

PDBBM650

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 <input checked="" type="checkbox"/> A	Amendment Number 0	DOCUMENT CODE 3
2. COUNTRY/ENTITY DJIBOUTI		3. PROJECT NUMBER 603-0022		
4. BUREAU/OFFICE REDSO/ESA		5. PROJECT TITLE (maximum 40 characters) NON-PROJECT ASSISTANCE		
6. PROJECT ASSISTANCE COMPLETION DATE (PACD) MM DD YY 09 30 90		7. ESTIMATED DATE OF OBLIGATION (Under "B" below, enter 1, 2, 3, or 4) A. Initial FY 88 B. Quarter 4 C. Final FY 89		

8. COSTS (\$000 OR EQUIVALENT \$1 =)						
A. FUNDING SOURCE	FIRST FY 88			LIFE OF PROJECT		
	B. FX	C. L/C	D. Total	E. FX	F. L/C	G. Total
AID Appropriated Total						
(Grant)	(250,000)	(-)	(250,000)	(250,000)	(-)	(250,000)
(Loan)	(-)	(-)	(-)	(-)	(-)	(-)
Other U.S.						
1.						
2.						
Host Country						
Other Donor(s)						
TOTALS	250,000		250,000	250,000		250,000

9. SCHEDULE OF AID FUNDING (\$000)									
A. APPROPRIATION	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) ES	910	910		250,000		250,000		250,000	
(2)									
(3)									
(4)									
TOTALS				250,000		250,000		250,000	

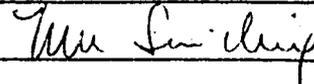
10. SECONDARY TECHNICAL CODES (maximum 6 codes of 4 positions each)						11. SECONDARY PURPOSE CODE			
12. SPECIAL CONCERNS CODES (maximum 7 codes of 4 positions each)									
A. Code									
B. Amount									

15. PROJECT PURPOSE (maximum 450 characters)

This \$250,000 will fund contracts for two PSC's resident in Djibouti to ensure a successful transition from project to non-project assistance. Approximately \$137,000 will fund a U.S. PSC for 13 months, and the remaining \$113,000 will fund a local hire Djiboutian program assistant for two years, plus office logistics.

14. SCHEDULED EVALUATIONS					15. SOURCE/ORIGIN OF GOODS AND SERVICES				
Interim	MM	YY	MM	YY	Final	MM	YY		
	1	2	8	8		0	9	9	0
					<input checked="" type="checkbox"/> 000 <input type="checkbox"/> 941 <input checked="" type="checkbox"/> Local <input type="checkbox"/> Other (Specify)				

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

17. APPROVED BY	Signature				18. DATE DOCUMENT RECEIVED IN AID/W, OR FOR AID/W DOCUMENTS, DATE OF DISTRIBUTION
	Title	Date Signed	MM	DD	
	ACTING DIRECTOR, REDSO/ESA		0	8	3
			0	8	3

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ACTION MEMORANDUM FOR THE ACTING DIRECTOR, REDSO/ESA

Prindle

FROM Deborah Prindle, Acting Chief, Projects Division

SUBJECT: Djibouti: Authorization and Obligation of FY 1988 Funds for Technical Assistance to Support the NPA Program (603-0022)

I. ACTION REQUESTED:

This memorandum, which serves as a Project Paper for the technical assistance portion of the Djibouti Non-Project Assistance Program, seeks your approval to authorize an additional \$250,000 from the FY 1988 Economic Support Fund appropriation to provide technical assistance to support the NPA Program. It is planned that at least \$113,215 will be obligated through signature of a local hire PSC contract during the fourth quarter of FY 1988. The remaining \$136,785 can be obligated by signature of a U.S. PSC contract as soon as the candidate's security clearance is approved; this may entail delay until FY 1989.

II. DISCUSSION:

A. Background

A \$3.0 million cash grant was provided from the FY 1988 Economic Support Fund to the Government of Djibouti as budget support to reduce its deficit and thereby support economic and political stability in the country. REDSO/ESA, with the assistance of the American Embassy in Djibouti, has the primary responsibility for administering the NPA cash grant (603-K-601).

B. Project Description

A REDSO Project Committee, chaired by a Project Development Officer, will backstop implementation of the NPA program. The REDSO Project Development Officer (PDO) will monitor NPA implementation and assist with host country negotiations during TDY's in Djibouti as needed.

In order to assist REDSO/ESA to fulfill its management responsibilities for the NPA Program, and to assist the GROD to

make the transition from receiving project to non-project assistance, a U.S. PSC and a local PSC will be hired by REDSO/ESA to work out of the American Embassy Djibouti (see attached PIO/T's). The present authorization of \$250,000 from the ESF account will be used to finance these two positions. REDSO/ESA will supervise both officers, but the day to day support for housing, office space, office supplies, and local transport will be provided directly by the Embassy.

The US PSC will assist the GROD to make the transition from receiving project to non-project assistance for 13 months. The U.S. PSC contract will include adequate funding for housing, in addition to salary, differentials, benefits, shipping, and the cost of periodic travel to Nairobi to consult with the REDSO Project Committee. The Djiboutian PSC will be hired under a second PSC contract for 2 years, and this individual's contract will obligate funds for office rental and maintenance, office supplies, and vehicle maintenance and operations. All logistical support funds obligated in the two PSC contracts will be administered by REDSO/ESA and RFMC, with assistance from the Administrative Officer of the U.S. Embassy in Djibouti.

REDSO will evaluate the performance of this resident technical assistance in early FY 1989 and early FY 90 as part of the process of preparing a PAIP and PAAD for the anticipated FY 1989 and 1990 NPA's. Inasmuch as these evaluations are planned to be in-house management reviews, no funds from the grant have been budgeted for this purpose.

The U.S. PSC will work closely with a wide range of Djiboutian ministries (i.e. Finance, Foreign Affairs), ministerial departments (Department of Fisheries) and parastatals (ISERTS - an energy planning agency, and Djiboutian Housing Authorities) to ensure an orderly transition from A.I.D.'s current management of a project portfolio to establishment and operation of a new A.I.D. cash transfer assistance mechanism. Responsibilities will be as follows:

1. Assist REDSO/ESA with monitoring and evaluation of the FY 88 Non-Project Assistance (NPA) I, and design of FY 89 NPA II;
2. Draft final Project Implementation Reports (PIR's) and project close-out reports for projects ending in FY 88 (Energy, Fisheries, and Training);
3. Draft semi-annual PIR's for on-going projects and programs (NPA's I and II, the new IGADD grant(s), and the Housing and Urban Development Project);

4. Assist the GROD to prepare quarterly financial reports on NPA funds;
5. Report to REDSO/ESA on GROD use of local currencies freed up in the Djiboutian budget by NPA assistance;
6. Train a local Djiboutian PSC employee to assume full responsibility for program monitoring and liaison with REDSO/ESA by conclusion of the U.S. PSC's contract period; and
7. Assist REDSO and the U.S. Embassy to address A.I.D. issues of a more general nature, including design and monitoring of grants to IGADD (the Inter-Governmental Authority on Drought and Development).

The local hire PSC will serve as a Program Assistant to the U.S. PSC, and will assist him/her with all the above tasks.

After conclusion of the U.S. PSC's contract o/a November 1989, the local PSC will assume full responsibility for program monitoring and liaison with REDSO/ESA with day-to-day guidance from the U.S. Embassy Djibouti.

Supervision:

Both PSC's will be supervised by the REDSO/ESA Project Development Office. The American Embassy/Djibouti will provide day-to-day guidance to the contractors.

The U.S. PSC will be responsible for providing assignments for work performed by the local hire Djiboutian PSC Program Assistant, and must ensure that this assistant is capable of undertaking all A.I.D. liaison tasks independently within the Embassy by completion of the U.S. PSC's contract.

Logistic Support:

Project funds are budgeted to support rental, maintenance, and furnishing of an office and residence, operation of an office vehicle, and purchase of office supplies. The American Embassy will provide administrative support for leasing and repairs to vehicles and property. Vouchers will be sent to the REDSO/ESA PDO for administrative approval and processing by RFMC Nairobi. Expenditures over \$500 will require prior approval by the REDSO PDO. RFMC is preparing guidance for the American Embassy on the handling of logistic support funds for issuance in a letter under the signature of the REDSO Director.

The American Embassy Djibouti will provide secretarial services and use of an Embassy driver as needed as for any other Embassy section, without distinction and/or attribution of cost.

C. Budgets

The budgets for the two staff are as follows:

1. Illustrative Budget for U.S. PSC

	<u>U.S. Dollars</u>
Personal Compensation (13 months at \$3,125/mo.)	40,625
Post Differential (25 percent)	10,156
Sunday Differential	2,031
FICA (7.51 percent)	3,966
COLA	6,507
Packing, Storage & Transport of HHE and UAB	30,000
Travel to Post and Return	4,500
Nairobi Consultations (3 r/t from Djibouti plus 5 days per diem per trip)	3,000
Other Direct Costs (health & life insurance, medical emergency)	500
Miscellaneous (visas, shots, medical exams, etc)	<u>500</u>
Sub-Total	101,785

Logistical Support

PSC residence rent, maintenance, utilities	<u>35,000</u>
Sub-Total	35,000
TOTAL	136,785 =====

2. Illustrative Budget for Local PSC

Salary, fringes and bonuses for 2 years	41,962
GROD Health and Retirement Benefits for 2 years	4,239
Set-aside for Hospitalization if required	<u>3,000</u>
Subtotal	49,201

LOGISTICAL SUPPORT

Office rent, maintenance, utilities	52,000
Office supplies, vehicle operations	<u>12,014</u>
Subtotal	<u>64,014</u>
Grand Total	113,215

C. Legal Requirements

1. Congressional Notification: On February 8, 1988, a Congressional Notification cleared the Hill without comment which provided for the use of \$250,000 of FY 1988 NPA funds for a PSC.
2. Request for Assistance: In the original request for the NPA Program the GROD asked for a continued A.I.D. presence in Djibouti. (See February 15, 1988 letter attached).
3. IEE: As with the NPA cash transfer, the provision of technical assistance is also eligible for a categorical exclusion under REG 16, Section 216.2 (c) (2).
4. Statutory Checklist: The original PAAD Statutory Checklist is unchanged.

III. AUTHORITY

Under Delegation of Authority 551, the REDSO/ESA Director is authorized to amend project authorizations executed by any A.I.D. official unless: the amendment will result in a total LOP of more than \$30 million; the amendment presents significant policy issues or deviates from the original project purpose; or the amendment requires issuance of waivers that must be approved by the Administrator. These exceptions are not present in this instance.

IV. RECOMMENDATION

It is recommended that you approve this memorandum as a PP for the technical assistance portion of the Djibouti Non-Project Assistance Program, and sign the attached PP Facesheet thereby authorizing an additional \$250,000 from the FY 1988 ESF appropriation for providing technical assistance to support the NPA Program. It is also recommended that you sign the attached PAAD facesheet Amendment No. 2 which cancels our previous

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addition of the funds for technical assistance as Amendment No. 1 to the PAAD authorization.

APPROVED: Tom Sinding

DISAPPROVED: _____

DATE: 8/3/88

Attachments:

- A. PAAD Facesheet Amendment
- B. PP Facesheet
- C. PIO/Ts for Technical Assistance Contracts
- D. AID/W Cable providing additional funding as AID/W fund cites. New fund cites will need to be issued by AFR/DP to the field after PP approval.

Drafter: REDSO/PRJ:DPrindle:8/1/88

Cleared: REDSO/RLA:BBarrington: (SUBS)

RFMC: AHullung: TZ

VPD
Date: 8/01/88
Date: 8/2/88

UNCLASSIFIED

STATE 104946

CHRON COPY *RFMC FILE*

ACTION: RFMC - 5

05-APR-88 TCR: 03:29
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FM SECSTATE WASHDC
TO RUQNEJ/AMEMBASSY DJIBOUTI IMMEDIATE 7839
INFO RUEHNR/AMEMBASSY NAIROBI IMMEDIATE 8242
BT
UNCLAS STATE 104946

AIDAC, NAIROBI FOR RFMC

E.O. 12356: N/A

SUBJECT: ESF ALLOWANCE

1. APPROPRIATION 72-118/91037, BUDGET PLAN CODE GES8-88-31603-KG31 (ALLOWANCE 870-61-603-00-50-81) ESTABLISHED FOR DOLLARS 3,000,000 FOR PROJECT 603-0022. PROGRAM SUPPORT GRANT (CASH TRANSFER). GRANT NO. 603-K-601 APPLIES.

2. APPROPRIATION 72-118/91037, BUDGET PLAN CODE GES8-88-31603-KG39 (ALLOWANCE 870-61-603-00-53-81) ESTABLISHED FOR DOLLARS 250,000 FOR PROJECT 603-0022, PROGRAM SUPPORT GRANT (TECHNICAL ASSISTANCE). GRANT NO. 603-K-601A APPLIES.

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STATE 104946

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ACTION TO	
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Ministère des Affaires étrangères
et de la Coopération

LE MINISTRE

N° SS/Amb/88 /MAEC

Djibouti, le 1-5-FEV-1988

وحدة - مساواة - سلام

وزارة الخارجية والتعاون

الوزير

رقم

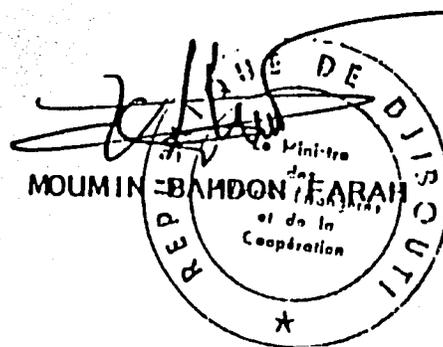
Monsieur le Chargé d'Affaires,

J'ai l'honneur de porter à votre connaissance que le Gouvernement de la République de Djibouti souhaite obtenir du Gouvernement des Etats Unis d'Amérique une subvention d'assistance non-projet d'un montant de 3 millions de dollars américains dans le but soit de poursuivre les projets en cours ou de soutenir la balance des paiements.

Vous serez informé de la destination définitive dans les prochaines semaines.

D'autre part, en relation avec cette subvention, le Gouvernement de la République de Djibouti vous demande en plus de rendre disponible les fonds nécessaires pour maintenir la présence de l'A.I.D. à Djibouti au moins pour une période de quatre ans.

Je vous prie de croire, Monsieur le Chargé d'Affaires, à l'expression de ma haute considération.



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MONSIEUR LE CHARGE D'AFFAIRES
DE L'AMBASSADE DES ETATS UNIS
D'AMERIQUE A DJIBOUTI

Ministry of Foreign Affairs
and Cooperation

The Minister

No. 55/AMB/88 MAEC

Djibouti-15 February 1988

Mr. Charge d'Affaires,

I have the honor to bring to your attention that the Government of the Republic of Djibouti wishes to obtain from the Government of the United States of America a grant of non-project assistance in the amount of three million American dollars for the purpose of pursuing the type of activities already in progress or to support the balance of payments.

You will be informed in the coming weeks how the money will be spent.

Moreover, concerning this grant, the Government of the Republic of Djibouti requests you in addition to make available sufficient funds to support the presence of A.I.D. in Djibouti for a period of four years.

Please accept Mr. Charge d'Affaires, the expression of my high consideration.

(signed) Moumin Bahdon Farah