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ACTION PLAN

FY 1992-93

PARAGUAY

December 1990

Agency for International Development

ACTION PLAN FOR PARAGUAY

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PARAGUAY

FY 1992-93 ACTION PLAN

I. Program Overview

Paraguay is a country in transition toward democracy and an open-market, free economy. There has been considerable progress since the coup of February 3, 1989, which toppled the 34 year regime of Alfredo Stroessner. Paraguayans now enjoy freedom of speech and the press. The Rodriguez government has pledged to improve human rights and to increase economic opportunity for the country's 4.5 million citizens. Critical steps in the democratic transition include municipal elections in May 1991, the election of a Constituent Assembly in late 1991, the drafting of a new Paraguayan Constitution by late 1992, and Presidential and Congressional elections in May 1993.

The Rodriguez government has attempted to liberalize the economy. It established a single, free-floating exchange rate. A new Investment Law provides potential investors with a transparent system of incentives. The government has encouraged private sector producers to increase exports of cotton, soybeans, meat and other unprocessed agro/forestry products to Paraguay's largest overseas markets in Brazil and Argentina. Exports to the United States in 1990 are estimated at $ 45-50 million. Non-traditional exports are negligible.

Paraguay is slated to become a member of the Southern Cone Common Market (MERCOSUR), which includes Brazil, Argentina and Uruguay. This regional grouping, with a combined population of more than 200 million, is positioning itself to increase export trade to the United States, to Europe and among its member countries. Paraguay as a member of this regional group supports the concept of a regional "framework agreement" within the context of President Bush's "Enterprise for the Americas Initiative".

Despite the positive actions of the Rodriguez government, Paraguay faces serious challenges in the social and productive sectors. External debt service has increased. Arrears to private creditors climbed to $360 million and prompted Paraguay to begin discussions with the IMF on a Stand-by Program, the first IMF assistance in 30 years. Negotiations are also underway with the World Bank on a Structural Adjustment loan sometime in 1991, preceded by a Paris Club rescheduling of official debt.

In the agro/forestry sector, the economic backbone of the country, Paraguay's timber and other natural resources are being rapidly depleted with little thought of the consequences. The tax national system is archaic and acts as a disincentive to natural resource protection and management. Little reforestation is taking place.

The Paraguayan judicial system is woefully ill-equipped to guarantee fair treatment under the law, and the Congress needs considerable assistance to improve its legislative effectiveness. Corruption is endemic, and the country boasts one of the most sophisticated contraband markets in the world. This contraband "informal sector" is estimated to account for 30-40 percent of total commercial activity.

Paraguay is known to be a drug transitting country through which cocaine from Colombia, Peru and Bolivia finds its way to markets in the U.S., Brazil, and Europe. Domestic drug abuse has been primarily a middle and upper class phenomenon, but recent trends indicate an increase in addiction among the working class and teenagers. In a survey funded by UNDP, of 8,000 people interviewed, 22 percent had used illegal drugs at least once. Paraguay's banking system has a reputation for handling offshore funds discretely, and it is suspected of "laundering" Andean drug profits.

In Paraguay, national and local government institutions are hampered by limited resources, lack modern management systems, and until recently have not been encouraged to improve service delivery. The school system, especially the public and private universities, are of uneven quality, and some need fundamental structural change and modernization. Investment in public health and education has been neglected. And each year, the population is growing at a rate of 3 percent, placing increased burden on the government to provide infrastructure and social services.

There are quality non-governmental Paraguayan foundations and associations which have a demonstrated capacity for professional social research like the Centro Paraguayo de Estudios Sociologicos (CEPES), and for innovative design and execution of important socio-economic activities. The Fundacion Paraguaya, for example, is well-known for its pioneering work in micro-enterprise promotion. The Fundacion Moises Bertoni has dramatized the need to preserve natural resources and is shaping national conservation and environmental policy. The Centro-Paraguayo de Estudios de Poblacion (CEPEP) is well-regarded within the donor community for its work in family planning research, public education and contraception outreach. None of these NGO's are financially independent, however, and all would benefit from continued strengthening.

II. Relationship to LAC Bureau Objectives

The A.I.D./Paraguay program is designed to help strengthen the democratic process, shape policy and legislation, and to improve private and public capacity for socio-economic development. By applying modest levels of budget and staff resources carefully, the program attempts to take advantage of opportunities in the judicial, socio-economic and productive sectors. A.I.D./Paraguay's program embraces democratic initiatives, judicial reform, conservation and the environment, private enterprise, trade and investment, and social sector issues in health, family planning, drug prevention, housing and agrarian reform. As such, the program fits squarely within LAC Bureau Objectives I and II. The A.I.D./Paraguay FY 1991 Work Plan in Annex III identifies key activities by sub-objective.

III. Relationship to Advanced Developing Country (ADC) Guidelines

Although Paraguay has been designated an Advanced Developing Country (ADC), its socio-economic indicators, policy framework and institutional capacity for development need significant improvement. Per capita GDP of approximately

$1,380 is a deceptive indicator, since it does not take into consideration regional or urban/rural differences. The massive investment in constructing the Itaipu ($21 billion) and Yacyreta ($12 billion) hydro-electric projects may have skewed national per capita income figures.

Paraguay's social indicators do not compare favorably with many of its South American neighbors. Infant and maternal mortality rates, for example, are 35 per thousand and 4.6 per thousand, respectively. Only 40 percent of the population have access to safe drinking water. Literacy among men is 78 percent and women 68 percent. Nearly 75 percent of school children drop out of school before the 6th grade. Only 4 percent gain a university degree. Moreover, the quality of education is uneven, and after graduation professional level jobs are hard to find. Unemployment is now estimated to be 13 percent and underemployment 25. Despite this paradoxical mix of social indicators, the A.I.D./Program attempts to follow the LAC Bureau ADC guidelines closely.

In the waning years of the Stroessner administration, government development agencies were not encouraged to be innovative. Most employees worked only half days. Today, there is still no formal civil service. Owing to poor pay and working conditions, and a lack of clear objective and mission, government employee morale is low. The Rodriguez government has pledged to change the way government operates. And several ministries including Finance and Health have begun to institute personnel changes, but with some resistance.

The Rodriguez government looks increasingly to private research groups and NGO's for ideas and assistance in formulating democratic and social policy. A good example is the Moises Bertoni Foundation, which A.I.D. and the Nature Conservancy have nurtured, and which increasingly has influence in shaping national environmental policy and management. The Fundacion Paraguaya has tapped private sector talent to multiply the number of viable micro-enterprises and create employment. The Catholic University's Faculty of Business Administration is now graduating Masters of Business Administration, tomorrow's Paraguayan business leaders. The Faculty's volunteer Board of Directors are respected business leaders, and collectively, may be able to influence the trade and investment direction that Paraguay takes in the 1990's.

The Paraguayan Center of Sociological Studies has been given the "green light" by the Rodriguez government to provide critical advice on socio-economic issues such as agrarian reform and defining education sector priorities. With A.I.D./Paraguay assistance, the first studies of the rural campesino economy are underway in FY 1991 with the cooperation of the Wisconsin Land Tenure Center. A.I.D./Paraguay also supported the work of the Salesian Carlos Pfannl Agricultural Institute in curriculum development and organizational management to improve that organization's agricultural technology and resource management outreach.

A.I.D./Paraguay has attempted to nurture Paraguayan NGO's whenever possible. Obligation of A.I.D. funds has been largely through LAC Bureau or centrally-funded contract mechanisms, accomplished without formal concurrence

of the Paraguayan government. This style of operation will probably continue as A.I.D./Paraguay expands the U.S.G.'s economic assistance program; although a "bilateral" project relationship may develop with the Ministry of Health and other ministries in the future.

As Paraguayan NGO's mature, A.I.D./Paraguay will try to develop stronger networking links among them. To this end, A.I.D./Paraguay will continue to support the Paraguay-Kansas PARTNERS "Information Resources Development Center", while also developing ways to make that institution financially self-reliant. To the extent possible, the A.I.D./Paraguay office has coordinated with other donors, especially the United Nations Development Program (UNDP). The environment/natural resource protection, drug abuse prevention, and financial management are areas of close collaboration. A.I.D./Paraguay has had limited ongoing dialogue with the InterAmerican Development Bank Resident Representative and other donor representatives.

IV. Impact of Current Program on Attainment of LAC Objectives

Since its inception in 1984, the Advanced Developing Country (ADC) program in Paraguay has had significant positive impact in several ways. New technologies and management techniques are being introduced in the judicial sector, conservation and natural resource protection, health, population/family planning, agriculture and business administration. Non-A.I.D. resources have been mobilized from the public and private sectors, and from international donors. In carrying out its assistance program, A.I.D./Paraguay supports several non-governmental organizations (NGOs), which can now design and execute development activities. A major factor in strengthening indigenous NGO's has been the creation, with A.I.D./Paraguay assistance, of the Paraguay-Kansas PARTNERS "Information and Resources Center for Development", which serves as an information clearing-house, as a training center, and as a conduit for technical cooperation from the United States. A.I.D.'s institutional support grant should carry the Center to late 1991, while various mechanisms leading to complete financial self-sufficiency are explored.

There are several very good non-governmental organizations, and A.I.D./Paraguay has supported their work in several sectors. The Fundacion Paraguaya, for example, helped create small and micro enterprises employing thousands. In 1990, after several years of A.I.D. assistance, this indigenous NGO has become sophisticated enough to negotiate a $10 million credit line with the InterAmerican Development Bank to expand micro-enterprise in the rural areas. The Catholic University, with A.I.D. assistance, established a Master of Business Administration (MBA) program which has already graduated 49 and will graduate 50 more future business leaders in 1991. This new institution could make a positive contribution as Paraguay attempts to attract investment and link up with its MERCOSUR "partners" in international markets. A.I.D. direct assistance was phased out in FY 1990 but only after the faculty and volunteers formed the Fundacion Paraguaya Para El Desarrollo Educacional to continue the MBA program on a self-financing basis.

There were several other major accomplishments in 1990. For example, with the help of the Nature Conservancy, The indigenous Moises Bertoni Foundation successfully negotiated funding of nearly $6 million to purchase from the International Finance Corporation (IFC) the 60,000 hectare Mbaracayu Wildlife Reserve in northeast Paraguay. A.I.D./Washington contributed a grant of $500,000 to complete the financing. Other small grants have enabled the Foundation to strengthen its organization, and it can now carry out environmental impact assesssments of other proposed donor projects. A small A.I.D. grant to the Paraguayan Center for Sociological Studies (CPES), through the Wisconsin Land Tenure Center began a series of agrarian reform studies, which can lead to fundamental changes in how the government views and develops the rural "campesino" economy.

There is a positive, reinforcing linkage, which A.I.D./Paraguay supports, between the innovative work of CPES and the Moises Bertoni Foundation's appempts to influence conservation and natural resource policy and legislation.

Perhaps the most significant accomplishment in 1990 was the entree that A.I.D./Paraguay established in the administration of justice and democratic initiatives sectors. Working under the sponsorship of the Paraguayan Supreme Court, and through a contract with Checci and Company, A.I.D. began a careful and patient "live" assessment of judicial institutions to determine appropriate interventions. The reception and cooperation has been extremely positive. Preparatory work has been completed for a Judicial Training School and a Judicial Law Library. A "pilot" court computerization project has been completed with the Asuncion Criminal Court, and there are plans to expand in the future. Technical assistance has also been given in drafting a new criminal code and criminal procedures.

A.I.D./Paraguay funded the computers and software for the computerization of national electoral registries by the Electoral Commission. Work will be completed in time for municipal elections in 1991 and of inestimable value for Constituent Assembly and Presidential elections in 1992 and 1993.

The A.I.D./Paraguay Implementation Work Plan (Annex III) provides more detail on how A.I.D./Paraguay plans to expand its assistance to the judicial sector and other democratic initiatives in FY 1992-93.

Sustainability of projects and the ability to leverage non-A.I.D. resources are key objectives. The Fundación Paraguaya and the Moises Bertoni Foundation have been particularly successful so far, whereas the jury is still out on the Catholic University's MBA program and IESC.

After many years of family planning investment, Paraguay is still very much a "pro-natalist" country. Conservative elements within the Catholic hierarchy oppose any form of artificial contraception. The Stroessner government did not support family planning and contraception. The new government may be less resistant to contraceptive research, education and marketing, especially if handled by the private sector with sensitivity and discretion.

V. New Program Initiatives

A.I.D./Paraguay does not plan any radical program shifts in FY 1991-93. The program will concentrate on five inter-related areas: 1) democratic initiatives and judicial reform; 2) trade and business promotion; 3) conservation and natural resource protection; 4) the social sector; and 5) agrarian reform. The program will continue to leverage modest budget and staff resources in support of policy change, and to increase institutional capacity for socio-economic development. All program activities fit squarely within the LAC Bureau Objectives and Advanced Developing Country (ADC) guidelines.

A. Democratic Initiatives - Several promising areas have been identified:

-- Electoral Assistance (LOP FY 91-93 $600,000) - A.I.D./Paraguay proposes assistance to the government for the planning and accomplishment of several key events leading up to and including the Presidential elections in May 1993. Technical assistance, commodities such as indelible ink, and training will be provided in preparation for: 1) municipal elections (March 1991), 2) election of the Constituent Assembly (end 1991), 3) drafting of a new constitution (by end 1992), and 4) presidential and congressional elections (May 1993).

-- Legislative Strengthening (LOP FY 91-93 $1,050,000) - Concurrent with the events leading to the Presidential election in May 1993, A.I.D./Paraguay, through a "buy-in" to an LAC regional project, proposes a comprehensive program of assistance to the Paraguayan legislature. Modern methods and technology will be introduced to enable the legislature to function more effectively. The internal support structure (committee system, staff functions, computerization, research, budget) will be strengthened through technical assistance, in-country training, observation tours to other countries and limited equipment.

-- Civil-Military Relations (LOP FY 91-92 $200,000) - As part of an LAC regional project, a two-year series of activities is planned culminating in the adoption of "civil-military relations" courses in the corriculum of the Paraguayan Superior War College and other military officer training schools. A series of internal seminars and workshops is contemplated, as well as guest lectures by international experts in civil-military relations/human rights, and third-country observation tours.

-- Financial Management Systems (LOP FY 92-93 $750,000) A.I.D./Paraguay proposes to conduct a series of diagnostic studies, symposia and workshops

which can help to influence the modernization of government financial systems and accountability. Technical assistance and training will be provided to the Office of the Comptroller General and other financial oversight organs of the government. Anti-corruption techniques and safeguard systems will be included as appropriate.

B. Administration of Justice - Based on experience gained in FY 1991 through an LAC regional project "buy-in", A.I.D./Paraguay will expand its ongoing assistance to:

-- Judicial School (LOP FY 91-93 $ 650,000) Under the Paraguayan Supreme Court, a national Judicial School will be established, which will eventually provide pre and in-service training of Paraguayan judges at all levels. Concurrent with the establishment of the school, A.I.D./Paraguay intends to help the Government of Paraguay establish a formal judicial career ladder with appropriate legislative recognition. A Director and staff will be appointed and paid by the GOP, who will be trained and assisted in development of corricula and course material, including special courses on Forensics Investigation, and presentation of evidence. A.I.D./Paraguay will provide technical assistance, training and limited equipment.

-- Court Automation (LOP FY '91-92 $675,000) This project will build on the "pilot" court automation activity started in FY 1990 in one Asuncion Criminal Court. The project will extend computer automation to all eleven criminal courts in Asuncion, then, a second phase will cover selected Criminal, Appellate and Superior courts in other regions. The Supreme Court is already automated.

-- Court Administration and Finance (LOP FY '91-93 $410,000) A.I.D./Paraguay is considering a long-term technical assistance contract to help install comprehensive administrative and financial management procedures throughout the Paraguayan criminal court system. Experts in court administration from the United States and third countries will help guide Paraguayan counterparts in the introduction of modern management methods and accountability. Procedures for proper handling of evidence will also be introduced. A.I.D./Paraguay will provide long-term technical assistance, training and limited equipment.

-- Judicial Library (LOP FY '91-92 $150,000) Discussions began in FY 1991 with the Supreme Court, National and Catholic University Faculties of Law, and the Attorney General on plans to establish a Judicial Library in exisiting facilities of the Supreme Court. A.I.D./Paraguay will help to equip the library, arrange technical assistance, purchase books and provide limited funding for international law periodicals and journals. An assessment will be made of the Paraguayan "Jurisprudence Digest", a bimonthly periodical published by the Supreme Court.

-- Public Defenders (LOP FY '92-93 $200,000) - A.I.D. will help the Government of Paraguay establish a "pilot" Public Defenders Improvement Project in Asuncion in FY '92, most likely with the cooperation of the Supreme Court, the

National and Catholic University Faculties of Law, the Paraguayan Bar Association, and the non-governmental organization Justicia Para Todos.

-- Criminal Code (LOP FY 91-92 $115,000) Limited technical assistance will be provided in the drafting of an updated, modern criminal code and criminal procedures.

C. Trade and Business Promotion - A.I.D./Paraguay plans two program sets:

-- Enterprise Development (LOP FY 91-93 $800,000) - A.I.D./Paraguay will continue to provide grant support to the International Executive Service Corps (IESC) office in Asuncion to introduce new technology and modern management techniques to private/public business organizations. A.I.D./Paraguay funds will be used to offset in part the cost of: a) technical assistance consultancies, b) market studies, and c) facilitating joint ventures. A.I.D./Paraguay will work closely with the IESC Representative to identify ways for IESC operations in Paraguay to become financially independent by the end of the A.I.D./Paraguay grant.

-- Trade Promotion (LOP FY 92-93 $1,000,000) - Consistent with the objectives of the Enterprise for the Americas Initiative, A.I.D./Paraguay will provide modest resources starting in FY 1992 to encourage increased Paraguayan trade to the United States and other markets. Working closely with the LAC Bureau, the Latin America and Caribbean Business Development Center, and with Paraguayan private and public organizations, A.I.D./Paraguay and other elements of the U.S. Embassy envision trade missions, business seminars, technical assistance and training in dealing with such issues as financial market development, trade policy and privatization.

D. Conservation and Natural Resource Protection (LOP FY 92-93 $1,500,000) Using a combination of A.I.D./Washington funding (Global Climate Change, Parks in Peril), and USAID funds, A.I.D./Paraguay plans to [illegible] the Moises Bertoni Foundation in a number of policy and action program areas including: a) the National Park System, b) private reserves and buffer zones, c) recreation zones, and d) ecological outreach. Of particular concern will be developing the foundation's capacity to advise the government on environmental aspects of agrarian reform.

E. Social Sector - A number of interventions are possible which can have significant policy and beneficiary impact:

-- Health Management and Policy (LOP FY 91-93 $1,600,000) Beginning in FY 1991, A.I.D./Paraguay will assist the Ministry of Health determine policy and strengthen management of several fundamental aspects of health care: a) health management and administration (emphasis on primary health care), b) health financing and budget, and c) management information systems. The Ministry's Planning and Evaluation Division will be strengthened, and health care financing models will be tested.

-- Population/Family Planning (LOP FY 91-93 $600,000) - Modern contraceptive prevalence in Paraguay is about 37.6 percent of couples of reproductive age. A population growth rate of at least 3 percent puts increased pressure on public services and infrastructure. Working primarily with the non-government Center for Population Studies (CEPEP), A.I.D./Paraguay will utilize a combination of central and LAC Bureau funds to enable that NGO to strengthen its operations in Asuncion and in the rural areas. Possible areas of targeted technical assistance, training and limited equipment include: a) modernizing CEPEP's Asuncion family planning clinic, b) a mobile family planning service unit, c) rural community health workers, d) voluntary sterilization, and e) public education.

-- Drug Awareness and Prevention (LOP FY 92-93 $600,000) Based on experience gained under the original project with the Department of Mental Health and Kansas-PARTNERS, A.I.D./Paraguay proposes to continue limited assistance to expand drug awareness and prevention outreach. A.I.D./Paraguay will coordinate closely with USIS and other Embassy elements, as well as with UNFDAC and other donors.

-- Housing & Municipal Development (LOP FY 92-93 $500,000) Housing and shelter is a priority of the Rodriguez government. A.I.D./Paraguay believes that the government and private sector should establish policy but the latter fund and carry out housing construction. Supporting infrastructure may be a shared investment responsibility. With the technical assistance and backstop of the Regional Housing and Urban Development Office (RHUDO) in Quito, A.I.D./Paraguay will provide a modest amount in FY 1991 to help influence the strategy and policies adopted by the government in housing and shelter. A.I.D./Paraguay will coordinate closely with the Peace Corps in setting up a home improvement lending program. As opportunities arise, A.I.D./Paraguay will tap RHUDO and A.I.D/Washington technical expertise to shape municipal development, a key building block of democratization.

-- Agrarian Reform (LOP FY 91-92 $350,000) Funding will allow the Wisconsin Land Tenure Center and the Paraguayan Center for Sociological Studies (CPES) to collaborate on a number of rural sector research studies that will determine agrarian reform and campesino development programs, as well as the relation of agrarian reform, taxation and natural resource/environmental policies. In addition, involvement in other areas may be considered. The government organization responsible for agrarian reform, the Rural Welfare Institute (IBR) suffers from severe internal problems (ranging from underqualified personnel to lack of effective organization). Extensive work also remains to be done by the GOP on the agrarian legal framework with respect, for example, to development of a related judicial structure.

-- Development Policy and Training (LOP FY 92-93 $750,000) To respond to policy opportunities (the economy, education, etc.) and training needs compatible with A.I.D.'s assistance strategy and priorities, a modest policy and training support is proposed. A.I.D./Paraguay will attempt to secure LAC Bureau funding to the extent possible.

VI. Resource Requirements

The present strategy calls for a higher degree of A.I.D. participation in the economic growth and support of democratic institutions of Paraguay. As an AIDREP Office, A.I.D./Paraguay will continue to rely on A.I.D./Washington and Regional Offices (Controller, Legal, Contracting) for support and project development services. The relationship with the Regional Controller and Contracting Officer has been a good one, and they are encouraged to make more frequent visits, as time and budget allow. Certainly, the LAC Bureau will continue to be the main technical resource base for A.I.D./Paraguay in several areas such as: domocratic initiatives/administration of justice, trade and business promotion, conservation and environment, financial management, health and population, agrarian reform, education and training.

The A.I.D./Paraguay foreign service national staff is small but very experienced and well-qualified. With the assignment of a resident A.I.D. Representative in the third quarter of FY 1991, they can assume an expanded program management role. To sharpen project management skills, the local staff will be given the opportunity to participate in A.I.D. training courses in Washington and the Latin American region.

To the extent possible, A.I.D./Paraguay will also attempt to strengthen local institutions such as the Kansas-PARTNERS "Information and Resources Center for Development", the Catholic University's Faculty of Business Administration and the International Executive Service Corps (IESC) to facilitate the large increase in A.I.D. consultants and TDY staff visits projected in the Action Plan period by providing administrative and research services.

Comparative Operating Expense Budget Levels -In FY 1990 the actual OE level was $155,400. In Fy 1991 and FY 1992 the requested OE levels are $ 273,769 and $ 243,285, respectively. Increases are due to the assignment of a resident A.I.D. Representative, a significant FSN salary increase throughout the Embassy, the need for additional office equipment and a replacement vehicle. Other costs are expected to rise across the board such as telephone, mailing, and in-country travel.

Office Space - A.I.D./Paraguay is located within the Embassy. A.I.D.'s preference is to remain on the Embassy compound, but the present office space is cramped, noisy and unable to accomodate present FSN staff and the steady stream of Paraguayan visitors and A.I.D. TDYrs. The assignment of the resident A.I.D. Representative, the expected increase in consultants and TDYrs, plus the need to accomodate Paraguayan public and private sector visitors, justify a significant increase in office space. The Embassy has plans to create more office space on the compound. A.I.D./Paraguay has been assured by Mission management that its office space needs will be given high priority as expansion plans are finalized.

Staffing - As the program increases in scope and complexity, a modest staff increase will be needed. Recognizing the slim chance of obtaining additional FTE ceiling from A.I.D/Washington, the AIDREP would like to have authority to hire 1 resident spouse or an additional paraguayn PSC. Areas to be strengthened include program evaluation and social sector oversight.

Equipment - A.I.D./Paraguay must add 1 more computer and assorted office equipment during the Action Plan period.

Vehicle - The present AIDREP vehicle is a 1984 model and must be replaced.

A.I.D./Paraguay:rbn:ACTIONPL:revsd 12/20/90

ANNEX I

TABLE I

SUMMARY FUNDING TABLE FOR NEW AND ONGOING ACTIVITIES

Activity		FY 91	FY 92	FY 93
LAC Bureau:		800	2850	2850
ITT				
1.	Agrarian Reform	150	200	
2.	Education Policy		200	250
3.	Health Mgmt & Policy	100	500	700
4.	Population - Family Planning		300	300
5.	Conservation & Nat. Resources		200	200
6.	Housing & Mun. Development	100	200	200
7.	Development Policy & Training		250	500
8.	Trade & Business Promotion	250	800	500
	a) Enterprise Development	(200)	(300)	
	b) Trade promotion	(50)	(500)	(500)
9.	Drug Awareness	200	200	200
AOJ		200	1000	1000
1.	Judicial School	50	300	300
2.	Court Automation	75	300	300
3.	Court Admin. & Fin. Systems	10	200	200
4.	Judicial Library	50	50	50
5.	Public Defense		100	100
6.	Reform of Criminal Courts	15	50	50
DI		500	850	850
1.	Electoral Assistance	200	200	200
2.	Legislature Strengthening	200	350	300
3.	Civil-Military Relations	100	50	50
4.	Financial Mgmt Systems		250	300
OTHER LAC				
1.	Conservation & Natural Resources	300	300	300
LAC Bureau Total		1800	5000	5000
Other AID Funding:				
S&T - POP		100	100	100
OFDA		25	25	25
Total Outside of LAC Bureau		125	125	125
Total of all A.I.D. resources (including LAC Bureau)		1925	5125	5125

TABLESAP

ANNEX II

TABLE II

SUMMARY ACCOUNT FUNDING TABLE FOR LAC BUREAU

Account/Project	FY 91	FY 92	FY 93
ARDN			
ITT	150	400	200
GLOBAL WARMING	300	300	300
POP			
ITT		300	300
HE			
ITT	300	700	900
EHR			
ITT		200	250
PSEE			
ITT	350	1250	1200
ESF			
AOJ/DI	700	1850	1850
Total LAC Bureau	1800	5000	5000
ITT	800	2850	2850
AOJ/DI	700	1850	1850
GLOBAL WARMING	300	300	300

TABLESAP

ANNEX III

PRELIMINARY FY 1991

USAID/PARAGUAY IMPLEMENTATION

WORK PLANS BY LAC OBJECTIVES

HEALTH MANAGEMENT AND POLICY

A. LAC LEVEL

Objective I

Support the achievement of broadly-based sustainable economic growth

Sub-Objective

Encourage review of existing health related policies and administrative procedures and suggest adoption of more effective ones.

Strategic Objective

Modern, practical, and clear organizational structure and administrative procedures in place and being implemented.

B. MISSION LEVEL

Activity Purpose: Support institutional and administrative restructuring within the Ministry of Public Health and Welfare of Paraguay.

MAJOR ACTIVITIES TO BE CARRIED OUT

- Make a diagnosis of the present organizational structure and administrative procedures and make recommendations on how to restructure them for more effectiveness. (June 1991)

- Design new organizational structure and develop new administrative procedures for the Ministry.(July 1991)

- Prepare specific work plan for activities such as:
  a) Complete preparation of budget for submission to Ministry of Finance. (July 1991)
  b) Develop simplified reporting system for the Minister on key activities of the ministry.(August 1991)
  c) Recommend evaluation methods and performance controls for different programs implemented by the Ministry. (August 1991)
  d) Develop program for immediate training needs of key ministry staff. (August 1991)
  e) Develop a manual of procurement procedures and regulations, including a control system. (September 1991)

Project Manager: Julio C. Basualdo

HOUSING

A. LAC LEVEL

Objective I

Support the Achievement of broadly-based sustainable economic growth

Sub-Objective

Contribute to the formulation of sound housing policies and implementation of strategies to provide home solutions for low income housing.

Strategic Objectives

Housing policies formulated and access to housing for low income people improved.

B. MISSION LEVEL

Activity Purpose

To support efforts of the National Housing Commission and of the Housing Bank to prepare housing policies and to find solutions to the present problem related to shortage of affordable low income housing.

MAJOR ACTIVITIES TO BE CARRIED OUT

- Secure letter from GOP asking for AID's involvement (March 1991)

- RHUDO/Quito sends expert to Paraguay to meet with GOP officials and representatives of the private sector involved in housing activities. This visit should result in a well defined work plan for AID's involvement. (May 1991)

- Based on work plan, technical assistance will be provided by RHUDO/Quito to GOP to refine existing housing policies and to sell to the GOP the idea of adopting the Peace Corps program approach to solve part of the housing program. (June 1991)

- To furnish training and T.A. to Peace Corps as needed to ensure that their program is a good demonstration of how the GOP can achieve some of its shelter sector objectives. (June 1991)

- Provide T.A. through a consulting firm to carry out several activities to help improve the performance of the housing program, such as:

  a) Developing appropriate financial mechanisms for loans and sub-loans within the project;
  b) Devising suitable lending instruments for use in inflationary or variable economic contexts;
  c) Working out suitable institutional relationships to increase probability of project success;
  d) Training staff of Peace Corps and other institutions involved in the program.
  e) Assisting with the integration of credit unions and CREDICOOP within the program.

  (July 1991)

Project Manager: Julio C. Basualdo

DEMOCRACY INITIATIVES - Civil-Military Relations

A. LAC LEVEL

Objective II

Support the evolution of stable, democratic societies

Sub-Objective

Strengthen the relations between civilians and military so that they better understand their roles in the transition to democracy.

Strategic Objectives

Ensure that transition to democracy will not be interrupted

B. MISSION LEVEL

Activity Purpose

To support efforts of the Paraguayan Superior War College and other military training institutions to develop new curricula and courses on civil-military relations.

MAJOR ACTIVITIES TO BE CARRIED OUT

- Send Paraguayan representatives to Conference on Civil-Military Relations in Montevideo. (March 1991)

- Arrange observation tour of civil-military programs in other countries for top military officials and civilians, and for professors and students of the War College. (June 1991)

- Organize a seminar and conferences on civil-military relations for students of the War College and for other high officials in the military and civilian sectors. (November 1991)

- Review existing curriculum of the War College and other military training schools and develop new course in civil-military relations. (December 1991)

Project Manager: Julio C. Basualdo

POPULATION

A. LAC LEVEL

Objective I

Support the achievement of broadly-based sustainable economic growth.

Sub-Objective

Encourage the adoption of new and continued adherence to existing family planning policies.

Strategic Objectives

New family planning policies formulated, existing ones revised, and access to family planning for low income people improved.

B. MISSION LEVEL

Activity Purpose

To help CEPEP, the local IPPF affiliate, to consolidate its family planning program and assist Ministry of Health Family Protection Department to carry out training programs in Ministry's health centers country-wide.

MAJOR ACTIVITIES TO BE CARRIED OUT

- Send AID/W TDYers to review CEPEP's and MOH's priorities in the area of family planning. Following preliminary ideas for projects should be explored during the TDY:

  a) Technical assistance to CEPEP to review and if necessary reformulate its short, medium, and long term objectives.

  b) Mobile family planning services to be carried out by CEPEP.

  c) Explore linkages with complementary centrally funded projects such as those implemented by AVSC and INOPAL.

  d) Design a joint CEPEP-MOH family planning and AIDS prevention campaign.

  e) Based on recommendation of the DHS, carry out a series of workshops, seminars, and conferences to sensitize leaders, including politicians, on implications of increased population growth.

  f) Create a Youth Education Center to promote sex education programs. This could also be a joint CEPEP-MOH program.

Period for TDY and resulting report should be June-August 1991.

Based on above report, projects potentially feasible should be selected for implementation during FY92.

Project Manager: Julio C. Basualdo

AGRARIAN REFORM

A. LAC LEVEL

Objective I:

Support the achievement of broadly-based sustainable economic growth.

Sub-Obj.: Encourage Increased Economic Opportunities for the Disadvantaged.

Strategic Objective

Improved opportunities for access to land by small farmers.

B. MISSION LEVEL

Activity Purpose: Identify, analyze, and recommend strategy options for addressing land tenure and agrarian reform issues in Paraguay.

MAJOR ACTIVITIES TO BE CARRIED OUT

With some of successful models of ag reform and rural development identified and beginning to be adopted by implementing organizations, AID assistance will be focused on the institutional, technical, and political consolidation of the new initiatives.

- Research activities will be carried out to measure their impact on our "campesino" target group in general as well as such other topics as the impact of some of the limited market economy measures implemented by the GOP, v.g. free market rate for the U.S. dollar, elimination of subsidies for ag commodities, etc.
(WLTC/CPES - March 91 - Dec./91)

Specific research will include:

- Development and testing new "campesino" agricultural production models.

- Adaptation of traditional system of commerce to market based economy.

- Impact of macro-economic measures on the "campesino" economy, and

- In depth study of the institutional structure and objectives of "campesino" organizations.

Project Manager: Oscar Carvallo

ENTERPRISE DEVELOPMENT - (IESC)

A. LAC LEVEL

Objective I:

Support the achievement of broadly-based sustainable economic growth.

Sub-Obj.: Encourage the adoption of and continued adherence to economic policies that promote investment, productive employment, and export-led economic diversification.

Strategic Objective

- Financial sustainability of IESC operations in Paraguay improved

- Appropriate technology and know-how transfered to Paraguayan private/public sector organizations.

B. MISSION LEVEL

Activity Purpose: Promote enterprise development and expansion through technology transfer.

MAJOR ACTIVITIES TO BE CARRIED OUT

- IESC operations in Paraguay generating at least 70% of full in-country cost of contracts. (Dec.91)

- A minimum of 40 T.A. consultancies provided to local private/public sector organizations during LOP. (Dec. 91)

- A minimum of 18 ABLE studies provided to local private/public sector organizations during LOP. (Dec. 91)

- A total of 3 joint venture projects successfully arranged between U.S. and Paraguayan firms during LOP. (Dec. 91)

Project Manager: Oscar Carvallo

DEMOCRACY INITIATIVES - Electoral Assistance

A. LAC LEVEL

Objective II:

Support the evolution of stable, democratic societies.

Sub-Obj.: Electoral Process: Assure adequate and timely support for free and fair elections in LAC countries, i.e. Paraguay.

Strategic Objective

Ability to administer free, fair, and open elections strengthened.

B. MISSION LEVEL

Activity Purpose: Support the development of a reliable electoral system in which Paraguayan citizens can have confidence in its legitimacy.

MAJOR ACTIVITIES TO BE CARRIED OUT

- In coordination with other donors, assist CAPEL in arranging for the supply of indelible ink and a team of international observers for the municipal elections in May, 1991. (Feb.-March, 1991).

- Begin symposia/workshops in preparation for the proposed Constituent General Assembly on key potential constitutional issues. (These events should be catered to the specific needs of such groups as: the general public, politicians, academia, business groups, etc.). Topics: taxation, labor, education, economy, human rights, environment, ag reform, property rights, etc.
(August - Oct., 1991)

- Looking ahead, develop civic education programs for the general public, schools, etc. on the content of the new Constitution (hopefully approved by then) in preparation for the presidential elections in 1993. (Feb.- March, 1992)

Project Manager: Oscar Carvallo

DRUG AWARENESS

A. LAC LEVEL

Objective I: Support the achievement of broadly-based sustainable economic growth.

Sub-Obj.: Encourage promotion programs to obtain wider support of prevention activities by public and private institutions and groups.

Strategic Objective

- Quality and efficiency of social services improved regarding drug awareness and prevention.

B. MISSION LEVEL

Activity Purpose: To consolidate the Drug Awareness and Education Unit within the Ministry of Public Health to mobilize public concern about drug problems in Paraguay.

MAJOR ACTIVITIES TO BE CARRIED OUT

- Drug Awareness and Education Unit's technical staff in place and trained to design, produce, and disseminate information material to support awareness and prevention efforts. (December, 1991)

- Awareness and prevention campaigns designed and initiated in schools, parents counselling groups, teachers training programs, and educational policy organizations. (May, 1992)

- T.A. to national public health centers, including education and specific training in drug abuse prevention on-going for medical and para-medical professionals. (May, 1992)

- Community-based self-help groups acting as neighborhood intervention agents operating in at least three major cities. (August, 1992)

- National drug abuse prevention publication identification programs, in cooperation with media professionals, disseminated through local media. (Sept. 1992)

Project Manager: Silvia Cazenave

ADMINISTRATION OF JUSTICE

A. LAC LEVEL

Objective II

Support the evolution of stable, democratic societies

Sub-Objective:

Encourage the strengthening of competent civilian government institutions that will merit the confidence of political and military leaders, citizens, and investors.

Strategic Objective

a) Effectiveness of judicial systems improved
b) Reform of legal system

B. MISSION LEVEL

Activity purposes: identification and design of activities to improve the judicial system in the short term, and assist in the Mission's assessment of areas that deserve more substantial long-term efforts on the part of USAID.

MAJOR ACTIVITIES TO BE CARRIED OUT

1. Strengthen the existing project for the establishment of a Judicial School as a training mechanism for the Paraguayan Judicial Branch by:

   a) Conducting a training needs assessment of the judicial branch

   b) Design the concept of the judicial school and its curricula

   Responsible entity: Checchi and Co. Consulting, Inc.

   Target date for completion: June, 1991

2. Complete the analysis of the administrative and financial systems of the Paraguayan Judicial Branch and submitt a written report to the Supreme Court.

   Target date for completion: January 15, 1991

3. Strengthen the efficiency of Paraguayan Courts by automating its operations and statistics by:

   a) Establishing a pilot project to compare its results with the work of a non-automated court.

      Target date for completion: January, 1991

   b) Preparing a workplan to extend the automation to other courts of the same level and category

      Target date for completion: April, 1991

4. Reform Paraguayan Criminal and Criminal Procedures Codes to incorporate modern trends by completing a series of lectures by prominent international criminal law professors on topics directly connected with the legal reforms. After the lectures the experts will work with the commissions to suggest ways to improve draft codes.

   Target date for completion: September, 1991

5. Create a Judicial Library in Asuncion that anticipates the needs of the future with outreach throughout the entire country. The first step is to solicit the cooperation of all judicial actors (Supreme Court, National Congress, the School of Law of National and Catholic Universities) in the creation of a foundation sustained and supported by the above mentioned institutions.

   Target date for completion: September, 1991

   Project manager: Mauro A. Sanabria

BEST AVAILABLE

LEGISLATURE STRENGTHENING

A. LAC LEVEL

Objective II

Support the evolution of stable, democratic societies

Sub-Objective

Encourage the strengthening of competent civilian government institutions that will merit the confidence of political and military leaders, citizens, and investors.

Strategic Objective

Effectiveness and strength of legislative branch improved

B. MISSION LEVEL

Activity purposes: Institutional strengthening of legislative branch

MAJOR ACTIVITIES TO BE CARRIED OUT

1) Identification, design, and coordination of identified activities with other donors on legislature strengthening in the following areas:

a) Administrative support to legislators

b) Information systems

c) Assistance to legislators on technical matters

d) Personnel training

Meet with UNDP experts; consult with local groups already involved in assisting legislators, particularly CPES and Paraguay-Kansas Partners.

Target date for [illegible] 1991

2) Arrange observational tour for Legislators and Congress administrative personnel to the law making bodies of other countries to see how they function.

Target date for completion: September, 1991

Project Manager: Mauro A. Sanabria

BEST AVAILABLE

USAID/PARAGUAY FUNDING REQUIREMENTS

OPERATING EXPENSES - F.Y. 1991

U.S. DIRECT HIRE PERSONNEL

U-111 POST ASSIGNMENT TRAVEL		
Air fares, 3 persons x 1,300.-	$ 3,900.-	
Per Diem	$ 100.-	
Excess Baggage	$ 200.-	$ 4,200.00
U-112 POST ASSIGNMENT FREIGHT		
Unaccompanied Baggage/HHE	$13,000.-	
Privately owned vehicle	$ 5,000.-	$ 18,000.00
U-110/12902 TEMPORARY LODGING		
$41 x 3 persons x 15 days		$ 1,845.00
U-110/12901 - TRANSFER ALLOWANCE (ZONE 3)		$ 700.00
TOTAL U-100		$ 24,745.00
U-401/23500 - RESIDENTIAL RENT		
$ 2,100 x 3 mos.		$ 6,300.00
U-402/23501 - RESIDENTIAL UTILITIES		
$ 200 x 3 mos.		$ 600.00
U-409/25200 - REPRESENTATION ALLOWANCE		$ 150.00
U-408/25401 - OFFICIAL RESIDENCE ALLOWANCE		$ 500.00
TOTAL U-400		$ 7,550.00

OPEXFY91

DH FSNs
U-201/11400 - BASIC SALARY

1.	Program Assistant (11/10)	Gs. 40,300,004.-
2.	Program Specialist (10/11)	Gs. 35,587,569.-
3.	Secretary (7/14)	Gs. 17,910,185.-
		Gs. 93,797,758.- / 1,250.-
	TOTAL ABS	$ 75,038.21

PLUS:

(A)	Step increases: 4% of $75,038.21 / 2	$ 1,500.77
(B)	Beverage Allowance: Gs.314,000 X 3 / 1,250	$ 753.60
(C)	13 month Bonus	
	1. Program Assistant (11/10)	Gs. 3,358,334.-
	2. Program Specialist (10/11)	Gs. 2,965,631.-
	3. Secretary (7/14)	Gs. 1,492,515.-
		Gs. 7,816,480.- / 1,215.-
		$ 6,253.18
(E)	Winter Bonus	
	1. Program Assistant	Gs. 2,966,404.-
	2. Program Specialist	Gs. 2,602,116.-
	3. Secretary	Gs. 1,456,843.-
		Gs. 7,025,363.- / 1,250.-
		$ 5,620.29
	TOTAL U-201	$ 89,166.05
U-202/11500 - PREMIUM COMPENSATION, DH FSNs		$ 2,000.00
U-204/12900 - INCENTIVE AWARDS, FSNs		$ 1,070.00
U-204/12903 - RETIREMENT, GOVNT CONTRIBUTION 7% of ABS ($76,538.98)		$ 5,357.73
U-204/12904 HEALTH INSURANCE, GOVERNMENT CONTRIBUTION		$ 1,300.00
	TOTAL U-204	$ 7,727.73
	TOTAL U-200	$ 98,893.78

U-304/11302 - CONTRACT PERSONNEL

ADJUSTED BASIC SALARY

1. Participant Training Assistant (8/2) (PPs 1-19/1991)	Gs. 19,561,809.-	
2. Chauffeur (3/1)	Gs. 9,445,005.-	
3. Financial Specialist (10/12)	Gs. 36,215,585.-	
	Gs. 65,222,399.- / 1,250.-	
TOTAL ABS		$ 52,177.92

PLUS

(A) Step Increases: 4% of $ 52,177.92 / 2		$ 1,043.56
(B) Beverage Allowance: Gs. 314,000 x 3 / 1,250		$ 753.60
(C) 13 Month Bonus		
1. Participant Training Assistant	1,630,151.-	
2. Chauffeur	Gs. 787,084.-	
3. Financial Specialist	Gs. 3,017,965.-	
	Gs. 5,435,200.- / 1,215.-	
		$ 4,348.16
(E) Winter Bonus		
1. Participant Training Assistant	Gs. 1,596,574.-	
2. Chauffeur	Gs. 740,669.-	
3. Financial Specialist	Gs. 2,650,664.-	
	Gs. 4,987,907.- / 1,250.-	
		$ 3,990.33
(F) Premium compensation		$ 800.00
(G) Site Visits (10 trips at $50)		$ 500.00
(H) Health Insurance		$ 1,300.00
TOTAL U-300		$ 64,913.57

OFFICE OPERATIONS

U-508/25904 - FURNITURE/EQUIP/VEHICLE REPAIRS

Typewriters, calculators, PCs	$ 150.00	
Furniture	$ 100.00	
Vehicles	$1,400.00	$ 1,650.00

U-509/23000 - COMMUNICATIONS

1. Telephone fees (ANTELCO)		
$ 800 x 12 months	$9,600.00	
2. Commercial Courier (DHL)		
To Buenos Aires;		
4 mailings x $25 x 12 mos	$1,200.00	
To USA: 1 mailing x $35 x 12 mos.	$ 420.00	
To Bolivia: 1 mailing x $35		
x 12 mos.	$ 420.00	
3. USAID/La Paz Expenses (Telephone & Courier)		
$100 x 12 mos.	$1,200.00	
4. Fees for installation of two telephone lines	$2,500.00	$ 15,340.00

U-513/21006 - SITE VISITS, DH PERSONNEL

Julio Basualdo/Oscar Carvallo; 10 trips at $50		$ 500.00

U-517 - CONFERENCE ATTENDANCE (USA)

AID Representative		$ 2,000.00

U-518/210 - OTHER OPERATIONAL TRAVEL

1. AID Representative (9 trips at $700)	$ 6,300	
2. Regional Controller staff (4 trips at $1,000)	$ 4,000	
3. Regional Contracting Officer (1 trip)	$ 1,300	$ 11,600.00

U-519/26001 - SUPPLIES AND MATERIALS

Office supplies	$ 200	
Spare parts, vehicles	$ 2,000	
Gasoline, $150 x 12 mos.	$ 1,800	
Newspapers; $ 50 x 12 mos.	$ 600	
Uniform, AID driver	$ 300	
Others	$ 100	$ 5,000.00

U-599/25910 - MISCELLANEOUS CONTRACTUAL SERVICES

1. Roving Patrol Services, AID Official Resid. $184 x 3 mos. (July-Sept/91)	$ 552	
2. Insurance, AID Vehicles	$ 192	
3. Miscellaneous Services	$ 200	$ 944.00
TOTAL U-500		$ 37,034.00

NON EXPENDABLE PROCUREMENTS

U-601/31201 - Vehicles (One Jeep or Sedan)		$ 17,000.00
U-602/31104 - RESIDENTIAL FURNITURE		
Transformers	$ 1,000	
Freezer	$ 678	
Glassware	$ 2,425	
Kitchen utensils	$ 1,700	
Steam iron	$ 35	
Vacuum Cleaner	$ 300	
Linens	$ 800	
Coffee maker	$ 50	
Silverware & Chinaware	$ 3,244	$ 10,232.00
U-607/31905 - ADP HARWARE PURCHASES		
1 Wang PC plus printer		$ 5,000.00
U-608/319 - ADP SOFTWARE PURCHASES		
Lotus 2.2 (Upgrading of Mission Version)		$ 200.00
U-698/220 - TRANSPORTATION/FREIGHT, CODE U-600		
Vehicle	$ 6,000	
Residential furniture	$ 2,201	$ 8,201.00
TOTAL U-600		$ 40,633.00
GRAND TOTAL		$273,769.35

USAID/PARAGUAY FUNDING REQUIREMENTS

OPERATING EXPENSES - F.Y. 1992

[redacted]

AID Rep son	$ 2,500.00
U-116/21502 - R&R TRAVEL 2 persons x $ 1,300	$ 2,600.00
TOTAL U-100	$ 5,100.00
U-401/23500 - RESIDENTIAL RENT	
$ 2,100 x 12 mos.	$ 25,200.00
U-402/23501 - RESIDENTIAL UTILITIES	
$ 350 x 12 mos.	4,200.00
U-409/25200 - REPRESENTATION ALLOWANCE	$ 150.00
U-408/25401 - OFFICIAL RESIDENCE ALLOWANCE	$ 2,000.00
TOTAL U-400	$ 31,550.00

DH FSNs
U-201/11400 - ADJUSTED BASIC SALARY

1. Program Assistant (11/11)	Gs. 41,023,956.00	
2. Program Specialist (10/12)	Gs. 36,215,585.00	
3. Secretary (7/15)	Gs. 18,210,356.00	
	Gs. 95,449,897.00 / 1,250	
Total ABS	$ 76,359.92	
Plus		
Step increases Gs. 1,652,139 / 2 x 1,250	$ 660.86	
Beberage Allowance Gs 314,000 x 3 / 1,250	$ 753.60	
13th Month Bonus		
1. Program Assistant	Gs. 3,418,663.00	
2. Program Specialist	Gs. 3,017,965.00	
3. Secretary	Gs. 1,517,530.00	
	Gs. 7,954,158.00 / 1,250	
	$ 6,363.33	
Winter Bonus		
1. Program Assistant	Gs. 3,022,368.00	
2. Program Specialist	Gs. 2,650,664.00	
3. Secretary	Gs. 1,482,238.00	
	Gs. 7,155,270.00 / 1,250	
	$ 5,724.22	
Total U-201	$ 89,861.93	
U-202/11500 - PREMIUM COMPENSANTION, DH	$ 2,000.00	
U-204/12900 - INCENTIVE AWARDS, FSNs	$ 300.00	
U-204/12903 - RETIREMENT, GOVNT CONTRIBUTION 7% of ABS (77,020.78)	$ 5,391.45	
U-204/12904 - HEALTH INSURANCE, GOVNT CONTRIBUTION	$ 1,500.00	
Total U-204	$ 7,191.45	
TOTAL U-200	$ 99,053.38	

U-304/11302 - CONTRACT PERSONNEL

Adjusted Basic Salary

1. Program Assistant (8/3)	Gs. 19,972,197.00	
2. Chauffeur (3/2)	Gs. 9,647,398.00	
3. Financial Specialist (10/13)	Gs. 36,843,601.00	
	Gs. 66,463,196 / 1250	
Total ABS	$ 53,170.56	

Plus:

A. Step Increases: Gs. 1,240,797 / 2 / 1,250		$ 496.32
B. Beverage Allowance Gs. 314,000 x 3 / 1,250		753.60
C. 13th Month Bonus		
1. Program Assistant	Gs. 1,664,350.00	
2. Chauffeur	Gs. 803,950.00	
3. Financial Specialist	Gs. 3,070,300.00	
	Gs. 5,538,600.00 / 1,250	
	$ 4,430.88	
D. Winter Bonus		
1. Program Assistant	Gs. 1,631,294.00	
2. Chauffeur	Gs. 757,792.00	
3. Financial Specialist	Gs. 2,699,212.00	
	Gs. 5,088,298.00 / 1,250	
	$ 4,070.64	
E. Premium Compensation		$ 800.00
F. Site Visits (10 trips at $50)		$ 500.00
G. Health Insurance		$ 1,500.00
TOTAL U-300		$ 65,722.00

OFFICE OPERATIONS
U-508/25904 - Furniture/Equipment/Vehicle repairs

Typewriters, calculators, PCs	$ 150.00	
Furniture	$ 100.00	
Vehicles	$1,400.00	$ 1,650.00

U-509/23000 - COMMUNICATIONS

Telephone fees (ANTELCO)

$800 x 12 mos.	$ 9,600.00	

Commercial Courier (DHL)

To Buenos Aires:	4 mailings x 35 x 12 mos.	$ 1,680.00	
To USA	1 mailing x 45 x 12 mos.	$ 540.00	
To Bolivia	1 mailing x 45 x 12 mos.	$ 540.00	

USAID/La Paz Expenses (Telephone & Courier)

$100 x 12 mos.	$ 1,200.00	$ 13,560.00

U-513/21006 - SITE VISITS, DH PERSONNEL

Julio Basualdo/Oscar Carvallo, 10 trips at $50	$ 500.00

U-516/21004 - TRAINING ATTENDANCE (USA)

FSNs	$ 2,500.00

U-517/210 - CONFERENCE ATTENDANCE (USA)

AID Representative	$ 2,500.00

U-518/210 - OTHER OPERATIONAL TRAVEL

1. Regional Controller Staff (5 trips at $1,200)	$ 6,000.00	
2. Regional Contracting Officer (1 trip)	$ 1,300.00	$ 7,300.00

U-519/26001 - SUPPLIES AND MATERIALS

Office Supplies	$ 200.00	
Spare parts, vehicles	$ 2,000.00	
Gasoline, $150 x 12	$ 1,800.00	
Newspapers, $ 50 x 12	$ 600.00	
Uniform, AID driver	$ 300.00	
Others	$ 100.00	$ 5,000.00

U-599/25910 - MISCELLANEOUS CONTRACTUAL SERVICES

1. Roving Patrol Services, AID Official Residence $ 200 x 12 mos.	$ 2,400.00	
2. Insurance, AID Vehicles	$ 250,00	
3. Miscellaneous Services	$ 200.00	$ 2,850.00

TOTAL U-500	$ 35,860.00

NON-EXPENDABLE PROCUREMENTS
U-605/31005 - OFFICE EQUIPMENT (local)

One Xerox Machine + furniture		$ 6,000.00
	TOTAL U-600	$ 6,000.00
	GRAND TOTAL	$243,285.38

USAID/PARAGUAY
ANNUAL PORTFOLIO REPORT
(SEPTEMBER 1990)

I. OVERVIEW

II. SUMMARY LAC FINANCIAL TABLES

III. ITT ACTIVITY NARRATIVES BY FUNCTIONAL ACCOUNT

Activity Title & Number: ITT - 598-0616.06
Subprojects:

-- Ag. Training, Carlos Pfannl Salesian Ag. Institute (IAS)

-- Access to Land, Water & Other Natural Resources II (Access II)

-- Conservation Institutional Development - Fundacion Bertoni
Also, $500,000 Grant No. LAC-0784-G-00-0048-00 to NTC
(Mbaracayú Nature Reserve) (Environment/Global Climate
Change) (ARDN)

-- Natural Resources Conservation Center - IAS Carlos Pfannl

-- T.A. for Private Enterprise (IESC)

-- Micro-Enterprise Employment Generation

-- Democracy Initiative (Electoral Assistance)

-- PD&S (CONEB, Computers, see AOJ under other LAC Electoral
Assistance TDYers)

-- Management Training (MAE/UCA)

-- Information Resources Center for Development (IRCD)

-- Demographic & Health Survey (DHS)

-- Contraceptive Social Marketing/Pharmacy Program

-- Child Survival Enhancement

-- Drug Abuse Prevention

-- SPA

IV. PARTICIPANT TRAINING

V. OTHER LAC ACTIVITIES:
1. AVSC
2. IPPF's Marching Grant
3. AOJ
4. Mbaracayu Nature Reserve

USAID/PARAGUAY

ANNUAL PORTFOLIO REPORT

(September 1990)

I. OVERVIEW

In general, projects in Paraguay are meeting proposed objectives and are on schedule.

Under the Democracy Initiatives AID has made a substantial contribution to the electoral process of Paraguay by providing the Electoral Commission (JEC) the computer system and technical assistance to develop a reliable electoral registry and a vote counting system for the coming municipal elections and future congressional and presidential elections as well.

Our initial thrust in economic reform activities provided some crucial diagnostic TDY assistance to the new democratic government, but USAID were unable to consumate the planned target term activity due to turf struggles within the gop economic team. However, unused funds released were reallocated for the purchase of the computer system for the JEC.

The MBA program, started in 1985, has terminated this year. The program is well on its way to graduate a second group of MBA candidates by August, 1991. While a private Foundation has recently been created to help suport the program beyond 1991, there is some concern as to the future economic viability of the program.

Our buy-in into the Access II project which provided critical T.A. by the Wisconsin Land Tenure Center and a local sub-contractor, has been instrumental in providing the new government with critical input to respond to the burning issue of ag reform.

In response to the Agency's environmental concern, in addition to the ongoing grant to The Nature Conservancy in support of the local PVO Fundación Bertoni, under the Regional Global Climate Change project AID has commited $500,000 to help raise an additional $2.25 million to purchase an IFC property for the establishment of the Mbaracayú Nature Reserve in Eastern Paraguay.

In the area of AOJ, various limited scope activities have been initiated. The impact will be evaluated to help in the design of more substantial activities planned for 1991 and 1992.

The recently completed Demographic Health Survey has provided critical health related information on which additional initiatives for 1991 will be built on.

Regarding COMDESA loan delinquency, AID/W is considering a proposed payment rescheduling to meet borrower's payment capacity.

II. SUMMARY LAC FINANCIAL TABLES

USAID/PARAGUAY
INTERCOUNTRY TECHNOLOGY TRANSFER PROJECT FINANCIAL ACTIVITY
THRU 09/30/90

SCHEDULE A
Page 1 of 4

Activity Title/Number and Category	Initial/Final Obligation	Estimated Completion Date	Total Activity Cost	Contributions Leveraged	Cumulative Obligations	Obligations This Report. Year	Beginning Year Pipeline	Cumulative Accrued Expenditures	Accr.Expend. This Report. Year	Ending Pipeline
AGRICULTURE										
1. Agricultural Training (B)	1986/88	05/31/91	400,000	235,000	400,000		23,569.80	400,000.00	23,569.80	
(IAS) Agmt LAC-0616-A-00-6076-00 $210,000 (FY86)			210,000		210,000			210,000.00		
Amendment No.2 $190,000 (FY87)			190,000		190,000			190,000.00	23,569.80	
Planned Obligations Next Year -0-										
Planned Expenditures Next Year -0-										
2. Agrarian Reform (A)										
Access to Land, Water, and Other Res. Cont. DHR-5453-B-00-9078-00	1989/90	12/31/91	183,034		183,034	119,556	56,878.00	45,958.81	39,358.81	137,075.19
Planned Obligations Next Year 150,000										
Planned Expenditures Next Year 25,000										
3. Environmental Conservation			596,563	472,668	596,563		573,855.00	112,949.47	90,241.47	483,613.53
a. Conservation Institutional Dev (A)	1989	09/30/92	396,563	277,668	396,563		373,855.00	87,316.76	64,608.76	309,246.24
Nature Conservancy (Fund. Moises Bertoni) Agmt 526-0616-G-SS-9001-00										
b. Natural Res. Conservation Center (B)	1989	09/30/92	200,000	195,000	200,000		200,000.00	25,632.71	25,632.71	174,367.29
Salesian Mission (IAS Carlos Pfannl) Agmt 526-0616-G-SS-9002-00										
4. Small Project Assistance	1988	08/22/91	35,000		35,000			20,000.00	20,000.00	15,000.00
Amend. No. 6 to Country Agmt. dated 9/29/88										
Planned Obligations/expenditures -0-										
TOTAL AGRICULTURE			1,214,597	707,668	1,214,597	119,556	654,302.80	578,908.28	173,170.08	635,688.72

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BEST AVAILABLE

USAID/PARAGUAY
INTERCOUNTRY TECHNOLOGY TRANSFER PROJECT FINANCIAL ACTIVITY
THRU 09/30/90

Activity Title/Number and Category	Initial/Final Obligation	Estimated Completion Date	Total Activity Cost	Contributions Leveraged	Cumulative Obligations	Obligations This Report. Year	Beginning Year Pipeline	Cumulative Accrued Expenditures	Accr.Expend. This Report. Year	Ending Pipeline
PRIVATE SECTOR, ENVIRON. & ENERGY										
1. Technical Assistance for Private Enterprises (A) 113,190	1985/90	06/29/91	400,000.00	233,628	400,000.00	100,000.00	50,000.00	286,810.00	36,810.00	
International Executive Service Corps, Agmt LAC-0616-A-00-5089-00 $ 300,000 (FY 85) $ 100,000 (FY 90)										
Planned Obligations Next Year $250,000										
Planned Expenditures Next Year $ 75,000										
2. Micro Enterprise Employment Gener (A)	1988/89	09/30/91	150,000.00	150,000	150,000.00		112,081.00	98,688.00	60,769.00	51,312
Fundacion Paraguaya de Desarrollo Grant No. 526-0616--SS-8005-00										
(FY 88) $ 80,000			80,000.00		80,000.00			80,000.00	42,081.00	
(FY 89) $ 70,000			70,000.00		70,000.00			18,688.00	18,688.00	
Planned Obligations Next Year -0-										
Planned Expenditures Next Year -0-										
3. Democracy Initiative Electoral Assistance PIO/C 526-0616-3-00013	1990	09/30/91	299,052.00		299,052.00	299,052.00		212,599.00	212,599.00	86,453
Planned Obligations Next Year 500,000										
Planned Expenditures Next Year 125,000										
4 Project Develop. and Support Grant to CONEB, purchase of computer for AIC project, and financing Electoral Assistance TDYers	1990	12/31/90	19,000.00		19,000.00	19,000.00		19,000.00	19,000.00	
Planned Obligations Next Year 100,000										
Planned Expenditures Next Year 25,000										
TOTAL PRIVATE SECTOR, ENVIRON. & ENERGY			383,628.00		868,052.00	418,052.00	162,081.00	617,097.00	329,178.00	250,955

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BEST AVAILABLE

USAID/PARAGUAY
INTERCOUNTRY TECHNOLOGY TRANSFER PROJECT FINANCIAL ACTIVITY
THRU 09/30/90

Activity Title/Number and Category	Initial/Final Obligation	Estimated Completion Date	Total Activity Cost	Contributions Leveraged	Cumulative Obligations	Obligations This Report. Year	Beginning Year Pipeline	Cumulative Accrued Expenditures	Accr.Expend. This Report. Year	Ending Pipeline
EDUCATION										
1. Management Training NASPAA Agmt DAN-5317-A-00-5028-00 Feasibil. Study $ 13,100 (FY 85) Amend. No. 9 $200,000 (FY 86) Amend. No. 15 $300,000 (FY 87) Amend. No. 24 $ 50,000 (FY 88) Amend. No. 29 $ 50,000 (FY 88) Amend. No. 31 $200,000 (FY 89) Planned Obligations Next Year -0- Planned Expenditures Next Year -0-	1985/89	09/30/90	813,100.00	183,200	813,100.00		300,000.00	813,100.00	300,000.00	
2. Information Resource Center Agmt. No. 526-0616-A-00-8004-00 $135,000 (FY 88) Amend. No. 1 $115,000 (FY 89) Planned Obligations Next Year -0- Planned Expenditures Next Year -0-	1988/90	08/31/91	350,000.00	53,900	350,000.00		153,849.05	174,566.00	98,415.05	175,434
TOTAL EDUCATION			1,163,100.00	237,100	1,163,100.00		453,849.05	987,666.00	398,415.05	175,434
POPULATION										
1. Demographic Household Survey (Buy-in to the DHS-II Project 936-3023) $ 75,000 (FY89) $ 50,000 (FY90) Planned Obligations Next Year -0- Planned Expenditures Next Year -0-	1989/90	12/31/90	125,000.00		125,000.00	50,000.00	75,000.00	75,000.00	75,000.00	50,000
2. Social Marketing Pharmacy Program (SOMARC) Contr. DPE-3051-2-00-8043-00 $ 50,000 (FY89) $ 25,000 (FY90) Planned Obligations Next Year -0- Planned Expenditures Next Year -0-	1989/90	02/28/91	75,000.00		75,000.00	25,000.00	50,000.00	50,000.00	50,000.00	25,000
TOTAL FAMILY PLANNING SERVICES			200,000.00		200,000.00	75,000.00	125,000.00	125,000.00	125,000.00	75,000

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BEST AVAILABLE

USAID/PARAGUAY
INTERCOUNTRY TECHNOLOGY TRANSFER PROJECT FINANCIAL ACTIVITY
THRU 09/30/90

Activity Title/Number and Category	Initial/Final Obligation	Estimated Completion Date	Total Activity Cost	Contributions Leveraged	Cumulative Obligations	Obligations This Report. Year	Beginning Year Pipeline	Cumulative Accrued Expenditures	Accr.Expend. This Report. Year	Ending Pipeline
HEALTH										
1. Child Survival Enhancement	1986/89	09/30/90	330,000.00		330,000.00			330,000.00		
Academy for Educational Dev. Modif. to Contract NO. DPE-1018-C-00-5063 dtd. 8/30/85 $ 80,000 (FY 86 Amend. No. 8 dtd 5/13/87 $100,000 (FY 87) Amend. dated 8/12/88 $100,000 (FY 88) Amend. No.18 dtd 3/30/89 $ 50,000 (FY 89) Planned Obligations Next Year Planned Expenditures Next Year										
2. Drug Abuse Prevention	1990	09/30/93	400,000.00		200,000.00	200,000.00		5,000.00	5,000.00	195,000.00
Contract DPE-5834-Z-00-0008-00. Amend. No. 2, Development Associates, Inc. Planned Obligations Next Year Planned Expenditures Next Year Mortgage $200,000										
TOTAL HEALTH			730,000.00		530,000.00	200,000.00		335,000.00	5,000.00	195,000.00

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BEST AVAILABLE

USAID/PARAGUAY
PARTICIPANT TRAINING
THRU 09/30/90

SCHEDULE B
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Activity Title/Number and Category	Initial/Final Obligation	Estimated Completion Date	Total Activity Cost	Contributions Leveraged	Cumulative Obligations	Obligations This Report Year	Beginning Year Pipeline	Cumulative Accrued Expenditures	Accr. Expend. This Report. Year	Ending Pipeline
1. Participant Training (LASPAU Contract)	1985/89	09/30/91	1,344,953		1,344,953.00		332,689.17	1,120,950.23	108,686.40	224,002.77

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BEST AVAILABLE

III. ITT ACTIVITY NARRATIVES BY FUNCTIONAL ACCOUNT

A. ACTIVITY TITLE/No.: ITT - 596-0616.09 - Agricultural Training
Carlos Pfannl Salesian Ag. Institute (IAS)

-Estimated Completion Date: May 31, 1990

-Implementing Agency: Salesian Missions

B. ACTIVITY PURPOSE: Provide support to establish within IAS a permanent capacity to plan and implement curriculum improvements, prepare, execute, and evaluate investment and operational plans for its commercial revenue producing programs; and administer its educational and commercial operations based on full information regarding cost and other management criteria; and upgrade and expand its agricultural commercial operations.

C. PROJECT STATUS

Major Outputs Expected:

1. Improvement in education quality
2. Improvements in agro-enterprise operations
3. Improvements in administration

Brief Assessment of Activity

Last year's report indicated that most of the original purposes were accomplished. This was further confirmed by the final project evaluation, then reported to be underway and now completed. Major accomplishments include:

a. Education: Full-time teachers were hired and trained to meet the school's needs, a well defined new profile of the school graduate was developed, and substantial improvements in the school infrastructure were made. Official recognition of the new curriculum by the Ministry of Education and the Ministry of Agriculture is expected to be granted prior the beginning of the next school year in January, 1991. Integration of the faculty members to the school and motivation of both students and alumni have substantially improved. Also, through the Employment & Training Opportunities Bank created under the project, about 100 graduates were trained in post graduate courses tailored to their needs and about 40 were assisted in locating new or better job opportunities.

b. Agro-industry: The original target of doubling the school's income has been met. The net income generated by the agro-enterprise operations has more than doubled from $48,300 in 1985 as compared to $106,922 in 1989, even though inflation and an ever increasing operating costs of the education department took a heavy toll of the increased income. A drop in the dollar exchange rate has also affected returns on lumber exports, a key source of income.

BEST AVAILABLE

c. Improvements in Administration: Were substantial and targets were fully met. IAS's administrative unit has been provided with excellent office space, equipment, personnel, administrative and accounting manuals, and a rather sophisticated information system to assist management in business decision making. Regarding the issue of the increased operating costs of the education department, IAS is well advanced in lobbying through Congress a substantial increase in GOP's current meager subsidy to the school to a new total of approximately $80,000 per year. If materialized, this subsidy will take a lot of pressure off the agro-enterprise unit of the school while allowing IAS to readjust to the requirements of the new curriculum.

Category of Activity: A

A. ACTIVITY TITLE/No.: ITT - 598-0616.06 - Access to Land, Water & Other Natural Resources II (ACCESS II)

-Estimated Completion Date: December 31, 1991

-Implementing Agency: Wisconsin Land Tenure Center (WLTC)

B. ACTIVITY PURPOSE: Identify, analyze, and recommend strategy options for addressing land tenure and agrarian reform issues in Paraguay.

C. PROJECT STATUS

Major Outputs Expected:

Research activities completed and corresponding reports submitted to AID on:

-Improved models for agrarian reform and rural development based on local experience;

-An analysis and evaluation of past agrarian policies; and

-An analysis and evaluation of governmental and non-governmental institutions engaged in agrarian policy formulation and implementation.

Brief Assessment of Activity

One of the burning issues the new government had to face, following the coup that ended the long dictatorship, was the plight of the numerous "campesinos sin tierra," the long-ingnored landless mass seeking a peace of land on which to base their livelihood. The agrarian reform issue was even more greatly highlighted by the sit-ins and land invasions of the campesinos seeking to force land distribution out of the establishment. AID's low-key approach to GOP's request for T.A. in this very sensitive area payed dividends. AID's initiative was instrumental in providing the new government with the right inputs for taking policy and institutional options to deal with the problems at hand in an efficient way. Under WLTC's supervision, local sub-contrator Centro Paraguayo de Estudios

Sociológicos (CPES) was able to influence some key decisions at the level of the inner circle of the palace and the very office of the President. As a first step, leadership for agrarian reform issues was restored into the Ministry of Agriculture (MAG), and such key services as credit, ag extension, and land distribution were reasigned to specialized existing organizations.

Concomitantly, a CPES multi-disciplinary team has conducted a selected number of case studies to identify improved working models of agrarian reform and rural development based on past local experience. Preliminary results of the research studies are available and being shared with key local PVO's, members of parliament, and government organizations involved in agrarian reform. Findings also will be discussed in special workshops for GOP

organizations, PVO's, and for members of the "campesino" community organizations pressuring for new settlements. The team has also collected relevant publications on agrarian issues from various local PVO's and government sources to be used as reference materials.

A seminar on ag reform jointly sponsored by WLTC, CPES, and IICA August 20-24 was very helpful in gaining focus and establishing priorities on ag reform issues in Paraguay. The seminar was attended by the leading officials of all the public and private sector institutions related to ag reform and rural development.

In summary, as a result of the AID initiative, there is now a wide recognition among both GOP and private organizations involved in agrarian reform and rural development as to the relevance of the WLTC/CPES research studies. In fact, through an ad hoc working committee, CPES is assisting MAG and the Agriculture Extension Service within MAG, to incorporate research findings in the design of their specific projects and planning documents. In addition, as a result of our initiative, more appropriate and efficient utilization of large amounts of money coming from international donors for proposed ag reform projects will be achieved.

Category of Activity: A

Corrective Actions Planned: None

A. ACTIVITY TITLE/No.: ITT - 598-0616.06 - Conservation Institutional Development - Fundación Moises Bertoni

Estimated Completion Date: September 30, 1992

Implementing Agency: The Nature Conservancy (TNC)

B. ACTIVITY PURPOSE: Support the institutional development of the Fundacion Bertoni to accomplish its mission of conserving the biodiversity of Paraguay.

C. PROJECT STATUS:

Major Outputs Expected:

- Strengthened operational capability of the Foundation.
- Continuing conservation programs implemented.
- Major land management and protection actions sponsored, i.e. creation of two major new national parks or equivalent reserves; increased number of trained and equipped park guards and supervisors on public reserves; the promotion and registration of five private reserves; and sustainable development actions in the buffer zones of the protected areas.

Brief Overall Assessment of Activity:

The Foundation is actively pursuing its mission of conserving biodiversity by providing technical and financial support to the national parks and major land management and protection projects. Operating costs is financed through a $6,250 rotating fund established within the National Parks Directorate (NPD) plus an additional $20,000 to cover T.A. and training for park guards. Also, improvements in facilities included the construction of post signs and the purchase of a radio communication system. Additional support will be available to the Foundation through LAC Parks in Peril project to reinforce the Foundation efforts The Foundation has also assisted the NPD in drafting of new wildlife protection and national parks laws.

Development of a local support program has been very successful. The public awareness program implemented along with an intensive press coverage succeeded not only in raising awareness to environmental issues but also in increasing local funding support to the activities of the Fundación. About 23% of the Fundacion's operating funds for the year were raised from local sources mainly through special events and the "Amigos de la Naturaleza" membership campaign. The Foundation has also sponsored a conference on Debt-for-Nature Swaps to illustrate decision makers on the nature and possibilities of this financial arrangement. About 75 participants attended, mostly bankers, congressmen, and business leaders. TNC donated the cost of the main lecturer, the Director of the Central Bank of the Dominican Republic.

The Foundation is continuing publication of its bi-monthly newsletter in both Spanish and English. Also, as part of its environmental education campaign, it has developed a 13-chapter documentary video on nature in Paraguay. The $70,000 series, fully funded by local sponsors, will be aired through local T.V. beginning in March, 1991. One half-hour daily air time has been donated to the Foundation by the National Radio Broadcasting. This program has been well received by the public and greatly helped promote the Foundation's ecotourism program.

The Foundation has established the Private Nature Reserve Program to protect privetely-owned land located around national parks, watersheds, uniques habitats, or rare species. To date, 38 private landowners with a total of over 1.0 million acres has shown interest in preserving part or all of their lands as a private reserve. Initial biological studies have been completed on the properties of seven landowners who collectively own over 75,000 acres. A major portion of the direct costs involved in these studies were covered by the landowners.

An experienced inter- disciplinary team has been hired to implement small-scale sustainable development projects in the buffer area settlements surrounding the Mbaracayú reserve. Participatory planning and educational workshops were held in 9 colonies sorrounding the area. Two indian settlements are included in the project. Also, an operational agreement has been signed with IBR by which every settlement in the buffer zone will be required to adopt environmentally sound production criteria. To date, the team has designed seven alternative production systems adapted to the area.

The Mbaracayú Nature Reserve

After three years of negotations with the World Bank and IFC, an agreement has been reached regarding a fair compensation over the Mbaracayú property for the establishment of a managed nature reserve in Eastern Paraguay. USAID has already commited $500,000 out of the Regional Global Climate Change to help rally support for TNC's campaing to raise an additional $2.25 million to finance the purchase of the property and endow a management trust fund for the long term management and protection of the reserve. It is expected that transfer of title to the property will be finalized within the first quarter of 1991.

Category of Activity: A

Corrective Actions Planned: None

A. ACTIVITY TITLE/No.: ITT - 598-0616.06 - Natural Resources Conservation Center - IAS "Carlos Pfannl"

-Estimated Completion Date: September 30, 1992

-Implementing Agency: Salesian Missions

B. ACTIVITY PURPOSE: Support the establishment of a natural resources conservation center at the "Carlos Pfannl" Salesian Agricultural Institute (IAS) for demonstration and training in agricultural practices with emphasis on irrigation techniques and agro-forestry production.

C. PROJECT STATUS:

Major Outputs Expected:

1. Organization of a Demonstration Center, including:

   a. Establishment of a model agro-forestry unit and an irrigation demonstration plots area.

   b. A detailed inventory of the Center's natural resources.

   c. Experimental technologies demonstration projects designed by the project technical team and expert advisors.

2. Dissemination of Technologies, including:

   a. Incorporation of new technologies in the IAS curriculum

   b. Training of professionals assigned to the project.

Brief Overall Assessment of Activity:

As part of the initial steps toward the establishment of a model agro-forestry unit and an irrigation demonstration area, IAS is finishing the contruction of an irrigation dam and the irrigation system attached. While the heavy rains that prevailed during its construction caused some delay, the system will become operative in December. IAS's decision to relocate the original site of the dam, based on a detailed study of the head waters, overall basin, and environmental implications, has resulted in a substantial increase in capacity from an initially estimated 8,000 to 32,000 cubic meters, thereby increasing the potential irrigated area from 20 to approximately 60 Has. Obviously, the additional irrigation area gained will allow IAS to carry out a much wider array of technology demonstration projects and, as an added advantage, produce a much bigger volume and variety of cash crops. As a case in point, IAS is negotiating the production of high quality hybrid corn seed for local sale under the DeKalb brand name.

As preparatory steps for the design and implementation of specific experimental technologies demonstration projects to be conducted under the project, IAS has recently completed a detailed inventory study of the Center's natural resources, including a detailed survey of its hydrological basin. More specific studies for the various demonstration projects planned have been conducted as needed. For example, the technical feasibility studies required for the intensive ag production demonstration program is already completed and, based on their findings, a 38 Has. plot of corn and sorghum has been established along with a 1 Ha. experimental plot of seed corn. Also, additional intensive crop production alternatives are being explored. The technical feasibility study for the agro-forestry production program is only partially completed

due to technical personnel problems and lack of a better program definition. However, three basic experimental agro-forestry production modules are already underway while IAS is looking for new technical personnel to lead the program.

Outputs related to dissemination of technologies will be part of a second stage in project implementation once demonstration projects are completed and results evaluated.

Category of Activity: B

Corrective Actions Planned: Delays in project implementation might require some adjustment in budget and implementation plan.

A. ACTIVITY TITLE/No.: ITT - 598-0616.06 - T.A. for Private Enterprise

Estimated Completion Date: June 30, 1991

Implementing Agency: International Executive Service Corps (IESC)

B. ACTIVITY PURPOSE: Promote enterprise development and expansion through technology transfer.

C. PROJECT STATUS:

Major Outputs Expected:

- Establishment of a IESC operation in Paraguay that can generate full-cost recovery contracts

- A total (revised) of 35 T.A. cases and 18 ABLE studies provided to local private enterprises and private sector service organizations.

Brief Overall Assessment of Activity:

To allow a more complete realization of the program objectives, IESC has been granted a one-year extension and additional funding ($100,000) to the current cooperative agreement to a new LOP total of $400,000. Accordingly, the total number of T.A. cases through the new completion date has been revised from 30 to 35. The total for ABLE studies, a new addition to the project, is 18. So far, 13 T.A. projects have been completed and 7 contracts signed while 7 other prospective projects are well advanced. Three ABLE market studies have been completed while two others are well underway.

The impact of two recently completed projects went far beyond the client's own operation. A seminar on computer application to business not only was attended by representatives of the business and academic community but, as an immediate result, is strongly influencing the curriculum of some computer courses sponsored by the Ministry of Education. Also, a VE expert on ship building is helping develop a totally new and more efficient design for river barges better adapted to Paraguayan river conditions. Given the successful outcome of these projects, there is a good potential for other related follow-on projects.

As a result of quite an agressive promotion work undertaken by IESC through meetings, TV spots and interviews, etc. there is a renewed interest in IESC's assistance in the whole business community. Inquires and new proposals for TA and ABLE projects are being constantly received from potential clients. Calls by visiting VE's and customers at a very popular TV program have also generated a strong interest in IESC, thereby increasing the possibility for meeting the proposed number of cases.

Given the increasing demand for its services, IESC is enforcing more and more its policy of allocating the smallest possible subsidy to each case. By and large AID subsidy to clients is gradully decreasing from 50 % to 30 %. In fact, there is now a case fully funded by the client, i.e. will require no AID subsidy. However, it is still expected that AID subsidy for projects with small enterprises will be higher than for large companies.

Providing food and lodging to VE's and their spouses at IESC quarters has proved to be an innovating way for lowering costs to clients. Any reduction in costs, obviously, will be an incentive to customers for signing up new cases and will maximize the potential for the establishment of a self sufficient IESC operation in Paraguay.

Category of Activity: B

Corrective Actions Planned: Following designation of a new country representative, to replace the one who passed away in July, IESC/Stamford was requested by AID to conduct an external audit of its operations.

A. PROJECT TITLE/NO.: ITT 598-0616.06 Micro-Enterprise Employment Generation

Estimated Completion Date: September 30, 1991

Implementing Agency: Accion International/AITEC

B. PROJECT/ACTIVITY PURPOSE:
To strengthen the capacity of the Fundacion to provide credit and technical assistance to about 2,500 market vendors in different municipal markets in Asuncion.

C. PROJECT STATUS:

Major Output Expected

The Fundación Paraguaya will have finished the following activities:

-- A survey to determine the influence of usury in municipal market places. This survey will provide information to develop a work methodology to fight usury.

-- Identification of the universe of clients and its classification in accordance with their credit and training needs.

-- Search for private and public, national and international, financial sources to fund the revolving loan funds.

-- Selection and training of personnel and purchase of necessary equipment for new facilities.

-- Opening of a "special window" to provide credit and managerial services to the informal sector of the municipal markets in Asuncion.

-- Development of a managerial information system, including the hardware and software necessary to meet the demand.

-- Development and implementation of appropriate administrative procedures and financial and accounting systems.

-- Supervision of operations during the first two years.

Brief Overall Assessment of Activities

The branch office of the Fundación established under this AID program to provide technical assistance and credit to microentrepreneurs of one of the main market places of Asuncion was officially inaugurated in february 1990. However, loans to those microentrepreneurs started in 1989 from the main office of the Fundación. A total of 128 loans to the same number of solidary groups (composed by up to five persons) valued at about $85,000 was granted in 1989, benefiting a total of 390 persons (239 women and 151 men). These figures increased substantially in 1990 to 850 loans to solidary groups, valued at about $650,000, benefiting a total of 1,847 persons (1,316 women and 531 men). It is expected that the total target of about 2,500 loans for this office will be reached by 1991.

As an important reference, it should be mentioned that the present total active loans of the Fundación, as a whole, is about 6,000, valued at $1,1 million. This figure is expected to increase to about 12,000 with a value of $ 3,0 million in 1991.

Considering that the AID'ssupport to this office does not include funds for loans to microentrepreneurs, the Fundacion obtained those funds from a government bank and from commercial banks, at ongoing market interest rates. The total borrowed from these banks in 1989 is about $120,000 and an additional amount of about $130,000 during 1990. Part of the guaranty for the loans from commercial banks was covered by AID financed letters of credit provided by Accion International.

With respect to future funding of its operations in general, the Fundacion expects to borrow from commercial banks about $4.0 million in the next

four years. The UNDP has agreed to provide a grant equivalent to $0.20 for operating expenses for each dolar for loans obtained by the Fundacion from commercial banks. This means that the UNDP might provide up to about $800,000 for operating expenses in the next four years. With these arrangements, the future of the Fundacion seems to be very positive.

Category of Activity: A

Corrective Actions Planned: None

A. ACTIVITY TITLE/No.: ITT - 598-0616.06 - Democracy Initiative - Paraguay Electoral Assistance

Estimated Completion Date: N/A

Implementing Agency: USAID/Paraguay
Contract No. 526-0616-S-00-0001-00

B. ACTIVITY PURPOSE: Support the development of an electoral registry in which the Paraguayan public can have confidence in its legitimacy.

C. PROJECT STATUS:

Major Outputs Expected:

- Computer system and related sofware in place to handle JEC needs.

- JEC technical personnel hired and trained to implement computer system and data base.

- Reliable electoral registry, including vote counting system, developed for coming municipal elections.

Brief Overall Assessment of Activity:

To secure free elections and reinstate democracy, following the demise of the Stroessner government, Paraguay passed a new electoral code and reorganized its Electoral Commission (JEC). By mid-July, 1990 the newly established Commission requested that AID finance and procure the computer system and related services required for the development of the national electoral registry required for the coming municipal elections in May, 1991 and future presidential elections as well. An independent assessment by CAPEL, a subsidiary of the Inter-American Institute of Human Rights, confirmed that public confidence in the voter registry required a computer system owned and controlled by the JEC and that inmediate procurement was critical for JEC to have a chance of completing the electoral registry on time.

With timely assistance from IRM and RCO/Quito, USAID has been able to develop in a record time of less than two weeks the specifications for a relatively complicated procument and negotiated a contract with the

most responsive/responsible bidder, IBM, for the supply of the hardware and software for developing a national civic registry system, electoral database, processing of elections, training of computer operators, etc.

Most of the equipment has been delivered on schedule by IBM and will be in place and operational pending the final reconditioning of the newly leased JEC building. Also, the initial core of operators and programer/analysts has been trained by IBM.

AID contribution to the JEC has helped leverage a $220,000 grant from the Swiss Government in support of a program to promote enrolment in the electoral registry.

Due to JEC slow response in the delivery of critical counterpart inputs (not included in the IBM contract) such as connecting wires, interphase connectors, furniture, air conditioning, etc., AID is monitoring very closely their timely delivery.

Category of Activity: B

Corrective Actions Planned: Municipal elections were postponed by the GOP from November, 1990 to May, 1991. This will give JEC some additional lead time to deliver counterpart contribution on time. However, AID will continue close monitoring of the pending JEC contribution.

A. ACTIVITY TITLE/No.: ITT - 598-0616.06 - Project Develop. & Support (PD&S)

- Estimated Completion Date: September 30, 1991

- Implementing Agency: Various organizations

B. ACTIVITY PURPOSE: See assessments below.

C. PROJECT STATUS: See assessments below.

Major Outputs Expected: See brief assessments below.

Brief Assessment of Activity

Several activities were funded under PD&S during 1990. Following is a brief summary:

1. A $5,740 grant was provided to the National Council of Private Voluntary Organizations (CONEB) for the implementation of the First Congress of Paraguayan Private Voluntary Organizations. The congress, which was also co-sponsored by UNICEF and the Paraguay/Kansas Committee, was held on schedule October 1-4, 1990. More than 100 local PVO's were represented in the congress along with PVO's from Uruguay and Chile. The congress has put into a very sharp focus the

potential leadership role of PVO's in the dynamics of the development process. As another result, CONEB was designated to organize and host the First Latin American Congress of PVO's in 1991.

2. Under an assistance agreement with the Supreme Court, one PC and software were purchased for the automation of a pilot court. This procurement was related to the AOJ technical assistance effort provided through the Checchi level of effort contract. For more detail, see narrative section of AOJ project under Other LAC Activities.

3. TDY technical assistance was funded in support of Paraguay Electoral Assistance project. One IBM systemn analyst assisted JEC in developing the technical specifications of the computer system to be purchase for Paraguay's Electoral Commission and one RCO/Quito negotiated the procurement of the system.

A. PROJECT TITLE/NO.: ITT-598-0616.06 - Management Training

Estimated Completion Date: September 30, 1990

Implementing Agency: National Association of School of Public Affairs and Administration

B. PROJECT/ACTIVITY PURPOSE: Assist the Catholic University of Asuncion in the developmjent, implementation, and consolidation of its program in Business Administration and Management.

C. PROJECT STATUS

Major Outputs Expected

1. Two groups of about 50 Master's level students will have completed an 18-month MBA program based on a series of 4 two-week modules courses and 4 two-month, part-time intermodular courses.

2. At least eight executive seminars for top managers

3. The training of Faculty at various levels

4. At least one PhD or DBA candidate and three Master's level persons trained to join the Faculty along with a full-time administrator and a full time Executive Director.

5. Key teaching Faculty and top management of the school will have made visits to other management schools in the U.S. and L.A. and will have received short-term courses and third country training.

6. Between ten and twenty teaching cases will have been written by students and faculty.

7. A viable financial structure for the Master's program will have been developed.

8. The private sector community will have demonstrated financial support for the program.

Brief Overall Assessment of Activity

For a small country like Paraguay, the Master's degree program at Catholic University of Asunción was initiated as a relatively ambitious program. The experiment involved several factors:

1. Low cost - in comparison with other AID-supported business administration programs.

2. Payment by the students in the program of a sizable tuition fee to cover part of the costs of instruction, a new concept in higher education in Paraguay;

3. Use of the intensive module system of coursework over an extended period of time;

4. A joint working relationship between the Central American Institute of Business Administration (INCAE) and the National Association of Schools of Public Affairs and Administration (NASPAA) to provide curriculum design, instruction, and quality control;

5. A very heavy involvement of the faculty and alumni of Catholic University in promoting and managing the program;

6. Use of a series of top management seminars conducted by the INCAE faculty to test the level of interest of the Paraguayan business community, to stimulate continuing local involvement in top management training and to stimulate excellence in the MBA program.

The first MBA program has graduated 49 persons with the Master's degree in June 1989, has 51 additional students currently enrolled and to be graduated in August of 1991. Students in the program have been willing to pay tuition costs which are currently running at over US$4000 for the two-year period. This amount is relatively high by Paraguayan standards.

With respect to Faculty for the program INCAE professors are teaching all the modules and six out of the seven intermodules are being taught by Paraguayan professors, MBA graduates from INCAE/Costa Rica under AID participant program, and a Paraguayan PhD candidate in Economics from a U.S. University. Performance of the Paraguayan professors has been rated in general as very good by the students.

One AID-financed participant will be completing a PhD degree at the University of Pittsburg by June 1991, and will return to join the faculty. Three other AID participants started their MBA programs in US Universities this year: they are also expected to return to teach in the MBA program by 1993.

A substantial involvement in the program by a large part of the paraguayan business community and the alumni of the Catholic University's Faculty is being achieved to a large degree. Considering that this program will not survive and maintain itself solely on the income derived from tuition, the volunteer group of alumni conducting the program on behalf of the Catholic University continues to search for means to further develop the program and continue it beyond the period of AID support. A new foundation for this purpose was launched in September 1990 during a ceremony attended by about 600 persons from the private and public sectors. The keynote speaker was Hernan Bucchi, former Minister of Economy of Chile.

The Board of Directors of the new Foundation is composed of top level executives from the private sector. High officials of the public sector will also be invited to join. Preliminary surveys indicate that a good number of private firms and executives are interested in supporting the program. The Foundation plans to start an aggressive campaign to raise funds starting in March 1991.

Category of Activity: B

Corrective Actions Planned: The Committee of the MBA program of the Catholic University must immediately evaluate its real potential to continue the program without AID's support.

A. ACTIVITY TITLE/No.: ITT - 598-0616.06 - Information Resources Center for Development (IRCD)

Estimated Completion Date: August 31, 1991

Implementing Agency: Paraguay/Kansas Committe (PKC)

B. ACTIVITY PURPOSE: To establish within the Paraguay/Kansas comitte (PKC) of the National Association of the Partners of the Americas (NAPA) an Information and Resources Center for Development (IRCD) to increase the capability of the PKC to access development information, and to promote and improve the effectiveness of the voluntary participation in local developments efforts.

C. PROJECT STATUS.

Major Outputs Expected:

1. A significant increase in the number of project proposals developed by the Partnership.

2. An increased number of local and international institutions and organizations collaborating with the committee in project development.

3. A larger number of donor agencies will have been involved in Partnership projects.

4. The PKC will have developed revenue-generating programs that contribute to its financial sustainability.

Brief Overall Assesment of Activity:

Information inputs and logistical support of the IRCD to PKC activities has helped accelerate institutional development of the Parnership. Management systems have been improved streamlining procedures for membership recruitment, fees collection, acquisitions, etc. Decision processes leading to travel-grant requests which reached an all time high, and project approvals were facilitated by more efficient file keeping, communications and secretarial support. The larger scope of activities and the need for an increased pace of decision-making led the PKC to approve new by-laws better adapted to hand the organization's growing activities.

With IRCD's assistance, PKC has developed a full predeparture orientation service for students travelling to Kansas using access to an updated collection of catalogues and application forms maintained by IRCD. A nominal fee is charged for this service.

IRCD has been instrumental in collaboration between Kansas State University and the local Fundacion Chaco for the design of a park development project with T.A. donated by KSU professionals. Also, in the area of Natural Resources, IRCD was pivotal in organizing a joint event where the Bi-National Center, USIS, the PKC, the Moises Bertoni

Foundation and the local CVC cable network facilitated ample dissemination of a World-Net conference on Tropical Forest Management. Also, using IRCD's networking facilities, PKC has developed working links with Kansas and other U.S. professionals leading to future inter-cultural activities under the auspices of the Columbia Educational Center of Portland, Oregon.

IRCD is assisting in developing and establishing the "Coordinadora Nacional de Organizaciones No Gubernamentales para la Prevencion de la Farmacodependencia" (CONPFA), a coordinating organization for nation wide drug-abuse prevention campaigns, and is providing the initial management backstopping for the AID-financed national Narcotics Awareness Program, implemented by the Ministry of Health

Building on its pivotal position between international development agencies, the GOP and PVO/NGO groups, the IRCD has focused on the development of several services aimed at enhancing PVO/NGO involvement in development programs. The PVO/NGO database initiated in 1989 has since received technical assistance from the UNDP in the design of questionnaires and database software, called CRISOL now holding information on 210 NGO's in Paraguay. By using the CRISOL database, local PVO/NGO increase their knowledge of each other and find ways of collaborating more efficiently by building on one anothers strengths. The database has allowed the publication of a Directory of NGO in Paraguay which has had its second edition. In addition to a limited free distribution, it is sold and exchanged internationally. IRCD's CRISOL database is now part of a worldwide network of similar databases managed by U.N., World Bank, OECD, EEC, Interaction, and others. Through IAF, the IRCD has identified 31 similar databases in Latin America and the Caribbean.

IRCD's documentation center has focused on maintaining its service as a CDIE/AID document outlet providing information on Kansas Universities. It also maintains directories of agencies, foundations and international PVO's; directories of information services and documents requested on demand as inputs to project development. IRCD also receives many periodicals and bibliographic bulletins including U.N., World Bank, IMF, and other development agencies. The documentation center has been oriented toward supporting "networking" project design, and training programs.

Using in-house editing and design capacity IRCD has continued publishing its "ONG Noticias" newsletter that has become a successful communications tool linking local PVO's, GOP offices, international agencies and NGO's abroad. Eight issues of the bi-monthly periodical have been distributed carrying news on the activities of NGO's provided by themselves.

IRCD's training program continues to focus on developing local Project Design skills having delivered 18 workshops in the last 12 months reaching over 350 participants. Most workshops were devoted to institutions requesting grants from the Dirección de Beneficiencia Nacional (DIBEN), the national welfare council.

To strengthen and widen IRCD's database on local NGO's, a census of NGO's was conducted in 11 major cities of the country in collaboration with two local research oriented NGO's. IRCD also acted as the secretariat for the first Paraguayan Congress of Voluntary Organizations organized jointly with CONEB and sponsored by AID and UNICEF. A conference on Extreme Poverty was organized by IRCD-UNDP and a local PVO.

Through IRCD, the PKC is formalizing several inter-institutional agreements: with the Laboratorio de Electronica Digital (LED) and the Laboratorio de Informática Social (LIS), both of the Catholic University to develop software for database management and statistical analisis. With the School of Social Welfare of the University of Kansas for the transfer of social project management skills. With the School of Library and Information Management of Emporia State University for the tranfer to Paraguay of information-brokering skills and information system management. With Development Associates for the administration of a national drug abuse prevention program. With DIBEN for continuing training services.

In-kind volunteer contribution to the project has been substantial. Training activities are a regular source of income as well as the selling of publications. Other possible financial resources are being explored in the field of software package development for NGO management and accounting purposes.

IRCD, by producing an exchange of information among organizations allows increased knowledge on the community and reveals ways in which organizations can collaborate building on each others strengths. At the same time, IRCD contributes to the integration of dispersed grass root efforts in new participatory activities promoting political, social and economic pluralism.

Category of Activity: A

Corrective Actions Planned: None

A. PROJECT/TITLE NO.: Demographic & Health Survey - 598-0616-3-90010

Estimated Completion Date: December 31, 1990

Implementing Agency: Institute for Resource Development (IRD)

B. PROJECT ACTIVITY/PURPOSE: To provide support to the Paraguay Center for Population studies (CEPEP) to conduct a Demographic Health Survey. The activity is a continuation of the efforts of the World Fertility Survey (WFS) and the Contraceptive Prevalence Survey (CPS) to obtain updated information and carry out analysis of changes and trends of the patterns of reproduction, of the levels of fertility and the factors which influence them. Collection of health and nutrition information will also be included in the DHS.

Major Outputs Expected

The following activities will have been completed:

a. Provide Paraguay with updated information about contraceptive prevalence and fertility of women of reproductive ages and on the health and nutrional status of children under five.

b. To study trends and changes in contraceptive experience, health, and fertility in Paraguay during the last 15 years on the basis of information from surveys similar to the current NDHS.

c. Provide the Ministry of Health and other concerned national and international agencies with information regarding the patterns of contraceptive prevalence and fertility in Paraguayan women aged 15 to 49.

d. To perfect methodologies for specialized demographic and health surveys.

e. Provide the information necessary for formulation of plans and programs for education in population.

f. Provide information on the factors which influence the level of fertility in Paraguay and which permits comparisons at the international level.

g. Provide information on the health of young children in Paraguay through the application of additional health questions, including the actual measurement of height and weight for a sample of about 2,000 children under three years of age.

h. Provide information on the availability and accessibility of health and contraceptive services in the country.

i. Generate in-depth information on selected health topics for young children: diarrhea, inmunization, maternal mortality, health services, height and weigth, low birthweight, and breastfeeding.

Brief Overall Assessment of Activity

The project agreement for the DHS in Paraguay was signed by IRD with CEPEP, the local IPPF affiliate, in August 1989. The contract dates are June 30, 1989-December 31, 1990.

The preparation of the preliminary questionnaire to be used in the survey and the logistic and administrative aspects were finished in December 1989. After they were discussed and reviewed with CEPEP and PAHO representatives in February 1990, some additional questions were included and some minor changes were made.

In March 1990, a pretest of the questionnaire was carried out. The pretest involved training of candidates for supervisor and interviewer positions, and field work near the capital city of Asunción. Based on this pretest, some minor corrections were made in the questionnaire.

The training of supervisors and interviewers selected for the survey took place in April and the field work started in May. The data processing started as soon as information was available thereafter. Data entry editing, definitions of tables, and correction activities were completed in September. A total of 6,348 households were visited and a total of 6,262 elegible women were identified, of which 5,287 (93.1 percent) provided information to fill out questionnaries.

A preliminary report containing basic data on fertility, contraception, and health was published and presented in October to paraguayan public and private officials. The final report is expected by November 1990.

It should be pointed out that in addition to AID's financial support, the DHS also has the financial support of PAHO and the Technical Cooperation Agency of Germany in Paraguay. The Paraguayan Ministry of Health is providing institutional support and has participated in the preparatin of questions related to maternal-child health.

Category of Activity: A

Corrective Action: None

A. ACTIVITY TITLE/NO.: ITT - 598-0616-3-90004
Contraceptive Social Marketing/Pharmacy Program

Estimated completion date: February 2, 1991

Implementing Agency: SOMARC/The Futures Group

B. PROJECT ACTIVITY/PURPOSE: To strengthen the quality and range of information and services offered by the commercial pharmacists who are the main source of all contraceptives in Paraguay.

C. PROJECT STATUS

Major Outputs Expected

The following activities will have been carried out or be in progress:

-- Training courses and promotion 875 for salespersons in the pharmacies.

-- An effective advertising and promotional campaign to increase volume of sales and to provide effective education to potential consumers.

Brief Overall Assessment of Activity

During a trip to Paraguay in September, 1989, consultants from SOMARC/The Futures Group determined the need for a CSM program. CEPEP, the local family planning association and IPPF affiliate, with an extensive infrastructure and experience in family planning activities was selected to conduct the pharmacist training program, to develop, pre-test and distribute promotional brochures and to evaluate the program's impact.

During the last trip made by the consultants in October 1990, work plans for the program were reviewed with CEPEP. CEPEP was given the materials that has been used for the same training in Bolivia, Ecuador and Perú, and was informed that a Contraceptive Technology Training of Trainers Manual will be translated into Spanish to be sent to CEPEP in a few weeks, and that two CEPEP persons would be trained so they would then train retailers. All the activities leading up to the training activities were reviewed and scheduled by SOMARC and CEPEP.

It is estimated that thirty-five training courses will take place, with an average of 26 participants. 20 courses will be given in Asuncion and its nearby cities, and 15 courses will be given in eight or nine cities of the interior of Paraguay.

After the courses are finished it is expected that approximately 875 drug store workers would have been trained. This represents approximately 50 percent of the total drug store workers in the country.

Before the training courses are taught, an investigation will be made by a local research firm in October 1990 to determine the real knowledge that the drug store workers have in relation to family planning and the use of new contraceptive methods, including the pill, condom, injected methods, and vaginal tablets.

Another investigation that will be performed by October 1990 will evaluate the brochures on family planning which will be handed out in drug stores to the final or potential consumers.

Additionally, 30 surveys will be performed: 20 in Greater Asuncion and 10 in the other interior cities. The purpose of these surveys is to cross-check information obtained by the other methods so that the information will be more realistic and the conclusions more effective.

After the training courses are finished, an evaluation using the Mystery Shopper style will be carried out to determine the effectiveness of the courses.

Category of Activity: B

Corrective Actions: It is estimated that an extension of the terminal date to October 1991, will be required to complete the work plan.

A. ACTIVITY TITLE/NO.: Child Survival Enhancement

Estimated Completion Date: July 31, 1990

Implementation Agency: Academy for Educational Development (HEALTHCOM)

B. PROJECT/ACTIVITY: To provide technical assistance, training and other support to MOH to help promote the widespread adoption of oral rehydration therapy in Paraguay.

C. PROJECT STATUS

Major Outputs Expected

The HEALTHCOM program in Paraguay focuses on control of diarrheal diseases and consists basically of the following elements:

1. Establishment of 9 oral rehydration units (ORU's) in key medical centers, including the Teaching Hospital at the National Medical School.

2. Training ORU staff.

3. Training community leaders

4. Supporting local efforts by the production of graphic materials and mass media campaigns with the use of local research and advertising companies.

5. Local production of ORS

6. Assistance in the distribution of materials and ORS.

Brief Overall Assessment of Activities

Since diarrhea is currently the principal health problem of children under five years of age in Paraguay, HEALTHCOM began its work there with the intention of introducing a systematic communication program to assist the

Ministry of Health in reaching health workers and the public with well-designed messages about the control of diarrheal disease (CDD). Breastfeeding became the focus for the second campaign. Breastfeeding was identified as a major preventative measure that was not promoted adequately by the medical establishment and not practiced by urban mothers. National multidisciplinary task forces were created to guide program implementation for both interventions.

During the three and a half year program, HEALTHCOM assisted the Ministry of Health in the planning, development, monitoring, and evaluation of the interpersonal and mass media components of the CDD and breastfeeding national campaigns. Research included focus groups and a physicians's KAP survey for communication planning and message design. HEALTHCOM trained community leaders and health workers in content and communication skills. HEALTHCOM and its counterparts helped create and equip nine oral rehydration units (UROs) in regional health centers and at the National Medical School Hospital. Six TV spots, ten radio spots, and numerous posters, pmaphlets, calendars, decals, and T-shirts were prepared for the two campaigns.

Training played an important role in the institutionalization process. HEALTHCOM trained the MOH staff in communication methodology, materials development, developing national plans and norms, monitoring, and interpersonal communication. MOH staff in turn gave presentations at three international health education congresses, amongst others, and applied the HEALTHCOM methodology to national EPI and AIDs programs.

As part of the close-down process, HEALTHCOM helped prepare an ORT program implementation plan and a national breastfeeding plan and norms. Task forces were formed for the national ORT and breastfeeding initiatives in order to coordinate the numerous tasks to be carried out by the MCH and Health Education Departments.

One of the goals of the institutionalization plan was to involve key Ministry of Health decision makers--from the top levels in central offices to village-level health providers. In the planning and materials development stages and throughout implementation of the project, the HEALTHCOM resident advisor included key MOH and community leaders in decision making. They also participated in public relations events such as the donation of cribs and other equipment to UROs.

The Health Education Department expanded in 1989 when a new government was installed in Paraguay. Newly organized HED units, such as Research, Training, and Material Production, reflect the steps in the HEALTHCOM health communication process. This was considered a sign that the MOH had adopted and would continue to utilize the HEALTHCOM methodology.

One of the most successful ways of ensuring that ORT service would be provided continuously in the future was a training and supervising program conducted by renowned professors and leaders in the Paraguayan Pediatric Association for medical students and nurses serving as interns in teaching

hospital UROs. The prestige of the program was highlighted by inviting internationally prominent physicians, nurses, and HEALTHCOM staff to address faculty, students, and private sector physicians at a three-day conference in Asuncion. Spin-offs included one-day conferences for student nurses and physicians. The Medical School curriculum has been expanded to include ORT.

With respect to the experimental production of ORS by a private local laboratory, after several tests of the product, PATH still found it unsuitable for mass production and marketing, and recommended that more tests were needed to give final approval to the product. The local firm decided not to go ahead with the program and cancelled its obligations to produce the ORS with the technical support of PATH.

Although further training would be useful in the area of management skills, monitoring, evaluation, materials development and interpersonal communication, it could be considered that this relatively low-budget project had the most impact in a country with a firm foundation of health education expertise upon which the project was built. Paraguay health educators were open to new ideas about communication, they adopted them,. and they applied them to many health interventions.

Category of Activity: A

Correction Actions Planned: None

A. ACTIVITY TITLE/NO.: ITT - 598-0616.06 - Drug Abuse Prevention

- Estimated Completion Date: September 30, 1993
- Implementing Agency: Development Associates, Inc. (DA)

B. ACTIVITY PURPOSE: To assist in organizing and making operational a Drug Awareness and Education Center Program in Paraguay.

C. PROJECT STATUS

Major Outputs Expected:

1. A Coordination and technical support unit to promote countrywide programs of information, education and prevention.

2. An epidemiology Study on the prevalence of the use of drugs at a national level).

3. Appropriate activities designed and implemented to make the population aware about drug problems and promote drug use prevention.

Brief Overall Assesment of Activity

As an initial step, under a contract with DA, the Paraguay/Kansas Committee (PKC) will develop and implement the initial organizational and management structure to institutionalize the Narcotics Awareness Program in Paraguay. The rationale for channeling drug awareness resources through the PKC is that the Comite is the only viable organization elegible to receive funds from USAID. Contracting with the Ministry of Public Health would be difficult because the Ministry does not have the means to receive and account for funds separately from their regular GOP budget accounts.

The Mental Health Department, the implementing unit of the project within the Ministry of Public Health, has hired a secretary and secured the voluntary services of a local psychiatrist to begin putting together the project team.

Request for proposals to conduct the drug abuse prevalence survey were sent out to organizations and individuals that appeared to have the necessary expertise. A bidder's conference was held to answer questions on the survey. Only one of the prospective bidders appeared to be in a position to submit a proposal at this time.

A draft outline for an action plan was developed for this first year. Emphasis will be placed on institutionalization of the project and the drug prevalence study. Currently, in order to keep momentum, the project will conduct training courses for school teachers and public health workers.

A complete action plan and budget are being developed for this year. Appropriate administrative procedures and manuals being developed will help the Project to clearly define its area of influence regarding the Paraguay/Kansas Committee (PKC).

Category of Activity: A

Correction Actions Planned: None

A. ACTIVITY TITLE/NO.: ITT -598-0616.06 - Small Project Assistance (SPA)

Estimated Completion Date: August 23, 1991

Implementing Agency: Peace Corps/Paraguay

B. ACTIVITY PURPOSE: To finance village-level activities developed by Peace Corps Volunteers to encourage and support self-help efforts by local communities.

C. PROJECT STATUS

Brief Overall Assessment of Activity

No funds were allotted to SPA during FY 90. However, PC requested a one year extension of the current agreement through August, 1991 to permit full utilization of FY 88 pipeline. Five Health and three ARDN projects were approved during the year. Also, with AID/Washington's approval, grant funds were utilized to fund travel and per diem for two PC staff to attend a training workshop in Miami. Residual funds are planned to be fully utilized before PACD.

IV. PARTICIPANT TRAINING

A. Budgeted Amount: No funds for participant training were available in FY90.

B. Training Activities and Cost

With the $100,000 available in FY89 for training programs, three candidates from the Catholic University of Asunción are doing MBA programs. Upon completion of their training and returning to Paraguay, they are expected to join the faculty teaching a postgraduate MBA program at the Catholic University.

C. Status of Participant Selection , Placement, Follow-on

A present, there is a total of six graduate students studying in the US financed with prior FY funds. They are all doing very well. Most of then will graduate in 1991.

V. OTHER LAC ACTIVITIES 598-0642

1. PROJECT TITLE/NO.: ASSOCIATION OF VOLUNTARY SURGICAL CONTRACEPTION

Program Goals

AVSC's major emphasis in Paraguay is to make postpartum surgical contraception services available to high-risk women within key maternity hospitals. AVSC is also supporting interval VSC service at CEPEP, and will continue to explore opportunities for program development, institutionalization and self-sufficiency.

Fiscal 1991 activities will include the development and dissemination of norms for VSC, professional education on reproductive risk, training in surgical, anesthesia and counseling techniques and the provision of necessary equipment and supplies.

a) AVSC SUBAGREEMENT PAR-04-SV-3-A- PARAGUAY
Voluntary Surgical Contraception Service Program for High Risk Patients in Paraguay

Program Duration: Three years

Project Year: Third year of a three-year program

Budget Amount: US$ 20,168 (Maximum)

Budget Duration: One year

Effective Dates: May 1, 1990 - April 30, 1991

The purpose of this subagreement is to assist the Maternidad nacional in developing and institutionalizing a high-quality VSC service via minilaparotomy, making it available to high risk women and to other sectors of the population most in need, and ensure the training of ob/gyn residents in postpartum and interval minilaparotomy.

During the second year of this three-year project, VSC services were increased from 132 procedures in the first year to 221 in the second. Interval procedures were initiated during this year, as a result of the training of three physicians. All of them have been providing VSC services via interval minilap and training other physicians and residents in this technique.

Two high-reproductive risk seminars were carried out during 1990 and both the University and the MOH are interested in replicating them at other public sector hospitals. During these seminars, the reproductive and obstetric risk model was introduced to the ob/gyns and midwives, in association with maternal/child mortality.

To avoid the frequent cancellation of VSC procedures because of emergency cases, AVSC supported the maternity to equip a surgery room which has been remodeled and furnished with medical and safety equipment.

Future support to the Maternity will focus on quality and expansion of VSC services. A long term objective is that this facility can serve as a VSC training center for health personnel in the country.

b) AVSC SUBAGREEMENT PAR-03-SV-3-A, PARAGUAY
Institutionalization of minilaparotomy under local anesthesia for high risk women at the Maternidad Nacional del Paraguay

Program Duration: Three (3) years

Project Year: Third year of a three-year program

Budget Amount: US$ 19,165 (Maximum)

Budget Duration: Twelve (12) months

Effective dates: February 1, 1990 - January 31, 1991

This project will support the institutionalization of services at the Clinica Integral de la Mujer en Asuncion for women at high risk. It includes technical assistance in quality control, self-sufficiency and cost recovery and partial support for operational costs and supplies.

It is important to prepare CEPEP to start achieving self-sufficiency. Therefore, future AVSC support will be considered a bridge project, although it will be much smaller than the one provided in previous years. In this way CEPEP will be able to charge sliding-scale fees and provide other ob/gyn services thus allowing the institution to recover part of the costs related to VSC service provision.

2. A. PROJECT TITLE/NO.: IPPF-MATCHING GRANT

Activity Date: January-December 1990

Amount: $70,000

ACTIVITY PURPOSE: During 1990 CEPEP will maintain the 3 clinics and outreach programs initiated with Matching Grant funds in 1989, and will open 2 new clinics with their respective CBD activities. Pre-natal care, family planning and cancer detection services will be offered. CEPEP will provide information on family planning in the community, at the household level, and in clinic waiting rooms. Refresher training courses for service personnel, training of new staff, and systematic supervision of all service activities will be carried out.

AID will provide the following in-kind contraceptives to CEPEP for use in its programs: Lo Femenal, 120,000; Condoms, 102,000; Copper Ts, 7,000

STATUS OF THE PROGRAM

The table below shows the degree up to which the objectives have been accomplished so far. It should be noted that one of the objectives (consultations for clinical control) passed by far and another (new acceptors) is very near their targets already.

	Target for 1990	Accomplishment up to Sep. 1990	%
New acceptors	5,000	4,697	94
Control Consultations at clinics	2,500	4,697	182
Follow up visits		11,565	--
Couple protection/year	6,900	5,491	79.6
PAP	1,500	742	49.5
Maternal Consultationas clinics	2,200	1,309	60

3. A. PROJECT TITLE NO.: Administration of Justice

Estimated completion date: September 30, 1991

Implementing Agency: Checchi and Co. Consulting Inc.

B. ACTIVITY PURPOSES

a) to help USAID/Paraguay identify a list of discrete activities designed to improve the Paraguayan judicial system in the short term

b) to assist in the Mission assessment of which areas should be the focus of more substantial long-term efforts on the part of USAID, and

c) to identify those local individuals and counterpart institutions which have the greatest potential for contributing to significant positive change in the judicial system

d. to provide modest concrete technical support for reform efforts.

C. PROJECT STATUS:

Major Outputs Expected

1) to accelerate drafting of the new criminal code and the new criminal procedures code and expand options under consideration
2) establish foundation for the development of a judicial school
3) automation of a pilot court
4) creation of a judicial library in Asuncion
5) assessment of the administrative and financial procedures used by paraguayan courts

Brief overall assessment of activities:

A three-consultants team visited Asuncion during the period August 27-30, 1990 to meet with the members of the commission in charge of drafting a new Criminal and Criminal Procedures Codes for Paraguay.

The purpose of the visit was to assess the status of the draft codes and to provide basic guidelines concerning modern trends in criminal laws and a basic bibliography.

The Sub-Commissions showed little interest in discussing the reform itself but required the assistance of the team to write a law that would reduce the population of the overcrowded Paraguayan penitentiaries. The team provided some proposed articles that, if included in the "Criminal Emergency Law" would help partially remove the causes of the overcrowding.

Major conclusions of the team were: a) the reform of Paraguay criminal system requires time and patience, and b) the assistance should be channeled through indirect mechanisms such as worshops and conferences on subjects related to the reform.

As a first step in the creation of the judicial school, two judges were sent for training in October, 1990, to the judicial schools of Bogota, Colombia, and San Jose, Costa Rica, to observe how the schools function, the design of curricula, and their training methods.

Another program related to the AOJ but partly financed under PD&S is the automation of a pilot court with the use of a computer and its accessories, including software, donated by AID. The purpose of this project is to compare the results of the work of this court against the work of another , non-automated court of the same level.

Finally, for the assessment of the administrative and financial procedures of paraguayan courts, two U.S. court clerks spent three weeks in Paraguay during the month of November, 1990. They interviewed members of the Supreme Court, judges, and administrative personnel, and made an oral presentation to the Supreme Court on their findings and recommendations.

Category of Activity: A

Corrective Actions Planned: None

4. A. PROJECT TITLE/NO.: Regional Global Climate Change - 598-0784
- Mbaracayu Nature Reserve

Estimated Completion Date: September 30, 1993

Implementing Agency: The Nature Conservancy

B. ACTIVITY PURPOSE: Support the establishment and purchase of the Mbaracayu Nature Reserve in Eastern Paraguay

C. PROJECT STATUS

Major Outputs Expected:

- Acquisition of title finalized of the Mbaracayu property, and
- Establishment of an endowment trust fund for the sustained protection of the reserve at a minimum level of $750,000.

Brief Assessment of Activity

See section on ITT's Conservation Institutional Development - Fundacion Bertoni.