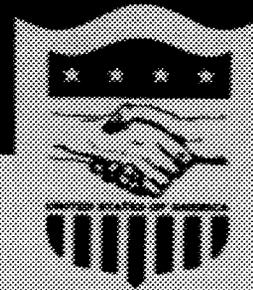


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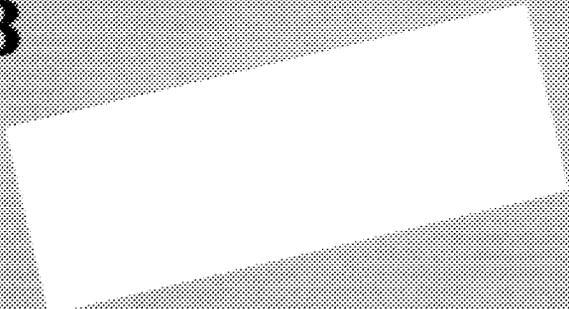
**AGENCY FOR
INTERNATIONAL
DEVELOPMENT**



ANNUAL BUDGET SUBMISSION

FY 83

BOLIVIA



JUNE 1981

**UNITED STATES INTERNATIONAL DEVELOPMENT COOPERATION AGENCY
WASHINGTON, D.C. 20523**

FY 1983 ANNUAL BUDGET SUBMISSION

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TABLE I - LONG RANGE PLAN BY APPROPRIATION ACCOUNT (\$ Thousands)

Country/Office BOLIVIA

DEVELOPMENT ASSISTANCE	FY 1981 EST	FY 1982 EST	FY 1983 REQUEST			PLANNING PERIOD			
			MIN	CURR	AAPL	1984	1985	1986	1987
<u>Agriculture, Rural Dev. & Nutrition</u>									
Grants	1,786	1,971			518	628	380	400	450
Loans	-	-			-	-	-	-	-
<u>Population</u>									
Grant	-	10			10	10	10	-	-
Loans	-	-			-	-	-	-	-
<u>Health</u>									
Grants	-	49			397	400	293	50	50
Loans	-	-			-	-	-	-	-
<u>Education</u>									
Grants	502	1,194			60	80	60	90	100
Loans	-	-			-	-	-	-	-
<u>Selected Development Activities</u>									
Grants	-	150			2,015	355	360	255	255
Loans	-	-			-	-	-	-	-
Sub-total Functional Accounts									
	2,288	3,374			3,000	1,473	1,103	795	855
Total D. A.									
	2,288	3,374			3,000	1,473	1,103	795	855
P.L. 480 (Non-add)									
Title I (of which Title III)	-	17,200			18,600	-	-	-	-
Title II	9,301	8,833			10,696	11,230	11,792	12,382	13,001
Total Personnel ^{1/}									
USDH (work-years)	18	21			21	21	21	21	21
FNDH (work-years)	68	63			63	63	63	63	63

^{1/} Includes 1 USDH and 1 FNDH RIG/P/A personnel, with the exception of the FNDH category for FY 1981 that includes 2 FNDH RIG/P/A.

TABLE I NARRATIVE

The significant program reduction which followed the July 1980 coup had a notable impact on the Mission's traditionally large portfolio and pipeline. Eight projects and portions of two others were terminated, reducing the pre-coup pipeline of \$115 million to an estimated \$58 million as of 9/30/81. Since most of the remaining portfolio of active and temporarily frozen projects are moving or can move better than those terminated, and since the presently authorized FY 1982 and FY 1983 programs are limited, there will be no pipeline problem once normalization permits full reactivation. Although the Mission is therefore optimistic about the future pipeline situation, the unstable political situation and austere economic outlook remain and could cause problems in implementation. Despite the extremely weak economic situation, however, the GOB has demonstrated its intention to stay current with loan repayments, and continued AID assistance is required to avoid the short-run postponement of certain essential basic services.

Although the pipeline should no longer pose a serious problem, the Mission could be facing "mortgaging" problems in the short-term as a result of the extended period of time during which six loan funded projects have been "frozen". These projects have continued at the minimum rate of disbursement. The period of time the projects remain "frozen" will determine whether or not this restricted implementation will have jeopardized their viability. If additional needed disbursements are authorized in a timely fashion, then the "turnaround" capability of these projects will be safeguarded.

In the proposed FY 1983 minimum AAPL package, the Mission has followed the AID/W forward funding guidelines in all cases with the exception of the four proposed OPGs. Full funding for these projects is not possible given the limited grant funds likely to be available. Even assuming normalization of AID activities in Bolivia, the reduced levels of OPG funding availability in Latin America will probably not allow full funding despite continued AID/W emphasis on expanding PVO participation in the development process, and the need for grant funds to meet various CDSS objectives.

TABLE III - PROJECT OBLIGATIONS BY APPROPRIATION ACCOUNT
 FY 1981 to FY 1983
 (\$ thousands)

Country/Office BOLIVIA

APPROPRIATION ACCOUNT	FY 1981	FY 1982	FISCAL YEAR 1983		
			MINIMUM	CURRENT	AAPL
<u>Agricultures, Rural Development and Nutrition</u>					
0451 Basic Foods Production & Marketing	826	474	-	-	-
0452 Small Farmers Org. I	420	-	-	-	-
0481 Small Farm Production	240	560	-	-	-
0514 Consolidation of Colonization Programs - FIDES	300	396	-	-	-
0533 La Merced Cooperative - PVO	-	91	-	-	-
0545 OSCAR - Low Cost Roads - PVO	-	-	-	-	300
0000.01 Project Dev. & Support	-	450	-	-	218
<u>Health</u>					
0536 San Gabriel Health Project - PVO	-	-	-	-	232
0553 CARE - Rural Water Systems Phase II	-	-	-	-	115
0000.02 Project Dev. & Support	-	49	-	-	50
<u>Population</u>					
0000.05 Project Dev. & Support	-	10	-	-	10
<u>Education</u>					
0471 Rural Dev. Planning	500	600	-	-	-
0482 Rural Education II	-	454	-	-	-
0000.03 Project Dev. & Support	2	140	-	-	60
<u>Selected Development Activities</u>					
0412 Special Dev. Activities	-	100	-	-	100
0529 Alternative Energy Planning & Management	-	-	-	-	1,700
0490 CRS Women Leadership, PVO	-	-	-	-	145
0000.04 Project Dev. & Support	-	50	-	-	70
Sub-Total Functional Accounts					
<u>Other Programs</u>					
0522 PL 480 Title III	-	(17,200)	-	-	(18,600)
0523 PL 480 Title II	(9,301)	(8,833)	-	-	(10,696)
Total - All DA Appropriation Accounts					
	2,288	3,374			3,000

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TABLE IV PROJECT BUDGET DATA

NUMBER	PROJECT TITLE	O/L	OBLIGATION DATE		LIFE OF PROJECT COST	CUM PIPELINE AS OF 9/30/80	ESTIMATED U.S. DOLLAR COST (\$000)						ITEM #						
			INITIAL	FINAL			FY 1981		FY 1982		FY OBLIGATIONS			FUTURE YEAR					
							OBL	EXP	OBL	EXP	1983 AAPL	1984			1985	1986	1987		
0049	Agriculture, Rural Development & Nutrition	L	75	75	9.5	682	-	682	-	-	-	-	-	-	-	-	-	-	
0451	Rural Electrification II	G	75	82*	6.9	588	826	1,088	474	550	-	-	-	-	-	-	-	-	
0452	Basic Foods Prod. & Marketing	G	76	81	4.2	509	430	929	-	-	-	-	-	-	-	-	-	-	
0452	Small Farmer Organizations I	L	76	76	7.5	3,462	-	1,000	-	2,262	-	-	-	-	-	-	-	-	
0465	Small Farmer Organizations I	L	77	77	11.3	5,961	-	1,700	-	2,000	-	-	-	-	-	-	-	-	
0465	Agriculture Sector II	L	77	77	13.0	12,959	-	-	-	9,000	-	-	-	-	-	-	-	-	
0466	Rural Access Roads II	G	78	78	0.3	284	-	-	-	150	-	-	-	-	-	-	-	-	
0466	Rural Access Roads II	G	78	80	1.6	659	-	298	-	302	-	-	-	-	-	-	-	-	
0472	Nutrition Improvement APD	G	77	77	4.4	316	-	75	-	150	-	-	-	-	-	-	-	-	
0472	Agribusiness & Artisanry	G	77	77	6.2	5,608	-	2,000	-	3,000	-	-	-	-	-	-	-	-	
0472	Agribusiness & Artisanry	L	77	82*	2.2	692	240	612	560	720	-	-	-	-	-	-	-	-	
0481	Small Farm Production	G	78	80	1.1	668	-	400	-	268	-	-	-	-	-	-	-	-	
0485	Farm Policy Study	G	78	78	3.3	100	-	30	-	70	-	-	-	-	-	-	-	-	
0499	Village Development	L	78	78	15.3	8,812	-	300	-	2,000	-	-	-	-	-	-	-	-	
0499	Village Development	L	79	79	7.0	7,000	-	100	-	1,000	-	-	-	-	-	-	-	-	
0511	Departmental Dev. Corporations	L	79	79	7.0	7,000	-	100	-	1,000	-	-	-	-	-	-	-	-	
0514	Consolidation of Colonization Program (FIDES)	G	79	81*	1.5	378	300	418	396	500	-	-	-	-	-	-	-	-	
0534	Rural Electricity Manag. (NRECA)	G	79	80	.2	146	-	146	-	-	-	-	-	-	-	-	-	-	
0000.01	Project Dev. & Support PVOs/ORGs	G	74	Cont.			-	4	4	450	-	-	-	218	430	380	400	450	Cont.
0533	La Merced Cooperative	G	79	82	.5	158	-	158	91	91	-	-	-	-	-	-	-	-	-
0545	OSCAR Low Cost Roads	G	82	83			-	-	-	-	-	-	-	-	198	380	400	450	-
	Sub-Total					89,084,248,986	1,786	8,940	1,971	22,513	300	198	628	628	628	380	400	450	-
	Grants					19,219,444,502	1,786	4,158	1,971	3,251	518	628	628	518	518	380	400	450	-
	Loans					59,864,844,484	-	4,782	-	19,262	-	-	-	-	-	-	-	-	-
0453	Health	G	75	78	.9	76	-	25	-	51	-	-	-	-	-	-	-	-	-
0458	Rural Health Delivery Serv.	G	77	80	.2	233	-	10	-	175	-	-	-	-	-	-	-	-	-
0458	Rural Sanitation	L	77	77	4.0	3,534	-	66	-	1,000	-	-	-	-	-	-	-	-	-
8888.85	Project Development & Support	G	74	Cont.			-	-	49	49	-	-	-	50	110	60	50	50	Cont.
	Project Development & Support, Population	G	82	Cont.			-	-	10	10	-	-	-	10	10	10	10	10	10

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TABLE IV PROJECT BUDGET DATA

NUMBER	PROJECT TITLE	O/A	OBLIGATION DATE		LIFE OF PROJECT COST	CUM PIPELINE AS OF 9/30/80	FY 1981		FY 1982		FY OBLIGATIONS					ITEM #			
			INITIAL	FINAL			OBL	EXP	OBL	EXP	1983 AAPL	1984	1985	1986	1987		FUTURE YEAR		
0495	PVOs/OFGs																		
0536	CAHE Rural Potable Water	0	78	80	.3	179	-	100	-	79	-	-	150	108	-	-	-	-	
0553	San Gabriel Health Project	0	83	85	.5	-	-	-	-	-	-	232	140	125	-	-	-	-	
	CAHE Rural Water Systems II	0	83	85	.4	-	-	-	-	-	-	115	410	303	50	50	-	-	
	Sub-Total				5.4	4,022	-	201	59	1,364	-	407	410	303	50	50	-	-	
	Grants				1.4	488	-	135	59	364	-	407	410	303	50	50	-	-	
	Loans				4.0	3,534	-	66	-	1,000	-	-	-	-	-	-	-	-	
0450	Education				9.6	4,680	-	2,000	-	1,500	-	-	-	-	-	-	-	-	
0471	Educ. Manag. & Instruct. Dev.	L	75	75	9.6	4,680	-	2,000	-	1,500	-	-	-	-	-	-	-	-	
0477	Rural Development Planning	0	78	83	3.3	950	500	1,000	600	1,050	-	-	-	-	-	-	-	-	
0477	Rural Education I	0	76	80	1.5	508	-	508	-	-	-	-	-	-	-	-	-	-	
0482	Rural Education II	L	76	76	4.9	2,266	-	1,500	-	766	-	-	-	-	-	-	-	-	
0482	Rural Education II	0	77	82	1.7	1,034	-	400	454	600	-	-	-	-	-	-	-	-	
0482	Rural Education II	L	77	77	0.0	8,481	-	400	-	3,000	-	-	-	-	-	-	-	-	
0511	Departmental Dev. Corporations	L	79	79	3.0	3,000	-	50	-	500	-	-	90	60	90	100	Cont.	-	
0000.03	Project Development & Support	0	74	74	Cont.	-	2	5	140	140	-	-	80	60	90	100	Cont.	-	
	Sub-Total				34.0	20,922	502	5,863	1,194	7,556	-	60	80	60	90	100	Cont.	-	
	Grants				6.5	2,495	502	1,913	1,194	1,790	-	60	80	60	90	100	Cont.	-	
	Loans				27.5	18,427	-	3,950	-	5,766	-	-	-	-	-	-	-	-	
0412	Selected Development Activities																		
0510	Special Dev. Activities	0	64	Cont.	-	28	-	28	-	100	-	100	125	125	175	175	Cont.	-	
0529	HIG Shelter Program I	0	79	80	.2	136	-	95	-	21	-	-	-	-	-	-	-	-	
0000.04	Alternative Energy Planning & Management	0	83	83	-	3	-	3	50	50	-	-	80	60	80	80	Cont.	-	
0490	Project Development & Support	0	74	Cont.	-	3	-	3	-	1,700	-	-	-	-	-	-	-	-	
	PVOs/OFGs																		
	CRB - WTD Project																		
	Sub-Total																		
	Grants																		
	Loans																		

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TABLE IV PROJECT BUDGET DATA

MEMBER	PROJECT TITLE	OBLIGATION DATE		LIFE OF PROJECT COST	CUM PIPELINE AS OF 9/30/80	FY 1981		FY 1982		FY OBLIGATIONS					ITEM #	
		INITIAL	FINAL			OBL	EXP	OBL	EXP	1983 AAPL	1984	1985	1986	1987		FUTURE YEAR
222	Other PL 480 Title III PL 480 Title II	78	83	750	(35,840)	(9,301)	-	(8,833)	(17,200)	(11,200)	(11,792)	(12,382)	(13,001)			
	TOTAL ALL ACCOUNTS GRANTS LOANS	55	Cont.	N/A	-	2,288	15,130	3,374	31,604	1,473	1,103	795	855			
				28.5	74,097	2,288	6,332	3,374	5,576	1,473	1,103	795	855			
				22.3	7,652	-	8,798	-	26,028	-	-	-	-			
				22.3	66,445											

Mission data for pipeline as of 9/30/80 was taken from information contained in the PFAR Report dated 9/30/80, and slightly differs from data contained in the preprinted Table IV. Changes are shown for the following projects: ARDN Project Development and Support, 0000.01; Small Farmer Organizations I, 0452; Nutrition Improvement, 0468 and EH Project Development and Support, 0900.03. In the case of loan project 0499 Village Development, the difference noted is due to a deobligation of \$5.0 million, as a result of actions taken after the July 1980 coup.

ACTIVITY DATA SHEET - NEW PROJECT

Title and No.: Alternative Energy Planning and Management (511-0529)

Proposed Funding: (\$000)

	<u>Grant</u>
FY 1983	1,700
LOP	1,700

Functional Account: Special Development Activities

Purpose: To develop the institutional capability of the Ministry of Energy and Hydrocarbons to evaluate Bolivia's energy resources and to undertake an energy investment program based on a coherent national energy plan.

Description: Given present energy consumption trends, Bolivia will exhaust its proven petroleum resources in the early 1990's and its import bill for petroleum derivatives will rise. This will add pressure to an already severely strained balance of payments while significantly increasing the cost of these products to the Bolivian consumer. The extent of this impact on the Bolivian economy and the country's development will depend on the GOB's ability to reduce the growth rate in the consumption of petroleum products and increase the use of other internal energy sources.

At the same time, Bolivia has vast sources of untapped energy which it has been unable to develop due to limited knowledge of its resources, the lack of a national energy plan, and the lack of financing for construction of facilities.

This project proposes to solve the first two constraints by financing a national energy assessment and assisting the GOB in developing a national energy plan. Part of this assistance will help in upgrading the Ministry of Energy and Hydrocarbons' (MEH) capability to implement the assessment and subsequent plan. The grant will also assist in attacking the third constraint by funding the design plans for the construction and operation of mini-hydro and liquid gas-fired electrical generator models currently identified as having the most potential for efficient production in rural areas not connected to electrical grids.

The three components of the project are:

1) Energy Assessment and Planning -- A global energy assessment will be undertaken to examine the current disposition of all Bolivian energy resources. The assessment will combine available information

on hydrocarbon resources and large-scale hydroelectric generation potential with primary research on alternative energy sources (solar, wind, biogas/biomass geothermal), as well as a more comprehensive study of small-scale decentralized hydroelectric potential and an analysis of the fuelwood situation in Bolivia. The assessment will propose alternative approaches for management of energy resources and provide for the development of an integrated dynamic energy and demand balance model for all sectors.

2) Institution Building -- The current structure of the MEH inhibits policy and planning coordination between existing energy operating entities and fails to provide an institutional focus for alternative energy assessment and development. The project will assist the MEH in its efforts to overcome these institutional deficiencies by establishing a central planning and coordinating unit within the MEH which will be responsible for preparing the analytic basis and technical assessment necessary to define and update a national energy plan. It will also expand the National Institute for Rural Electrification (INER), permitting it to focus on non-conventional and/or renewable energy sources. By the end of the project, INER will have the capacity to manage the implementation of a comprehensive rural energy development program to include decentralized hydroelectric and liquid gas generating systems, to test and evaluate non-conventional rural energy sources, and to serve as the point of coordination and technical guidance for the rural energy investment activities of Bolivia's Departmental Development Corporations.

3) Rural Energy Program -- Available data show that two of the most promising sources of energy in rural Bolivia are decentralized hydroelectric generation and liquid gas-fired electric generators. The project will identify a list of potential sites for system installation and do specific detailed feasibility studies for these two sources. These technical studies will include plans, specifications, cost estimates, and designs of administrative structures to operate and maintain the systems.

Beneficiaries: The direct beneficiary of this project will be the MEH which will develop the capability to develop and implement a national energy plan. INER and other MEH dependencies will be better integrated and will receive technical and administrative assistance in improving their capability and outreach. The indirect beneficiaries will be the rural poor who will have greater access to more efficient and cheaper energy sources.

ACTIVITY DATA SHEET - NEW PROJECT - OPGTitle and No.: San Gabriel Health Project (511-0536)Proposed Funding: (\$000)

	<u>Grant</u>
FY 1983	232
LOP	490

Functional Account: Health

Purpose and Description: The OPG will provide funding to assist in carrying out a radio supported rural health delivery system in the Altiplano, Department of La Paz, benefitting 100 small rural communities with an estimated population of 52,000. The project will serve as a model to be replicated in other rural areas of Bolivia. The main components of the project include: 1) the establishment of a health education program; 2) the creation of a training center for community nurse aides and health promoters; 3) the construction and furnishing of 30 health posts; and 4) the organization of a radio health program.

ACTIVITY DATA SHEET - NEW PROJECT - OPGTitle and No.: OSCAR - Low Cost Roads (511-0545)Proposed Funding: (\$000)

	<u>Grant</u>
FY 1983	300
LOP	498

Functional Account: Agriculture, Rural Development and Nutrition

Purpose and Description: During the three year span of this project, 75 kilometers of road (25 kms. per year) will be improved and/or constructed utilizing: 1) minimal road equipment owned by OSCAR; 2) new generating equipment and spare parts to be procured under the project; 3) volunteer community labor; and 4) selected university students who contribute their services for one academic year as part of a work-study program. The project will complete the road connecting the towns of Consata and Mapiri, thus opening up a semi-isolated, potentially productive area for colonization and increased economic activity. The road system, once complete under this project, will: 1) provide access from the towns of Apolo and Mapiri to the western part of the ~~Province of Laracaja, down through the agriculturally productive~~ Sorata Valley, and 2) will connect that area with several important market towns of the Altiplano such as Achacachi, Ancoraimas, Batallas and Huarina. The project will benefit approximately 39,000 persons presently living in the zones and an undetermined amount of new settlers, who will relocate as a result of the opening of the proposed road network.

ACTIVITY DATA SHEET - NEW PROJECT - ORGTitle and No.: Rural Water Systems II (511-0553)Proposed Funding: (\$000)

	<u>Grant</u>
FY 1983	115
LOP	380

Functional Account: Health

Purpose and Description: The project will provide funding to assist CARE and its Bolivian counterparts to provide potable water and health sanitation services in the Departments of Chuquisaca and Tarija. The project will replicate CARE's presently successful efforts being carried out in the Departments of La Paz, Chuquisaca and Tarija. It is the second phase of the Chuquisaca/Tarija activity, the major modification being the greater emphasis placed on the direct participation by the local development corporations. This effort is expected to reach approximately 16,000 people in 40 small rural communities.

ACTIVITY DATA SHEET - NEW PROJECT - OPGTitle and No.: Women's Leadership Training (511-0490)Proposed Funding: (\$000)

	<u>Grant</u>
FY 1983	145
LOP	470

Functional Account: Selected Development Activities

Purpose and Description: This project will offer training in leadership, problem analysis, promotion and organization in areas such as health, nutrition and small business to rural women in four departments of Bolivia. The women leaders participating in the training program will be chosen by their communities. Subsequent to the training they will return to their communities to conduct local level sessions encouraging the carrying-out of small socio-economic development projects emphasizing the participatory role of women. Direct beneficiaries of this project will be the 2,000 women leaders charged with organizing and implementing the development projects, which could indirectly impact on as many as 40,000 community members.

TABLE V - FY 1983 PROPOSED PROGRAM RANKING

RANK	DESCRIPTION	PENDING/NEW	LOAN/GRANT	APPROP. ACCT.	PROGRAM FUNDING (\$000)			WORKFORCE (Number of Workmonths)			
					INCR	CUM	FNDH	INCR	CUM	FNDH	
											INCR
Country/Office BOLIVIA											
	Decision Package Minimum/AAPL Pipeline Projects										
	New and Continuing Projects										
1.	511-0522 PL 480 Title III	O	NA	ARDN	(18,600)	(18,600)		252	252	756	756
2.	511-0523 PL 480 Title II	O	NA	NA	(10,696)	(10,696)					
3.	511-0412 Special Development Activities	O	G	SD	100	100					
4.	511-0536 San Gabriel Health Proj. - PVO	N	G	HE	232	332					
5.	511-0545 OSCAR Low Cost Roads - PVO	N	G	ARDN	300	632					
6.	511-0490 CRS Women Leadership - PVO	N	G	SD	145	777					
7.	511-0553 CARE Rural Water Systems - PVO	N	G	HE	115	892					
8.	511-0000.01 Project Dev. and Support	O	G	ARDN	218	1,110					
9.	511-0000.04 Project Dev. and Support	O	G	SD	70	1,180					
10.	511-0000.03 Project Dev. and Support	O	G	EH	60	1,240					
11.	511-0000.02 Project Dev. and Support	O	G	HE	50	1,290					
12.	511-0000.05 Project Dev. and Support	O	G	POP	10	1,300					
13.	511-0529 Alternative Energy Planning and Management										
14.	Basic Workforce				1,700	3,000			252	756	756
	Total - AAPL Package and Related Workforce				3,000	3,000		252	252	756	756

1/ Includes 1 USDH and 1 FNDH RIG/P/A personnel.

PROPOSED PROGRAM RANKING NARRATIVE

As a result of the July 1980 coup, the U.S. Government curtailed economic assistance and sharply reduced the USAID/DH staff from an authorized ceiling of 31 to an on board strength of 17. Eight projects have been terminated and two others substantially reduced, thereby cancelling \$44.84 million in project resources or 37% of the pre-coup pipeline. In addition, \$56.1 million in assistance, or 46% of the pre-coup pipeline has been delayed or "frozen". The remaining program of \$25.45 million, or 21% of the pre-coup pipeline, consists of older terminating projects worth \$7.6 million and continuing humanitarian, non-government and minimal research activities of \$17.85 million. PL 480 Title II and III activities also continue -- the Title II program supports school child feeding, food for work and national child health activities; and the Title III program finances, with funds generated by wheat sales through FY 80, a myriad of rural development activities.

In accordance with AID/W instructions received subsequent to the cable advising the Mission of FY 1983 funding levels, and given the necessarily speculative nature of any more realistic program level at this time, the Mission has prepared a Minimum/AAPL package. An AAPL level of \$3.0 million is the minimal level in which the combination of projects indicated in Table V can continue to move the program forward, albeit at an extremely reduced level, towards CDSS objectives and consistent with post-coup guidance of maintaining a "turnaround" capability.

The proposed FY 1983 Minimum/AAPL package deviates from initial instructions (State 125225), which limited the program to a continuation of ongoing activities. This would require a phase-out scenario, which is not consistent with the Agency's development objectives as described under Case II in Section IV, "Issues", of the FY 1983 CDSS. No decision has been made to phase-out the Bolivia program, and the proposed AAPL package assumes that this will not occur.

Thus the proposed package, with which AID/W informally concurred, allows for meeting certain development opportunities on a limited basis by implementing certain suspended projects and undertaking minimal new starts in OPGs and energy (\$2.5 million). PL 480 Titles II and III would continue (\$29,096 million) as would SDA and PD&S (\$0.5 million). The package continues to emphasize CDSS objectives in agriculture and rural development while beginning "to capitalize on the excellent opportunity to work in the energy sector". The ARDN sector includes one new OPG. There are no new starts in education. There are two new starts (OPGs) in health and nutrition, since this area remains a possibility for expansion depending on central government institutional developments.

The package assumes both an improvement in political relationships, although not to the closeness which existed prior to the July 1980 coup, and improved economic conditions as a result of recent and future measures.

The Minimum/AAPL package is funded at \$3.0 million and includes thirteen projects of which eight are on-going grants (including PL 480 Title II and III), four are new OPGs with PVOs, and one is a new grant in the energy sector. Within this package Agriculture, Rural Development and Nutrition (ARDN) projects total \$518,000; Health (HE) \$397,000; Education and Human Resources (EH) \$60,000; Selected Development Problems (SD) \$2,015,000; and Population (POP) \$10,000. (Note, however, that the Mission has also proposed an expanded program of indirect and centrally-funded activities in the population area.)

ARDN continues to receive the major emphasis of the overall program, including ongoing projects, although SD activities dominate the very small Minimum/AAPL package since it features projects in the energy (\$1.7 million) and WID (\$145,000) areas. Since ARDN activities make up the bulk of the pipeline projects (\$17.1 million or 66%), and are also complemented by the two PL 480 programs (\$29.1 million), the Minimum/AAPL package is designed to address the problems encountered in other sectors, primarily energy. ARDN projects amount to \$17.6 million or 61.1% of the total program, taking into account both ongoing activities and new commitments.

The projects were chosen and the rank order determined on the degree of contribution they make to the objectives discussed in the FY 1983 CDSS: 1) increased agricultural production and farm income; 2) higher per capita income through expanded off-farm employment opportunities; 3) increased access to cost-effective energy sources and broader economic participation of women; and 4) enhancement of the human resources base through decreased malnutrition, morbidity and mortality and more appropriate educational opportunities.

In working towards growth with equity, these objectives are to be reached within an overall strategy which emphasizes: 1) decentralization (regional, local and individual participation in decision making and upward articulation of needs); 2) reduction of counterpart requirements; and 3) expanded use of private sector entities to reach the target group. Thus, first in the ranking is the Title III project, as it addresses all facets of the CDSS objectives. The project, consisting of 13 sub-projects, includes over \$36 million for small farmer credit and community development activities which directly address the CDSS objectives of agricultural production, productive employment, and direct target group

participation. The project finances activities which develop and expand improved nutrition and disease control (\$11 million), Departmental Development Corporation activities enhancing food production efforts, and conservation and micro-irrigation (\$15 million). The project also encourages agricultural policy reform and Ministry of Agriculture reorganization, while relieving serious current balance of payment problems by reducing the use of scarce foreign exchange for required wheat imports.

The PL 480 Title II is ranked very high given its overall importance in providing critical food commodities for continuing activities described in the CDSS, particularly school child feeding, food for work and maternal and child health feeding. Given its potential for cross-sectoral support of other Mission activities, it is given second place ranking. The Mission has increased efforts to use PL 480 Title II activities to promote target group participation and employment generation in energy (basic mini-hydroelectric infrastructure), conservation (reforestation), health (latrine and water system construction), education and women's participation in development (promotion of mothers' clubs which play important roles in rural areas in delivering non-formal education services in literacy, health, nutrition, agricultural extension, cooperative formation and creation of small cottage industries). Title II commodities also support expanded PVO and Departmental Development Corporation activities.

The next series of projects, the ongoing SDA activity and four new OPGs, address the Mission's objective of encouraging greater private sector participation in development and promoting community participation in important decisions that affect the lives of the rural poor. The ranking is based on complementarity to other Mission programs, responsiveness to CDSS objectives, and institutional capacity. They include community-initiated self-help activities, health services, rural roads, appropriate technology and training for rural women, and rural potable water. The SDA project is ranked first because it responds rapidly and directly to target group requests for financing a wide spectrum of self-help community infrastructure and production activities. The four new OPGs are a result of Mission efforts to increase use of the private sector where effective and appropriate. They are (in order of ranking) rural health services in the Altiplano, rural access roads in the isolated areas of northern La Paz and southern Beni, training and employment generating activities for rural women, and latrine and potable water construction and accompanying health and nutrition education in rural Chuquisaca and Tarija.

The next series of projects consists of Project Development and Support; rank order follows that of the priorities established in the CDSS. This is the lifeblood of future Mission project development. When political developments require a normalization of AID activities in Bolivia, timing will be extremely important in developing new activities and the Mission must be prepared to finalize project designs and submit them for approval. Further postponement of PD&S activities could leave the Mission unprepared to respond to a favorable change in relations between the U.S. and Bolivia.

The final project, Alternative Energy Planning and Management, would be the Mission's new initiative for FY 1983 under the restricted funding assumed for this exercise. The project is a direct response to both the second objective in the CDSS and AID's policy of promoting activities in the energy sector. The project addresses the deteriorating energy situation in Bolivia (see Annex E of the FY 1983 CDSS) by promoting development of an appropriate national energy policy, including both renewable and conventional sources, which will assure the most cost effective use of each (see enclosed project description). The project is ranked last only because as a new activity it is subject to the uncertainty of U.S.-Bolivian relations. However, given the significant potential impact of the project and the opportunity to take advantage of the GOB's increasing concern with the energy sector, it is of the utmost importance that the Mission undertake initial efforts in this area.

To implement the FY 1983 program, the Mission is proposing personnel levels for FY 1983 of 20 USDH and 62 FNDH. Prior to the July 1980 coup, the USDH authorized ceiling was 31, which was considered necessary to implement the pre-coup pipeline of \$121.4 million, plus PL 480 Title II and III, HIG, and PCGP worth \$55.2 million for a total program of \$176.6 million. As a result of the coup, the pre-coup pipeline was reduced by \$45 million, or 25%. Reductions in USDH, however, left an on board strength of only 17, a reduction of 45%. The Mission has managed so far with this disproportionate reduction, but suspended projects and new commitments of from \$3-\$15 million (according to the ABS guidance) would require that a balance be restored. By FY 1983 a minimum of 20 USDH will be required. This is an increase of 3 over AID/W-provided ABS levels -- one an IDI in agriculture and rural development which we hope will arrive in FY 1981, another to fill out requirements for that primary area of concentration, and the third, a multisector officer to bolster human resources efforts. This is a very modest increase given the severe reductions made this year.

As regards the 62 FNDH, the Mission assumes that State 113557, dated May 2, 1981, which specifically deals with this issue and proposes a maximum level of 63, is the governing instruction. The Mission has responded favorably to that instruction, offering a reduction to a ceiling of 62; this represents a cut of 18 since the coup. Given the sharp reductions in USDH the Mission is accepting, any further reductions will have a serious negative impact on operational capacity. Finally, the Embassy and Mission have questioned the need to maintain one RIG USDH and one RIG FNDH in La Paz as the only resident auditor operation in LAC, given the significant reductions in the Bolivia program (see La Paz 2842). In accordance with the ABS instructions received, per State 133595, however, the corresponding workyears and funding have been included in planning levels pending a decision on this point.

TABLE VIIIOPERATING EXPENSE SUMMARY

	FY 1980		FY 1981		FY 1982				
	(\$000's)	Related Workyear	Unit Cost	(\$000's)	Related Workyear	Unit Cost	(\$000's)	Related Workyear	Unit Cost
<u>COST SUMMARIES</u>									
US Direct Hire	1.454.0	28.0	51.9	1.048.8	18.4	57.0	1.205.0	21.0	57.3
FN Direct Hire	1.134.7	79.3	14.3	1.081.5	68.9	15.7	1.529.3	63.0	24.3
US Contract Pers.	-	-	-	-	-	-	-	-	-
FN Contract Pers.	41.9	3.2	13.1	5.0	0.2	2.5	30.0	2.0	15.0
Housing Expense	330.8	30.0	11.0	257.3	19.0	13.5	318.8	20.0	15.9
Office Operations	773.2	xx	xx	762.7	xx	xx	1.078.6	xx	xx
Total Budget	3.734.6	xxx	xxx	3.155.3	xx	xx	4.161.7	xx	xx
Mission Allotment	2.379.9	xxx	xxx	1.892.2	xx	xx	2.759.0	xx	xx
FAAS	145.1	xxx	xxx	321.3	xx	xx	353.4	xx	xx
Trust Fund	13.6	xxx	xxx	22.3	xx	xx	39.0	xx	xx

TABLE VIII

	FY 1983		MIN/AAPL		FY 1983		FY 1983		FY 1983	
	(\$000's)	Related Workyear	Unit Cost	(000's)	Related Workyear	Unit Cost	(\$000's)	Related Workyear	Unit Cost	
<u>COST SUMMARIES</u>										
US Direct Hire	1.189.6	21.0	56.6							
FN Direct Hire	1.264.3	63.0	20.0							
US Contract Pers.	-	-	-							
FN Contract Pers.	33.0	2.0	16.5							
Housing Expense	418.8	21.0	19.9							
Office Operations	1.180.7	xx	xx		xx	xx		xx	xx	xx
Total Budget	4,086.4	xx	xx		xx	xx		xx	xx	xx
Mission Allotment	2,667.7	xx	xx		xx	xx		xx	xx	xx
FAAS	388.7	xx	xx		xx	xx		xx	xx	xx
Trust Fund	19.7	xx	xx		xx	xx		xx	xx	xx

TABLE VIIIOPERATING EXPENSE SUMMARY - RIG/A/P

	FY 1980		FY 1981		FY 1982				
	(\$000's)	FY 1980 Related Workyear	Unit Cost	(\$000's)	FY 1981 Related Workyear	Unit Cost	(\$000's)	FY 1982 Related Workyear	Unit Cost
<u>COST SUMMARIES</u>									
US Direct Hire	57.5	1.0	57.5	2.1	-	-	71.7	1	71.7
FN Direct Hire	71.4	2.9	24.6	44.7	2	22.3	21.8	1	21.8
US Contract Pers.	-	-	-	-	-	-	-	-	-
FN Contract Pers.	-	-	-	-	-	-	-	-	-
Housing Expense	10.7	1.0	10.7	-	-	-	15.2	1	15.2
Office Operations	19.3	xx	xx	22.3	xx	xx	32.2	xx	xx
Total Budget	158.9	xxx	xxx	69.1	xx	xx	140.9	xx	xx
Mission Allotment	110.6	xxx	xxx	69.1	xx	xx	68.2	xx	xx
FAAS	4.0	xxx	xxx	-	xx	xx	16.0	xx	xx
Trust Fund	0.6	xxx	xxx	-	xx	xx	2.0	xx	xx

TABLE VIII RIG - A/P

COST SUMMARIES	FY 1983 MIN/AAPL		FY 1983		FY 1983		Unit Cost
	(\$000's)	Related Workyear	(000's)	Related Workyear	(\$000's)	Related Workyear	
US Direct Hire	61.9	1	61.9				
FN Direct Hire	24.0	1	24.0				
US Contract Pers.	-	-	-				
FN Contract Pers.	-	-	-				
Housing Expense	16.7	1	16.7				
Office Operations	34.9	XX	XX	XX		XX	XX
Total Budget	137.5	XX	XX	XX		XX	XX
Mission Allotment	63.3	XX	XX	XX		XX	XX
FAAS	18.0	XX	XX	XX		XX	XX
Trust Fund	1.5	XX	XX	XX		XX	XX

We have reduced the FY 1981 operating expense budget to the absolute minimum. Good Management would require us to include several items that have been deferred until FY 1982.

The FY 1981 budget revision contains three new items: 1) two new post assignments anticipated in the final quarter of FY 1981 requiring additional funding for travel, transportation, housing, utilities, etc.; 2) funding for costs related to reducing FNDH employment from 68 to 63; and 3) purchase of specialized electrical typewriters required for use with a new communications system being installed by the State Department.

AGENCY FOR INTERNATIONAL DEVELOPMENT
OVERSEAS WORKFORCE REQUIREMENTS
IN MONTHS

BUREAU: BUREAU FOR LATIN AMERICAN AND CARIBBEAN

DECISION UNIT: BOLIVIA

ITEM	US/ FN	FUNC- TION	SKILL	POSITION NUMBER AND TITLE	LEVEL	PERB CAT	WORK SHC	FY 81	FY 82	F Y 1 9 8 3			AT AAPL	AT LEVEL	ABOVE PLAN LEVEL	FY 84	FY 85
										AT MIN	AT A/AAPL	AT CURR					
6	U	10	011	10110 Director	H	-	40	12	12	12	12	12	-	-	12	12	
7	U	10	012	10118 Dep. Director	H	-	40	12	12	12	12	12	-	-	12	12	
8	U	10	050	10127 Secretary	E	-	40	12	12	12	12	12	-	-	12	12	
	F	10	050	088 Secretary	P	-	40	12	12	12	12	12	-	-	12	12	
	F	10	050	006 Translator	P	-	40	12	12	12	12	12	-	-	12	12	
9	U	20	023	11011 Program Officer	M	-	40	12	12	12	12	12	-	-	12	12	
10	U	20	023	11015 Dep. Prog. Officer	M	-	40	12	12	12	12	12	-	-	12	12	
11	U	20	023	11030 As. Prog. Officer	E	-	40	12	12	12	12	12	-	-	12	12	
1758	F	20	050	004 Secretary	P	-	40	12	12	12	12	12	-	-	12	12	
	F	20	050	086 Clerk (Stenography)	N	-	40	12	12	12	12	12	-	-	12	12	
	F	20	024	003 Program Specialist	P	-	40	12	12	12	12	12	-	-	12	12	
	F	20	024	002 Program Specialist	P	-	40	9	12	12	12	12	-	-	12	12	
	F	20	910	001 Part. Training Ass.	N	-	40	12	12	12	12	12	-	-	12	12	
171	U	40	103	13011 Ag. Dev. Officer	M	-	40	12	12	12	12	12	-	*	12	12	
	U	40	104	Proj. Manager	M	I	40	3	12	12	12	12	-	*	12	12	
24	U	40	800	13032 Comm. Dev. Advisor	M	-	40	12	12	12	12	12	-	-	12	12	
21	U	40	092	13040 Project Manager	M	-	40	12	12	12	12	12	-	-	12	12	
	F	40	103	071 Program Specialist	P	-	40	12	12	12	12	12	-	-	12	12	
	F	40	050	072 Secretary	P	-	40	12	12	12	12	12	-	-	12	12	
	F	40	050	074 Secretary	P	-	40	12	12	12	12	12	-	-	12	12	
	F	40	050	076 Secretary	P	-	40	12	12	12	12	12	-	-	12	12	
	U	40	104	2/2/ Project Manager	M	-	40	2	12	12	12	12	-	*	12	12	
	U	40	104	2/2/ Project Manager	M	-	40	3	12	12	12	12	-	*	12	12	
23	U	40	500	16010 Health Fam.Plan.Dev.Off.	M	-	40	12	12	12	12	12	-	-	12	12	
1764	F	40	701	082 Prog. Specialist	P	-	40	12	12	12	12	12	-	-	12	12	
1765	F	40	150	078 FFP Assistant	P	-	40	12	12	12	12	12	-	-	12	12	
	F	40	502	079 Prog. Spc. Nut.	P	-	40	12	12	12	12	12	-	-	12	12	
	F	40	050	075 Secretary	P	-	40	12	12	12	12	12	-	-	12	12	
	F	40	050	018 Secretary	P	-	40	12	12	12	12	12	-	-	12	12	
14	U	30	940	12016 Cap.Proj.Dev. Off.	M	-	40	12	12	12	12	12	-	-	12	12	
20	U	30	940	12020 Cap. Proj. Dev. Spc.	E	-	40	12	12	12	12	12	-	-	12	12	
15	U	30	940	12040 Cap. Res. Dev. Off.	E	-	40	12	12	12	12	12	-	-	12	12	
1759	F	30	940	089 Cap.Dev. Spec.	P	-	40	12	12	12	12	12	-	-	12	12	
1760	F	30	940	085 Spc. I. Procurement	N	-	40	12	12	12	12	12	-	-	12	12	
	F	30	050	019 Procurement Agent	N	-	40	12	12	12	12	12	-	-	12	12	
	F	30	050	043 Secretary	P	-	40	12	12	12	12	12	-	-	12	12	
	F	30	050	016 Secretary	N	-	40	12	12	12	12	12	-	-	12	12	
	F	30	050	042 Secretary	N	-	40	12	12	12	12	12	-	-	12	12	
	U	40	940	2/2/ Cap. Proj. Dev. Off.	M	-	40	3	12	12	12	12	-	-	12	12	
	U	40	940	2/2/ Engineer	M	-	40	2	12	12	12	12	-	-	12	12	
1762	F	40	252	096 Sup. Civil Engineer	P	-	40	12	12	12	12	12	-	-	12	12	
	F	40	252	098 Engineer	P	-	40	12	12	12	12	12	-	-	12	12	
	F	40	252	094 Engineer	P	-	40	12	12	12	12	12	-	-	12	12	
	F	40	252	099 Engineer	P	-	40	12	12	12	12	12	-	-	12	12	

ITDA	US/ FN	FUNC- TION	SKILL	POSITION NUMBER AND TITLE	LEVEL	PRRB CAT	WORK SNC	FY 81	FY 82	AT MTN/AAPL	AT CURR	AT AAPL	ABOVE PLAN LEVEL	FY 84	FY 85
	F	40	050	097 Secretary	P	-	40	12	12	12	-	-	-	12	12
	F	40	050	093 Secretary	N	-	40	12	-	-	-	-	-	-	-
183	U	50	043	10310 Controller	H	-	40	12	12	12	12	12	-	12	12
1767	F	50	041	066 Superv. Financial Analyst	P	-	40	12	12	12	12	12	-	12	12
	F	50	041	069 Financial Analyst	P	-	40	12	12	12	12	12	-	12	12
	F	50	041	070 Financial Analyst	P	-	40	12	12	12	12	12	-	12	12
1768	F	50	041	058 Budget Analyst	P	-	40	12	12	12	12	12	-	12	12
	F	50	042	097 Accounting Technician	P	-	40	12	12	12	12	12	-	12	12
1766	F	50	042	063 Budget and Acc. Assistant	P	-	40	12	12	12	12	12	-	12	12
	F	50	042	054 Budget and Acc. Assistant	P	-	40	12	12	12	12	12	-	12	12
	F	50	042	059 Accounting Technician	P	-	40	12	12	12	12	12	-	12	12
	F	50	050	049 Cashier	N	-	40	12	12	12	12	12	-	12	12
	F	50	050	056 Voucher Examiner	N	-	40	12	12	12	12	12	-	12	12
	F	50	042	017 Budget Acc. Assistant	N	-	40	12	12	12	12	12	-	12	12
	F	50	050	067 Clerk Stenographer	N	-	40	12	12	12	12	12	-	12	12
	F	50	050	053 Secretary	P	-	40	12	12	12	12	12	-	12	12
	F	50	041	066 Superv. Financial Analyst	P	-	40	12	12	12	12	12	-	12	12
	F	50	050	065 Voucher Examiner	N	-	40	3	-	-	-	-	-	-	-
							40	3	-	-	-	-	-	-	-
193	U	60	031	10210 Executive Officer	H	-	40	12	12	12	12	12	-	12	12
1773	F	60	033	010 Superv. Adm. Specialist	P	-	40	12	12	12	12	12	-	12	12
	F	60	050	009 Personnel Specialist	P	-	40	12	12	12	12	12	-	12	12
	F	60	050	011 Travel Assistant	N	-	40	12	12	12	12	12	-	12	12
	F	60	050	020 Travel Clerk	N	-	40	12	12	12	12	12	-	12	12
1774	F	60	050	013 Shipment Assistant	N	-	40	12	12	12	12	12	-	12	12
	F	60	050	008 Secretary	P	-	40	12	12	12	12	12	-	12	12
	F	60	072	023 Mail/Clerk Messenger	N	-	40	12	12	12	12	12	-	12	12
1770	F	60	072	021 Mail/Clerk Messenger	N	-	40	12	12	12	12	12	-	12	12
	F	60	931	012 Contracting Specialist	P	-	40	12	12	12	12	12	-	12	12
1772	F	60	050	014 Clerk (Stenography)	N	-	40	12	12	12	12	12	-	12	12
	F	60	034	025 General Serv. Specialist	P	-	40	12	12	12	12	12	-	12	12
	F	60	050	024 Superv. Adm. Specialist	P	-	40	12	12	12	12	12	-	12	12
	F	60	050	027 Secretary	P	-	40	12	12	12	12	12	-	12	12
	F	60	050	027 Motor Pool Superv.	N	-	48	12	12	12	12	12	-	12	12
	F	60	3/	032 Chauffeur	N	-	48	12	12	12	12	12	-	12	12
	F	60	3/	031 Chauffeur	N	-	48	12	12	12	12	12	-	12	12
	F	60	3/	034 Chauffeur	N	-	48	12	12	12	12	12	-	12	12
	F	60	3/	035 Chauffeur	N	-	48	12	12	12	12	12	-	12	12
	F	60	3/	030 Chauffeur	N	-	48	12	12	12	12	12	-	12	12
	F	60	050	050 Printing Technician	N	-	40	12	12	12	12	12	-	12	12
	F	60	050	033 Procurement Agent	N	-	40	12	12	12	12	12	-	12	12
	F	60	050	044 Supply Assistant	N	-	40	12	12	12	12	12	-	12	12
	F	60	050	045 Supply Assistant	N	-	40	12	12	12	12	12	-	12	12
	F	60	050	041 Property Control	N	-	40	12	12	12	12	12	-	12	12
	U	60	031	2/ Dep. Executive Officer	N	-	40	6	-	-	-	-	-	-	-
							40	3	-	-	-	-	-	-	-

ITEM	US/ FN	FUNC- TION	SKILL	POSITION NUMBER AND TITLE	LEVEL	PERS CAR	WORK SHC	FY 81	FY 82	AT MIN/AAPL	AT CURR	AT AAPL	ABOVE PLAN LEVEL	FY 84	FY 85
25	U	40	804	17028 Hum. Res. Dev. Officer	M	-	40	12	12	12	-	-	-	12	12
	F	40	050	Secretary	P	-	40	12	12	12	-	-	-	12	12
1051	U	90	850	10162 Legal Advisor	M	-	40	12	12	12	-	-	-	12	12
1775	F	90	050	Secretary	P	-	40	12	12	12	-	-	-	12	12
1776	U	90	081	Auditor	M	-	40	1	12	12	-	-	-	12	12
	F	90	050	Auditor Secretary	P	-	40	12	12	12	-	-	-	12	12
	F	90	050	Secretary	P	-	40	12	-	-	-	-	-	-	-
	U	40	091	2/ Gen. Develop. Officer	M	-	40	-	12	12	-	-	*	12	12
TOTALS								1,046	1,008	1,008	-	-	-	1,008	1,008

1/ The instructions received, requested the Mission to use the automated data listing, which was supposedly prepared based on last year Table IX information. Given the number of changes required in the pre-printed listing submitted by AID/W, a new listing has been prepared in accordance with the instructions for the preparation of the FY 1983 ABB.

2/ Employees who worked only part of the Fiscal Year and vacant positions.

3/ Chauffers not included under the overseas skill codes/position titles.

I. P. L. 480 - GENERAL NARRATIVE

A. P.L. 480 and Mission Development Strategy

The P.L. 480 program has proven to be a fully integrated element of the Mission's development strategy by combining the humanitarian assistance element of food distribution activities with the developmental activities of the Title III program and other AID funded efforts. Over the past politically sensitive year the P.L. 480 program allowed the Mission to continue its humanitarian and developmental support through private and decentralized institutions at a time when AID activities with the public sector and the central government had been significantly reduced. Using decentralized entities, however, is more than a response to the July 1980 military coup; it is a basic element of the Mission's development strategy in Bolivia, and PL 480 programs provide direct and valuable support. As described in the FY 1983 CDSS, the program will continue to play an important role in the Mission's strategy both in the short-term and in the CDSS period.

B. The Title II Program

Summary and Description

In accordance with the FY 1983 CDSS, the Mission is moving towards an expanded use of the Title II humanitarian and developmental activities to strengthen its efforts in key sectors to promote increased community participation and employment generation through the various program categories.

The need for the Title II program is based on the recognition that Bolivia is the poorest and least developed nation in South America, with a per capita GNP of \$510 and the lowest caloric supply among Latin American countries. In response to these interrelated problems, the Title II program is concentrating its activities in marginal urban and rural areas where it can have the greatest impact on: (1) reducing the malnutrition affecting the most vulnerable groups of mothers and children; (2) expanding off-farm employment opportunities such as those provided by the Food-for-Work program and mother clubs' activities; and (3) improving the human resources base through expanded educational opportunities for rural children and selected middle-level training.

In sum, the Title II program not only focuses on improving the nutritional status of disadvantaged low-income groups, but serves as an incentive for development programs at the community level. Its importance is not only the food it supplies, but the leverage for developmental activities it provides. The Maternal Child Health and the Food-for-Work are examples which describe the dual focus of the program.

(1) The Maternal Child Health program provides supplementary food rations to nearly 50,000 women in fertile age and 100,000 children under 6 years of age in eight of the nine departments (states) of the country, mostly in rural areas. Since the inception of the program in 1954, its food distribution element has served as an incentive for the organization of some 1,300 mothers to organize themselves in mothers' clubs to serve as the vehicle in reaching families with educational activities and motivating simple productive communal activities. In recent years many of the clubs have grown to community development centers carrying out complex activities such as consumer cooperatives; literacy, agricultural production and artisanry courses; and home and school gardens.

(2) The Food-for-Work program provides food assistance to voluntary workers engaged in community self-help activities which improve rural living conditions, such as the creation or rehabilitation of infrastructure projects. In addition, food commodities from the Food-for-Work program category assist: (1) the National Community Development Service (NCDS) in its efforts to build health posts and schools that extend health and educational services to the rural areas; and (2) the CARE Rural Potable Water Project (511-0495) in providing training in water system maintenance to community representatives responsible for the functioning of the water systems after the termination of the project.

In sum, the above mentioned programs are not limited to the distribution of food, but include important developmental elements directly related to the improvement of the quality of life of the beneficiaries. The other Title II program categories, albeit to a lesser extent, are also contributing to the same objective by providing food to needy school age children in deprived rural areas, children in orphanages, elderly people in asylums and hospital out-patients.

The following table lists the actual and proposed levels by cooperating sponsor of recipients, food tonnages, and dollar values for FY 1981 to FY 1983:

PROGRAMS	FY 1981			FY 1982			FY 1983		
	N° of Recipients	Food M/T	CCC Value (\$ 000)	N° of Recipients	Food M/T	CCC Value (\$ 000)	N° of Recipients	Food M/T	CCC Value (\$ 000)
CRS/Caritas	387,000	22,774	8,789	395,000	20,313	8,833	434,500	22,346	10,248
CARE/MSW	10,000	162	69	--	--	--	--	--	--
Govt-to-Govt ^{2/}	10,000	1,100	443	--	--	--	10,000	1,000	448
TOTALS	407,000	24,036	9,301 ^{1/}	395,000	20,313	8,833 ^{1/}	444,500	23,346	10,696 ^{1/}

^{1/} Does not include transportation costs.

^{2/} No allocation of food is programmed for FY 1982 as the food allocation for the Govt-to-Govt program for FY 1981 will carry the program throughout FY 1982.

Considerable consolidation of the Title II program took place in FY 1981 primarily attributed to: (1) CARE's decision as one of the Cooperating Sponsors, to withdraw from the program, thus leaving CRS/Caritas as the sole U.S. Volag operating a program in Bolivia; and (2) the Mission's effort to assist CRS/Caritas in strengthening its administrative systems and program content.

Outreach Grant

Guided by the recent program audit and evaluation conducted by the Mission in FY 1981, CRS is developing an Outreach Grant proposal that will support the proposed FY 1982 AER and Operational Plan presented in Section II. Taking into account the Title II guidance on not increasing the total number of beneficiaries, the Outreach Grant proposal design will aim at strengthening present program activities in rural areas, especially at the two newly approved points of entry (Trinidad and Santa Cruz). While the present total number of beneficiaries will not be exceeded, emphasis will be placed on beneficiaries who are in the most remote areas and are presently not being reached. Specifically, the Grant plans to provide assistance for storage facilities, support personnel for storage and program supervision, transportation costs, support for promotional activities and training courses for administrative and technical personnel. The main implementor of the Grant's activities is Caritas Boliviana (CRS' counterpart), an institution which has received little U.S. Government direct support during its entire history; hence coverage of hard-to-reach rural areas will necessitate the Mission's assistance.

Commodity Prices

Because of the increased prices of food commodities provided by Washington, the Mission and the cooperating sponsors have made an effort to reduce program costs by substituting certain more expensive commodities with less expensive ones. For example, in the FY 1982 AER, SF Bulgur will be substituted with plain bulgur; the instant CSM received in prior years will be substituted for non-instant CSM; the school feeding rations have been adjusted to reflect their actual use and eliminate any surpluses at the delivery site; and the Food-for-Work ration is being adjusted downward to better utilize the new mix of commodities that will be on hand during the upcoming years.

C. Title III Program Description

The \$75.0 million, five-year, Title III Food for Development (FFD) Program signed on May 31, 1978, provides financing for thirteen rural development, agricultural and health projects. Through these projects, funds have been earmarked for colonization roads, forestry, irrigation, credit, cooperative development, contagious diseases control and nutrition. In addition, funds provided to seven Bolivian Departmental Development Corporations (CDDs) are being used to finance specific food production projects for small farmers, thus helping to alleviate nutrition deficiency. As described in the FY 1983 CDSS, these projects have been fully integrated into the Mission strategy of providing labor-intensive inputs to improve Bolivia's rural infrastructure and to raise the standard of living in rural areas through direct provision of basic services.

All thirteen efforts are achieving their stated goals. This is partially attributable to the fact that the conditions of the Agreement have served to strengthen staffs in various GOB public sector offices charged with the project's implementation. This includes the creation of a small management unit to administer the thirteen Title III projects which many observers judge to be one of the most effective recent examples of institutional development within the GOB. Project execution has been underway approximately 22 months, although in reality FFD operations have only been in implementation for slightly over one year, resulting from start-up delays plus the uncertainty following the July 1980 coup. As a result, specific project impact evaluations were not started until March 1981.

Preliminary results from two evaluations completed to date have shown that although the projects are having a direct impact on the rural population, target groups reached have been small. Mission and GOB officials are currently working to spread the outreach and accelerate the implementation of all FFD projects in order to produce increased benefits to the rural poor.

Relationship Between P.L. 480 Commodities and Local Food Production

Wheat remains the only agricultural commodity imported by Bolivia in relatively large quantities. Bolivia's domestic consumption of wheat of 310,000 MT per year far exceeds its domestic commercial production of 50,000 MT, of which only 12,000 MT is sold on the internal market (see Table XII). The Title III program will help to alleviate the situation over the remaining two years of the agreement through its provision of about 175,000 MT.

To close the import gap by stimulating local wheat production, the GOB, in November 1980, raised wheat prices for the first time since 1974, and approved a project to bring some 80,000 hectares of land under wheat production. As explained in the FY 1983 CDSS, the purpose of these measures was to substantially reduce the need for wheat imports.

The P.L. 480 program in Bolivia is not a disincentive to local food production for two reasons: foods are distributed to persons whose income is so low that they often cannot buy similar products on the open economy; and the foods imported by the Title II program, particularly wheat, are also being imported for local consumption.

In addition, under the Title III Agreement a \$5.0 million Wheat Collection Centers subproject was established to specifically provide incentives which encourage local wheat production. This effort promotes wheat production and facilitates its distribution by collecting and transporting the wheat directly from the farms, and making immediate direct cash payments to the farmers. The project has encountered implementation problems, primarily due to official GOB grain pricing policies which now authorize payments lower than can be obtained on the open market. To this effect, the Mission continues to follow-up with GOB officials on price policies and other project inputs to assure a successful outcome of this effort.

In sum, local production has a long way to go before it can meet the internal demand.

Policy Commitments

Three major changes expected as a result of the Title III program are included in the 5/31/78 Agreement. The first calls for an increase by 100% in real terms in the agriculture sector budget during 1978-1982 over the 1973-77 period; an increase of more than 51.3% was achieved during the first two years of the Agreement. The second calls for the restructuring of the GOB's Ministry of Agriculture; all reorganization studies have been completed but their execution has been delayed as a result of the July 1980 coup and the following unstable economic and political situation. The third requires that health sector expenditures

not decrease over the life of the Agreement; in spite of unfavorable economic conditions in Bolivia since 1977, and especially over the last year, these have increased during the first two years of the Agreement.

In sum, the GOB has progressed satisfactorily toward fulfilling all three of the commitments made under the Agreement.

Projected Changes in Program Levels

The originally estimated FY 1982 level of wheat imports of \$17.2 million should be maintained and a tranche of \$18.6 million added in FY 1983 in order to complete the total level of \$75.0 million to which we are committed under the Agreement. This adjustment reflects the fact that no wheat imports were authorized under the Agreement in FY 1981 as a result of the July 1980 coup. (See Table XI.)

The proposed levels are justified by the close inter-relationship between the Title III and other Mission development programs. The original FFD proposal to Washington specifically called for the use of P.L. 480 sales generations as counterpart for ongoing Mission financed projects. As described in the FY 1983 CDSS, seven of the thirteen Title III projects are directly tied to loan or grant programs and the remainder support general sector activities (e.g. pesticide control, rural education, and project development).

The close relationship between the Title III and other Mission development programs was evident during the sensitive period following the 1980 coup, when USAID financed development resources amounting to \$95.94 million (79.0% of the \$121.39 million pre coup pipeline) were cancelled or delayed. During this period FFD projects continued to disburse funds at a rate of \$600,000 per month, with Title III counterpart funds helping maintain viable several delayed and terminating projects. The FFD program has allowed a certain continuity in Mission activities despite the cutback in grant/loan activities since the July 1980 coup, and thus has helped maintain a sound base of operations for normal project activity once normalization of relations occurs.

D. Storage and Distribution of P.L. 480 Foods

Title II

The Title II storage, distribution and port facilities (Peru) are adequate, and improved controls are gradually reducing inland transportation losses occurring between the sea port to Bolivian points of entry and within Bolivia.

Title III

The Title III port facilities (Chile) and the GOB's transportation system are adequate to assure the prompt distribution of all wheat shipments. In addition, the Wheat Collection Centers subproject under the Title III program is making a special effort to encourage Bolivian wheat production and improvements in the collection, storage and marketing of the locally produced wheat.

FY 1983 ANNUAL BUDGET SUBMISSION

TABLE XI

P.L. 480 TITLE I/III REQUIREMENTS
(Dollars in Millions, Tonnage in Thousands)

COMMODITIES	FY 1981 ^{1/}			Estimated FY 1982			Projected FY 1983 ^{2/}			Carry into FY 1984 \$ MT
	Agreement \$ MT	Shipments \$ MT	Carry into FY 1982 \$ MT	Agreement \$ MT	Shipments \$ MT	Carry into FY 1983 \$ MT	Agreement \$ MT	Shipments \$ MT	Carry into FY 1984 \$ MT	
<u>Title I</u>										
Wheat	--	--	--	17.2	87.3	17.2	87.3 ^{3/}	18.6	87.3 ^{4/}	--
Total										
<u>Of which Title III</u>										
Wheat	--	--	--	17.2	87.3	17.2	87.3	18.6	87.3	--
Total										

COMMENT: 1/ No shipment authorized in FY 1981, therefore, 1981 allotment shifted to 1983; 1982 remains the same.

2/ Balance needed to complete \$75 million total program.

3/ At \$197/MT per FY 1982 ABS price data.

4/ At \$213/MT per FY 1982 ABS price data.

Progress to Date: Mission supports Bolivia Title I/III program as one of the most successful development efforts in the USAID/B portfolio. Decision to shift 1981 allotment to 1983 is necessitated by political considerations only and not due to delays in project execution. Mission strongly recommends AID (4-81) Agreement at level of \$75.0 million be fully approved as originally proposed.

FY 1983 ANNUAL BUDGET SUBMISSION

TABLE XII

PL 480 TITLE I/III

Supply and Distribution
(000 Metric Ton)

<u>STOCK SITUATION</u>	<u>CY 1981</u>	<u>Estimated CY 1982</u>
Commodity - <u>Wheat</u>		
Beginning Stocks	17.8 ^{1/}	21.9
Production	12.0	12.0
Imports		
Concessional	97.3 ^{2/}	97.3 ^{2/}
Non-Concessional	204.8 ^{3/}	220.0 ^{5/}
Consumption	310.0 ^{4/}	310.0
Ending Stocks	21.9 ^{4/}	41.2

Commodity - _____

Beginning Stocks

Production

Imports

 Concessional

 Non-Concessional

Consumption

Ending Stocks

Commodity - _____

Beginning Stocks

Production

Imports

 Concessional

 Non-Concessional

Consumption

Ending Stocks

Comment:

- 1/ estimated.
- 2/ includes 10,000 MT Argentine donation.
- 3/ includes balances of 134.8 MT from 1980 purchase of Argentine wheat to arrive in 1981.
- 4/ consumption and stock figures calculated from GOB estimates of 4/1/81 and Agricultural Situation Report by Agricultural Attaché (Lima) of 1/22/81.
- 5/ balance 10 MT from 1981 plus 210,000 MT purchase.

FY 1983 ANNUAL BUDGET SUBMISSION
TABLE XIII

P.L. 480 TITLE II FY-1981^{1/}

Country: Bolivia

Sponsor's Name: Catholic Relief Services (CRS)

A. MATERNAL AND CHILD HEALTH TOTAL RECIPIENTS 152.0

<u>N° of Recipients by Commodity</u>	<u>Name of Commodity</u>	<u>KGS.</u>	<u>(Thousands) Dollars</u>
	NFD Milk	1,640	687
	CSM	1,823	680
	SF Bulgur	1,093	302
152.0	SF Rolled Oats	1,093	458
	Vegetable Oil	820	813
	AP Wheat Flour	2,187	571
	WSB	1,093	403
	TOTAL MCH	<u>9,749</u>	<u>3,914</u>

B. PRESCHOOL CHILD FEEDING TOTAL RECIPIENTS 3.0

<u>N° of Recipients by Commodity</u>	<u>Name of Commodity</u>	<u>KGS.</u>	<u>Dollars</u>
	NFD Milk	27	11
	CSM	23	9
	SF Bulgur	-	-
3.0	SF Rolled Oats	15	6
	Vegetable Oil	7	7
	AP Wheat Flour	36	9
	WSB	18	7
		<u>126</u>	<u>49</u>

FEEDING TOTAL RECIPIENTS 15.0

<u>Name of Commodity</u>	<u>KGS.</u>	<u>Dollars</u>
	162	68
	216	81
	108	30
	135	57
	81	80
ur	270	71
	108	40
	<u>1,080</u>	<u>427</u>

D. SCHOOL FEEDING TOTAL RECIPIENTS 160.0

<u>N° of Recipients by Commodity</u>	<u>Name of Commodity</u>	<u>KGS.</u>	(Thousands) <u>Dollars</u>
160.0	NFD Milk	1,152	483
	CSM	1,280	477
	SF Bulgur	768	212
	SF Rolled Oats	640	268
	Vegetable Oil	282	280
	AP Wheat Flour	1,536	401
	WSB	768	283
	TOTAL SF	<u>6,426</u>	<u>2,404</u>

E. FOOD FOR WORK TOTAL RECIPIENTS 50.0

<u>N° of Recipients by Commodity</u>	<u>Name of Commodity</u>	<u>KGS.</u>	<u>Dollars</u>
50.0	NFD Milk	-	-
	CSM	900	336
	SF Bulgur	900	248
	SF Rolled Oats	720	302
	Vegetable Oil	300	298
	AP Wheat Flour	1,440	376
	WSB	600	221
	TOTAL FFW	<u>4,860</u>	<u>1,781</u>

F. HEALTH CASES TOTAL RECIPIENTS 3.0

<u>N° of Recipients by Commodity</u>	<u>Name of Commodity</u>	<u>KGS.</u>	<u>Dollars</u>
3.0	NFD Milk	32	13
	CSM	43	16
	SF Bulgur	22	6
	SF Rolled Oats	27	11
	Vegetable Oil	18	19
	AP Wheat Flour	54	14
	WSB	32	12
	TOTAL HC	<u>228</u>	<u>91</u>

G. ADULT INSTITUTIONS TOTAL RECIPIENTS 4.0

<u>N° of Recipients by Commodity</u>	<u>Name of Commodity</u>	<u>(Thousands) KGS.</u>	<u>Dollars</u>
	NFD Milk	43	18
	CSM	58	22
4.0	SF Bulgur	29	8
	SF Rolled Oats	36	15
	Vegetable Oil	24	25
	AP Wheat Flour	72	19
	WSB	43	16
TOTAL AI		<u>305</u>	<u>123</u>

P.L. 480 TITLE II FY-1982^{1/}

Country: Bolivia

Sponsor's Name: Catholic Relief Services (CRS)

A. MATERNAL AND CHILD HEALTH TOTAL RECIPIENTS 200.0

<u>N° of Recipients by Commodity</u>	<u>Name of Commodity</u>	(Thousands)	
		<u>KGS.</u>	<u>Dollars</u>
200.0	NFD Milk	2,160	905
	CSM	2,400	1,073
	Bulgur	1,440	418
	SF Rolled Oats	1,440	661
	Vegetable Oil	1,080	1,113
	AP Wheat Flour	2,880	904
TOTAL MCH		<u>11,400</u>	<u>5,074</u>

B. PRESCHOOL CHILD FEEDING TOTAL RECIPIENTS 3.0

<u>N° of Recipients by Commodity</u>	<u>Name of Commodity</u>	(Thousands)	
		<u>KGS.</u>	<u>Dollars</u>
3.0	NFD Milk	27	11
	CSM	23	10
	Bulgur	-	-
	SF Rolled Oats	15	7
	Vegetable Oil	7	7
	AP Wheat Flour	36	11
TOTAL PSF		<u>108</u>	<u>46</u>

C. OTHER CHILD FEEDING TOTAL RECIPIENTS 15.0

<u>N° of Recipients by Commodity</u>	<u>Name of Commodity</u>	(Thousands)	
		<u>KGS.</u>	<u>Dollars</u>
15.0	NFD Milk	162	68
	CSM	216	97
	Bulgur	108	31
	SF Rolled Oats	135	62
	Vegetable Oil	81	84
	AP Wheat Flour	270	85
TOTAL OCF		<u>972</u>	<u>427</u>

^{1/} CCC values taken from State 128360 dated 5/16/81.

D. SCHOOL FEEDING TOTAL RECIPIENTS 120.0

<u>N° of Recipients by Commodity</u>	<u>Name of Commodity</u>	(Thousands)	
		<u>KGS.</u>	<u>Dollars</u>
120.0	NFD Milk	864	362
	CSM	480	215
	Bulgur	288	84
	SF Rolled Oats	480	220
	Vegetable Oil	211	218
	AP Wheat Flour	1,152	362
TOTAL SF		<u>3,475</u>	<u>1,461</u>

E. FOOD FOR WORK TOTAL RECIPIENTS 50.0

<u>N° of Recipients by Commodity</u>	<u>Name of Commodity</u>	(Thousands)	
		<u>KGS.</u>	<u>Dollars</u>
50.0	NFD Milk	-	-
	CSM	720	322
	Bulgur	720	209
	SF Rolled Oats	720	330
	Vegetable Oil	300	309
	AP Wheat Flour	1,440	452
TOTAL FFW		<u>3,900</u>	<u>1,622</u>

F. HEALTH CASES TOTAL RECIPIENTS 3.0

<u>N° of Recipients by Commodity</u>	<u>Name of Commodity</u>	(Thousands)	
		<u>KGS.</u>	<u>Dollars</u>
3.0	NFD Milk	32	13
	CSM	43	19
	Bulgur	22	6
	SF Rolled Oats	27	12
	Vegetable Oil	18	19
	AP Wheat Flour	54	17
TOTAL HC		<u>196</u>	<u>86</u>

G. ADULT INSTITUTIONS TOTAL RECIPIENTS 4.0

<u>N° of Recipients by Commodity</u>	<u>Name of Commodity</u>	(Thousands)	
		<u>KGS.</u>	<u>Dollars</u>
4.0	NFD Milk	43	18
	CSM	58	26
	Bulgur	29	8
	SF Rolled Oats	36	17
	Vegetable Oil	24	25
	AP Wheat Flour	72	23
TOTAL AI		<u>262</u>	<u>117</u>

P.L. 480 TITLE II FY-1983^{1/}

Country: Bolivia

Sponsor's Name: Catholic Relief Services (CRS)

A. MATERNAL CHILD HEALTH TOTAL RECIPIENTS 220.0

<u>N° of Recipients by Commodity</u>	<u>Name of Commodity</u>	(Thousands)	
		<u>KGS.</u>	<u>Dollars</u>
220.0	NFD Milk	2,376	996
	CSM	2,640	1,228
	Bulgur	1,584	496
	SF Rolled Oats	1,584	779
	Vegetable Oil	1,188	1,303
	AP Wheat Flour	3,168	1,071
TOTAL MCH		<u>12,540</u>	<u>5,873</u>

B. PRESCHOOL FEEDING TOTAL RECIPIENTS 3.3

<u>N° of Recipients by Commodity</u>	<u>Name of Commodity</u>		
		<u>KGS.</u>	<u>Dollars</u>
3.3	NFD Milk	30	13
	CSM	25	12
	Bulgur	-	-
	SF Rolled Oats	17	8
	Vegetable Oil	7	8
	AP Wheat Flour	40	14
TOTAL PSF		<u>119</u>	<u>55</u>

C. OTHER CHILD FEEDING TOTAL RECIPIENTS 16.5

<u>N° of Recipients by Commodity</u>	<u>Name of Commodity</u>		
		<u>KGS.</u>	<u>Dollars</u>
16.5	NFD Milk	178	75
	CSM	238	111
	Bulgur	119	37
	SF Rolled Oats	149	73
	Vegetable Oil	89	98
	AP Wheat Flour	297	100
TOTAL OCF		<u>1,070</u>	<u>494</u>

^{1/} CCC values taken from State 128360 dated 5/16/81.

D. SCHOOL FEEDING TOTAL RECIPIENTS 132.0

<u>N° of Recipients by Commodity</u>	<u>Name of Commodity</u>	(Thousands)	
		<u>KGS.</u>	<u>Dollars</u>
132.0	NFD Milk	950	398
	CSM	528	246
	Bulgur	317	99
	SF Rolled Oats	528	260
	Vegetable Oil	232	255
	AP Wheat Flour	1,267	428
	TOTAL SF	<u>3,822</u>	<u>1,686</u>

E. FOOD FOR WORK TOTAL RECIPIENTS 55.0

<u>N° of Recipients by Commodity</u>	<u>Name of Commodity</u>	(Thousands)	
		<u>KGS.</u>	<u>Dollars</u>
55.0	NFD Milk	-	-
	CSM	792	368
	Bulgur	792	248
	SF Rolled Oats	792	390
	Vegetable Oil	330	362
	AP Wheat Flour	1,584	535
	TOTAL FFW	<u>4,290</u>	<u>1,903</u>

F. HEALTH CASES TOTAL RECIPIENTS 3.3

<u>N° of Recipients by Commodity</u>	<u>Name of Commodity</u>	(Thousands)	
		<u>KGS.</u>	<u>Dollars</u>
3.3	NFD Milk	36	15
	CSM	48	22
	Bulgur	24	8
	SF Rolled Oats	30	15
	Vegetable Oil	20	22
	AP Wheat Flour	59	20
	TOTAL HC	<u>217</u>	<u>102</u>

G. ADULT INSTITUTIONS TOTAL RECIPIENTS 4.4

<u>N° of Recipients by Commodity</u>	<u>Name of Commodity</u>	<u>(Thousands)</u>	
		<u>KGS.</u>	<u>Dollars</u>
4.4	NFD Milk	48	20
	CSM	63	29
	Bulgur	32	10
	SF Rolled Oats	40	20
	Vegetable Oil	26	29
	AP Wheat Flour	79	27
TOTAL AI		<u>288</u>	<u>135</u>

P.L. 480 TITLE II FY-1981^{1/}

Country: Bolivia

Sponsor's Name: CARE^{2/}A. MATERNAL CHILD HEALTH TOTAL RECIPIENTS 10.0

<u>N° of Recipients by Commodity</u>	<u>Name of Commodity</u>	<u>(Thousands)</u>	
		<u>KGS.</u>	<u>Dollars</u>
10.0	NFD Milk	27	11
	CSM	24	9
	SF Bulgur	-	-
	SF Rolled Oats	21	9
	Vegetable Oil	18	18
	AP Wheat Flour	36	9
	WSB	36	13
TOTAL MCH		<u>162</u>	<u>69</u>

^{1/} CCC values taken from FY 82 ABS.^{2/} Figures reflect first quarter of FY 81 as CARE program terminated December 31, 1980.

P.L. 480 TITLE II FY-1981^{1/}

Country: Bolivia

Sponsor's Name: National Community Development Service^{2/}E. FOOD FOR WORK TOTAL RECIPIENTS 10.0

<u>N° of Recipients by Commodity</u>	<u>Name of Commodity</u>	<u>(Thousands)</u>	
		<u>KGS.</u>	<u>Dollars</u>
10.0	NFD Milk	100	42
	CSM	100	37
	SF Bulgur	100	28
	SF Rolled Oats	100	42
	Vegetable Oil	100	99
	SF Wheat Flour	500	158
	WSB	100	37
TOTAL FFW		<u>1,100</u>	<u>443</u>

^{1/} CCC values taken from FY 82 ABS.^{2/} Based on 50% of Transfer Authorization N° 9646 still in operation and which will cover FY 82. To this effect, an additional table for FY 82 is not required.

P.L. 480 TITLE II FY-1983

Country: Bolivia

Sponsor's Name: National Community Development Service

E. FOOD FOR WORK TOTAL RECIPIENTS 10.0

<u>N° of Recipients by Commodity</u>	<u>Name of Commodity</u>	(Thousands)	
		<u>KGS.</u>	<u>Dollars</u>
	NFD Milk	100	42
	CSM	100	47
10.0	Bulgur	100	31
	SF Rolled Oats	100	49
	Vegetable Oil	100	110
	Wheat Flour	500	169
TOTAL FFW		<u>1,000</u>	<u>448</u>

II. P.L. 480, TITLE II, DETAILED NARRATIVE

Voluntary Agency Program Proposals

Catholic Relief Services (CRS) is the only voluntary agency implementing Title II food distribution programs in Bolivia and Caritas Boliviana acts as the local counterpart. CARE dropped from the program at the end of FY 80 primarily due to lack of counterpart support. The Seventh Day Adventist World Service (SAWS) has expressed interest in becoming a new cooperating sponsor. The Mission would welcome SAWS' participation provided it can demonstrate its ability and administrative capability to manage a program which has access to Title II commodities and obtains AID/Washington approval.

Since CRS is the only Volag operating in Bolivia, most of this section will be devoted to a review of its program beginning with a presentation of its Operation Plan.

Catholic Relief Services Operational Plan for FY 82

A. Identification

1. Name and Address of Cooperating Sponsor:

Catholic Relief Services-USCC
Bolivia Program
Calle Juan José Pérez No. 12
Casilla 2561
La Paz, Bolivia

Date Submitted: May 12, 1981

Name and Address of Counterpart Agency:

Caritas Boliviana
Av. 6 de Agosto No. 2864
Cajón Postal 475
La Paz, Bolivia

2. Name and Address of the American Citizen Representative Directly Responsible for Title II Program Supervision

American Citizen Representative:

Stephen K. Stroback
c/o CRS/Bolivia
Casilla 2561

Title: TDY/Bolivia
Assigned full time to Title II
activities until June 30, 1981:

Mathew L. Champagne
c/o CRS/Bolivia
Casilla 2561
La Paz

Title: Program Assistant to Title II activities
Assigned full time until August 1, 1981 and half time thereafter.

American Supervisory Staff

i) CRS/Bolivia
Vanna Slaughter
Av. Sánchez Lima No. 2193
La Paz

Title: Program Assistant
Assigned 20% of time to Title II activities.

Bolivian Supervisory Staff

i) CRS/Bolivia
Eduardo Bracamonte
Calle Michel No. 7354 (Seguencoma)
La Paz

Title: Program Director
CRS/Bolivia
Assigned 25% of time to Title II activities.

ii) Cáritas Boliviana
Leonardo Blanco
Av. 6 de Agosto No. 2864
La Paz

Title: National Director
Cáritas Boliviana
Assigned 60% of time to Title II activities.

Adhemar Pinaya
Av. 6 de Agosto No. 2864
La Paz

Title: Executive Secretary
Cáritas Boliviana
Assigned full time to Title II activities.

Diocesan Staff

Title: 14 Diocesan Professors
Assigned full time to Title II activities.

In addition, Cáritas Boliviana has 122 other full-time employees who are responsible for the execution, promotion and supervision of the Title II Program in 16 field offices throughout the country. As of January 1981, the GOB has assumed responsibility for the salaries of 103 of these Cáritas employees. Cáritas offices are located in the 8 capital cities of each Department (State), with 8 regional offices dictated by necessity of good program control.

B. Area - Scope - Conditions of Operations

Catholic Relief Services-USCC Bolivia Program (CRS/Bolivia) operates under the auspices of an agreement with the Government of Bolivia (GOB) signed on October 21, 1955 based on a "blanket" agreement between the GOB and the U.S. Government, dated June 16, 1954. The CRS-GOB agreement allows for duty free entry of P.L. 480 Title II Commodities into Bolivia and names CRS/Bolivia as the distribution agent and responsible party for the supervision of Title II operations in Bolivia.

On January 3, 1970 CRS/Bolivia also signed an agreement with *Cáritas Boliviana* and the Bolivian Ministry of Health and Welfare (MHW) and the Ministry of Finance which officially recognizes *Cáritas Boliviana* as the Counterpart Agency of CRS/Bolivia and as such is responsible for the internal distribution of Title II Commodities. This agreement recognizes CRS/Bolivia as the supervisory agency for this distribution.

1. Problem and Proposed Response for Each Program Category

One of the most serious problems in Bolivia is the incidence and degree of malnutrition. The causes are many, and not all of them can be addressed by the Food Program. Nonetheless, *Cáritas Boliviana* and CRS/Bolivia believe that the malnutritional level of the population can be improved and therefore has selected nutrition as the primary objective of the Food Program. It is also believed that the program can be used as a resource to promote development and human promotion objectives.

The GOB's National Food and Nutrition Plan places great importance to supplementary feeding assistance programs. Within this Plan, the Title II program is currently the most important, providing 80% of the food aid coming to Bolivia. The CRS/*Cáritas* Food Program, in turn, is about 95% dependent on Title II aid. The National Food and Nutrition Institute (INAN) is currently coordinating an in-depth nutrition study. To this effect, INAN has invited *Cáritas* to participate, and *Cáritas* plans to accept the invitation, in the hope that the study will provide valuable information for future planning of the Title II Program.

At the moment, there is very little scientific information available concerning the nutritional situation in Bolivia, making it difficult to select nutritional program priorities. Nonetheless, given the reality of the situation, and based on long practical experience and the Catholic Church's emphasis on a spirit of humanitarian assistance and promotion, *Cáritas Boliviana* proposes the following program categories for its Food Program. It should be noted that the data in this Section is taken from the 1980 National Plan for Food and Nutrition prepared by the Ministry of Planning and Coordination (MPC).

a) Maternal/Child/Health Program

Problem: The quantity and quality of food that a family can acquire depends on its income. Incomes in marginal urban areas and in rural areas are very low and families have to use between 75% to 85% of their incomes to buy scarce food. The diet of mothers, women of child-bearing age, and children under 6 years of age--groups that have been identified world-wide as the most vulnerable to the effects of malnutrition--is largely controlled

by family income. Another important factor adversely affecting diet is ignorance of basic concepts of nutrition, hygiene and cultivation of nutritious foods, as well as false beliefs and tabus. In marginal urban areas and in rural areas, protein-caloric and fat-soluble vitamin deficiencies are serious impediments to the normal development and health of these vulnerable groups.

Still another problem is the high mortality rate of children of ages 1 to 4, most frequently caused by diarrhea, parasites, and gastrointestinal infections which represent 64% of the total mortality in this age group.

Proposed response: To combat malnutrition in the vulnerable groups identified above by distributing Title II commodities; to provide education to the mothers and women of fertile ages at mothers' clubs and MCH centers in the areas identified above; and to promote the formation of small cooperatives and improvements in garden farming techniques, through the investment of beneficiary contributions, thereby raising family incomes.

b) Other Child Feeding Program

Problem: Orphanages and children's asylums do not receive adequate financial support from either GOB or private entities. This results in their instability to provide an adequate diet to the children in these institutions.

Proposed response: To proportion nutritious foods through this program category to make possible a better level of nutrition.

c) Pre-School Child Feeding Program

Problem: Children attending day care centers and kindergartens in poor and sub-urban areas have a deficient diet for the same economic and cultural reasons as described in the maternal/child Health Program.

Proposed response: To provide daily nutritious meals to children attending these day care centers vis-a-vis to help improve eating habits.

d) School Feeding Programs

Problem: The problem situations of children of poor families previously described, is frequently aggravated by a deficient mental and socio-emotional development, reinforced by a low intellectual level and poor performance in school.

Proposed response: To provide a nutritious meal at school to permit children to increase their concentration during classes, form better eating habits and motivate increased school attendance; to encourage parents to supplement Title II rations with locally produced foods and to promote the cultivation of school gardens.

e) Food-for-Work Program

Problem: A severe rate of unemployment and underemployment exists throughout Bolivia, especially in rural areas. This situation is prevalent in areas which lack basic infrastructure, as well as the financial resources to build the needed infrastructure.

Low income is a major cause of the substandard economic conditions of the majority of Bolivians. The Musgrove study indicated that the top of 20% of the Bolivian labor force received 61% of the total income, while the bottom 40%, 90% of which are agricultural laborers, received only 15%.

Another aspect of the deficient conditions of sub-urban and rural families relates to sanitary conditions where only 9% of the rural population and 50% of the urban population (including the upper classes) have access to potable water; and only 5% of the rural population and 27% of the urban population has indoor plumbing.

Proposed response: To promote and support public infrastructure works benefitting small communities primarily in the remote rural areas; to alleviate unemployment temporarily; and to provide food for participants at courses aimed at increasing practical knowledge of community development and work skills.

f) Adult Institutions Programs

Problem: Homes of the aged and other institutions for incapacitated adults do not receive adequate financial support from the GOB or private entities. This results in their inability to provide an adequate diet for the residents of these institutions.

Proposed response: To proportion nutritious foods through this program category to make possible a better level of nutrition.

g) Health Cases Program

Problem: Poor people in hospitals or in out-patient treatment do not have sufficient resources to reinforce their diets in order to recover their health.

Proposed response: To support nutritional improvement in recuperation programs for poor people suffering from tuberculosis and other diseases.

2. Objectives and Purpose of Each Program Category

a) Maternal/Child Health Program

Goal: To combat malnutrition.

Objectives:

1. To provide more balanced diets.
2. To reduce bad eating habits.
3. To encourage local food production.
4. To provide child and health care education for mothers.
5. To increase the capacity of MCH groups to manage their own health programs.
6. To extend the program area to benefit more needy areas of the country.

Actions and Indicators:

1. Distribution of 11,400 metric tons of Title II food commodities to 200,000 beneficiaries (66,000 mothers and 134,000 children under six years of age).
2. Education and promotional activities to assure better utilization of local food, hygiene and health practices, by means of the following:
 - a. 38,000 meetings of beneficiary groups.
 - b. 16 training courses for leaders at the regional level, one in each diocese.
3. Vaccination and weight and height control of 33,500 children under age six.
4. Preparation and distribution of 1,500 operation manuals of the MCH Program during the first quarter of FY 1982.
5. Encouragement of the formation of cooperatives based on financial contributions from the beneficiary groups resulting in the organization of approximately 10 regional cooperatives by joining together 120 Mothers' Clubs and Centers.
6. Organization of 160 new Mother/Child groups in rural areas during the first quarter of FY 1982.

Resources:

1. Economic:

- 11,400 metric tons of Title II food commodities.
- \$b 7,240,000 Bolivian pesos (US\$289,600)--56% of total GOB allocation, which is the percentage of the total AER tonnage request destined to this program category.
- \$b 2,138,400 Bolivian pesos (US\$85,536)--mothers' contributions for Caritas' operating costs.

- \$b 8,553,600 Bolivian pesos (US\$342,144) in contributions from the beneficiaries to be used in the formation of cooperatives; the purchase of equipment; the carrying out of weight and height measurement programs and records; and vaccination campaigns.

2. Human:

- 14 regional promoters to assist in the carrying out of education programs, organization of new groups, and control of weight and height and vaccination.
- 9 supervisors (1 at the national level and 8 regional) for program control.
- 137 additional employees as support staff.

Assumptions:

1. Continuity of the program assured by the timely provision of the food commodities.
2. Provision of counterpart financial support budgeted by the GOB.

b) Other Child Feeding and Pre-School Child Feeding Programs

- & Goal: To reduce the malnutrition level among children under 12 years of age who are in orphanages and hospitals and among pre-school children.
- c)

Objectives:

1. To provide more balanced diet to children in this program category.
2. To disseminate balanced diet information to institutions and mothers so as to combat bad eating habits.

Actions and Indicators:

1. Distribution of 1,080 metric tons of Title II food commodities to 18,000 children (15,000 residing in orphanages and hospitals, and 3,000 pre-schoolers assisting kindergardens and nurseries).
2. Carrying out 32 informative meetings on "better hygiene" and "eating habits", conducted by the Diocesan promotion staffs in the 16 dioceses.

Resources:

1. Economic

- 1,080 metric tons of Title II food commodities.
- \$b 686,280 Bolivian pesos (US\$ 27,451)--5% of total GOB allocation, which is the percentage of the total AER tonnage request destined to this program category.

2. Human

- 14 regional promoters to support a plan for nutritional education.
- 9 supervisors at the national level for program control.
- 137 additional employees as support staff.

Assumptions:

1. Continuity of the program assured by the timely provision of food commodities.
2. Provision of counterpart financial support budgeted by the GOB.

d) School Feeding Program

Goal: To improve the health and nutritional level of primary school age children in the poorest rural areas of the country.

Objectives:

1. To provide more balanced diet.
2. To encourage local food production.
3. To encourage schools providing Breakfast Feeding to return to the School Lunch Program.
4. To teach good eating habits to teachers, parents and children in the participating school feeding programs.

Actions and Indicators:

1. Distribution of 3,475 metric tons of Title II food commodities to 120,000 school children (60,000 in School Lunch Feeding and 60,000 in School Breakfast Feeding).
2. Motivate community participation through a local contribution of approximately 1,000 tons of food.
3. Promotion of local food production in school gardens in 25% of the participating schools.
4. Promotion of the construction of ovens and stoves in the participating schools.
5. Preparation and distribution of 3,000 operating/instruction manuals on nutritional education to be used in the participating schools.
6. Carrying out of 8 regional courses to be given by Caritas promoters/supervisors during the year, including an explanation of these visits to the children.

Resources:

1. Economic

- 3,475 metric tons of Title II food commodities.
- 1,000 metric tons of locally produced food.
- \$b 2,206,838 Bolivian pesos (US\$88,274)--17% of total GOB allocation, which is the percentage of the total AER tonnage request destined to this program category.
- \$b 2,160,000 Bolivian pesos (US\$86,400)--the estimated contribution from the participating children for Caritas' operating costs, promotional costs, and the development of school garden plots.
- \$b 840,950 Bolivian pesos (US\$33,638)--the estimated community contribution for the transportation of food to the schools.
- \$b 600,000 Bolivian pesos (US\$24,000)--the estimated value of the community contribution for the construction of ovens and stoves.

2. Human

- 14 regional promoters for the organization of groups and information courses.
- 9 supervisors for program control (1 at the national level and 8 regional).
- 137 additional employees as support staff.

Assumptions:

1. Continuity of the program assured by the timely provision of the food commodities.
2. Provision of counterpart financial support budgeted by the GOB.

e) Food-for-Work Program

Goal:

1. To improve the diet of workers and their dependents in poor areas.
2. To improve the quality of life of groups of people in needy areas.
3. To create temporary sources of work in rural areas of the country.

Objectives:

1. To install potable water systems.
2. To construct small irrigation systems.
3. To construct local secondary roads.
4. To prepare lands for the cultivation of nutritional foods.

5. To construct schools, health posts and other community services.
6. To provide training to campesino leaders in leadership, literacy, crop improvement and eating habits.

Activities and Indicators:

1. Distribution of 3,900 metric tons of Title II food commodities to 12,600 volunteer workers and their dependents.
2. Organization of groups of volunteer workers, oriented towards the realization of community work projects and the training of these workers in various skills.
3. Provision of informal training to groups of workers at the beginning of each project.
4. Control of the development of public infrastructure works projects with periodic supervisory checks to each project (the beginning, the midway point and the conclusion).
5. Preparation and distribution of 500 operating/instruction manuals on nutritional education to the participating groups.

Resources:

1. Economic

- 3,900 metric tons of Title II food commodities.
- \$b 2,496,730 Bolivian pesos (US\$99,870)--19% of total GOB allocations, which is the percentage of total AER tonnage request destined to this program category.
- \$b 192,000 Bolivian pesos (US\$7,680)--the estimated contribution from the participating workers for Caritas' operating costs, including information and training material.
- \$b 943,000 Bolivian pesos (US\$37,752)--estimated community contribution for transportation of the food commodities to the work sites.

2. Human

- 14 regional promoters for the organization of groups, training activities and community development.
- 9 supervisors for program control (1 at the national level and 8 regional).
- 137 additional employees as support staff.

Assumptions:

1. Continuity of the program assured by the timely provision of the food commodities.
2. Provision of counterpart financial support budgeted by the GOB.

f) Adult Institutions and Health Cases Programs

Goal:

g)

1. To support programs of supplementary feeding for adults in institutions of humanitarian assistance.
2. To support feeding programs for health cases of recuperating or convalescing patients.

Objectives:

1. To provide more balanced diet.
2. To improve deficient eating habits and to correct misinformation about food.

Actions and Indicators:

1. Distribution of 458 metric tons of Title II food commodities to 7,000 beneficiaries (4,000 in adult institutions and 3,000 health cases in public and private clinics).
2. 32 informative meetings on hygiene and good eating habits conducted by the diocesan promotion staffs in each of the 16 dioceses.

Resources:

1. Economic

- 458 metric tons of Title II food commodities.
- \$b 270,143 Bolivian pesos (US\$10,805)--6% of total GOB allocation, which is the percentage of the total AER tonnage request destined to this program category.

2. Human

- 14 regional promoters to support a local plan for nutritional education.
- 9 supervisors at the national level for program control.
- 137 additional employees as support staff.

Assumptions:

1. Continuity of the program assured by the timely provision of the food commodities.
2. Provision of counterpart financial support budgeted by the GOB.

3. Program Coverage

At the present time the Title II Food Program primarily services marginal areas surrounding the principal urban centers and poor rural

communities reachable by secondary access roads. In June 1980, the Program was extended to the eastern part of Bolivia, consequently servicing the entire country, except for the Department of Pando.

Cáritas Boliviana's organic structure is composed of a total of 16 diocesan Cáritas offices and 22 redistribution centers. Among the diocesan Cáritas there are 6 Regional Offices which act as the entry points for commodities coming from port; and 2 regional Cáritas offices in the southern part of the country and 8 diocesan offices hereinafter referred to as "Diocesan Offices", which provide administrative functions in carrying out the Program.

The 22 redistribution centers are located throughout the country servicing the local areas where the Beneficiaries Centers/Service Units which group the beneficiaries are located.

4. Normal Distribution Method at the Project Level

The roadway infrastructure in Bolivia permits normal communications among the Diocesan Offices in all the country. The 6 Regional Offices send their shipments to their corresponding Diocesan Cáritas Offices by a system of periodic shipments according to their allocated amounts and current inventories. These, in turn, send the food commodities based on pre-established quotas to the Beneficiaries Centers/Service Units where finally distribution is made directly to the registered beneficiaries.

Cáritas has a rational and coherent administrative system for its Food Program, based on the special necessities of the operation for which it was designed.

The operation of the Food Program falls under the responsibility of the 160 persons who have different duties in each of the Diocesan Cáritas Offices throughout the country.

5. Participation of the Cooperating Country Government

The GOB provides the following support to the CRS/Cáritas Food Program:

- a) The salaries of 103 full-time of the 160 Cáritas full and part-time employees involved in the Title II Program, currently amounting to the equivalent of US\$224,000 per year since 1980.
- b) A contribution equivalent to US\$292,000 per year since 1980 towards Cáritas administrative costs, including transportation from the Ports of Entry to Diocesan and redistribution centers.

Further details regarding the funding provided by the GOB are provided in Section II.G - Financing below.

- c) In accordance with the terms of the CRS-GOB Agreement referred to in Section II.B, the GOB provides the following:
- i) Warehousing facilities in La Paz with a storage capacity of 900 M.T. at no cost to the Project.
 - ii) Exemption of Customs Duties and Import Rights for all food commodities imported into the country under the Program in accordance with Agreement and the GOB's Annual Program of Customs Duty Exemptions.
 - iii) Support for confiscation of program commodities actions carried out by Cáritas Boliviana in cases of misuse.
- d) As stipulated in the Agreement cited in Section II.B, the GOB is obligated to provide nutrition education to groups participating in the Food Program. However, in practice, some clauses of the Agreement have gradually become neglected on the part of the Nutrition Division which represents the MHW. For example, according to information obtained by CRS the imparting of educational/nutritional classes to the Mothers' Clubs of the Maternal/Child Health Program and the School Feeding Program has for all intensive purposes been neglected during the last four years.

For this reason, the 1970 CRS-GOB Agreement is currently being revised to redefine those relevant educational actions which the responsible entities should provide.

To this effect, three important recent meetings have been held. Two of the meetings were held with the Nutrition Division Director and with the Director of the Maternal/Child Health Division of the MHW. It has been agreed with the former to formulate a new agreement, a draft copy of which will be presented in June 1981; and with regard to the Maternal/Child Health Division, another agreement is being formulated for mutual cooperation to benefit mothers and children under 6 years of age, by providing periodic medical service at government health clinics. These two agreements will complement each other and should be put into effect by October 1981. These intentions were ratified at the third meeting held in March 1981, attended by the Minister and Under-Secretary of Public Health, the Director and the Sub-Director of the Nutrition Division, CRS's South America Regional Director and the Bolivia Program Director. The result of the meeting was an agreement to organize a preliminary Commission which will revise the present Agreement and then prepare a new proposal.

On its own initiative and in order to make up for the present lack of educative activities on the part of the Nutrition Division, Cáritas has hired 14 full time promoters at the diocesan

level who have been doing promotional, educative and nutritional activities since January 1981 at the Mothers' Clubs, especially those Centers for which Caritas traditionally has had the responsibility for providing these educational and promotional services (as opposed to other Caritas MCH Centers for which the Nutrition Division of the GOB has such responsibility).

6. Possible Duplication with Other Programs

The complementary food programs in Bolivia are:

Title II: CRS/Bolivia/Caritas:	75%
Title II: National Community Development Service (NCDS):	5%
World Food Program (WFP):	20%

To avoid possible duplication of beneficiaries with the National Community Development Service Program, coordination and exchange of information arrangements have been made between the two institutions. With regard to the WFP Program, although there is no formal coordination mechanism at the institutional level, duplication is unlikely to occur with their programs of Maternal/Child Health and Food-for-Work because each institution works with different groups. Nonetheless, to further reduce the possibility of duplication, a mechanism to exchange information in locations where two or more organizations are operating will be developed by October 1981.

C. Control and Receipting - Records Procedures and Audits

1. The movement of Title II commodities from the place of origin until it reaches the eligible recipients, and the records used to control and provide accountability include the following:
 - a) Shipment of commodities from various ports of the United States (Great Lakes, Atlantic, Gulf or Pacific) are controlled by Bill of Ladings (B/L), Commercial Invoices, and other required documents prepared and forwarded to CRS/Bolivia.
 - b) Upon arrival at the ocean port of Matarani, Perú, CRS's bonded forwarding agents, Alejandro Zavala Ltda. arrange for a cargo survey at the time of discharge by Lloyd's Agent, Donnelly & Cía. S.A. At this time, Zavala Ltda. also presents the shipping documents mentioned in a) above, which have been endorsed and forwarded to them by CRS/Bolivia, and obtains authorization for re-exportation to Bolivia. The survey report, along with the port authority's outturn report is forwarded to CRS/Bolivia.
 - c) From the transit storage warehouse at port, commodities are loaded on trucks contracted by COTRANS. This organization negotiates contracts on CRS/Bolivia's behalf with several Bolivian trucking firms for food shipments from Matarani during each

six month period. These contracts define conditions and transportation rates which are lower than rates authorized by the Bolivian Government, and are signed by the trucking company concerned, CRS/Bolivia, National Cáritas, and COTRANS. Provision is also made for the rate at which truckers will pay penalties for losses incurred while commodities are under their responsibility. These rates are reviewed periodically and adjusted when necessary in order to conform with the approximate value of each commodity in Bolivia. Prior to each contract signing, USAID/Bolivia reviews the contents and provides feedback to CRS/Bolivia.

Trucks are scheduled for delivery to the various Bolivian Ports of Entry in accordance with the destination stipulated on each B/L and the quantities reported on the outturn reports. Drivers and CRS representatives sign a document verifying the commodity and quantity loaded on the truck, a copy of which is forwarded to the National Cáritas headquarters for control purposes.

- d) Commodities are received at the six Regional Cáritas Warehouses designated as Bolivian Ports of Entry. By special arrangement with the GOB, customs procedures are carried out at these warehouses. Trucks are unloaded in the presence of GOB customs personnel and Form SG/11 is completed, indicating the contents of each truck. The quantity of each product entering into the warehouse's inventory is noted on Form SG/9, and copies of both forms are forwarded to National Cáritas for control purposes.
- e) In the case of the Trinidad Port of Entry, commodities are received in Cochabamba and then forwarded via road and river transportation to the Trinidad warehouse.

2. Diocesan and Local Level Controls and Records

In each regional warehouse, as well as in the other diocesan and district warehouses and redistribution centers previously described, all commodities received and distributed and monthly balances are registered on specially designed control cards (Form RE/40), which are filed chronologically in the respective office. In addition, physical inventories are conducted in all warehouses at the end of every month, which are verified by the diocesan Director or by the Executive Secretary of each office. The final figures of the physical count are transferred to a monthly report (Form SG/1) which each office prepares and sends to the National Office.

Commodities are forwarded to district warehouses and redistribution centers on the basis of a dispatch note (Form SG/10) authorized by the respective diocesan Director which in turn deliver commodities to Beneficiary Centers/Service Units in accordance with approved beneficiary levels, obtaining notices of receipts (Form SG/3) from

beneficiary representatives. At the Beneficiary Centers/Service Units, rations are issued for each program category according to the chart provided by National Cáritas, which is identical to the rations programmed on each Fiscal Year's AER.

3. Controls at National Level

National Cáritas receives the various reports indicated earlier in this section and keeps its own records based on this information. In addition, it compares the data received, and where there are discrepancies, determines the responsibility for the loss incurred. This information is passed on to CRS/Bolivia in the Condition of Arrival Report, and in turn to USAID/Bolivia. In addition, National Cáritas prepares a number of reports on a monthly or semi-annual basis, which are provided to CRS/Bolivia and to USAID/Bolivia. These reports are listed, with the reporting dates that have recently been agreed to, in Section II. J. To reinforce their control, as well as advisory and support responsibilities, National Cáritas has agreed to begin a series of visits to diocesan Cáritas offices. The schedule is indicated in Section II. K.

4. Controls by CRS/Bolivia

CRS/Bolivia receives the survey, outturn and conditions of arrival reports as indicated above, reviews these documents for accuracy and completeness and sends them to CRS/N.Y., where claims are processed in cases of ocean losses. The numerous additional reports prepared by National Cáritas are reviewed and taken up with Cáritas if problems are identified. When reports are satisfactory they are passed on to USAID/Bolivia, and in some cases to CRS/N.Y.

To reinforce CRS/Bolivia's overseeing and advisory responsibilities, USAID/Bolivia has planned a series of visits to diocesan Cáritas and local offices, as indicated in Section II. K.

D. Port Facilities - Practices

Because of its facilities, the port of Matarani in Perú is used as the exclusive ocean port for the CRS/Caritas Bolivia Food Program. The Government of Perú (GOP), through the Empresa Nacional de Puertos (ENAPU) supplies the following services:

- a) Storage of the merchandise within the guarded customs area facilities.
- b) Free storage up to 60 days from the arrival of the goods, a sufficient amount of time to clear the food commodities from customs.
- c) Satisfactory attention in cases of claims for port losses.

- d) Priority attention provided to the dispatch of commodities toward Bolivia without having resulted in any delays in obtaining re-exportation authorizations during the past two years.

1. Adequacy of Offloading Facilities.

Offloading facilities at Matarani, Perú, the only ocean port used for the CRS/Cáritas Food Program in Bolivia, are generally good. However, P.L. 480 commodities for several cooperating sponsors are stored in the same port warehouse, occasionally resulting in switching of sacks or cartons labeled for one cooperating sponsor with those of another.

2. Surveys are permitted at the time of discharge of commodities from the ocean vessel and no problems have been experienced in this respect.
3. Concerning port charges, there have been no problems when commodities are dispatched toward Bolivia within 60 days. However, on several recent occasions commodities have remained longer than 60 days in port resulting in unanticipated port charges. As indicated in Section II.E., CRS/Bolivia expects to resolve this problem caused by periodic shortage of available truckers by bringing it to the attention of COTRANS.

E. In Country Storage and Transportation

1. Storage facilities at the ocean port, as well as in the regional and outlying locations are of adequate capacity and condition to limit damage due to climatological conditions to relatively low levels during the storage of commodities.
- a) Port storage facilities. These facilities are described in Section II. D.
- b) Warehouses in Bolivia. Cáritas has 31 Regional, Diocesan, and District warehouses located throughout the country, and operating under the same inventory control system. The majority of these warehouses are in good condition and of adequate capacity, although several need repairs or enlargement, which may be carried out under funding from an Outreach Grant proposal currently in preparation.
2. Despite the difficulties caused by the underdeveloped highway and road system in Bolivia, there are no major problems related to inland transportation since the GOB began honoring its commitment to finance a sizeable part of inland transportation costs. Nonetheless, many remote communities cannot participate as yet in the Food Program because of the inability to reach them by road, or because of prohibitive transportation costs.

3. CRS/Bolivia, through its representatives Zavala Ltda. and COTRANS, maintains control of all food commodities from the time of unloading at the ocean port until their arrival at the Bolivia Port of Entry. At that point, as stipulated in their 1970 CRS-GOB Agreement, responsibility for commodities is turned over to Caritas Boliviana as the legally recognized Counterpart Agency. Caritas Boliviana then retains control until the commodities are distributed to representatives of the beneficiary groups.
4. Additional Comments on Sections II.D and E.

Though CRS/Bolivia is of the opinion that the present set-up is generally effective for the reception, dispatching from ocean port and the land transportation to the Bolivian Port of Entry, several deficiencies have been noted recently on which it is taking the following corrective actions:

Problem: CRS/Caritas doesn't have sufficient control of some of the aforementioned steps to be able to effectively supervise the Title II Program.

Actions:

- a) Regarding Survey Fees, CRS/Bolivia will arrange a mechanism with COTRANS so that it can review the fees charged before the report of survey fees is sent to CRS/N.Y. This should be accomplished before June 15, 1981.
- b) CRS/Bolivia will insist on the importance of receiving Outturn Reports and Survey Reports on a timely basis from its port representative. It is anticipated that these reports will be arriving on time to CRS/Bolivia by June 30, 1981.
- c) CRS/Bolivia will review with COTRANS its responsibilities toward CRS/Bolivia, in order to establish adequate controls over the various activities it carries out in CRS' name, by July 15, 1981.
- d) CRS/Bolivia will establish an improved control ledger of commodity movement from the Call Forward request until their arrival at the Bolivian Port of Entry, including the notation of dates at each step in the process, by May 31, 1981.

Problem: Frequently, Title II food commodities arrive in Bolivia with several months delay.

Actions:

- a) In an effort to achieve the arrival of Title II commodities to the ocean port of Matarani before the start of each quarter, CRS/Bolivia and National Caritas have agreed to present the Call

Forward to CRS/N.Y. and USAID/Bolivia four months before the quarter in mention, i.e., the fifth of June, September, December and March, for the 1st, 2nd, 3rd, and 4th Call Forwards of FY 1982, respectively.

- b) CRS/Bolivia will seek to arrange with COTRANS for the quicker dispatchment of Title II commodities from Matarani, via trucks bound for Bolivia, by June 15, 1981.
- c) If the above steps fail to assure consistent, sufficient supplies of Title II commodities in all diocesan warehouses, CRS/Bolivia will determine jointly with USAID/Bolivia and Caritas Boliviana, other appropriate actions which should be taken to remedy the situation (e.g. modifying the method of calculating Call Forwards; assisting diocesan offices to improve their systems for requesting, receiving and distributing Title II commodities). This will be under on-going review.

Problem: CRS/Bolivia has not prepared a comprehensive evaluative report of the Food Program since July 1979 (the last CRS Internal Audit).

- a) CRS/Bolivia will prepare a comprehensive evaluation report of the CRS/Caritas Title II Program in Bolivia by June 30, 1981 on the progress of the above and other planned activities.

F. Processing - Reprocessing - Repacking

Processing and reprocessing are not applicable to this Operating Plan, since such activities are not presently being carried out in the CRS/Caritas Bolivia Food Program.

Repacking: In order to have reliable information and better control over damaged units received at ocean port, it has been decided that all these damaged units be sent to the warehouses in La Paz in Container Trucks with documents of quantity and total weight. This method has two advantages: 1) the remaining 5 Ports of Entry will always receive their units in good order, and 2) the expenses and repacking work remains centralized at the La Paz warehouse--the unit which submits the respective information to National Caritas. The work of repacking is carried out manually by 15 workers who are fully employed for this purpose. The repackaged units are then placed in the normal flow of distribution.

It should be emphasized that the losses in units reported at final destination also include those which occur aboard ship and at port. Losses which occur on board are registered in the Survey Report; losses which occur at port are reclaimed by the Bonded Forwarding Agent at Matarani, Zavala Ltda. and are refunded by ENAFU; and losses during inland

transportation are refunded by the trucker concerned, in accordance with the Agreement described in Section II. C. with the refunds being returned to USAID/Bolivia (less a deduction of up to \$100.00 per B/L in which a claim occurs retained by CRS/Bolivia as reimbursement for administrative costs incurred).

G. Financing

1. **Cáritas** has two financing sources for the administration and distribution of commodities: 1) funds provided by the GOB in accordance with the 1970 CRS-GOB Agreement, and 2) contributions made by the beneficiaries themselves.
 - a) **Government Funds.** According to the Agreement, the GOB provides a direct subsidy based on an annual budget submitted by **Cáritas Boliviana** for operations, sub-divided in two parts:
 - i) salaries for 103 employees in all the country totaling \$b 5,600,000 (\$224,000) and ii) budget for administration of \$b 7,300,000 (\$292,000), a total of \$b 12,900,000 (\$516,000). It should be noted that **Cáritas Boliviana 1981 Administrative Budget** has been approved by the GOB.
 - b) **Funds Contributed by the Beneficiaries.** According to the USAID/Bolivia regulations on associated contributions for the distribution of commodities, **Cáritas** receives funds from the following sources:
 - i) **Maternal/Child Health Category.** According to these regulations, women associated with the Mothers' Clubs contribute to their respective local organization the sum of \$b 15.00 each month (\$0.60). 20% of this, of \$b 3.00 (\$0.12) goes directly to **Cáritas**. The remaining 80% stays in each respective Club for investment in its own development plans as decided by each organization according to their priorities. However, the nature of the investments is controlled by regulations providing norms for the organization and development of activities within the Clubs.
 - ii) **School Feeding Category.** Each beneficiary child contributes the sum of \$b 3.00 every month which goes directly to **Cáritas**.
 - iii) **Food-for-Work.** The participants in this category contribute \$b 5.00 each month (\$0.20) per voluntary worker in self-help projects.
2. **Empty Containers.** Sales of Empty Containers are another source of income for **Cáritas**, although only about 25% of the total containers brought in each year are sold, because according to rules, the

containers are donated to all the groups and institutions described above which contribute directly to Caritas.

All the contributions indicated above are received by Caritas in an account classified as "Contributing Beneficiaries" and the spending of these funds are controlled by the Program Regulations and by the diocesan Directors and supervised by the National Office.

H. Acceptability of Available Foods

1. The use of whole grains is not requested in this program.
2. The food commodities supplied by the Title II program have general acceptance among the beneficiaries throughout the country. However, it should be noted that some products are completely accepted while others have limited acceptance. The following is CRS/Bolivia order of preference for commodities based on 1) the experience obtained from practices, and 2) balanced nutritional program considerations:

1st Order Preference: Non Fat Dry Milk, All Purpose Wheat Flour, Vegetable Oil.

2nd Order Preference: Soy Fortified Oats, C.S.M., Bulgur.

3rd Order Preference: W.S.B., Sorghum, Whole Wheat

For FY 1982, based on the recommendations of AID/Washington, CRS/Bolivia will reduce the number of products asked for in its AER, by requesting only the first 6 products in the lists; eliminating W.S.B. which has been programmed through FY 1981; and not requesting Sorghum or Whole Wheat which had been programmed in previous years.

3. Justification to include NFDM. The guidelines received from AID/Washington for the preparation of the 1982 AER do not include NFDM rations for any of the categories. However, in view of the extreme necessity which exists in Bolivia, CRS/Caritas Bolivia has included this product in its 1982 AER after consultation with USAID/Bolivia for the following reasons:
 - a) the high acceptability among beneficiary groups,
 - b) the lower CCC cost per metric ton as compared to WSB;
 - c) the high index of protein/caloric malnutrition in rural and sub-urban children according to studies made by GOB organizations and various third country entities.
 - d) the low local production of fresh milk.

I. Program Publicity

1. All those who benefit from the Food Program are informed about the origin of the Title II food aid through documents and containers which bear a legend indicating the place of origin of the donations. Another means of publicity concerning the origin of the products is in the recipe book prepared with the technical and economic assistance of AID, which is utilized in the preparation of the denoted food commodities.
2. Publicity is expected to increase through the joint cooperation of CRS/Bolivia, USAID/Bolivia and Caritas in elaborating information posters for massive distribution. The principal adverse factor which would affect this plan would be if funds could not be found to cover the cost of design and printing.

J. Schedule of Reports

National Caritas has developed a schedule for submitting reports to CRS/Bolivia. To this effect, the following reports are to be submitted monthly, by the fifteenth of the next month: CSR/RSR, Inspections, Emergency cases, Quantitative Report on Active FFW projects, Physical Inventories at Diocesan and Regional Warehouses, and Financial Reports of Beneficiary Contributions and GOB Administrative Subsidy.

In addition, CRS/Bolivia is to receive a semi-annually revised list of institutions and groups attended in the various Program Categories within 45 days after the beginning of the period. Finally, National Caritas is to provide reports on damaged and misused commodities within 15 days of detection, and Condition of Arrival (CAR) reports within 10 days of receiving the data needed at the National Office.

CRS/Bolivia is to review these reports for correctness and forward them within 5 days to USAID/Bolivia.

K. Inspection and Visit Plans

The schedule of inspections and visits planned by CRS/Bolivia, National Caritas and Diocesan Caritas include the following:

- I.K.1 - Inspections and visits by the CRS/Bolivia staff during 1981 as part of its overall guidance responsibilities.
- I.K.2.a - Inspections and visits by the National Directors and Executive Secretary of Caritas Boliviana during 1981.
- I.K.2.b - Inspections by the National Caritas supervisory staff during 1981.
- I.K.3 - Additional inspections as required of each program category, by the diocesan staff, from October 1981 through September 1982.

II. Contributions to Program

<u>Source</u>	<u>Amount (US Dollars)</u>		
	<u>FY 1980</u>	<u>FY 1981</u>	<u>FY 1982 (est.)</u>
<u>A. Financial</u>			
<u>1. U.S. Government</u>			
a) Commodities (CCC value)	9,212,000	9,455,561	8,538,325
b) Ocean Transportation	4,393,000	4,538,000	4,265,000
c) Land Transportation (to ports of entry)	<u>1,322,000</u>	<u>1,891,000</u>	<u>1,707,000</u>
Sub total	14,927,000	15,884,561	14,510,325
<u>2. Government of Bolivia</u>			
a) Salaries of Cáritas/Bolivia employees	200,000	224,000	250,000
b) Administrative Subsidy to Cáritas	285,000	292,000	310,000
c) MHW salaries (Nutritionists)	180,000	180,000	180,000
d) Free GOB Warehousing	<u>12,000</u>	<u>12,000</u>	<u>12,000</u>
Sub total	677,000	736,000	752,000
<u>3. CRS</u>			
a) CRS/Bolivia salaries <u>1/</u>	15,000	36,000	40,000
b) Administrative Costs (estimated) (CRS/New York, CRS/Bolivia)	<u>100,000</u>	<u>115,000</u>	<u>135,000</u>
Sub total	115,000	151,000	175,000
<u>4. Cáritas Boliviana</u>			
a) Administrative/Salary Costs <u>2/</u>	<u>59,000</u>	<u>64,000</u>	<u>70,000</u>
Sub total	59,000	64,000	70,000
<u>5. Community and Beneficiaries Contributions</u>			
a) School Feeding Beneficiaries Contributions	63,600	66,000	86,400
b) MCH Beneficiaries Contributions to Cáritas	96,300	98,000	85,536
c) MCH Clubs funds collected for projects	-	-	342,144
d) Commodities transportation paid by Beneficiaries	62,500	78,600	33,638
e) Local Food Contribution to School Feeding Program	471,000	496,000	400,000
f) Cooking Equipment for School Feeding Program	<u>130,000</u>	<u>150,000</u>	<u>24,000</u>
Sub total	823,800	888,600	971,718
6. Income from Sale of empty containers	<u>32,000</u>	<u>36,000</u>	<u>37,500</u>
Sub total	32,000	36,000	37,500
TOTAL	16,633,000	17,760,161	16,516,543

1/ Proportional to participation in Food Program.

2/ For non-GOB salaried part and full-time Cáritas Boliviana employees.

B. Human Resources

1. U.S. Government

USAID/Bolivia staff of 2 full time professionals, 1 secretary and 2 project managers providing part-time backstopping to the CRS/Cáritas Title II program.

2. Government of Bolivia

Fifteen nutritionists providing approximately 40% of their work time in nutrition education support activities related to the MCH and School Feeding Programs.

3. CRS/Bolivia

Two executive staff members and one secretary clerk working full-time and 2 additional executive staff members providing approximately 20% of their work time to Title II matters.

b) CRS/N.Y.

A full-time staff handling Title II matters for a number of country programs throughout the world, including CRS/Bolivia.

4. Cáritas/Boliviana

One hundred sixty employees located throughout Bolivia, a great majority of whom work full-time or dedicate most of their work time to Title II matters.

5. Volunteer FFW workers and collaborators

In addition to 12,600 workers, numerous other persons providing technical and educational assistance in activities carried out under the Food-for-Work Program.

c) Commodity Resources

The commodity resources are detailed in the FY 1982 AER. In addition, in the school Feeding Program, rural families will be requested to supplement Title II food commodities with an estimated 1,000 tons of locally produced foods, and school children and teachers in an estimated 25% of the participating schools will be encouraged to cultivate school gardens.

LIST OF ANNEXES 1/

1. Map of Bolivia, indicating location of Cáritas Offices
2. 1955 and 1970 Agreements: GOB, Cáritas Boliviana and CRS
3. Chart: Distribution System
4. Flowchart: Information and Reports
5. Table: Cáritas Boliviana Food Program Employees
6. Flowchart: Shipments and Arrivals; Principal Supporting Documents
7. Forms SG 11 and SG 9 - Reports of Customs Inspection at Port of Entry and Reception into Warehouse
8. Form RE 40 - Inventory Control Card
9. Forms SG 10 and SG 3 - Distribution Authorization and Bill of Receipt
10. Chart: Location of Cáritas Boliviana's Regional, Diocesan and Districtal Warehouses
11. Itemization of Cáritas Boliviana's Approved Administrative GOB Financed Support Budget
12. GOB Annual Authorization for Duty Free Entry of CRS Title II Food and Medical Supplies and Equipment during 1981
13. Decreto Supremo No. 0611 of GOB: Provisions for Confiscation of Title II Commodities in Cases of Misuse and their Return to Cáritas or CRS
14. Regulations for Mothers Clubs
15. AID Financed Recipe Book for Title II Commodities distributed by Cáritas Boliviana
16. FY 1982 AER
17. Reporting Schedule for Bimonthly and Periodic Reports.
18. Schedule: CRS, National Cáritas and Diocesan Cáritas Planned Inspections

1/ Annexes submitted to USAID/Bolivia supporting the FY 1982 AER. These annexes will be submitted separately to PDC/FFP.

Narrative Mission Review

A. General Comments on the Operational Plan

The Mission considers the CRS FY 1982 Operational Plan to be a greatly improved document compared to prior year submissions. The current Operational Plan was developed mostly by Caritas with CRS and Mission guidance, the first time Caritas has participated to this extent in the development of the plans that will govern its future. The Mission's perception is that the collaboration which has taken place between Caritas and CRS (as a result of Mission efforts) in the development of the Operational Plan, has already led to a closer and more effective working relationship between the two organizations.

The Operational Plan contains specific actions and target execution dates which serve as another indicator of the document's quality. Furthermore, it is the opinion of this Mission that the issues discussed (e.g. the need to up-grade the participation of the Ministry of Health and Welfare (MHW) and to strengthen the education and developmental aspects of the program), are the ones which needed to be addressed.

B. Specific Comments on the Operational Plan

1. The Mission clearly supports the need for CRS/Caritas to enter into a new agreement with GOB entities particularly to clarify program support responsibilities. Two situations which highlight the need for a revised agreement are: 1) that the contribution of the Division of Nutrition of the MWH has substantially declined in recent years, and 2) that the Division of Nutrition continues to collect fees from Mothers Clubs' members without providing required services.

2. The Operational Plan shows a reduction of beneficiaries in the School Feeding program and a corresponding increase in the Maternal Child Health (MCH) category. The Mission supports this shift between categories of beneficiaries since the School Feeding program is the most difficult to supervise, has little GOB support in many areas of the country, and requires considerable administrative support from Caritas. On the other hand, the beneficiaries in the MCH category (e.g. Mothers' Clubs) are the target for organized education and developmental programs and consequently can benefit to a greater extent from the Title II program.

3. In response to suggestions contained in the AID/W Title II guidance to limit the number of commodities to a maximum of six, CRS and Caritas have decided to eliminate WSB in lieu of NFDM in view that two other wheat products -- bulgur and wheat flour --

are already included in the mix, and that NFDM is a basic food commodity in the established program feeding ration. Although the total number of recipients and tonnage of food slightly exceeds the levels provided by the guidance, the dollar value is below the suggested maximum. To arrive at this solution, CRS and Caritas selected the lower priced commodities and took into account the fact that the NFDM price was lower than that of WSB. The Mission concurs with this change of commodities and recommends its approval.

4. A weak area of the CRS and Caritas program during FY 1981 has been its inability to provide updated reports on its activities. To this effect, the Mission has proposed, and CRS and Caritas have agreed, to incorporate a list of reports and respective submission dates in the CRS FY 1982 Operational Plan. The delivery of the required reports will be closely monitored by the Mission.

5. The Mission is pleased to note that the Operational Plan includes a program for supervision and field inspections, an element which has been neglected both in prior year plans and in practice.

6. As a result of the 1980 Title II Evaluation findings, CRS and Caritas have committed themselves to prepare and distribute Operation Manuals for the MCH, School Feeding and Food-for-Work categories, as well as to provide training in their use and application. The manuals will include a uniform description of the purpose, objectives and operating rules for each program; set standards which can be referred to during supervisory visits; and establish specific guidelines for beneficiaries in the use of recipient contributions for development projects.

7. The Operational Plan proposes a substantial increase in educational and developmental activities including the hiring of 14 Caritas promoters. Nevertheless, in view of the many promotional activities needed to improve the quality of the program, the Mission will encourage CRS to submit an Outreach Grant proposal to fully address educational and developmental deficiencies.

8. The Operational Plan begins to address the problems of under-utilization of commodities compared to the amount requested in the AER. The Mission supports an earlier submission of Call Forwards and also will work with CRS and Caritas to establish a more realistic planning system that is based on food projections originating from the regional offices.

In conclusion, the CRS FY 1982 Operational Plan is vastly improved over prior year documents in that it proposes specific steps toward improving the Title II program in Bolivia. The specific steps complement the suggested program improvements set forth in the Mission's 1980 evaluation of the Title II program.

C. Performance of Catholic Relief Services

CRS is the only Volag manager of a Title II program in Bolivia, and the Mission places great importance on the adequacy of its leadership and administrative capability.

As described in the FY 1982 ABS, one of the Mission's main concern was CRS's weak leadership and minimal support to Caritas--a situation which continued to deteriorate during FY 1981, partially attributable to the new government's interference in program operations after the July 1980 coup.

The premature departure of the CRS American Title II staff in January 1981, due to GOB accusations that one of its members' participated in subversive political activities, left the program under the direction of a Bolivian country Director who had limited experience with Title II activities.

Since the arrival of a temporary CRS American program coordinator in March 1981, the Title II program has begun to show improvement. It is the Mission's opinion that this coordinator's technical assistance inputs have significantly contributed towards improving operational deficiencies, as well as the collaborative working relationship between CRS and Caritas. To this effect, the Mission strongly recommends that a full time CRS professional with prior experience in food management be assigned to Bolivia after the departure of this part time coordinator in June 1981. The approximately \$10.7 million dollar program contemplated for Bolivia in FY 1983 fully justifies the long-term assignment of quality managers to the Title II program in order to assure continuity in program implementation. It will be difficult to implement the program as planned unless such an assignment is made.

D. Title II Program Evaluation

The Mission's current views of the status of the Title II program are based on the findings of the April 1980 audit and the in-house June 1981 evaluation. Since the audit concentrated on the administrative aspects of the program, the evaluation focussed on programmatic aspects, such as beneficiary utilization in achieving improved nutritional levels and increased food promoted development activities.

Specific program strengths and weaknesses were highlighted in the evaluation. The principal strengths mentioned include use of food commodities to promote skills training and increased GOB contributions. Weaknesses included lack of systematic supervision and inspection, financial management and uniformity in program content and less than adequate direction and monitoring by the cooperating sponsor. The evaluation also highlighted specific examples of effective Title II activities in Bolivia (e.g. promotion of various development activities through mothers clubs). In addition, the evaluation showed little evidence that program participants were receiving instruction on the use of the donated foods, or nutritional improvement. Since that time, the Mission has worked with CRS and Caritas to promote such activities nationwide so that they become the norm rather than the exception.

The Mission is pleased to notice that the CRS FY 1982 Operational Plan includes steps to correct the deficiencies highlighted in the evaluation. The evaluation itself has been translated into Spanish and will be given wide circulation to promote the replication of the "model programs" which were observed.

E. Government-to-Government Programs

The National Community Development Service (NCDS) continues as the cooperating sponsor for this program which annually reaches 10,000 recipients through both Food-for-Work projects and training activities.

Title II food assistance is provided to approximately 25% of the self-help, rural infrastructure and conservation work projects implemented by the NCDS. The projects are selected from among the neediest rural communities requiring food rations as compensation for voluntary workers.

The training activities (i.e., community leadership, cooperativism) are carried out by the technical staff of the NCDS in training centers organized and maintained for this purpose in six different areas of the country.

A list of work projects and training activities assisted with Title II food rations under Transfer Authorization N°9646 during the period July 1970 to September 1980 follows:

<u>No. of Projects</u>	<u>Activity</u>	<u>Work Performed</u>	<u>No. of Workers Participants</u>	<u>No. of Benefic.</u>	<u>Kgs. of Food Dist.</u>
63	Road Construction	550 Kms.	4,760	17,230	281,998
24	School Construction	24 units	1,092	4,304	37,150
18	Has. Irrigated	1,228 Has.	1,250	5,016	155,757
6	Water Tanks	6 units	154	616	6,218
4	Sheep Dips	6 units	125	486	3,471
9	Latrines	454 units	444	1,776	27,842
15	Flood Control	786 mts.	951	3,662	60,047
5	Athletic Fields	5 units	332	1,302	14,887
5	Chicken Yards	301 units	301	1,200	13,919
1	Corral Construction	1 unit	6	2 24	317
11	Reforestation	25,000 trees	608	2,327	17,814
4	Sheep Folds	179 units	179	680	24,466
2	Bridge Construction	71 mts.	417	618	21,492
5	Communal Centers	5 units	130	479	8,566
2	Health Post Const.	2 units	23	92	1,871
1	Public Market	1 unit	11	44	834
	Sub-Total		10,783	39,856	676,649
<u>Training Courses:</u>					
13	Community Leadership		752	752	8,025
2	Cooperativism		127	127	278
3	Artisanry		180	180	420
	Sub-Total		1,059	1,059	8,723
	Total		<u>11,842</u>	<u>40,915</u>	<u>685,372</u>

Two points regarding the NCDS Food-for-Work program should be noted. First, the 2,200 MT of Title II food commodities approved under Transfer Authorization N°9646 for a two year period from July 1979 (the date the first shipment arrived) to June 1981, will be used through FY 1982. Second, the NCDS plan to establish warehouse facilities in other areas of the country has been postponed due to political and funding considerations, resulting in an over-concentration of projects in the area serviced by the single La Paz warehouse. The proposed expansion of the warehouse system into other regions should permit the development of more work projects and result in a more timely use of the authorized commodities. A new Transfer Authorization is scheduled to be negotiated by June 1982.

As for the NCDS program, it should be noted that the effective initial training of the counterpart staff has assured its continued smooth operation.

GOB Participation

The FY 1982 ABS described the interest of the GOB in setting up an administrative body for the coordination of all complementary foods entering Bolivia. This entity, which was to be located in the Ministry of Planning, was to be responsible for setting policy on the use of all complementary foods and establish an independent food management institution capable of handling inland shipments and storage of foods. There has been less progress than expected on this activity, primarily due to the U.S. Government's post-coup policy of limiting direct assistance to central government entities. The major effort was the establishment of a coordination group to improve the use of complementary foods from national and international sources, which has been inactive due to GOB staff reductions and budgetary constraints.

Subject to the improvement of the political situation, the Mission plans to renew its previous active collaboration with the GOB to improve the coordination of the various supplementary feeding activities in Bolivia.