

Principles and Procedures Governing the Participation of
Registered American Voluntary Agencies in P. L. 480 Title II
Projects in the Republic of Vietnam

Since AID/Washington has indicated that registered American Voluntary Agencies may participate in Title II Projects and the Government of Vietnam has concurred in principle, USOM/Vietnam hereby establishes the principles and procedures for development and approval of voluntary agency activities.

I. Principles:

A. General

1. The same general principles and procedures now applying to existing government-to-government Title II Projects in Vietnam with respect to project criteria, project details and data, proposal forms, local distribution standards, reporting requirements and US/Vietnamese audit responsibilities will apply to Voluntary Agency Title II activities.
2. Since Voluntary Agency Projects will be carried out in the Republic of Vietnam, it will be necessary that each project will have the concurrence of the Vietnamese people involved and the local government where the project is to be implemented; USOM/Vietnam will advise on any questions regarding particular local government approvals required.
3. Voluntary Agency Title II Projects involving technical services and responsible fields of the local, Provincial or National Government must have the technical approval of the responsible Vietnamese technical service, i. e., dykes should be approved by the Provincial or National Hydraulic Directorate. USOM/Vietnam will advise and screen as necessary.
4. Voluntary Agency Title II Projects shall not conflict with existing economic, social, educational or other policies of the Vietnamese Government or USOM/Vietnam unless specifically approved. Advice on this matter may be obtained from USOM/Vietnam and subsequent project screening by USOM/Vietnam will control this principle.

B. Project Criteria

The most appropriate use of the new Title II authority will be in programs which have a high labor component and where under-employed or unemployed people are living in or near areas where development work is needed. The direct use of surplus agricultural commodities as part or full payment of wages to workers will assure

increased food consumption by needy people simultaneously with economic development.

1. In order to assure positive identification of social and economic development with the use of Title II surplus commodities, the geographic areas and the types and scope of projects should be delineated to USOM/Vietnam in advance. Projects must be separately identifiable and be in addition to (and not in lieu of) other U. S. activities in Vietnam. However, they should be planned and administered in harmony with other U. S. programs in the country. In fact, the new Title II authority should become a useful additional tool with which to stimulate development projects which have been successfully demonstrated under the Mutual Security Program. In any event, USOM/Vietnam technicians should contribute to the planning of these projects just as they do under the Mutual Security Program.

It is anticipated that development projects will emphasize public rather than private benefit. Development on private lands can be considered, however, particularly if it will result in significant corollary public benefits. Proposals which anticipate development on private lands must be carefully explained and justified.

2. Projects should include a high labor component and surplus agricultural commodities should be used directly to pay as high a proportion of the wage as possible, but not exceeding that amount which the worker and his dependents will consume during the pay period. This amount should be carefully calculated taking into consideration prevailing consumption habits, the number of dependents, etc. Usually about 50 percent of the wages may be paid in the form of commodities, but the proportion will differ depending upon the level of wages. In some projects 100% of the wages may be paid in the form of commodities.

Commodities now available in existing projects in Vietnam, with which Voluntary Agencies activities can be integrated initially, include Bulgur, corn and refined soybean oil. Per capita and average family per day distribution maximums are Fleur: 750 grams for the worker, 600 grams for his first direct adult dependent, if any, and 400 grams for his next two direct dependents for a total average family maximum of 2150 grams for any one family. Soybean Oil: 1 oz per day per worker and 1 oz for each direct dependent up to an average family maximum total of 4 oz per day for any one family. Actual direct family members should be determined by checking the standard household certificates.

Only parents, wives and the worker's own children, or in the case of workers under 21 years of age, brothers and sisters actually living in the same house, should be included as dependents. Where qualified dependents number more than three in the family additional rations of 400 grams of flour and 1 oz of oil per day may be paid each additional dependent averaging from qualified families of less than four members in the same project.

In no case, shall the average maximum size for families in any one project exceed four persons including the workers or worker.

3. Generally speaking, the U. S. contribution should be limited to that amount of commodities needed for part payment of wages, but consideration may also be given at some future date to authorizing a limited amount of sales of surplus commodities in the open market to generate currency to purchase materials, tools and implements needed for the works project activities. The proportion of commodities that may be so sold can vary according to the needs of the particular projects, but the average for each country must not be more than 20 percent of the U. S. contribution, unless a larger percentage can be justified and is approved by AID/Washington. Increases will be approved only if it is evident that desirable projects could not otherwise be undertaken and there is assurance that such sales will not displace or interfere with commercial trade. For the time being, the provision regarding sales and cash availability will not be implemented in Vietnam.
4. The cooperating government, cooperating people or the voluntary agency must agree to cover the balance of the program costs not provided for under sub-paragraph 2, above.

The cooperating government, people and voluntary agency contribution may be made in local currency and materials, tools, etc.

For purposes of calculating relative contribution percentages, the U. S. contribution of surplus commodities will be valued at market prices prevailing at port of entry in the cooperating country.

C. Submission of Proposals

Interested registered volagencies should work with local peoples with the approval of the local governments to develop projects accord-

ding to the above criteria. These project proposals should include the following information:

1. A general description of the proposed activity. Sub-projects, in similar activities such as agriculture, water conservancy, public health, public works, etc., may be grouped together in one major project category but details of each sub-project should be spelled out as follows:
 - a. Objectives to be accomplished; net social and economic development value to be achieved and a statement that this work could not otherwise be carried out from locally available resources.
 - b. Geographic areas and the general categories of work;
 - c. Estimated time required to complete the project or a significant portion thereof, when the project can be started;
 - d. Estimated number of persons to be employed;
 - e. Estimated costs of projects, including separate estimates of the cost of labor, materials, and tools;
 - f. Financial or materials contribution to be provided by the cooperating individuals, the cooperating government and the cooperating voluntary agency and the purposes for which it will be used. Separate estimates should be provided of the cost of non-government labor, material, implements, tools, and other out-of-pocket costs expected to be incurred by the participants.
2. Estimated quantity of each U. S. surplus commodity required for distribution as wages in kind.

A standard, Registered Voluntary Agency Project Proposal Form should be completed according to the sample attached hereto supplying required project information. Completed forms should be submitted, after approval of the local government has been obtained, to the Office of Rural Affairs, USOM/Vietnam, Attention: Bert Fraleigh. The Office of Rural Affairs will advise the concerned voluntary agency of the acceptability of its proposal and will stipulate the concerned technical office within USOM/Vietnam for technical review and guidance. Wherever possible and until further notice, approved voluntary agency proposals will be implemented within the framework of the existing P. L. 480, Title II Program in the Republic of Vietnam.

ATTACHMENT

US PUBLIC LAW 480, TITLE II

FOOD FOR PEACE FOR SOCIAL AND ECONOMIC
DEVELOPMENT

REGISTERED VOLUNTARY AGENCY PROJECT PROPOSAL FORM

Date _____

1. Project Title: _____

2. Category of Project: _____ (e. g. agriculture, water conservancy, etc.)

3. Number, if any, of Sub-projects: _____

4. List of Projects and Sub-Projects:

Project	Title	Location	Responsible Party
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Sub-Projects

a.

b.

c.

d.

5. General Project Description Including Statement of Net Economic Development Value to be Achieved and That Work Could Not Otherwise Be Carried Out. Also List Government Agencies Involved As Well As Any Local Technical Reviews Obtained.

a. Project Description

b. Statement of Net Economic Value to be Achieved

c. Statement that Local Resources are Insufficient for Otherwise Completing Work.

d. List of Government Agencies Involved

e. List any Local Technical Reviews Obtained (a separate sheet should be filled out giving the above information for each sub-project)

6. Scope of Project including starting time and length, Number of Workers involved and supervision available.

a. Starting Time _____ Length _____

b. Number of Workers involved _____ Total Number of Man Days _____

c. List Supervision available- include addresses _____

(Use separate sheet for each Sub-Project)

7. Estimated Cost of Project and Sources of Requirements

Wages		Materials & Tools		Others	
A. Skilled	Unskilled	Sources	Type	Cost	Sources

B. Total Project Cost _____

Percentage of Cost Covered by Surplus Commodities _____

(Use separate sheet for each Sub-project)

8. Surplus Commodities Required List By

Project and/or each Sub-project

Project	Total No. of Man Days	Total Supplies Required & Type	Date Wanted	Address & Responsible Name of Delivery Point
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9. Signature or Seal of Concerned Local Government

_____ Date

10. Signature or Seal of Respect Sponsor _____ Date

11. Reviewed by _____ Vietnamese Technical Service (if required) Date

12. Reviewed by _____ Concerned Technical Office of USOM/Vietnam Date
(if required)

Copies of all blueprints, site and building plans, if any, should be attached