

**RESTRICTED**

**TAR:PRC 26188**

**ASIAN DEVELOPMENT BANK**

*This Report has been prepared for  
the exclusive use of the Bank.*

**TECHNICAL ASSISTANCE**

**(JSF-Financed)**

**TO THE**

**PEOPLE'S REPUBLIC OF CHINA**

**FOR INTEGRATED RURAL DEVELOPMENT**

**FOR MINORITY AREAS**

**May 1993**

### CURRENCY EQUIVALENTS

(as of 1 May 1993)

Currency Unit	-	Yuan (Y)
Y 1.00	=	\$ 0.1746
\$ 1.00	=	Y 5.7258

The exchange rate of the yuan is based on a weighted basket of currencies of the major trading partners of the People's Republic of China.

### ABBREVIATIONS

ABC	-	Agricultural Bank of China
ADTA	-	Advisory Technical Assistance
CP	-	Community-based Project
IA	-	Implementing Agency
PRC	-	People's Republic of China
SNAC	-	State Nationalities Affairs Commission

### NOTES

- (i) The fiscal year (FY) of the Government ends on 31 December.
- (ii) In this Report, "\$" refers to US dollars.

## I. INTRODUCTION

1. In late 1992, the Government of the People's Republic of China (the PRC) requested the Bank for technical assistance (TA) to prepare an investment project for ethnic minority communities in the southwest part of the country, based on the recommendations made by a previous Bank-financed advisory technical assistance (TA)<sup>1/</sup>. A Bank Fact-Finding Mission visited the PRC from 7 to 22 January 1993. The Mission conducted field visits to the provinces of Yunnan, Guizhou and Guangxi and held discussions with potential beneficiaries and officials at all levels of the Government. This TA proposal is based on the Mission's findings and the understandings reached with the Government<sup>2/</sup>.

## II. BACKGROUND AND RATIONALE

### A. Background

2. Ethnic minorities in the PRC total about 91 million people and consist of about 55 ethnic groups. They are located primarily in three provinces in the southwest, i.e. Yunnan, Guizhou and Guangxi-Zhuang. These provinces are underdeveloped and poor, compared with the rapidly developing central and coastal regions of the country. The disadvantaged position of the three provinces is illustrated by the following socioeconomic indicators: (i) about half of the prefectures<sup>3/</sup> in each province have an annual income of \$53 (in 1991 prices) compared with the national average of \$370; (ii) about 50 per cent of the rural population is underemployed; (iii) the average land holding per family of 0.4 hectare (ha) is very small; (iv) the level of literacy (about 60 per cent) is lower than national average; (v) about half of the rural communities do not have easy access to roads and transport services; (vi) most communities do not have potable water supply, electricity, schools, and health services; and (vi) the existing rural industries (e.g. marble and sugar processing) lack appropriate machinery and infrastructure.

3. In the 1980s the Government initiated a nationwide poverty-reduction program. Although the program made some progress in channelling development resources to the interior provinces, it was ineffective in addressing the disparities in economic growth between these provinces and the more developed coastal ones. Furthermore, market reforms and price adjustments introduced during this period exacerbated the regional disparities by benefiting primarily the coastal provinces. Provinces such as those in the southwest also lack private investment because of their remote location and poorly developed road and market network.

4. In recognition of the situation, the Government's Eighth (1991-1995) Five Year Plan included a program to provide more development resources to disadvantaged provinces. In response, the Bank approved an advisory TA in 1990 to develop a rural development

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<sup>1/</sup> TA No. 1356-PRC: Integrated Rural Development of Selected Provinces in Southwest China, for \$597,000, approved on 17 August 1990.

<sup>2/</sup> The TA first appeared in ADB Business Opportunities in August 1992.

<sup>3/</sup> A prefecture is an administrative subdivision of a province. Prefectures are composed of a number of counties.

strategy for the three southwest provinces. The advisory TA recommended using an integrated approach to address the multiple factors related to poverty in that region -- depleted natural resources, limited access to basic social, credit and marketing services, inappropriate land use, low agricultural productivity, poor education and skills, and limited nonagricultural employment opportunities.

5. The advisory TA recommended a ten-year development program to address directly the needs of the different poverty groups in the three provinces. The program is aimed at increasing income-generation opportunities and improving access to basic social services. It comprises 160 project proposals generated from consultations with the target communities and the concerned government agencies in selected counties in the three provinces. The proposals range from income-generating activities such as cash crop production, agro-processing, tree planting and small-scale enterprises, to construction of simple water-catchment units for household use, irrigation systems, roads and small reservoirs.

6. The implementation strategy would be to encourage local communities to select from the list of project proposals, a package of activities suited to local conditions and their preferences. Each package of activities would be financed as a discrete "Community Project" (CP). Each CP would be implemented in an integrated fashion to achieve a synergistic impact on the community as a whole. Specifically, the activities would concentrate on improvement in five areas:

- (i) increase access to basic social services for all households in the community;
- (ii) generate economically and environmentally sustainable increases in agricultural productivity;
- (iii) stabilize and conserve the natural resource base (forest, water and soil resources);
- (iv) increase rural enterprise options; and
- (v) build appropriate infrastructure to support (ii) and (iv).

7. Using this strategy, the State Nationalities Affairs Commission (SNAC), the Executing Agency has implemented 18 pilot CPs in the three provinces. SNAC acted as the coordinator among the different local government bureaus to channel technical services to the project sites. Funds for the pilot activities have been raised through beneficiary contributions, loans from the Agricultural Bank of China (ABC), leases in-kind, subsidies from the local governments and, in some cases, service charges on farmers. All the projects are currently still under implementation and are demonstrating encouraging results. Nonetheless, being small pilot efforts, the impact of the 18 pilot CPs has been limited to benefitting a small number of families at each project site rather than whole communities. The Mission and the Government agreed that a larger, more focussed investment project would be required to increase beneficiary coverage and simulate economic growth at a level that would generate more widespread effects.

## B. Rationale

8. Since the Government's experience and institutional capability is limited, it needs technical assistance to design a larger investment project along the lines recommended by the advisory TA. Detailed economic, financial, social, institutional and environmental impact analyses will be required to appraise the feasibility, investment potential, financing requirements and potential poverty-reduction impact of the program.

9. From a broader perspective, the TA is justified because: (i) the investment proposal that will result from the TA will be the Bank's first involvement in support of a poverty reduction program focussing on the more remote and poorer provinces in the PRC, and could provide the basis for encouraging support from other aid agencies; (ii) the approaches developed could be applied to other Bank DMCs; and (iii) SNAC, the designated Executing Agency has demonstrated its commitment and competence in establishing and implementing pilot activities and is seeking assistance to strengthen its institutional capacity for formulating a larger development program. Being poverty-oriented and targeted on the undeveloped provinces, the TA is also consistent with the Bank's medium-term development priorities and country operational strategy for the PRC.

## III. THE TECHNICAL ASSISTANCE

### A. Objective and Scope

10. The objective of the TA is to assist the Government in designing an investment project to support about 40 CPs benefiting poor rural communities in the provinces of Yunnan, Guizhou and Guangxi-Zhuang. The TA would: (i) develop criteria for selecting CPs that will meet the objectives of the development program formulated under the advisory TA and are themselves economically, environmentally and socially sound; (ii) develop a financing plan delineating funding requirements from Government and external sources; (iii) recommend measures that would ensure the self-sustainability of the community projects; (iv) develop appropriate implementation and financing arrangements with respect to the roles of the different levels of Government and beneficiary communities; and (v) if necessary, propose a training program for relevant government agencies and communities.

### B. Implementation Arrangements

11. The Executing Agency will be the State Nationalities Affairs Commission (SNAC) of the PRC. SNAC will be responsible for the general administration and coordination of the TA with central and local government agencies. The provincial governments of Yunnan, Guizhou and Guangxi-Zhuang will work as the Implementing Agencies and assist SNAC in conducting field studies. SNAC will appoint a senior level officer who will act as the counterpart Project Director for the TA. Each Implementing Agency will appoint a project manager in consultation with the Executing Agency. Project offices will be established in Beijing and each province. SNAC and the Implementing Agencies will assign counterpart professional and supporting staff (interpreters, secretaries and drivers) to assist the consultants and will provide suitable office space and amenities.

12. The TA will be undertaken over a period of five months by an international consulting firm or educational/research institution, to be recruited by the Bank in accordance with the Bank's Guidelines on the Use of Consultants. The firm or institution will be responsible for recruiting a team of 4 international and 21 local consultants with appropriate qualifications to undertake the tasks as described in the terms of reference in Appendix 1<sup>1/</sup>. The Executing Agency will provide a list of suitable local consultants prior to issuing invitations to bid, although it is understood that the consulting firms may select individual local consultants who are not on the list. The total services provided by the international consultants will amount to 12 person-months. A total of 45 person-months will be provided by the local consultants.

13. The consultant team, in cooperation with the counterpart staff from SNAC and the Implementing Agencies will submit an inception report at the end of the first month of the TA and a draft final report at the beginning of the fifth month. A tripartite meeting will be convened to discuss the draft final report. The final report incorporating comments from the Government and the Bank will be submitted before the end of the fifth month.

#### C. Cost Estimates and Financing Plan

14. The total cost of the TA is \$644,000, of which the foreign exchange cost and local currency cost are \$364,000 and \$280,000, respectively. The entire foreign exchange cost and \$186,000 equivalent of local currency cost will be financed by the Bank on a grant basis from the Japan Special Fund. The Government will provide the remainder of the local currency cost. The major items are the costs for international and local consultants including remuneration, per diem, travel, communications and reporting. To facilitate field work in the three provinces, two vehicles will be procured. The detailed cost estimates and financing plan is in Appendix 2.

15. The total cost of the proposed project is currently estimated at \$40-50 million. The foreign currency requirements will be determined during the course of the TA. The Government has been informed that approval of this TA does not necessarily commit the Bank to finance any project that may result from this TA.

#### IV. THE PRESIDENT'S DECISION

16. It is considered that the proposed TA to the Government of the People's Republic of China is necessary for the purpose of the Integrated Rural Development for Minority Areas Project. The President, acting under the authority delegated to him by the Board, has approved the provision of technical assistance, on a grant basis, in the amount not exceeding the equivalent of \$ 550,000. The President hereby reports his action to the Board.

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<sup>1/</sup> All consultants will be recruited in accordance with the Bank's Guidelines on the Use of Consultants.

**DETAILED TERMS OF REFERENCE FOR CONSULTING SERVICES****A. General**

Under the technical assistance (TA), a team of consultants (the team) will assist the Executing Agency i.e. the State Nationality Affairs Commission (SNAC) of the People's Republic of China (the PRC) in designing an investment project, Integrated Rural Development for Minority Areas (the Project). The Project is expected to be the first phase of a large investment program to support community-level initiatives aimed at increasing income-generation opportunities for, and improving living conditions of, the rural poor, particularly ethnic minorities in the southwest region. The Project design will be based on findings and recommendations of the preceding advisory TA<sup>1/</sup> for the Project, the achievements of pilot activities being implemented by SNAC, and discussions with SNAC and other relevant government agencies and beneficiaries.

The Project will support about 40 community projects (CPs), each comprising a package of activities designed for the following purposes: (i) increase access to basic social services; (ii) generate economically and environmentally sustainable increases in agricultural productivity; (iii) address site-specific environmental and natural resource degradation problems; and (iv) increase rural enterprise employment opportunities and build appropriate infrastructure to support (ii) and (iv).

The consultant team will undertake two main tasks. First, the team will develop criteria for selecting 40 CPs in the three target provinces that will meet the Project's objectives and beneficiaries' preferences. Based on the selection criteria developed and in consultation with SNAC and Implementing Agencies (IAs), the team will identify about 40 CPs to be covered by the Project. Second, the team will formulate the Project design, encompassing the selected CPs, a financing plan delineating funding from government and external sources, and appropriate implementation and financing arrangements with all relevant implementation agencies (IA) at each level of the government (central, provincial, prefectural and county) and with groups representing the beneficiaries (womens' groups, farmer organizations, water-users associations, etc.). If necessary, the Project design should include a training component for relevant government personnel and farmer groups and to increase the absorptive capacity of beneficiary communities for externally financed activities.

The team will be responsible for all feasibility studies necessary to appraise the economic, financial, institutional, social and environmental soundness of the CPs and the Project as a whole. The team shall review ongoing pilot activities initiated by SNAC, with respect to the selection criteria applied, major implementation issues encountered, financing and managing arrangements and possibilities of enlarging their scope and coverage. The Government will provide logistical and secretarial support and relevant information from secondary sources.

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<sup>1/</sup> TA No. 1356-PRC: Integrated Rural Development of Selected Provinces in Southwest China, for \$597,000, approved on 17 August 1990.

(Reference in text: page 4, para. 12)

The consultant team will comprise 4 international consultants with appropriate expertise in, but not limited to, rural development, economic and financial analysis, social soundness analysis, and environmental impact assessment. They will be assisted by 21 local consultants (seven for each province). In addition to the same fields required for international consultants, expertise to be covered by local consultants will include agronomy, animal husbandry, agro-processing, agro-forestry, civil and/or irrigation engineering and institutional development. Guidelines for the team are provided in the terms of reference detailed below.

The team shall have a good understanding of the major findings and recommendations of the report prepared under the Bank-financed advisory TA. They are also required to be conversant with participatory approaches to designing development projects, and the Bank's guidelines on social, economic and financial analysis and environmental assessment<sup>1/</sup>. Since the success of the CPs will necessarily require integrated implementation of related activities, the team must apply lessons from previous experience with integrated rural development approaches and specifically, the Bank's evaluation record on such projects. Given the community-level emphasis of the Project and the importance of effective communication with local consultants and counterpart staff, it is preferable that the international consultants can speak Chinese and have had previous experience in designing similar projects in the PRC.

#### B. Terms of Reference

The terms of reference for the consultants will include, but will not be limited to, the following:

##### 1. Team Leader [International, 5 man-months (mm)]

A member of the team with appropriate qualifications will be appointed as the team leader. The team leader will be a rural development specialist (preferably with appropriate economic and financial analysis skills complementary to that of the economist) to undertake the following tasks:

- (a) prepare, in consultation with the team members and SNAC, a work plan for the team including detailed time schedule for each member;
- (b) review and improve the strategy, plan and related proposals made under the Bank-financed advisory TA (TA No. 1356-PRC);
- (c) review ongoing Government pilot projects with particular focus on the selection criteria, participatory approach, sustainability of the activities, possibilities of expanding the coverage of activities and villages, institutional and financial arrangements and environmental impact;

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<sup>1/</sup> Guidelines for Social Analysis of Development Projects. Guidelines for Preparation and Presentation of Financial Analysis. Guidelines for Economic Analysis of Projects. Environmental Guidelines for Selected Agricultural and Natural Resources Development Projects.



- (d) develop an objective criteria for the selection of the CPs taking into account the objectives and approaches suggested by the advisory TA as well as the requirements to be financed from external sources (e.g. economic and financial viability, environmental soundness), using this criteria, select the CPs in reference to the potential CPs identified by the advisory TA or proposed by the Government;
- (e) examine the feasibility of selected CPs together with other experts, establish individual CPs and integrate them into an investment project with distinctive objectives, scope, costs (broken down into foreign and local costs) and financing and implementation arrangements;
- (f) propose appropriate financing and implementation arrangements by which beneficiaries' participation and smooth implementation of the Project are assured and Bank's fund could be most effectively utilized in addressing poverty reduction and sustainable development, and arrangements for co-financing with other aid agencies to ease lending terms of the loans; and
- (g) prepare the final report by integrating team members' findings and proposals and comments made by the concerned Government agencies and the Bank, and include a detailed training plan and necessary arrangements for institutional strengthening to assure the better and sustainable implementation of poverty reduction projects by the Government.

2. Rural Sociologists (1 international, 3 local, 2 mm each )

The international consultant will prepare an overall work plan to for a rapid appraisal of the social aspects and likely impact of the Project on the poor, organize and supervise the fieldwork to be conducted with local consultants, review aspects of project implementation that will require beneficiary participation, propose indicators to monitor the Project impact, and report major findings and recommendations.

The local consultants (one in each province) will conduct the field studies in the project areas of each province and contribute to the project profiles and feasibility study reports. More specifically, both the international and local consultants will:

- (a) review findings and recommendations of the advisory TA and, using information the socioeconomic profiles and poverty categories presented by the advisory TA consultants, analyze key socioeconomic issues that will be addressed by each CP and the Project as a whole, if relevant, the analysis should include examining significant gender and ethnic differentials analyzed accordingly;
- b) assess the absorptive capacity of CP beneficiaries as well as the capacity of executing/implementing agencies to address poverty including willingness to listen to genuine needs of the poor and work with them;

- (c) examine proposed activities and organizational arrangements from the viewpoint of maximizing beneficiaries' participation and targeting the poor and recommend modifications if needed;
- (d) analyze the possible impact of CPs on poverty reduction, income distribution, women's activities and living conditions, access to social services and other social aspects;
- (e) propose baseline and benchmark socioeconomic indicators that could be monitored as an integral part of the Project's monitoring and evaluation plan; and
- (f) prepare a detailed proposal to assist the concerned government agencies in strengthening their capability in planning, project identification, design and management, interagency coordination of poverty reduction projects.

3. Economist/Financial Analysts ( 1 international, 3 local, 3 mm each)

The international consultant will prepare an overall work plan for the economic and financial studies, make a general survey on the economic and financial performance and policies of the Project areas, conduct field studies, train local consultants and Government officials if needed), to conduct economic analysis for each selected CP and the Project as a whole, report major findings and recommendations for CPs and the Project, and help the sociologist identify economic indicators for impact monitoring purposes. Each local consultant (in the three provinces) will carry out economic and financial studies in the project areas of each province and contribute to the project profiles and feasibility study reports. More specifically, both the international and local consultants will:

- (a) review the overall economic performance of the concerned provinces, prefectures, counties, and areas where CPs are planned, including recent development of major economic sectors, per capita income, employment, agricultural and livestock production, agro-processing sector, cottage/village industry and state firms;
- (b) examine the revenues and expenditures of relevant provincial governments, county governments, village governments/state firms focusing on the financial soundness and the accountability for the loan administration and repayment;
- (c) review the performance and financial arrangements of similar rural developments projects financed by the governments or external sources in the three provinces;
- (d) study major economic/financial/agricultural policies which may have significant impact on CPs and their beneficiaries ( e.g. price support, subsidies, taxation, minimum wages);

- (e) study the formal/informal credit delivery systems, loan availability and lending terms to poor households, local enterprises and state firms and examine the possibility of incorporating a credit component or saving scheme in the Project, if necessary;
  - (f) collect and analyze market information (local and international) including prices, wages, transportation costs on the major commodities/services produced or utilized under CPs as well as examine the marketability of major outputs to be produced under CPs, if necessary;
  - (g) examine or compute, broken down into international and local, cost estimates of the proposed CPs and general cost elements of the Project;
  - (h) conduct economic/financial analysis for each CP, by estimating economic/financial benefits and costs; determine the economic/financial rate of return of each CP and the Project as a whole; and undertake sensitivity analysis for key influential factors;
  - (i) examine the impact of the Project on the income of typical rural small households and employment in the Project areas; and
  - (j) prepare a general framework for Project Benefit Monitoring and Evaluation (PBME), which should include recommendations on the appropriate monitoring agency, key indicators for monitoring and the reporting format and frequencies.
4. Agronomists (3 Local, 2 mm each)

Each agronomist will undertake field studies in the project areas of each province and contribute to the project profiles and feasibility study reports. More specifically, each agronomist will:

- (a) study the current situation, development potential and constraints related to production of major crops including horticulture and tree crops in CP areas, focusing on the natural resource base, existing resource use, management practices and potential for intensification;
- (b) examine the productivity of existing agricultural practices and effectiveness of existing agricultural support services, inputs supply and related programs funded by the Government or external sources in the CP areas;
- (c) study the use of farm inputs (i.e. fertilizers, chemicals, labor, animal power, farm machineries, water) required to produce major crops and related agro-processing activities and identify activities and issues, if any, that could be addressed under the Project; and
- (d) examine the proposed crop-related components of CPs in terms of the selection of crops, farming practices and inputs and cost estimates, and make

recommendations for increasing production efficiency and farm productivity.

5. Animal Husbandry Specialists (3 Local, one and a half mm)

Each animal husbandry specialist will work for one and half months to carry out field studies in the project areas of each province and contribute to the project profiles and feasibility study reports. More specifically, each animal husbandry specialist will:

- (a) study the current situation, development potential and constraints of grassland, animal husbandry and the processing and marketing of animal products in the Project areas;
- (b) examine the effectiveness of existing support services, input supply or programs on animal husbandry and health conducted by the Government or external sources in the Project areas;
- (c) study the standard quantities of inputs (e.g. feeds, chemicals, veterinary services, tools, labor) required to produce a given unit of animal products and related processed foods with current and improved practices in the Project areas; and
- (d) examine the proposed livestock-related components of CPs in terms of selection of animals, technologies, feeds and other inputs, measures to be taken and cost estimates, and make recommendations for raising productivity.

6. Civil Engineers (3 Local, 3 mm each)

Each civil engineer (one per province) will conduct field studies in the Project areas in the assigned province, and contribute to the feasibility study report. The consultants will be required to cover many engineering fields including irrigation and drainage, roads, power, mining, and factory construction depending on the specific activities planned in CPs. More specifically, each civil engineer will:

- (a) study the current situation, development potential and constraints of road services, power supply, water supply, irrigation and other civil works (infrastructure) in the subproject areas;
- (b) study the existing infrastructure development programs of the Government and projects financed by external sources and assess their performance including the capability and efficiency of the implementing agencies;
- (c) examine strategy, scope, detailed design, work plan, and other technical aspects of the proposed infrastructure components of CPs and assess their technical feasibility and economic viability;
- (d) assist the economist in providing detailed cost estimates for civil works including infrastructure, factories, and other major construction works; and

- (e) examine the possibilities to expand the size and scope of proposed infrastructure components, and propose modification or other options on the technical aspects of infrastructure components, if necessary.

7. Institution/Organization Specialists (3 Local, one and a half mm each)

Each institution/organization specialist will carry out institutional studies in the Project areas of each province and contribute to the feasibility study report. More specifically, each institution/organization specialist will:

- (a) study the legal mandate, organizational structure, major functions, budget, and staff resources of respectively SNAC (central and local offices) and the relevant provincial, prefectural and county governments, from the view point of facilitating Project management and implementation;
- (b) study the relationship between SNAC and other agencies regarding financial, technical, personnel aspects; and propose measures to enhance coordination and leadership for the Project;
- (c) study current decision making process concerning the disbursement of development funds at different government levels, and identify measures, if needed, to promote more local and beneficiary participation at relevant stages;
- (d) where possible, propose practical, low-cost and timely means to encourage beneficiary participation in the implementation of each CP;
- (e) assist the sociologists in making recommendations for PBME; and
- (f) propose a training plan for institutional strengthening which will include training of Government staff and experts on financial management, financial and economic analysis, social analysis, environmental impact assessment and other areas considered to be necessary.

8. Environment Specialists (1 International, three local, 2 mm each)

The international consultant will review environmental issues in the Project areas and conduct an initial environmental examination (IEE) of the Project. The international consultant will prepare the overall work plan and criteria for assessing the environmental soundness of each CP, design and supervise field studies, recommend environmentally friendly or mitigation measures that can be integrated into the design of each CP, and write the IEE Report. If necessary, detailed environmental assessments that need to be carried out for specific CP components should be identified.

The local consultants (one for each province) will conduct field studies and contribute to the project profiles and IEE report. More specifically both international and local consultants will:

- (a) collect the necessary information to conduct a general assessment of environmental resources and problems in the Project areas and identify the specific environmental and policy-related issues that could be addressed by the Project through its community-level interventions, and information about ecologically sensitive areas that should either be left intact or need to be managed and protected;
- (b) recommend soil conservation, agroforestry and waste management measures that can be integrated into CP activities;
- (c) visit representative CP sites and assess the environmental impact (both positive and negative) of each type of activity to be implemented under CPs;
- (d) examine the technical feasibility and appropriateness of forestry related components of the CPs including afforestation and wood processing;
- (e) recommend site-specific or community/county-level efforts to mitigate possible negative impact of CPs and measures to improve the management of natural resource base;
- (f) assess the overall environmental impact of the Project with general recommendations to mitigate and monitor potential negative environmental impact, and prepare the IEE report (summary and full report) following the Bank's format; and
- (g) coordinate with the Environment Protection Agency and the Ministry of Forestry (including their local offices) to ensure that recommended measures are consistent with government standard and guidelines.

**ESTIMATED COSTS AND FINANCING PLAN**  
(\$'000)

	Foreign Exchange Costs	Local Currency Costs	Total Costs
<b>I. <u>BANK FINANCING</u></b>			
<b>A. Consultants</b>			
1. Remuneration			
(a) International consultants (12 person-months)	192		192
(b) Local consultants (45 person-months)		90	90
2. Per diem			
(a) International consultants	36		36
(b) Local consultants		50	50
3. International consultants' travel	18		18
4. Domestic travel		10	10
5. Data collection and field surveys <sup>a/</sup>	8		8
6. Communications	4		4
7. Reports	8		8
8. Office and other administrative expenses		6	6
Subtotal	<u>266</u>	<u>156</u>	<u>422</u>
B. Travel Expenses for Government observers in contract negotiations	4		4
C. Consultation workshop		2	2
D. Two vehicles	40		40
E. Contingencies	<u>54</u>	<u>28</u>	<u>82</u>
Subtotal	<u>98</u>	<u>30</u>	<u>128</u>
Total (I)	<u>364</u>	<u>186</u>	<u>550</u>
<b>II. <u>GOVERNMENT FINANCING</u></b>			
A. Domestic travel	-	20	20
B. Data collection and field surveys	-	20	20
C. Consultation workshop	-	5	5
D. Communication	-	25	25
E. Office and other administrative expenses	-	10	10
F. Contingencies	-	<u>14</u>	<u>14</u>
Total (II)	<u>0</u>	<u>94</u>	<u>94</u>
Grand Total (I + II)	<u>364</u>	<u>280</u>	<u>644</u>

<sup>a/</sup> Includes three portable computers.

(Reference in text: page 4, para. 14)