

STATEMENT OF GOV. LANE DWINELL, ASSISTANT ADMINISTRATOR FOR ADMINISTRATION, AGENCY FOR INTERNATIONAL DEVELOPMENT, DEPARTMENT OF STATE; ACCOMPANIED BY NATHAN SALANT, RESOURCES POLICY ADVISER IN THE OFFICE OF PROCUREMENT; MATTANIAH EYTAN, ASSISTANT GENERAL COUNSEL FOR PROCUREMENT AND TRANSPORTATION; AND SEYMOUR BARONDES, CHIEF OF THE COMMODITY ELIGIBILITY AND PRICE BRANCH, OFFICE OF THE CONTROLLER

Mr. DWINELL. Thank you, Mr. Chairman. May I thank your colleague for his gracious introduction.

I have a statement which has been submitted to the committee, which I would like to read, if the Chair would permit.¹

Senator NELSON. Of course, Governor.

Mr. DWINELL. I appreciate this opportunity to discuss AID programs which involve the procurement of pharmaceutical products. I have with me several colleagues who are prepared to discuss in detail specific aspects of our program, which have been of special interest to this committee.

On my right is Mr. Nathan Salant, Resources Policy Adviser in the Office of Procurement; on my immediate left is Mr. Mattaniah Eytan, Assistant General Counsel for Procurement and Transportation; on his left, Mr. Seymour Baronides, the Chief of Commodity Eligibility and Price Branch in the Office of the Controller.

But before delving into details of such procurement, I would like to describe, in general terms and without specific regard to pharmaceuticals, why we have different types of programs and how they are conducted.

We conduct three basic programs under which commodities are financed with AID funds. Pharmaceutical products may be purchased in two of these programs—technical assistance programs and commercial import programs. The third activity, capital project assistance, is not of concern in our discussion today.

The first type of program mentioned, technical assistance, encompasses educational and training activities. Included are projects in various fields such as health, disease prevention and family planning. Possible programs are developed in the field by our mission specialists working in close collaboration with cooperating country officials and possibly with UN or other international agency experts. Gradually, their ideas gain substance, scope, and specificity and a definite program takes form—goals to be achieved, facilities to be established, technical services to be recruited, material to be assembled, supplies to be procured.

Feasibility studies are made and time frames for performance prepared. Analyses of resource availabilities and needs are of course essential and figure significantly both in regard to project initiation and continuation.

Ultimately, the proposed program is presented by the mission to Washington for consideration. We appraise each proposal in the context of its suitability for AID participation, of its essentiality to the development of the aid-receiving country, and of its priority relative to other project options.

¹ See information beginning at p. 7364.