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UNITED STATES INTERNATIONAL DEVELOPMENT COOPERATION AGENCY
AGENCY FOR INTERNATIONAL DEVELOPMENT
Washington, D. C. 20523

BOLIVIA

PROJECT PAPER

TRAINING FOR DEVELOPMENT

AID/LAC/P-262

Project Number: 511-0584

UNCLASSIFIED

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 BOLIVIA		3. PROJECT NUMBER 511-0584		
4. BUREAU/OFFICE LAC		5. PROJECT TITLE (maximum 40 characters) <input type="checkbox"/> Training for Development		
6. PROJECT ASSISTANCE COMPLETION DATE (PACD) MM DD YY 06 1 89		7. ESTIMATED DATE OF OBLIGATION (Under 'B.' below, enter 1, 2, 3, or 4) A. Initial FY 85 B. Quarter 3 C. Final FY 88		

8. COSTS (\$000 OR EQUIVALENT \$1 =)

A. FUNDING SOURCE	FIRST FY			LIFE OF PROJECT		
	B. FX	C. L/C	D. Total	E. FX	F. L/C	G. Total
AID Appropriated Total						
(Grant)	(199)	(1)	(200)	(2,468)	(32)	(2,500)
(Loan)	()	()	()	()	()	()
Other U.S.						
1.						
2.						
Host Country		72	72		900	900
Other Donor(s)						
TOTALS	199	73	272	2,468	932	3,400

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) EHR	600	700				2,500		2,500	
(2)									
(3)									
(4)									
TOTALS									

10. SECONDARY TECHNICAL CODES (maximum 6 codes of 3 positions each)

11. SECONDARY PURPOSE CODE

12. SPECIAL CONCERNS CODES (maximum 7 codes of 4 positions each)

A. Code

B. Amount

13. PROJECT PURPOSE (maximum 480 characters)

The purpose of the project is to expand Bolivia's human resource base by increasing the number of U.S. trained individuals who occupy policy-level and leadership positions in the private sector, the Government and the labor movement.

14. SCHEDULED EVALUATIONS

Interim MM YY MM YY Final MM YY

06 87 | | | 06 89

15. SOURCE/ORIGIN OF GOODS AND SERVICES

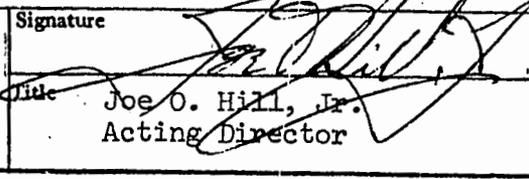
000 941 Local Other (Specify)

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

The USAID Controller has reviewed the financing procedures described herein and hereby indicates his concurrence.

Joe O. Hill, Jr.
Controller

17. APPROVED BY

Signature: 

Title: Joe O. Hill, Jr.
Acting Director

Date Signed MM DD YY
06 17 85

18. DATE DOCUMENT RECEIVED IN AID/W, OR FOR AID/W DOCUMENTS, DATE OF DISTRIBUTION

MM DD YY

UNITED STATES AID MISSION to BOLIVIA
c/o American Embassy
La Paz, Bolivia

USAID - BOLIVIA
APO MIAMI 34032

PROJECT AUTHORIZATION

Telephones: 350120, 350251
Casilla 673
La Paz, Bolivia

Name of Country: Bolivia
Name of Project: Training for Development
Project Number: 511-0584

1. Pursuant to Part I, Chapter 1, Section 105 of the Foreign Assistance Act of 1961, as amended, I hereby authorize the Training for Development Project ("The Project") for Bolivia ("The Cooperating Country") involving planned obligations of not to exceed Two Million, Five Hundred Thousand United States Dollars (\$2,500,000) in grant funds over a four-year period from date of authorization, subject to the availability of funds in accordance with the A.I.D. OYB allotment process, to help in financing foreign exchange and local currency costs for the project. The planned life of the project is four years from the date of initial obligation.

2. The Project will expand Bolivia's human resource base by increasing the number of U.S.-trained individuals who occupy policy-level and leadership positions in the private sector, the Bolivian Government, and the labor movement. The project will also expose the children of rural farm and labor families to the U.S. economic, labor and political systems.

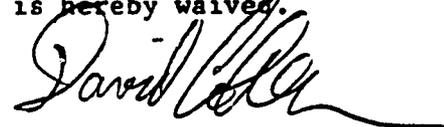
3. The Project Agreement(s), which may be negotiated and executed by the officer(s) to whom such authority is delegated in accordance with A.I.D. regulations and Delegations of Authority, shall be subject to the following essential terms and covenants and major conditions, together with such other terms and conditions as A.I.D. may deem appropriate.

a. Source and Origin of Commodities, Nationality of Services

Except as A.I.D. may otherwise agree in writing, commodities financed by AID under the project shall have their source and origin in the United States or Bolivia. Except for ocean shipping, the suppliers of commodities or services shall have the United States or Bolivia as their place of nationality, except as AID may otherwise agree in writing. Ocean shipping financed by AID under the project shall, except as AID may otherwise agree in writing, be financed only on flag vessels of the United States.

b. Waiver

The requirement that international travel for project-funded participants be financed by the Host Country is hereby waived.



David A. Cohen
Mission Director
USAID/Bolivia

Date 8/27/75

Clearances:

PD&I: RJAsselin

DP: WGarvelink

CONT: JOhill, Jr.

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- 1 -
TRAINING FOR DEVELOPMENT PROJECT PAPER
TABLE OF CONTENTS

	<u>Page</u>
I. PROJECT SUMMARY AND RECOMMENDATIONS	2
A. Summary	2
B. Recommendations	3
C. Project Development Team	3
II. PROJECT RATIONALE AND DESCRIPTION	4
A. Political and Economic Background	4
B. Problem	4
C. Goal Purpose, Outputs, Inputs	7
D. Project Strategy	8
E. Project Components	9
1. Long-Term and Short-Term Training	9
2. Seminars	9
3. Democracy Awareness Program	10
F. Beneficiaries	11
G. Relationship to USAID/Bolivia Strategy, A.I.D. Policies, and Other USAID/Bolivia Training Activities	12
III. COST ESTIMATE AND FINANCIAL PLAN	15
A. Summary Cost Estimate and Financial Plan	16
B. Disbursement Schedule	17
C. Methods of Implementation and Financing (A.I.D.)	20
D. Budget Details	21
IV. IMPLEMENTATION PLAN	22
A. Implementation Responsibilities	22
1. USAID/Bolivia Training Office	22
2. Inter-Agency Selection Committee	23
3. Office of International Training	23
4. Bolivian Private Sector Organizations	23
5. U.S. Private Sector Organizations	24
6. United States Information Agency	24
7. American Institute for Free Labor Development	25
8. Government of Bolivia	25
B. Implementation Schedule	25
C. Evaluation Program	29
VI. SUMMARY ANALYSES	30
A. Technical Analysis	30
B. Social Analysis	32
C. Administrative Analysis	33
VII. ANNEX	
A. Standard Item and Project Checklists	

I. SUMMARY AND RECOMMENDATIONS

A. Summary

Since the late 1970's, Bolivia's economic crisis and constant political ferment have caused the departure of many of its most skilled policy-makers and private sector leaders. The economic situation has made it impossible for many Bolivian families to send their children abroad for schooling, and a decline in the nation's educational system has virtually eliminated the possibility of a good education within the country. Bilateral and multilateral donor-financed training programs have dried up in the face of the nation's political uncertainties, and the Government of Bolivia (GOB) has very limited financial resources of its own to support international training programs. As educational opportunities have declined for middle class Bolivians, orientation visits to the U.S. and other western-oriented nations for children of rural farmer and labor families have declined even more rapidly.

Some training and youth exchange activities have been provided by Eastern Bloc countries. These programs have not facilitated Bolivia's economic recovery and have prejudiced some GOB officials, community leaders and officials against a free market economy. Consequently, the pool of skilled public and private sector policy-makers and technicians inclined toward western-style democratic and free-market economic institutions has not been replenished. In part because of this lack of talent and philosophical orientation, Bolivia's macro-economic environment has deteriorated, the private sector has been stymied, and the nation's democracy stands in jeopardy.

The Training for Development project is designed to assist Bolivia in rebuilding its U.S.-trained human resource base in the economic, business, labor and rural development fields. The direct beneficiaries of the project will include private sector (including cooperatives) managers and technicians, GOB officials, labor and rural community leaders and members of Congress and their staffs. Through the project's long-term and short-term training programs and special seminars, increased numbers of GOB officials will expand their abilities to analyze the economy more effectively and to design viable macro-economic policies. The training will also furnish more private sector entrepreneurs with the technical and managerial skills necessary to direct their enterprises more efficiently and to expand the role of the private sector in the economy.

Through development and leadership seminars, labor and community leaders will be trained in leadership and organizational techniques which

will help them improve the effectiveness of the groups they lead.. The Democracy Awareness Program will offer Bolivian youths who are potential rural community and labor leaders the opportunity to observe how democratically elected and consensus-oriented community and labor organizations function. Because all of the long-term and short-term training will take place in the U.S., the project will indirectly contribute to the strengthening of Bolivia's democratic institutions and traditions, since the participants will have the opportunity to observe first-hand how the U.S. free-market economic system operates within a participatory democracy.

The project will last four years. The total project cost is estimated to be \$3.4 million. The A.I.D. contribution will be \$2.5 million in grant funds. A.I.D. assistance will be complemented by a host-country (public and private sectors and Title III) contribution of \$900,000 for the life of project for participant salaries and related expenses.

B. Recommendations

The project is modeled after the successful LAC Training Initiatives regional projects and the President's 1983 International Youth Exchange Initiative. Analyses indicate that a country-specific program will be successful in Bolivia. USAID/Bolivia recommends that the project be approved and that the Mission authorize the \$2.5 million A.I.D. grant to the GOB. The project will also require that the Mission Director exercise his authority to approve a waiver for the use of grant funds to cover the cost of international travel for trainees.

C. Project Development Team

1. The Project Development Team was composed of:
William J. Garvelink, Deputy Program Officer
M. Peter Leifert, Deputy Project Development Officer
Sonia Aranibar, Program Specialist
Juan Carlos Crespo, Mission Training Officer
Candy Mirrer, IDI Project Development Officer
2. The project was reviewed by:
David A. Cohen, Mission Director
Robert J. Asselin, Project Development Officer
Joe O. Hill, Jr., Controller
Luis Montero, Financial Analyst
3. The project was approved by:
Joe O. Hill, Jr., Acting Mission Director

II. PROJECT RATIONALE AND DESCRIPTION

A. Political and Economic Background

After almost eighteen years of military rule, a democratically elected Congress and President took office in Bolivia in October 1982. The country's return to democracy, however, occurred in the midst of the worst economic crisis in its history, and the GOB has been plagued by one political crisis after another. Over the past 34 months, in an attempt to preserve his Popular Democratic Union (UDP), President Siles has reshuffled his cabinet eight times. Partly due to the President's perceived need to avoid the erosion of his political base, Siles has not adequately addressed the nation's deepening economic crisis. Political expediencies have produced inadequate economic packages which have not met the country's needs. In the final analysis, these partial reforms have contributed to, rather than ameliorated, the nation's economic problems.

Bolivia's near chronic political and economic instability has had a negative impact on the environment for investment and has resulted in almost no continuity in the nation's economic policies and programs. Further contributing to Bolivia's inability to develop coherent economic policies has been the lack of policy-level and technical expertise within the GOB, which has adversely affected virtually all national policies, especially those related to the private sector. If democracy is to succeed, the Bolivian government must deal effectively with its delicate and volatile political and macro-economic problems in the rural as well as urban areas.

B. Problem

In the 1970's, Bolivia had a small, but effective, cadre of skilled policy-makers in the public sector and managers in the private sector. This human resources base was built up, in part, by the USAID/Bolivia's extensive participant and leadership training programs and by similar programs of other bilateral and multilateral donors. In addition, many Bolivians had the personal resources to provide their children with the best training available in the country or to send them abroad for schooling, often to the U.S. Most of these students returned to Bolivia to play significant roles in the government and the private sector.

Since the late 1970's and throughout the 1980's, the economic crisis and constant political turmoil have caused an exodus of a large percentage of Bolivia's most skilled policy-makers and private sector

business and labor leaders. Salaries have not kept pace with inflation. Moreover, chronic political infighting and a lack of political will to enact politically sensitive, but essential, economic reforms have made working conditions financially and professionally intolerable for many Bolivians, forcing them to move abroad where they can find more lucrative and satisfying jobs. Deteriorating economic conditions no longer make it possible for Bolivian families to send their children to other countries to study, and the economic and political turmoil has caused a decline in the country's educational system at all levels, virtually precluding an acceptable education at home.

The training programs of USAID/Bolivia have declined dramatically in recent years (Table I) due to the political problems in Bolivia and A.I.D. budget constraints. The training programs of other western donors have undergone similar declines. The pool of trained and skilled public and private sector individuals has not been replenished as in the past. Bolivia has been left with a generation of insufficiently prepared government, labor and private sector leaders to solve its complex and debilitating political and economic problems.

TABLE I
USAID/Bolivia Participant Training Program
(Number of Bolivians Trained)

1943-1960	1960-1964	1965-1969	1970-1974	1975-1979	1980-1984*
988	739	570	270	295	149

*The total number of participants trained through 1984 is 3,011.

A dramatic increase in Soviet, Eastern European, Cuban and Nicaraguan training programs in Latin America was emphasized in a recent Comptroller General's report to Congress. The study noted that Eastern Bloc nations are currently sponsoring over 9,000 Latin American students and cultural exchange visitors as compared to 2,000 a decade ago. The communist countries collectively increased their training and exchange efforts in the region by over 200 percent in the 10 year period from 1972 to 1982, while U.S. Government programs (principally A.I.D.) declined by 52 percent in the same period.

To some extent, the Eastern Bloc countries, primarily the Soviet Union, Cuba and, to a much lesser degree, Nicaragua, have been filling Bolivia's training gap in recent years. Since the late 1970's, Eastern

Bloc nations have allocated an average of \$2.0 million annually for training Bolivians. Eastern Bloc countries also have been accelerating their youth exchange programs, particularly among the working classes. Children of mine union families, for example, receive open-ended scholarships to visit and/or study in Eastern Bloc nations. The socio-economic and political implications of these training and cultural exchange programs are significant for Bolivia's economic recovery efforts, the role of the private sector, and the preservation of western-oriented democracy. Overseas training represents an opportunity for the communist countries to shape the thinking of a generation of Bolivia's policy-makers and leaders. Such training favors a planned and subsidized economy over a free-market one and fosters skepticism of, and often a hostility toward, the private sector. In addition, the political value system assimilated during the training undercuts Bolivia's efforts to preserve and strengthen its democracy.

This shortage of western-oriented, well-trained decision-makers and technocrats has constrained the effectiveness of the GOB Ministries of Planning, Finance, and Industry and Commerce and the Central Bank. With the departure of many of their most capable and experienced employees, GOB ministries have been characterized by inadequate analysis and understanding of macro-economic issues. Partly as a result, no lasting significant economic reform measures have been undertaken by the present Government.

The Bolivian Congress, which was reconvened in 1982 and has been plagued by interminable political squabbles, has lacked the experienced leadership and staff to analyze and help resolve the nation's critical economic problems. For this and other reasons, the Congress has not been able to participate in any meaningful way in the formulation of national economic policies and has not fulfilled its constitutional role within the nation's democratic system.

The Bolivian private sector has been experiencing the same exodus of talent that has haunted government institutions. Frustrating working conditions and low salaries in a highly inflationary time have driven many of the sector's most skilled managers and technicians to other countries. Many of those who remain, while dedicated to their enterprises and to the survival of a free-market system in Bolivia, in large part do not possess the requisite expertise or educational background to stimulate the development of the private sector.

Labor leaders have also experienced a decline in training opportunities in recent years and a corresponding decline in expertise. Many of Bolivia's labor leaders lack the expertise and/or inclination to

work constructively with the GOB and the private sector to bring about the nation's economic recovery. They have not pursued development activities which would benefit their members and, instead, have adopted agendas which have contributed to Bolivia's economic woes and widespread labor unrest.

Youth orientation programs in democracy and the free-market economic system historically have not been an aspect of the A.I.D. assistance program in Bolivia. In the absence of such opportunities, the only foreign experiences available to the future leaders of Bolivia's rural and urban working classes have been in Eastern Bloc nations. The programs these countries present to the young men and women of the working class do not incline them to seek out and pursue western-oriented development programs for themselves, their country or their communities or unions and thus do nothing to facilitate the economic recovery of Bolivia. Yet, it is such individuals who most likely will become rural community leaders and heads of farmer associations and labor unions and who will have a significant impact on the future economic and political development of the country.

For Bolivia to be able to experience a full economic recovery and fulfill its commitment to a mixed economy, both major factors in the survival of the nation's democracy, it must expand the level of well-trained, democratically-oriented personnel in government, the private sector, the labor movement and throughout rural areas. Government and labor leaders, entrepreneurs and rural leaders require not only additional technical expertise, but also an appreciation and capacity for the art of consensus-building if GOB policies and programs are to contribute to the nation's political development and economic recovery. For the private sector to expand its role in the national economy and to take advantage of the policy overtures made to it by the GOB, it must also increase its managerial and technical human resource base. Bolivia, however, presently lacks sufficient financial resources of its own to undertake such a widespread human resources development program.

C. Goal, Purpose, Outputs, Inputs

The goal of the proposed project is to promote Bolivia's economic recovery and to enhance its democratic system. The purpose of the project is to expand the country's human resources base by increasing the number of U.S.-trained individuals who occupy policy level and leadership positions in the private sector, the government, the labor movement and in rural Bolivia. These individuals will thereby be able to participate in the development and implementation of more rational economic policies

and programs and provide a clearer orientation to the development of a free-market economy in a western-style democracy. The project will also expose the children of rural farm and labor families to the operations of the U.S. economic, labor and political systems.

Project outputs will include: (1) 16 persons who will receive up to two years of training at the Master's degree level, (2) approximately 44 individuals who will receive short-term training in the U.S., (3) approximately 272 individuals who will attend seminars in the U.S. or in Bolivia, and (4) approximately 100 youths who will visit the U.S.

The project inputs will be provided by A.I.D. and the host country. A.I.D. project inputs will be: (1) \$950,000 for long-term training, (2) \$500,000 for short-term training, (3) \$300,000 for U.S. and in-country seminars, (4) \$380,000 for the Democracy Awareness Program, (5) \$125,000 for training support costs, and (6) \$15,000 for two project evaluations. An allocation of \$230,000 has been made for contingencies and inflation. Host country project inputs will be: (1) \$504,000 for long-term training, (2) \$90,000 for short-term training, (3) \$120,000 for U.S. and in-country seminars, (4) \$22,000 for the Democracy Awareness Program, and (5) \$83,000 for training support costs. An allocation of \$81,000 has been made for contingencies and inflation.

D. Project Strategy

The proposed training project is designed to assist Bolivia in its efforts to begin to rebuild its human resources base, primarily in the economic, business, labor and community development fields. To achieve its purpose, the project will provide long-term and short-term training and conduct seminars in topics of special importance to private sector representatives, GOB officials and labor leaders.

The general criteria for the training and seminars will be their relevance to the USAID/Bolivia's strategy objectives of stabilizing the Bolivian economy, strengthening the country's democratic base, rationalizing the nation's macro-economic policy framework and expanding the role of the private sector in the economy. As a result of these training programs, an increased number of GOB officials will be able to acquire the added expertise and experience needed to analyze more effectively the Bolivian economy, identify its structural weaknesses and design workable macro-economic policies and programs to correct them. The training will also provide more private sector entrepreneurs with the technical and managerial skills necessary to allow them to direct their enterprises more efficiently and to compete more effectively in Bolivian and international markets. Training courses and seminars, which will

include presentations of various development strategies and consensus-building techniques, will teach labor and community leaders methods to strengthen the effectiveness of their organizations.

The Democracy Awareness Program will select some of Bolivia's most promising young people from rural and semi-urban areas and offer them the chance to observe the operations of farm and labor organizations run in the U.S.

E. Project Components

The proposed project will provide short-term (three months or less) and long-term (one or two year master's degree) training. Approximately \$950,000, or 38 percent of the training funds, will be used for long-term training for an average of 4 participants per year; and \$500,000, or 20 percent, of the project's resources, will be used to provide 44 individuals short-term training. Eleven percent, or \$280,000 will be used for seminars in which approximately 272 persons will participate, and \$380,000, or 15 percent, will be used for the Democratic Awareness Program. The remaining 16 percent will be used for project support activities (e.g. English training, promotion and evaluation).

1. Long-Term and Short-Term Training

Long-term master's degree training will be directed toward the fields of business management, public administration, economics, agricultural economics, finance, marketing and international trade. The short-term training will be offered in such areas as finance, business management, development banking, cooperative management, public administration, export promotion, labor relations and international trade. Short-term programs will also provide instruction to upgrade skills in technical specialties, such as consumer demand analysis, cooperative organization, marketing and export strategies, quality control, and risk taking and risk management. Long-term and short-term training may include on-the-job internships with U.S. companies. This would afford the participants hands-on experience in specific areas of interest to the sponsoring organization and would reinforce the analytical and operational skills acquired during the training. In general, the fields of training, especially for the short-term courses, will remain flexible so as to be able to respond to the needs of Bolivia's changing economic and business environments.

2. Seminars

The project will fund seminars on specific topics each year. Some of the seminars will be solely for the private sector, while others

will be designed for the participation of GOB and members of Congress and their staffs. Topics could include: strategies for companies in highly inflationary economies, labor negotiation practices, approaches to penetrating new domestic and international markets, the role of labor and rural communities in economic development, export regulations and their impact on production for export markets, and the role of a constructive Congress in a functional democracy.

The project will support seminars in the U.S. and Bolivia. Most of the seminars will be one or two weeks in duration. Bolivians will attend approximately four seminars each year in the U.S. The seminars held in Bolivia will be led by U.S. experts and will be offered three times each year. The principal reason for holding some of the seminars in Bolivia is to enable more Bolivians to attend them. Approximately five Bolivians will be invited to participate in each seminar to be held in the U. S., and between 15-20 Bolivians will be able to participate in each session held in Bolivia.

The basic format for the seminars will consist of presentations by lecturers, question and answer sessions, and roundtable discussions in which the participants will have an opportunity to interact with the experts presenting the seminars. Field trips, when appropriate, will be built into the seminars' agendas. In addition to serving as vehicles for disseminating new information, the seminars in Bolivia will function as a medium for business leaders and GOB and labor officials to exchange ideas and to build a consensus on matters of importance to the Bolivian economy.

3. Democracy Awareness Program

The project will fund two Democracy Awareness Program visits each year. Each visit will include approximately 12 young men and women, between the ages of 15 and 19, from farm and labor families. The visits will be approximately one month in duration and will occur in July and between November and February, the times when the Bolivian school system is in recess. The groups will be accompanied by an adult Bolivian who will serve as group leader. Depending on the background of the group, visits will be made to farm communities or to other relevant areas and will include visits with local associations and unions. Itineraries will be specifically tailored for each group, and will also include trips to places of cultural interest in the U.S.

Prior to the departure of each group, a two day orientation session will be held in La Paz, conducted by the USAID/Bolivia Training Officer in conjunction with USIS, AIFLD and Bi-National Center

Officials. Following the first visit, alumni of the program will be asked to help conduct the La Paz orientation session. Upon their arrival in the U.S., the group will be met by USIS translators and escorts, and another brief orientation session will be held. Housing during most of the visit will be arranged by AIFLD or a similar organization and will be with Hispanic families to the extent possible. Following the visit to the U.S., there will be a day of debriefing in La Paz. Program participants returning to Bolivia will be informed of each other's activities through a project-sponsored newsletter.

F. Beneficiaries

The target beneficiaries of the project will be present and potential decision-makers in the private and public sectors. Within the private sector, candidates for training and seminars will include owners and managers of medium and large scale enterprises and officials from private sector organizations, such as chambers, confederations, producer associations and cooperatives. Public sector candidates will include policy-makers in the Ministries of Planning and Coordination, Finance, and Industry and Commerce. Officials from the Central Bank, members of Congress and their staffs and labor leaders will also be eligible for long and short-term training and for participation in the seminar program. The targeted beneficiaries of the Democracy Awareness Program will be the most promising rural young men and women of Bolivia.

To be eligible for long-term training, a candidate must be a citizen of Bolivia, be currently employed in the Bolivian private sector or by the GOB and be recommended by his or her employer. The employing institution must agree to continue to pay the participant's salary, family subsistence bonuses and related expenses while the participant is in training or attending a seminar. The sponsoring institution must also agree to have a job for the participant, commensurate with the level and nature of the training, upon the individual's return to Bolivia. In addition, the candidate must have successfully completed university academic requirements at the undergraduate level. The participants must agree in writing to return to Bolivia upon the completion of their training, and work for their sponsoring institution or in a comparable institution for a time at least equal to twice the length of time spent in training.

English language proficiency will not be a limiting factor in the selection of candidates for long-term training. It may, however, be a determining factor in the institution the participant is permitted to attend. The project plans to provide no more than three months of intensive English language training in the U.S. or the equivalent in

refresher courses at the Bi-National Centers in Bolivia for each participant. Following a determination of each participant's English language skills, those requiring more than three months of English language training will be urged to attend universities, such as the University of New Mexico, New Mexico State, Stanford University, American University or Michigan State University, or similar institutions in Puerto Rico, which offer Master's degrees entirely in Spanish. In this way, the project will make every effort to comply with the Gray Amendment by placing its participants in Hispanic programs in U.S. mainland universities or in Puerto Rican institutions, when the placement is programmatically sound.

Eligibility for short-term training and seminar attendance will be more general. The participants in these programs must be recommended and sponsored by a government agency or private organization. The sponsoring institution must agree to pay the participant's salary, family subsistence bonuses and related expenses while the participant is in training or attending a seminar. Those candidates selected for short-term training or seminar attendance in the U.S. who do not have adequate English language skills will be provided with translator services. For those seminars offered in Bolivia, the participants' sponsoring institutions, except in extraordinary circumstances, must agree to pay the individual's travel to the seminar and per diem for its duration.

To participate in the Democracy Awareness Program, individuals must be Bolivian citizens between the ages of 15 and 19 and be recommended and sponsored by their school or community, or by an agricultural association or union to which they or their families belong. In addition, no more than 25 percent of the participants may be from near the country's major urban centers (i.e., La Paz, Santa Cruz, Cochabamba, Oruro, Potosi, Sucre and Tarija).

G. Relationship to USAID/Bolivia's Strategy, A.I.D. Policies and Other USAID/Bolivia Training Activities

1. USAID/Bolivia Strategy

USAID/Bolivia's strategy is to preserve and strengthen democracy, in part, by promoting self-sustaining economic growth and by improving the well-being of the rural poor through increased small farmer production, expanded employment opportunities and larger real incomes. The Mission's immediate objectives are to bring about economic stabilization and more rational macro-economic policies which will allow the private sector to play a larger and more dynamic role in the economy.

The USAID/Bolivia strategy asserts that one of the most effective means of preserving democracy and stimulating economic recovery, once appropriate macro-economic reforms are taken, is through the nation's private sector. For this reason, the Mission has been encouraging the development of private sector enterprises in which Bolivia has a comparative advantage: agriculture and agribusiness, artisanry and handicraft enterprises and non-traditional exports. To be able to optimize its participation, the private sector must have a macro-economic environment conducive to its development and expansion. At this moment, partly from the absence of the necessary political stability and from a lack of expertise within the country at the policy level, the GOB has not been able to provide that setting.

The Training for Development Project will further the USAID strategy at the macro-economic and sectoral levels. By contributing to the human resource base at the GOB policy-making level (ministry officials, labor representatives and members of Congress and their staffs), the Government will have some of the added expertise necessary to design a more rational macro-economic framework within which the nation's private sector can operate more effectively. Through training and seminars at more technical levels, the project will provide business managers, private sector association leaders and labor officials with the skills necessary to enable them to be more effective in their endeavors and to take advantage of opportunities which may arise through future GOB economic policies and programs.

2. A.I.D. Policies

The proposed project is supportive of the objectives described in A.I.D. Policy Papers on Private Enterprise Development, Basic Education and Technical Training and Institutional Development. As suggested in the Private Enterprise strategy, training provides an avenue to increase the effectiveness of the private sector and its organizations and to expand its participation in national recovery efforts. In accordance with the paper on Basic Education, resources will be applied to policy level and technical training to facilitate general economic recovery and enhance private sector efficiency. In conformance with A.I.D.'s Institutional Development Policy, the project will promote stronger and more skilled policy makers and leaders within the GOB, who will contribute to the strengthening of democratic institutions and practices in Bolivia. Similarly, the Training for Development project will help strengthen the private sector's chambers, confederations and cooperatives to become more skilled advocates of private sector development.

3. Other USAID/Bolivia Training Activities

The new Training for Development project will be complementary to the LAC Training Initiatives I and II projects. The Training for Development activity will focus, in terms of the number of participants, on short-term, topical seminar training. Long-term training will be provided under the project, utilizing about half of the funds. The LAC Training I project, which was designed to fund long-term training, concludes in FY 1986. All candidates under this project have either completed or are enrolled in U.S. training programs. LAC Training II, which begins in FY 1985, will continue to focus principally on long-term training. Even though the amount of funds available for training in Bolivia under LAC II has tripled, studies indicate that the resources available under LAC Training II and the Training for Development projects will be insufficient to fill Bolivia's long-term training needs.

III. COST ESTIMATE AND FINANCIAL PLAN

The summary project budget shows how A.I.D. grant funds and public and private sector contributions will be expended during the life of the project. The total estimated cost of the project is \$3,400,000. A.I.D. will contribute \$2.5 million in grant funds, which will be complemented by \$900,000 to be provided by the host-country (private and public sectors and Title III).

A.I.D. funds will be used to pay for tuition costs, maintenance allowances, laboratory fees, training materials, insurance, domestic and international travel as well as administrative costs. Host-country sponsoring institutions, both public and private, will be responsible for the payment of participant salaries, family subsistence bonuses and related expenses. The disbursement of project funds will occur over a four-year period.

Within three years of the authorization of the project, all of the funds for long-term training will be obligated. Funds for the other training categories and the Democracy Awareness Program will be distributed throughout the total life of project, beginning with the second semester of the first implementation year.

A. Summary Cost Estimate and Financial Plan (US\$)

	A.I.D. G R A N T			Host Country Contribution				Grand Total
	FX	LC	Total	GOB	Private	Title	Total	
					Sector	III		
1. Long Term Training M. S. degree training (320 person/months)	950,000	-	950,000	168,000	336,000	-	504,000	1,454,000
2. Short Term training (100 person/mos)	500,000	-	500,000	30,000	60,000	-	90,000	590,000
3. Seminars								
a. In U.S. (96 person/wks)	180,000	-	180,000	6,000	21,000	-	27,000	207,000
b. In-country (320 person/wks)	100,000	20,000	120,000	19,000	74,000	-	93,000	213,000
4. Democracy Awareness Program (100 person/mos)	380,000	-	380,000	6,000	6,000	10,000	22,000	402,000
5. Training Support Costs	118,000	7,000	125,000	29,000	54,000	-	83,000	208,000
6. Evaluations	13,000	2,000	15,000	-	-	-	-	15,000
Sub-Total	2,241,000	29,000	2,270,000	258,000	551,000	10,000	819,000	3,089,000
Inflation & Contingencies	227,000	3,000	230,000	25,000	55,000	1,000	81,000	311,000
Total	2,468,000	32,000	2,500,000	283,000	606,000	11,000	900,000	3,400,000

B. Disbursement Schedule (U.S. Dollars)

	<u>YEAR 1</u>		<u>YEAR 2</u>		<u>YEAR 3</u>		<u>YEAR 4</u>		<u>TOTAL</u>	
	<u>FX</u>	<u>LC</u>	<u>FX</u>	<u>LC</u>	<u>FX</u>	<u>LC</u>	<u>FX</u>	<u>LC</u>	<u>FX</u>	<u>LC</u>
1. <u>A.I.D.</u>										
Long-term training-M.S. degree (320 person/mos)	100,000		625,000		225,000				950,000	
Short-term training (100 person/mos)	70,000		150,000		150,000		130,000		500,000	
Seminars										
a. In U.S. (96 persons/weeks)			60,000		60,000		60,000		180,000	
b. In-country (320 person/weeks)			33,000	6,000	34,000	7,000	33,000	7,000	100,000	20,000
Democracy Awareness Program (100 person/mos)			126,000		127,000		127,000		380,000	
Training Support Costs	10,000	890	44,000	2,660	44,000	2,660	20,000	790	118,000	7,000
Evaluations			6,500	1,000			6,500	1,000	13,000	2,000
Sub-Total	180,000	890	1,044,500	9,660	640,000	9,660	376,500	8,790	2,241,000	29,000
Inflation/Contingencies	19,000	110	100,000	1,000	72,000	1,000	36,000	890	227,000	3,000
TOTAL A.I.D.	199,000	1,000	1,144,500	10,660	712,000	10,660	412,500	9,680	2,468,000	32,000

	<u>YEAR 1</u>		<u>YEAR 2</u>		<u>YEAR 3</u>		<u>YEAR 4</u>		<u>TOTAL</u>	
	<u>FX</u>	<u>LC</u>	<u>FX</u>	<u>LC</u>	<u>FX</u>	<u>LC</u>	<u>FX</u>	<u>LC</u>	<u>FX</u>	<u>LC</u>
2. <u>Host Country</u>										
a. <u>GOB</u>										
Long-term training		16,000		76,000		76,000				168,000
Short-term training		3,000		9,000		9,000		9,000		30,000
Seminars										
1) In U.S.				2,000		2,000		2,000		6,000
2) In-country				6,000		7,000		6,000		19,000
Democracy Awareness Program				2,000		2,000		2,000		6,000
Training Support Costs		2,000		11,000		11,000		5,000		29,000
Sub-Total		21,000		106,000		107,000		24,000		258,000
Inflation/Contingencies		2,000		10,000		10,000		3,000		25,000
TOTAL GOB		23,000		116,000		117,000		27,000		283,000

	<u>YEAR 1</u>		<u>YEAR 2</u>		<u>YEAR 3</u>		<u>YEAR 4</u>		<u>TOTAL</u>	
	<u>FX</u>	<u>LC</u>	<u>FX</u>	<u>LC</u>	<u>FX</u>	<u>LC</u>	<u>FX</u>	<u>LC</u>	<u>FX</u>	<u>LC</u>
b. <u>Private Sector</u>										
Long-term training		34,000		151,000		151,000				336,000
Short-term training		6,000		18,000		18,000		18,000		60,000
Seminars										
1) In U.S.				7,000		7,000		7,000		21,000
2) In-country				24,000		25,000		25,000		74,000
Democracy Awareness Program				2,000		2,000		2,000		6,000
Training Support Costs		4,000		21,000		21,000		8,000		54,000
Sub-Total		44,000		223,000		224,000		60,000		551,000
Inflation/Contingencies		5,000		22,000		22,000		6,000		55,000
Total Private Sector		49,000		245,000		246,000		66,000		606,000
C. <u>Title III</u>										
Democracy Awareness Program				3,000		3,000		4,000		10,000
Sub-Total				3,000		3,000		4,000		10,000
Inflation/Contingencies				300		300		400		1,000
Total Title III				3,300		3,300		4,400		11,000
TOTAL PROJECT	174,000	72,540	1,144,500	374,960	712,000	376,960	437,500	107,540	2,468,000	932,000

C. METHODS OF IMPLEMENTATION AND FINANCING FOR A.I.D. RESOURCES

<u>Major Element</u>	<u>Method of Implementation</u>	<u>Methods of Financing</u>	<u>Approximate Amount</u>
Overseas Training (long-term & short-term)	Direct Placement	Direct Payment	\$1,450,000
Overseas Seminars	OIT, A.I.D./W	Direct Payment	180,000
In-country Seminars	OIT, A.I.D./W	Direct Payment	120,000
Democracy Awareness Program	Training Office USAID/Bolivia	Direct Payment	380,000
Training Support Costs	USAID/Bolivia, A.I.D./W, and OIT.	Direct Payment	125,000
Evaluation	Personal Services Contracts	Direct Payment	15,000
			<hr/>
			2,270,000
			<hr/> 230,000
			<hr/>
			\$ 2,500,000
			<hr/> <hr/>

D. Budget Details

1. Long-Term Training

The project will support approximately 320 person/months of long-term study, or approximately 27 person/years, in the U.S. at a cost to A.I.D. of approximately \$950,000. The corresponding counterpart input for this activity will be \$504,000 in local currency, which will cover continuation of salaries for participants while in training and family maintenance bonuses.

2. Short-Term Training

Approximately 100 person/months of short-term training in the U.S. will be provided by the project. The types of training will be short courses of up to three months in duration. The estimated cost to A.I.D. is calculated at \$500,000 for the life of the project. Counterpart contributions are estimated at \$90,000 in local currency for the same purposes as for long-term training.

3. Seminars

Approximately 416 person/weeks of seminar training will be provided under the project at an estimated cost to A.I.D. of \$300,000. The seminars will be of one to two weeks in duration and will be held in the U.S. and in Bolivia. Counterpart contributions are estimated to be \$120,000.

4. Democracy Awareness Program

Approximately 100 person/months of training will be provided under the Project. A.I.D. support will total \$380,000. Counterpart contributions of \$22,000 will finance administrative expenses, operating costs and the salaries of the selected chaperones for the youth groups that will visit the United States. Of the \$22,000, \$10,000 in Title III funds will be used to cover the cost of passports, exit visas, airport taxes, and in-country travel and per diem for selected program participants.

IV. IMPLEMENTATION PLAN

A. Implementation Responsibilities

1. USAID/Bolivia Training Office

The USAID/Bolivia Training Office, which is part of the Mission's Development Planning Division, will be responsible for the overall identification, nomination, recruitment, follow-up and all administrative monitoring of the training, seminar and Democracy Awareness Program participants. It will be assisted by the Bolivia Mission Inter-Agency Selection Committee, USIS, AIFLD, U.S. and Bolivian private sector organizations.

The USAID/Bolivia Training Office will handle the day-to-day management of the project. Initially, it will develop a network of contacts with key private sector organizations and private voluntary organizations (PVOs) throughout the country. To accomplish this, the USAID Training Officer will travel to all nine departmental capitals to promote the programs, assess training needs and establish mechanisms for nomination procedures. The Training Officer will coordinate the quarterly meetings of the Inter-Agency Selection Committee (described in Section (V.A.2) and ensure that biographical data on every candidate reaches each member of the selection committee prior to a meeting. Once the candidates have been selected, the Training Office will arrange, through A.I.D.'s Office of International Training (OIT), course selections, admission to universities and travel to the U.S. For in-country seminars, the Training Office's responsibilities will be to arrange services, through OIT, or an independent intermediary, to carry out the seminars from beginning to end, and to assist in the in-country arrangements which will be necessary for conducting the courses in locations other than La Paz, as appropriate.

The Training Office will also be responsible for implementing all aspects of the Democracy Awareness Program. The Office will work with USIS, AIFLD and the PVOs in-country to identify eligible candidates for the program. It will present biographical data on each candidate to the Inter-Agency Selection Committee for the final approval of the exchange participants. The Office will work closely with the Ministry of Interior and the U.S. Consulate to facilitate the acquisition of passports and visas. The Training Officer will have overall responsibility for designing the itineraries for the visits and for assuring, with the assistance of USIA and AIFLD in Washington, that an orientation session, and all travel, housing, escort and translator

requirements have been arranged. The pre-travel and post-travel sessions in La Paz, with the assistance of USIS, AIFLD, and Bi-National Center officials, will also be the responsibility of the USAID Training Office.

2. Inter-Agency Selection Committee

The Inter-Agency Selection Committee (established for the LAC Training Initiatives I and II projects) will be responsible for making the final selection of individuals for all long and short-term training, seminar attendance and for participation in the Democracy Awareness Program. The Committee consists of representatives from the USG Mission in Bolivia (USAID, Political, Economic and Consular Sections, DEA, DAO, and USIS). For this project, The Committee will be chaired by a representative from the USAID/Bolivia Office of Development Planning. Each agency will assign two representatives, one principal and one alternate, to assure full representation at the meetings.

3. Office of International Training (OIT)

For long-term and short-term training, and for U.S. seminars, OIT will serve as the intermediary in the identification of courses, admission arrangements, issuance of maintenance checks and reception of participants in the U.S., as well as monitoring and reporting on participants throughout the training program. For seminars conducted in Bolivia, OIT will assist the USAID/Bolivia Training Office in identifying courses which already exist in the U.S. and can be taught in Bolivia in Spanish by U.S. experts, such as many of the courses offered by the U.S. Department of Agriculture or the large Land O' Lakes agricultural cooperative in Minnesota. When topics are identified that are determined to be essential for Bolivia but for which no courses exist, OIT will assist the Mission in identifying those entities, private or U.S. Government, which specialize in providing such courses. USAID/Bolivia will then contract directly with the private firm or rely on OIT to complete a PASA agreement with a U.S. agency, should that be appropriate.

4. Bolivian Private Sector Organizations

The majority of the training opportunities and seminars under this project will be directed, in the first instance, toward the private sector. To expand the universe of candidates for this project, the Mission will rely heavily on private sector mechanisms to inform the public of these training opportunities through the publication of information about these programs in their newsletters and other publications. The USAID/Bolivia Training Office will also work with these associations to arrange one-day seminars on the types of training

which are available under the project and the way applicants can apply. These meetings will be held at least once a year in each of the nine departmental capitals. They will be preceded by newspaper and radio publicity campaigns designed by the Mission, the private sector and USIS/Bolivia. These publicity efforts will be designed to reach beyond those individuals and organizations already aware of the proposed meetings to new and smaller private sector organizations in the more remote areas of each department.

5. U.S. Private Sector Organizations

The GOB has approached Eastern Airlines, with Mission assistance, to request complimentary round-trip tickets from La Paz to Miami or New Orleans for the approximately 100 Bolivians who will be traveling to the U.S. under the Democracy Awareness Program. Domestic U.S. airlines, which have departures from Miami or New Orleans, the U.S. points of entry for Eastern flights from La Paz, will also be asked to provide complimentary tickets for the U.S. travel portion of the program. Each airline will be asked to supply enough tickets for one exchange group trip, approximately 12 tickets. Consequently, complimentary tickets from eight U.S. domestic airlines are required. Air travel costs are currently budgeted under counterpart contributions. Should the airlines decline to provide part or all of the transportation required for the Democracy Awareness Program, the project will have to finance the transportation costs and proportionately reduce the number of projected participants.

6. United States Information Agency (USIA and USIS/Bolivia)

USIA in Washington and USIS/Bolivia will assist in the implementation of this project in several key ways. The USIS Bi-National Centers in Bolivia will administer the ALIGU and TOEFL English language proficiency tests and provide intensive English training for those long-term and short-term training participants who require refresher courses.

USIA's and USIS/Bolivia's principal roles in the project, however, will center around the Democracy Awareness Program. USIS/Bolivia will assist in the identification of candidates for the program and in the design of the pre-departure activities in La Paz as well as in the exit activities upon the participants' return to Bolivia. It will also help the USAID/Bolivia Training office in designing a program for publicizing the departure and return of the participants. USIA will play a central coordinating role, with the Mission and AIFLD, in planning the itineraries of each exchange group, especially the

cultural activities. In addition, USIS/Bolivia and USIA will arrange for the groups' escorts and/or translators and be the principal architects of the orientation activities the groups will have upon their arrival in the U.S. They will also work closely with USAID/Bolivia Training Office to assure that all travel and logistical arrangements have been made and are executed on time. Finally, USIS/Bolivia will work with the USAID/Bolivia Training Office to establish and maintain a roster of the individuals who traveled to the U.S. under the Democracy Awareness Program and assist in the preparation of a semi-annual newsletter for the participants.

7. American Institute for Free Labor Development (AIFLD)

AIFLD in Bolivia and in Washington will work closely with the USAID/Bolivia Training Office, USIA and USIS/Bolivia in implementing the Democracy Awareness component of this project. Because of its close association with rural farmer associations and labor unions, AIFLD will play a key role in identifying and recommending candidates for participation in this program. AIFLD in Washington will work on the design of itineraries for each exchange group, focusing on arranging meetings with farmer associations, labor unions and other appropriate organizations. AIFLD will also arrange for the participants to stay, during most of their visit, in the homes of U.S. Hispanic families. Finally, AIFLD will participate in the design of the pre-departure and post-departure sessions in La Paz, and in the arrival orientation in the U.S.

8. Government of Bolivia

The Ministry of Planning and Coordination will sign the Project Agreement for the Government of Bolivia and will recommend candidates for training, seminars and the Democracy Awareness Program. The actual approval of participants for these programs, however, will be the responsibility of the U.S. Mission's Inter-Agency Selection Committee.

B. Implementation Schedule

The following is a schedule of activities throughout the life of the project:

<u>Date</u>	<u>Activity</u>
<u>1985</u>	
June 1985	- Project Agreement signed with the Ministry of Planning and Coordination.

- June-July 1985 - Invite public and private sector organizations to nominate candidates for FY 1985 long and short-term training in the U.S.
- July 1985 - Inter-Agency Selection Committee approves FY 1985 participants for long and short-term training in the U.S.
- July-August 1985 - Identification of candidates for the Democracy Awareness Program for January 1986.
- August-September 1985 - One-day program publicity meetings (La Paz, Santa Cruz, Cochabamba).
- September 1985 - FY 1985 approved participants for long and short-term training depart for the U.S.
- October 1985 - Identify subjects and define dates for four in-country seminars to be held in FY 1986. Request OIT to identify agencies to conduct these seminars.
- October 1985 - Inter-Agency Selection Committee approves candidates for the January 1986 Democracy Awareness Program.
- October-November 1985 - One-day program publicity meetings (Oruro, Potosí, Sucre, Tarija).
- November 1985 - Invite selected public and private sector organizations to nominate candidates for FY 1986 long and short-term training in the U. S.
- December 1985 - First in-country seminar is held.

1986

- January 1986 - Inter-Agency Selection Committee approves FY 1986 participants for long and short-term training in the U.S.
- January 1986 - First Democracy Awareness Program group visits the U.S.
- February 1986 - One-day program publicity meetings (Trinidad, Cobija).
- February-August 1986 - FY 1986 approved participants for short-term training depart for the U.S.
- February-April 1986 - Identification of candidates for the second Democracy Awareness visit to the U.S., planned for July 1986.
- March 1986 - Second in-country seminar is held.

- May 1986 - Inter-Agency Selection Committee approves candidates for the July 1986 Democracy Awarenesss visit to the U.S.
- June 1986 - Third in-country seminar is held.
- July 1986 - Second Democracy Awarenesss Program group visits the U.S.
- August-September 1986 - One-day program publicity meetings (La Paz, Santa Cruz, Cochabamba).
- September 1986 - FY 1986 approved participants for long-term training depart for the U.S.
- September-October 1986 - Identification of candidates for the Democracy Awareness Program visit to the U.S. in January 1987.
- October 1986 - Identify subjects and define dates for four in-country seminars to be held in FY 1987. Request OIT to identify agencies to conduct these seminars.
- October-November 1986 - One-day program publicity meetings (Oruro, Potosí, Sucre, Tarija).
- November 1986 - Inter-Agency Selection Committee approves candidates for the January 1987 Democracy Awareness visit to the U.S.
- November 1986 - Invite selected public and private sector organizations to nominate candidates for FY 1987 short-term training in the U.S.
- December 1986 - Fourth in-country seminar is held.
- 1987
- January 1987 - Inter-Agency Selection Committee approved FY 1987 participants for short-term training in the U.S.
- January 1987 - Third Democracy Awareness Program visit to the U.S.
- February 1987 - One-day program publicity meetings (Trinidad, Cobija).
- February-April 1987 - Identification of candidates for the July 1987 Democracy Awareness Program visit to the U.S.
- March 1987 - Fifth in-country seminar is held.
- May 1987 - Inter-Agency Selection Committee approval of candidates for the July 1987 Democracy Awareness visit to the U.S.
- June 1987 - Sixth in-country seminar is held.
- July 1987 - Fourth Democracy Awarenesss visit to the U.S.

- August-September 1987 - One-day program publicity meetings (La Paz, Santa Cruz, Cochabamba).
- September-October 1987 - Identification of candidates for the January 1988 Democracy Awareness visit to the U.S.
- October 1987 - Identify subjects and define dates for four in-country seminars to be held in the first and second quarters of FY 1988. Request OIT to identify agencies to conduct these seminars.
- October-November 1987 - One-day program publicity meetings (Oruro, Potosí, Sucre, Tarija).
- November 1987 - Inter-Agency Selection Committee approval of candidates for the January 1988 Democracy Awareness visit to the U.S.
- November 1987 - Invite selected public and private sector organizations to nominate candidates for FY 1988 short-term training in the U.S.
- December 1987 - Seventh in-country seminar is held.

1988

- January 1988 - Inter-Agency Selection Committee approves FY 1988 participants for short-term training in the U.S.
- January 1988 - Fifth Democracy Awareness Program visit to the U.S.
- February 1988 - One-day program publicity meetings (Trinidad, Cobija).
- February-August 1988 - FY 1988 approved participants for short-term training depart for the U.S.
- March 1988 - Eighth in-country seminar is held.
- May 1988 - Ninth in-country seminar is held.
- June 1988 - Project Assistances Completion Date.

C. Evaluation Program

There will be two evaluations during the life of this project. The first, after two years of implementation, will assess the success of the short-term training and seminars and the effectiveness of the Democracy Awareness Program. The evaluation will propose new areas of training, given the changes in the Bolivian economy, and recommend appropriate alterations in the other components of the program. The second evaluation, after the fourth year of implementation, will constitute an overall assessment, including a review of long-term training and an evaluation of the impact of the training and exchange programs on the nation's public and private sectors.

V. SUMMARY ANALYSIS

This project does not require economic, financial or environmental analyses.

A. Technical Analysis

This section projects the supply of training scholarships available to Bolivia over the next five years.

1. Current Other Donor and Host Country Training Activities

a. Training by Bilateral and Multilateral Donors

During the past five years, training opportunities provided by western bilateral donors have declined significantly due to the world economic crisis and to political instability in Bolivia. Nevertheless, almost all countries which have bilateral agreements with Bolivia (the most important of which are Germany, Canada, Japan, Belgium, Switzerland and Brazil) do offer limited numbers of scholarships to young professionals, mainly in the areas of agriculture, health and education.

Except for the United Nations Development Program, which provides funding through its various agencies to cover the training costs of approximately ten short-term and three long-term individuals per year, training assistance to Bolivia from multilateral donors has been limited. The Organization of American States provides an average of three training grants a year; the Inter-American Development Bank supplies five project-related long-term training grants each year; the World Bank contributes six short-term study grants each year in banking and finance, and the International Monetary Fund offers six grants annually to its economic analysis and public finance course in Washington, D.C.

b. Training by Eastern Bloc Countries

While funding for training from the U.S. and western hemisphere democratic governments has declined in recent years, the Soviet Union and its allies have increased the number of training opportunities available to Bolivians. Recent studies have indicated that the Eastern Bloc nations allocate approximately \$2.0 million per year for training programs in Bolivia. Eastern Bloc nations also have been accelerating their cultural exchange activities in Bolivia, particularly among the working classes. Children of mining families, for example, receive multi-year grants to visit and study in Eastern Bloc countries. In 1984, the Government of Bolivia signed a four-year agreement with the Soviet Union through which grant funds will be provided for long-term training (up to four years) for approximately 60 Bolivians annually. In

addition, the Governments of Cuba and Nicaragua have recently initiated student exchange programs in Bolivia mainly in the areas of health and agriculture.

c. Training by the Government of Bolivia

The GOB has extremely limited funds for training outside Bolivia or for cultural exchange programs. The Bolivian private sector does, however, provide limited funds for conferences, seminars, and short courses which are conducted within the country by foreign organizations under the auspices of the country's private sector organizations. Some of the larger Bolivian private enterprises contribute small amounts of funds, usually international travel, to allow their technicians to receive training in other countries.

2. Training Projections

It is virtually impossible to estimate the actual overseas training requirements of Bolivia. GOB sources indicate, however, that the nation's training needs far exceed the current offerings of all international donors. Training opportunities for the nation's private sector are particularly scarce. Currently, Eastern Bloc countries are increasing their training programs. Consequently, it is imperative that the Training for Development project be directed primarily toward the private sector and offer an alternative to Eastern Bloc training.

Projections of international training opportunities for Bolivians over the next five years show that scholarships will continue to be limited as in the recent past. Long-term and short-term training, funded by multilateral institutions, western bilateral donors and the U.S., are estimated to run more than 50 percent below the training which will be offered by Eastern Bloc nations.

Over the next five years, multinational donors will provide no more than 200 person/months of training each year, and non-U.S. western bilateral donors will add only 50 person/months of training yearly. USAID/Bolivia's LAC Training Initiatives II Project will provide approximately 100 person/months of training each fiscal year, and the Training for Development project will offer an average of 156 person/months of training per year during its four-year life of project.* In the fifth year (1989), the level of western-oriented training, if no new U.S. training project is started, will fall again to about 250 person/months annually from other donors.

* The total for the Training for Development project includes the Democracy Awareness Program visits to the U.S. and takes into account the reduced level of training which will be provided in FY 1985, as the project begins in mid fiscal year, and the reduced level of training it will provide in FY 1988, as the project terminates in the third quarter of the fiscal year.

Projections from the Bolivian Ministry of Planning and Coordination indicate that the Eastern Bloc nations will provide approximately 5,000 person/months of training during the same five-year period, 1,000 person/months each year. This is more than double the training to be offered to Bolivians by all western bilateral donors and multilateral institutions during the period.

B. Social Analysis

Two social issues were considered in the design of the project: whether participants will continue to return to work in Bolivia, and the cultural adjustment to the U.S. by young participants under the Democracy Awareness Program.

Economic prosperity and participatory democracy have proven to be critical factors in Bolivia's ability to retain those individuals who received training in the U.S. under USAID/Bolivia projects. Prior, to the economic and political crises confronting Bolivia in the late 1970s and 1980's, approximately 90 percent of those receiving training under Mission projects returned to work in Bolivia. As the economy improves, as the Mission assumes it will, the Mission concludes that, as in the past, Bolivians trained under this project will return to their homeland to work toward the nation's economic recovery and for the preservation of its democratic system.

One of the concerns in carrying out a successful Democracy Awareness Program is the ability of young Bolivians, mostly from rural areas, to overcome the cultural differences between Bolivia and the U.S. in order to be able to appreciate the advantages of the U.S. economic, labor and political systems. A program similar to the one proposed here, though on a smaller scale, was carried out in 1984, when eight young people from Bolivia's town of Catavi mining region travelled to the U.S. for about one month. They visited mining areas, talked with labor leaders, toured a vocational training school and stopped at some of the better known cultural spots in the U.S. The program was considered highly successful. Its organizers noted that the young Bolivians were quick to notice the differences between their system and the U.S. one and to identify the advantages of the U.S. system in working with private business and the government to the mutual benefit of all. The participants agreed that this model could be adapted to their situations.

Because the cultural differences between rural Bolivia and the U.S. are substantial and the participants will be young, mechanisms have been built into the program to ease the transition into U.S. society, thereby minimizing individual stress and increasing the effectiveness of

the visit. An adult Bolivian known to the young people will travel with each group, providing a source of continuity. Moreover, for most of their stay in the U.S., the participants will live in Hispanic households. These components of the Democracy Awareness Program should minimize the cultural tensions which are inherent in such programs and contribute to its overall success.

C. Administrative Analysis

The administrative and technical competence to carry out all aspects of this project is currently available in USAID/Bolivia and already well tested. The USAID/Bolivia Training Office and the Inter-Agency Selection Committee have been functioning since 1982 under the LAC Training Initiatives Regional projects. Also, USIS/Bolivia and USIA participated in a small but highly successful Democracy Awareness Program with AIFLD in 1984. The additional workload placed on the USAID/Bolivia Training Office and the Inter-Agency Selection Committee by this project will not impair the efficiency and effectiveness of the Mission's training activities.

STANDARD ITEM CHECKLIST

A. Procurement

1. FAA Sec. 602. Are there arrangements to permit U.S. small businesses 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? Bolivia does not so discriminate.
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 a 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.) N/A.
5. FAA Sec. 604(g). Will construction or engineering services be procured from firms of countries otherwise eligible under Code 941, but which have attained a competitive capability in international markets in one of these areas? N/A.

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 percent 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 that such vessels are available at fair and reasonable rates. N/A.
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.
8. International Air Transport. 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 1982 Appropriation Act 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? N/A.

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? N/A.
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? N/A.
3. FAA Sec. 620(h). Do arrangements exist to insure that United States foreign aid is not used in manner which, contrary to the best interests of the United States, promotes or assists the foreign aid projects or activities of Communist-block countries? Yes.

4. Will arrangements preclude use of financing?
- a. FAA Sec. 104(f); FY 1982 Appropriation Act. Sec. 525: (1) To pay for performance of abortions as a method of family planning or to motivate or coerce persons to practice abortions; (2) to pay for involuntary sterilization as method of family planning, or coerce or provide financial incentive to any person to undergo sterilization; (3) to pay for any biomedical research which relates, in whole or in part, to methods or the performance of abortions or involuntary sterilizations as a means of family planning; (4) to lobby for abortion? 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(1). For purchases, sale, long-term lease, exchange or guaranty of the sale of motor vehicles manufactured outside U.S., unless a waiver is obtained? Yes.
 - f. FY 1982 Appropriation Act. Sec. 503. To pay pension, annuities, retirement pay, or adjusted service compensation for military personnel? Yes.
 - g. FY 1982 Appropriation Act. Sec. 505 To pay U.S. assessments, arrearages or dues? Yes.

- h. FY 1982 Appropriation Act, Sec. 506
To carry out provisions of FAA Section 209(d) (Transfer of FAA funds to multilateral organizations for lending?) Yes.
- i. FY 1982 Appropriation Act, Sec. 510.
To finance the export of nuclear equipment, fuel, or technology or to train foreign nationals in nuclear fields? Yes.
- j. FY 1982 Appropriation Act, 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 United States Declaration of Human Rights? No.
- k. FY 1982 Appropriation Act, Sec. 515.
To be used for publicity or propaganda purposes within U.S. not authorized by Congress? Yes.

PROJECT CHECKLIST

A. General Criteria for Project

1. FY 1982 Appropriation Act, Sec. 523
FAA Sec. 634A; Sec.653(b).
(a) Describe how authorization and appropriations committees of Senate and House have been or will be notified concerning the project; CN
(b) Is assistance within (Operational Year Budget) country or international organization allocation reported to Congress (or not more than \$1 million over that amount)? No
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? Yes
3. FAA Sec. 611(a) (2). If further legislative action is required within recipient country, what is basis for reasonable expectations that such action will be completed in time to permit orderly accomplishment of purpose of the assistance? No legislative action is required.
4. FAA Sec. 611(b); FY 1981 Appropriation Act, 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? (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 Assistance 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.
- No
7. FAA Sec. 601(a). Information and conclusions whether project will encourage efforts of the country to: (a) increase the flow of international trade; (b) foster private initiative and competition; and (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; and (f) strengthen free labor unions.
- The project will help in areas b, c, e and f.
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).
- It is anticipated a portion of the technical training in this Project will occur with U.S. companies. We expect that the connections made will create business ties between the Bolivian and U.S. firms involved.
9. FAA Sec. 612(b), 636(h); FY 1982 Appropriation Act, 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.
- Bolivia will meet minimum 25% contribution requirement with Title III and Treasury funds (see Financial Plan).
- No U.S.-owned Bolivian currency.
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?
- N/A
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 1982 Appropriation Act, Sec. 521.

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, 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 take into consideration the problem of the destruction of tropical forests?

Yes. See I.E.E. which has been approved by AID/W.

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 expenditures of project funds (dollars or local currency generated therefrom)?

N/A

B. Funding Criteria for Project

1. Development Assistance Project Criteria

a. FAA Sec. 102(b), 11, 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 project will have an impact in areas b, c and d.

the self-help efforts of developing countries; (d) promote the participation of women in the national economies of developing countries and the improvement of women's status; and (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? Yes
- 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 poor)? N/A
- 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)? Yes
- e. FAA Sec.110(b). Will grant capital assistance be disbursed for project over more than 3 years? If so, has justification satisfactory to Congress been made, and efforts for other financing, or if the recipient country "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. N/A

- 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
- 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. Project will have a direct impact in these areas.

2. Development Assistance Project Criteria
(Loans Only)

- a. FAA Sec.122 (b). Information and conclusions 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
- c. ISDCA of 1981, Sec.724(c) and (d). If for Nicaragua, does the loan agreement require that the funds be used to the maximum extent possible for the private sector? Does the project provide for monitoring under FAA Sec. 624(g)? N/A

3. Economic Support Fund Project Criteria

- a. FAA Sec.531(a). Will this assistance promote economic or 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 ESP funds be used to finance the construction of 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 non-proliferation 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



Presidencia de la República

MINISTERIO DE PLANEAMIENTO

COORDINACION

BOLIVIA



4075

La Paz, 23 de agosto de 1985

FILE TRG		
DIV	ACTION	INFO
DIR		✓
DD		
E/O		
DP	✓	
FEH	✓	
COG		
RE		
PE		
FIN		
ES		
TEC		
ADM		
OTRO		
	9/5	

Señor
David A. Cohen
DIRECTOR USAID/BOLIVIA
Presente

Estimado Sr. Cohen:

En nombre del Gobierno de Bolivia (GOB), me permito solicitar a USAID/Bolivia que emprenda un proyecto dirigido a incrementar el número de participantes, tanto del sector privado como del Gobierno, en cursos de capacitación que se dicten en los Estados Unidos.

La situación económica actual hace extremadamente difícil la realización de viajes de estudio al exterior para muchos bolivianos, y el GOB goza de asistencia financiera muy limitada proveniente de otros países para respaldar las actividades internacionales de capacitación.

La donación de AID en un monto de \$ 2.5 millones bajo el Proyecto de Capacitación para el Desarrollo, ayudaría a implementar un programa más amplio que comprenda un mayor número de personas participantes en los cursos de capacitación en los Estados Unidos. La asistencia de AID sería complementada con una contribución del país anfitrión de \$ 900.000.- que estarían destinados, en su mayoría a, cubrir los cueldos percibidos por los participantes durante su estadía en los Estados Unidos.

Con este motivo, renuevo a usted las seguridades de mi consideración distinguida,

Guillermo Bedregal
Dr. Guillermo Bedregal Gotierrez
MINISTRO DE PLANEAMIENTO Y COORDINACION

45

PROJECT DESIGN SUMMARY
LOGICAL FRAMEWORK

(INSTRUCTION: THIS IS AN OPTIONAL FORM WHICH CAN BE USED AS AN AID TO ORGANIZING DATA FOR THE PAR REPORT. IT NEED NOT BE RETAINED OR SUBMITTED.)

ANNEX C
Life of Project: Page 1 of 4
From FY 85 to FY 88
Total U.S. Funding \$2.0 million
Date Prepared: 11/7/84

Project Title & Number: Training for Development 511-0584

PAGE 1

NARRATIVE SUMMARY	OBJECTIVELY VERIFIABLE INDICATORS	MEANS OF VERIFICATION	IMPORTANT ASSUMPTIONS
<p>Program or Sector Goal: The broader objective to which this project contributes:</p> <p>To promote Bolivia's economic recovery and to enhance its democratic system.</p>	<p>Measures of Goal Achievement:</p> <ul style="list-style-type: none"> - More rational macro-economic framework. - Increase private sector activity. - A more efficient and productive private sector. - Expanded cooperation between the GOB and Bolivia's private sector. 	<ul style="list-style-type: none"> - Improved policy changes instigated by Project-trained individuals. - Expansion of trained individuals' businesses and increase in influence in the decision-making process of chambers trade associations, etc. - Improvement in import substitution and export performance of the private sector led by Project trained Bolivians. - Increase in legislative initiatives which are supportive of private sector expansion. 	<p>Assumptions for achieving goal targets:</p> <ul style="list-style-type: none"> - That the Project can identify appropriate types of training and sufficient numbers of candidates. - Factors external to the Project do not cause the demise of the democratic form of Government before this and other U. S. Projects can achieve desired impacts. - That the training and seminars being provided by the U.S. under this Project are sufficient to counterbalance the large amounts of similar training being provided by the Eastern bloc countries.

of

PROJECT DESIGN SUMMARY
LOGICAL FRAMEWORK

ANNEX C

Life of Project: Page 2 of 8
From FY 85 to FY 88
Total U.S. Funding \$2.0 million
Date Prepared: 11/7/84

Project Title & Number: Training for Development 511-0584

NARRATIVE SUMMARY	OBJECTIVELY VERIFIABLE INDICATORS	MEANS OF VERIFICATION	IMPORTANT ASSUMPTIONS
<p>Project Purpose:</p> <p>To expand Bolivia's human resource base by increasing the number of U.S. trained individuals who occupy policy level and leadership positions in the private sector, the Government, and the labor movement.</p>	<p>Conditions that will indicate purpose has been achieved: End of project status.</p> <ul style="list-style-type: none">- Targeted individuals have been identified and trained.	<ul style="list-style-type: none">- USAID PIO/P and other documentation.	<p>Assumptions for achieving purpose:</p>

Best Available Document

57

PROJECT DESIGN SUMMARY
LOGICAL FRAMEWORK

ANNEX C
Page 3 of 4
Life of Project:
From FY 85 to FY 88
Total U.S. Funding \$2.0 million
Date Prepared: 11/7/84

Project Title & Number: Training for Development 511-0584

NARRATIVE SUMMARY	OBJECTIVELY VERIFIABLE INDICATORS	MEANS OF VERIFICATION	IMPORTANT ASSUMPTIONS
<p>Outputs:</p> <ul style="list-style-type: none"> - Trained individuals 	<p>Magnitude of Outputs:</p> <ul style="list-style-type: none"> Long term: 32 person/years Short term: 88 person/months Seminars: 544 person/weeks Democracy Awareness Program: 100 person/months 	<ul style="list-style-type: none"> - Project records 	<p>Assumptions for achieving outputs:</p> <ul style="list-style-type: none"> - Sufficient funds received in a timely manner.

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PROJECT DESIGN SUMMARY
LOGICAL FRAMEWORK

ANNEX C
Page 4 of 4
Life of Project: From FY 85 to FY 88
Total U.S. Funding \$2.0 million
Date Prepared: 11/7/86

Project Title & Number: Training for Development 511-0584

PAGE 4

NARRATIVE SUMMARY	OBJECTIVELY VERIFIABLE INDICATORS	MEANS OF VERIFICATION	IMPORTANT ASSUMPTIONS
Inputs: <u>A.I.D.</u>	Implementation Target (Type and Quantity)		Assumptions for providing inputs:
1) Funds for training and seminars.	1A Long-Term \$950,000		
	1B Short-Term \$500,000		
	1C Seminars \$300,000		
2) Democracy Awareness Program	\$380,000		
3) Training Support Costs	\$125,000		
4) Funds for evaluations	\$ 20,000		
5) Inflation and Contingencies	\$230,000		
<u>Non-A.I.D.</u>			
1) Identification and recruitment of participants by private sector organizations.	uncertain		
2) Participant salaries while in training or attending seminars	\$614,000		
3) Democracy Awareness Program	\$ 22,000		
4) Training Support Costs	\$ 83,000		
5) Inflation and Contingencies	\$ 81,000		

29

UNITED STATES AID MISSION to BOLIVIA
c/o American Embassy
La Paz, Bolivia

ANNEX D
Page 1 of 2

LAC/DR - IEE-85-36

USAID - BOLIVIA
APO MIAMI 34032

file
Telephones: 350120, 350251
Casilla 673
La Paz, Bolivia

ENVIRONMENTAL THRESHOLD DECISION

Location : Bolivia

Title and Number : Training for Development
511-0584

Funding : \$2,000,000

Life of Project : 4 years

Prepared by : Candy Mirrer
USAID/Bolivia

Recommended Threshold Decision : Categorical Exclusion

Bureau Threshold Decision : Concur with Recommendation

Copy to : David A. Cohen
Acting Mission Director
USAID/Bolivia

Copy to : Robert J. Asselin, Jr.
USAID/Bolivia

Copy to : Eric Zallman, LAC/DR

Copy to : Howard Clark, REMS
USAID/Perú

Copy to : IEE file

Maura Batyrols
for Date 4/22/85

James S. Hester
Chief Environmental Office
Bureau for Latin America
and the Caribbean

SD

April 3, 1985

M E M O R A N D U M

To: LAC/DR, James Hester

From: USAID/Bolivia, Robert J. Asselin, Jr. *RJA*

Subject: Initial Environmental Examination (IEE)

Project Location: Bolivia

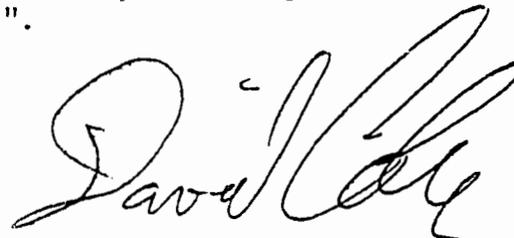
Project Title: Training for Development

Funding: \$2,000,000 (Grant)

Life of Project: 4 years

Environmental Action Recommendation: It is recommended that a categorical exclusion (CE) from the requirements for an IEE be granted for this project. The purpose of the project is to expand Bolivia's human resource base by increasing the number of U.S. trained individuals who occupy policy level & leadership positions in the private sector, the Government, and the labor movements. To achieve the project purpose the project will offer development and leadership seminars in Bolivia and long and short-term training in the United States. The project does not include any other components, such as construction, which require environmental examination.

It should therefore be excluded from the provisions set forth in Regulation 16 paragraph 216.3 in accordance with Section 216, 2(c)(2)(i) which excludes "education, technical assistance or training programs, except to the extent such programs include activities directly affecting environment (such as construction of facilities, etc.)".



David A. Cohen
Acting Mission Director
USAID/Bolivia

Date 4/12/85

51