

UNCLASSIFIED

ACTION PLAN

FY 1991 - FY 1992

BRAZIL

March 1990
Agency for International Development
Washington D.C. 20523

BRAZIL FY 1991 - 92 ACTION PLAN
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SECTION I - PROGRAM OVERVIEW

BACKGROUND

In 1985 Brazil was designated as an Advanced Developing Country (ADC), in line with President Reagan's commitment to establish a mature relationship with A.I.D.- graduated countries. The bilateral program was phased out in the late 70s, although A.I.D. continued support for family planning through central and regional programs, plus some participant training assistance in science and technology disciplines. Today, the ADC program has achieved focus in a few areas: family planning, AIDS prevention, narcotics awareness and reduction of global warming (with emphasis on tropical forestry environmental issues). A.I.D.- supported activities are strengthening Brazilian institutions, promoting transfer of U.S. technology, creating linkages between Brazilian and U.S. organizations and mobilizing non-A.I.D. resources for development.

The Brazil program operates under severe legal restrictions. The Glenn/Symington (cooperation on safeguards for nuclear materials and processing technology), and Brooke/Alexander (timely payment of debt to the U.S.G.), provisions prohibit U.S. assistance to Brazil -- subject to three exceptions: (1) Section 123 (e) of the Foreign Assistance Act (FAA), which permits assistance to private voluntary agencies (PVOs) for continuation of programs which were assisted prior to February 16, 1983; (2) Section 638 (B) of the FAA which permits training activities; and (3) Section 534 of the FY 90 Foreign Assistance Appropriations Act which makes possible activities directed to the mitigation of global warming.

The family planning program continues under the first exception, because of the broad scope of assistance to population PVOs by A.I.D. prior to 1983. The AIDS prevention and narcotics awareness programs are predominantly training activities, allowed under the second exception, complemented by assistance through PVOs. The expanded environmental program will operate under the third one -- the relatively broad global warming exception.

LAC REGIONAL PROJECTS

ITT and regional training funds support the following (89 levels noted):

FAMILY PLANNING - A mature program which is making several important transitions: concentrating service support on underaccessed population segments, especially in the Northeast; increasing PVO to sustainability, thereby, liberating some of the declining A.I.D.- resources for market driven approaches to expand access to contraception; building lines of cooperation with Government at all levels, focusing on the inclusion of family planning services within public health programs; increasing focus on issues of quality in diversifying method mix and promoting appropriate usage; and working toward increasing self-reliance of PVOs in contraceptive supply and logistics. (\$5.4 million ST/POP; \$0.43m LAC).

AIDS PREVENTION - The program promotes AIDS preventive education in schools, in the workplace, for population segments reflecting high risk behavior, for persons with low levels of literacy, and through PVOs who can become sustainable and mobilize support within the society. (\$0.3m LAC; \$0.15m ST/H).

GLOBAL WARMING/ENVIRONMENT - To date, matched support to the Conservation Foundation (CF) has promoted a dialogue on tropical forest issues and disseminated information on sustainable use of tropical forests. The Mission is now working on a new initiative which responds to the Congressional mandate in the FY 90 Foreign Assistance Appropriations Act for action in key countries on global warming (See Section IV). (\$0.2m LAC).

DRUG AWARENESS - This activity begins in FY 90. Emphasis is on training persons who may elevate consciousness and support for drug-abuse prevention. A second element is preventive education in the workplace in Sao Paulo, building upon experience gained through the AIDS prevention program and using channels established therein.

HEALTH - Assistance includes support for Project HOPE to develop a cost-effective delivery system for well-motherhood/child survival services in rural villages of Northeast Brazil. The program ends March 31, 1990. (\$0.2m LAC).

PARTICIPANT TRAINING - Partners of the Americas and the Fulbright Commission arrange training for Brazilians in the United States in the areas of program concentration. About fifty percent of the trainees receive technical training and fifty percent academic training at the graduate level. A growing component is short-term training opportunities. (\$0.4m LAC).

AIPLD - Assists free and democratic Brazilian labor unions in the development of educational programs, fostering broader worker participation in the trade union movement. (\$0.4m LAC).

SCIENCE & TECHNOLOGY (S&T)

S&T/POP - Over 15 centrally-funded intermediates are currently working in Brazil in support of the Mission's population strategy. They not only adhere to the strategy, but their experience is guiding future directions.

S&T/HE - Also complements USAID/Brazil buy-ins to AIDSTECH and AIDSCOM.

S&T/AGR - Supports one CRSP: Bean/Cowpea. Project activities include the collection and testing of new fungal pathogeny to control bean and cowpea insect pests, developing methodologies to produce innoculum and pathogenic fungi, and collaborating with integrated pest management (IPM) scientists to control major bean and cowpea insect pests. Tropical soils, sorghum and millet and small ruminants CRSPs have been phased out.

OFFICE OF THE SCIENCE ADVISOR - Funds few activities primarily in agricultural research and combatting of infectious diseases. No projects were approved for Brazil in FY 89; several proposals are under review in 1990.

OEFA - Supports the Center for Disaster Preparedness Training in Santa Catarina. A grant in FY 88 should be followed by a further grant in FY 90.

OSHA - Will continue support to a Brazilian PVO, Esperanca, in the North. This activity takes on increased importance because of the potential contribution that Esperanca may make to health service training, networking and outreach to health and community organizations in the North.

SECTION II - REAFFIRMATION OF THE APPROPRIATENESS OF THE COUNTRY STRATEGY

PROSPECTS FOR CHANGE

Brazil held its first direct presidential election in 29 years on November 15. Fernando Collor de Mello won a December 17 runoff. Inauguration was on March 15, 1990.

Collor is calling for a new direction to confront key problems which overwhelmed the Sarney administration: inflation and debt. He espouses liberalization of the Brazilian economy and reduction of trade restrictions. The primary tactics of his platform are to gain control over the Government's spending machine (privatization of parastatals, reduction of the civil service, budget cuts) and to ratchet down inflation (freezing some savings in Cruzados for 18 months, confronting speculation, prefixation of wages and prices, and effective regulatory and fiscal enforcement).

The Government is expected to have broad latitude in the initial 3-6 months. Thereafter, because expectations are excessive and problems unamenable to short term solutions, there will be difficulties. The Government has announced extreme measures. Great barriers must be overcome, such as the obstacles to laying-off civil servants under Brazil's new Constitution. Collor has declared that he will deal responsibly with debt, but only to the extent that development is not sacrificed.

Collor has made some daring moves in selection of people: the "Super-Minister" for Infrastructure (industrialist committed to privatization), the Economy Minister (young, politically astute, female economics professor), the Labor Minister (head of the labor confederation, assisted by AIFLD) and the Environmental Secretary in the Presidency (Brazil's most internationally recognized environmentalist). The nominations accent whether the Government can deliver on that to which it is committing itself.

To succeed in the medium to longer term, Brazil must progress on seven substantive themes:

- . becoming a responsible partner in international trade and relations;
- . reformulating the economic model: market-driven, equitable;
- . improving basic education and fostering a new generation of leaders;
- . mobilizing a sense of individual participation in the goals of the society (changing attitudes);
- . expanding the middle class, with emphasis on small and medium-size entrepreneurs;
- . improving public administrative performance;
- . addressing social issues, e.g., misuse of natural resources, poor allocation of funds for health and welfare, population issues, urban decay, substance-abuse prevention, protection of democratic institutions and improvement of the judicial process.

VALIDITY OF THE CDSS

In May 1988, the Mission prepared and AID/W approved the "Mini-Country Development Strategy for Brazil", a document which sets forth the current program strategy for A.I.D. Unless the U.S.G. decides to make a substantial initiative in the economic area in Brazil, the current strategy remains valid for the Action Plan period (allowing for upscaling the level of effort for environment/global climate change).

The strategy, which falls within the ADC guidelines, has as its centerpiece cooperation in science and technology towards social priorities such as family planning, drug awareness, AIDS prevention and reducing global climate change (with emphasis on tropical forestry). Multiple reviews in AID/W confirm the appropriateness of program concentration. Global warming and narcotics awareness are strong U.S. interest topics. AIDS is too, and is an area where the U.S. gains doubly: high impact technology transfer and return on work-experiments with competent local institutions. Historic involvement in family planning is paying off with gradual integration of family planning service into public health programs in Brazil.

The August 1989 Management Assessment of ADC countries felt the program was not reaching the main thrust of the LAC/ADC strategy goals. The team recommended that, within the limits of the legal constraints, AID/Brazil seek greater involvement with elements of the private sector concerned with transformation of the economic model (opportunities for assisting in privatization and/or free-zone management).

The Mission is sensitive to the need for program impact on other areas than the social theme. However, there is reluctance by senior staff to broach the trade area before the modified Government policy is understood. Senior staff has also looked into the education of future leaders as a way to strengthen democratic values in the country. The fundamental problem in all areas cited is the enormity of Brazil contrasted with the modesty of AID's effort, e.g., about 30 short-term trainees per year in total. Legal restrictions are a second obstacle.

The Mission believes there are better channels to support Brazil's economic reform: IMF, multi-lateral banks, commercial banks, other fora for specialized financial transactions (debt negotiations, swaps).

Given limited span of management, the AID Representative prefers to maintain program focus on a few social issues which are politically acceptable, strengthen linkages between Brazilian and U.S. institutions, and contribute to the fostering of democratic values/institutions. The special opportunity offered by the Global Climate Change Program should be the focus of the fullest efforts the LAC Bureau can commit.

The Mission wishes to initiate an activity in administration of justice. Strengthening of democratic institutions was a major theme of President Collor's inaugural address; the Ambassador believes an activity in this area would be welcomed by Brazil's new leadership. A 1991 start is manageable; strong Embassy/USIS support is possible in this area and highly competent U.S. lawyers are available under local-hire contract.

SECTION III - PERFORMANCE

OVERVIEW: During the past year, portfolio performance has shown some key successes. Foremost, the family planning strategy, adopted in August 1987, was carried through successfully. The centrally-funded population intermediaries have been effective in: consolidating activities in conformance with the strategy, increasing support for programs aiming at the sustainability of Brazilian PVOs, promoting relationships between PVOs and the GOB, especially at the municipal level and introducing innovations such as training and service provision through the HMO network. With few exceptions, individual subproject performance has been very good.

For AIDS prevention, the pace of initiation has been slower than anticipated, but the quality of program content is very promising. For the well motherhood-child survival activity, performance has met expectations and results are showing high impact, notwithstanding the AID/W decision to end the program this March. In participant training, successful activities include the AIDS in the Workplace training seminar, and the visit of environmental leaders to the U.S.

Portfolio performance has been hampered by staff vacancies within AID/Brazil, by legal obstacles resulting in delays (this has now been resolved) and by a range of problems associated with resource transfers in an economy with extremely high inflation. Notwithstanding, the quality of the portfolio has been maintained and vulnerability kept low -- although the financial specialist is not yet on board.

PERFORMANCE AGAINST THE ADC GUIDELINES: The ADC guidelines call for use of modest resources for: (a) fostering policy impact and leveraging of resources for mainstream issues of mutual priority between the two countries, including democratic values, trade relations and use of U.S. technology; (b) brokering, facilitating, acting as a catalyst, networking, encouraging linkages among host-country and between them and U.S. institutions; and (c) institutional strengthening, transferring technology, and mobilizing resources for policy change.

One example in the area of policy impact is: A.I.D.'s long term effort to bring the GOB to be a responsible participant in family planning within the public health system is gradually being realized. Today, there are over 2,000 agreements between family planning organizations and the government at all levels (particularly with municipalities). If resources were available, this figure could be rapidly expanded to include agreements with most large cities of the Northeast. The new Federal Government is expected to be more receptive to working with PVOs and to gradually making family planning an integral part of public health services. Whether family planning services will gain priority and receive a larger share of resources remains to be determined. However, continued increases in contribution through the municipalities, under the decentralized health system, is anticipated.

Other examples are two seminars carried out by Partners of the Americas. The first was a two-week seminar in the U.S. which provided 10 Brazilian specialists with exposure to American approaches to environmental management. The visit emphasized policy concerns and the role of non-governmental organizations. This was highlighted by meetings with Senator Bond, Government officials, PVO leaders, and a unique exchange with over one hundred Congressional staffers.

The second was a three-day "AIDS in the Workplace" conference in Sao Paulo, with 130 participants from four industrial cities. Crucial aspects of prevention and education were discussed. The conference generated a list of recommendations for industry, which has been sent to over 2,000 Brazilian companies.

Strengthening Brazilian family planning providers is another area of accomplishment. BEMFAM (the IPPF Affiliate), and the Brazilian Association of Family Planning Entities (ABEPF), which encompasses one hundred-fifty institutions, have shown effective changes in institutional maturity, market oriented comportment and progress towards sustainability. The Sonia Feldman Institute has been made self-sufficient and the Research and Studies Center Clovis Salgado (CEPECS) has greatly increased its self-sufficiency.

Linking of institutions and leveraging of resources is taking place under the Conservation Foundation (CF) and the Partners University Linkages Programs. CF has increased awareness of tropical forestry and environmental issues as well as disseminated information on sustainable use of forest resources in the state of ACRE. Today, ACRE is the leading state in the turnaround that is beginning in Brazil in terms of conservation of natural resources and the environment. Moreover, the project has attracted other resources. Partner's University Linkages Program in Brazil has been expanded and receives funding from private sources such as Atlantic Richfield, IBM, Kellogg, Pfizer, Alcoa and others -- some of the A.I.D. training efforts are co-financed.

PERFORMANCE AGAINST THE CDSS (1988 Approved Mini-CDSS)

A. PRESERVE AND MANAGE NATURAL RESOURCES: The CF has been instrumental in human resource development for State Officials in ACRE, in a multi-institutional experiment involving the State and the International Timber Organization on applied research and information dissemination on sustainable use of forest resources. It has also supported the PRONATURE Foundation's efforts for consciousness raising. USAID Brazil, with assistance from AID/W, the Regional Ecologist/Quito and staff from the CF are preparing for an April exercise in Brazil which will open relationships with Brazil's new Government environmental leaders, develop a concept paper on program options and organize the project vehicles to initiate a larger program, cognizant of ADC opportunities in this field (see Section IV).

B. IMPROVE HEALTH AND CHILD SURVIVAL: Project HOPE's participation, with A.I.D. support, in well-motherhood child survival appropriate technology for low cost service delivery has accomplished both integration of child survival into the women's reproductive health program and demonstrated high impact, while perfecting the model. As requested by AID/W, the project ends in March.

The AIDS prevention program has been defined. During the Action Plan period, emphasis will be to start up activities which will include preventive education programs in schools (AIDSCOM); in the workplace (through the Labor Training Foundation (SESI), the Brazilian HMO Association, and enterprises (AIDSCOM)); preventive education for high risk behavior (AIDSCOM AND AIDSTECH); strengthening leading NGO's in AIDS prevention (AIDSTECH); and developing educational materials for persons of low literacy (AIDSTECH). Considerable leverage in specific programs is expected because of the quality and significance of the proposed activities.

C. INCREASE ACCESS TO VOLUNTARY FAMILY PLANNING SERVICES: Gradual phase out of family planning support for Brazil depends on three critical steps: (1) sustainability of PVOs (so they will play policy/demonstration role and help Government to integrate family planning into public health services); (2) supporting Government to make family planning a part of the women's health program (in Brazil, this is done primarily through agreements by PVOs with Government, particularly at the municipal level under the decentralized health system); and (3) expanding market force alternatives for access to family planning methods (social marketing, innovative use of distribution systems, services through enterprises, encouraging local manufacturer and innovative distribution contraceptive materials, etc.). In parallel, there should be efforts to address quality issues and expand education.

The first step is advancing rapidly, but still needs strong support. The second step is receiving widespread acceptance, especially in Brazil's large cities, but is hampered by resource limitations. A gradual increase in cost recovery under the agreements is occurring, but PVOs can't yet "recover significant costs" from Brazil's health system which is still unable to fund major family planning service provisions. The third step is at an incipient stage. Despite the mature program image elsewhere, there is a critical need to reach underdeveloped areas in the N.E. with least access to family planning. A program evaluation and reformulation of the strategy will occur this fiscal year.

The Action Plan is accompanied by a strategic planning document for family planning which sets out numerous high impact priority activities such as: (1) expanding the number and quality of agreements with Government entities, particularly in N.E. municipalities (with emphasis on cost-recovery); (2) introducing, jointly with UNFPA, programs targeted to large cities; (3) facilitating a network of health PVOs collaborating with the MOH; (4) implementing reproductive risk education program for young adults, and STD/AIDS and drug awareness/education through the school system; (5) advancing work on sustainability of PVOs; (6) expanding social marketing activities; (7) introducing a broad education program for men; and (8) bringing family planning education into medical schools in N.E. Brazil.

D. IMPROVE EDUCATIONAL OPPORTUNITIES: There has been good performance by participants, but improvements can be made in a more timely drawdown of funds and in the selection of candidates more closely linked to the A.I.D. areas of program concentration. AID/Brazil staff limitations have hampered more attention to candidate selection, but marked progress is now being made. A total of 24 participants were trained in FY 89, 10 received academic training and 14 technical training (13 males and 11 females). A new 5-year ADC training project, competitively selected, will be initiated this year (See Section IV). Partners of the Americas will continue to carry out, during the planning period, seminars on AIDS prevention, environment and narcotics awareness and will hold to these themes within their university linkages program. A training specialist has been hired.

SECTION IV - NEW PROGRAM INITIATIVES

SUMMARY OF NEW FY 90 INITIATIVES

A. GLOBAL CLIMATE CHANGE (GCC):

A concept paper is being prepared for the GCC program, with broad AID/W and other U.S.G. participation, to be available at the Action Plan Review. Primary focus will be on reducing impact of tropical forest destruction in global climate change. There will also be a component for reducing energy consumption effect on GCC. A range of opportunities -- an embarrassment of riches -- will likely emerge: calling for longer term, continuing effort (sustainable use of forest resources, protective reserves, technical and management education, systematizing approach to and support for training, networking and institutional support for PVOs, etc.); and for discrete actions (seminars, technical assistance, participant training,). In some, the U.S. role will be to facilitate and participate in a multi-donor effort under other aegis; in some we will wish to lead. Selection and focus, so that limited resources will get best impact, is intended.

The Mission is being told that Brazil is to be the first priority, perhaps showcase, country in the GCC effort (see AID/W comments on AID/Brazil submittals). This responds to Congress' perception and is logical in view of the strong interest also shown by other countries. Coalescing support for very few, continuing, evolving program components will best serve Brazil's interests and permit the Brazil work to be meaningful for the USG's worldwide effort.

B. NARCOTICS AWARENESS PROGRAM:

This project seeks to sensitize and train leaders, policymakers and others on the deleterious health consequences of illicit drugs so as to stimulate concerned action within Brazil. The project will work with the National Drug Council (CONFEN), the GOB agency coordinating private and public efforts in drug abuse prevention, in sensitizing and training leaders, decisionmakers and persons in position to influence policy related to drug abuse prevention and drug abuse preventive education. There will be two types of training: short-term and technical/academic. It is expected that the project would: strengthen State Drug Councils, foster work at the State level, educate policymakers both within the ministry and State Secretaries of Education, Finance and Planning and Previdã (a preventive education program under CONFEN). Political figures, business leaders, and journalists will also be targeted. The project will also work with a private foundation, SESI, to whom employers and employees contribute for job-related training to design and implement workplace-based training on drug-abuse prevention.

C. AID TRAINING PROJECT: The CDSS calls for improving educational opportunities for a diverse base of leaders in Brazil. The Mission addresses this objective through specialized U.S. skills and academic training in the areas of program concentration. The project finances short term training visits and technical/academic training for up to one year. The project will be carried out through a five year contract with a contractor to be selected competitively. The approved regional project paper calls for an annual level of funding of \$500,000. This level will be sufficient to fund about 40-50 trainees per year. In FY 90, however, the start-up level is only \$200,000.

SECTION V - RESOURCE REQUIREMENTS

OPERATIONAL YEAR BUDGET REQUIREMENTS

The Mission will need \$4.0 million from all LAC sources (ITT, ADC Training and Global Climate Change) in FY 91 and \$4.1 million in FY 92. Also, it is essential that the S&T/POP funding level for population be \$5.8 million in FY 91 and \$5.6 million in FY 92.

The Brazil program is mortgage free. The ADC training project (5 year, \$2.2 million, FY 90 obligation of \$0.2 million) will create a mortgage; another could arise in the global climate change program (project vehicles under study).

The program request retains LAC support of \$500,000 for FOF (slightly reduced this year). increases the AIDE level by \$100,000 each year in recognition of penetration and impact of this program, maintains the narcotics awareness level at \$300,000 and increases the environmental program from whatever is determined to be this year's level to a target level of \$2.0 million.

OPERATING EXPENSE BUDGET

The FY 90-91 Action Plan Guidance instructed the Mission to increase staffing and to submit a revised OE budget. \$225,000 was requested; \$200,000 was approved. Recruitment is coming to successful conclusion. With delays in hiring, it will still be a struggle to complete the year within the approved level. Personnel costs (FSN and PSC) have moved from 48% of the estimate to 70% of projections. The Bureau guidance unequivocally committed to providing OE resources to assure staffing for program needs and to address vulnerability. There must be a significant increase in OE costs in FY 91, because: full staff will be on board for the entire year, FSN salaries received a major upward adjustment in March 1990 (142% in Cruzados) and the new Government is expected to take measures to restore a portion of real income lost by wage earners. It may become necessary to return to AID/W seeking the minimum funding necessary to cover this extra-budget eventuality. What is clear is that a 10% reduction scenario is not possible, unless AID/W reverses its instructions and orders a reduction in staffing.

The FY 90 projection eliminates virtually all npx items and significantly cuts operating expenses, except travel. Provision must be made in FY 91 for anticipated increase in salary cost, for procurement of ADP equipment and a FAX, i.e., a level of about \$235,000. About a 5% further increase is estimated for FY 91. These estimates assume the new Government economic program will not disproportionately change personnel costs.

STAFFING REQUIREMENTS

The staffing pattern mandated by AID/W and which is appropriate to program requirements is:

A.I.D. Representative	USDH	OE
Program Specialist-Environment	FSN (11)	OE (Vacant)
Financial Management Specialist	FSN (10)	OE (Upgrade)
Population Specialist	USPSC	OE (New)
Training Specialist	FNPSC	PGM (New)
Ecologist (to be added)	USPSC	PGM (New)
Secretary	FNPSC	OE (New)
Translator (part-time)	FNPSC	PGM

SECTION VI A.I.D. REPRESENTATIVE AND AID/W INITIATED ISSUES

1. In preparing the global climate change initiative, emphasis is being given to strong coordination among USG agencies and AID to ensure effective interventions; will AID/W, drawing on LAC and Central sources, make critical resources: senior staff time and up-front funding priority, available to Brazil so as to provide the commitment this initiative merits?
2. Can AID/W continue to assure the modest level of OE resources to meet AID/Brazil requirements? Are staff resources and span of management adequate in USAID/Brazil for the program content?
3. Given the critical importance of training of Brazilian leaders and more particularly, the need for training in relation to the areas of program focus, can the level of resources approved for the ADC training project be protected?
4. Central funding for family planning in Brazil is eroding when the strategy is on-track and is performing well. Also, the change of Government offers a first-time opportunity -- including opening avenues to other donor support. Can this tragedy be averted?

SECTION IV

Attachment A

NEW ACTIVITY DESCRIPTION

Activity: Narcotics Awareness Program

Activity Funding: FY 90, \$320,000

Functional Account: Health

A. Relationship to A.I.D. Country/Strategy Objectives: The CDSS calls for improving the health status of the Brazilian population. To sensitize and train leaders, policymakers and others on the deleterious health consequences of illicit drugs so as to stimulate concerned action within Brazil is consistent with the objective.

B. Conformance with Bureau AID Guidelines:

The AID guidelines call for working on areas of key U.S. policy objectives. Counternarcotics efforts are a high priority of the U.S.G. Also, strengthening public and private sector drug-abuse prevention efforts in Brazil promotes stability and democracy.

C. Project Description:

Major Components - There are two components: participant training and workplace-based training. Because activities are limited to training they are acceptable under Section 638(B) of the FAA.

Participant Training - The project will work with the National Drug Council (CONFEN), the GOB agency coordinating private and public efforts in drug abuse prevention, in sensitizing and training leaders, decisionmakers and persons in position to influence policy related to drug abuse prevention and drug abuse preventive education. There will be two types of training: short-term and technical academic. It is expected that the project would: strengthen State Drug Councils, foster work at the State level, educate policymakers both within the ministry and State Secretaries of Education, Finance and Planning and Previda (a preventive education program under CONFEN). Political figures, business leaders, and journalists will also be targeted.

Workplace-based Training - The project will work with a private foundation to whom employers and employees contribute for job-related training (SESI) to design and implement a workplace-based training on drug-abuse prevention. Assistance would be limited to the development of instructional material (manuals for trainers and students, methodology for gathering evaluative data, and evaluating and assessing impact); training of trainers and assessing quality and effectiveness of training.

Implementing Entity - Funds would be obligated through the Partner's of the Americas ITT project.

Method of Obligation - Field executed grant agreement.

Major Outputs and Inputs - Prior to the initiating any training activities, the Mission will prepare a country training plan. However, a realistic assessment can not be carried out until the new government is in place.

D. Potential Issues - None.

Attachment A

NEW ACTIVITY DESCRIPTION

Activity: ADC Training Project

Activity Funding: FY 90, \$200,000

Functional Account: ARDN (\$100,000) PSEE (\$100,000)

A. Relationship to A.I.D. Country/Strategy Objectives:

The CDSS calls for improving educational opportunities for a diverse base of leaders and potential leaders in Brazil. The Mission addresses this objective through specialized U.S. skills and academic training in the areas of program concentration.

B. Conformance with Bureau ADC Guidelines:

To promote broad-base economic and social development in Brazil and expose Brazilians to democratic values and processes is consistent with the ADC guidelines.

C. Project Description:

Major components: The project finances short term training visits and technical/academic training for up to one year; trainees are selected in the areas of Program focus: AIDS Prevention, narcotics awareness and global climate change/environment.

Implementing Entity: Competitive contractor selection is to take place this FY.

Method of Obligation: Five year contract with \$2.2 million contract ceiling annual incremental funding, with initial obligation of \$200,000.

Major Outputs and Inputs: Thirty to fifty trainees per year, depending on funding level.

D. Potential Issues: Whether funding level as indicated is approved PP will be maintained.

Attachment A

NEW ACTIVITY DESCRIPTION

Activity: Global Climate Change (GCC)

Activity Funding: FY 90, \$1,500,000

Functional Account: to be determined

A. Relationship to A.I.D. Country/Strategy Objectives:

The CDSS calls for preserving and managing natural resources.

B. Conformance with Bureau ADC Guidelines: This is an area of strong mutual policy interest between Brazil and the U.S. It is also a concern around which the U.S. may play a catalytic role in bringing orderliness to program components, thereby impacting on quality and augmenting the resources from many sources, external and internal. By-products will be improved human resources and strengthened institutions, public and private, contributing to stability.

C. Project Description:

Major components: to be determined (see concept Paper to be available at Action Plan Review)

Implementing Entity: to be determined

Method of Obligation: to be determined

Major Outputs and Inputs: to be determined

D. Potential Issues: Level and continuity of funding; project vehicles to permit FY 90 funding.

SUMMARY FUNDING TABLE FOR NEW AND ONGOING ACTIVITIES
(\$000's)

Attachment B

<u>Activity</u>	<u>FY 90</u>	<u>FY 91</u>	<u>FY 92</u>
LAC Bureau:			
<u>ITT</u>			
1. Pathfinder (buy-in)	275	250	250
2. Development Associates (buy-in)	155	100	100
3. Enterprise Program (buy-in)	0	150	150
4. Drug Education*	320	300	300
5. Partners HE. (to be used for AIDS)	50	100	100
6. Partner's Training	166	200	200
7. PSC Training Specialist	34	-	-
8. AIDSTECH (buy-in)	125	150	200
9. AIDSCOM (buy-in)	175	250	300
ITT SUBTOTAL	1,300	1,500	1,600
<u>Training</u>			
1. ADC Training Project	200	465	464
2. PSC Training Specialist	-	35	36
<u>AUJ</u>			
1.	-	500	500
<u>DI</u>			
1.	-	-	-
<u>Drug Awareness (See ITT)</u>			
1.	-	-	-
<u>Other</u>			
1. Environmental Program**	1,500	2,000	2,000
2. AIFLD	N/A	N/A	N/A
LAC Bureau TOTAL	<u>3,000</u>	<u>4,500</u>	<u>4,500</u>

Other A.I.D. Funding:

S&T

1. POF Activities:			
AVSC (CA-8041)	315	N/A	N/A
CLC (R-HC-2052)	140	N/A	N/A
Conrad	19	N/A	N/A
Development Assoc (Z-9023)	541	N/A	N/A
FHI (CA-4047)	120	N/A	N/A
FPIA (CA-3005)	396	N/A	N/A
Futures - Somarc (CA-0043)	165	N/A	N/A
Georgetown Univ. (CA-5064)	52	N/A	N/A
IPFF-WHR (OG-SS-7062)	982	N/A	N/A

	<u>FY 90</u>	<u>FY 91</u>	<u>FY 92</u>
JHPIEGO (CA-7004)	504	N/A	N/A
JHU-PCS (CA-6057)	139	N/A	N/A
JHU-PCS II	552	N/A	N/A
JHU-PIP (Z-7061)	42	N/A	N/A
JSI-Enterprise (C-5072)	320	N/A	N/A
JSI-FPLM (C-6064)	125	N/A	N/A
MSH (C-5075)	73	N/A	N/A
FP Mang. Devel.	225	N/A	N/A
Pathfinder (CA-5045)	347	N/A	N/A
Pop Council(INOPAL)(C-4074)	269	N/A	N/A
Pop Council (CA-8059)	61	N/A	N/A
<hr/>			
Subtotal Central Funds	5,395	N/A	N/A
2. Environment (ENR)	1,000		
3. S&T/AGR	19		
4. S&T/Health (AIDS)	150		
<u>EEC</u>			
1.	-	-	-
<u>PRE</u>			
1.	-	-	-
<u>Food Assistance</u>			
1.	-	-	-
<u>Office of Science Advisor</u>			
1.	N/A	N/A	N/A
<u>OEDA</u>			
1.	100	N/A	N/A
Total Outside of LAC Bureau	<u>6,664</u>	<u>N/A</u>	<u>N/A</u>
Total of all A.I.D. Resources (including LAC Bureau)	<u>9,664</u>	<u>N/A</u>	<u>N/A</u>

* In FY 90 funds will go through Partners. In FY 91 and 92, a buy-in is anticipated to the S&T NARCOTICS EDUCATION PROJECT.

** Levels anticipated. Funding source undetermined.

Attachment C

SUMMARY ACCOUNT FUNDING TABLE
FOR S&T/POP

<u>Project</u>	<u>EY 90</u>	<u>EY 91</u>	<u>EY 92</u>
AVSC (CA-2001)	0		
AVSC (CA-8041)	480		
CDC (R-HC-2052)	200		
Development Assoc (C-4078)	57		
Development Assoc (Z-9023)	1,085		
FHI (CA-4047)	29		
FPIA (CA-3005)	0		
Futures - Rapid III (Z-7069)	0		
Futures - Somarc (C-4079)	0		
Futures - Somarc (Z-8043)	50		
Georgetown Univ (CA-5064)	160		
IPPF-WHR (OG-SS-7062)	1,045		
JHFIEGO (CA-0083)	0		
JHFIEGO (CA-7004)	210		
JHU-PCS (CA-6057)	458		
JHU-PIF (Z-7061)	50		
JS&A (C-5047)	7		
JSI-Enterprise (C-5072)	643		
JSI-FPLM (C-6064)	35		
MSH (C-5075)	637		
Pathfinder (CA-5045)	180		
Pop Council (C-4074)	72		
Pop Council (CA-3003)	28		
Pop Council (CA-8059)	120		
Pop Council (Z-9019)	400		
PRF-IMPACT (C-5049)	<u>0</u>		
Subtotal Central Funds	5,946		

Attachment C

SUMMARY ACCOUNT FUNDING TABLE FOR LAC BUREAU
(\$000's)

<u>Account/Project</u>	<u>FY 90</u>	<u>FY 91</u>	<u>FY 92</u>
<u>ARDN</u>			
1. ITT	-	-	-
2. Training	100	-	-
3. other	-	-	-
<u>POF</u>			
1. ITT	430	500	500
2. Training	-	-	-
3. other	-	-	-
<u>HE</u>			
1. ITT	370	400	400
2. Training	-	-	-
3. other	-	-	-
<u>CS</u>			
1. ITT	-	-	-
2. Training	-	-	-
3. other	-	-	-
<u>AIDS</u>			
1. ITT	300	400	500
2. Training	-	-	-
3. other	-	-	-
<u>EHR</u>			
1. ITT	200	700*	700*
2. Training	-	-	-
3. other	-	-	-
<u>PSEE</u>			
1. ITT	-	-	-
2. Training	100	-	-
3. other	-	-	-
<u>ESE</u>			
	-	-	-
<u>Environmental Program**</u>	1,500	2,000	2,000
<u>Total LAC Bureau</u>	3,000	4,000	4,100
1. ITT	1,300	1,500	1,600
2. Training	200	500	500
3. other/Environment	1,500	2,000	2,000

* \$500,00 for ADC Training is anticipated based on an approved PP; these funds may be from EHR, ARDN, or PSEE.

** Levels anticipated. Funding source undetermined.

Attachment D

OP/TVL

500	off. oper.	101.0	10.5	68.6	79.1
501	off. rent				
502	off. util.				
503	bdg mntnce/rmvtn				
508	Furn/Eq/Veh M/R	1.5		1.0	1.0
509	communications	13.0	2.6	7.5	10.1
510	secy guard svcs				
511	printing				
513	site visits/mission	14.0	0.6	11.4	12.0
514	site visits/AID/W	12.0	6.3	5.7	12.0
515	info/meetings				0.7
516	trng attendance	2.5	0.7		1.0
517	conf. attendance	4.0		1.0	2.0
518	other op. travel	2.0		2.0	1.1
519	supplies/materials	3.5	0.1	1.0	38.0
520	FAAS	38.0		38.0	
521	contr. cons. svcs.				
522	contr. mgt/prof svcs				
523	spec. studies/anal.				
525	ADP HDWRE lease/mnt				
526	ADP SFWRE lease/mnt				
598	TransFrt-U500				
599	all other code 25	10.0	0.2	1.0	1.2

PROC

600	npx procurement	19.0		3.4	3.4
601	vehicles	11.4			
602	Res. Furn.	0.1		0.1	0.1
603	Res. Eq.				
604	Off. Furn.	2.0		2.0	2.0
605	Off. Eq.				
606	other Eq.				
607	ADP HDWRE PUR	4.0			
608	ADP SFWRE PUR	1.0		1.0	1.0
698	TR/FRT 600	0.5		0.3	0.3
	(Reconcilliation FAAS)	(38.0)			

TOTAL

200.00

52.5

147.5

200.0

Attachment D

MISSION REPORTING OPERATING EXPENSES SUMMARY FOR FY 1990

FUNCTION CODE (U)	EXPENSE CATEGORY	BUDGETED	10/1/89- 2/28/90	3/1/90- 9/30/90	TOTAL
USDH					
100	USDH	10.9	5.4	3.5	8.9
105	other code 11				
106	Ed. All.				
108	COLA				
110	other code 12				
111	post ass. trvl				
112	post ass. frgt				
113	HL travel	5.2	4.4		
114	HL freight	2.2	1.0		
115	Ed travel			-	
116	R&R travel				
117	code 215 trvl	3.5		3.5	3.5
FNDH					
200	FNDH	21.5	0.4	43.8	44.2
201	FN Basic Pay	17.0	0.4	30.3	30.7
202	overtime/holiday	0.5		1.0	1.0
203	other code 11 FN				
204	other code 12 FN	4.0			
205	benefits-form FN			12.5	12.5
PSCs					
300	cont. personnel	74.7	34.8	60.9	95.7
302	USPSC SAL/BEN	55.7	31.4	29.9	61.3
303	other USPSC costs	9.0	0.2	2.1	2.3
304	FSNPSC SAL/BEN	10.0	3.2	27.3	30.5
305	other FNPSC costs				
306	manpwr contracts			1.6	1.6
RESID					
400	housing	8.9	1.4	5.0	6.7
401	resid. rent				
402	resid. util.	4.0	0.9	2.0	2.9
403	maint./rnvtn	2.5	0.5	1.0	1.5
404	qrtrs all				
407	secy guard svcs	2.0		2.0	2.0
408	off res. all.				
409	repres. all.	0.4		0.3	0.3

Attachment E

FY 1990-91 BRAZIL ACTION PLAN
Status of Decisions Requiring Action
As A Result of Last Year's AP Review

ISSUE	DECISION	ACTION OFFICE	STATUS
Are procedures in place to assure AID/B activities are consistent with legal restrictions on assistance.	(A.) GC/LAC will work with S&T/CP to insure that guidelines/procedures are in place for review and that clearance of centrally funded activities proposed for Brazil comply with the legal restrictions on AID's assistance.	Mission/AID/W	During visit by Kathleen Hansen GC/LAC, June 1989; outstanding legal issues were clarified and guidance memoranda prepared. Since then, actions have been in accordance with this guidance, complemented by consultation where necessary with GC/LAC or RLA/La Paz.
	(B) GC/LAC will advise on application of section 123 (e).		123 (e) draft was completed by AID/B 3/9/90 and cabled to GC/LAC for review.
	(C.) GC/LAC will develop general written guidance on what types of activities may be considered "training".		Completed

ISSUE	DECISION	ACTION OFFICE	STATUS
Are sufficient staff in place to design and monitor the ADC program effectively.	<p>(A.) LAC approves an increase in OE funding of up to DOLS 90,000 in FY 90-91 for the population assistant, financial and program specialist positions.</p> <p>(B.) The following positions should be advertised, candidates recruited and filled as soon as possible:</p> <ul style="list-style-type: none"> -Population Asst(OE-funded) -Training Asst(Program-funded) -Financial Specialist(OE-funded) -Program Specialist(OE-funded) 	MISSION/AID/W	<p>Approved AID/Brazil staffing now includes: AID Rep plus (a) U.S. PSC Population Specialist (OE):on board; (b) PSC Training Specialist(PGM): on board; (c) FSN Financial Management Specialist(candidate selcted and being processed); (d) FSN Senior Program Specialist -Environment(candidates ranked, selection in process); (e) in the future, a U.S. PSC environmental specialist will be provided under a LAC/Regional contract(PGM); (f) a part-time PSC translator(OE); and (g) a full-time PSC secretary(OE) (recruitment in process). All staff, except the U.S. PSC environmental specialist are exepcted to be on board by the time of the Action Plan Review.</p>
"INNOVATIONS SCENARIO"	Given the funding constraints in the ITT Project, the bureau will not consider additional funding for such a scenario.		<p>With the staffing pattern approved, staff in place will be sufficient to design and monitor the program.</p>
			N/A

ISSUE	DECISION	ACTION OFFICE	STATUS
Should AID/W and State/ARA take any action to address the legislative problem which may preclude working more effectively in Brazil.	(A.) AID considers tropical forestry a high priority. (B.) Resources on this issue should focus on training and greater public awareness. (C.) The AID Rep should devote increased attention to this issue.	MISSION/AID/W	The legislative restriction regarding environmental activities in Brazil was resolved at the initiative of Congress in the FY 1990 Foreign Assistance Appropriations Act provisions for global warming. While this does not permit everything we might wish to do the scope for tropical forestry environment work under global warming is quite broad.
Is the proposed urban environment activity consistent with the AID strategy and the legal restrictions imposed on Brazil?	(A.) Given USAID staff limitations, NO AID resources will be used to fund urban environment activities. (B.) AID resources will fund SPECIFIC activities in the forestry area, within the 123 (e) framework, and preferably within public awareness.	AID/W	disapproved this activity.

Several points of clarification were made between the LAC Bureau and the AID Rep which resulted in followup actions by the AID Rep.

POPULATION - By September 30, 1989 and with assistance from LAC/DR/POP and S&T/POP, the AID Rep will provide a description of all population activities funded from the ITT Population account.

ANNUAL PORTFOLIO REPORT - The AID Rep will submit a revised annual portfolio report by September 30, 1989, using established LAC Guidance.

CHILD SURVIVAL IN NORTHEAST - The LAC bureau supports a six month extension of the present OFG with Project Hope, in order to guarantee an orderly phase-out of the current child survival activity. The AID Rep will submit for AID/W review an NPD activity description for the proposed new child survival activity.

AIDS FUNDING - The AID Rep will prepare, with LAC/DR/H and S&T/H assistance, an overview statement, for submission to LAC/W by September 30, 1989 of what is planned for addressing AIDS in Brazil, the resources required, and AID's proposed role and funding.

NARCOTICS AWARENESS - The AID Rep and LAC/DR/H will prepare an outline/concept paper, for submission to LAC/W by July 15, 1989, outlining how the LAC Bureau's limited resources can best address narcotics awareness requirements in Brazil.

It was agreed in discussions with LAC/DR/HPN to prepare a strategic planning document for family planning to accompany the Action Plan; this has been accomplished.

AID Rep requested relief from this requirement, because staff shortages precluded meeting the workload which would be imposed.

During AID Rep's TDY in Nov. 1989, LAC took the decision not to entertain an NPD for this project. Phase out has been accomplished as scheduled.

AIDS and Narcotics Awareness Funding. AID Rep submitted strategy statements in both areas which were approved during AID/W review, Nov. 1989. There remains to submit a training plan for narcotics awareness, but this will only be possible when the appointments of new Government become known.