will ensure the involvement of USAID Project Officers in project activities and will participate in all Project evaluations involving activities in their countries. They will monitor Project activities in their country, providing the liaison between on-the-ground activities and the AID/W Project Officer. An officer will be designated in each USAID to be that Mission's primary contact point for all in-country project activities.

The Mission Controller will be the primary in-country technical contact point for project financial activities. All financial systems, records and reports designed by resident financial management Teams will be submitted to the Mission Controller for his review and approval. He will also provide technical guidance to those teams regarding AID financial requirements, including compliance with Section 121(d) of the FAA.

Other Mission offices, including the Program Office and the technical offices, will also actively participate in project planning and implementation.

b. The Host Country

Annex F-1 to this Project Paper contains a description of host country organizations which will act as counterpart organizations to the resident Financial Management Teams. In each case, a host country organization will be identified as the institutional base for the in-country team, sponsoring all training and consulting activities under the Project, providing counterpart staff to the Project-funded expatriate experts (in addition to those Sahelian team members funded under the project), providing the facilities for group training programs, acting as the liaison between the financial management Team and other host government entities, developing the institutional and funding base for continuing financial management activities after the Project is completed, and participating in Project evaluations.

c. Implementing Agent

AID will contract with a company/organization to perform or arrange for all Project implementation actions and functions. These functions will include developing an overall Project work plan and annual work plans covering all proposed Project activities both in the field and in the U.S.; preparing annual budgets for all proposed activities, by country and by type of Project activity; employing and supporting all Project personnel; conducting the technical assistance and training activities financed by the Project; submitting required reports on Project substantive and financial

activities; and developing internal systems for collecting, reporting and evaluating Project progress and problems.

AID will negotiate an agreement with a contractor to perform or arrange for all Project implementation actions and functions. Responsibilities of the implementing agent can be grouped in four major categories:

- (1) Overall Project implementation planning, coordination, and evaluation.
- (2) Supervision and support of technical assistance and training experts assigned in the field.
- (3) Development and dissemination of training materials.
- (4) Technical program guidance.

Overall Project implementation planning, coordination and evaluation functions will include the following:

- (1) utilizing guidance from AID, prepare guidelines and an overall Project workplan to be used also as a framework for country plans and activities.
- (2) Coordinate planning to integrate country plans and actions into a master Project plan.
- (3) Plan and coordinate long-term and short-term technical assistance and training inputs to ensure cost-effectiveness, technical quality, and consistency.
- (4) Coordinate and manage/monitor the overall Project budget and financial reporting.
- (5) Manage internal/formative evaluations of training and materials.
- (6) Identify opportunities for multi-country Project efforts.

Management and support of the technical assistance and training inputs will include the following specific responsibilities:

- (1) Select and recruit long-term and short-term experts.
- (2) Ensure adequate support, both in the field as well as backstopping support in the U.S. for long-term and short-term experts.
- (3) Supervise all experts assigned.
- (4) Coordinate TDY technical assistance between countries (to achieve cost reduction and effectiveness and to maintain technical quality).

Materials development and distribution functions will include the following:

- (1) Revise and upgrade existing training materials.

- (2) Collect, translate, and distribute additional training materials.
- (3) Create new technical and training materials.

Technical guidance functions will include the following:

- (1) Develop and upgrade technical assistance framework, approaches, and methodologies.
- (2) Provide orientations for long-term and short-term experts.
- (3) Develop and upgrade in-country workshop designs.
- (4) Design regional workshops, and provide a framework for maximum inter-country learning and sharing of experience.

Following is a description of specific organizational elements of the Implementing Agent.

The Project Director shall have primary responsibility for managing and supervising all Project activities of the Implementing Agent, both in the field and in Washington. These activities will include all technical, strategic, financial, administrative and logistics matters. He or she will be responsible for ensuring compliance with the terms of the contract with AID and will be the primary liaison with the AID Project Officer. He will supervise the recruitment and performance of all personnel assigned under the Project, both in the field and in the United States. He will be an experienced financial manager (with a minimum of 15 years of managerial-level financial experience), have considerable experience in developing country environments, have a FSI tested 3,3 in French, and be familiar with AID financial management requirements and practices. He must be prepared to spend considerable time (approximately six months each year) in the Sahelian countries directly participating substantively in, reviewing and evaluating Project activities and ensuring quality performance of the field project staffs.

The Trainer/Materials Expert will be responsible for ensuring that Project training activities are being conducted in a professional, effective manner and that the materials provided under the Project are up-to-date, conform with AID financial requirements, and are effective for the field training and technical assistance programs being conducted under the Project. He or she should have a good knowledge of accounting and management, experienced in current learning methods, curriculum design and group dynamics. He or she should have a FSI 3,3 tested in French, and should also be prepared to spend a considerable portion of his time (approximately six months each year) in the field in Sahelian countries.

The Administrative Assistant shall have the responsibility for performing or arranging the recruiting, contracting, and assignment of all long-term and short-term personnel under the Project; monitoring accounting records and reports on Project activities; and arranging all administrative and logistics support for the Project. He or she should have experience as an office manager, and be aware of and sensitive to administrative arrangements and problems in developing countries.

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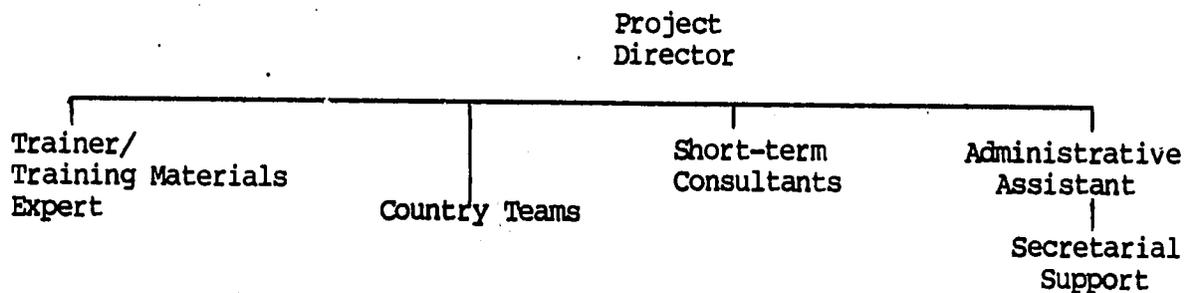
Secretarial support -- is budgeted as a full time position but in reality will be part time with additional help when required.

Short-Term Consultant expertise shall be available to the Project Director, as needed and requested, to provide advice and guidance on such matters as recruitment standards, personnel orientation, curriculum and workshop design, and developing internal project evaluation criteria and systems. This expertise may be arranged either directly within the contract or with outside experts acquired on a subcontract basis. However, costs charged to the Project must be for Project-specific activities, must be performed only at the request of the Project Director, and should not exceed the amount of funds included in the approved Budget.

Country Teams are the primary substantive elements of the project's technical and training assistance. They will be composed of long-term financial management experts, both Sahelian and expatriate, assigned as resident teams in the designated Sahelian countries; and short-term experts as requested by the resident teams for specialized training and technical assistance activities. Although reporting organizationally to the Project Director, their work will be evaluated and guided also by the USAID Mission in the country to which they are assigned.

ORGANIZATION CHART

For Implementing the Sahel Regional Financial Management Project



Annex ESOCIAL ANALYSISIntroduction

The problems of the Sahel region of West Africa (Senegal, Mauritania, Mali, Burkina Faso, Niger, The Gambia, Chad and Cape Verde) have been well documented with droughts and the aftermath of increased development assistance. In order to typify the harsh living conditions faced by Sahelian citizens, it is sufficient to note that the Physical Quality of Life Index (PQLI) for the region is 18 compared with an LDC average of 40; a world average of 65 and the U.S. index of 95. (Source: Overseas Development Council, 1978.) The U.S. Agency for International Development program is carried out within the context of the regional goals outlined by the Comité Permanent Interetats de Lutte Contre la Secheresse dans le Sahel (CILSS) and emphasizes agricultural production and rural development.

This project can be characterized as one of human resource development, as it will increase the number of persons available to the Sahelian states to perform financial management tasks. Since these persons are already involved in implementing USAID programs in agriculture, rural development, health and human resources, the benefits will be felt in better management in all the sectors funded by USAID. Additional benefits will accrue to host government personnel and institutions involved in project activities who will also improve their financial management capability.

The problem of maintaining adequate financial management systems in the Sahel is closely tied to the lack of skilled persons available in all technical fields. Most countries have literacy rates of 10 percent or less and are struggling to meet expanding human resource needs. This project will involve existing host government personnel and provide them with the additional practical on-the-job and specialized training which will allow them to manage the limited financial and human resources at their disposal more efficiently and to meet the increasing needs of development assistance donors and host governments for financial management information.

The project will continue training persons already employed in project management and financial management oversight by the host governments. Persons sent for overseas or third country training will already be employed as host country financial managers, project directors and accountants and will, therefore, not increase public sector employment.

Since the project began in 1982, almost all the Sahelian states which participate in the project have become more concerned about effective resource management. Most have promulgated development policies which mention improved management of resources. With support from the World Bank and a few other donors, many countries are making major management improvement efforts. This supportive policy climate is particularly obvious in The Gambia, Senegal, Mali and Niger. Mauritania is beginning to improve financial management in order to assure adequate and timely distribution of emergency food.

Socio-Cultural Context

Interviews conducted by the project design team in countries determined to require long-term technical assistance under this project revealed that host country project managers and their accountants are eager to develop financial management skills. Opportunities for additional training for project accountants, directors and host government financial managers in workshops and on-the-job training continue to be priorities in the region. Ministries are also interested in improving accounting systems and automating financial monitoring functions.

Project managers (host-country) endorsed the use of a technical assistance team which could work with the management group of a project directly. This ability to provide a "critical mass" of persons working to improve management was viewed as a more effective method of initiating change and progress in financial management practice. Additional short-term training for accountants and project managers was seen as a means of upgrading skills and providing incentives for performance improvement. In-service training programs to upgrade mid and upper level financial management skills were also requested in selected countries (The Gambia, Mali, Niger, Mauritania).

The governmental setting in which this project must operate is therefore positive and should pose no obstacles to its implementation. While extended family pressures on project management to allocate funds to non-project uses is a factor throughout West Africa, it would be unfair to generalize that this socio-cultural phenomenon precludes effective project management. Where government support for accountability is strong, the project manager has legal and administrative basis to resist under pressure. Donor disbursement standards, once communicated clearly, can also reinforce government policies in this regard.

The PP design team has concluded that the socio-cultural as well as political context for the maintenance of adequate accountability standards and the improvement of financial management in the region continues to be positive.

Beneficiaries

The direct beneficiaries of the proposed project will be the project management/personnel project accountants and host government personnel who will be receiving the additional on-the-job training and specialized short courses. At the end of the project these people will add to the core of personnel available to the host governments of the region for continued work with USAID and other donors. In addition, these persons will be in a position to assist their respective ministries and organizations with better financial management at all levels of government but especially the crucial middle management stratum.

The indirect beneficiaries will be the beneficiaries of all USAID projects in the region, both actual and proposed. These persons should be able to experience less delay in service delivery in the projects designed to benefit them. Since transfer of resources has sometimes been slow in the Sahel due to project implementation and absorptive capacity problems, improved financial management practice should lead to improved

resource flow to the beneficiaries and fewer delays in programs due to accountability problems. Progress to this effect has been seen in Phase I of the project.

Participation

The approach to the financial management strategy has been collaborative with host government officials and project managers consulted throughout the design process. The team approach to technical assistance and short-term training will insure that this collaboration continues. The project strategy is drawn directly from the suggestions of the host government project managers and accountants and their continued participation is a key element in the project design. A wide selection of host government officials were interviewed in the determination of needs for Phase II.

Feasibility

Project implementation relies on several factors including availability of personnel and the diversification of institutional foci for project activities.

The project design requires the recruitment of a number of expatriate technical experts in financial management. A sufficient number were found for Phase I and adequate numbers should be available for the subsequent phase.

The recruitment potential for Sahelians with advanced accounting and financial management background was carefully examined in each country requiring long-term technical assistance. Sources for recruitment have been identified in public and private sectors in each country. A core group of professionals exists in each country who would welcome the opportunity to be involved in this project either full-time or part-time.

Considerable information was collected on institutional capabilities in the Sahel as part of the design process. Basic accounting courses while not abundant were judged adequate to meet the present demands for accountants in these countries. Needs exist in most countries for skills upgrading in-country or in regional institutions.

Impact

Contingent upon continued effective collaboration between USAID Missions and host governments, the impact of the project should be to improve greatly the capacity of Sahelian government institutions to manage the financial resources provided by AID and other donors as well as their own funds. This should continue to reduce tension concerning accountability issues where it exists and lead to better management of development and development assistance programs in the future. No negative impact on the Sahelian population is foreseen in this project as no local populations will be required to make any social or physical changes in order to implement the project.

Issues

Key issues affecting the success of this project are outlined in the assumptions column of the Logical Framework Matrix. They are elaborated here to describe the elements external to the project design which are deemed relevant to achieving the objectives.

Donor and Regional Support

Major development assistance donors through the Club du Sahel have been encouraging the Sahelian governments to improve management practices and accountability standards. The World Bank is financing large management programs (e.g. in Niger, Senegal and The Gambia). As this support continues, it will reinforce the concern of other donors such as the United States and provide incentive to the Sahelian governments in developing management capability. This is a reversal of trends in donor assistance which previously concentrated on transfer of resources alone without taking all aspects of absorptive capacity seriously.

Host Government Support

In addition to participating in technical assistance programs for financial management, host governments must show strong policy support for accountability performance. Governments have been showing increasing support throughout Phase I and this is expected to continue.

USAID Management Practice

The findings of the Phase II design team fully support the Recommendation No. 3 of the Auditor General's report 81-35, "Problems in Host Country Accounting for Utilization of AID funds in the Sahel." It states:

The Assistant Administrator, Bureau for Africa, take the necessary steps to ensure that the Project Officers in the Sahelian countries understand and perform their financial monitoring responsibilities. Supplementary financial guidance should be provided to all Project Officers and additional staffing where circumstances warrant.

Without ensuring high levels of competence on the part of AID Project Officers in communicating AID financial management requirements, the effects of technical assistance to individual projects will be greatly reduced. Timely and accurate communication is a key component of project success.

The project also assumes that financial management skills learned in connection with AID projects are transferable to other donor situations. There have been no reported conflicts with other donor initiated systems during Phase I. Since project managers in many instances view AID requirements as more rigorous, this transferability appears adequate for accountability purposes.

The findings of the design team also support Recommendation 2 of the above named report which points to the need for sufficient financial management personnel in USAID Missions to ensure appropriate monitoring.

Project Strategy

The design has assumed that the technical assistance levels proposed will adequately supplement an effective and fully staffed USAID controller operation in selected countries. It also assumes that the emphasis on practical training in the context of each project supplemented with additional workshop-type seminars and training will be the best means of improving financial management practice in the 4 year period. This strategy reflects both training experience and the assistance requested by host government personnel.

Status of Financial Management Professionals

It is hoped that increased donor attention in this field will continue to contribute to increasing the status of accounting and financial management professionals in the region. Improved employment opportunities and increased government concern for accounting can help to interest Sahelians to seek skills and training in this field and away from other over-burdened public employment job categories. This improvement of status is also dependent on increasing private sector demand for accountants and government response to this demand. Project efforts to upgrade professional standards through associations and newsletters are reinforcing this improvement.

Effect on Women

Women participate in this project and benefit from it to the extent that they are already involved in ongoing projects in the Sahel region. Certain projects have women accountants and project managers. These persons are involved with the long-term technical assistance efforts and participate in short-term training made available to each Mission. Although as in Europe and the United States, women are under represented in the accounting field; they have been participating in training already offered in the project and will continue to do so.

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Annex FINSTITUTIONAL ANALYSIS

Institutional development refers to activities which build lasting capacity in financial management in USAID and host government mutually defined priority areas over the life of the project and beyond. Activities may be undertaken and capacity-building achieved through both direct project activities and secondary project benefits either planned or unplanned.

A capacity can be said to be institutionalized when it is maintained by an organization or group because it meets functional needs and has been provided sufficient resources to continue.

In terms of financial management the basic functions to be institutionalized are:

- . basic accounting
- . budgeting/planning
- . asset management
- . financial reporting

These functions then need to be monitored to provide for accountability and use in making management decisions. These monitoring activities are done by follow-up within projects and by audit. The means used to monitor are human (project managers, auditors, controllers) and automated (data processing on computers). Both monitoring activities require that persons being followed understand what acceptable performance is and how to use monitoring feedback to improve it. They require fully trained monitors (e.g. auditors) and a system of incentives to ensure that improved financial management performance is recognized and reinforced.

In order to accomplish these improvements in resource accountability the SRFMP has developed an intervention strategy which focuses primarily at the project level and deals with organizations which effect this level as needed. The second phase requires a broadening of the intervention levels to seek organizations and persons within them that can maintain financial management standards and train others to do so. The long-term institutional objective must be to establish a "critical mass" of accountants and financial managers in each country which know how to manage project resources, monitor their use, design and maintain system to reporting and decision-making, and adapt to needs over time.

In each country included in SRFMP country teams have been able to select targets of opportunity which allow for capacity building in different ways. These choices responded to policy and human resource realities in each country and have often informally realized a good deal of institutional capacity-building.

Table 1 shows that in Phase I SRFMP country teams used a variety of governmental contacts, training institutions and private expertise to fulfill project objectives. In most cases, the appropriate second stage strategy is to continue those organizational relationships which appear to be most conducive to long-term financial management capacity building.

A multiple organizational target approach appears to give the most positive probability of increasing capacity over time. With changes in political climate within countries a regular occurrence in the region, a single governmental or organizational locus for all SRFMP activities in a single country does not necessarily lead to long-term capability. A multi-level approach that attempts to involve key governmental financial managers with project training activities over a period of years can help ensure that in-service training programs, for instance have an opportunity to persist beyond project life.

This approach also reduces recurrent cost issues as joint project programs do not require institutions to hire staff, but instead draw on capacities which exist and create greater demand for services and training programs.

In countries where political shifts have occurred during Phase I (e.g. Burkina Faso), the fact that SRFMP was working at several governmental levels (national and regional) and with more than one institution allowed project activities to continue to build financial management capabilities with USAID projects and outside them despite governmental changes.

An institutional strategy which targets mid and upper level financial managers and accountants as well as project personnel helps to build a more effective human resource base in each country. Implementing training workshops and in-service programs at more than one ministry or training institution increase likelihood of interest in continuing successful programs. Using regional institutions for third-country training provides opportunity to support regional institutions by buying their technical and training services.

In order to suggest opportunities for expanding institutional linkages it is necessary to examine the current institutional base in each country and there draw some overall conclusions. Table 1 summarizes the key institutional points in each country. The analysis assesses current progress and identifies opportunities for future collaborative activity.

Burkina Faso

The country team operating in Burkina Faso has been providing significant amounts of assistance in 121(d) Certification maintenance for the Controllers office. About 50% of team time is currently spent on 121(d) Certification. The SRFMP was originally planned to be operated within the Direction de Controle de Gestion (DCG) of the Ministry of Agriculture (then Rural Development) as requested by the host government in 1982. Reasoning at the time felt that the development of the DCG along with SRFMP allowed the project to become part of long-term host government financial management improvement efforts and provided additional resources from SRFMP to help with staff build-up and training. In lieu of activities with DCG, the project is currently working with the University of Ouagadougou in automating their accounting system and with the Ministry of Agriculture (MOA). Potential project activities with ORD (Organisme Regional de Development) level chief accountants and their assistants appear promising. Accountants have been tested and MOA is interested in having SRFMP train them in basic accounting. Since there are 30 or more ORDs in Burkina, the activity would be a major training effort which could yield important country-wide

results with appropriate follow-up. Targeting mid-level personnel at the regional level could be a very productive capacity building strategy to help Burkina meet its medium term financial management improvement needs.

As government priorities are clarified, other potential areas for institutional capacity-building are with the Ministries of Plan and Water. The Ministry of Plan requires assistance in the monitoring/reporting area in interpreting and using financial management information. Since this ministry works with a range of other ministries, the spread effect from assistance could be substantial. The Ministry of Water would like assistance in planning and designing an accounting system. If this occurs there will be an opportunity to train Ministry of Water accountants in conjunction with system installation.

Given that the GOB is currently completing the re-organization of its development activities, the potential training program for the ORDs provide the greatest opportunity for long-term capacity building. Other opportunities with Ministry of Agriculture, Plan and Water should be carefully monitored. Current GOB development priorities would suggest that a regional approach to training and financial management improvement will be the most successful. As priorities are established, however, possibilities for collaborative training programs with Burkina be institutions should be re-examined, particularly joint training with the Institut Universitaire de Technologie (IUT), and Ecole Nationale d'Administration (ENA) in accounting and financial management.

The Institut Pan-africain de Development (IPD) has regional branch for the Sahel located in Ouagadougou. It can provide non-formal courses in project management and should be a source for regional training in financial management. The government of Niger expressed interest in sending project directors and accountants there for further training. Instructors at IPD form a pool of available expertise for selected regional training programs under Phase II.

Mali

Owing to the fact that the USAID controller in Mali maintains a certification and project monitoring operation within the controller's office, the SRFMP team has been able to concentrate a very comprehensive needs assessment and training program with the host government. Originally the lack of institutional locus in Mali was seen as a drawback, but has been turned into a positive element. Since it was not tied to a Ministry, the SRFMP carefully developed an outreach program through the USAID projects which allows it to work with several Malian governmental offices and institutions simultaneously. In the second phase, these comprehensive contacts can be drawn on to define a few priority areas with the host government on which to concentrate in the next four years.

Since project inception, the government of Mali has taken an increasing interest in management improvement in development programs across all sectors with special attention now being paid to financial management and audit functions. Within this policy climate it should be possible to make significant financial management improvement in Phase II. The creation within ENA of the Cellule de Perfectionnement en Administration et en Gestion (CEPAG) in 1985 provides an appropriate collaborative training institution with which SRFMP can undertake

activities. A joint workshop on accounting was inaugurated in March, 1985 for two months. CEPAG would like SRFMP to consider seconding a team member to its teaching staff to develop financial management curriculum, instruct in workshop training methods and share experience. They would also like to continue to hold training workshops jointly with SRFMP. This allows SRFMP to share materials and resources developed while assisting CEPAG in training other instructors. The other training institution, the Institute de Productivite et de Gestion Previsonnelle (IPGP), can be a source of part-time instructors for SRFMP. In terms of a long-term training collaboration, the ENA objectives and clientele more closely fit the capacity building SRFMP is seeking to advance. As the project enters Phase II, an experimental workshop with IPGP could be undertaken, if all parties agree, in a specific financial management area of mutual interest.

The project has already utilized private sector for training assistance and should continue to use it for specific assistance.

In terms of host government participation in project activities there are two main contact points. The Ministry of Finance where the project protocol contact point is formally established and the Inspection des Services of the Ministry of Agriculture (ISMA) where operational project activities are coordinated. The director of ISMA participates actively in SRFMP workshop and follow-up planning. His office is charged with oversight of a large number of development projects and as such recognizes SRFMP as a major source of training for staff and assistance in establishing guidelines for his internal audit function. In all likelihood this relationships will continue to develop in the next phase of the project. This organization offers an opportunity to easily expand SRFMP activities beyond USAID projects to financial management of Mali's development activities across the board. The second phase opportunity, to move into systems design, installation and training of staff is a logical activity to be carried out jointly with ISMA. The Cellule Administrative et Financier of the Ministry of Agriculture (CAF) is a good focal point for planning and budgeting improvement in the next phase and should be involved in training sessions on this topic.

ISMA staff feel that additional training and follow up is needed for most project accountants and that short-term training in regional institutions could effectively upgrade skills without unduly disrupting work requirements.

The dual focus of training institution (ENA), and government organization (ISMA) will probably offer the best mix for institutional and human resource capacity building in Mali in the second phase of the project.

Senegal

The SRFMP in Senegal has been involved with a range of institutions and has realized a large number of project activities. Significant local institutional human resources exist to supplement project activities and re-inforce institutional capacity-building.

The Bureau of Organization and Methods of the Ministry of Plan (BOM) served as the initial focal point for GOS outreach. This relationship has been mainly bureaucratic and the project has therefore identified a more promising long-term institutional link with the Direction de la Formation

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Permanente, Ministry of Higher Education. This organization is concerned with professional staff skills improvement across ministries and has co-sponsored in-country workshops with SRFMP. This direction is primarily a non-formal training organization with links to all GOS ministries. Its director is well versed in a variety of training methodologies relevant to financial management improvement. The expansion of training efforts to reach more project accountants in the next phase can be jointly undertaken with this unit. Much needed follow-up on effectiveness of training to date could also be undertaken by this Direction which could undertake a study of SRFMP participants on a national level. In this way, the project will begin much needed follow-up activity and be able to determine longer term needs in financial management improvement while building host country monitoring capacity. The other key institutional linkage is with the Direction de Lettle et Investissement of the Ministry of Economy and Finance. This office coordinates donor activities in finance and has regular contact with projects. It is currently involved in an automated accounting/budgeting systems design financed by the World Bank and is receptive to being more closely involved with SRFMP activities particularly workshops. The development of collaborative workshops and meetings with this Direction would seem important in order to have a longer term impact on financial management policy in Senegal.

The key training institution is the Ecole Supérieur de Gestion des Entreprises (ESGE) which has a national and regional function. It trains both private and public sector managers in a range of areas including financial management. There is a two year MBA level program available, a shorter 2 to 3 months specialized program in selected topics and made to order courses which use instructors from ESGE but are held in the clients selected location. These latter courses can be held in Senegal or elsewhere in the region. SRFMP is developing collaborative workshops with ESGE and a last year MBA student from ESGE is currently serving an internship on the SRFMP. All of these activities should continue and expand as ESGE is a good source of both training and consulting expertise for Senegal and the region. Support should be aimed at purchasing training and services, not providing inputs to the institution. The newsletter being produced by the project for the financial manager's association could be produced by ESGE eventually and should move its production and editing functions there or to the non-formal training unit of the Ministry of Higher Education.

Because Senegal has a large number of public and private institutions, the project could easily try to work with too many at once and thereby reduce impact. The current strategy of selecting these key institutions to work with intensively should continue in Phase 2. Continued use of private sector accounting firms, for consulting should be encouraged.

The Gambia

Of all the countries in the region, the Gambia shows some of the greatest promise in terms of long-term institution building due to a positive government climate which SRFMP and the USAID Controllers office has capitalized on. Training efforts to date are incorporated as part of the financial management curriculum at the Management Development Institute (MDI). All mid level accountants, auditors and financial managers receive their training at MDI. The project is working directly with both the Auditor General and Accountant Generals' offices. Opportunities exist in Phase II to

expand this involvement by offering long-term training overseas to a few accountants and auditors who can return and perform training function for other staff members. In Phase II, the project should expand its involvement to include collaboration with a key mid-level auditor and accountant in both of these offices who will be responsible for financial management training and improvement beyond the life of the project.

Because of The Gambia's size, it will be possible to have trained all of the country's mid and upper level financial managers by the end of Phase II. Special training programs in inventory control will allow the Gambia to also train a large number of storeskeepers also. The main task in the Gambia to maximize the three targets for institution building and ensure that a long-term training capacity is in place at projects' end. Care should also be taken to reduce recurrent cost burdens on the MDI created by SRFMP. This should be possible during Phase II with a scaling down of support operations and greater outreach at government level.

The Association of Financial Managers encouraged by SRFMP should move to provide a means for having its newsletter edited and produced by MDI or other organization so that it is not dependent on project support.

Niger

Since SRFMP concentrated its early efforts on assisting the Controller's office in l2l(d) Certification it is only in the last year that project activities have focused on longer term issues. The coordination point with the Ordonnateur Delegee for External funds at the Ministry of Plan offers a very solid point for institutional capacity building. Current work with project accountants can be expanded to include Ministry of Plan financial managers on a regular basis. Longer term in-country training at the Ecole National d'Administration (ENA) and short-term training at the ESGE can be used to upgrade staff capabilities. As in the Gambia, the project should work toward assisting Plan in maintaining a permanent financial management training capability by projects end. The newly created Direction des Etudes et de Prevision which is the training unit of the Ministry of Finance should be invited to have a few participants at SRFMP workshops for information purposes. It should not become another institutional link as it does not handle external financing in Niger.

In addition to ENA which could train accountants for Plan and provide instructors for financial management courses as needed, Niger is developing a new training institution the Centre National de Perfectionnement a la Gestion (CNPG). This institution is new, but is involved in private and public managerial level training through an innovative combination of short seminars and OJT. The project should consider sponsoring a joint financial management workshop with CNPG early in Phase II to see if it can meet some of the GON financial management training needs. Another group already collaborating with USAID, OPEN which works with private enterprise training may also serve future joint training needs.

Although not numerous, private sector firms do provide a resource for part-time instructors in financial management and for systems design.

Mauritania

Since Phase I, SRFMP activities in Mauritania have been limited to short-term needs assessment, the first opportunity to improve financial management substantially should begin in Phase II. Most activities in Mauritania will focus on the Commission for Food Security (CSA) which handles all donor food distribution in the country. The CSA has begun design of a new accounting system which SRFMP will help install, train personnel and monitor through the next four years. A substantial number of accountants will receive QJT in this effort and while most project activities will take place in the CSA, short-term training, workshops and seminars will be provided to other organizations as they are identified. Institutional capacity building will be significant since about 200 persons involved with financial oversight will be trained during the course of the project. The CSA should be able to operate and monitor the system, with adequate staff at projects' end.

Training resources in Mauritania are very limited and some regional short-term training may be needed to supplement project workshops and QJT.

Cape Verde and Chad were not visited by the design team. Institutional efforts in Chad are coordinated with the University. Attention should be given to other long-term capacity building there as the project completes its first year of operation in late 1985.

TABLE 1

Organizations Working With SRFMP

Institutional By Country (May 1985)	Host Government Organizations	Training Institutions	Private Sector Assistance	Training Assistance In-Country	Regional Institutions
Burkina Faso	ORD level: Ministry of Agriculture Ministry of Plan Ministry of Water	University of Ouagadougou	1. Local accounting firms 2. Local data processing firms	-	Institut Pan- african pour Developpement (IPD)
Mali	Inspection des Services, Ministry of Agriculture Cellule Administratif et et financiele, Ministry of Agriculture, Ministry of Finance	ENA (CEPAG)	Cabinet Diarra and other Private firms	ENA IPGP	ENA (CEPAG)
Senegal	Ministry of Econ. & Finance Ministry of Higher Education BOM, Ministry of Plan	ESGE	Local accounting firms	Direction de formation Permanente (Min. of Higher Education). ESGE instructors	ESGE
The Gambia	Auditor general Accountant general Establishment Office	Management Development Institute (MDI)		Local accountants	-
Niger	Ministry of Finance	CNPG	Local accounting	CNPG	-
Mauritania	CSA	-	-	-	-

Annex GVehicle Source and Origin and FAA Section 636(i) Waivers

Problem: Your approval is required to authorize a source and origin waiver from A.I.D. Geographic Code (000) to Code 935 (Special Free World) and the waiver of FAA Section 636(i) for the procurement of seven passenger vehicles financed under the subject project.

Background:

- | | |
|-----------------------------|---|
| (a) Cooperating Countries: | Mali, Niger, Burkina Faso, Chad, Senegal, The Gambia and Mauritania |
| (b) Authorization Document: | Project Paper |
| (c) Project: | Sahel Regional Financial Management Project II Phase II (625-0974) |
| (d) Nature of Funding | Grant |
| (e) Description of Goods: | Seven passenger vehicles and spare parts |
| (f) Approximate value | \$120,000 |
| (g) Probable Source | The cooperating countries, France, or Japan |
| (h) Probable Origin | France or Japan |

Discussion: Section 636(i) of the Foreign Assistance Act of 1961, as amended, provides that none of the funds made available to carry out the Act shall be used to purchase motor vehicles unless such motor vehicles are manufactured in the United States. However, the provisions of Section 636(i) may be waived when special circumstances permit it. Under AID Handbook 1, Supplement B, Section 4C2(d)(1)(b), circumstances which may merit waiving the requirement include "present or projected lack of adequate service facilities and supply of spare parts for U.S. manufactured vehicles."

In addition, AID Geographic Code 941 is the authorized source for grants to RLDCs, such as Mali, Niger, Burkina Faso, Chad and The Gambia and for Senegal and Mauritania the authorized source is Geographic Code 000. Under AID Handbook 1, Supplement B, Chapter 5B4a(7), a waiver may be granted for project goods for "such other circumstances as are determined to be critical to the success of project objectives". Moreover, a waiver to Code 935 requires a certification by you that "exclusion of procurement from Free World countries other than the Cooperating Country and countries included

in Code 000 would seriously impede the attainment of U.S. foreign policy objectives and objectives of the foreign assistance program."

Justification:

The vehicles are essential to the carrying out of the project financial management activities in Mali, Niger, Burkina Faso, Senegal, Chad, Mauritania and The Gambia. Financial Management teams in these seven countries will use the vehicles to visit accounting stations for U.S.-financed development projects. It is essential that they have reliable transport facilities to facilitate timely visits.

Currently, four countries have vehicles under the Phase I project (Niger, Chad, Burkina Faso, Mali). With the expansion of the resident teams to a team leader and two sahelian associates, additional transport is necessary to accomplish project objectives. The vehicles in these four countries are approaching the end of their useful life and would have to be replaced in the future, in any event. The other three countries (Senegal, Mauritania and The Gambia) did not receive vehicles under the Phase I project and have therefore been hampered in carrying out training activities outside the capital cities. The Phase II project, because of its more extensive training program, will require these seven vehicles to provide transportation for resident team leaders and sahelian associates.

At present, there are no active representatives for U.S.-made passenger vehicles in the seven countries. It is critical that there be adequate service facilities and supply of spare parts for motor vehicles for efficient implementation of the project. These special circumstances, therefore, meet the criteria for authorizing a source and origin procurement waiver as identified in Handbook 1B, Chapter 5B4a(7), which states "such other circumstances as are determined to be critical to the success of project objectives."

As there is lack of local U.S. representatives, spare parts, trained mechanics and after-sale service for U.S. vehicles in all seven countries, it is believed that the special circumstances criterion set forth in Handbook 1B, Chapter 4C2d(1)(b), is satisfied and that Section 636(i) should be waived.

Recommendations: For the above reasons, it is recommended that you sign the project authorization to indicate that you:

- (1) Conclude that special circumstances exist which merit a waiver of the provisions of Section 636(i) of the Foreign Assistance Act of 1961, as amended;
- (2) Approve a vehicle procurement source and origin waiver from the Geographic Code 000 to Code 935; and
- (3) Certify that exclusion of procurement from free world countries other than the cooperating country and countries included in Code 941 would seriously impede the attainment of U.S. foreign policy objectives of the foreign assistance program.

Annex H

INITIAL ENVIRONMENTAL EXAMINATION

CATEGORICAL EXCLUSION

PROJECT COUNTRY: Sahel Regional
 PROJECT TITLE: Sahel Regional Financial Management Project Phase II
 PROJECT NUMBER: 625-0974
 FUNDING: FY(s) 86-89 \$12,000,000
 IEE PREPARED BY: Eugene H. Rauch, REDSO/WCA Eugene H. Rauch
 ACTION REQUESTED BY: Dennis Chandler, AFR/SWA Dennis Chandler
 ACTION REQUESTED: Categorical Exclusion

JUSTIFICATION:

This activity meets the criteria for a categorical exclusion in accordance with Section 216.2(c)(2)(i). This project consists solely of technical assistance and training programs which do not include any activities directly affecting the environment (such as construction of facilities, etc.); therefore a categorical exclusion is hereby requested.

CONCURRENCE:

Bureau Environmental Officer

Approved: *Doris L. Boyd*

Disapproved: _____

Date: July 23, 1985

CLEARANCE:

GC/AFR *[Signature]*

Date 7/23/85

Table I
ILLUSTRATIVE BUDGET - LIFE OF PROJECT
DISTRIBUTION BY COUNTRY AND HEAD OFFICE

	<u>Burkina Faso</u>	<u>Chad</u>	<u>The Gambia</u>	<u>Mali</u>	<u>Niger</u>	<u>Senegal</u>	<u>Cape Verde</u>	<u>Mauritania</u>	<u>Total Field Costs</u>	<u>Home Office</u>	<u>Totals</u>
<u>Field Costs (Local Currency)</u>											
Long-term Team Leader. In-country Costs	113900	113900	67400	76800	67000	114600		60000	613600		613,600
Sahelian Associates	167800	126000	31000	173000	73000	167000			837800		837,800
Office Support	280700	181800	170000	160800	200800	228800		28000	1250900		1,250,900
Workshop/Seminars	28000	20000	28000	40000	36000	49000	9000	9000	219000		219,000
Materials Development	24000	24000	48000	9600	21600	23500			150700		150,700
Sahelian Private Consultants	12000	18000	11000	48000	16800	100000			205800		205,800
Training - Third Country	15000	18900	120000	15000	10000	8000	15000	15000	216900		216,900
Total Local Costs	641400	502600	475400	523200	525200	690900	24000	112000	3494700		3,494,700
<u>Home Office Costs (Dollars U.S.)</u>											
Salary and Benefits Team Leaders & H.O. Staff	455400	455400	455400	455400	455400	455400		225000	2957400	671800	3,629,200
Travel and Transportation										246000	246,000
Consultants (Non Add - Country)	---	(180000)	(250000)	(45000)	(90000)	(60000)	(66000)	(45000)		736000	736,000
Other Direct										40000	40,000
Evaluation										225000	225,000
Total Direct Costs H.O.										1783800	
Overhead (65% Field, 100% H.O.)	183300	183300	183300	183300	183300	183300		91700	1191500	671800	1,863,300
Total Direct & Overhead	1280100	1141300	1114100	1161900	1163900	1329600	24000	428700	7643600	2455600	10,099,200
Fixed Fee (10% All Costs)	128000	114100	111400	116200	116400	133000	2400	42900	764400	245600	1,010,000
TOTAL PROJECT COSTS	1,408,100	1,255,400	1,225,500	1,278,100	1,280,300	1,462,600	26,400	471,600	8,408,000	2,701,200	11,109,200

Table 2
Head Office Costs
Illustrative Budget

<u>Description</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Totals</u>
Salary & Benefits	156000	163600	171800	180400	671800
Project Coordinator	45000	47000	49400	51800	
Training Specialist	40000	42000	44100	46300	
Program Assistant	30000	31500	33100	34800	
Secretary	15000	15800	16600	17400	
Subtotal	130000	136300	143200	150300	
Fringe Benefits (20%)	26000	27300	28600	30100	
Travel & Transportation	61500	61500	61500	61500	246000
Project Coordinator	29500	29500	29500	29500	
Training Specialist	32000	32000	32000	32000	
Consultants/Short term	265000	200000	158000	83000	706000
1. Burkina Faso	-0-	-0-	-0-	-0-	-0-
2. Cape Verde	21000	15000	15000	15000	66000
3. Chad	45000	45000	30000	30000	150000
4. Gambia	109000	65000	68000	8000	250000
5. Mali	30000	15000	-0-	-0-	45000
6. Mauritania	15000	15000	15000	-0-	45000
7. Niger	15000	15000	30000	30000	90000
8. Senegal.	30000	30000	-0-	-0-	60000
Other Direct Office Support	10000	10000	10000	10000	40000
Evaluations	-0-	75000	75000	75000	225000
Total direct charges	492500	510100	476300	409900	1,888,800

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Table 3
Head Office Costs
Illustrative Budget

<u>Description</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Totals</u>
Travel & Transportation					
Project Coordinator					
6 Trips @ \$3000	18000	18000	18000	18000	
150 Days @ 75	11250	11250	11250	11250	
Miscellaneous	250	250	250	250	
Subtotal	29500	29500	29500	29500	118000
Training Specialist					
6 Trips @ \$3000	18000	18000	18000	18000	
180 days @ 75	13500	13500	13500	13500	
Miscellaneous	500	500	500	500	
Subtotal	32000	32000	32000	32000	128000
Evaluations					
3 Consultants @ 6 weeks (1 1/2 mo.)		75000	75000	75000	225000
Consultants					
	265000	200000	158000	83000	706000
Burkina Faso	-0-	-0-	-0-	-0-	-0-
Cape Verde	21000	15000	15000	15000	66000
6 weeks need assesment + 1 month per year	21000	15000	15000	15000	
Chad 3 p/m per year	45000	45000	30000	30000	150000
Gambia	109000	65000	68000	8000	250000
Revenue Needs Assesment 2 @ 2 mo.			60000		
Computer systems 1 - 6 weeks		21000			
Auditing 6 weeks 1st - 2 yrs.	21000	21000			
Store keeping needs assesment (6 mo.)	80000				
Storekeeping TA (1 mo) Management Seminar		15000			
2 week per year + m/s	8000	8000	8000	8000	
Senegal					
	30000	30000	-0-	-0-	60000
Inventory Control 1 mo.	15000	15000			
System 1 mo. 1st 2 yrs	15000	15000			
Mali design					
	30000	15000	-0-	-0-	45000
Auditing 1 p/m 1st yr.	15000				
Budgeting " "	15000				
Management " 2nd yr.		15000			
Niger					
	15000	15000	30000	30000	90000
Planning & Budget	15000	15000			
Undefined 2 mo/yr.			30000	30000	
Mauritania					
	15000	15000	15000	-0-	45000
1 mo each 3 yrs. undefined	15000	15000	15000		

Table 4
Country Team Leaders
Illustrative Budget

<u>Description</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Totals</u>
Salary & Benefits	68200	71300	74400	77500	291400
Base & Salary	44000	46000	48000	50000	
Post Differential (25%)	11000	11500	12000	12500	
Fringe Benefits (20%)	11000	11500	12000	12500	
Post Allowance (5%)	2200	2300	2400	2500	
Travel & Transportation	18500	18500	18500	18500	74000
Assignment to Post	3500		3500		
Return to U.S.		3500		3500	
Shipment HHE to Post	15000		15000		
Return HHE to U.S.		15000		15000	
Rest & Recuperation (Family of 4)	3000		3000		6000
Education Allowance	16000	16000	16000	16000	64000
Child at Post	4000	4000	4000	4000	
Child Away	12000	12000	12000	12000	
Furniture & Appliances Replacement	10000		10000		20000
Subtotal Direct	115700	105800	121900	112000	455400

Note:

Estimated cost for Team Leader in The Gambia, Senegal, Chad, Mali, Niger, Burkina Faso and Mauritania (Mauritanian Team Leader will be only for first two years).

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Table 5
MAURITANIA
IN COUNTRY COSTS
ILLUSTRATIVE BUDGET

Description	Year 1	Year 2	Year 3	Year 4	Totals
Team Leader	30000	30000	-0-	-0-	60000
Housing	15000	15000			30000
Utilities	8000	8000			16000
Maintenance	2000	2000			4000
Guard	2000	2000			6000
Travel	3000	3000			
Office Support	23000	5000	-0-	-0-	28000
Vehicle purchase	18000	-0-			18000
Fuel	3000	3000			6000
Maintenance	1500	1500			3000
Insurance	500	500			1000
Workshops/Seminar	-0-	3000	3000	3000	9000
Training					
Short Term (18 p/m) Dakar	-0-	5000	5000	5000	15000

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Table 6
CAPE VERDE
IN COUNTRY COSTS
ILLUSTRATIVE BUDGET

Description	Year 1	Year 2	Year 3	Year 4	Totals
Training					
Short Term Dakar (18 p/m)	-0-	5000	5000	5000	15000
Workshops 2 Per Year	-0-	3000	3000	3000	9000

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Table 7
Senegal
In-Country Costs
Illustrative Budget

Description	Year 1	Year 2	Year 3	Year 4	Totals
Team Leader	26900	27400	29900	30400	114600
Housing	14000	14000	15400	15400	
Utilities/Gen	6000	6300	6600	6900	
Maintenance	900	900	1000	1000	
Guard	3000	3200	3400	3600	
Travel	3000	3000	3500	3500	
Sahelian Assoc.	32000	43000	45000	47000	167000
Salary & Benefits	29000	38000	40000	42000	
Travel	3000	5000	5000	5000	
Office Support	90000	45200	47300	46300	228800
Wages & Benefits	15000	16000	17000	18000	
Lease	6000	6000	6600	6600	
Utilities	1000	1200	1200	1200	
Maintenance	1000	1000	1000	1000	
Supplies	3000	3000	3000	3000	
Maint. Equipment	5000	5000	5000	5000	
Equipment Purchase	18000	2000	2000	0	
Vehicle Purchase	30000	0			
Fuel	3000	3000	3000	3000	
Maintenance	1500	1500	2000	2000	
Insurance	500	500	500	500	
Communications	6000	6000	6000	6000	
Workshops/Seminars	10000	13000	13000	13000	49000
Transportation	3000	4000	4000	4000	
Per Diem	4000	5000	5000	5000	
Other	3000	4000	4000	4000	
Materials Development	5500	6000	6000	6000	23500
Printing	3500	4000	4000	4000	
Other	2000	2000	2000	2000	
Sahelian Private Cons.	25000	25000	25000	25000	100000
Training	0	4000	4000	0	8000
Short Term (12 p/m)	0	4000	4000		
Totals	189400	163600	170200	167700	690900
Fixed Fee (10%)					69090
Total Country Cost					759990

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Table 8
Chad
In-Country Costs
Illustrative Budget

Description	Year 1	Year 2	Year 3	Year 4	Totals
Team Leader	27000	27700	29200	30000	113900
Housing	7000	7000	7700	7700	
Utilities/Gen	13000	13600	14300	15000	
Maintenance	1500	1500	1500	1500	
Guard	2500	2600	2700	2800	
Travel	3000	3000	3000	3000	
Sahelian Assoc.	30000	31000	32000	33000	126000
Salary & Benefits	27000	28000	29000	30000	
Travel	3000	3000	3000	3000	
Office Support	45000	57600	39000	40200	181800
Wages & Benefits	15000	15700	16500	17300	
Lease	0	0			
Utilities	5000	5000	5000	5000	
Maintenance	0	0	0	0	
Supplies	2000	2000	2000	2000	
Maint. Equipment	1000	1000	1000	1000	
Equipment Purchase	8500	2000	0	0	
Vehicle Purchase	0	18000	0	0	
Fuel	5000	5200	5500	5700	
Maintenance	3000	3200	3500	3700	
Insurance	500	500	500	500	
Communications	5000	5000	5000	5000	
Workshops/Seminars	5000	5000	5000	5000	20000
Transportation	2000	2000	2000	2000	
Per Diem	2000	2000	2000	2000	
Other	1000	1000	1000	1000	
Materials Development	6000	6000	6000	6000	24000
Printing	3000	3000	3000	3000	
Other	3000	3000	3000	3000	
Sahelian Private Cons.	3000	4000	5000	6000	18000
Training	8200	8200	2500	0	18900
Short Term	2500	2500	2500	0	
Long Term (Dakar-2)	5700	5700	0	0	
Totals	124200	139500	118700	120200	502600
Fixed Fee (10%)					50260
Total Country Cost					552860

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Table 9
The Gambia
In-Country Costs
Illustrative Budget

Description	Year 1	Year 2	Year 3	Year 4	Totals
Team Leader	15500	15900	17800	18200	67400
Housing	5000	5000	6000	6000	
Utilities/Gen	3000	3200	3400	3600	
Maintenance	1000	1000	1000	1000	
Guard	3500	3700	3900	4100	
Travel	3000	3000	3500	3500	
Sahelian Assoc.	7500	7500	8000	8000	31000
Salary & Benefits	0	0	0	0	
Travel	7500	7500	8000	8000	
Office Support	54500	38500	38000	39000	170000
Wages & Benefits	15000	16000	17000	18000	
Lease	0	0	0	0	
Utilities	0	0	0	0	
Maintenance	5000	5000	5000	5000	
Supplies	3000	3000	3000	3000	
Maint. Equipment	3000	3000	3000	3000	
Equipment Purchase	9000	2000	0	0	
Vehicle Purch.	10000	0	0	0	
Fuel	2500	2500	2500	2500	
Maintenance	1500	1500	2000	2000	
Insurance	500	500	500	500	
Communications	5000	5000	5000	5000	
Workshops/Seminars	7000	7000	7000	7000	28000
Transportation	2000	2000	2000	2000	
Per Diem	3000	3000	3000	3000	
Other	2000	2000	2000	2000	
Materials Development	12000	12000	12000	12000	48000
Printing	6000	6000	6000	6000	
Other (Films)	6000	6000	6000	6000	
Sahelian Private Cons.	2000	3000	3000	3000	11000
Training	30000	30000	30000	30000	120000
Short Term	0	0	0	0	
Long Term	30000	30000	30000	30000	
Totals	128500	113900	115800	117200	475400
Fixed Fee (10%)					47540
Total Country Cost					522940

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Table 10
Burkina Faso
In-Country Costs
Illustrative Budget

Description	Year 1	Year 2	Year 3	Year 4	Totals
Team Leader	27000	27700	29200	30000	113900
Housing	7000	7000	7700	7700	
Utilities/Gen	13000	13600	14300	15000	
Maintenance	1500	1500	1500	1500	
Guard	2500	2600	2700	2800	
Travel	3000	3000	3000	3000	
Sahelian Assoc.	29000	44300	46200	48300	167800
Salary & Benefits	26000	39300	41200	43300	
Travel	3000	5000	5000	5000	
Office Support	90500	61400	64400	64400	280700
Wages & Benefits	15000	15700	16500	17300	
Lease	8000	8000	8800	8800	
Utilities	10000	10500	11000	11500	
Maintenance	2000	2000	2000	2000	
Supplies	4000	4000	4000	4000	
Maint. Equipment	4000	4000	4000	4000	
Equipment Purchase	18000	2000	2000	0	
Vehicle Purchase	15000	0	0	0	
Fuel	5000	5200	5500	5700	
Maintenance	3000	3200	3500	3700	
Insurance	500	500	500	500	
Communications	6000	6300	6600	6900	
Workshops/Seminars	7000	7000	7000	7000	28000
Transportation	2000	2000	2000	2000	
Per Diem	3000	3000	3000	3000	
Other	2000	2000	2000	2000	
Materials Development	6000	6000	6000	6000	24000
Printing	3000	3000	3000	3000	
Other	3000	3000	3000	3000	
Sahelian Private Cons.	3000	3000	3000	3000	12000
Training	0	7500	7500	0	15000
Short Term (18 p/m)					
Totals	162500	156900	163300	158700	641400
Fixed Fee (10%)					64140
Total Country Cost					705540

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Table 11
Niger
In-Country Costs
Illustrative Budget

Description	Year 1	Year 2	Year 3	Year 4	Totals
Team Leader	16000	16300	17200	17500	67000
Housing	6300	6300	6900	6900	
Utilities/Gen	4300	4500	4700	4900	
Maintenance	1100	1100	1100	1100	
Guard	1300	1400	1500	1600	
Travel	3000	3000	3000	3000	
Sahelian Assoc.	32000	45000	47000	49000	173000
Salary & Benefits	29000	40000	42000	44000	
Travel	3000	5000	5000	5000	
Office Support	59700	57100	41300	42700	200800
Wages & Benefits	11000	11500	12000	12500	
Lease	8000	8000	8800	8800	
Utilities	4400	4600	4800	5000	
Maintenance	1200	1200	1200	1200	
Supplies	4000	4000	4000	4000	
Maint. Equipment	1300	1400	1500	1600	
Equipment Purchase	12000	2000	0	0	
Vehicle Purchase	10000	16000	0	0	
Fuel	2800	3000	3200	3400	
Maintenance	1200	1400	1600	1800	
Insurance	1200	1200	1200	1200	
Communications	2600	2800	3000	3200	
Workshops/Seminars	9000	9000	9000	9000	36000
Transportation	2000	2000	2000	2000	
Per Diem	3000	3000	3000	3000	
Other	4000	4000	4000	4000	
Materials Development	5400	5400	5400	5400	21600
Printing	1400	1400	1400	1400	
Other	4000	4000	4000	4000	
Sahelian Private Cons.	3600	4000	4400	4800	16800
Training	5000	5000	0	0	10000
Short Term (12 p/m)	5000	5000	0	0	
Long Term	0	0	0	0	
Totals	130700	141800	124300	128400	525200
Fixed Fee (10%)					52520
Total Country Cost					577720

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Table 12
Mali
In-Country Costs
Illustrative Budget

Description	Year 1	Year 2	Year 3	Year 4	Totals
Team Leader	18000	18600	19800	20400	76800
Housing	6000	6000	6600	6600	
Utilities/Gen	7000	7500	8000	8500	
Maintenance	1000	1000	1000	1000	
Guard	1000	1100	1200	1300	
Travel	3000	3000	3000	3000	
Sahelian Assoc.	32000	45000	47000	49000	173000
Salary & Benefits	29000	40000	42000	44000	
Travel	3000	5000	5000	5000	
Office Support	55100	36100	35100	34500	160800
Wages & Benefits	12000	13000	14000	15000	
Lease	5400	6000	6600	6600	
Utilities	1200	1300	1400	1500	
Maintenance	300	300	300	300	
Supplies	2200	2200	2200	2200	
Maint. Equipment	1000	1000	1000	1000	
Equipment Purchase	8000	5000	2000	0	
Vehicle Purchase	18000	0			
Fuel	2200	2400	2600	2800	
Maintenance	1500	1500	1500	1500	
Insurance	300	300	300	300	
Communications	3000	3100	3200	3300	
Workshops/Seminars	10000	10000	10000	10000	40000
Transportation	2000	2000	2000	2000	
Per Diem	3000	3000	3000	3000	
Other	5000	5000	5000	5000	
Materials Development	2400	2400	2400	2400	9600
Printing	0	0	0	0	
Other	2400	2400	2400	2400	
Sahelian Private Cons.	12000	12000	12000	12000	48000
Training	0	5000	5000	5000	15000
Short Term (8 p/m)					
Totals	129500	129100	131300	133300	523200
Fixed Fee (10%)					52320
Total Country Cost					575520

b3

5C(2) PROJECT CHECKLIST

Listed below are statutory criteria applicable to projects. This section is divided into two parts. Part A. includes criteria applicable to all projects. Part B. applies to projects funded from specific sources only: B.1. applies to all projects funded with Development Assistance loans, and B.3. applies to projects funded from ESF.

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

N/A

Yes

A. GENERAL CRITERIA FOR PROJECT1. FY 1985 Continuing Resolution Sec. 525; FAA Sec. 634A; Sec. 653(b).

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

(a) Congress will be notified

in early FY86

(b) Yes

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

(a) Yes

(b) Yes

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

No further legislation is required.

4. FAA Sec. 611(b); FY 1985 Continuing Resolution Sec. 501. If for water or water-related land resource construction, has project met the standards and criteria as set forth in the Principles and Standards for Planning Water and Related Land Resources, dated October 25, 1973, or the Water Resources Planning Act (42 U.S.C. 1962, et seq.)? (See AID Handbook 3 for new guidelines.)

N/A

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

N/A

6. FAA Sec. 209. Is project susceptible to execution as part of regional or multilateral project? If so, why is project not so executed? Information and conclusion whether assistance will encourage regional development programs.

This is a regional project.

7. FAA Sec. 601(a). Information and conclusions whether projects will encourage efforts of the country to:
- (a) increase the flow of international trade;
 - (b) foster private initiative and competition;
 - (c) encourage development and use of cooperatives, and credit unions, and savings and loan associations;
 - (d) discourage monopolistic practices;
 - (e) improve technical efficiency of industry, agriculture and commerce;
 - (f) strengthen free labor unions.
- (a) N/A
 (b) Yes, by encouraging the use of private accounting firms to provide support services to the project.
 (c) N/A
 (d) N/A
 (e) Yes, by improving the financial management of Governmental organizations and improving the capability of universities and other educational institutions to train people in improved financial management
 (f) N/A
8. FAA Sec. 601(b). Information and conclusions on how project will encourage U.S. private trade and investment abroad and encourage private U.S. participation in foreign assistance programs (including use of private trade channels and the services of U.S. private enterprise).
- N/A
9. FAA Sec. 612(b), 636(h); FY 1985 Continuing Resolution Sec. 507. Describe steps taken to assure that, to the maximum extent possible, the country is contributing local currencies to meet the cost of contractual and other services, and foreign currencies owned by the U.S. are utilized in lieu of dollars.
- N/A
10. FAA Sec. 612(d). Does the U.S. own excess foreign currency of the country and, if so, what arrangements have been made for its release?
- No excess foreign currency exists in the region.

11. FAA Sec. 601(e). Will the project utilize competitive selection procedures for the awarding of contracts, except where applicable procurement rules allow otherwise? Yes
12. FY 1985 Continuing Resolution Sec. 522. If assistance is for the production of any commodity for export, is the commodity likely to be in surplus on world markets at the time the resulting productive capacity becomes operative, and is such assistance likely to cause substantial injury to U.S. producers of the same, similar or competing commodity? N/A
13. FAA 118(c) and (d). Does the project comply with the environmental procedures set forth in AID Regulation 16. Does the project or program taken into consideration the problem of the destruction of tropical forests? Yes
N/A
14. FAA 121(d). If a Sahel project, has a determination been made that the host government has an adequate system for accounting for and controlling receipt and expenditure of project funds (dollars or local currency generated therefrom)? Yes

15. FY 1985 Continuing Resolution Sec. 536. Is disbursement of the assistance conditioned solely on the basis of the policies of any multilateral institution?

No

B. FUNDING CRITERIA FOR PROJECT

1. Development Assistance Project Criteria

- a. FAA Sec. 102(b), 111, 113, 281(a). Extent to which activity will (a) effectively involve the poor in development, by extending access to economy at local level, increasing labor-intensive production and the use of appropriate technology, spreading investment out from cities to small towns and rural areas, and insuring wide participation of the poor in the benefits of development on a sustained basis, using the appropriate U.S. institutions; (b) help develop cooperatives, especially by technical assistance, to assist rural and urban poor to help themselves toward better life, and otherwise encourage democratic private and local governmental institutions; (c) support the self-help efforts of developing countries; (d) promote

(a) The project is designed to have an overall macro economic impact, benefiting the population as a whole, by helping countries improve financial management of AID, and other donor development funds. Improved financial management will therefore help the rural poor by improving the management of both host government and donor funds which are directed to the rural poor.

(b) This project will not affect cooperatives.

(c) This project supports the development efforts of the Sahel countries by providing technical assistance in improvement of financial management practices.

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the participation of women in the national economies of developing countries and the improvement of women's status, (e) utilize and encourage regional cooperation by developing countries?

b. FAA Sec. 103, 103A, 104, 105, 106. Does the project fit the criteria for the type of funds (functional account) being used?

c. FAA Sec. 107. Is emphasis on use of appropriate technology (relatively smaller, cost-saving, labor-using technologies that are generally most appropriate for the small farms, small businesses, and small incomes of the pocr)?

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

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

(d) Women will be participants of the project to the extent to which they are involved in financial management of donor and host government development projects.

(e) The project will encourage regional cooperation by training of participants in neighboring countries and by attending regional meetings.

N/A

The technology employed is the appropriate type. As the capabilities of the host governments increase newer and more advanced technologies will be introduced (e.g. automated accounting systems).

N/A.

No

N/A

"relatively least developed"? (M.O. 1232.1 defined a capital project as "the construction, expansion, equipping or alteration of a physical facility or facilities financed by AID dollar assistance of not less than \$100,000, including related advisory, managerial and training services, and not undertaken as part of a project of a predominantly technical assistance character."

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

Yes, by improving financial management capability in the country they will be better able to manage their resources.

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

The project design team has assessed the capabilities of the people and institutions during the design and used information obtained during the previous project and evaluation. In fact, this project has as one of its objectives the institutionalization of improved financial management practices. The emphasis is on institutionalization within the host government.

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2. Development Assistance Project
Criteria (Loans Only)

- a. FAA Sec. 122(b). Information an conclusion on capacity of the country to repay the loan, at a reasonable rate of interest. N/A
- b. FAA Sec. 620(d). If assistance is for any productive enterprise which will compete with U.S. enterprises, is there an agreement by the recipient country to prevent export to the U.S. of more than 20% of the enterprise's annual production during the life of the loan? N/A

3. Economic Support Fund Project
Criteria

- a. FAA Sec. 531(a). Will this assistance promote economic and political stability? To the extent possible, does it reflect the policy directions of FAA Section 102? N/A
- b. FAA Sec. 531(c). Will assistance under this chapter be used for military, or paramilitary activities? N/A
- c. FAA Sec. 534. Will ESF funds be used to finance the construction of, or the operation or maintenance of, or the supplying of fuel for, a nuclear facility? If so, has the President certified that such use of funds is indispensable to nonproliferation objectives? N/A

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

N/A

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5C(3) - STANDARD ITEM CHECKLIST

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

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

A. Procurement

1. FAA Sec. 602. Are there arrangements to permit U.S. small business to participate equitably in the furnishing of commodities and services financed? Yes
2. FAA Sec. 604(a). Will all procurement be from the U.S. except as otherwise determined by the President or under delegation from him?? Yes
3. FAA Sec. 604(d). If the cooperating country discriminates against marine insurance companies authorized to do business in the U.S., will commodities be insured in the United States against marine risk with such a company? N/A

4. FAA Sec. 604(e); ISDCA of 1980 Sec. 705(a). If offshore procurement of agricultural commodity or product is to be financed, is there provision against such procurement when the domestic price of such commodity is less than parity? (Exception where commodity financed could not reasonably be procured in U.S.)
5. FAA Sec. 604(g). Will construction or engineering services be procured from firms of countries which are direct aid recipients and which are otherwise eligible under Code 941, but which have attained a competitive capability in international markets in one of these areas? Do these countries permit United States firms to compete for construction or engineering services financed from assistance programs of these countries?
6. FAA Sec. 603. Is the shipping excluded from compliance with requirement in section 901(b) of the Merchant Marine Act of 1936, as amended, that at least 50 per centum of the gross tonnage of commodities (computed separately for dry bulk carriers, dry cargo liners, and tankers) financed shall be transported on privately owned U.S. flag commercial vessels to the extent such vessels are available at fair and reasonable rates?

N/A

N/A

No

7. FAA Sec. 621. If technical assistance is financed, will such assistance be furnished by private enterprise on a contract basis to the fullest extent practicable? If the facilities of other Federal agencies will be utilized, are they particularly suitable, not competitive with private enterprise, and made available without undue interference with domestic programs?

Yes
Other federal agencies are not particularly suitable for implementation of this project, although they did implement the previous by virtue of it being the most expedient.

8. International Air Transportation Fair Competitive Practices Act, 1974. If air transportation of persons or property is financed on grant basis, will U.S. carriers be used to the extent such service is available?

Yes

9. FY 1985 Continuing Resolution Sec. 504. If the U.S. Government is a party to a contract for procurement, does the contract contain a provision authorizing termination of such contract for the convenience of the United States?

Yes

B. Construction

1. FAA Sec. 601(d). If capital (e.g., construction) project, will U.S. engineering and professional services be used?

N/A

2. FAA Sec. 611(c). If contracts for construction are to be financed, will they be let on a competitive basis to maximum extent practicable?

N/A

3. FAA Sec. 620(k). If for construction of productive enterprise, will aggregate value of assistance to be furnished by the U.S. not exceed \$100 million (except for productive enterprises in Egypt that were described in the CP)?

N/A

C. Other Restrictions

1. FAA Sec. 122(b). If development loan, is interest rate at least 2% per annum during grace period and at least 3% per annum thereafter?
2. FAA Sec. 301(d). If fund is established solely by U.S. contributions and administered by an international organization, does Comptroller General have audit rights?
3. FAA Sec. 620(h). Do arrangements exist to insure that United States foreign aid is not used in a manner which, contrary to the best interests of the United States, promotes or assists the foreign aid projects or activities of the Communist-bloc countries?
4. Will arrangements preclude use of financing:
- a. FAA Sec. 104(f); FY 1985 Continuing Resolution Sec. 527. (1) To pay for performance of abortions as a method of family planning or to motivate or coerce persons to practice

N/A

N/A

Yes

(1) Yes

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- abortions; (2) to pay for performance of involuntary sterilization as method of family planning, or to coerce or provide financial incentive to any person to undergo sterilization; (3) to pay for any biomedical research which relates, in whole or part, to methods or the performance of abortions or involuntary sterilizations as a means of family planning; (4) to lobby for abortion? (2) Yes
- (3) Yes
- (4) Yes
- b. FAA Sec. 620(g). To compensate owners for expropriated nationalized property? Yes
- c. FAA Sec. 660. To provide training or advice or provide any financial support for police, prisons, or other law enforcement forces, except for narcotics programs? Yes
- d.- FAA Sec. 662. For CIA activities? Yes
- e. FAA Sec. 636(i). For purchase, sale, long-term lease, exchange or guaranty of the sale of motor vehicles manufactured outside U.S., unless a waiver is obtained? Yes, a waiver for the purchase of vehicles outside the U.S. has been applied for with this project document.
- f. FY 1985 Continuing Resolution, Sec. 503. To pay pensions, annuities, retirement pay, or adjusted service compensation for military personnel? Yes

- g. FY 1985 Continuing Resolution, Sec. 505.
To pay U.N. assessments, arrearages or dues? Yes
- h. FY 1985 Continuing Resolution, Sec. 506.
To carry out provisions of FAA section 209(d) (Transfer of FAA funds to multilateral organizations for lending)? Yes
- i. FY 1985 Continuing Resolution, Sec. 510.
To finance the export of nuclear equipment, fuel, or technology or to train foreign nationals in nuclear fields? Yes
- j. FY 1985 Continuing Resolution, Sec. 511.
Will assistance be provided for the purpose of aiding the efforts of the government of such country to repress the legitimate rights of the population of such country contrary to the Universal Declaration of Human Rights? No
- k. FY 1985 Continuing Resolution, Sec. 516.
To be used for publicity or propaganda purposes within U.S. not authorized by Congress? Yes

FINANCIAL ANALYSIS

Project Resources and Funding

The project appears to be adequately funded given the resources specified in the budget. AID funds for project activities should be available when needed, assuming the schedule for obligation can be met. In sum, the financial planning for the project resources and the timing of funding for these resources appears sound.

Methods of Financing

All AID funds are to be used in direct AID procurement, and therefore all payments will be through direct disbursement by AID. This method of financing is an approved method under Payment Verification Policy guidance.

Financial Management Procedures for Project Implementation

As stated above, all AID funding will be financed through direct AID procurement, using standard AID procedures. Project financial management will take place in AID/W with AFR/SWA providing backstopping aided by AFR/CONT and M/FM.

Summary

It appears that overall financial planning and proposed methods of financing for this project are sound, and that adequate consideration has been given to financial management capabilities of the project entities.

July 22, 1985

HUMAN RIGHTS PROCEDURES MEMORANDUM

TO: HA, Fred Ashley

FROM: AFR/PD/SWAP, Satish Shah *SS*

SUBJECT: Human Rights Clearance

The following project:

Title: Sahel Regional Financial Management Phase II
Project
Number: 625-0974
Country: Sahel Regional
Amount: \$12,000,000

is to be authorized in AID/W. This project was not among those reviewed by the Working Group in December 1984. The appropriate materials are attached.

HA concurrence is requested. If we are not notified within 15 days, we will assume concurrence.

TO: AFR/PD/SWAP

FROM: HA

Proceed with authorization.

Request hold authorization pending further review.

F. C. Ashley

Signature
7/26/85

Date

cc: PPC/PDPR, MZak (3894NS)
AFR/SWA, RFriedline

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August 2, 1985

ACTION MEMORANDUM FOR THE DEPUTY ASSISTANT ADMINISTRATOR FOR AFRICA

FROM : AFR/SWA, Dennis M. Chandler LD

SUBJECT : FAA Section 121(d) Determination for Sahel Development Program, Regional Projects whose Funds are Allocated to A.I.D./Washington

REF : Africa Bureau Delegation No 144

Purpose: To make a finding that the Determination set out in FAA Section 121(d) is not required for the Sahel Development Program (SDP) Regional Projects whose SDP funds are allocated to A.I.D./Washington.

Discussion: This request for a Determination deals with those projects whose SDP allotments are made to A.I.D./Washington.

The FAA Section 121(d) Certification and Determination process was placed on a semi-annual schedule beginning in January 1984. The eight Mission Directors and A.I.D. Representatives in the Sahel, the A.I.D. Development Coordinators in Paris and Rome, and the Director of the Office of Sahel and West Africa Affairs in A.I.D./Washington prepare project-by-project Certifications for the projects for which they receive SDP allotments. Those project Certifications are then submitted to you for the Agency's Determination (1) that Sahel Development Program funds are not made available to a foreign government for disbursement and the Determination set out in FAA Section 121(d) is not required, or (2) that Sahel Development Programs funds are made available to a foreign government for disbursement and that the foreign government maintains a system of accounts which provides adequate identification of and control over those SDP funds.

I have executed a Certification for projects whose SDP allotment is to A.I.D/W. My Certification, given as Attachment A, finds that none of the projects covered by my Certification make SDP funds available to a foreign government. I have attached a Determination, given as Attachment B, for your signature.

Recommendation: That you sign the Determination, Attachment B.

Attachments: (A) A.I.D./W Certification
(B) Agency Determination

Draft: AFR/SWA:JProcopio, 3269 U, 8/2/85

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FAA Section 121(d) Projects Certification
and Projects List

I, Dennis M. Chandler, Office Director, Office of Sahel and West Africa Affairs, certify that no Sahel Development Program funds will be made available to any foreign government for disbursement concerning the projects listed below:

<u>Proj. No.</u>	<u>Project Name</u>	<u>Proj Code</u> ¹
625-0934	Sahel PVO Activities	D ²
625-0950.95	Sahel Regional Financial Management	B ³
625-0960.95	Sahel Manpower Development II	C
625-0963.95	Oral Rehydration Therapy (PRITECH)	C
625-0956.95	Energy Initiatives for Africa	C
625-0967.95	Oral Rehydration Therapy (CCCD)	B ³
625-0969.95	Sahel Population Initiatives	C
625-0970.95	Sahel Policy	C

Footnotes:

¹The Project Codes represent the accounting station which will disburse SDP funds. Code B is for another Federal Agency, Code C for a Contractor, and Code D for a Private Voluntary Organization.

²SDP funds are or will be made available to PVO's (Africare, VITA, CRS, and PFP) for ongoing or planned project activities in Senegal, Mali, Mauritania, Burkina Faso, and The Gambia.

³SDP funds will be made available to other Federal agencies, USDA for (0950,95) and the Center for Disease Control (CDC) for (0967.95).



Dennis M. Chandler
Director

Office of Sahel and West Africa Affairs

August 2, 1985
Date

FAA SECTION 121(d) DETERMINATION FOR A.I.D/WASHINGTON,
REGIONAL PROJECTS, A.I.D/W ALLOTMENTS

With reference to the Certification executed by Dennis M. Chandler, Director of the Office of Sahel and West Africa Affairs, dated August 2, 1985, I find the the following listed projects do not entail making Sahel Development Programs funds available to a foreign government and that the Determination set out in FAA Section 121(d) is not required:

<u>Project Number</u>	<u>Project Name</u>
625-0934	Sahel PVO Activities
625-0950.95	Sahel Regional Financial Management
625-0960.95	Sahel Manpower Development II
625-0963.95	Oral Rehydration Therapy (PRITECH)
625-0956.95	Energy Initiatives for Africa
625-0967.95	Oral Rehydration Therapy (CCCD)
625-0969.95	Sahel Population Initiatives
625-0970	Sahel Policy



Alexander R. Love
Deputy Assistant Administrator for Africa



date