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Action Plan

FY 1990-1991

MEXICO

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AID/M FY 1990-1991 ACTION PLAN

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AGENCY FOR INTERNATIONAL DEVELOPMENT
ACTION PLAN 1990 - 1991

Preface

This preface attempts to emphasize the strategic importance of Mexico to the United States in a wide spectrum of foreign policy areas. For example:

- o In economic terms, a prosperous Mexico would greatly benefit the United States by increasing the level of trade and technology transfer, thereby reducing the U.S. trade deficit and creating new U.S. jobs.
- o In security terms, a stable and prosperous Mexico is the key to ensuring the integrity of the United States' 2,000-mile southern border. Economic, social, political and demographic conditions in Mexico have direct repercussions in the U.S. Population growth coupled with depressed economic conditions results in increased illegal migration to the U.S.
- o In health terms, an improvement in Mexico's health standards would ease the economic burden faced by U.S. border states, which provide health-care services to both legal and illegal migrants. A healthier Mexico would also reduce the danger of infectious disease on both sides of the border.
- o In environmental terms, an economically prosperous Mexico could fulfill its share of responsibility in addressing border pollution, sewage and solid waste-disposal problems.
- o And, in terms of the anti-narcotics effort, a prosperous Mexico would be less likely to harbor drug producers and traffickers, who supply the U.S. market.

Tagging an ADC status label on our southern neighbor does not diminish the importance of development work. It simply defines alternative methods of operation and identifies targets of opportunity.

Such opportunities could include heavier reliance on Mexico in affecting development in LDC's. The advantages of this strategy are many. For Mexico, this approach would mean capacity building and institutionalization of expertise and services. For LDC's, this approach could imply an increase in technical assistance and easier access due to proximity, and language and cultural similarities. For the U.S., this strategy would mean significant savings due to cost differentials, and currency exchange rates.

The practice of funding technical assistance with AID/W central monies is too often expensive and wasteful. For ADC's, the

problem is not so much the quality of expertise but the lack of resources to affect services. U.S. consultants too often do not have in-depth knowledge of local context and usually are not in a position to leverage local resources. Salaries of U.S. consultants, travel costs, per diem, and corporate overhead in aggregate consume much of the resources that would otherwise go directly to development projects. By adopting the strategy suggested here, an ADC would make great strides in reaching sustainability goals.

- In seizing opportunities to improve the Mexican economy, the U.S. would also benefit. For example, the maquila (in-bond) industry has proven an effective mechanism for maintaining U.S. competitiveness. There is a role for AID in promoting the maquila industry (e.g., infrastructural development, education and training) as a means of increasing U.S. trade, thus reducing the trade deficit.

With creative thinking, AID could develop many do-able projects that would both accelerate Mexico's development and benefit the U.S. economy. For example:

- o Farm and dairy subsidies in the United States could be greatly reduced if those receiving the subsidies were asked to produce for developing countries' needs at preferential prices (reversed agro-maquila concept).
- o Debt swaps could be arranged to benefit conservation projects, ecological parks, and the preservation of tropical and rain forests.
- o Debt "forgiveness," in which debt would be paid in local currency, could be applied to development projects (see Annex B).
- o Debt swaps for U.S. trade promotion (sale of commodities at a price below marginal cost) could be arranged. This strategy would produce jobs, enhance infrastructure, modernize manufacturing equipment and build human capacity in the United States. For Mexico, such swaps would provide a needed subsidy for consumers, stimulate the modernization of industrial capacity by facilitating the low-cost importation of needed materials, increase job creation and, of course, lower the foreign debt.

As has been pointed out in The Hamilton Report, The Phoenix Report, Foreign Aid and American Purpose and Development and the National Interest, world dynamics have changed significantly, warranting a new, caring and daring approach to development.

Mexico is well-suited to be the first country to benefit from this modern approach to development. AID/M accepts the challenge.

AGENCY FOR INTERNATIONAL DEVELOPMENT
MEXICO

ACTION PLAN FY 1990 - 1991

The Agency for International Development in Mexico complies with policy set forth in the Bureau for Latin America and The Caribbean: Guidelines for the Advanced Developing Country Programs. As such, a primary objective is to increase the range and degree of exposure of Mexican leaders to the United States. A second objective is to facilitate the interchange between U.S. institutions and Mexican professionals so as to better address development issues that affect bilateral relations between the two countries.

The projects described in this document are first and foremost Mexican projects to which AID contributes resources in limited but strategically effective ways to supplement (not supplant) public and private Mexican resources. AID/M has moved away from the notion of simple resource transfers and stresses technical assistance and self-help which impact host country policy reform, emphasizes and relies on the private sector, institutionalizes development activities, and promotes research and development.

The goal of AID is to familiarize Mexico's leaders with U.S. institutions, technologies, and products by establishing partnerships and interchanges in support of mutual interests. A key AID objective is to facilitate access to U.S. technology that can benefit institutions and private industry in Mexico and throughout the region. A sign of success is the adoption by regional LDC's of U.S. technologies introduced through Mexico.

Therefore, a unique opportunity is presented in which LDC's can and do benefit from developmental strides accomplished in Mexico in a variety of fields, including health, child survival, population, private sector, research and development, and training. There are characteristics and factors which facilitate AID/Mexico's impact in LDC's in the Region. Among these are a common language with most LDC countries in the Region, geographic proximity (both to U.S. and to LDC's), labor costs, and exchange rate advantages.

The following is a brief description of AID projects in Mexico.

Inter-country Technology Transfer

The LAC Regional ITT (598-0616), the funding source for a major portion of AID/M's development efforts, is comprised of the following areas of concentration:

- o Agriculture, Rural Development and Nutrition
- o Population
- o Education, Human Resources
- o Health
- o Child Survival
- o Public Sector, Energy and Environment

Agriculture, Rural Development and Nutrition. AID/M's ARDN program is designed to increase the income of the poor who are dependent on agriculture or fishing and to expand the availability of food, while maintaining and enhancing the natural resource base. It has been noted that increasing personal income is the single most important factor in improving average food consumption. The effort to increase rural incomes on a sustained basis requires economic policies that are conducive to economic growth and employment generation, programs that conserve and make efficient use of natural resources, and investments that improve rural infrastructures, government services and human resources.

The United States has an interest in helping to alleviate hunger by increasing the incomes of the poor, not only because of the moral imperative to do so, or because it might slow the flow of illegal grants, but also because it can contribute to increased opportunities for U.S. exports. In particular, Mexico is a great potential market for U.S. agricultural exports, which totalled 1.6 billion dollars in 1988. Mexico's full potential as an importer of U.S. agricultural commodities, technology, and equipment can only be realized through sustained economic growth.

Population. AID's support for family planning is based on the following three rationales: (1) the right of families to voluntarily determine the number and spacing of their children, (2) the positive impact birth spacing has on child and maternal survival, and (3) the positive impact planning has on the reduction of illegal abortion and the cost-benefit to health institutions associated with such a reduction. As with all projects supported by AID/M, family planning projects are a Mexican initiative having the full support and endorsement of the government of Mexico.

The GOM's goal is to reduce population growth from the current estimated 2.2% annual rate to 1% by the year 2000. AID/M provides \$11 million annually to support this effort, working with 10 Mexican government and private family planning organizations, which in aggregate spend more than \$90 million per year. AID/M also facilitates the work of more than a dozen U.S. population/family planning service organizations.

Education and Human Resources Development. Human resources development is both a catalyst for development and an ongoing requirement for sustained development. The countries which have given priority to education and training and to nurturing economic and social environments in which people can use their talents productively, fully and freely have been among the most successful in achieving sustained development. As development proceeds, economic and institutional environments become more complex, the required levels of general education rise and the need for workers with specialized training increases.

However, a basic requirement for human resources development, as well as most other aspects of sustained economic and social development, is education. Until a nation can ensure that most children obtain at least primary schooling, only a fraction of its potential can be realized.

AID/M's support for human resource development concentrates on enterprise development, where Mexican institutions receive financial assistance to provide technical assistance and to promote small-scale businesses. AID/M also provides support to a dynamic, fast-growing Junior Achievement program in which Mexican businesses support learn-by-doing youth enterprises.

Health. The goal of AID/M's health assistance program is to improve the overall health status as reflected in the availability of public and private health services. Most health problems encountered stem from infectious diseases, parasitic diseases, poor environmental conditions, lack of health care and knowledge, malnutrition, and lack of prenatal nutritional and health care. Many adults suffer from chronic illnesses, but children are the most vulnerable group. The most direct way to increase life expectancy and general health status is by addressing the health problems of children and their mothers. Therefore, within AID's health assistance program, priority is given to support for child survival and improved maternal and child health.

Among the strategies employed by AID in Mexico are providing assistance in maternal health care, primary rural health care, water and sanitation projects, and assisting nutritional projects through U.S.-donated commodities and through emphasis on bio-intensive gardens.

Child Survival. While admirable strides have been made in reducing child morbidity rates, there is still much to be done. The vaccine-preventable childhood diseases being targeted for elimination are measles, polio, diphtheria, pertussis, tetanus, tuberculosis, and whooping cough. AID/M is also working with other donors to promote oral rehydration therapy (ORT) as a means of reducing Mexico's biggest child-killer, acute dehydrating diarrhea. Two other intervention strategies are birth spacing and a focused nutrition package emphasizing breast-feeding, weaning and growth monitoring.

Public Sector, Energy and Environment. With PSEE resources, AID/M addresses cross-sectoral development problems by providing support for private enterprise development, private and voluntary organizations, technical assistance, training and research support for science and technology efforts. These activities are vital so as to promote self-sustaining, broad-based economic growth.

Training

The LAC Training Initiatives Program provides training for Mexicans from public and private sector institutions who show promise as future leaders and managers. Under AID/M's three-year contract with Development Associates to administer the LAC II program, carefully selected participants have been sent to the U.S. for short-term observational and academic training.

LAC funds were also used for the AID/MASHAV Israeli Training Program in which Israel assumes part of the cost of training personnel from Mexico's welfare agency (DIF). In this program

participants are exposed to, unique community-development programs and receive agricultural training in Israel.

Mexico and the U.S. have important mutual interests in pest control, the prevention of hoof and mouth disease, combatting the spread of the African bee, and in improving food inspection procedures and standards. Yet the Embassy Foreign Agricultural Service (FAS) has no system for selecting and orienting Mexican participants. AID/M, therefore, administers the Cochran Middle Income Country Agricultural Scholarship Program in coordination with a USDA training Specialist in Washington.

Food Assistance

The Section 416 Food Assistance Program provides nutritional supplements to approximately six million people in Mexico. Four private voluntary organizations and the Mexican welfare agency (DIF) distribute approximately 346,524 metric tons of Section 416 commodities in all 31 Mexican states and in Mexico City. PVO's place great emphasis on self-help community activities, (e.g., bio-intensive gardens, family planning, primary health care, community improvement projects) as components of their food assistance programs.

AIDS Education and Prevention

Since it was initially recognized in 1981, the Acquired Immune Deficiency Syndrome (AIDS) has come to represent an unprecedented threat to global health. AIDS poses a serious threat of overloading national health facilities and stifling development.

In Mexico the number of reported AIDS cases doubles every seven months. AID/M has responded to requests from the GOM for technical assistance and training for professionals in the AIDS field and for studies that could identify the best way to reach high-risk groups with prevention information. AID/M is utilizing the expertise of AIDSCOM and AIDSTECH on several projects.

Drug Abuse Prevention

The war against drugs has become the most publicized aspect of U.S.-Mexico relations in recent years. Apart from concern about illegal drugs entering the United States and concern for the drug addicts themselves, AID/M sees the narcotics problem as an impediment to development.

In August 1987, AID/M signed a contract with a social service organization in Ciudad Juarez to implement a pilot project for the prevention of drug abuse. Other AID efforts include the production of a music video with an anti-drug message, job counselling for former addicts and distribution of anti-narcotics information in the school and workplace.

STANDARD FORM FOR PROVIDING INFORMATION ON OBJECTIVES
SUMMARY FUNDING TABLE

OBJECTIVE NO. 1: Increase Agricultural Development

Activity	LOP Funding	FY 89	FY 90	FY 91
1. Forestry, PASA	5	58,396	65,000	-0-
2. PSC 416	3	9,300	9,300	9,300
3. Publication	1 (N)	700	-0-	-0-
4. Chiapas Aqua Feasibility	1 (N)	5,000	-0-	-0-
5. Bio-Intensive Gardens	3	6,604	5,700	-0-

6. Aqua Feasibility Studies	1	-0-	-0-	25,000
7. Integrated Farm/Forest	2	-0-	-0-	(20,700)
8. Rural Nutritional Dev.	2	-0-	-0-	10,000
9. Coal Burners, Substitute Forest Firewood	2	-0-	-0-	(15,000)

Note: All activities are ITT-funded
Activities 6-9 are proposed

2. ACCOMPLISHMENTS (OBJECTIVE NO. 1): Increase Agricultural and Fishing Production

2.a. The following are the major accomplishments of Mexican agencies receiving AID/M economic support in their effort to increase agricultural production:

- o Technical assistance provided to Baja California researchers on assessment of sardine resources by studying egg and larvae
- o Technical assistance provided to scientists and commercial fishers on fishing techniques, processing and commercialization of fish products, and promotion of rational exploitation of marine resources
- o Research activities accomplished in shrimp aquaculture promotion
- o Initiation of research study of blue crab industry in Gulf of Mexico
- o Workshops sponsored on optimum arid zone agricultural techniques
- o Production of oregano oil and castor bean oil for commercial purposes
- o Establishment of 50 demonstration bio-intensive gardens in both urban and rural settings
- o Quantifiable health improvements in home garden participants
- o Technical assistance provided on solar dryer/hardwood lumber drying techniques
- o Technical assistance provided on use and maintenance of portable sawmill
- o Technical assistance provided on tanning extraction
- o Production of ornamental endangered cacti as substitute for illegal harvest in these species in the wild
- o Ag training provided to 81 participants through Cochran Middle Income Program

2.b. Key activity/program accomplishments planned for Action Plan Period FY's 1989-91 include the following:

- o Establishment of fish pond/chicken cultivation for improved nutritional purpose of participants in rural communities
- o Provision of nursery workshops for expansion of commercial forest activities
- o Creation of Christmas tree market by placing emphasis on planting
- o Establishment of 20,000-acre eucalyptus plantation in Veracruz by major US lumber producer
- o Establishment of mushroom production income-generating project in rural areas
- o Assist in large-scale charcoal production project for export purposes
- o Assist in export and marketing of oregano oil and castor oil
- o Creation of an agency to promote micro-enterprises in rural areas

3. NARRATIVE (OBJECTIVE No. 1): Increase Agricultural Production

The objective, to increase agricultural production, is designed to increase the incomes of the poor and to expand the availability and consumption of food, while maintaining and enhancing the natural resource base. This effort supports economic growth and employment generation; it encourages programs that conserve and make efficient use of natural resources; and it provides an investment in improving rural infrastructure, government services and human resources.

Statistics indicate that as many as 70 percent of Mexico's children are malnourished, with 52 percent of these showing signs of third-degree malnourishment. The Mexican Social Service Agency (DIF) is unable to meet the demand, in spite of the donations received from the 416 Food Assistance Program.

Another factor justifying AID/M's emphasis on increasing agricultural production is the magnitude of U.S.-Mexico agricultural interdependence. Mexico ranks as the U.S.'s third largest trading partner, while the U.S. is by far the biggest buyer of Mexican exports. A major portion of this trade has been in the form of agricultural commodities and related products, which in 1988 accounted for a combined two-way trade of \$3.5 billion dollars in total sales transactions. Mexico provides approximately 40% of the winter vegetables for the U.S. market.

AID/M's modest economic resources devoted to increasing agricultural production have produced high yields because of efforts to fund projects under a co-sponsorship basis, working with U.S. and Mexican PVO's.

AID/M is sponsoring a castor bean oil research project which will lead to a bean oil sufficiency within 4 years if government support is continued. Economic support is also being provided to a project that is investigating the potential for oregano production for oregano oil export purposes. This project has completed the applied research stage and is ready for commercialization. There is great potential for income supplements to co-op members because of the great U.S. demand for oregano oil.

AID/M is working with a U.S. institution to advance the feasibility of arid-land farming. Aside from obvious economic benefits, success would discourage international migration and internal migration, and findings (e.g., crop types and methods) could potentially be used elsewhere in Latin America or in dry regions of Africa.

AID/M is working with the GOM and Mexican PVO's to popularize family gardens (i.e., bio-intensive gardens) as a low-cost diet supplement. Seeds and their transportation costs are donated by U.S. PVO's; AID/M funds technical assistance, travel and per diem; and the GOM and Mexican PVO's supply labor and other costs.

STANDARD FORM FOR PROVIDING INFORMATION ON OBJECTIVES
SUMMARY FUNDING TABLE

OBJECTIVE NO. 2: Strengthen Private Sector

Activity	LOP Funding	FY 89	FY 90	FY 91
1. DESEM	5	\$85,399	\$75,000	\$ -0-
2. Fundacion Murrieta	3 (N)	38,901	35,000	-0-
3. Rural DESEM-type	3 (N)	25,000	35,000	35,000
4. Publication, Exports (200)	1 (N)	(700)	-0-	-0-
5. ADMIC	5	60,000	-0-	-0-
6. CETYS	3	27,000	-0-	-0-
7. FEMAP, Pro-Micro	4	35,000	35,000	-0-
8. Chiapas, Private Sector	3 (N)	13,000	45,000	45,000
9. UPAEP, Micro-Enterprises	3	24,000	24,000	-0-
10. Micro-Enterprise Incubator	2	-0-	30,000	30,000
11. Maquila Transfer of Tech.	2	-0-	30,000	60,000
12. Medicos Comunitarios	2	-0-	-0-	90,000
13. Rural Development	3	-0-	-0-	40,500

Note: All activities are ITT-funded

2. ACCOMPLISHMENTS (OBJECTIVE NO. 2): Strengthen Private Sector

2.a. The following are the major accomplishments of Mexican agencies receiving AID/M economic support in their effort to strengthen the private sector:

- o Establishment of service provider micro-enterprise incubator
- o Creation of sustained or lasting employment for individuals in the lowest income strata in various urban economically depressed areas
- o Establishment of private micro-enterprises with access to credit
- o Establishment of a national and international training center offering courses in improved management techniques through specially designed courses
- o Incorporation of micro-enterprises into Mexico's financial and commercial system
- o Identification of 1,850 previously unreported micro-enterprises; 1,422 surveyed
- o Enrollment of 420 new micro-enterprises in ADMIC
- o Awarded 80 new loans to micro-enterprises
- o Creation of 27 new micro-enterprises
- o Technical assistance provided to ADMIC affiliates
- o Expansion of DESEM (Junior Achievement counterpart in Mexico) into two new areas
- o Enrollment of 1,900 new DESEM participants, and the recruitment of volunteer professional advisers, and school coordinators
- o Completion of IESC 1985 project
- o Strengthening of academic business curriculum of UPAEP
- o Increase in CETYS program participants and feasibility study of Industrial Research Park

2.b. Key activity/program accomplishments planned for Action Plan Period FY's 1989-91 include the following:

- o Gradual yearly increase in DESEM participants until 1 million students participate by the year 1997.
- o ADMIC will reach self-sufficiency by recuperating operating costs through fees charged for services and interest charged for loans.
- o Further expansion of UPAEP business courses made possible with computer hardware purchases with small grant received from AID
- o Expansion of ADMIC and DESEM to new areas within the republic
- o Expansion of DESEM-model to various Latin American countries in the region
- o Expansion of micro-enterprise incubator concept
- o Expansion of health clinic micro-enterprise, using donated medical equipment
- o Emphasize rural private sector development (micro-enterprises)
- o Emphasize maquila settings for work ethic and transfer of technology

3. NARRATIVE (OBJECTIVE No. 2): Strengthen the Private Sector

Micro-enterprises account for 70% of Mexico's private sector employment force and are responsible for a large portion of the nation's GNP. It has been demonstrated that, on average, only \$379 is required to create a new job in a micro-enterprise, in contrast to \$13,000 to \$15,000 in small and medium-size enterprises.

Support for the micro-enterprise concept, coupled with technical assistance and proper training, has been identified as an effective, cost-efficient tool for development. Improved well-being of individuals will eventually translate into increased imports from the U.S. For example, a 10% increase in per capita income translates to a 10 to 11 percent expansion in agricultural imports (AID Congressional Request for Authorization and Appropriations, FY 89, Main Vol., P. 48). This statistic does not include technological transfers and technical assistance requirements, which would also benefit U.S. agencies or institutions.

The benefits to the U.S. of supporting private sector projects are many, including the enhancement of social, economic, and political stability. An increase in micro-enterprise activity has been positively correlated with reduced illegal migration and reduced illegal drug involvement. These are two compelling arguments for AID's involvement in encouraging growth of micro-enterprises and business education.

AID/M, acting as a catalyst and assuming the role of broker, has managed to involve U.S. and Mexican PVO's and international organizations, thus increasing not only financial but personnel resources. It is AID/M's firm belief that opportunities for success are increased as local agencies accept ownership for a project and invest their own money, time and effort.

STANDARD FORM FOR PROVIDING INFORMATION ON OBJECTIVES
SUMMARY FUNDING TABLE

OBJECTIVE NO. 6: Manage and Preserve Natural Resources

Activity	LOP Funding	FY 89	FY 90	FY 91
1. Forestry	6	(\$65,000)	(\$65,000)	-0-
2. Pro-Natura, Training	3 (N)	20,000	20,000	20,000
3. Chiapas, Tropical Forest	3 (N)	13,000	22,000	22,000
4. UNAM, Research, Pl.	2 (N)	13,000	4,000	4,000

Note: All activities are ITT-funded

2. ACCOMPLISHMENTS (OBJECTIVE NO. 6): Preserve and Manage Natural Resources

2.a. The following are the major accomplishments of Mexican agencies receiving AID/M economic support in their effort to preserve and manage natural resources:

- o Wrote a land-use plan for small farmers in mountain communities to discourage present farming techniques that harm the environment (land erosion, forest burning)
- o Improved management techniques in the Ministry of Agriculture's Jalapa, Veracruz, nursery
- o Added emphasis on resource management and planning, including watershed management
- o Improved plantation establishment
- o Increased utilization of forest products through carpentry shops to decrease ecological destruction
- o Held charcoal production workshops to encourage the use of charcoal as a substitute for wood-fuel
- o Assisted in developing a combination solar dryer/waste wood-fired kiln for drying oak lumber

2.b. Key activity/program accomplishments planned for Action Plan Period FY's 1989-91 include the following:

- o Promote silvo-pastoral system to optimize use of scarce land for meat, milk and timber production
- o Conduct small sawmill training courses
- o Promote oregano oil production for export
- o Promote castor bean oil for export
- o Promote using sawmill waste as an energy source to replace dry wood
- o Emphasize drying Mexican hardwoods as an alternate and prepared use of this timber
- o Establish 20,000-acre eucalyptus plantation in Veracruz with assistance from a major U.S. lumber producer
- o Assist co-op members in gaining carpentry skills for better use of forest resources and increased income benefits
- o Promote coal burners as substitute for forest firewood

3. NARRATIVE (OBJECTIVE No. 6): Preserve and Manage Natural Resources

Prior to 1986, a detailed environmental assessment had never been undertaken in Mexico. AID/M sponsored a carefully documented, politically neutral assessment of air, water and solid-waste pollution; natural resource usage; regulations and law enforcement; and public and private agencies, which should generate the political will for stiffer enforcement of existing and future environmental protection laws.

Mexico is under great pressure to alleviate its air, soil, and water pollution problems. Overall consciousness has been raised by both the GOM and the private sector, resulting in added resources allocated by the new administration. Enforcement of existing laws has begun, although still not at the level required to make a significant impact.

In order to take advantage of Mexico's enhanced environmental awareness and commitment, AID/M proposes to encourage Mexico to sponsor a series of action-oriented seminars based on the findings of the "State of the Environment" study mentioned above.

Activities will also include improving management of tropical forests and rain forests by working with governmental, local and international PVO environmental groups in the state of Chiapas. With new PSEE funding, training and technical assistance will be emphasized in priority areas, and programs will address the protection of water resources, control of solid-waste pollution and responsible use of natural resources.

STANDARD FORM FOR PROVIDING INFORMATION ON OBJECTIVES
SUMMARY FUNDING TABLE

OBJECTIVE NO. 8: Increase Access to Voluntary Family Planning

Activity	LOP Funding	FY 89	FY 90	FY 91
1. FMS <u>1/</u>	3 (N)	29,982	25,000	- . -
2. COPLAFAM <u>1/2/</u>	3	35,725	25,000	20,000
3. PSFN <u>2/</u>	3	22,000	22,000	22,000
4. PSC <u>5/</u>	3	29,500	32,450	35,695
5. IMIFAP <u>1/</u>	2 (N)	21,900	25,000	- . -
6. AMIDEM <u>1/</u>	3	79,035	50,000	30,000
7. CORA <u>6/</u>	3	50,000	30,000	25,000
8. MEXFAM <u>1/</u>	2	36,858	30,000	- . -
9. FEMAP <u>1/2/</u>	3 (N)	<u>100,000</u>	<u>165,550</u>	<u>272,305</u>
TOTAL:		405,000	405,000	405,000

- 10. PHI 7/
- 11. FPIA 7/
- 12. PATHFINDER 7/
- 13. AVSC 7/
- 14. IPPF 7/
- 15. JOHN SNOW (ENTERPRISE, FPLMP) 7/
- 16. JOHN SHORT, (TIPPS) 7/
- 17. FUTURES GROUP (RAPID III, SOMARC) 7/
- 18. MSH (FP MGT TRAINING) 7/
- 19. THE POP COUNCIL (INOPAL) 7/
- 20. PRB (IMPACT) 7/
- 21. UNIV. MICHIGAN (POP INTERNSHIP) 7/
- 22. WESTINGHOUSE, IRD (DHS) 7/
- 23. GEORGETOWN UNIV. 7/
- 24. COMMODITIES 7/

- 1/ Media/IE&C/Training
- 2/ Family Planning Services/Young Adult Programs
- 3/ Research
- 4/ Promoting Private Sector
- 5/ Personal Services Contract
- 6/ University Fellow
- 7/ Centrally-funded

2. ACCOMPLISHMENTS (OBJECTIVE NO. 8): Increase Access to Voluntary Family Planning Services

2.a. The following are the major accomplishments of Mexican agencies receiving AID/M economic support in their effort to increase access to voluntary family planning services

- o Completed studies on internal and external migration patterns for six cities.
- o Completed field research and data processing for perinatal mortality study.
- o Expanded family planning/rural health program to two states.
- o Completed revision of self-teaching guides and trainers manuals on family planning.
- o Completed two videos on family planning/rural health program.
- o Held 2,842 reproductive health/sex education talks for 1,981 students and teachers, 57,189 individuals in communities and 148 groups in five states.
- o Held 572 courses in reproductive health/sex education for 1,848 health promoters, 459 pharmacy owners and attendants and 10 health committees in five states.
- o Completed study on social impact of family planning/rural health program.
- o Provided training and low-cost microcomputer software for 29 participants.
- o Developed young adult reproductive health programs in four cities.
- o Broadcast two radio series for young adults in five states.
- o Opened 16 community doctors clinics.
- o Established six new family planning programs in 13 cities and provided technical assistance to seven affiliate programs.
- o Held courses for 39 university rectors and directors on basic concepts of sexual education, family planning and demography.

2.b. Key Activity/program accomplishments planned for Action Plan Period FY's 1989-91 include the following:

- o Complete study on impact of family planning program on perinatal mortality.
- o Complete rural health/family planning program.
- o Complete printing of educational materials on reproductive risk.
- o Complete printing of results of study on social impact of rural health program.
- o Complete one study on national and international migration patterns.
- o Launch a pilot family planning campaign in the Mexico City subway system.
- o Train 50 young adult promoters in 20 communities. Form 360 teams of young adults in 20 marginal communities of Monterrey. Deliver 1,500 talks on reproductive health reaching 8,400 young adults.
- o Follow up with five state university directors to make sure family planning is included in their curricula. Assist university clinic in providing family planning and sex education services.
- o Provide training and low-cost microcomputer software for 95 health providers.
- o Complete operations research on role of rural midwives in family planning and maternal/child health care.

3. NARRATIVE (OBJECTIVE NO. 8): Increase Access to Voluntary Family Planning Services

Under the ITT program, private institutions such as FEMAP, MEXFAM, PSFN, AMIDEM, CASA, DIPLAF, COPLAFAM, IMIFAP, FMA and FMS serve approximately 2.5 million clients throughout the country in underserved urban, semi-urban, and rural locations. Multiple types of delivery services have been explored, using local health committee members, midwives, the private medical community, unemployed doctors, pharmacists, university rectors, etc. Based on ADC program characteristics, programs seek to help institutions make more effective/efficient use of ITT resources; to strengthen institutional bases and assist them in establishing new linkages with U.S. private agencies.

Centrally-funded projects such as FPIA, The Pathfinder Fund, AVSC, IPPF, The Enterprise Program, TIPPS, The Futures Group (SOMARC, RAPID III), Johns Hopkins University, Family Health International, Georgetown University and The Population Council's INOPAL Project activities are actively involved in promoting the private sector as both an agent for direct service delivery and as a model for public health sector programs.

AID/M's new initiatives in FY's 1990 and 1991 will include the launching of an educational campaign in the Mexico City subway system, with FMS, for the purpose of promoting spaced and planned pregnancies, as well as to advise 5 million daily subway users and employees about access to and availability of effective, safe, and low-cost family planning methods. AID/M will develop a study to improve the coverage of family planning services to post-partum patients. AID/M will also continue to support FEMAP's 32 affiliates in 62 cities and hundreds of rural communities in 19 states. To achieve this, AID/M will mobilize non-AID resources such as The John D. and Catherine T. MacArthur Foundation and other private funding sources.

AID/M's long range objective is to support innovative approaches and increase self-sufficiency of private family planning institutions to reduce dependency on U.S. government budgetary support, by assisting them in the development of: (a) business plans aimed at sustainability; (b) greater support for family planning efforts in rural areas where population growth rates are double the national average to improve the quality of life; (c) development of business approaches, social marketing schemes to provide high-quality, cost-effective contraceptives and services; (d) management skills to increase efficiency; (e) support of generic advertising of safe contraceptives; (f) training of private sector resources to encourage them to incorporate family planning services in-situ and heavier involvement with the family planning entities.

STANDARD FORM FOR PROVIDING INFORMATION ON OBJECTIVES
SUMMARY FUNDING TABLE

OBJECTIVE NO. 9: Improve Health and Child Survival

Activity	LOP Funding	FY 89	FY 90	FY 91
1. Fund. Mex Salud, Training	4	\$50,000	60,000	60,000
2. USPVO	3	45,000	30,000	-0-
3. Agua Sana (potable water)	3	30,000	30,000	-0-
4. PSC	4	19,443	19,443	19,443
5. PSC	4	60,175	60,175	60,175
6. FMPS (Epi. Tracking)	2 (N)	11,641	11,641	15,000
7. Immunization	5	50,000	50,000	50,000
8. ORT	5	50,000	50,000	50,000
9. FEMAP Tarahumara	3	29,000	27,000	-0-
10. NWMT Ox and Chiap	5	55,000	45,000	35,000
11. FMPS, Proj. Coord.	3 (N)	31,741	25,000	25,000

12. ORT, Rural Training	3	-0-	23,741	23,741
13. Child Surv. Pollution	3	-0-	-0-	50,000
14. Child/Mother Birth Tetanus	2	-0-	-0-	43,641

Note: All activities are ITT-funded
Activities no. 12-14 are proposed

2. ACCOMPLISHMENTS (OBJECTIVE NO. 9): Improve Health and Child Survival

2.a. The following are the major accomplishments of Mexican agencies receiving AID/M economic support in their effort to improve health and child survival:

- o Completion of ORT packet design and dissemination through government subsidized stores, public health services and welfare agency system
- o Development of movie spots on use and availability of ORT packets
- o Screening of spots in rural theaters throughout the country with estimated viewership of more than 3 million people a week
- o Participated with International Interagency group in two national immunization drives, which covered all 31 states of the nation and Mexico City. Children age 5 and under received immunizations against polio, diphtheria, tetanus, and tuberculosis.
- o Dissemination of hazardous waste and air pollution studies
- o Completion of Industrial Waste Management and Hydraulic Resources chapters to be included in Environmental Management Book
- o Development of ORT packet use manual
- o Disseminated study findings (ORT community attitudes and acceptability of treatments)
- o Completed research study on degree and effects of immunization-transfer from immunized children to non-immunized children
- o Potable water reaching added segments of urban marginal populations
- o Continuation of health training activities (see training section)

2.b. Key activity/program accomplishments planned for Action Plan Period FY's 1989-91 include the following:

- o Additional training in primary health care will be emphasized (e.g., see NWMT Oaxaca and Chiapas)
- o Expand affordable potable water project to new marginal communities, and assure continuation of present activities (self-sustained)
- o Continue coordinated activities with international agencies in immunization and ORT activities
- o Assist in epidemiology tracking project (Chiapas)
- o Study pollution-related illnesses in infants
- o Assess tetanus-related problems during childbirth and design intervention activities

3. NARRATIVE (Objective No. 9): Improve Health and Child Survival

The goal of AID's health assistance program is to improve the overall health status as reflected in the availability of public and private institutionalized health services and increased life expectancy. Most health problems stem from infectious diseases, parasitic diseases, poor environmental conditions, lack of health care and knowledge, malnutrition, and lack of prenatal nutrition and health care. Many adults suffer from chronic illnesses, but children are the most vulnerable group. The most direct way to increase life expectancy and general health status is by addressing the health problems of children and their mothers. Therefore, within AID's health assistance program priority is given to support for child survival and improved maternal and child health.

AID's strategies include providing assistance in maternal health care, primary rural health care, water and sanitation, and nutrition projects through U.S. donated commodities and through emphasis on bio-intensive gardens. It is anticipated that Mexico's new Secretary of Health will request additional assistance in these priority areas. In particular, assistance may be requested to address malnutrition: a recent survey indicated that 70 percent of Mexico's children are malnourished, with just over half of these malnourished children (52 percent) showing signs of extreme malnutrition.

AID/M has joined other international health organizations (e.g., UNICEF, PAHO, Rotary International) in providing help to the Ministry of Health in reducing child mortality and child morbidity by successful and sustained applications of two key technologies: Oral Rehydration Therapy (ORT) and immunizations. Two other effective interventions, both integral parts of the AID/M strategy, include birth spacing and a focused nutritional package which emphasizes breast-feeding, weaning and growth monitoring.

AID/M has co-sponsored with the Ministry of Health short spots which were aired in rural theaters throughout the country. The spots explained the dangers of dehydration caused by severe diarrhea and talked about the availability and use of ORT salt packages.

A USPVO receives financial assistance from AID/M to cover administrative costs and to coordinate the provision of emergency health care for the most destitute children. The PVO arranges for donated air transportation and donated medical care services in U.S. institutions. It also actively solicits financial assistance, equipment, medical supplies, and services, and disburses donations. Donated medical services have included rehabilitation services for amputees and burn victims, as well as assistance to the handicapped.

Monitoring activities by AID/M staff indicate that these projects are being administered in accordance with AID accepted fiscal and programmatic standards.

STANDARD FORM FOR PROVIDING INFORMATION ON OBJECTIVES
SUMMARY FUNDING TABLE

OBJECTIVE NO. 13: (Other) AIDS education/drug abuse prevention

Activity	LOP Funding	FY 89	FY 90	FY 91
<u>AIDS EDUCATION</u>				
1. PSC	3 (N)	19,000	19,500	19,750
2. AIDSCOM Buy-In	3 (N)	50,000	50,000	50,000
3. Develop Ed Materials	3 (N)	60,000	55,000	55,000
4. Training, Tech Asst.	3 (N)	86,000	85,000	85,000
5. New Info Centers-Phase I	1 (N)	60,000	-0-	-0-
6. New Info Centers-Phase II	1 (N)	-0-	65,000	-0-
7. Equipment - Info Centers	1 (N)	-0-	-0-	30,250
8. High-Risk Behavior Study	1 (N)	25,000	-0-	-0-
9. Study: HIV/Child Abuse	1 (N)	-0-	25,500	-0-
10. Study: STD's and HIV-1	1 (N)	-0-	-0-	30,000
11. HIV Testing - Sex Workers	1 (N)	-0-	-0-	30,000
<u>DRUG ABUSE PREVENTION</u>				
1. PSC	3 (N)	19,000	19,500	19,750
2. Pilot Project/More Cities	5	300,000	250,000	150,000
3. Pt. Vallarta Youth Center	3 (N)	5,000	5,000	3,500
4. Youth Campaign/Mex. City	3 (N)	31,500	30,000	20,000
5. Anti-Drug Video Promotion	1 (N)	16,000	-0-	-0-
6. Educational Materials	1 (N)	28,500	-0-	-0-
7. Pilot Study/Quest Program	1 (N)	-0-	55,000	-0-
8. Eval. Tech. Workshops	2 (N)	-0-	40,500	35,000
9. Conferences, Seminars	1 (N)	-0-	-0-	73,250
10. Public Awareness Campaign	1 (N)	-0-	-0-	48,500
11. Educational Materials	1 (N)	-0-	-0-	50,000

Note: All activities are ITT-funded

2. ACCOMPLISHMENTS (OBJECTIVE NO. 13): Other -- AIDS Education/Drug Abuse Prevention

2.a. The following are the major accomplishments of Mexican agencies receiving AID/M economic support in AIDS and Drug Abuse Prevention programs:

AIDS

- o Mexican health professionals received technical assistance and training on AIDS
- o Manual for trainers prepared and distributed to teachers and health workers
- o Public awareness campaign materials developed, printed and distributed
- o International Symposium on Information and Education on AIDS held in Ixtapa
- o II Pan American Conference on AIDS transmitted to Mexico via satellite
- o Knowledge, Attitudes and Practices (KAP) studies carried out among high-risk behavior groups in six Mexican cities
- o Evaluation of effect of educational materials on high-risk behavior groups in Guadalajara and Tijuana
- o Data collection for survey on the actual costs of AIDS
- o 1.2 million condoms provided to CONASIDA for distribution

DRUG ABUSE PREVENTION

- o Provided job counselling for former drug addicts
- o Disseminated drug abuse prevention information in maquiladora (in-bond) plants
- o Athletic program for young "young inhalers" with support of Ciudad Juarez professional soccer team
- o Target community promoters worked with gangs to promote drug-free lifestyle
- o "Just Say No" fair at El Paso Zoo co-sponsored by Ciudad Juarez group

2.b. Key activity/program accomplishments planned for Action Plan Period FY's 1989-91 include the following:

AIDS

- o Continue to fund technical assistance and training for health professionals
- o Partially fund AIDS conference in Hermosillo, Sonora
- o Partially fund AIDS info centers in Mexico City and in 31 Mexican states
- o Research ways to promote more effective social marketing among high-risk groups
- o 3 million "preservativo" condoms and 2 million Nonoxynol 9 condoms distributed

DRUG ABUSE PREVENTION

- o Launch and promotion of a music video with anti-drug message in Mexico and throughout the Latin America region
- o Work with GOM in coordinating anti-drug slogan contest in schools
- o Continue Ciudad Juarez anti-drug campaign and replicate program in other cities
- o Sponsor anti-drug campaign among youth in Mexico City

3. NARRATIVE (Objective No. 13): Other -- AIDS Education/Drug Abuse Prevention

AIDS EDUCATION

AIDS is a public health problem of global proportions. In Mexico the number of reported cases increases at a rate of 10 percent per month; currently there are more than 2,200 reported cases, and it is estimated that an additional 161,750 people are undiagnosed HIV carriers. AID/M recognizes the serious implications AIDS poses for development and is assisting the government of Mexico in combatting the threat.

In the absence of a cure -- and with no prospects for a vaccine in the near future -- education and communication assume an all-important role in inhibiting the spread of the disease. AID/M has sponsored the attendance of key Mexican health officials at conferences and seminars; helped to finance the first international symposium on Information and Education on AIDS, held in Ixtapa, Mexico, in October 1988; and partially funded the transmission via satellite in Mexico of the II Pan American Conference on AIDS held in Rio de Janeiro in December 1988.

AID/M also financed the production of a manual on AIDS designed for the training of trainers and the elaboration of education materials used in the AIDS National Committee's public awareness campaign. AID/M plans to continue its support of education and communication activities in FY 90-91.

DRUG ABUSE PREVENTION

Drug production, abuse and trafficking are detrimental to development efforts. There are various areas in which AID could be instrumental in combatting the effects of these drug-related activities. Such areas include the development of economic assistance programs, development of income alternatives, and narcotics education. AID/M has selected narcotics education as the most feasible and effective area in which to participate.

In August 1987, AID/M signed a grant agreement for \$400,000 with a Mexican social service agency in Ciudad Juarez. A pilot program has been developed which will be replicated throughout Mexico and possibly throughout Latin America. A music video with an anti-drug theme featuring a group of popular artists is being prepared for release in July. The song will be promoted throughout the Latin American region.

The grassroots Ciudad Juarez program has achieved wide coverage through a variety of activities: sports events, puppet theater, a rock concert, community service activities for ex-addicts, TV/Radio spots and interviews. During FY 90-91, this program will be replicated in other Mexican cities throughout the republic.

SECTION 3. 416 FOOD ASSISTANCE PROGRAM

In FY 1988 five private voluntary organizations and their local affiliates and the Mexican social assistance agency, DIF, participated in the Section 416 Food Assistance project in Mexico. The total allotment of commodities was 273,000 MT's, which included corn, wheat and sorghum with a value of approximately \$28 million.

Approximately 36% of all commodities received were commercialized through private and public channels in Mexico in order to generate funds for purchase of commodities, operating costs, and development projects. New regulations on the use of monetization funds have given PVO's flexibility in the implementation of food distribution programs and in targeting development projects. Examples include projects for fruit production and processing, and rural health and sanitation.

In FY 1989 the DIF and all PVO's except St. Mary's Food Bank will continue to participate in the food assistance program. AID/W has approved 252,000 MT's of sorghum (worth approximately \$30 million) which will be monetized in its entirety by recipient organizations. Organizations will execute swaps or otherwise purchase commodities for distribution. All transactions will be executed by PVO's through CONASUPO (National Company for Popular Sustenance, responsible for acquisition and distribution of subsidized commodities) or the private sector. PVO's will also deal with the private sector to process and distribute commodities.

Approximately 6 million of the poorest people in Mexico will benefit from the nutritional supplements provided through this program, and many more will benefit from associated development projects. Beneficiaries in rural and urban settings are reached through orphanages, homes for the elderly and schools, or through community programs where needy individuals are identified by surveys. PVO's primarily target children, pregnant and lactating women, and low income families.

PVO's continue to stress an integrated development approach to food distribution by promoting community development activities that contribute to AID/M's objectives in health, child survival, family planning, private sector and migration. Among the specific activities associated with the PVO's distributing Section 416 commodities are the following: educational programs in health and nutrition; community sanitation; family planning; training in bio-intensive gardening; monitoring for the detection of malnutrition; primary health care; potable water projects; immunizations and the promotion of micro-enterprises.

In FY 1990 AID/M hopes to increase the impact of the food assistance program. To this end, AID/M is studying AID/Ecuador's innovative use of Section 416 commodities to generate capital for a special fund for development projects to be managed directly by AID/M or by a PVO. The fund would be used to start up self-sustaining projects in a number of development areas which would reduce PVO dependence on food supplements.

SECTION 4: COUNTRY TRAINING PLAN UPDATE

Summary of Training Program and Objectives

AID/M's Third Country Training Program has not only successfully met the training needs of countries in this and other regions of the world, but has served as a means of developing an ever-increasing level of cooperation between Mexico and the U.S.

The LAC Training Initiatives Program provides training for Mexicans from public and private sector institutions who show promise as future leaders and managers. Under AID/M's recently completed (Jan. 30, 1989) three-year LAC II management contract with Development Associates, a total of 725 participants were trained in both short- and long-term programs, most of them tailor-made for individual participant needs. These included academic programs for masters degree candidates and a variety of short-term activities ranging from specialized courses to observation study tours and professional meetings and conferences. In the first year of the contract, 174% of the year's target was met (targets are based on participant months of training); 235% in the second year; 175% in the third. The development of agriculture, strengthening the private sector and protection of the environment are key areas, and they accounted for 26%, 54% and 17%, respectively, of the 725 participants. A follow-on contract with Development Associates to complete the final two years of LAC II was initiated in February 1989.

LAC funds were used for the AID/MASHAV Israeli Training Program in which AID/W and MASHAV/Israel jointly assumed the cost of training in Israel of Mexico's personnel in the welfare field.

Mexico and the U.S. have important mutual interests in pest control, hoof and mouth disease prevention, combatting the spread of the African bee, screwworm eradication, development of the dairy industry in Mexico, and in improving food inspection procedures and standards. As the Embassy Foreign Agricultural Service (FAS) has no system for selecting and orienting Mexican participants, AID/M administers the Cochran Middle Income Country Agricultural Scholarship Program in coordination with USDA Training Specialist in Washington. Eighty-one Mexican agriculturists participated in the 1988 program.

AID/M has been a liaison for coordinating AID's office of Foreign Disaster Assistance (OFDA) activities and has taken advantage of all training programs offered by OFDA: programs in wildfire suppression, dog rescue, earthquake and hurricane preparedness, and other diversified disaster assistance programs.

Summary of Training Program Under LAC II

The LAC II Training Initiatives Program has exceeded its target by 100% in terms of person-months of training completed. It has also been highly effective in expanding Mexico's human resource base in previously identified priority areas and in fostering cultural and

commercial ties between U.S. and Mexican institutions. The program has proven highly cost-effective as well. AID/M's policy has been to ask host country institutions to cover a portion of training costs; this usually means that the institution pays the cost of transportation, but host country support often includes a portion of the tuition and/or a maintenance allowance as well.

Mexico's proximity to the U.S. and its inherent characteristics due to its ADC status make feasible, and often preferable, shorter training courses. In some cases, participants are only a few hours away from their training sites. Despite cost-containment measures, the limited budget has not been able to stretch sufficiently to respond to the number of requests for academic training in the U.S. Mexico's National Council on Science and Technology (CONACYT) in years past offered a number of scholarships for graduate and undergraduate study outside Mexico. However, since the initiation of the economic crisis in 1983, there have been virtually no funds available for this purpose, and requests to AID for financial assistance have increased accordingly. Through special financial arrangements with U.S. institutions near the border, AID/M hopes to be able to stretch its funds in order to make academic training in the U.S. available to a larger number of Mexicans, but given the country's difficult economic situation and the fact that the U.S. dollar is still very expensive for the average Mexican, it is probable that the number of Mexicans interested and qualified to study in the U.S. will greatly exceed the number of scholarships available.

Under the recently initiated (February 1989) LAC II following contract, special emphasis is being placed on the recruitment and selection of women for training. However, meeting AID/W's goal of 40% female trainees will prove difficult given the particular fields of emphasis in the Mexico program (agriculture, environment, energy) and the low percentage of Mexican women currently working in these areas. The most recent figures from the Secretariat of Labor (1985) indicate that women comprise only 20% of the workforce, with most of them employed in clerical, teaching and health positions -- areas not included in AID/M's training priorities. Nevertheless, the percentage of women trained under the contract is increasing. In the first two years of the Development Associates contract, 18% of the participants were women; in 1988, this figure rose to 28%.

In the near future, AID/M expects to fully meet the current CLASP target calling for 30% of all participants to be from economically disadvantaged backgrounds. It is important to emphasize, however, that this goal will have some impact on the degree to which some participants and their institutions can afford to foot part of the training costs. In order to implement the CLASP ADC guidelines with regard to the economically disadvantaged target, AID/M has developed a set of detailed criteria for participant income. With the assistance of the Embassy economic staff, income ceilings have been established based on the number of dependents and regional cost-of-living variations within the country.

Compliance with CLASP Policy Guidance

1. 40 percent target for women

Adjustments have been made in the target number of women participants, in conformity with guidance set forth in State 027538. It should be recognized, however, that the overall LAC II Training Initiatives goal for the regional project, which calls for 40% women participants, may not be a realistic target for Mexico. Current estimates indicate that in some fields such as engineering, energy, agriculture, forestry and private enterprise management, the number of women may be as low as 10% to 18%. This fact, combined with the program's relatively low priority for health and education (fields where women have historically had greater participation), limits the prospects of meeting the 40% target.

2. 10 percent placement in HBCU's

AID/M will make every effort to program the required 10% of participants (new starts) through Historically Black Colleges and Universities (HBCU's). However, it is extremely difficult to identify appropriate sites for technical training among HBCU's since the NAPEO directories and related materials do not present information on individual schools' prior experience with training LDC participants, ability to train in Spanish, and expertise in particular fields related to Mexico's priorities. We would greatly appreciate qualitative assessments of prior AID participant training activities with individual schools to assist us in identifying the most appropriate sites for HBCU placements.

3. Long-term training

AID/M continues to increase the number of participants in long-term training and in FY 89 will meet or exceed the ADC target of 80% of total participants. In FY 89, AID/M expects to expand the ongoing agreement with the University of Texas-El Paso (UTEP) that permits Mexican students to pay resident tuition and to extend such an agreement to other Texas state-supported institutions. Additionally, we have concluded negotiations with the California's statewide university system on introducing a similar cost-saving program, which will greatly increase the number of Mexican students studying in long-term programs there.

4. Short-term training (no more than 50% 14-28 days)

It is anticipated that the percentage of short-term training participants will not exceed the 50% limit.

5. 30 percent minimum for disadvantaged

Special attention to the economically disadvantaged was not a criterion under the previous Development Associates contract, which ended in January 1989. The 30% target has, however, been included in the follow-on contract for the final two years of LAC II. In consultation with the Embassy economic staff, detailed criteria for establishing income ceilings have been set. Although AID/M and its contractor anticipate no difficulty in meeting the target, its implementation will reduce the amount of host country cost-sharing, thereby resulting in less "bang for the buck."

6. Experience America

For the past three years AID/M has placed considerable emphasis on fostering professional activities for participants that would fall under the category of "experience America" as defined under current CLASP guidelines. These include participation in local chapters of professional societies, special internships with local businesses and community organizations, joint authorship of scholarly articles with U.S. graduate students and faculty, collaborative research efforts with U.S. counterparts, and residence with host families who share common professional interests. Given the availability of contacts with U.S. culture and the high percentage of Mexican professionals who have previously traveled and studied in the U.S., it is important that the programming of "experience America" activities reflect and complement each participant's current understanding of the U.S. For this reason, it is very important to maintain flexibility so as to avoid activities that may appear professionally inappropriate, simplistic or patronizing.

7. Follow-on

This project includes follow-on activities, particularly those which promote and utilize institutional linkages. Specific complementary training will be coordinated with the Leadership Center of the Americas and the Office of International Training's Entrepreneurs International.

8. Steps taken to contain training costs

AID/M has been particularly attentive to the need for effective cost containment throughout the life of the LAC I and LAC II projects. The result has been one of the lowest cost training programs in AID. Recently concluded agreements with the California university system and the expansion of the ongoing program with the Texas university system will continue to help stretch training dollars. Furthermore, the recently negotiated contract with Development Associates reduces the administrative costs for the LAC II program below previous levels, which were already below AID estimates for training program management.

9. Six-month minimum lead time for long-term training;
three-month minimum lead time for short-term training

Guidance to AID missions with regard to six-month lead times for long-term and three months for short-term placements is not necessary, given the well-established collaborative working relationship with Development Associates. Generally, the contractor is able to respond to far shorter lead times due to the efficiency of Development Associates' internal management and decision-making systems and effective interfacing with AID/M staff.

10. Steps taken to avoid programming of training for the elite

Participants are required to provide information on their income and the number of their dependents. In this way, AID/M is able to determine the general economic situation of the applicant. The training coordinator also relies heavily upon the recommendations of the 29 U.S. government agencies represented in this Embassy, and makes every effort to avoid programming participants who would be classified as the elite.

TABLE 1
(page 2 - continued)

FY 1990 COUNTRY TRAINING PLAN UPDATE
NUMBER OF NEW STARTS

<u>TYPE OF TRAINING</u>	<u>FY 1985</u>	<u>FY 1986</u>	<u>FY 1987</u>	<u>FY 1988</u>	<u>FY 1989</u>	<u>FY 1990</u>	<u>FY 1991 AND BEYOND</u>	<u>TOTAL</u>
<u>ACADEMIC Undergraduate - 1 year</u>								
Female								
Male								
<u>ACADEMIC Undergraduate - 2 years</u>								
Female								
Male								
<u>Academic Undergraduate - 3 years</u>								
Female								
Male								
<u>Academic Undergraduate - 4 years or more</u>								
Female								
Male								
<u>Academic - Graduate level - 1 year</u>								
Female	1	4	8	12	10	10	10	55
Male	3	11	12	44	15	15	15	115
<u>Academic - Graduate level - 1 year</u>								
Female								
Male								
<u>TOTAL ACADEMIC</u>	4	15	20	56	25	25	25	170

TABLE 1
(page 3 - continued)

FY 1990 COUNTRY TRAINING PLAN UPDATE
NUMBER OF NEW STARTS

<u>TYPE OF TRAINING</u>	<u>FY 1985</u>	<u>FY 1986</u>	<u>FY 1987</u>	<u>FY 1988</u>	<u>FY 1989</u>	<u>FY 1990</u>	<u>FY 1991 AND BEYOND</u>	<u>TOTAL</u>
<u>SUMMARY</u>								
<u>TOTAL TRAINEES</u>	54	108	246	400	126	126	126	1186
<u>ACADEMIC</u>								
Female	1	4	8	12	10	10	10	55
Male	3	11	12	44	15	15	15	115
<u>TECHNICAL</u>								
Female	8	18	41	66	41	41	41	256
Male	42	75	185	278	60	60	60	760
<u>LONG-TERM</u>								
Female	1	4	8	12	10	10	10	55
Male	3	11	12	44	15	15	15	115
<u>SHORT-TERM</u>								
Female	8	18	41	66	41	41	41	256
Male	42	75	185	278	60	60	60	760
<u>MBCU PLACEMENTS</u>								

SECTION 5: MANAGEMENT

The AID office in Mexico is compelled to assume a greater number of responsibilities than those envisioned in the Bureau for Latin America and The Caribbean: Guidelines for the Advanced Developing Country Programs. The significance of Mexico to U.S. foreign policy objectives requires a multi-sectorial approach to development so as to gain the knowledge necessary to take advantage of opportunities presented. Among the major concerns requiring AID/M's active involvement are the degree and scope of commercial interdependence and the highly sensitive nature of bilateral issues, such as the anti-narcotics campaign, illegal immigration and border environmental problems.

The number of projects administered by this office represents only a portion of AID/M's overall activities. The Ambassador, as well as other Embassy sections, has grown to rely upon the AID Office because of its programmatic expertise and invaluable rapport with U.S. and Mexican PVO's, private sector groups, and high-level Mexican officials. Years of cultivating trust and building a reputation for efficiency have earned AID/M a great deal of respect.

The administrative cost for AID/M's program was \$182,425 in FY 1988. This amount is infinitesimal in comparison to the program size and effectiveness. It is miniscule, too, in comparison to the amount of resources leveraged to carry out activities mentioned in this report.

With a staff of one Direct Hire, 4 FSN's, 4 U.S. PSC's, and 3 FSN PSC's, AID/M has not experienced any major management problems. One contract employee assists in the participating training program and Direct Hire employees of other foreign affairs agencies in the Embassy provide feedback and monitoring of AID-supported activities throughout the country.

Bilateral agreements require AA/LAC AD HOC delegation of authority (DA) after negotiating tentative agreements. In the past, it has taken up to six weeks to obtain DA, a delay which presents an obstacle in meeting obligation deadlines.

The Controller's Office in Guatemala has been extremely responsive in providing guidance on procedures to ensure adequate financial supervision. Prior to entering into grant agreements with any organization, a representative from the Controller's staff and the AID/M accountant examine accounting procedures of grantee organizations to ensure compliance with AID procedures. If warranted, subsidiaries of U.S. accounting firms are asked to examine books.

The operating expense budget requirement for FY 1989 is estimated to be \$187,000 (see Annex A). The approved operating expense

budget is \$130,000, which implies a \$57,000 shortage. Should supplemental funding not be available, all travel, long distance phone charges, and vehicle operation and maintenance would be eliminated.

In spite of the complexities caused by the number and diversity of activities managed by AID/M, no management problems have arisen. On the contrary, reports that focus on AID activities in Mexico have been very complimentary.

The absence of management problems does not, however, imply that the AID office in Mexico sees no room for improvement in its operations. With its tiny staff size, AID/M makes the best of limited resources and generally gets a lot of "bang for the buck." Its efficiency, though, is limited due to the lack of support staff and the amount of time program officers must spend on administrative details. Time better spent on developing and monitoring development projects is often consumed in producing administrative reports. When faced with the myriad of development needs obvious here in Mexico, this tug of war between fulfilling "routine" requests and doing the real work of AID is frustrating.

AID/M finds equally frustrating the growing number of earmarks, quotas and other well-intentioned guidelines that govern AID programs and grants. Such restrictions are frustrating not because AID/M does not see their value, but because they cramp AID/M's flexibility when trying to maximize its limited resources. For example, one of the guidelines for the LAC II Training Program has restricted the number of funding applications. The two-week minimum duration requirement simply doesn't address the reality of Mexico, where many program participants live within 100 miles of U.S. training sites and would benefit greatly from seminars lasting only a few days. The lack of flexibility imposed by such hard-and-fast rules severely limits AID/M's ability to design the best programs for encouraging development in Mexico.

AID MEXICO, ACTION PLAN 1990 - 1991
Summary Program Funding Table (Attch. No. 3)

Account/Project	FY 89	FY 90	FY91
ARDN			
1. ITT	\$ 80,000	\$ 80,000	\$ 80,000
2. Training (LAC II)	200,000	200,000	200,000
Subtotal	280,000	280,000	280,000
POP			
1. ITT	405,000	405,000	405,000
2. Training	-0-	-0-	-0-
Subtotal	405,000	405,000	405,000
HE			
1. ITT	97,000	97,000	97,000
2. Training	-0-	-0-	-0-
Subtotal	97,000	97,000	97,000
Child Survival			
1. ITT	335,000	335,000	335,000
2. Training	-0-	-0-	-0-
Subtotal	335,000	335,000	335,000
EHR			
1. ITT	150,000	150,000	150,000
2. Training	-0-	-0-	-0-
3. Narcotics	400,000	400,000	400,000
Subtotal	550,000	550,000	550,000
AIDS			
1. ITT	300,000	300,000	300,000
2. Training	-0-	-0-	-0-
Subtotal	300,000	300,000	300,000
PSEE			
1. ITT	205,000	205,000	205,000
2. Training	-0-	-0-	-0-
Subtotal	205,000	205,000	205,000
ESF			
1. AJDD	-0-	-0-	-0-
2.			
TOTAL :			
1. ITT	\$1,572,000	\$1,572,000	\$1,572,000
2. Training	200,000	200,000	200,000
3. Narcotics	400,000	400,000	400,000
	<u>2,172,000</u>	<u>2,172,000</u>	<u>2,172,000</u>

USAID/MEXICO (POST 523)
 OPERATING EXPENSES ANALYSIS AS OF
MARCH, 1989

<u>Activity</u>	<u>Projected Expenses 09/89</u>
1. FSN PSC (3)*	\$ 12,124.55
2. FSN DH (4)*	86,087.77
3. Travel	15,628.89
4. Office Expenses	11,658.53
5. Phone Charges	19,111.00
6. Rent Official Res.**	17,934.35
7. Vehicle Operation	2,365.34
8. Narcotics Seminar Exp	5,267.03
9. Modular Office Furnt.	9,740.54
10. Transfer of G. Bowers	7,400.00
FY89 TOTAL	\$187,318.00 US

* Includes Salaries and Benefits

** Includes 3 mo. Rent for new AID/Representative

GLOSSARY OF ACRONYMS

ADMIC	Asesoria Dinamica a Microempresas
ADC	Advanced Developing Country
AID/M	Agency for International Development-Mexico
AID/W	Agency for International Development-Washington
AIDS	Acquired Immune Deficiency Syndrome
AIDSCOM	AIDS Public Health Communications Component
AIDSTECH	AIDS Technical Assistance Component
AMIDEM	Academia Mexicana de Investigacion en Demografia Medica
ARDN	Agriculture, Rural Development
AVSC	Association for Voluntary Surgical Contraception
BOSTID	Board on Science and Technology for International Research Grants Program
CASA	Centro Para Los Adolescentes de San Miguel Allende
CETYS	Centro de Ensenanza Technica y Superior
CLASP	Central and Latin America Scholarship Program
CONACYT	Consejo Nacional de Ciencia y Tecnologia
CONAPO	Consejo Nacional de Poblacion
CONASIDA	Comite Nacional de Prevenc on de la SIDA
CONASUPO	Compania Nacional de Subsistencias Populares
COPLAFAM	Consejo Para Planificacion Familiar de la Juventud
CORA	Centro de Orientacion para Adultos Jovenes
DA	Development Associates
DESEM	Desarrollo Empresarial Mexicano
DHS	Demographic and Health Surveys
DIF	Sistema Nacional Para el Desarrollo Integral de la Familia
EHRD	Education and Human Resources Development
ESF	Economic Support Fund
FAS	Foreign Agricultural Service
FEMAP	Federacion Mexicana de Asociaciones Privadas de Planificacion Familiar
FHI	Family Health International
FMA	Fundacion Miguel Aleman
FMPS	Fundacion Mexicana Para la Salud
FPIA	Family Planning International Assistance
FPLMP	Family Planning Logistics Management Project
FSN	Foreign Service National
GOM	Government of Mexico
HBCU	Historically Black Colleges and Universities
HIV	Human Immunodeficiency Virus
IE&C	Information, Education and Communication
IMIFAP	Institucion Mexicana de Investigacion de la Familia y la Poblacion
INOPAL	Investigacion Operacional
IPPF	International Planned Parenthood Foundation

GLOSSARY (continued)

IRD	Institute for Resource Development
ITT	Inter-country Technological Transfer
KAP	Knowledge, Attitudes and Practices
LAC	Latin America and Caribbean
LDC	Lesser Developed Country
MASHAV	International Cooperation Division of the Israeli Foreign Ministry
MEXFAM	Fundacion Mexicana Para la Planificacion Familiar
NWMT	Northwest Medical Teams
OFDA	Office for Foreign Disaster Assistance
OPS (PAHO)	Organizacion Panamericana Para la Salud Pan American Health Organization
ORT	Oral Rehydration Therapy
PASA	Participating Agency Service Agreement
POP	Population
PRB	Population Reference Bureau
PSC	Personal Services Contractor
PSEE	Public Sector, Energy and Environment
PSFN	Prosuperacion Familiar Neolonesa
PVO	Private Voluntary Organization
SEDUE	Secretary of Urban Development and Ecology
SOMARC	Social Marketing for Change
STD	Sexually Transmitted Disease
TIPPS	Technical Information on Population for the Private Sector
UNAM	Universidad Autonoma de Mexico
UNICEF	United Nations Children's Education Fund
UPAEP	Universidad Popular Autonoma de Estado de Puebla
USDA	United States Department of Agriculture
USPVO	United States Private Voluntary Organization
UTEP	University of Texas at El Paso

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MEXICO

1989

ACTION PLAN