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

BOLIVIA  
PROJECT PAPER  
DRUG AWARENESS AND PREVENTION

AID/LAC/P-650

PROJECT NUMBER: 511-0613

UNCLASSIFIED

PD ABIS 172  
15A 13532

<b>AGENCY FOR INTERNATIONAL DEVELOPMENT</b> <b>PROJECT DATA SHEET</b>		<b>1. TRANSACTION CODE</b> <input type="checkbox"/> A = Add <input type="checkbox"/> C = Change <input type="checkbox"/> D = Delete	Amendment Number _____ <b>DOCUMENT CODE</b> 3
<b>2. COUNTRY/ENTITY</b> BOLIVIA/USAID		<b>3. PROJECT NUMBER</b> 511-0613	
<b>4. BUREAU/OFFICE</b> Latin America & Caribbean		<b>5. PROJECT TITLE (maximum 40 characters)</b> DRUG AWARENESS AND PREVENTION	
<b>6. PROJECT ASSISTANCE COMPLETION DATE (PACD)</b> MM DD YY 03 31 96		<b>7. ESTIMATED DATE OF OBLIGATION</b> (Under "B." below, enter 1, 2, 3, or 4) A. Initial FY 91 B. Quarter <input checked="" type="checkbox"/> C. Final FY 95	

8. COSTS (\$000 OR EQUIVALENT \$1 = )						
A. FUNDING SOURCE	FIRST FY			LIFE OF PROJECT		
	B. FX	C. L/C	D. Total	E. FX	F. L/C	G. Total
AID Appropriated Total						
(Grant)	( 1,125 )	( 2,400 )	( 3,525 )	2,825	5,675	9,220
(Loan)	( )	( )	( )	( 2,825 )	( 6,395 )	( 9,220 )
Other U.S.	1.					
	2.					
Host Country		1,040	1,040			
Other Donor(s)					5,200	5,200
<b>TOTALS</b>	1,125	3,440	4,565	2,825	11,595	14,420

9. SCHEDULE OF AID FUNDING (\$000)									
A. APPROPRIATION	B. PRIMARY PURPOSE CODE	C. PRIMARY TECH. CODE		D. OBLIGATIONS TO DATE		E. AMOUNT APPROVED THIS ACTION		F. LIFE OF PROJECT	
		1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan
(1) ESF	510	563				9,220	--	9,220	--
(2)									
(3)									
(4)									
<b>TOTALS</b>									

<b>10. SECONDARY TECHNICAL CODES (maximum 6 codes of 3 positions each)</b> 549      942      980				<b>11. SECONDARY PURPOSE CODE</b> 684	
<b>12. SPECIAL CONCERNS CODES (maximum 7 codes of 4 positions each)</b> A. Code      BR      BL      BS      BU B. Amount					
<b>13. PROJECT PURPOSE (maximum 480 characters)</b>					

To increase public awareness of and support for the Government of Bolivia's Drug Control Program.

<b>14. SCHEDULED EVALUATIONS</b> Interim MM YY MM YY Final MM YY 02 93           11 95				<b>15. SOURCE/ORIGIN OF GOODS AND SERVICES</b> <input checked="" type="checkbox"/> 000 <input type="checkbox"/> 941 <input checked="" type="checkbox"/> Local <input type="checkbox"/> Other (Specify)			
<b>16. AMENDMENTS/NATURE OF CHANGE PROPOSED (This is page 1 of a _____ page PP Amendment.)</b> The USAID Controller has reviewed the financial procedures described herein and hereby indicates his concurrence.							

*Thomas J. Johnstone*  
 Thomas J. Johnstone  
 Acting Controller

<b>17. APPROVED BY</b>	Signature <i>Chad W. Lennard</i>	<b>18. DATE DOCUMENT RECEIVED IN AID/W, OR FOR AID/W DOCUMENTS, DATE OF DISTRIBUTION</b> MM DD YY 12 20 96
	Title Mission Director	

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## I. SUMMARY AND RECOMMENDATIONS

### A. Facesheet

### B. Recommendation

It is recommended that a project be approved in the amount of \$9,220,000 to be incrementally funded over five fiscal years.

### C. Background and Problem

Bolivia is one of the two leading producers of coca leaf which ultimately reaches the United States in the form of cocaine. First-stage processing, i.e., conversion of leaves into pasta básica ("paste") is also extensively undertaken.

According to Embassy figures 53,920 hectares currently are under coca cultivation, capable of producing some 80,005 metric tons of leaf. An estimated 80 to 90% of that leaf is used for processing into cocaine, the rest being used for traditional purposes. Traditional production, under Law 1008, is licensed by the Government through Direccion de la Coca, a Government agency in the Ministry of Interior, is restricted to the Yungas region. Production in the transitional zone (Law 1008) in the Chapare area between Cochabamba and Santa Cruz is the main source of coca that is processed into cocaine. The population of the Chapare increased by 366% between 1978 and 1986, according to GOB figures, as both an economic downturn and Government efforts to rationalize the economy resulted in widespread unemployment and the international demand for cocaine resulted in high prices and profit margins for coca leaf.

Current prices (December 1990) barely cover production costs and there is evidence of out-migration from the Chapare to the valleys around Cochabamba and to the city itself, as well as to the city of Santa Cruz, which is starting to add to the social unrest brought about by the economic situation in those cities. One result has been an increase in the use of cocaine base that is used to lace tobacco or marijuana cigarettes ("pitillos"), in those two cities, particularly among young boys. This is aided by a back and forth flow (particularly in Cochabamba) of workers who go down to the Chapare to find occasional work as "pisadores" (stompers) or other occasional work in the coca paste processing plants or in other temporary jobs in the cocaine industry. They are paid partly or entirely in cocaine base which they then bring back to the cities to sell. It is not surprising, therefore, that narcotics awareness, at least as related to drug abuse, is greater in Cochabamba and Santa Cruz than it seems to be in La Paz. (An epidemiological study currently being undertaken, by the Pan American Health Organization for and with the National Committee for the Prevention of Illegal Drug Use, (CONAPRE), should help to get a better "fix" on the extent and location of the drug abuse problem among youth in Bolivia.)

In general, however, and with some notable exceptions, narcotics awareness - that is, awareness of the threat posed to Bolivian economic, social and political institutions and structures - is not very high in Bolivia. Where it does exist it is fragmented and hedged with reservations that greatly attenuate the public support that might otherwise exist, and that is essential for Government execution of firm, sustained programs of counter narcotics law enforcement. There is concern that a rapid termination of the "coca industry" would produce an economic downturn, just as the country seems poised to start moving again economically. There is concern with the fate of the coca growers in the Chapare; while there is general agreement with the Government's policy of "alternative development", there is little realization of the time that will be required to make that program fully effective. Moreover, Bolivians tend to deny that the coca industry has contributed to the corruption of public officials in both the enforcement and judicial systems and the breakdown of the family and social structures in the producing areas and their adjacent cities. There is however, a general and growing awareness of the environmental consequences of coca cultivation

Finally, there still exists the expressed view that the problem is demand and that, of course, means the problem really is that of the consumer countries, principally the U.S.

#### D. Rationale/Strategy

The problem to be addressed in this project is that there is not a general awareness, in Bolivia, of either the nature or the magnitude of the threat to Bolivian political, social and economic structures posed by the cocaine production-processing-trafficking operations currently taking place. Among many opinion leaders, a focus on problems related to drug abuse does not (as it should) connect to the related problems of leaf production, processing and trafficking. For example, the private business sector is just now coming out of its time-tested low profile policy with respect to matters of high public visibility, a policy designed to screen it off from the vagaries of Bolivian political life. The Catholic Church, for similar reasons, has not been active in the fight against the whole nexus of narcotics-related issues although it is engaged in prevention and rehabilitation. The messages being received by the general public are dispersed and confused; probably the strongest coherent message being received is that narcotics is a U.S. problem and that most of what is being done in Bolivia to address that problem is being done under pressure from the USG and may not take account of legitimate Bolivian interests.

The Project strategy is to create the awareness, in Bolivia, that the narcotics production-processing-trafficking nexus is a Bolivian problem. The strategy breaks the overall theme ("Narcotics is a Bolivian problem") down into a series of discrete messages designed for specific audiences and designates, for each "audience-message" unit, the most appropriate institutional structure for its promulgation.

Based on the project development work undertaken, this will mean expanding and reinforcing institutions (most notably the Educational System for Social Mobilization and Anti-Drug Addiction-SEAMOS) in the non-governmental sector to bring together as broad a range as possible of public opinion to support - or push for - strong anti-narcotics action by the Government and strengthening the research, information, and communications functions of CONAPRE and the Subsecretariat for Alternative Development and Crop Substitution (SUBDESAL). The principal long-range task of SEAMOS will be to help catalyze, pull together and support a nation-wide network of local and departmental anti-narcotics organizations. Operationally, the expanded institution will extend and reinforce existing narcotics awareness functions now carried out by USG backed organizations.

The key to the successful development of this strategy is credibility. Specifically, this means two things. First, the messages to be transmitted must be, and must be seen as being, Bolivian. Second, insofar as the messages to be transmitted touch on or mesh with the GOB's strategy of "alternative development" (e.g., alternative employment, crops, and new investment opportunities) those programs must be in place and functioning. The Project will assist SEAMOS to mobilize and foster Bolivian organizations that can create the conditions under which the GOB can move forward more forcefully on its counter-narcotics programs.

This Project fits in with and will enhance the overall Country Team strategy being carried out by USAID, NAS, USIS and DEA. Specifically, by providing a more supportive climate of public opinion, the Project will facilitate the counter-narcotics law enforcement activities being supported by the DEA and NAS. The expansion of SEAMOS into a more integrated organizational format, which will include training and outreach, back-up research and world-wide information sharing facilities, will enhance its effectiveness as well as simplify monitoring by the U.S. agencies concerned.

#### E. Project Description

The goal of this Project is to support and strengthen Bolivian commitment to drug prevention, law enforcement, eradication and alternative development programs. The Project purpose is to increase public awareness of and support for the Government of Bolivia's Drug Control Program by enhancing the public's awareness of the social, political, and economic dangers to the country, and of the personal danger to them and to their families, of narcotics production and trafficking in Bolivia.

The Project purpose will be achieved through three principal courses of action:

1. In the non-governmental sector, helping to catalyze and pull together a nationwide network of local and departmental anti-narcotics organizations and activities (some of which already exist) which will be linked, assisted and supported by SEAMOS. As a national organization,

SEAMOS will provide the local organizations with a broad range of informational, research, organizational, and technical support. It has a Board of Directors drawn from many sectors of the Bolivian private sector, e.g., business, the legal profession, the medical profession, the Church, the media, social benefit organizations (such as the Rotarians and Lions Clubs), etc., and a broad geographical representation. Members serve in their individual capacities rather than as "representatives" of the groups mentioned, but it is hoped that they will be able to bring to the meetings of the Board the points of view of their various "constituencies" and mobilize their "constituencies" to take action in support of the policies agreed to by the Board.

Under this Board is a strong, politically independent Executive Director charged with running the day-to-day operations of SEAMOS in support of this purpose and pursuant to policies established by the Board. These operations will take place in four areas: (1) public information; (2) technical assistance, training and outreach; (3) research; and (4) a resource center to assure the broadest possible collection and dissemination of information both within Bolivia and internationally.

2. An expansion of the training activities of CESE.

3. Strengthening the research, information, and communications operations of the two civilian GOB agencies involved in coca eradication and prevention efforts - SUBDESAL and CONAPRE.

F. Summary Financial Plan

**SUMMARY FINANCIAL PLAN  
(US\$000)**

<u>Component/Activity</u>	<u>AID Grant</u>	<u>GOB</u>	<u>TOTAL</u>
1. SEAMOS			
A. Info Collection & Research	950		950
B. Training & Tech Assistance	670		670
C. Communications	2520		2520
D. Admin & Operating Expenses	860		860
SUBTOTAL SEAMOS	5000		5000
2. Public Sector Program			
A. CONAPRE	500	4000	4500
B. SUBDESAL	380	1200	1580
SUBTOTAL PUBLIC SECTOR PROGRAM (Including Commodities)	880	5200	6080
3. CESE Training	1000		1000
4. Technical Assistance			
A. TA Contract			
1. Long-term	1290		1290
2. Short-term	800	800	
SUBTOTAL TECHNICAL ASSISTANCE	2090		2090
5. Evaluations/Audits	250		250
GRAND TOTAL	9220	5200*	14420

G. Project Issues

Several issues were raised in the course of project development work. These issues, and their resolutions, follow:

Issue 1. To what extent should project funds be used to support start-up and/or operational costs of local and departmental level organizations? Should they be "passed through" SEAMOS to the local organizations?

Response: Assistance by SEAMOS to local/departmental organizations should be limited to technical assistance/outreach, information and training. Local fund-raising techniques (such as the tax on the sale of lottery tickets in Santa Cruz to support the Comite Pro Santa Cruz) should, however, be an important aspect of training.

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\* 38% of Project costs from ESF and TGN, GOB

Issue 2. Should project funds be used to finance closely related informational activities which, while not "narcotics awareness" activities in the strict sense of that term are essential to the success of the project? Specifically, should project funds be used to finance (1) information activities of CONAPRE and SUBDESAL relating to crop substitution, or (2) prefeasibility study work designed to attract private investment to new investment opportunities?

Response: Project funds should not be used to finance the two categories of activities set out above. Other funding is available and should be used for those purposes. However, the project may publicize those activities and training provided for under the project should be used to increase and improve communications between GOB personnel involved in these areas and the clients (coca growers, businessmen) at whom such messages must be directed.

Issue 3. Given the fact that credibility is crucial to the success of this project, and that means, among other things, that Bolivians must see the messages emanating from SEAMOS as Bolivian messages, can this project succeed with SEAMOS being a partially USG funded operation?

Response: It can succeed if the Bolivians involved see themselves as carrying out a program designed to achieve important Bolivian purposes which happen to be congruent with USG interests. A number of Bolivians interviewed in the course of project preparation do have this perception, i.e., they are fully aware of the threat the narcotics industry poses to Bolivia and would welcome U.S. support in combatting it. It will not succeed if the Bolivians involved come to perceive that they are being paid or otherwise induced simply to carry out USG instructions. Fostering the first of these perceptions and avoiding the second will require a high degree of diplomacy, tact, and sensitivity to Bolivian perceptions on the part of the managers of the project. However, with this caveat, it is believed that the credibility of SEAMOS and its messages to Bolivian audiences can be maintained.

#### H. Summary Findings

The Project Development Committee has reviewed all aspects of the proposed Drug Awareness and Prevention Project and concluded that the Project is institutionally, financially, economically, technically, socially, and environmentally sound and consistent with the development objectives of the GOB and with Mission strategy and objectives.

## II. **BACKGROUND**

### A. The Drug Problem in Bolivia

Bolivia is one of two leading producers (Peru is the other) of coca leaf which ultimately reaches the United States in the form of

cocaine. Currently, land under coca cultivation in Bolivia is estimated at 53,920 hectares capable of producing 80,005 metric tons of dry leaf annually, yielding approximately 120 metric tons of cocaine hydrochloride (HCL), (1989 USG figures). This coca cultivation exists in two parallel tracks, as defined by Law 1008, the traditional and the transitional. All production is regulated by La Direccion de la Coca, a Ministry of Interior agency. The area under production in the traditional zone consists of 12,000 hectares, which is limited to the Yungas area of La Paz Department. Considering that it is estimated that nearly one-quarter of Bolivia's coca is grown in the Yungas, approximately 6000 hectares of "excess to traditional" coca are under cultivation in the Yungas area of La Paz Department. Nearly all of the balance of Bolivia's coca leaf is grown in the Chapare area of Cochabamba Department where some 37,000 campesinos cultivate coca. Although campesinos are independent owners/planters, most are members of one of the 640 sindicatos (unions) which combine to form 54 Centrales (federations). This syndicate/central structure constitutes the lower echelon of an active, functioning democratic form of local government which strongly influences the economic, political and social fabric of the Chapare campesinos's life. These structures are key building blocks in securing a successful voluntary eradication program.

Although coca has long been a traditional crop in Bolivia, its importance as a cash crop has increased with both the weakness of the Bolivian economy and, despite greatly reduced prices in the last 6-9 months, the potential for profit in the illegal market. Between August 1988 and July 1989 the price per 100 lbs. of dry leaf dropped from \$118 to \$60, then rose to \$90 in August 1989, at which time it began a steady decline to approximately \$10 in February of 1990. The current price (as of 31 July 1990) is approximately \$30. Although it is estimated that at current prices it is difficult for the coca farmer to keep on producing, the uncertain political climate and tentativeness of the GOB in promoting and taking positive law enforcement actions has kept the coca grower from turning to other crops, preferring to bide his time in the hopes that the price structure will return to "normal." In the meantime, there is evidence to indicate that more growers are processing their own leaves into paste and then selling the paste to intermediaries for further processing and export to international markets.

According to one source document: "Traditionally, Bolivia was a coca cultivator and first-echelon processor of leaf into coca paste. Most paste and limited quantities of base were exported to Colombia. The character of cocaine trafficking in Bolivia has changed due to excess production of cocaine products on the South American continent in the last few years resulting in declining wholesale prices at every echelon of the cocaine cultivation/processing/ distribution chain. Operating costs, on the other hand, have been relatively static, thus generating a profit squeeze. Thus, trafficking organizations now integrate operations vertically from paste buying through HCL processing, concentrating on base/HCL production and trafficking where markups and profits tend to be

higher, leaving peasants and intermediaries to handle the less profitable paste production. Major Bolivian organizations distribute some of their final product to the European market via Argentina and Brazil while continuing to supply wholesale quantities on a much larger scale to U.S. markets in consort with Colombian distributors, sometimes routing their wares via Mexico." (1990 International Narcotics Control Strategy Report-Bolivia: dated 28 Dec 1989)

Again, according to the 1990 International Narcotics Control Strategy Report-Bolivia, "Chapare campesinos harvest their fields about four times a year. Leaves are dried and usually sold in one of several markets in 100-pound units called "cargas." Prices for cargas fluctuated, sometimes radically throughout 1989, ranging from USD 27 to 100. Since cost of production and transport is estimated at USD 30, there is an unstable profit to campesinos, varying from 0 to 300 percent. This is in stark contrast to profits of a thousand percent or more associated with USD 200 per carga 1986 pre-BLAST FURNACE prices or peak 1984/1985 prices of USD 500-800 per carga."

The coca industry has produced dramatic changes in the country's labor market and demographic structures including, for example, the migration of both rural and urban poor to major coca-producing regions for employment. The decline of the Bolivian tin industry has further increased this migration pattern. In addition, there has been an increased level of cocaine and cocaine base abuse in Bolivia, fueled in part by the drop in the price of the substance and the practice of paying the workers in processing facilities (pisadores, etc.) with paste (in kind), which has led to a greater availability of cocaine base in the country. There is anecdotal evidence as well, of other social and psychological factors yet to be fully explored in the Bolivian context.

Although the prevalence of drug abuse appears to have increased in Bolivia during the past several years, there are no hard data to back this up. However, it is safe to assume that, as in Peru, Bolivia's role as a coca producing country has led to the increased domestic use of coca-based drugs. The easy supply and ready availability of cocaine base have kept prices low enough so that Bolivians in all strata of society have easy access to the market. The recent sharp decrease of coca leaf prices will further facilitate that access. The fact that cocaine base is generally only found in producer countries also makes Bolivia's drug abuse problem different from that of most other countries.

Indicators that the narcotics problem was recognized as a Bolivian problem date back to 1973 when a group of dedicated newspaper and radio journalists initiated a hard-hitting campaign to force the government to pass a narcotics law that had been floundering in the legislative branch. However, there are no indications that any serious actions were taken to enforce the 1973 law. Thus, a lack of action in dealing with drug problems is not new to this country. The serious economic and social

problems faced by Bolivia and the rampant corruption in succeeding governments since the 1973 law precluded any efforts to take strong positive action, at least until recently, against use, trafficking and production.

Historically, there have been additional reasons why the GOB has been ambivalent about the narcotics problem. In spite of the obvious facts the GOB and many individuals have seen narcotics as someone else's problem, with the major blame placed on the U.S. Thus, attempts to deal with the problem have been politically exploited as "...yielding to U.S. pressure." Half-hearted efforts to stop production and trafficking have been quickly countered by the peasants blocking critical road networks and/or marching on the Capital until the government backs down and things return to normal. This all plays out on a larger political stage in Bolivia.

Nevertheless, the GOB has developed a national strategy for narcotics prevention and control and created (Supreme Decree No. 21380) a National Committee for Prevention (CONAPRE), with affiliates in each of the country's departments. CONAPRE has responsibility for coordinating all activities in support of the National Plan. On July 19, 1988, the GOB passed "The Law on the Regulation of Coca and Other Controlled Substances, Law No. 1008", regulating production, trafficking, and use of coca, as well as other controlled substances. (See Annex IIB)

Programs undertaken by CESE (a NAS-funded drug education, information and training operation) and SEAMOS (a USAID-funded drug awareness project) in recent years have increased the level of awareness among Bolivians that they do have a narcotics problem. CESE found in its initial data bank investigations that a significant amount of drug use is apparent and that a high percentage of the young population can fairly be described as a high-risk group. That tentative conclusion is reinforced by the experience of the drug abuse hot line instituted in 1988. To get a better indication of the severity of the problem, the National Prevention Committee (CONAPRE) and the Pan American Health Organization have recently initiated a national epidemiological study that will serve as the baseline for future actions.

In spite of these actions, however, there still is little understanding among many Bolivian opinion leaders or the public at large of the seriousness of the drug problem. Little connection is being made between Bolivia's role as a coca producer, increasing domestic drug abuse, and economic/social development issues. Opposition political forces attempting to politicize the issue continue to stress the notion that narcotics is a U.S. problem and that the GOB is yielding to USG pressure. This information gap has translated into limited public support for GOB efforts to implement its major programs in counter-narcotics law enforcement. While the USG is undertaking major efforts to assist the GOB in these latter areas, more attention must be focused on providing the Bolivian public with better information and educational materials which

will help them to understand the seriousness and immediacy of the drug problems to them, as well as to develop the capacity to effectively lobby government and opinion leaders in support of improved commitment to drug prevention and law enforcement.

This Project will expand, strengthen and support SEAMOS to transform it into a nationwide education and mobilization mechanism, composed of a broad range of groups in the society, that can increase public awareness of drug issues and encourage greater popular support for stronger GOB actions to reduce the threat of illegal drugs to Bolivian society.

B. Constraints to Dealing with the Drug Problem in Bolivia

A number of factors constrain the easy resolution of the drug problem in Bolivia. Chief among these are the lucrateness of the drug trade, the attitudes of the public about drug issues and their impact on GOB efforts to deal with the problem, the lack of information and research on drug topics, and institutional and managerial limitations.

1. Economic Incentives to Involvement in Drug-Related Activities

The profitability of involvement in drug-related activities makes it extremely difficult to deal with drug problems. This is true at all stages of the coca production and marketing process.

At the production level, the primary cultivator of coca leaf may make at least ten or twenty percent more than competing alternative crops. Coca grows easily on very poor soil that is often unsuitable for other crops. It requires little care and can be harvested four times a year. Additionally, many of the coca growing areas are extremely isolated. The lack of a suitable infrastructure makes it difficult and costly to harvest, store, and transport perishable food crops to population centers. In addition, marketing mechanisms for coca are in place and functioning, which is not true for any alternative crops. This apparent lack of economically viable alternatives to growing coca has been a major factor stimulating the rapid growth of coca cultivation in Bolivia. But in coca, as in most other primary products, it is the primary grower who invariably is the most exploited, and profits least, of anyone in the production or distribution chain.

A similar phenomenon exists in the labor market. The dramatic shift of day laborers from legitimate crop production to coca producing areas has resulted in a shortage of laborers willing to work on land producing legitimate food and export crops in the food producing regions.

At the marketing level, a series of middlemen operate between coca producers and the final distributors of coca products. There is evidence that as the traditional Colombian purchasing operations are disrupted by current law enforcement efforts in that country, more and more small Bolivian operators are buying coca leaves from farmers and in turn selling them to large buyers, who convert them to cocaine base. Small quantities of paste are bought and grouped and either resold, converted to cocaine hydrochloride, or smuggled out of the country to be refined elsewhere. At each stage of this process, as the risk increases, the potential for large profits correspondingly increases. In a country with high unemployment rates and low wages, the money to be made in this process is extremely tempting.

## 2. Public Attitudes and their Impact on GOB Efforts

The GOB's strong drug laws, consisting of both international conventions and national laws, set the stage for strict, effective anti-drug actions. However, the Bolivian public's lack of understanding and knowledge and in many cases, outright misperceptions about the narcotics industry and the non-recognition of its hidden social, political, and economic costs have limited the ability of the GOB to take the strong actions necessary to effectively deal with the country's growing drug problems. Although among the upper and middle classes there is a general understanding of costs of the narcotics industry, the GOB does not want to take strict, effective anti-drug actions.

Coca chewing and cultivation have a long tradition in Bolivia. The coca bush is one of the oldest cultivated plants in South America, with archeological finds dating coca leaf chewing to as early as 3,000 B.C. Coca leaf chewing served both ritual and medicinal functions. Currently, there are an estimated 300,000 people in Bolivia who chew coca leaf. The practice is most common among the campesinos in the Altiplano and among the nation's miners. The acceptance of coca leaf chewing among these people as part of their culture, as well as its use in traditional medicine and witchcraft, and the widespread use of coca tea (mate de coca) at all levels of society to cure altitude sickness and other ills, has hindered recognition that use of coca derivatives or other substances can be and is a problem in Bolivia.

Many middle class Bolivians, including opinion leaders, tend to view drugs as a U.S. problem and continue to believe that efforts to resolve this problem should concentrate on reducing the demand for drugs in the U.S. rather than the supply in Bolivia. This attitude is common among the Bolivian populace in general. There is a growing acceptance that the problem is one of demand and supply, however.

Reinforcing this attitude is the fact that Bolivia's role in the coca production, refining and marketing process provides a living for thousands of small farmers without alternative income possibilities.

The belief is also widespread that the cocaine industry has an overall positive economic impact on the country. While recent arrests of "drug lords" in Bolivia's as well as in other countries have brought attention to the corruption and money associated with drugs, there is limited understanding here that production and easy access to drugs is facilitating domestic drug abuse, or that coca production and consumption in Bolivia also involve costs to society in terms of wide-spread corruption, severe economic distortion, increased use of scarce government resources for drug enforcement activities and health services for treatment of users, losses of worker productivity, and social and political destabilization.

The attitudes, beliefs and misperceptions common throughout Bolivia, along with the economic drain caused by competitive demands on GOB budgetary resources, have adversely affected the Bolivian government's allocation of resources for anti-narcotics programs. This is evidenced in small budgets, limited personnel and material, and inadequate support for agencies working in the drug field. Almost all money for drug eradication awareness and education comes from abroad.

Compounding this is the fear that active counter-narcotics law enforcement will produce a violent reaction that will turn Bolivia into another Peru or Colombia where violence from drug traffickers is a daily occurrence. Bolivians see the campesino as a poor individual who is barely eking out a living from coca cultivation, for want of an economically viable alternative crop, and the narcotraffickers as a group of deplorable but mostly non-violent individuals who have as yet not seen a need to organize in cartels, such as those in Colombia. But there is a derivative concern that if the GOB were to take forcible action to eradicate coca and the coca trade, that action might force the coca growers and narcotraffickers to unite in an organized revolt against the government's actions. Additionally, there is an expressed concern that involuntary eradication would result in social and economic upheaval not only among the campesinos but among those sectors that depend indirectly on the drug trade, again, with "dire political consequences."

### 3. Lack of Information and Research on Drug Topics

The above-mentioned public attitudes that limit GOB efforts to deal with Bolivia's drug problem are a consequence of minimal reliable Bolivia-specific information on drugs or drug-related problems being available for regular public review as well as a lack of means to effectively generate the information needed to fill this gap. Unsubstantiated estimates of drug use in Bolivia range from (1) ten percent have used at least once in their lifetime with two percent being addicted to (2) 10-11 percent being addicted. Unsubstantiated estimates tend to decrease credibility in any figures quoted. According to an evaluation of the USAID/Bolivia Narcotics Awareness Program conducted in August 1988 by Development Associates, Inc., USAID and other USG drug awareness programs have been successful in starting to alert the Bolivian

public to the dangers of drug consumption. A limited public opinion survey conducted as part of that evaluation revealed that although the drug problem was viewed primarily as a problem of drug consumption, the respondents did see that consumption is related to the existence of drug production and trafficking. A more recent (January 1990) public opinion survey conducted by USIA revealed that although only eight percent of those interviewed stated that drug addiction and narcotics traffic was the most important problem facing Bolivia, 45 percent felt that stopping production and trafficking of illegal drugs should be a top priority of the GOB. Concurrently, however, 27 percent felt that drug trafficking is beneficial to the country as a whole, economically. Thus, these awareness programs have not yet succeeded in forming a broad, coherent view of the narcotics problem in Bolivia nor in convincing the mass of the population that trafficking poses a social, economic, and political threat to Bolivia. Additionally, although there is a perception among many Bolivians interviewed in the course of project preparation that drug consumption is on the increase, there are no existing valid studies to back that up.

It should also be noted that in the medical/pharmacological field, there is a dearth of valid information concerning the actual implications of cocaine base abuse as increasingly practiced in Bolivia, despite some indication that it may diverge from the medical effects of other forms of cocaine abuse. In the economic field there is little reliable data concerning actual yields in coca leaf production, or on conversion ratios and other aspects of the cocaine refining process; this lack is a serious impediment to accurate assessment of the much-vexed question of the actual economic implications of coca production and cocaine exports for Bolivia.

Quality applied research needs to be carried out so that information useful for Bolivian drug awareness and lobbying programs can be produced. There is a need for research not only on drug use and its effects on society, but also research on the social, economic, and political impact of coca production and trafficking. Several factors, however, keep this from happening. Funding is rarely available for such activities and data collection is difficult. No systematic collection of drug information presently takes place through the hospitals and health clinics of the Ministry of Social Security and Public Health. Few people are trained to carry out drug-related research and fewer yet are able to convert results into a usable form for public education and lobbying efforts. Efforts such as the joint CONAPRE/PAHO national epidemiological study of drug use need to be institutionalized so that follow-on studies will be comparable, not only within Bolivia but internationally as well. Furthermore, there is a reluctance to delve too deeply into the economic aspects of drug production and its effect on the national economy.

Until this information and research constraint is overcome, little progress will be achieved in educating the public about the seriousness of the drug problem in Bolivia and, thereby, changing public attitudes. Yet, public attitudes must change before the GOB can be expected to take stronger actions to deal more effectively with Bolivian drug problems.

#### 4. Institutional and Managerial Limitations

There are a number of public and private organizations working in the drug field, addressing various aspects of the drug problem. Both the public sector and private sector are active in promoting messages discouraging drug abuse. The GOB has three sub-secretariats specifically charged with responsibilities for crop substitution, prevention, and law enforcement. There is a de jure national campaign against narcotraffickers and drug abuse. In the private sector, organizations as varied as the Catholic Church, (though at local levels and not uniformly or nationally), the Cruz Roja, the Confederation of Bolivian Private Businessmen (CEPB), Rotary Clubs, and the Comite Pro Santa Cruz are actively promoting anti-drug abuse messages. What these efforts have in common, however, is that they are fragmented and diffuse. Individually, these organizations cannot significantly alter public perceptions of the drug problem in Bolivia.

Private sector institutions have a number of built-in limitations that are difficult to overcome without assistance. But the Bolivian Confederation of Private Businessmen (CEPB) has been particularly active in supporting the activities of SEAMOS in recent years. In recent months, the CEPB has become increasingly interested in playing an active role in drug-related actions. In the past, its leadership has shied away from being too active because they do not wish to be over identified with one side of a controversial issue, and in the coca cultivation areas, they fear retaliation from the narcotraffickers. Nonetheless, the national support that the CEPB represents, the technical knowledge gained over the past few years, and the links it has with other anti-drug agencies in Bolivia, make SEAMOS a more than adequate vehicle for the enhanced mobilization and outreach activities of the Project. The Cruz Roja and other PVOs lack the institutional capacity and managerial expertise to reach a national audience. Their messages are directed at specific populations, in limited areas. In addition, there are regional differences in the commitment to drug information, education, and mobilization efforts. Organizations in Santa Cruz, for example are active. In Cochabamba new efforts to increase awareness of the need for action are being developed. Major drug awareness activities in the La Paz area have generally been the work of SEAMOS and CESE, both USG funded agencies. Overall, Bolivian institutions have not yet come to grips with the problem facing the nation. There is no broad based national drug education/information, research, and technical assistance organization to influence national and local leaders, educate and inform public opinion, and to encourage and assist private groups to mobilize to carry the message that the drug traffic is a Bolivian problem.

In the public sector a national council on drug abuse (CONALID) and its three subsecretariats are well staffed at the senior level, but lack managerial and technical expertise at the middle levels and in the departments. Management control systems in accounting and personnel administration are not up to the standards required for effective and

efficient accomplishment of the tasks assigned to CONAPRE and SUBDESAL. Though a national plan for alternative development and crop substitution exists, it does not address the broader issues that face the GOB: that is, educating the population on the threat that drug abuse poses for the nation and building institutional capacity to deal with it. Bureaucratic competition is also a factor to be considered as responsibilities in the government are developed and refined. Based on experiences in other nations, it would not be unfair to state that the implementation of a broad-based, well coordinated national program of information, education, and mobilization is not likely to come out of sub-units of ministries and national committees, no matter how well-intentioned the participants. Furthermore, any such program aimed at support of strong government action and emanating from the public sector would be (1) highly suspect to most Bolivians and (2) subject to tempering its message to what the government considered expedient.

Further compounding the individual problems of public and private sector institutions is the lack of a coherent program. There is competition for resources and facilities and very intense regional rivalries. The private sector does not speak to church organizations, the church does not work with Cruz Roja, and officials from one government agency do not necessarily cooperate with another. The public sector will not support private sector activities, and the private sector is suspicious of public sector motives. The one bright spot in the picture is the almost universal respect for the work of CESE as a training asset, even though CESE is an operating unit of the U.S. Embassy (NAS and USIS). This strength and CESE's overall utility in the expanded effort will be enhanced by linking it to SEAMOS to provide staff and promoter training.

These weaknesses constrain the activities and effectiveness of all institutions attempting to have an effect on the drug problem in Bolivia. The sheer number of organizations variously active in the field requires a unified education/information, research, and technical assistance entity to better target the inchoate programs now in place. Bolivia requires a planned, coherent institution to focus on the dangers the narcotics traffic poses to national social, political, and economic structures.

### C. Drug Policies and Programs

#### 1. Government of Bolivia

The GOB has in place a strong policy framework consisting of international conventions and national laws, supported by GOB and donor assisted programs, to address drug issues. However, Bolivian governments traditionally have not always been eager, much less able, to enforce their national laws in a determined but politically costly fashion. Although the situation is changing, they have preferred to rely primarily on voluntary eradication of coca fields and have until recently shied away from

confronting narcotraffickers, except in rare cases. Under the "Declaration of Cartagena", signed in February of 1990, (by Bolivia, Peru, Colombia, and the United States), "the parties agreed to undertake to support development and expansion of programs on comprehensive prevention, such as preventive public education in both rural and urban areas, treatment of drug addicts, and information to encourage the public opposition to illegal drug production, trade and consumption."

At the national level, Law No. 1008, on The Regulation of Coca and Other Controlled Substances, enacted July 19, 1988, banned new plantings, defined the Chapare as a transition zone and called for reduction at a rate of 5,000 to 8,000 hectares a year. It spells out penalties for violations of drug laws; defines legal and illegal use of coca leaf and its derivatives; provides the guidelines for production, distribution, and commercialization of coca and defines the zones of traditional production, excess production in transition, and illegal production; and assigns responsibilities for drug abuse information, prevention, and treatment. Under the Law, the Executive Branch is charged with implementing the National Integral Plan for Development and Substitution (PIDYS), establishing conditions and terms for voluntary eradication and appropriate compensation; CONALID (The National Council Against Illegal Use and Illicit Traffic of Drugs), a multi-sectorial committee chaired by the Minister of Foreign Affairs, is charged with overall enforcement of the Law; the Minister of Social Security and Public Health is responsible for regulating those controlled substances stipulated in international conventions, and, through its Department of Mental Health, approving the establishment of private treatment and rehabilitation centers.

The Subsecretariat for Alternative Development, (SUBDESAL), created in 1987 within the Ministry of Campesino Affairs and Agriculture, is responsible for managing a program of voluntary coca reduction, verification, direct payment, and alternative development. CONAPRE, the National Committee for Prevention, recently designated as an autonomous Subsecretariat for Prevention, Treatment and Rehabilitation, is responsible for coordination, monitoring, and evaluation of all narcotics awareness activities nationwide. With the advent of the new administration, the cornerstone of the GOB's new drug policy is that eradication and prevention must go hand-in-hand with alternative development. These drug-related conventions, laws, and organizations are discussed in detail in Annex II, Exhibit B.

## 2. Private Programs

Several private organizations in Bolivia are currently addressing various aspects of the drug problem. Notable among these are SEAMOS (Sistema Educativo Antidrogadiccion y de Movilizacion Social), a USAID-funded drug awareness program that concentrates on developing and disseminating a national media campaign and supporting other drug abuse prevention programs. SEAMOS operates under the aegis of the Confederation

of Bolivian Private Businessmen (CEPB), which contributes some financial, logistic and administrative support to SEAMOS. The project has been in operation since January 1987, and is currently shifting its narcotics awareness focus from prevention of drug consumption to prevention of narcotics trafficking and coca production as well. This is the most obvious candidate to serve as an umbrella organization for carrying the Project objectives. CESE (Campaña Educativa Sobre Estupefacientes), is funded by the Narcotics Affairs Section (NAS) of the U.S. Embassy and administered by the United States Information Service (USIS). CESE, which operates directly out of the U.S. Embassy, has three major programs, developing a data bank, human resource training, and operating a hotline. Its training program has been very effective with teachers, which has led to the development of some elements of a primary school curriculum. CESE would be strengthened by underwriting the increased staff and materials production costs incident to carrying out certain training functions coordinated with SEAMOS under agreements to be negotiated between the two agencies.

Other private sector organizations involved in drug awareness-related activities include AMANECER, which works with street kids and children abandoned by their parents; San Martín de Porres, which operates a rehabilitation center for children addicted to drugs. Both of these organizations are in Cochabamba. Additionally, civic groups such as Rotary and Lions Club also promote and sponsor limited drug awareness activities. Entities as diverse as private not-for-profit organizations like CIEC (Centro Interdisciplinario de Estudios Comunitarios) and Productora Jorge Suarez (formerly Illimani de Comunicaciones), a private television production agency, have been involved in drug awareness training and production of media communications.

The Catholic Church, has been involved to some extent in drug information, education, and prevention activities, although it tends to shy away from direct positions on coca cultivation or trafficking. In the case of the campesinos involved in coca cultivation, and to a lesser extent, production of paste, the Church tends to look the other way at least in part because they see no economic alternatives for the people involved. There is, however, a priest on the SEAMOS board of directors.

### 3. U.S. Drug Policy and Strategy in Bolivia

U.S. narcotics policy in Bolivia is to minimize and eventually eliminate the availability of illicit cocaine products generated from the country's considerable coca cultivation and to stem their flow into the United States or other world markets. The strategy in pursuit of that policy envisages a balanced approach involving counter-narcotics law enforcement, coca reduction, alternative development, disruption of the narcotics-trafficking community, institution building and public diplomacy.

United States support for Bolivian counter-narcotics law enforcement and coca substitution activities focuses on improving the institutional, managerial and operational capabilities of the GOB entities dealing with those matters so that they can carry out their responsibilities more effectively. Coca eradication is supervised by the Directorate of Agricultural Reconversion (DIRECO), an NAS-supported operating agency of SUBDESAL. Counter-narcotics law enforcement is the responsibility of the Ministry of Interior's Special Force for the Fight Against Narcotics Trafficking (SFFANT) which includes the NAS-supported Rural Mobile Patrol Units (UMOPAR) that collaborate with DEA in paramilitary constabulary operations in coca producing and processing areas; urban narcotics enforcement personnel of the National Police; and counter-narcotics task forces of the Bolivian Navy and Air Force, the latter operating U.S.-owned helicopters on loan to Bolivia. NAS also provides support for nine special Prosecutors of Controlled Substances who accompany UMOPAR on field enforcement operations and monitor selected significant counter-narcotics judicial proceedings.

U.S. military personnel have assisted the Bolivian police in establishing a professional training facility in Chimore. Now run primarily by Bolivian police personnel, it has opened its doors to members of foreign police forces and is an international training center for narcotics interdiction.

To supplement the voluntary and non-voluntary coca eradication program carried out under the supervision of DIRECO, the Subsecretariat for Alternative Development and Crop Substitution (SUBDESAL), supported by USAID, provides a range of credit, agricultural extension and related alternative agricultural development services to coca producers who voluntarily reduce or eliminate their coca plantings. This is part of the longer-range Integrated Plan for Development and Crop Substitution (PIDYS), also run by SUBDESAL, which USAID is supporting through programs in Agriculture and Rural Development (including the Cochabamba Area Development Project) and through its Office of Private Sector. These programs support the GOB's alternative development strategy by seeking to develop alternative means of livelihood for those who are affected by counter-narcotics efforts.

In support of the counter-narcotics law enforcement programs of the GOB, two parallel efforts have been followed in the area of public diplomacy. These two programs are designed to increase public awareness, in Bolivia, of the threat posed by the cocaine industry to Bolivian economic, political and social institutions and values. NAS is funding technical assistance and training organization, CESE (the Educational Campaign on Narcotics). Started in 1983, CESE operates as a part of the U.S. Embassy. Its programs have been focussed chiefly on the problem of drug abuse. CESE's principal target groups have been parents, teachers, public opinion leaders and the media although it has produced some informational materials aimed at coca growers. It works through the

publication and dissemination of printed materials and also through training courses, workshops and seminars. Working with the Ministry of Education, CESE has trained a core group of educators who will work in the schools. It has also produced didactic materials for use at various grade levels which have been accepted by the Ministry of Education for incorporation into the core curriculum and have been incorporated into text books.

Working with the Confederation of Bolivian Private Businessmen (CEPB), USAID, in 1986, helped to start SEAMOS, the Educational System Against Drug Addiction and for Social Mobilization. SEAMOS functions as an operating entity of the CEPB which provides in-kind support; the bulk of the operation is funded by USAID. SEAMOS produces radio and television spots for national dissemination and distributes press releases and other informational materials to the media. Although it originally focussed on narcotics abuse and addiction, SEAMOS is now moving out into broader themes tending to show the links between the dangers of addiction and the existence of the cocaine industry in Bolivia. Its audience has been the urban Bolivian middle class, and some of its materials have been criticized for being produced in La Paz with a La Paz audience in mind, although this has been changing recently.

As set out more fully below, the present Project will build on the foundations provided by the work done by SEAMOS (and CESE) to reach out and seek the active involvement of the Bolivian people in support of the GOB's anti-narcotics efforts. This greater involvement, supported by continued and enhanced programs of education, information and research generated by a stronger, more credible SEAMOS, will generate increased and more knowledgeable support and pressure for firm government action.

#### D. Project Rationale

One hardly needs to argue at great length about the importance of the narcotics problem to the United States. A recent study cited by Sen. Joseph Biden indicated that the number of narcotics abusers in the United States may be as high as 2,000,000, almost twice the most frequently cited figure. Consumption patterns in the U.S. have changed from powdered cocaine, which is usually inhaled, and with its principal market among the urban middle class, to "crack." This substance is smoked, is much cheaper per dose, is highly addictive and has greatly expanded the market to include the inner-city poor. This simultaneous increase and shift in consumption has multiplied the related problems of treatment and law enforcement to deal with wide-spread crime.

This expansion of the market for cocaine in the United States has created an expanded demand for the cocaine-producing industry in the producer countries. This demand, if allowed to operate unchecked, will greatly increase the already high economic, social and political costs being incurred by the producer countries. The role of coca in the Bolivian

economy already is extensive. USAID estimates put the total income effect (direct and indirect) of the cocaine industry in Bolivia during 1988 at about \$US 655 million, or about 15% of GDP while the total employment effect (direct and indirect) was estimated at about a quarter of total legitimate employment. Although no firm figures exist, the number of drug users and addicts, particularly among Bolivian youth, is believed to be growing rapidly. Everywhere one is told that cocaine-related corruption is growing.

As concern over drug abuse in the U.S. has grown, there has been an increasing belief that ever-stronger efforts need to be made by drug producing and processing countries to bring illicit production, and processing/trafficking, under control. Bolivia, as one of the two major producers of coca in the world, has been a key target of such interest. And, while Bolivia's efforts to date have drawn favorable notice in the United States, notably during President Paz's visit to Washington in May, 1990, it also is clear that more can be done here.

With such priority being given to narcotics matters, the U.S. Country Team in Bolivia reviewed its anti-narcotics programs to determine what more could be done to control coca production, processing and trafficking. One of the areas identified for increased effort was public awareness. It was felt that increased awareness in Bolivia of (1) the fact that narcotics production and trafficking was a Bolivian problem and not just a problem of the consumer countries and (2) that increasing problems of drug abuse in Bolivia were inexorably tied to the whole chain of production, processing and trafficking, would result in stronger support for the GOB's programs of eradication, anti-trafficking and alternative development. Thus, the present Project will directly support the U.S. objectives of reducing the supply of cocaine to the U.S. market and of furthering Bolivian economic development goals.

#### E. Project Strategy

The Project strategy is based on the recognition that before a country can take significant action to deal with its drug problems, there must be high levels of public concern about drug-related issues, a good understanding of the problem, and support for efforts to deal with it.

In Bolivia, at present, thanks in great part to the work that has been carried out by SEAMOS and CESE, there is an increasing awareness of the problem of drug abuse in the country. This awareness, however, has not led to the next logical step, the realization of the connection between the supply of drugs in the country and the abuse problem. To many people in Bolivia, including many opinion leaders interviewed in the course of the project preparation work for this Project, the "narcotics problem" is one of demand in the principal consumer countries; if the demand didn't exist, many people feel, Bolivia's narcotics problem would be solved. Only a few people interviewed were willing to face the fact that supply and demand are

interconnected and that a coherent attack on the problem requires working on both factors simultaneously.

Very closely related to the perception of "demand" as governing the narcotics problem is the perception that the problem is a U.S. problem, rather than a Bolivian problem. Not only does this derogate from efforts to form a strong, national consensus in Bolivia for firm government action against the narcotics industry, it also undermines the credibility of U.S. information efforts directed at the narcotics problem.

Additionally, as narcotics as a topic of national concern has started to percolate into national awareness in Bolivia, some groups previously unwilling to take the lead in calling attention to the matter, now are interested in participating with other Bolivian institutions in attacking the drug problem. This seems to be true of some segments of the business community. The business community, still suffering to some extent from the last vestiges of the Marxist philosophy of the 1952 revolution, has had a long history of keeping its head down and of not drawing attention to itself by involvement in politically "hot issues," which the drug issue is becoming. One major exception has been the CEPB's willingness to cooperate in the SEAMOS project. The current Vice-President of CEPB is leading a move to expand the scope of its program on drug issues.

Another leadership institution in Bolivia, the Catholic Church, seems to want to avoid identification with the larger implications of the narcotics issue, although active in problems of drug abuse. The Church, however, has no official position on the issue, and individual bishops can and do vary widely with respect to their public stance on the matter.

Finally, although there are individuals and groups all over the country that are concerned about the narcotics problem and where it might be leading, they are operating in isolation, without knowledge of each other or even of where they might find the information or technical assistance needed to support their individual efforts.

The Project strategy is aimed at pulling together the existing groups and individuals in the country currently concerned with the narcotics problem and, starting with SEAMOS, expanding them into a strong, broad, national network in support of the Government's efforts to solve the problem. It is believed that by forming as broad a consensus as possible, potential leadership groups, such as the Church and the business community, which do not want to play high-visibility roles in isolation, will be induced to join the effort and play the effective roles they can play. It also seems clear that a national effort, by providing linkages among the groups now working on parts of the narcotics problem, as well as those that this Project will seek to mobilize, will provide a synergistic effect which will strengthen their individual efforts and will enable them to connect pieces of the problem - such as drug abuse - to the global problem.

To ensure the credibility of this effort - and of its central message: The Cocaine Trade is a Bolivian Problem - the strategy envisages expanding, and strengthening SEAMOS to carry out the information, education, training and mobilization required to form the national network. SEAMOS would remain a private sector institution, both to enhance its credibility when supporting Government efforts and to allow it to lobby for more effective Government action where that is felt to be called for. A private sector institution has the added advantage of surviving intact through political change. Maintaining the credibility of SEAMOS' messages as Bolivian will require deft handling by the USG agencies concerned, and great sensitivity to the perceptions of SEAMOS' staff and to those of other Bolivian anti-narcotics organizations.

The Executive Director, while responsible for carrying out the policies enunciated by the Board, should have the greatest possible degree of autonomy in carrying out operations pursuant to those policies. For example, he/she must be free to hire and fire his/her own people; he/she must be free to set priorities in allocating the resources made available. In a word, he/she must be free to carry out the day-to-operations of SEAMOS without interference from the Board, or individual members as long as he/she adheres to the policy guidance laid down by the Board. This also is seen as being essential to the credibility of SEAMOS, to keep it from being seen as subject to "political interests" or the interests of any faction or clique that might form within the Board.

The technical work of SEAMOS would be aimed at mobilizing and supporting public action in support of strong Government anti-narcotics programs in all areas, that is in turning narcotics awareness into public action. To this end the information programs of SEAMOS should encourage the formation of local organizations to join the anti-narcotics fight. Technical assistance and training should be designed for "promotores" to help and encourage this local organization effort. To encourage decentralization, a vital thrust to the entire effort, the majority of these "promotores" should "belong" to local - preferably departmental-level organizations.

In addition to mobilization of local level organizations, SEAMOS should work through individual members of the Board of Directors to get programs going among the various sectors they represent. Indeed, election to the Board of Directors should keep this factor very much in mind. While members of the Board should serve in an individual, rather than representative capacity, they should be individuals with sufficient standing in their respective groups to get those groups involved in anti-narcotics activities such as professional seminars, public education and mobilization campaigns (through such groups as the Rotarians, Lions, Boy Scouts, athletic associations, etc.) and similar activities. In all of these activities, of course, those groups will count on the support of the technical staff of SEAMOS.

Although, as has been seen, this strategy focuses heavily on the private sector, two links to the public sector are contemplated. The most direct contact with coca growers in the Chapare - the "transitional" coca growing area - is now maintained by SUBDESAL, the government agency in charge of executing the plan for voluntary coca reduction and alternative development. On the other hand, SUBDESAL also is the logical agency to identify - at least on a preliminary basis - the most likely areas of private investment in support of the government's program of alternative development. Project development work has indicated the area of communications as an area of weakness in SUBDESAL's work. Indeed, at least in its work with coca growers, SUBDESAL acknowledges this weakness. In terms of communications with the private business sector, this is an area that had escaped SUBDESAL's notice, at least until it came up in conversations incident to project development.

Thus, this strategy also contemplates provision to SUBDESAL of training in communications techniques aimed at these two audiences - coca growers and private businessmen - plus some commodity support to provide more effective radio coverage in areas it has targeted in its operating plan. Some thought should be given to supplying training through the technical assistance components of SEAMOS and CESE to enhance the connections between the public and non-public sector components of the overall anti-narcotics effort directed at campesinos in Bolivia.

In formulating this strategy consideration was given to going beyond these limits and providing direct support to SUBDESAL's messages on alternative crops/alternative investment opportunities. It was decided not to go beyond the provision of the training described here, on the grounds that other USAID programs, namely those of ARD and the Private Sector Office, already are providing support in those areas.

Finally, this strategy also contemplates assistance in research to CONAPRE, the central Government coordinating body on the whole gamut of drug-related activities. CONAPRE presently is involved in the epidemiological study being carried out by PAHO. A continuing series of such studies, carried out at about two year intervals, are essential to track the effectiveness of efforts to stop narcotics abuse in Bolivia and, as such, should serve both as a useful surrogate to measure the success of the entire anti-narcotics effort and as a continuing motivator of public opinion in favor of that effort. CONAPRE is the logical agency to carry out these studies. Assistance for other activities of CONAPRE is not contemplated.

In short, this strategy represents a step forward in the Country Team's public diplomacy efforts in support of strong, effective GOB action to counter the narcotics industry in Bolivia. In enlisting local action and local dynamics in support of the GOB's efforts, the whole USG anti-narcotics strategy in Bolivia should be strengthened to the benefit of both countries.

F. USAID Response to Drug-Related Constraints

This project has been designed to address the second constraint, public attitudes, set out under Section II.B above. It will also address, in a major way, the third constraint (Lack of information and research on drug topics). Institutional and managerial limitations - the fourth constraint noted - will be dealt with by this project as described below.

1. Economic Incentives Favoring Production

No single project can address this constraint and expect to meet with success. The constraint is a manifestation of continued high demand for cocaine and Bolivia's poverty, lack of economic opportunities for both small farmers and urban workers and the relative isolation both of the principal coca producing area of the country and of Bolivia itself within South America. More and more however, by aligning its total portfolio to the narcotics problem and to the national strategy of Alternative Development, the Mission is moving forward with a coherent attack on this whole nexus of problems in Bolivia. Most directly, USAID programs to support Bolivia's efforts in alternative crops, its program in the high Cochabamba valleys to provide alternative employment and its private sector programs to encourage alternative investments and to seek marketing outlets for alternative crops and other Bolivian products, all strongly support the Alternative Development policy. The present Project also will support these efforts by mobilizing public opinion and seeking public action in support of the goals of Alternative Development.

2. Public Attitudes Constraints

The main thrust of the project addresses this constraint. The Project will attempt to change the Bolivian public's perception of drugs and drug-related issues. SEAMOS, via its education, information, and technical assistance activities, with extensive emphasis on outreach and mobilization of community groups, will initiate a comprehensive process of educating the public about the current and potential problems drugs, drug trafficking, and production pose for Bolivia. As it continues to reinforce this message, the public will become progressively more aware of the problem and attitudes towards drug use, trafficking, and coca production will begin to change. It is expected that the Bolivian public will increasingly support the GOB in its efforts to deal with the country's drug problems. Drug-related problems will come to be recognized as the national menace they are.

3. Lack of Information and Research

The Project, while not purporting to support major research grants, will support information development and selected applied research. The Project will assist in identifying and prioritizing

drug-related topics which need further investigation. Topics identified will be those which will provide information useful for Bolivian drug education and lobbying programs.

Information development will concentrate on generating accurate and relevant Bolivian-specific materials that can be used for educational purposes. Applied research data will be converted into information packages; medical and other epidemiological studies will be presented in a form that the lay person can understand; and the social and economic impact of drug-related problems will be explained verbally and graphically so as to be easily comprehended by all.

The Project will strive to institutionalize the collection and development of drug information and materials, for use not only within the Project, but also for distribution among both GOB and private sector entities with an interest in drug-related topics. In this manner, the information gap will be effectively closed and materials will be available with which to address the public attitudes constraint.

#### 4. Institutional and Managerial Limitations

This project will address institutional and managerial limitations related to narcotics awareness issues in both the public and private sectors. In the private sector, the Project will assist in strengthening an existing organization (SEAMOS) that will mobilize activities of private sector organizations dealing with drug related problems. SEAMOS will encourage the formation of these organizations and will provide them with information, training, research, and technical assistance and serve as a resource center to assure the broadest possible collection and dissemination of information on drug abuse both within Bolivia and internationally. The purpose of SEAMOS activities will be to promote the mobilization of Bolivian individuals and institutions and at the same time to deliver anti-drug messages directly to the public.

In the public sector the Project will work with CONAPRE and SUBDESAL, the two government civilian agencies most involved in narcotics issues, to specifically improve their institutional capabilities to address narcotics awareness problems within their target groups: drug related research, for example, in CONAPRE, and campesino and business outreach in SUBDESAL. Additionally, as a result of the Project's efforts in improving narcotics awareness in Bolivia, the government might be more willing to provide funding and staff to support more effective operations of existing and new drug related programs, as well as to seek broader based external funding sources. Together, these efforts will contribute to overcoming the coca production, processing and drug abuse problems facing Bolivia.

While the Project addresses all of the major identified constraints discussed above, the primary emphasis is on alleviating the public attitudes constraint. This constraint has not only been recognized

as being a key impediment to resolution of Bolivia's drug problems, but it is also amenable to resolution with a well-designed program. Because of the interrelationships among the constraints, attempts to resolve the public attitudes constraint will be complemented and reinforced by addressing the lack of information, training, research, and technical assistance, and institutional and managerial weaknesses.

G. Relationship to USAID Development Assistance Strategy

1. Relationship to Program Strategy

The USAID/Bolivia Action Plan, FY 1991-1992, dated February 1990, lays out the Mission's strategy and implementation plan for the period in question. Narcotics is a central theme in that plan as, indeed, it is in the whole context of USG/GOB relations. As is set out quite clearly and succinctly in that document: ". . . we have come to believe that our economic growth objectives for Bolivia are best seen in the context of the economic transformation necessary to move Bolivia to an economy less dependent on coca for its principal sources of export earnings and jobs."

As the Action Plan goes on to elucidate: "Both narcotics control and economic development are essential and complementary aspects of the narcotics reduction effort. Our enhanced economic support package is designed to spur economic growth, diversify the export base to increase foreign exchange earnings, create the legitimate jobs necessary to employ displaced coca producers and processors, and meet the basic needs of Bolivia's poorest population. Our strategy is designed to create conditions for sustained growth which will permit a peaceful transition from a coca-led economy to one with a stable, legitimate, and diversified economic base. Without effective interdiction, however, our alternative development and crop substitution program has no chance of success."

The Narcotics Awareness Project directly supports the objectives, quoted above, laid out in the Mission Action Plan. By mobilizing and increasingly educating Bolivian public opinion, the Project will add the crucial missing ingredient to present Bolivian operations in narcotics interdiction and eradication - strong public support. And, by educating the Bolivian public to the full dimensions of the relationship between narcotics eradication, law enforcement, and alternative development, in the envisaged context of a nation-wide mobilization effort, it is hoped that private sector support can be dynamized for such specific objectives as the processing and marketing of alternative crops, the search for export markets for Bolivian products (both agricultural and non-agricultural) and providing incentives for new investment to create alternative employment opportunities.

2. Relationship to Other AID Projects

The FY 1991-92 Action Plan quoted above represents a refocussing and further sharpening of USAID project activities rather than

a new departure. The central theme of this refocussing is the USG anti-narcotics effort and the economic development efforts needed to support it.

Given that fact, the various components of the Narcotics Awareness Project can be seen to relate very closely not only to overall Mission strategy, but also to a number of the key, specific Program Areas that comprise that strategy. The expanded SEAMOS, proposed as the centerpiece of the Project, thus, will support not only Country Team programs in counter-narcotics law enforcement, but also will tie in closely to USAID's Program Area 2 (Alternative Development) and 4 (Export Promotion and Diversification) as well as the programs in microenterprise development and the high Cochabamba Valley area development project. The Project component dealing with SUBDESAL also will directly support Program Areas 2 and 4 and should also support - albeit somewhat less directly - Program Area No. 1, (Maintenance of Sound Economic Policy). The component of this Project dealing with CONAPRE will provide, through research, the information necessary to direct many of the other actions contemplated under the Project.

### 3. Relationship to Previous USAID Narcotics Awareness Activities

This Project builds on and extends progress made under the Narcotics Awareness Project 511-0592. SEAMOS, thanks to AID's start-up support and assistance, is an experienced, "going" operation. Its expansion and strengthening will provide an enhanced base from which its messages will have greater credibility with its target audiences. The collateral support in its research activities and resource center also will help to sharpen and strengthen its messages.

Enhanced collaboration between SEAMOS and CESE, also should serve to strengthen both operations. Messages transmitted by SEAMOS will be able to urge audiences to learn more about the narcotics problem and to form community groups to combat it. SEAMOS will also be able to provide information and technical assistance to support that message.

The very effective television series "Más Allá de los Hechos", which AID funded and for which it has been seeking an institutional "home", should be exploited by SEAMOS for use in both public education and training modes. SEAMOS would, of course, make that series available to other organizations, public or private, to support their anti-narcotics activities.

This Project also would build on previous work AID has done with CONAPRE and SUBDESAL. With respect to the former, it is proposed to supply technical assistance and funding to that organization to allow it to participate fully in the epidemiological study being carried out with the collaboration of PAHO. This support will be designed to enable CONAPRE to

carry out similar studies on its own in the future. Such studies will be necessary to track the success of narcotics awareness and anti-abuse programs. Other research efforts by CONAPRE, as defined with the help of Project-provided technical assistance, also would be supported.

The assistance package proposed for SUBDESAL under the project will further strengthen its role as the "front line" institutional contact with the coca growers. Previous (and on-going) AID activities have supported SUBDESAL in that role and the proposed training of SUBDESAL's extension agents in communications techniques, with particular reference to the coca growers, should strengthen it. In addition, the attempt to be made under the Project to put SUBDESAL into closer and more frequent contact with potential investors in alternative development possibilities will enable the organization to more fully carry out its implementing role under the PIDYS.

#### 4. Relationship to Other Donor Activities

UNFDAC is another major donor providing program assistance to the GOB to deal with drug-related programs. UNFDAC's assistance to Bolivia began in 1976 covering small-scale projects in the treatment, rehabilitation, vocational training and preventive education sectors. In December 1984, UNFDAC approved a five-year US\$20.5 million program of agricultural diversification and agro-industrial development for the Yungas area of La Paz province designed to replace coca plantations by alternative sources of income. This initial project has since been augmented by additional contributions (through UNFDAC) by the European Economic Community.

Additional UNFDAC projects include Community Development and Primary Health, executed by the Italian Solidarity Center (CEIS). Another CEIS-executed project on Treatment and Rehabilitation in Non-Governmental Institutions was approved in March 1986 to support training courses for groups of professionals who would then form a nucleus for the development of outreach capabilities for the treatment and rehabilitation of drug dependent persons in Bolivia. Anti-trafficking and production projects include a three-year project to improve the effectiveness of the national police and the judiciary; a preparatory assistance phase project to promote a comprehensive approach to the control of cultivation, production, trafficking and consumption of narcotic drugs through the shaping of attitudes in favor of a society free of illicit drugs (this did not go beyond the organization of a workshop where possible approaches were analyzed); a three-year project funded by the United Kingdom to provide minimum integrated services for basic rural sanitation in Los Yungas and the Chapare; and a proposed Community Development Project for Chapare dealing with Social Development, Health and Education.

The UK also provides some direct bilateral law enforcement assistance, in addition to alternative development aid through UNFDAC.

Spain has provided limited bilateral assistance in law enforcement, and has promised more. Several other bilateral donors, e.g., FRG, Switzerland, Sweden, provide aid not directly addressed to narcotics enforcement, but which falls into the same general category as certain USAID alternative development programs, that is, it is intended to help relieve Bolivia of economic problems attendant upon gradual diminution of the share of cocaine in the nation's economy. UNFDAC is currently reviewing additional projects for implementation in Bolivia.

### III. DETAILED PROJECT DESCRIPTION

#### A. Project Goal and Purpose

The Drug Awareness and Prevention Project is designed to enable and encourage the GOB to take firm action against coca consumption, cultivation, processing and trafficking thereby achieving a reduction in the quantities of cocaine reaching the United States.

The goal of the Project is to support and strengthen Bolivian commitment to drug prevention, law enforcement, eradication and alternative development programs. The Project purpose is to increase public awareness of and support for the Government of Bolivia's Drug Control Program by enhancing the public's awareness of the social, political and economic dangers to the country and of the personal danger to individual Bolivians and their families of narcotics production and trafficking in Bolivia.

The Project purpose will be achieved through three principal courses of action:

1. In the non-governmental sector, helping to catalyze and pull together a nationwide network of local and departmental anti-narcotics organizations and activities which will be linked, assisted and supported by an expanded SEAMOS. The national organization has a Board of Directors drawn from many sectors of the Bolivian private sector, e.g., business, the legal profession, the medical profession, the Church, the media, social benefit organizations (such as the Rotarians and the Lions Clubs), and has a broad geographical base. Members of the Board serve in their individual capacities, rather than as "representatives" of their various "constituencies", but it is hoped that they would be able both to bring to meetings of the Board the points of view of their "constituencies" and to mobilize those groups to take action in line with agreements on policy reached at Board meetings.

Under this is a strong, politically independent Executive Director charged with running the day-to-day operations of SEAMOS in support of this purpose and pursuant to policies established by the Board. These operations will take place in four areas: (1) public information; (2) technical assistance, training and outreach; (3) research; and (4) a

resource center to assure the broadest possible collection and dissemination of relevant information both within Bolivia and internationally.

The information programs of SEAMOS will concentrate on a series of themes aimed at different, key audiences in Bolivia. The organization will break each theme down into specific messages designed for those specific audiences or segments of them. The themes to be stressed, and the audiences to which those themes are to be addressed, include:

<u>THEME</u>	:	<u>AUDIENCE</u>
Become informed; take action.	:	Community Leaders
	:	Community Groups
Protect your children - take	:	
action against the narcotics	:	Parents
industry.	:	
Drugs cause family disinte-	:	Community at large
gration	:	
Alternative Development means	:	Businessmen & General Public
investment opportunities;	:	
look for them.	:	
Chemicals used in coca pro-	:	Community at large
duction are destroying your	:	
environment.	:	
DANGER!! Support (push for)	:	Community at large
government actions.	:	
This is <u>your</u> problem. Get your:	:	"Sector" leaders (e.g., law,
group involved.	:	medicine, media, social
	:	service organizations, etc.)
Drug trafficking causes	:	Business and Government
economic distortion	:	leaders
Drug traffickers are bad	:	Community at large
people and bad for the	:	
country.	:	
STOP GROWING COCA!	:	Campesinos
DO SOMETHING ELSE!	:	
*****		

2. Expanding the training activities of CESE.

3. Strengthening the information/communications operations of the two civilian GOB agencies involved in coca substitution, alternative development, and prevention efforts - SUBDESAL and CONAPRE.

B. End-of-Project Status (EOPS)

The Project will produce a number of results which will indicate achievement of the Project purpose. Among these results will be:

1. A coordinated, interactive network of local, departmental and national organizations supporting and pushing for strong GOB action against illegal coca cultivation, processing, trafficking and illegal use.

2. A broadly representative Bolivian private sector organization with active ties to the network referred to above. Among those ties will be decentralized programs of information, technical assistance, and training, outreach, and mobilization.

3. Greater understanding in Bolivia of the connection among coca production, processing, trafficking, and abuse, as measured by public opinion polls, and a greater willingness by the public to support and press for strong and effective implementation by the GOB of its counter-narcotics programs aimed at all segments of the problem as evidenced by public campaigns to achieve that end, by the insertion of the topic of narcotics in discussions of political campaigns of parties and individuals and through other manifestations of popular sentiment.

4. A diminished prevalence in Bolivia, as measured by public opinion polls, of the opinion that the narcotics problem is exclusively demand driven or that it is a U.S. rather than a Bolivian problem.

### C. Project Components

The Project proposes to meet its objectives through two interrelated components. The primary implementation focus of the Project will be directed at expanding and strengthening SEAMOS. The secondary focus will be on strengthening public sector programs which will complement the work of SEAMOS in enhancing public awareness of narcotics as a threat to Bolivia. A number of alternative mechanisms for implementing this important education and information function were investigated during project design, it was concluded that expanding existing USAID and other USG-funded institutions and using existing GOB administrative and operational structures would best serve the project and its purpose. The results of this analysis clearly indicated that a two-track concept involving strengthening existing private institutions and building on programs most appropriately undertaken by government entities would provide the most cost effective and manageable approach.

#### 1. Private Sector Activities

Private sector activities under this project will be carried out by SEAMOS, functioning as a national drug education and information center.

Analysis has demonstrated the Bolivian public recognizes, to some extent, the existence of a national drug problem, and that stopping the production and trafficking of illegal narcotics should be a top priority of the GOB. Furthermore they desire more information on

drug-related issues. (See the USIS Study-Bolivia/Peru Drug Attitude Survey dated January 1990 and the Development Associates Public Opinion Survey conducted in 1988). At the same time, the public does not yet fully understand the crucial relationship between production of coca and the degree of drug use in Bolivian society. More importantly, they fail to see the economic, political, and national security dangers posed by narcotrafficking and production. Efforts have been underway for some time to address this information gap. SEAMOS and CESE along with a number of private and public organizations have been conducting drug-related media campaigns, and other educational and informational activities. However, while these have been somewhat successful in what they set out to do, they have been primarily exhortative and have not yet been able to offer alternatives that might be available to combat illicit drug activities. Additionally, a central focus is lacking to bring these efforts to successful fruition. SEAMOS, with the assistance of a team of long-term education and information specialists, supplemented by highly qualified short-term technicians, will form the link between the as yet limited, but growing national concern about drug trafficking and abuse in Bolivia and the concerned groups and individuals already struggling to attack the problem.

a. Drug Problem Definition and Establishment of a National Drug Policy

A top priority of the SEAMOS Board will be to begin to define the nature and extent of the drug problem and establish a preliminary drug policy to guide it in the development of appropriate drug awareness activities. The information from the national epidemiological study on drug use among youth that is currently being carried out by PAHO with CONAPRE will be helpful in developing policy and programming SEAMOS resources to maximize the impact of educational and informational efforts.

Secondly, the SEAMOS Board of Directors will carry out a nationwide public opinion study regarding knowledge and attitudes on the nature of drug use, trafficking, and production in Bolivia. The information obtained from this study will be essential in providing a baseline for evaluating future progress and accomplishment of SEAMOS objectives. USIA and CIEC have carried out similar studies in the past, but their methodology and/or coverage have been inadequate for SEAMOS's future use.

b. Strengthening and Expanding SEAMOS

Planning will begin immediately for development and submission of an amended Cooperative Agreement funding request to AID to support the expanded SEAMOS program during its five years of operation. The funds provided by AID will be used to finance administrative and operating expenses; salaries and benefits, office rental and utilities, technical assistance and training, equipment, furniture, and supplies, and programmatic costs for the activities described below.

The specific Cooperative Agreement proposal will contain a description and analysis of SEAMOS's goals and proposed program, including; (1) rationale for the proposed activities, (2) major assumptions, (3) description of expected accomplishments, (4) resources required, (5) description of the activities to be carried out to meet objectives, (6) time frame for implementation, (7) targets against which to measure progress, (8) description of the beneficiaries, and (9) evaluation plan. In addition, the proposal will address in detail important issues regarding the viability of SEAMOS and its programmatic priorities including: estimated annual expenses; and a schedule and brief summaries of the scopes of work for the important evaluations to be carried out during the Project. SEAMOS staff will draft the grant funding proposal in accordance with AID Handbook 13 for AID review.

c. Coordination with Immediate Impact Programs

NAS is implementing, through CESE, an immediate action drug information, training and technical assistance program that includes operation of a hotline, drug information seminars and conferences and training of local school teachers. USAID, through SEAMOS, has been conducting mass media campaigns directed at prevention of drug use and elimination of production and drug trafficking. The Project will take advantage of these efforts by expanding and reorganizing the functions of SEAMOS and augmenting CESE as necessary, to provide training services with the expanded SEAMOS. Using both SEAMOS and CESE in the Project will give the Project a running start in drug awareness activities, and will result in a more coherent narcotics awareness program. USAID/Bolivia will negotiate a cooperative agreement with CESE for the costs of training and additional staff required by CESE in carrying out agreed upon activities with SEAMOS.

d. Expanded SEAMOS Operations

Following the signing of an AID Cooperative Agreement with the CEPB to finance its narcotics awareness activities of SEAMOS, the Executive Director will initiate the process of obtaining and expanding personnel and physical resources, including office space and equipment. SEAMOS will move immediately to announce its new expanded operations through letters and a descriptive flyer which will be supplied to organizations and individuals identified as important for carrying out the awareness program. At the same time, SEAMOS staff will identify a pool of professional experts who can be used as consultants, identify, select, and subscribe to professional journals and other relevant publications for its library; initiate a search for, collect, and review all secondary studies and research materials, and continue the program of identification and support for target of opportunity programs in narcotics awareness. Most importantly, the staff will identify individuals, groups, and associations working toward or interested in the objectives of SEAMOS and develop a file on each. SEAMOS will, of course,

continue to deliver direct messages to the public. These activities will be carried on while the Board and Executive Director begin the process of long-term program planning.

(1) Program Planning

A top priority for SEAMOS management will be to establish a comprehensive plan for the phased growth and development of a narcotics awareness campaign based on mobilizing and helping to organize independent community and departmental level organizations and other concerned national organizations. Planning will concentrate on minimizing costs by limiting both personnel and physical resource requirements, while maximizing the use of local resources and complementary resources made available to SEAMOS by individuals and institutions sympathetic to its narcotics awareness objectives. SEAMOS management will use the concepts presented in the AID Cooperative Agreement proposal, together with the information obtained in the public opinion study and the epidemiological study, to set objectives and program a comprehensive set of activities for a first year annual plan. The ultimate objective of the planning exercise is to enable SEAMOS to progressively expand and improve a program of narcotics awareness activities which addresses the needs of Bolivian society.

(2) SEAMOS Activities

The January 1990 USIS Public Opinion Study and the 1988 Development Associates-sponsored study conducted by CIEC show that the Bolivian public is becoming increasingly aware of the national drug problem, but that knowledge and information about its extent and scope and, equally importantly, understanding of the link between domestic production and abuse, are lacking. As a reflection of this concern, many private individuals and institutions, as well as the government, are developing and carrying out programs to address the problem. However, they lack the broad based support of all sectors of Bolivian society necessary to go beyond drug abuse and begin to attack the core problem of trafficking and production. Additionally, they lack up-to-date factual information, financial, administrative, and operational resources, and a mechanism for coordinating efforts and information exchange. SEAMOS will provide the means for filling these gaps, creating linkages and developing new initiatives in information collection and analysis, communications, outreach (including the training of "promotores"), training, and technical assistance.

(a) Information Collection and Applied Research

During the initial years of operation of the expanded SEAMOS, establishing an information collection and analysis capability is critical. This activity will organize and classify existing secondary sources of information for access by interested groups

and individuals as well as finance original applied research in appropriate areas. SEAMOS will collect drug-related research studies and surveys already carried out in Bolivia by universities, government institutions, and private individuals.

In addition, SEAMOS will establish contacts with organizations outside of Bolivia which are interested in drug problems and request technical information and reports from them on past experiences which may be useful for formulating and implementing SEAMOS program. Such information will be carefully scrutinized to assure that the lessons learned are suitable to the Bolivian environment. Where information gaps cannot be filled in this way, SEAMOS will finance, through grants or contracts, appropriate applied research studies. Wherever possible, such studies will be co-sponsored to minimize costs to SEAMOS. All research activities will be selected on the basis of practicality--they should stimulate complementary research activities in other organizations and they should produce results that can be incorporated into SEAMOS's action program. The results of such studies will be reviewed and disseminated according to SEAMOS policy. (See Annex IIC)

(b) Communications

Effective communication is the key to achieving the objectives of SEAMOS. Two important considerations which will be incorporated into the operations of SEAMOS are the need to affect and unite different levels of Bolivian society against the dangers of drug trafficking, production, and abuse, and the necessity of selecting the most appropriate and effective means for reaching the various target audiences.

While the dimensions of the drug problem in Bolivia are not yet clearly defined, the fact that it affects all levels of Bolivian society is generally accepted. This means that to effectively attack the problem, SEAMOS must fashion its educational and informational campaign with carefully crafted and socio-culturally sensitive messages aimed specifically at carefully chosen and delineated key audiences (see Section III.A.1). The diverse backgrounds of SEAMOS Board of Directors will help ensure that the messages are designed accordingly. In addition, the network of mutually reinforcing relationships that SEAMOS will establish with other public and private institutions will act as a further check for message content as well as provide appropriate institutional channels for reaching diverse target audiences and varied constituencies.

SEAMOS will use a wide variety of vehicles for communicating the drug awareness messages to the target audiences. Communication will involve the use of four principal media: mass media, such as newspapers, radio and TV; seminars and conferences for selected

groups of decision makers and opinion leaders; publications for professionals, lay persons, and training (including third country visits) and technical assistance with extensive community outreach programs for existing or potential institutions. The use of mass media will be directed toward generalized, consciousness-raising goals which will spur target audiences to organize and participate in specific, community-oriented actions directed at resolving the drug problem. The seminars and conferences, supplemented by the publication of all studies and survey results, will address more technical topics, such as the linkage between the availability of drugs, particularly coca-based ones, and drug use or the societal costs associated with drug production, trafficking and use as well as ecological damage, alternative development and economic distortion from the drug trade. Once again, the purpose is to affect attitudes and behavior--to promote positive responses and actions by the target groups in developing and supporting programs to control the production, trafficking, and consumption of drugs. SEAMOS will also seek to mobilize and support a network of organizations which express an interest in its program and wish to participate in drug education, information and awareness activities. Community level workers ("promotores") will be specifically trained for this purpose. Uniting the various public sector agencies and CESE which have already developed or wish to incorporate drug awareness activities into their programs will be an important vehicle for achieving SEAMOS's objectives. Combining and guiding the energies of all these activities and organizations toward the specific goal of reduction and eventual elimination of drug trafficking, production, and abuse will maximize limited resources and provide for a well-coordinated approach to Bolivia's drug problem.

(c) Training and Technical Assistance

Through CESE, and, as appropriate, through its own resources, SEAMOS will provide training to both its management and staff and to other interested organizations. Training provided by CESE specifically for SEAMOS will focus on improving the knowledge and skills which SEAMOS management and staff bring to their positions and, subsequently, on periodically updating their knowledge of drug-related topics. While a combination of training methodologies will be used, observational trips to ongoing programs in Mexico (Centros de Integración Juvenil), Peru (CEDRO), Ecuador (Fundación Nuestros Jovenes) and selected others, will be an important element. These observational trips will be supplemented by periodic seminars and on-the-job training in drug awareness campaigns and abuse prevention methodologies as well as by training in both general PVO organization and management and specific management topics. Additionally, SEAMOS will develop and implement an extensive outreach program to identify and enroll in the drug awareness effort interested organizations and individuals throughout Bolivia. As part of this outreach effort, SEAMOS will offer to train "promotores" for these organizations to strengthen their capacity to provide needed services to their constituencies. A special focus of this effort will be

to reach campesino communities in the coca growing areas working with or through SUBDESAL. SEAMOS will provide training (through CESE) and technical assistance in drug-related education and prevention program development and implementation to these, and to other community and civic groups and institutions, on request.

These activities will concentrate on two distinct but interrelated objectives: (1) improving the management and operation of the cooperating institutions to ensure effective, collaborative efforts with SEAMOS, and (2) providing technical knowledge and information of use to the institutions in communicating drug-related messages to their constituencies and/or members. SEAMOS will make use of its staff, the technical assistance team, CESE, and a pool of consultant volunteers (to be recruited as part of its mobilization efforts) to provide the requested services. In certain carefully selected cases, the training may be supplemented by third country travel. A result of the training and technical assistance activities will be to establish a self-reinforcing capability within and among the network of organizations and institutions to improve their management and operational capabilities and to provide a channel of communication for exchanging lessons learned.

(3) SEAMOS Management and Administration

(a) Human and Physical Resources

SEAMOS will require the services of an Executive Director and a small professional and clerical staff. The knowledge and skills of the staff will be supplemented as needed from a pool of qualified Bolivian specialists in areas such as drug abuse prevention, research, fund raising, publications and materials development, mass media communications, etc. SEAMOS headquarters are in La Paz, and since its program will be nationwide, existing branch offices will be retained. Programs directed outside La Paz are an essential element of SEAMOS's activities, and will use the resources of institutions with outreach capacity in the target area. Toward this end, a prime consideration in SEAMOS operations will be to mobilize and support the work of local community. The Project will finance administrative and operating costs of SEAMOS in La Paz, such as staff salaries and training, consultant fees, and acquisition of a vehicle, office equipment and supplies (including copying machine, audiovisual equipment, portable video equipment and minimum computer capabilities), furniture, programmatic costs such as research and study costs, publications, mass media campaigns (although SEAMOS should maximize the possibility of air time donations) seminars and technical support for cooperating organizations and institutions.

(b) Financial Resources

SEAMOS will be supported by AID Project funds. Financial self-sufficiency for SEAMOS by the end of the Project is not contemplated. At some point, drug awareness in Bolivia should reach an "adequate" point. To the degree that its services are still required at the end of the project period, the SEAMOS board may pursue fund raising activities that will ensure the long-term stability and growth of the organization after EOP. The experience of PVOs in other fields demonstrates that total self-financing is difficult to achieve, particularly under present Bolivian economic conditions. If however, the Board wishes to continue operation, every effort will be made to mobilize local and international financial support from sources other than AID. (See Section IV.A. p. 47)

(c) Evaluation of SEAMOS Program

SEAMOS will provide for ongoing evaluations of its activities and establish criteria and targets for determining whether or not it is achieving its objectives. The criteria will include the number of local groups mobilized and/or supported, a measurable increase in the public's awareness of the drug problem and its impact on the economic and social fabric of the nation, the effectiveness of specific awareness campaigns, the relative success of various prevention alternatives, the effectiveness of conferences, seminars, and workshops, and the acceptability and use of materials developed and distributed. Indicators used in the evaluation process may include numbers of publications developed and distributed, numbers of requests for publications and information, attendance at workshops and conferences, and participation in local prevention programs. The indicators should be further linked to the incidence, prevalence and production studies carried out with TA assistance. The evaluations will be supplemented by periodic financial audits which will examine accounting and finance procedures of SEAMOS, with particular attention to cost accounting, budgeting, and financial controls. SEAMOS will include the development and implementation of an extensive evaluation/audit component as one of its early priorities. (See Annex IIC). A final comprehensive review and evaluation will be carried out near the end of the Project to examine the accomplishments achieved during implementation, and to determine the applicability of the Project design for other drug producing countries in Latin America.

2. Public Sector Activities

The primary focus of the Project is on expanding and strengthening an expanded SEAMOS to play the lead role in achieving the Project goal and purpose, but the public sector can provide important support to the overall effort. This component of the Project will fund small, targeted outreach activities within CONAPRE and SUBDESAL

that will complement the narcotics awareness objectives related to the expansion and operation of SEAMOS. Certain drug-related activities can be carried out effectively by public sector institutions because of their access to large numbers of qualified personnel and the nationwide coverage of their existing programs. The formal design of Project Intervention in the public sector will be carried out during Phase I of Project implementation.

a. National Committee for the Prevention of  
Illegal Drug Abuse (CONAPRE)

CONAPRE was assigned principal responsibility for coordinating national drug prevention policy as of 21 November 1989 under the terms of Decreto Supremo No. 22373. Prior to that date, CONAPRE was a dependent Subsecretariat within the Ministry of Social Security and Public Health. As an autonomous Subsecretariat, CONAPRE is directly under the National Council Against Illegal Use and Illicit Drug Traffic (CONALID). CONAPRE prepares the National Plan on drug abuse to focus on the presidential policy in the field. It also develops an Operating Plan to detail concrete actions to be taken in drug prevention. Actual implementation of their projects is the responsibility of the Regional Prevention Committees (COPRE). Finally, CONAPRE coordinates the activities of all institutions that deal with illegal drug use and the consequences of this problem.

As a new organization, CONAPRE does not have a track record to refer to in determining its effectiveness. In terms of organizing efforts, however, there is some indication that their responsibility is taken seriously. Decentralized Regional Prevention Committees (COPRE) have been organized in all the departments. There appears to be a commitment to make the organization effective; the National Plan outlines tasks to be undertaken and scheduled completion dates. CONAPRE has undertaken a joint epidemiological study with PAHO/WHO to be completed in October 1990. This study should provide specific data on the extent and magnitude of the drug abuse problem among youth in Bolivia. CONAPRE has been, and probably will continue to be active in soliciting multiple funding sources to support its activities. CONAPRE has also been collaborating with CESE in mounting training programs in drug abuse prevention.

The senior administrative/operating staff in CONAPRE appear to be competent professionals, and they are attempting to recruit administrative and technical personnel to support the public sector drug prevention programs. The very newness of the organization can be turned to good advantage by augmenting and improving their research efforts to heighten the Bolivian public's awareness of and concern about the domestic drug problem. The collection and dissemination of hard data from publicly known and respected sources showing the negative consequences of a continued slide into increased

drug trafficking and abuse is a necessary precondition to effective remedial action. CONAPRE can be instrumental in this effort. The project will assist CONAPRE to strengthen its ability to play an active role in the Project as a research agency.

It is expected that CONAPRE participation in the Project will consist of the following: First, CONAPRE will be expected to use the current epidemiological study being carried out in collaboration with PAHO/WHO as a model for the design and installation of an ongoing, periodic study, to institutionalize the process of data gathering and dissemination. Under the Project, SEAMOS staff and the technical assistance team will assist CONAPRE to design a system for conducting such studies on a regular basis as one of its responsibilities. The successful completion of epidemiological studies on a periodic basis will assure that data are available for programming activities aimed at reducing and eventually eliminating the drug problem in a cost effective and appropriate manner. Second, information from the periodic epidemiological studies needs to be supplemented by other research projects into drug related matters, to be determined and supported by the Project. The enhanced research capacity of CONAPRE should result in producing realistic national plans that can be realized through specific, targeted public sector actions, coordinated by CONAPRE, to reduce, and eventually eliminate the drug problem in Bolivia.

b. The Subsecretariat for Alternative Development and Crop Substitution (SUBDESAL) in the Ministry of Campesino Affairs and Agriculture (MACA).

SUBDESAL is charged under Decreto Supremo 21666 (24 July 1987) with responsibilities for campesino affairs and alternative development. As a sub-unit of the Ministry of Campesino Affairs and Agriculture, (and operating under the direction of CONALID), SUBDESAL has so far emphasized alternative development as a means to discourage excess coca leaf production. SUBDESAL is the national planning and coordinating agency addressing drug-related problems in campesino communities. Actual implementation of projects is in the hands of Regional Alternative Development Committees (COREDAL) and Local Alternative Development Committees (COLADAL). Because of its campesino orientation, SUBDESAL has had little formal contact with CONAPRE. Most of its efforts are devoted to extension services to demonstrate alternative crops identified by the Bolivian Institute for Agricultural Technology (IBTA) to coca producers. In addition, SUBDESAL carries out sociological research to determine the effect of coca production on traditional campesino agricultural patterns and practices. To this end, they develop sociodramas to identify how rural migration and the abandonment of traditional crops, such as rice, potatoes, and corn for coca leaf production affect campesino well being and national development.

The National Office of Agricultural Reconversion (DIRECO), a sub-unit of SUBDESAL administers and regulates crop substitution activities by working with and promoting the formation of campesino organizations to discourage coca leaf production. DIRECO registers coca producers and certifies the completion of destruction or crop substitution efforts. The unit also controls the economic compensation component of crop substitution or reduction (USD 2,000 for each hectare).

In addition to their sociological research and the crop substitution work carried out by IBTA and DIRECO, SUBDESAL is involved in communications programs to increase campesino awareness of the problems associated with coca production and abuse. Dissemination activities are to be carried out through agreements with private sector radio and TV broadcasting stations located in the targeted areas. Outreach is principally a function of seminars and workshops conducted as a means of increasing awareness and identifying campesino concerns to be considered for inclusion in the annual operating plan. Finally, SUBDESAL plans to develop video programs addressing drug production and abuse problems to be carried to campesino communities using portable video playback equipment. The programs would be produced in Spanish, Aymara, and Quechua to assure maximum coverage of the target population.

To date, most SUBDESAL activities are in the planning stage. Specific actions to be taken were identified at a seminar-workshop held in Cochabamba the week of 4 June 1990. Results of this workshop indicate that there is a clear recognition of the problems in communicating and coordinating government objectives in campesino communities. Concluding remarks of the workshop state that SUBDESAL and supporting agencies have arrived at a point where they must move from "What must be done?" to "How can we do it?" The Project can support efforts to strengthen SUBDESAL's activities in the following areas that have been identified for particular attention: First, data collection on the effect of coca production on food production in Bolivia. Second, regularly scheduled training workshops to heighten campesino awareness of drug-related problems in rural Bolivia. Third, to use the technical assistance component of the Project to assist in the design of radio and TV programming (to include mobile VCR units that can operate in rural areas) targeted at campesinos. Finally, to work with SUBDESAL to insure continuity and consistency in messages conveyed to rural residents on the nature of the drug problems facing the nation.

#### D. Technical Assistance

A team of drug awareness specialists will assist in carrying out SEAMOS expanded operations, and providing management and technical guidance to the participating agencies. A private contractor will supply the services of a technical assistance team with experience in designing and implementing drug awareness programs and organizing private agencies to carry out such programs. The work of the technical assistance team will consist of the following activities:

1. Assistance in strengthening and expanding CESE.
2. Assistance to SEAMOS in the development and preparation of a specific Cooperative Agreement proposal to AID.
3. More precise definition of the nature and extent of the drug problem and establishment of a preliminary drug policy to guide SEAMOS in the development of appropriate narcotics awareness activities and messages.
4. Design and implementation of a public opinion study on drug knowledge and attitudes in Bolivia. The study will serve as a basis for evaluating efforts to change attitudes and increase awareness.
5. Assistance to CONAPRE and SUBDESAL in designing programs to support their efforts.

The technical assistance team will contract the services of the necessary Bolivian nationals to assist it and the SEAMOS Board in securing an initial grant from USAID/B and in preparing the operating procedures required by AID prior to approval of a Cooperative Agreement proposal.

The technical assistance team will consist of a long-term specialist in program management and implementation as Chief-of-Party (COP) and a Bolivian specialist for a total of 96 person months. The COP will play an important design and project monitoring role for AID. He/she will also serve as a counterpart to the SEAMOS Executive Director and as the coordinator of the public sector activities.

The work of the long-term team will be supplemented by an estimated 48 person months of short-term technical specialists as described in Annex II, Exhibit C, Technical Assistance, Statement of Work.

#### **IV. COST ESTIMATE AND FINANCIAL PLAN**

##### **A. Project Financial Plan**

The total cost of the Drug Awareness and Prevention Project over the five year LOP is estimated to be US\$14,700,000, of which AID will contribute grant funds amounting to US\$9,220,000. The GOB will finance approximately 38 percent of the total cost amounting to \$5,200,000, with ESF, TGN cash, and/or in-kind contributions. Tables IV-1 through IV-3 present the Summary Financial Plan, Requirements for Foreign Exchange and Local Currency, and Projected Disbursements by Year.

Project funds will be obligated through four distinct mechanisms:

1. A grant funded Project Agreement with the GOB Ministry of Planning. A bilateral grant agreement will be signed to support the public sector components of the project. The amount to be included in this grant is approximately US\$880,000.
2. A Cooperative Agreement with the CEPB covering the expansion of SEAMOS. The figure for expanded SEAMOS operations over the life of the project is US\$5,000,000.
3. A contract to support the expanded training activities of CESE. The figure for the contract for the life of the project is approximately US\$1,000,000.
4. A buy-in with a private firm using the existing AID/W ST/ED Worldwide Narcotics Awareness Technical Assistance Contract. Project implementation will begin with the signing of a contract for technical assistance to be provided to the participating agencies. It is expected that the contract will be negotiated and signed in FY91. The contract will provide services for a period of four years, with a fifth year option.

The CEPB is expected to develop the structure and procedures required to qualify for an AID Cooperative Agreement grant according to the requirements established in AID Handbook 13.

In addition, the technical assistance team will investigate CONAPRE and SUBDESAL activities that will complement SEAMOS's efforts. The technical assistance team will work with both government agencies to design and develop specific activities to improve and expand CONAPRE's and SUBDESAL's narcotics awareness programs. These will be submitted to AID for approval and funding early in the first full year of the Project. The total amount of the grant for these public sector activities is expected to be approximately \$880,000, with an additional \$5,200,000 to be made available as the GOB counterpart contribution.

The grant funds under these these separate agreements with the GOB, CEPB and will provide the resources necessary to carry out Project implementation. Approximately 25 percent of the total Project budget will constitute foreign exchange requirements, primarily for the technical assistance contract and SEAMOS. The GOB contribution is based on operating budgets for these agencies and will be in local currency, primarily for operational support, salaries and operating expenses of the agencies carrying out the Project-supported public sector programs.

The institutionalization of fund raising/revenue generation programs by SEAMOS is not an objective of the Project. And while it is expected that SEAMOS's credibility will be fully established by the PACD, other donors may not be committed enough to narcotics awareness to keep SEAMOS fully operational. If considered necessary by the Country Team, it may be necessary to continue limited USG support to SEAMOS beyond 1995. A principal objective of the second interim evaluation scheduled for late fiscal year 1994 will be to analyze the financial prospects of SEAMOS and the need to continue its operations.

TABLE IV-1  
**SUMMARY FINANCIAL PLAN**  
(US\$000)

<u>Component/Activity</u>	<u>AID</u> <u>Grant</u>	<u>GOB</u>	<u>TOTAL</u>
I. Expanded SEAMOS			
A. Info Collection & Research	950		950
B. Training & Tech Assistance	670		670
C. Communications	2520		2520
D. Admin & Operating Expenses	860		860
SUBTOTAL EXPANDED SEAMOS	5000		5000
II. Public Sector Program			
A. CONAPRE	500	4000	4500
B. SUBDESAL	380	1200	1580
SUBTOTAL PUBLIC SECTOR PROGRAM	880	5200	6080
III. CA for CESE Training	1000		1000
IV. Technical Assistance Contract			
A. Technical Assistance			
1. Long-term	1290		1290
2. Short-term	800		800
SUBTOTAL TECHNICAL ASSISTANCE	2090		2090
V. Evaluations/Audits	250		250
GRAND TOTAL	9220	5200	14420

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NOTE: Proposed sources of AID funding:  
\$8,500,000 from NSD-18 Funds

TABLE IV-2

**FOREIGN EXCHANGE AND LOCAL CURRENCY  
(US\$000)**

<u>Component/Activity</u>	<u>AID FX</u>	<u>GRANT LC</u>	<u>AID TOTAL</u>	<u>GOB TOTAL</u>	<u>GRAND TOTAL</u>
<b>I. SEAMOS</b>					
A. Info Collect & Rsch	100	850	950		950
B. Training & TA	300	370	670		670
C. Communications	300	2220	2520		2520
D. Admin & Operating Exp	20	840	860		860
SUBTOTAL SEAMOS	720	4280	5000		5000
<b>II. Public Sector Program</b>					
A. CONAPRE	75	425	500	4000	4500
B. SUBDESAL	50	330	380	1200	1580
SUBTOTAL PUBLIC SECTOR	125	755	880	5200	6080
<b>III. Contract for CESE Training</b>	-	1000	1000		1000
<b>IV. Technical Assistance</b>					
A. TA Contract					
1. Long-term	1100	190	1290		1290
2. Short-term	680	120	800		800
SUBTOTAL TECHNICAL ASSISTANCE	1780	310	2090		2090
<b>V. Evaluations/Audits</b>	200	50	250		250
GRAND TOTAL	2825	6395	9220	5200	14420

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TABLE IV-3

**EXPECTED DISBURSEMENTS BY YEAR  
(US\$000)**

Description	FY-91/FY-92/FY-93/FY-94/FY-95					TOTAL
	Yr-1/	Yr-2/	Yr-3/	Yr-4/	Yr-5/	
<b>I. SEAMOS</b>						
A. Info Collect & Rsch	150	200	200	200	200	950
B. Training & Tech Asst	70	150	150	150	150	670
C. Communications	445	500	500	500	500	2520
D. Admin & Operating Exp	135	200	200	200	200	860
SUBTOTAL SEAMOS	800	1050	1050	1050	1050	5000
<b>II. Public Sector Program</b>						
A. CONAPRE	50	100	100	100	150	500
B. SUBDESAL	20	90	90	90	90	380
SUBTOTAL PUBLIC SECTOR PROGRAM	70	190	190	190	240	880
<b>III. Contract for CESE Training</b>	200	200	200	200	200	1000
<b>IV. Technical Assistance</b>						
A. TA Contract						
1. Long-term	370	320	300	300		1290
2. Short-term	90	350	200	200		800
SUBTOTAL TECH ASSISTANCE	440	650	500	500		2090
<b>IV. Evaluations/Audits</b>		75			175	250
AID Total	1390	2015	1790	1790	1515	9220
GOP Counterpart	1040	1040	1040	1040	1040	5200
<b>PROJECT TOTAL</b>	<b>2550</b>	<b>3205</b>	<b>2980</b>	<b>2980</b>	<b>2705</b>	<b>14420</b>

B. Recurrent Cost Analysis

AID support to finance the operational costs of SEAMOS under this Project will terminate in 1995. However, based on experience with other non-profit institutions, if SEAMOS is to continue it will require continued support from USAID if its continuance is deemed necessary at that time. An analysis of the illustrative budget for AID grant funds shows that approximately 92 percent of the total Project funds allocated for the expanded SEAMOS (\$5,000 million) will be used to finance ongoing activities which will continue beyond the PACD; only eight percent will be used to finance non-recurring expenses. The major categories and amounts of such non-recurring expenses are:

<u>Category</u>	<u>Amount</u>
International training/travel	. 140,000
Office Equipment and vehicle	100,000
Program Investment	182,400
TOTAL	422,400

Therefore, the total amount of recurrent costs over the five year period is estimated at approximately \$4,577,600 (\$5,000,000 less \$422,400).

AID assistance to SEAMOS will consist of two principal elements as shown in the budget: support to its expanded drug education and information activities and technical assistance. The technical assistance will be provided over a period of four years to insure SEAMOS maintains a solid administrative and operational record. The contracting of such assistance will occur at the beginning of the Project (FY91) and should not be required again after the PACD. Therefore, the \$2.1 million allocated for this activity is not included in the recurrent cost estimations. The recurring expenses, salaries for staff, office supplies, and program implementation are incorporated in the SEAMOS line item. A portion of the total of \$5.0 million will be used for the procurement of equipment which will not require replacement during the life of the Project. Additional budgeted funds will be used to finance international travel and related expenses for training SEAMOS Board of Directors and staff and government officials and private individuals who are important to the success of the SEAMOS program. In addition, some portion of the cost of developing SEAMOS programs, such as development of mass media campaigns, publications, and acquisition of existing research study documentation and reports, are a one-time expense which will only require updating in the future.

In recognition of the need to immediately begin the implementation of new drug awareness programs, the Project will provide technical assistance to SEAMOS in financial management of non-profit institutions which will focus on cost minimization and management

controls. Additionally, once SEAMOS's credibility is reinforced, it will be encouraged and assisted in developing specific project direction to local organizations. Examples of the latter would include development and conduct of drug awareness programs related to "drugs in the workplace" so as to assist local businesses and industry in creating and maintaining a drug-free working environment. If SEAMOS is to continue operation beyond EOP, the credibility established during the Project period should help to encourage non-U.S. international donors to support most of SEAMOS's activities thus keeping USAID support to a minimum.

C. Local Source Procurement Justification

Local source procurement in Bolivia with appropriated funds will be necessary under the Project in order to successfully implement all major Project components.

The primary thrust of the Component I of the Project is to develop the capacity of SEAMOS, a Bolivian NGO, to create and disseminate a wide variety of drug awareness messages through a network of other Bolivian NGOs and private individuals. By their nature, project expenditures by and through SEAMOS must take place in Bolivia and must involve local operating costs, costs of local personnel, purchase of local services (e.g. air time and local television or radio stations), and limited purchase of office supplies and equipment. The Project will finance the administrative costs of SEAMOS in La Paz, staff salaries and financing local consultant fees, expendable supplies and costs of publications, mass media campaigns, seminars, research and study. Except for technical assistance by U.S. contractors, limited training in the U.S. and some purchases of non-expendable equipment (e.g. computer, audiovisual or video equipment), it is not possible to limit the source, origin and nationality of procurement of goods and services to the United States, as these drug awareness activities of SEAMOS must take place in Bolivia through Bolivian organizations in order to reach Bolivian audiences. In accordance with Table IV-2, up to \$4.28 million in local currency will be required to fund the activities of SEAMOS.

The same analysis holds for the project activities to be funded under Component II through the GOB agencies, CONAPRE and SUBDESAL and under Component III through a CA to CESE activities. Component II will require \$755,000 in local currency and Component III will require \$1,000,000 in local currency.

The technical assistance contractor under Component IV will be of U.S. nationality, obtained by a buy-in to an AID/W central contract. This U.S. firm will incur substantial costs in Bolivia, including the costs of local staff, offices, travel, and supplies. It is anticipated that Component IV will require \$310,000 in local currency to undertake these activities.

Component V, Evaluations/Audits, will be undertaken by U.S. nationality contractors, but about one fifth of their costs will be incurred in Bolivia. Therefore, up to \$50,000 for local currency costs is required for Component V.

Because procurement of these services and commodities in Bolivia would "best promote the objectives of the Foreign Assistance Program", (HB 1B Sections 5B4a(6) and 5D10a(1)(d)), waivers permitting procurement of goods and services with source, origin and nationality in Bolivia are included in the Project Authorization. The aggregate amount of each of these waivers is below \$5,000,000. The Mission Director has authority to grant these waivers for each component under DOA 752, Section III.B. By signing the Facesheet and Project Authorization for this Project, the Mission Director approves these waivers to permit local cost financing within each component, and determines that the prices of indigenous and locally available imported goods and services are reasonable (HB 1B, Section 18A.1.C (1)).

## **V. PROJECT IMPLEMENTATION**

### **A. Project Management**

#### **1. USAID Responsibilities**

The Drug Awareness and Prevention Project will be monitored by the Chief of the Office of Agricultural and Rural Development of USAID. USAID will provide the long-term technical assistance team with information and assistance. USAID will be responsible for negotiating, signing and monitoring the bilateral agreement with the GOB's Ministry of Planning through which the public sector component of this project will be funded, for negotiating, signing, and monitoring the Cooperative Agreement with CEPB through which SEAMOS will be funded, for reviewing and approving the Action Plan submitted by SEAMOS as a condition precedent to disbursement to the CEPB and for reviewing and approving the Action Plans which will be conditions precedent to disbursement to CONAPRE and SUBDESAL and for monitoring progress under those two Action Plans.

#### **2. Role of Technical Assistance**

The Chief-of-Party of the technical assistance team will report directly to the USAID Project Officer. The team will be responsible for providing TA to SEAMOS including: (1) assisting the Executive Director and the staff in preparing an acceptable grant proposal for USAID funding; (2) assisting in arriving at a definition of the nature and extent of the drug problem and drafting a preliminary drug policy for the Board's approval. Once agreed to this policy will guide SEAMOS in the development of appropriate narcotics awareness activities; and (3) working with CONAPRE and SUBDESAL to develop their plans of action for assisting them with their drug-related programs. The TA team will be responsible for providing the

technical expertise necessary to assist SEAMOS in its operations and for providing assistance to the Project activities with CONAPRE and SUBDESAL.

The long-term technical assistance team will also be responsible for contracting short-term technical assistance as required.

The team will submit work plans at the beginning of each phase as well as quarterly reports describing the progress of the Project.

### 3. Role of SEAMOS

SEAMOS will be the leading implementing agency for the private sector component of the Project. With the initial guidance of the TA team, SEAMOS will expand its collaborative programs with other organizations involved in drug-related activities, including, where necessary and appropriate, negotiating and signing contracts and grants with them. By the end of the TA contract, SEAMOS will have the capability to do this without the TA team. Additionally, SEAMOS will be responsible for carrying out the day-to-day operations which lead to achievement of the Project purpose and submitting periodic progress reports to AID in accordance with the grant agreement.

The Board of Directors of SEAMOS will be responsible for maintaining high-level contacts both within and outside the GOB and will use these as vehicles for disseminating information about SEAMOS and its work as well as about the message of SEAMOS.

### 4. Role of CESE

Effective FY 91 the NAS will contract with CESE as a Bolivian NGO (Personería Jurídica - Legal Identity under Bolivian Law derived from consulting firm of current CESE director). USAID/Bolivia will negotiate contract or Cooperative Agreement with CESE to provide education and training services to project elements.

The Executive Director of SEAMOS, with the assistance of the Technical Assistance contractor, will draw up a plan for collaborating with CESE in implementing the training components of the project, to include training SEAMOS staff and executives, "promotores", and others, as defined during the life of the project.

### 5. Role of CONAPRE

CONAPRE's role in the Project will be to conduct research into the extent of illegal coca production, drug trafficking, and drug abuse and their effect on Bolivian society. They will also be responsible for disseminating the results of that research to Bolivian society through the COPRES and through SEAMOS. The first specific action in this process will be to institutionalize and maintain continuity of the epidemiological

study currently in progress in conjunction with PAHO/WHO, and scheduled for completion in October 1990. CONAPRE will coordinate at the national level, and implement at the COPRE level, other research and dissemination projects. They will submit annual work plans in sufficient detail to evaluate past efforts and the degree of continuity in the research programs. Periodic reports will be submitted to the Project Officer as per the bilateral agreement. They will provide counterpart funding for the programs and provide institutional support for Project activities in the public sector.

6. Role of SUBDESAL

SUBDESAL's role in the Project will be to conduct education, training, and outreach programs for campesinos on coca production, drug trafficking, and drug abuse and appropriate education and training programs for business leaders and groups in alternative investment opportunities. Specific actions contemplated include training for communications technicians in SUBDESAL, training campesino community leaders, and producing/disseminating audio/visual materials to improve campesino awareness of the drug problem in Bolivia and its overall effect on campesino life. They will coordinate, at the national level, and implement at the PDAR level, other campesino and business sector communication and outreach programs. They will submit annual work plans in sufficient detail to evaluate past efforts and appraise the effect of the programs on campesino awareness. Periodic reports will be submitted to the Project Officer as per the bilateral agreement. They will provide counterpart funding for the programs and provide institutional support for Project activities in the public sector.

B. Project Schedule

The target dates for project implementation are as follows:

- |  |               |
|--|---------------|
| 1. Project Paper approved                  | December 1990 |
| 2. Congressional Notification Expires      | December 1990 |
| 3. Project Authorized                      | December 1990 |
| 4. CA proposal submitted by SEAMOS         | December 1990 |
| 5. Submit PIO/T on Buy-in for TA           | January 1991  |
| 6. Proposal submitted by CESE              | January 1991  |
| 7. Bilateral Agreement signed<br>with GOB  | January 1991  |
| 8. Technical Assistance Contract<br>signed | February 1991 |

- |     |  |               |
|-----|--|---------------|
| 9.  | Contract signed with CESE  | February 1991 |
| 10. | Cooperative Agreement signed with CEPB/SEAMOS. Initial funds dispersed                       | March 1991    |
| 11. | Work Plan submitted by CESE  | March 1991    |
| 12. | Technical Assistance Team in field   | April 1991    |
| 13. | CPs met and Grant funds disbursed for expanded operations of SEAMOS to CEPB through Contract | April 1991    |
| 14. | Workplans submitted by CONAPRE and SUBDESAL  | June 1991     |
| 15. | Agreements signed with CONAPRE and SUBDESAL  | August 1991   |
| 16. | PACD   | March 1996    |

C. Implementation Plan

1. Technical Assistance Contract

A long-term technical assistance contractor will be procured under a "buy-in" through the AID/W S&T WORLDWIDE NARCOTICS EDUCATION AND AWARENESS PROJECT. The mission intends that AID/W/OP execute an amendment to the central contract prior to February 28, 1990.

2. Project Agreement with the GOB

Prior to startup of project implementation, a bilateral grant agreement will be signed with the Minister of Planning, GOB, for funding the public sector component of the Project. Complementary public sector programs will be discussed and negotiated with both CONAPRE and SUBDESAL. Appropriate public sector programs will be submitted to USAID for review, approval, and funding by August 1991. This could take place earlier if the two GOB entities submit acceptable proposals prior to August 1991.

3. Grant to SEAMOS

The Project will begin with a Cooperative Grant Agreement with the CEPB by April of 1991. Upon receipt of a grant funding proposal from SEAMOS, the Mission will review the proposal and the organization, in

accordance with Handbook 13 and the criteria described in V.B.4, the Institutional Analysis of the Project. The Mission will then prepare and sign a cooperative agreement with the CEPB. It is expected that this cooperative agreement will be signed by April 1991.

4. Contract with CESE

A contract with CESE will be negotiated to provide the training services described elsewhere in this project paper. It is expected that this contract will be signed by April 1991.

5. Detailed First Year Implementation Plan

Grant proposal preparation takes place	Nov 1990/Jan 1991
PP signed	Dec 1990
Funding authorized	Dec 1990
AID receives grant proposal from SEAMOS for Cooperative Agreement CEPB CA	Jan 1991
PIO/T for TA buy-in submitted	Jan 1991
Bilateral grant agreement signed with GOB	Jan 1991
SEAMOS policy, program, staffing pattern, etc., developed	Jan 1991
Proposal submitted by CESE	Jan 1991
Review of CONAPRE/SUBDESAL/CESE program begins	Jan 1991
Long-term TA contract signed	Feb 1991
Grant funds disbursed to CESE	Apr 1991
Grant funds disbursed to CEPB	Apr 1991
Technical assistance team in field	Apr 1991
SEAMOS recruits & hires additional staff	Apr 1991
Grant funds released to CONAPRE and SUBDESAL	August 1991

It is contemplated that under arrangements to be approved by the Executive Committee, many of the training operations of SEAMOS will be carried out by CESE.

D. Methods of Implementation and Financing

<u>Project Input/Method of Implementation</u>	<u>Method of Financing</u>	<u>(\$000) Estimated Amount</u>
1. Technical Assistance Direct AID Contract (minus commodities)	Direct Payment	2,055
2. CEPB/SEAMOS, Cooperative Agreement, Non-US Organization (minus commodities)	Direct Payment Advance of Funds Basis	4,982.5
3. Public Sector Operat- ional Support -CONAPRE/ SUBDESAL	Direct Payment Advance of Funds Basis	880
4. Training/TA via CESE Direct AID contract	Direct Payment	1,000
5. Commodities	Direct Payment	52.5
6. Evaluations/Audit Direct AID Contract	Direct Payment	250
	TOTAL AID INPUT:	8,500

E. Procurement Procedures

AID will directly procure the services of a long-term technical assistance team through a buy-in to AID/W's Worldwide Narcotics Education and Awareness Project. This team will, in turn, procure the services of short-term technical assistance specialists, as needed, during the life of the contract. The TA team will also locally procure office supplies, furniture, and equipment for the TA team. Equipment and furniture purchased for use by the TA team will be disposed of in accordance with USAID instructions upon completion of the TA contract.

SEAMOS will procure office supplies, furniture and the additional equipment needed for full scale operations, including personal computers, copier, technical assistance, journals and periodicals, training, etc., locally, as specified under the terms of the grant. USAID/Bolivia will procure a vehicle for use by SEAMOS in carrying out its expanded activities. For security reasons, said vehicle will be of a common make, style, and color, thus minimizing visibility. The source/origin for procurement of training and drug education materials will be 000 and Bolivia.

CONAPRE and SUBDESAL will procure any goods and services required to carry out the programs initiated with them as specified under the terms of their individual grant agreements.

The terms of the contract negotiated with the CESE will define the training and technical assistance services to be provided by CESE in exchange for the inputs required.

Procurements cited above will be implemented in accordance with the following plan:

DRUG EDUCATION AND PUBLIC AWARENESS PROCUREMENT PLAN

PROJECT NAME: Drug Awareness and Prevention  
PROJECT NUMBER: 511-0613 LIFE OF PROJECT: Five Years  
PACD: 03-31-96  
AUTH GEO CODE: 000 & Bolivia

Abbreviations used: CR=Cost Reimbursement  
BI=Buy-in  
CA=Cooperative Agreement  
IQC=Indefinite Quantity Contract  
BA=Bilateral Agreement  
FOC=Full and Open Competition  
FP=Fixed Price

SERVICES

<u>CONTRACT</u> <u>TYPE</u>	<u>EST</u> <u>VALUE</u>	<u>CONT</u> <u>METH</u>	<u>AUTH</u> <u>AGENT</u>	<u>PROP</u> <u>SOURCE</u>	<u>EXCEP/</u> <u>WAIVERS</u>
A. LT/ST TA CR (minus commodities) 02-91 PIO/T Processed for AID/W 02-91 AID/W negotiates buy-in. 02-91 Contract buy-in amendment signed. 04-91 LT/ST TA commences 04-94 Review TA contract for possible exercise of one-year option. Take appropriate action 03-95 LT/ST TA terminates	2,055,000	BI	AID/W	US	YES
B. CA-CEPB 01-91 Initial Grant proposal submitted to USAID 02-91 Proposal reviewed & approved	4,982,500	CA	RCO	BOLIVIA	YES

03-91 PIO/T processed					
03-91 CA signed					
03-96 CA Terminates					
<b>C. PROAG/BA - GOB</b>	<b>880,000</b>	<b>BA</b>	<b>RCO</b>	<b>BOLIVIA</b>	<b>YES</b>
01-91 Bilateral agree- ment signed					
06-91 GOB proposals sub- mitted to USAID					
06/08-91 Proposals reviewed and approved					
09-91 GOB project commences					
12-95 GOB project terminates					
<b>D. Contract with CESE</b>	<b>1,000,000</b>		<b>RCO</b>	<b>BOLIVIA</b>	<b>YES</b>
01-91 CESE proposal					
02-91 Proposal review/approval					
02-91 PIO/T submitted					
03-91 Contract executed; funds dispersed					
<b>E. MID-TERM EVAL -CR</b>	<b>75,000</b>	<b>IQC</b>	<b>AID/W</b>	<b>US</b>	<b>YES</b>
08-92 PIO/T processed for AID/W					
10-92 Delivery order negotiated & signed					
02-93 Evaluation commences					
03-93 Report accepted					
<b>F. FINAL EVAL-CR</b>	<b>75,000</b>	<b>IQC</b>	<b>AID/W</b>	<b>US</b>	<b>YES</b>
06-95 PIO/T processed for AID/W					
08-95 Delivery order negotiated & signed					
09-95 Evaluation commences					
11-95 Report accepted					
<b>G. FINAL AUDIT-CR</b>	<b>100,000</b>	<b>IQC</b>	<b>AID/W</b>	<b>US</b>	<b>YES</b>
06-95 PIO/T processed for AID/W					
08-95 Delivery order negotiated & signed					
09-95 Audit commences					
12-95 Audit report accepted					
<b>TOTAL COST FOR SERVICES:</b>	<b>\$9,167,500</b>				
	<b>=====</b>				

COMMODITIES REQUIRED

CONT TYPE	EST VALUE	CONTR METH	AUTH AGENT	PROP SOURCE	EXCEPT/ WAIVERS
A. 1 set hshld furn-FP 01-91 PIO/C processed 01-91 GSA order processed and signed 04-91 Commodities arrive	30,500	GSA	USAID/B	US	NONE
B. 1 Project Veh(4x4)for SEAMOS-FP 01-91 PIO/C processed 02-91 Bid quotes obtained 03-91 Evaluation of offers 04-91 Contract awarded 08-91 Vehicle arrives	22,000	FOC	USAID/B	US	NONE
TOTAL COST FOR COMMODITIES:	\$52,500 =====				
TOTAL PROJECT COSTS:	\$9,220,000 =====				

F. Evaluation Plan (See also Annex IIC)

1. SEAMOS

While a basic plan for an expanded SEAMOS has been defined, many of the details will be worked out as the Project progresses. SEAMOS must be flexible enough to respond to the requests and demands placed on it, yet must also be able to quickly demonstrate effectiveness in changing Bolivian perceptions about drugs. For these reasons, evaluation activities during the Project are viewed as providing important inputs into the ongoing decision making process of setting priorities, directions, and emphases. In addition, SEAMOS will need to be fully evaluated as the Project nears termination.

In its Grant proposal to AID, SEAMOS will include a detailed evaluation schedule. It is expected that at least two evaluations of SEAMOS should be scheduled during the five years in which it will receive AID assistance. The first, which should take place during the second year of expanded operations, will focus on the organizational effectiveness of SEAMOS, looking at its accomplishments to date and projecting future activities. Goals and objectives will be evaluated, suggestions for improvements made, and plans for continuing without long-term technical assistance reviewed.

Towards completion of the LOP, a final evaluation will take place, assessing the impact of SEAMOS, not only in terms of organizational effectiveness, but also in terms of Bolivian opinions regarding the drug problem. This evaluation will also review the overall effectiveness of the Project to see what experiences might apply to other drug producing and consuming countries. Regional conferences to share Project experiences and evaluation findings with other countries may also be considered during the LOP.

## 2. Public Sector Programs in CONAPRE and SUBDESAL

Evaluations of the CONAPRE and SUBDESAL activities should take place within the context of their approved programs. In evaluating public sector programs the emphasis is to be placed on their contributions to objectives. At the time of the final evaluation of SEAMOS, the CONAPRE and SUBDESAL programs will also be examined. The initial evaluation will focus on what has been accomplished to date and project future activities. Cooperation between the public and private sector Project components will also be reviewed.

The final evaluation should consider the public sector components as a part of the overall Project and review them for "fit" with SEAMOS activities. The roles of CONAPRE and SUBDESAL, for example, are based on current assignments and activities in the narcotics control objectives of the GOB. If these responsibilities shift over the LOP, SEAMOS's strategy and overall project strategy should take this into consideration. CESE will be evaluated as part of the evaluation of the project.

Technical guidance for the planning and implementation of the Project evaluations will be the responsibility of an interagency team composed of representatives from NAS, USIS, and USAID, as well as representatives of SEAMOS, CONAPRE, and SUBDESAL. SEAMOS staff will be actively involved in all stages of the process as part of their responsibility and training. To finance these and the final audit activities USD 250,000 has been budgeted.

**VI. GLOSSARY OF ACRONYMS**

CEIS	Centro Italiano d'Solidarite Italian Solidarity Center
CEPB	Confederación de Empresarios Privados de Bolivia Confederation of Bolivian Private Businessmen
CER	Centro de Educación Rural Rural Education Center
CESE	Campaña Educativa Sobre Estupefacientes Educational Campaign for Narcotics
CICAD	Comisión Interamericana sobre Control de Abuso de Drogas Interamerican Commission for Control of Drug Abuse
CIEC	Centro Interdisciplinario de Estudios Comunitarios Interdisciplinary Center for Community Studies
CIES	Centro Integral de Investigaciones Sociales Integrated Center for Social Research
COLODAL	Comités Locales de Desarrollo Alternativo Local Alternative Development Committees
CONADAL	Comisión Nacional de Desarrollo Alternativo National Commission for Alternative Development
CONALID	Consejo Nacional de Lucha Contra el Uso Indebido y el Tráfico Ilicito de Drogas National Council Against Illegal Use and Illicit Drug Traffic
CONAPRE	Comité Nacional de Prevención del Uso Indebido de Drogas National Committee for the Prevention of Illegal Drug Use
COPECE	Consejo Permanente de Coordinación Ejecutiva Permanent Council for Executive Coordination
COPRE	Consejos Regionales de Prevención del Uso Indebido de Drogas Regional Committee for the Prevention of Illegal Drug Use
COREDAL	Comités Regionales de Desarrollo Alternativo Regional Committees for Alternative Development
FONADAL	Fondo Nacional de Desarrollo Alternativo National Alternative Development Fund

FUNDEMOS      Fundación Boliviana para la Capacitación Democrática y  
                    la Investigación Social  
                    Bolivian Foundation for Democratic Training and Social  
                    Research

IBTA            Instituto Boliviano de Tecnología Agropecuaria  
                    Bolivian Institute for Agricultural Technology

CETRAR        Centro de Tratamiento y Rehabilitación (CONAPRE)  
                    Rehabilitation and Treatment Center

PDAR          Programa de Desarrollo Alternativo Regional  
                    Regional Development Program

PIDYS         Plan Integral de Desarrollo y Sustitución de Cultivos de Coca  
                    Integrated Plan for Development and Crop Substitution

SEAMOS        Sistema Educativo Antidrogadicción y de Movilización Social  
                    Educational System for Social Mobilization and Anti-Drug  
                    Addiction

SFFANT        Special Forces in the Fight Against Narcotics

SUBDESAL     La Subsecretaria de Desarrollo Alternativo y Sustitucion de  
                    Cultivos de Coca  
                    Subsecretariat for Alternative Development and Coca Crop  
                    Substitution

UMOPAR       Unidad Móvil de Patrullaje Rural  
                    Rural Mobile Patrol Unit

UNFDAC       Fondo de las Naciones Unidas para la Fiscalización del  
                    Uso Indebido de Drogas  
                    United Nations Fund for Drug Abuse Control

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5C(2) - PROJECT CHECKLIST

Listed below are statutory criteria applicable to projects. This section is divided into two parts. Part A includes criteria applicable to all projects. Part B applies to projects funded from specific sources only: B(1) applies to all projects funded with Development Assistance; B(2) applies to projects funded with Development Assistance loans; and B(3) applies to projects funded from ESF.

CROSS REFERENCES: IS THE COUNTRY CHECKLIST UP TO DATE? HAS STANDARD ITEM CHECKLIST BEEN REVIEWED FOR THIS PROJECT?

FY90 Checklist attached. USAID will review FY 91 Aprop. Act to ensure compliance before initial obligation

A. GENERAL CRITERIA FOR PROJECT

1. FY 1990 Appropriations Act Sec. 523: FAA Sec. 634A. If money is sought to be obligated for an activity not previously justified to Congress, or for an amount in excess of amount previously justified to Congress, has Congress been properly notified?  
CN being submitted to Congress for FY 91 funds
2. FAA Sec. 611(a). Prior to an obligation in excess of \$500,000, will there be (a) engineering, financial or other plans necessary to carry out the assistance, and (b) a reasonably firm estimate of the cost to the U.S. of the assistance?  
YES  
YES
3. FAA Sec. 611(a)(2). If legislative action is required within recipient country, what is the basis for a reasonable expectation that such action will be completed in time to permit orderly accomplishment of the purpose of the assistance?  
N/A
4. FAA Sec. 611(b): FY 1990 Appropriations Act Sec. 501. If project is for water or water-related land resource construction, have benefits and costs been computed to the extent practicable in accordance with the principles, standards, and procedures established pursuant to the Water Resources Planning Act (42 U.S.C. 1962, et seq.)? (See A.I.D. Handbook 3 for guidelines).  
N/A

5. FAA Sec. 611(e). If project is capital assistance (e.g., construction), and total U.S. assistance for it will exceed \$1 million, has Mission Director certified and Regional Assistant Administrator taken into consideration the country's capability to maintain and utilize the project effectively? N/A
6. FAA Sec. 209. Is project susceptible to execution as part of regional or multilateral project? If so, why is project not so executed? Information and conclusion whether assistance will encourage regional development programs. NO  
N/A
7. FAA Sec. 601(a). Information and conclusions on whether projects will encourage efforts of the country to: (a) increase the flow of international trade; (b) foster private initiative and competition; (c) encourage development and use of cooperatives, credit unions, and savings and loan associations; (d) discourage monopolistic practices; (e) improve technical efficiency of industry, agriculture and commerce; and (f) strengthen free labor unions. N/A
8. FAA Sec. 601(b). Information and conclusions on how project will encourage U.S. private trade and investment abroad and encourage private U.S. participation in foreign assistance programs (including use of private trade channels and the services of U.S. private enterprise). N/A
9. FAA Secs. 612(b), 636(h). Describe steps taken to assure that, to the maximum extent possible, the country is contributing local currencies to meet the cost of contractual and other services, and foreign currencies owned by the U.S. are utilized in lieu of dollars. 38% of the Project costs are provided by the GOB.
10. FAA Sec. 612(d). Does the U.S. own excess foreign currency of the country and, if so, what arrangements have been made for its release? NO
11. FY 1990 Appropriations Act Sec. 521. If assistance is for the production of any commodity for export, is the commodity likely to be in surplus on world markets at the time the resulting productive capacity becomes operative, and is such assistance likely to cause substantial injury to U.S. producers of the same, similar or competing commodity? N/A

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12. FY 1990 Appropriations Act Sec. 547. Will the assistance (except for programs in Caribbean Basin Initiative countries under U.S. Tariff Schedule "Section 807", which allows reduced tariffs on articles assembled abroad for U. S. made components) be used directly to procure feasibility studies, prefeasibility studies, or project profiles of potential investment in, or to assist the establishment of facilities specifically designed for, the manufacture for export to the United States of to third country markets in direct competition with U.S. exports, of textiles, apparel, footwear, handbags, flat goods (such as wallets or coin purses worn on the person), work gloves or leather wearing apparel? NO
13. FAA Sec. 119(g) (4)-(6) & (10). Will the assistance (a) support training and education efforts which improve the capacity of recipient countries to prevent loss of biological diversity; (b) be provided under a long-term agreement in which the recipient country agrees to protect ecosystems or other wildlife habitats; (c) support efforts to identify and survey ecosystems in recipient countries worthy of protection; or (d) by any direct or indirect means significantly degrade national parks or similar protected areas or introduce exotic plants or animals into such areas? N/A
14. FAA Sec. 121(d). If a Sahel project, has a determination been made that the host government has an adequate system for accounting for and controlling receipt and expenditures of project funds (either dollars or local currency generated therefrom)? N/A
15. FY 1990 Appropriations Act, Title II, under heading "Agency for International Development". If assistance is to be made to a United States PVO (other than a cooperative development organization), does it obtain at least 20 percent of its total annual funding for international activities from source other than the United States Government? N/A
16. FY 1990 Appropriations Act Sec. 537. If assistance is being made available to a PVO, has that organization provided upon timely request any document, file, or record necessary to the auditing requirements of A.I.D., and is the PVO registered with A.I.D.? Initial grant is to CEPB which is not a PVO under Sec. 537

17. FY 1990 Appropriations Act Sec. 514. If funds are being obligated under an appropriation account to which they were not appropriated, has the President consulted with and provided a written justification to the House and Senate Appropriations Committees and has such obligation been subject to regular notification procedures? N/A
18. State Authorization Sec. 139. (as interpreted by conference report). Has confirmation of the date of signing of the project agreement, including the amount involved, been cabled to State L/T and A.I.D. LEG within 60 days of the agreement's entry into force with respect to the United States, and has the full text of the agreement been pouched to those same offices? (See Handbook 3, Appendix 6G for agreements covered by this provision). YES
19. Trade Act Sec. 5164 (as interpreted by conference report), amending Metric Conversion Act of 1975 Sec. 2 (and as implemented through AID policy). Does the assistance activity use the metric system of measurement in its procurements, grants, and other business-related activities, except to the extent that such use is impractical or likely to cause significant inefficiencies or loss of markets to United States firms? Are bulk purchases usually to be made in metric, and are components, subassemblies, and semi-fabricated materials to be specified in metric units when economically available and technically adequate? Will AID specifications use metric units of measure from the earliest programmatic stages, and from the earliest documentation of the assistance process (for example, project papers) involving quantifiable measurements (length, area, mass and weight), through the implementation stage? YES
20. FY 1990 Appropriations Act, Title II, under heading "Women in Development." Will assistance be designed so that the percentage of women participants will be demonstrably increased? Publicity campaign and focus groups to include women. Attitude surveys by gender

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21. FY 1990 Appropriations Act Sec. 592(a).  
If assistance is furnished to a foreign government under arrangements which result in the generation of local currencies, has AID (a) required that local currencies be deposited in a separate account established by the recipient government, (b) entered into an agreement with that government providing the amount of local currencies to be generated and the terms and conditions under which the currencies so deposited may be utilized, and (c) established by agreement the responsibilities of AID and that government to monitor and account for deposits into and disbursements from the separate account? N/A

Will such local currencies, or an equivalent amount of local currencies, be used only to carry out the purposes of the DA or ESF chapters of the FAA (depending on which chapter is the source of the assistance) or for the administrative requirements of the United States Government?

Has AID taken all appropriate steps to ensure that the equivalent of local currencies disbursed from the separate account are used for the agreed purposes?

If assistance is terminated to a country, will any unencumbered balances of funds remaining in a separate account be disposed of for purposes agreed to by the recipient government and the United States Government?

B. FUNDING CRITERIA FOR PROJECT

1. Development Assistance Project Criteria

a. FY 1990 Appropriations Act Sec. 546.  
(As interpreted by conference report for original enactment). If assistance is for agricultural development activities (specifically, any testing or breeding feasibility study, variety improvement or introduction, consultancy, publication, conference, or training), are such activities (1) specifically and principally designed to increase agricultural exports by the host country to a country other than the United States, where the export would lead to direct N/A

competition in that third country with exports of a similar commodity grown or produced in the United States, and can the activities reasonably be expected to cause substantial injury to U. S. exporters of a similar agricultural commodity; or (2) in support of research that is intended primarily to benefit U. S. producers?

b. FAA Sec. 107: Is special emphasis placed on use of appropriate technology (defined as relatively smaller, cost-saving, labor using technologies that are generally most appropriate for the small farms, small businesses, and small incomes of the poor?

YES

c. FAA Sec. 281(b). Describe extent to which the activity recognizes the particular needs, desires, and capacities of the people of the country; utilizes the country's intellectual resources to encourage institutional development; and supports civic education and training in skills required for effective participation in governmental and political processes essential to self-government.

Mobilizes local organizations through training and education of residents.

d. FAA Sec. 101(a). Does the activity give reasonable promise of contributing to the development of economic resources, or to the increase of productive capacities and self-sustaining economic growth?

YES

e. FAA Secs. 102(b), 111, 113, 281(a). Describe extent to which activity will: (1) effectively involve the poor in development by extending access to economy at local level, increasing labor-intensive production and the use of appropriate technology, dispersing investment from cities to small towns and rural areas, and insuring wide participation of the poor in the benefits of development on a sustained basis, using appropriate U.S. institutions; (2) help develop cooperatives, especially by technical assistance, to assist rural and urban poor to help themselves toward a better life, and otherwise encourage democratic private and local governmental institutions; (3) support the self-help efforts of developing countries; (4) promote the participation of women in the national economies of developing countries and the improvement of women's status; and (5) utilize and encourage regional cooperation by developing countries.

(1) -N/A  
(2) -N/A

(3) Mobilize public support in favor of self-help  
(4) N/A  
(5) Complements efforts of other Andean countries.

f. FAA Secs. 103, 103a, 104, 105, 106, 120-121; FY 1990 Appropriations Act, Title II, under heading "Sub-Saharan Africa, DA" Does the project fit the criteria for the source of funds (functional account) being used? N/A

g. FY 1990 Appropriations Act, Title II, under heading "Sub-Saharan Africa, DA". Have local currencies generated by the sale of imports or foreign exchange by the government of a country in Sub-Saharan Africa from funds appropriated under Sub-Saharan Africa, DA been deposited in a special account established by that government, and are these local currencies available only for use, in accordance with an agreement with the United States, for development activities which are consistent with the policy directions of Section 102 of the FAA and for necessary administrative requirements of the US government? N/A

h. FAA Sec. 107. Is emphasis placed on use of appropriate technology (relatively smaller, cost-saving, labor-using technologies that are generally most appropriate for the small farms, small businesses, and small incomes of the poor)? YES

i. FAA Secs. 110, 124(d). Will the recipient country provide at least 25 percent of the cost of the program, project, or activity with respect to which the assistance is to be furnished (or is the latter cost-sharing requirement being waived with ESF) for a "relatively least developed" country)? YES (Note: 25% contribution unnecessary)

j. FAA Sec. 128(b). If the activity attempts to increase the institutional capabilities of private organizations or the government of the country, or if it attempts to stimulate scientific and technological research, has it been designed and will it be monitored to ensure that the ultimate beneficiaries are the poor majority? YES

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k. FAA Sec. 281(b). Describe extent to which program recognizes the particular needs, desires, and capacities of the people of the country, utilizes the country's intellectual resources to encourage institutional development and supports civil education and training in skills required for effective participation in governmental processes essential to self-government.

Supports anti-narcotics sentiments in Bolivia, encourages and mobilizes public action in support of government programs.

1. FY 1990 Appropriations Act, under heading "Population, DA" and Sec. 535. Are any of the funds to be used for the performance of abortions as a method of family planning or to motivate or coerce any person to practice abortions ?

NO

Are any of the funds to be used to pay for the performance of involuntary sterilization as a method of family planning or to coerce or provide any financial incentive to any person to undergo sterilization?

NO

Are any of the funds to be made available to any organizations or program which, as determined by the President, supports or participates in the management of a program of coercive abortion or involuntary sterilization?

NO

Will funds be made available only to voluntary family planning projects which offer, either directly or through referral to, or information about access to, a broad range of family planning methods and services?

NO

In awarding grants for natural family planning, will any applicant be discriminated against because of such applicant's religious or conscientious commitment to offer only natural family planning?

NO

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Are any of the funds to be used to pay for any biomedical research which relates, in whole or part, to methods of, or the performance of, abortions of involuntary sterilization as a means of family planning?

NO

m. FAA Sec. 601(e). Will the project utilize competitive selection procedures for the awarding of contracts, except where applicable procurement rules allow otherwise ?

YES

n. FY 1990 Appropriations Act Sec. 579. What portion of the funds will be available only for activities of economically and socially disadvantaged enterprises, historically black colleges and universities having a student body in which more than 40 percent of the students are Hispanic Americans, and private and voluntary organizations which are controlled by individuals who are black Americans, Hispanic Americans, or Native Americans, or who are economically or socially disadvantaged (including women) ?

Technical Assistance will be provided by Grey Amendment firm.

o. FAA Sec. 118(c). Does the assistance comply with the environmental procedures set forth in AID Regulation 16? Does the assistance place a high priority on conservation and sustainable management of tropical forests? Specifically, does the assistance, to the fullest extent feasible: (1) stress the importance of conserving and sustainably managing forest resources; (2) support activities which offer employment and income alternatives to those who otherwise would cause destruction and loss of forests, and help countries identify and implement alternatives to colonizing forested areas; (3) support training programs, educational efforts, and the establishment or strengthening of institutions to improve forest management; (4) help end destructive slash-and-burn agriculture by supporting

YES; YES  
(1) - (11) - N/A

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stable and productive farming practices; (5) help conserve forests which have not yet been degraded by helping to increase production on lands already cleared or degraded; (6) conserve forested watersheds and rehabilitate those which have been deforested; (7) support training research, and other actions which lead sound practices for timber harvesting, removal, and processing; (8) support research to expand knowledge of tropical forests and identify alternatives which will prevent forest destruction, loss, or degradation; (9) conserve biological diversity in forest areas by supporting efforts to identify, establish, and maintain a representative network of protected tropical forest ecosystems on a worldwide basis, by making the establishment of protected areas a condition of support for activities involving forest clearance or degradation, and by helping to identify tropical forest ecosystems and species in need of protection and establish and maintain appropriate protected areas; (10) seek to increase the awareness of US Government agencies and other donors of the immediate and long-term value of tropical forests; and (11) utilize the resources and abilities of all relevant US Government agencies?

p. FAA Sec. 118(c)(13). If the assistance will support a program or project significantly affecting tropical forests (including projects involving the planting of exotic plant species), will the program or project: (1) be based upon careful analysis of the alternatives available to achieve the best sustainable use of the land, and (2) take full account of the environmental impacts of the proposed activities on biological diversity?

YES

q. FAA Sec. 118(c)(14). Will assistance be used for: (1) the procurement or use of logging equipment, unless an environmental assessment indicates that all timber harvesting operations involved will be conducted in an environmentally sound manner and that the proposed activity will produce positive economic benefits and sustainable forest management systems; or (2) actions which will significantly degrade national parks or similar protected areas which contain tropical forests, or introduce exotic plants or animals into such areas?

NO

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r. FAA Sec. 118(c)(15). Will assistance be used for: (1) activities which would result in the conversion of forest lands to the rearing of livestock, (2) the construction, upgrading, or maintenance of roads (including temporary haul roads for logging or other extractive industries) which pass through relatively undergraded forest lands; (3) the colonization of forest lands; or (4) the construction of dams or other water control structures which flood relatively undergraded forest lands, unless with respect to each such activity an environmental assessment indicates that the activity will contribute significantly and directly to improving the livelihood of the rural poor and will be conducted in an environmentally sound manner which supports sustainable development?

(1)-NO  
(2)-NO  
(3)-NO  
(4)-NO

s. FAA 1990 Appropriations Act Sec. 534(a). If assistance relates to tropical forests, will project assist countries in developing a systematic analysis of the appropriate use of their total tropical forest resources, with the goal of developing a national program for sustainable forestry?

N/A

t. FY 1990 Appropriations Act Sec. 534(b). If assistance relates to energy, will such assistance focus on improved energy efficiency, increased use of renewable energy resources, and national energy plans (such as least-cost energy plans) which include investment in end-use efficiency and renewable energy resources?

N/A

Describe and give conclusions as to how such assistance will: (1) increase the energy expertise of AID staff, (2) help to develop analyses of energy-sector actions to minimize emissions of greenhouse gases at least cost, (3) develop energy sector plans that employ end-use analysis and other techniques to identify cost-effective actions to minimize reliance on fossil fuels, (4) help to analyze fully environmental impacts (including impact on global warming), (5) improve efficiency in production, transmission, distribution,

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and use of energy, (6) assist in exploiting nonconventional renewable energy resources, including wind, solar, small-hydro, geo-thermal, and advanced biomass systems, (7) expand efforts to meet the energy needs of the rural poor, (8) encourage host countries to sponsor meetings with United States energy efficiency experts to discuss the use of least-cost planning techniques, (9) help to develop a cadre of United States experts capable of providing technical assistance to developing countries on energy issues, and (10) strengthen cooperation on energy issues with the Department of Energy, EPA, World Bank, and Development Assistance Committees of the OECD.

(1) - (10) - N/A

u. FY 1990 Appropriations Act, Title II, under heading "Sub-Saharan Africa, DA" (as interpreted by conference report upon original enactment) If assistance will come from the Sub-Saharan DA account, is it: (1) to be used to help the poor majority in Sub-Saharan Africa through a process of long-term development and economic growth that is equitable, participatory, environmentally sustainable, and self-reliant; (2) being provided in accordance with the policies contained in section 102 of the FAA; (3) being provided, when consistent with the objectives of such assistance, through African, United States and other PVOs that have demonstrated effectiveness in the promotion of local grassroots activities on behalf of long-term development in Sub-Saharan Africa; (4) being used to help overcome shorter-term constraints to long-term development, to promote reform of sectoral economic policies, to support the critical sector priorities of agricultural production and natural resources, health, voluntary family planning services, education, and income generating opportunities, to bring about appropriate sectoral restructuring of the Sub-Saharan African economies, to support reform in public administration and finances and to establish a favorable environment for individual enterprise and self-sustaining development, and to take into account, in assisted policy reforms, the need to protect vulnerable groups; (5) being used to increase agricultural production in ways that protect and

(1) - (5) - N/A

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restore the natural resource base, especially food production, to maintain and improve basic transportation and communication networks, to maintain and restore the renewable natural resources base in ways that increase agricultural production, to improve health conditions with special emphasis on meeting the health needs of mothers and children, including the establishment of self-sustaining primary health care systems that give priority to preventive care, to provide increased access to voluntary family planning services, to improve basic literacy and mathematics especially to those outside the formal educational system, and to improve primary education, and to develop income-generating opportunities for the unemployed and underemployed in urban and rural areas?

v. International Development Act Sec. 711, FAA Sec. 463. If project will finance a debt-for-nature exchange, describe how the exchange will support protection of: (1) the world's oceans and atmosphere, (2) animal and plant species, and (3) parks and reserves, or describe how the exchange will promote: (4) natural resource management, (5) local conservation programs, (6) conservation training programs, (7) public commitment to conservation, (8) land and ecosystem management, and (9) regenerative approaches in farming, forestry, fishing, and watershed management.

(1) - (9) - N/A

w. FY 1990 Appropriations Act Sec. 515 If deob/reob authority is sought to be exercised in the provision of DA assistance, are the funds being obligated for the same general purpose, and for countries within the same region as originally obligated, and have the House and Senate Appropriations Committees been properly notified?

N/A

2. Development Assistance Project Criteria (Loans only)

Project is 100% Grant

a. FAA Sec. 122(b). Information and conclusion on capacity of the country to repay the loan at a reasonable rate of interest.

N/A

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b. FAA Sec. 620(d). If assistance is for any productive enterprise which will compete with US enterprises, is there an agreement by the recipient country to prevent export to the US of more than 20 percent of the enterprise's annual production during the life of the loan, or has the requirement to enter into such an agreement been waived by the President because of a national security interest? N/A

c. FAA Sec. 122(b). Does the activity give reasonable promise of assisting long-range plans and programs designed to develop economic resources and increase productive capacity? N/A

3. Economic Support Fund Project Criteria

a. FAA Sec. 531(a). Will this assistance promote economic and political stability? To the maximum extent feasible, is this assistance consistent with the policy directions, purposes, and programs of Part I of the FAA? YES

b. FAA Sec. 531(e). Will this assistance be used for military or paramilitary purposes? NO

c. FAA Sec. 609. If commodities are to be granted so that sale proceeds will accrue to the recipient country, have Special Account (counterpart) arrangements been made? N/A

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**PROJECT AUTHORIZATION**

Name of Country/Entity:            Bolivia  
Name of Project:                    Drug Awareness and Prevention  
Number of Project:                 511-0613

1. Pursuant to Sections 105 and 531 of the Foreign Assistance Act of 1961, as amended, I hereby authorize the Drug Awareness and Prevention Project (The Project) for Bolivia (The Cooperating Country) involving planned obligations of not to exceed Nine Million Two Hundred and Twenty Thousand United States Dollars (\$9,220,000) in grant funds over a five year period, subject to the availability of funds, in accordance with the AID OYB/allotment process, to help in financing foreign exchange and local currency costs for the Project. The planned life of the Project is approximately five years from the date of initial obligation.

2. The Project will provide resources to support and strengthen Bolivian drug enforcement and coca eradication programs by supporting a nation-wide network of local and departmental anti-narcotics organizations through the strengthening and expansion of the Educational System for Social Mobilization and Anti-Drug Addiction (SEAMOS), by expanding the training activities of the Educational Campaign About Drugs (CESE), and by supporting two Bolivian Government agencies directly involved in narcotics awareness activities, the National Committee for the Prevention of Illegal Drug Use (CONAPRE), and the Subsecretariat for Alternative Development and Crop Substitution (SUBDESAL).

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

a. Source and Origin of Commodities, Nationality of Services

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

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b. Waivers Permitting Local Cost Financing

Based on the financial plan and justification included in the Project Paper, Section IV.C., and the description of project activities and implementation arrangements in Sections III, IV and V of the Project Paper, local cost financing with appropriated funds is hereby authorized for procurement transactions for the following components of the Project, as necessary to fulfill program objectives and to best promote the objectives of the Foreign Assistance Program. Five waivers for local cost financing are hereby granted, one for each of the following five separate and distinct components. They include:

- 1) Component I - SEAMOS \$4,280,000
- 2) Component II - Public Sector Program \$755,000
- 3) Component III - CESE Training \$1,000,000
- 4) Component IV - Technical Assistance \$310,000
- 5) Component V - Evaluations/Audits \$80,000

These five waivers include procurement transactions for procurement of goods, services, or construction necessary to support implementation of activities of the project.

*Carl Leonard*  
 Carl Leonard  
 Director  
 USAID/Bolivia

*SA 3/20/91*  
 RLA:SAllen:bt

Clearances

	<u>Date</u>
HHR:PHartenberger <i>PH</i>	<u>3/20/91</u>
PD&I:LOdle <i>LO</i>	
DF:WTate <i>WT</i>	<u>3/21/91</u>
EXO:JLieber <i>JL</i>	<u>4/1/91</u>
CONT:JRDavison <i>JR</i>	<u>4/3/91</u>
DD:GADavidson <i>GA</i>	<u>4/16/91</u>

AGENCY FOR INTERNATIONAL DEVELOPMENT  
WASHINGTON, D.C. 20523

LAC-IEE-91-12

## ENVIRONMENTAL THRESHOLD DECISION

Project Location : Bolivia  
Project Title : Drug Awareness and Prevention  
Project Number : 511-0613  
Funding : \$9,220,000  
Life of Project : Six years  
IEE Prepared by : Lawrence Odle  
Recommended Threshold Decision : Categorical Exclusion  
Bureau Threshold Decision : Concur with Recommendation  
Comments : None  
Copy to : Carl H. Leonard, Director  
USAID/Bolivia  
Copy to : Lawrence Odle, USAID/Bolivia  
Copy to : Peter Lopera, LAC/DR/SA  
Copy to : Howard Clark, REA/SA  
Copy to : IEE File

John O. Wilson Date JAN 14 1991  
John O. Wilson  
Deputy Chief Environmental Officer  
Bureau for Latin America  
and the Caribbean

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INITIAL ENVIRONMENTAL EXAMINATION

1. BASIC PROJECT DATA

PROJECT LOCATION : BOLIVIA  
PROJECT TITLE : DRUG AWARENESS AND PREVENTION  
PROJECT NUMBER : 511-0613  
FUNDING : \$9,220,000  
LIFE OF PROJECT :  
IIE PREPARED BY : LAWRENCE ODLE/USAID/BOLIVIA  
DATE PREPARED : SEPTEMBER 12, 1990

RECOMMENDATION FOR THRESHOLD DECISION

In accordance with 22 C.F.R., Section 216.2(c)(2)(i) and (viii) Categorical Exclusions, education, technical assistance and training programs, as well as programs in health care, are normally excluded from environmental review due to their limited effect on the environment. Therefore, a categorical exclusion is recommended for the proposed project.



Carl Leonard  
Director USAID/Bolivia

Date: 12/20/90

PROJECT DESIGN SUMMARY  
LOGICAL FRAMEWORK

Project Title and Number: DRUG AWARENESS AND PREVENTION, No. 511-0613

ANNEX I.7.A  
Life of Project: From FY 91 to FY 96  
Total U.S. Funding: \$8,500,000  
Date Prepared: August 1990

<u>NARRATIVE SUMMARY</u>	<u>OBJECTIVELY VERIFIABLE INDICATORS</u>	<u>MEANS OF VERIFICATION</u>	<u>IMPORTANT ASSUMPTION</u>																								
<p><b>GOAL:</b> To support and strengthen Bolivian commitment to drug prevention, law enforcement, eradication and alternative development programs.</p>	<p>Availability of Cocaine Powder and Coca paste.</p>	<p>GOB Records</p>	<p>Commitment of GOB</p>																								
<p><b>PROJECT PURPOSE</b> To increase public awareness of and support for the Government of Bolivia's Drug Control Program.</p>	<ol style="list-style-type: none"> <li>1. Increased number of anti-narcotics organizations in Bolivia.</li> <li>2. Lobbying for stronger GOB action to stop narcotics production and trafficking.</li> <li>3. Increasing numbers of people believe that narcotics production and trafficking constitutes a problem for Bolivia</li> <li>4. Quotas met on voluntary coca eradication program</li> </ol>	<ol style="list-style-type: none"> <li>1. SEAMOS records of active anti-narcotics organizations.</li> <li>2. Newspaper content analysis.</li> <li>3. Public opinion surveys</li> <li>4. GOB records, Evaluation/Audit</li> </ol>	<ol style="list-style-type: none"> <li>1. GOB agrees with purpose.</li> <li>2. Price of Coca leaf stays low or "Alternative Development" program provides alternative opportunities for viable income</li> </ol>																								
<p><b>Outputs</b></p> <ol style="list-style-type: none"> <li>1. Private center (SEAMOS) for drug information research, outreach and mobilization established and operational.</li> <li>2. Promoters trained according to annual action plans submitted by SEAMOS.</li> <li>3. TV and radio spots produced, disseminated according to action plan submitted by SEAMOS</li> <li>4. At least 3 departmental level anti-narcotics organizations mobilized and assisted.</li> <li>5. At least 15 local-level anti-narcotics organizations mobilized and assisted</li> <li>6. Epidemiological study methodology institutionalized within CONAPRE</li> <li>7. Four SUBDESAL communications technicians trained.</li> <li>8. Sixteen SUBDESAL community workers trained.</li> <li>9. SUBDESAL radio spots in Spanish, Quechua and Aymara reaching entire Chapare area.</li> </ol>	<ol style="list-style-type: none"> <li>1. - Materials produced/printed and disseminated.</li> <li>2. - T &amp; TA given by SEAMOS/               <ul style="list-style-type: none"> <li>- Seminars, conferences/workshops held.</li> <li>- Resource center receiving, cataloguing disseminating information.</li> <li>- Periodic newsletter printed</li> </ul> </li> <li>3. - Promoters trained</li> <li>4. - TV and radio spots produced, disseminated.</li> <li>5. - Three departmental-level anti-narcotics organizations in place and functioning.</li> <li>6. - Fifteen local-level anti-narcotics organizations in place and functioning.</li> <li>7. - CONAPRE carries out epidemiological studies.</li> <li>8. - Communications workers trained.</li> <li>9. - Community workers trained.</li> <li>10. - Radio spots produced, broadcast.</li> </ol>	<ol style="list-style-type: none"> <li>1. Evaluation/audit</li> <li>2. Audit</li> <li>3. Evaluation</li> <li>4. Evaluation</li> <li>5. Evaluation</li> <li>6. Evaluation</li> <li>7. Results available</li> <li>8. Evaluation</li> <li>9. Evaluation</li> <li>10. Evaluation</li> </ol>	<p>SEAMOS Capacity CONAPRE Capacity SUBDESAL Capacity</p>																								
<p><b>Inputs</b></p> <ol style="list-style-type: none"> <li>1. SEAMOS: Operational and Commodity Support, Technical Assistance.</li> <li>2. Public Sector Support: Commodities, T.A., Training</li> </ol>	<table border="0"> <thead> <tr> <th></th> <th align="center"><u>GOB</u></th> <th align="center"><u>AID</u></th> <th align="center"><u>TL</u></th> </tr> </thead> <tbody> <tr> <td>Private Center (SEAMOS)</td> <td align="center">-</td> <td align="center">\$5.0M</td> <td align="center">\$5.0M</td> </tr> <tr> <td>Public Sector Support</td> <td align="center">5.2M</td> <td align="center">\$880K</td> <td align="center">\$6.0M</td> </tr> <tr> <td>T/A</td> <td align="center">-</td> <td align="center">\$2.0M</td> <td align="center">\$2.0M</td> </tr> <tr> <td>CESE training</td> <td align="center">\$1,000,000K</td> <td align="center">\$1,000,000K</td> <td></td> </tr> <tr> <td>Evaluation/Audit</td> <td align="center">-</td> <td align="center">\$250K</td> <td align="center">\$250K</td> </tr> </tbody> </table>		<u>GOB</u>	<u>AID</u>	<u>TL</u>	Private Center (SEAMOS)	-	\$5.0M	\$5.0M	Public Sector Support	5.2M	\$880K	\$6.0M	T/A	-	\$2.0M	\$2.0M	CESE training	\$1,000,000K	\$1,000,000K		Evaluation/Audit	-	\$250K	\$250K	<ol style="list-style-type: none"> <li>1. USAID records.</li> <li>2. Private Center records</li> <li>3. Public Sector records</li> </ol>	<p>All funds available on a timely basis.</p>
	<u>GOB</u>	<u>AID</u>	<u>TL</u>																								
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## **BOLIVIA'S DRUG RELATED LAWS AND ORGANIZATIONS**

### **A. International Agreements and Obligations**

The GOB drug policy framework is influenced by, but not bound by, the Single Convention on Narcotic Drugs of 1961. Completed under the auspices of the United Nations, this document codified into one convention nine earlier international narcotics conventions signed between 1912 and 1953. Bolivia is a party without recorded reservation to the Single Convention, its 1972 Protocol, and the 1971 Convention on Psychotropic Substances. Bolivia is also a party to the Vienna International Conferences on Illegal Drug Use and Illicit Drug Traffic, of 1987/1988. Though Bolivia is a party to the Single Convention, the nation does not acknowledge a binding obligation to terminate the licit domestic ("traditional") use of unprocessed coca leaf; its policy does not envision this and its Coca and Controlled Substances Law incorporates the concept of indefinite continuation of such licit cultivation and use.

In May 1990, Bolivia's Congress completed action approving ratification of the 1988 Vienna Illicit Trafficking Convention; deposit of Bolivia's instrument of ratification by the Executive with the United Nations (depository of the Convention) should be a matter of routine. The GOB has also approved the Interamerican Action Program Against Production, Consumption and Trafficking in Narcotics and Mind Altering Substances of Rio de Janeiro, and the South American Agreement on Narcotics and Mind Altering Substances, (ASEP) of 1984. Bolivia also signed a bi-lateral agreement with the USG on prevention of illegal drug abuse during President Paz Zamora's visit to the US in May 1990. The terms of the agreement follow the guidelines established by the Presidents of the United States, Colombia, Peru, and Bolivia at the Cartagena Conference of February 1990.

Other bilateral agreements relating to narcotics control have been signed at Cartagena (essential chemicals, arms), in Washington (narcotics control project agreement including annexes concerning alternative development, law enforcement and military counter-narcotics activities), or are still in prospect (a new extradition treaty).

### **B. National Laws**

At the national level, Law 1008 "Law to Regulate Coca and Controlled Substances" is the most important drug-related legislation in Bolivia. Enacted 19 July 1988, the law defines a legal traditional coca

production zone, transitional zones where production is to be reduced and other crops substituted, and illicit production zones where coca production is prohibited. The illicit zones are all areas of the nation not otherwise defined as traditional or transitional. The law requires registration for coca producers in the first two zones, and specifies penalties to include prison and fines for illegal coca leaf production. It provides a mechanism for crop substitution through the Integrated Plan for Development and Substitution (PIDYS). It also provides a list of dangerous natural or synthetic drugs subject to control or prohibition under the terms of the law. It defines chemical dependence and addiction, and provides penalties for illegal manufacture, prescription, or other dispensing of controlled substances on the list. Penalties are levied for illegal possession or storage of controlled substances for consumers, pharmacies, and medical professionals. It allows for confiscation by the state of real property, personal property and other valuables of violators of the law. It further outlines the responsibilities of public civil officials, judges, and investigators of the Special Forces for the Fight Against Narcotics (SFFANT), under the direction of the National Council Against Illegal Use and Illicit Drug Traffic (CONALID). Specific penalties for possession, fabrication and trafficking in controlled substances are detailed in the law. Finally, the law provides for a national program of education, information, treatment, and rehabilitation for drug abusers under the National Committee for the Prevention of Illegal Drug Use (CONAPRE). There have been no significant modifications to the law since July 1988, beyond changing the legal status of CONAPRE to an autonomous entity directly under CONALID and the executive direction of the President of the Republic of Bolivia.

C. Dirección Nacional de La Coca

There is no state-owned corporation to monopolize coca leaf production, marketing and distribution. Instead, this responsibility is assigned to the Ministry of the Interior, at the Dirección level (just below the minister and vice minister hierarchically). It appears that this unit monitors marketing and distribution, while DIRECO in the Ministry of Campesino Affairs and Agriculture (MACA) keeps track of production and crop substitution.

It is unclear how these divided responsibilities can be used to implement the control provisions of Law 1008, since enforcement is split between the Ministry of Interior, the Ministry of Agriculture, and to some extent, CONALID.

D. Law Enforcement Agencies

1. Special Forces for the Fight Against Narcotics Trafficking (SFFANT)

Law 1008 assigns responsibility for investigation of offenses

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under the law to the SFFANT, which is responsible to the Subsecretary for Social Defense in the Ministry of Interior, Immigration, and Justice. SFFANT is a multi-agency counter-narcotics force which includes UMOPAR (see below), non-uniformed drug enforcement personnel assigned to National Police departmental and other offices (about 600 National Police), and counter-narcotics task forces of the Bolivian Air Force (about 150 persons operating 12 USG-owned helicopters on loan) and Navy (about 40 persons operating five USG-supplied patrol boats). SFFANT is supported by a special unit of Prosecutors of Controlled Substances, whose positions are established by the Coca Control Law and who report to the Subsecretary for Justice in the Ministry of Interior. SFFANT is engaged in counter-narcotics law enforcement; except for arrest and delivery of offenders, including individual possessors or users of drugs, to the courts; SFFANT has no responsibility for and has not been active in drug abuse prevention programs.

## 2. Rural Mobile Patrol Units (UMOPAR)

The most visible counter-narcotics law enforcement body is UMOPAR, a paramilitary constabulary unit with an authorized strength of 640 National Police personnel stationed in the Beni Department, the Chapare, and the Yungas. UMOPAR is responsible for enforcement, primarily on rural coca producing and processing areas, of provisions of the Coca Control Law prohibiting processing of coca leaf or trafficking in processed cocaine products or specified precursor chemicals; it has no responsibility for coca leaf production or eradication. UMOPAR is largely supported by the USG. It operates jointly with DEA, and autonomously. It has no drug abuse prevention responsibilities and carries out no such activities.

## 3. Other Law Enforcement Agencies

All National Police theoretically also have enforcement responsibilities for the provision of the Coca Control Law. Except for UMOPAR and the police assigned to other SFFANT counter-narcotics positions, the National Police do little in drug enforcement, and have no significant activities or responsibilities in education/information/prevention. For this reason, the police are not central to this Project.

## 4. Specialized Narcotics Courts

The Coca Control Law provides for specialized courts in each department to try all offenses under the Law, including individual possession and use of narcotics. Such courts have to date actually been established only in La Paz, Cochabamba, Santa Cruz, and Trinidad. A US-funded project is being initiated by UNFDAC with the objective of centralizing prosecution of major narcotics cases at a single court in La Paz, where international assistance could be concentrated. Courts in other locations would continue to hear lower-level cases, and would retain the authority provided in the Coca Control Law to require individual drug users

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to submit to treatment. These courts would thus exercise a role in drug abuse prevention, but this separation of major from other narcotics cases has not yet been implemented in practice.

**E. Ministry of the Interior**

The Ministry of the Interior, Immigration, and Justice has primary law enforcement responsibilities in counter-narcotics matters, operating through SFFANT for investigation and enforcement and through the Subsecretariat of Justice and Prosecutors of Controlled Substances in criminal prosecutions. Within the ministry, as noted above, the Subsecretariat for Social Defense supervises the activities of the SFFANT and exercises primary responsibility for counter-narcotics enforcement. Except for image-building and very limited civic action, this Subsecretariat, the SFFANT and its components are not active in education, information, or research into the drug problem in Bolivia. For this reason, the Interior Ministry and its components are not major participants in this Project.

**F. Ministry of Campesino Affairs and Agriculture (MACA)**

The Ministry of Campesino Affairs and Agriculture (MACA) has primary responsibility for alternative development and crop substitution. In drug-related matters, the ministry operates through the Subsecretariat for Alternative Development and Crop Substitution (SUBDESAL), under CONALID. SUBDESAL in turn has decentralized implementation of its programs through the Regional Development Program (PDAR), with particular emphasis on Cochabamba and Chapare. SUBDESAL works closely with the Bolivian Agricultural Technology Institute (IBTA) in seeking alternatives to coca production for campesinos. The subsecretariat also schedules seminars and workshops to identify campesino concerns and interests in drug-related matters. There are plans to establish agreements with local radio and television stations in the most affected areas, to produce programs and spots for broadcasting. SUBDESAL also plans to produce and exhibit specially designed video tapes in Spanish, Quechua, and Aymara, to be shown to campesino audiences via portable video taping and playback equipment. So far, these plans exist on paper only, since the technological capacity to produce, and the money to pay for them is not available.

SUBDESAL will require training to strengthen its administration and financial systems. The project will provide technical assistance in the development of Accounting, Personnel Management and Procedure Manuals.

**1. National Directorate of Agricultural Reconversion (DIRECO)**

DIRECO is responsible for registration of legal growers of coca, certification of voluntary eradication by legal growers of coca excess to licit requirements, to enable growers to receive government compensation payments and participate in alternative development activities, and

supervision of the uncompensated eradication of coca grown outside conformity with the Law. DIRECO certification is the precondition to receipt of U.S.-supported concessional alternative development assistance from IBTA.

G. National Council Against Illegal Use and Illicit Drug Traffic (CONALID)

CONALID is a ministerial-level council established by the Coca Control Law to coordinate all Bolivian government activities relating to counter-narcotics. The Minister of Foreign Affairs chairs the council. Since the entire council is so large, the GOB has established a Permanent Council for Executive Coordination of CONALID, consisting of the Ministers of Foreign Affairs (chair), Campesino Affairs and Agriculture, Interior, and Public Health. CONALID is served by an Executive Director; as the first incumbent in this position was named only in June 1990, the exact responsibilities and functions of this position are as yet unclear. Under CONALID, specific operational responsibilities are assigned to Subsecretariats of Alternative Development (see Section F above), Social Defense (see Section E above), and CONAPRE (see below), whose subsecretaries and the CONALID Executive Director form a working-level coordination committee.

1. National Council and Drug Abuse Prevention (CONAPRE)

Under the terms of Decreto Supremo (Executive Order) 22373 of 21 November 1989, the office of the former Subsecretariat for Drug Abuse Prevention of the Ministry of Health was designated as an autonomous Subsecretariat responsible directly to CONALID, whose Subsecretary chairs CONAPRE, a council including all government and non-governmental organizations concerned with drug abuse prevention, education, or treatment. Operational tasks are delegated by CONAPRE to Regional Prevention Committees (COPRE) that have been formed in all departments. CONAPRE has been actively cooperating with SEAMOS and CESE in promoting messages addressed to young people throughout the nation, on the problems related to drug production and abuse. CONAPRE is collaborating with PAHO/WHO in conducting a national epidemiological study to obtain baseline data on the character and extent of the drug problem in Bolivian youth. The study will concentrate on people between the ages of 14 and 25 in schools, colleges, and universities throughout the nation and is scheduled for completion in October 1990. The primary role for CONAPRE in the Project will be to institutionalize and disseminate the epidemiological study to improve drug information and education activities. As the national agency responsible for prevention, treatment, and rehabilitation of drug abusers, CONAPRE has a unique position to realize the objectives of the Project in the public sector, but its assigned responsibilities vastly exceed the personnel, financial, and organizational resources at its disposal.

CONAPRE will require training to strengthen its administration and financial systems. The project will provide technical assistance in the development of Accounting, Personnel Management, Procedure Manuals.

STATEMENT OF WORK

I. OBJECTIVE

To provide a technical assistance team that can assist the host country (Bolivia) strengthen and expand the operations of a private narcotics awareness agency, the Educational System for Social Mobilization and Anti-Drug Addiction (SEAMOS), that is sponsored by the Confederation of Bolivian Private Businessmen (CEPB) and funded by USAID. The team will also assist the GOB's CONAPRE and SUBDESAL subsecretariats expand and improve their ongoing drug and related education programs. The technical assistance team assigned herein will help a private non-profit organization that can significantly expand drug information and education campaigns nationwide so as to increase public awareness of the country's growing drug abuse, trafficking, and production problems. Assistance will also be provided for expanding complementary drug-related research, education, and prevention programs in CONAPRE and SUBDESAL.

II. SCOPE OF WORK

A. General

The Contractor will furnish the services of a high quality, Spanish speaking, technical assistance team, with experience in designing and implementing drug education and awareness programs and in organizing private agencies to carry out such programs. This team will help Bolivians strengthen and expand SEAMOS, train the staff in drug education and awareness techniques, design and help implement nationwide drug education and awareness campaigns, and help SEAMOS mobilize local and international financial support for drug education and awareness activities. SEAMOS' headquarters are in La Paz, Bolivia, but its activities will cover the entire country, with specific attention to regional, geographical, and ethnic differences. The Contractor will also provide technical assistance to complementary drug-related research, prevention, education and awareness activities in CONAPRE and SUBDESAL related to program design and implementation and to systems for collecting and disseminating data on Bolivia's growing narcotics problem.

The Contractor team (composed of a Chief of Party and a Bolivian national specialist), will provide a total of 96 person/months of long-term technical assistance. The work of the team will be supplemented by approximately 48 person/months of short-term technical assistance (See Section IV.C.)

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The TA team will help define the nature and extent of the drug problem and establishing a drug policy. Based on that policy, the team will help design widespread SEAMOS drug education and awareness campaigns, and help SEAMOS prepare a new grant application to USAID to expand its drug awareness activities and assist SEAMOS in planning and implementing its drug education programs. The TA team will also help SEAMOS recruit and train personnel in drug education and awareness techniques and methodologies oriented to the general public (with special emphasis on campesino populations); and help SEAMOS mobilize financial and in-kind contributions to support local programs so that departmental organizations can become self-sustaining. In addition, the Contractor will provide technical assistance to expand and improve the complementary drug-related awareness programs in CONAPRE and SUBDESAL.

B. Specific

The Contractor shall:

1. Assist the Bolivians to strengthen and expand SEAMOS, which will involve the following activities:

a. The Contractor will begin to work with SEAMOS to establish contacts with existing institutions and organizations that have expressed an interest in dealing with the drug awareness problem in Bolivia, including, but not limited to, local and national service clubs, such as Rotary and Lions Clubs, universities, the Church, and other private voluntary agencies. The SEAMOS board of directors with Contractor technical assistance, will:

(1) Develop a short discussion document or bulletin arguing for establishment of expanding SEAMOS operations. This will be used in presentations made to interested groups and individuals, and will include:

- (a) Background of the drug problem in Bolivia;
- (b) Organizational goals (what SEAMOS is expected to accomplish);
- (c) Organizational structure of SEAMOS;
  - i) management
  - ii) staff
- (d) Principal SEAMOS activities (a short description of each), which may include, but not be limited to, the following;

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- i) Information collection and dissemination;
- ii) Sponsoring applied research projects;
- iii) Providing training and technical assistance to interested groups, and
- iv) Public education and outreach.

(e) Information on membership;

b. The Contractor will assist the SEAMOS Executive Director to expand SEAMOS operations.

- (1) To be eligible for a CA amendment with the CEPB, SEAMOS must:
  - (a) Possess or have the ability to obtain the necessary management competence in program/project planning and implementation;
  - (b) Demonstrate potential or actual management ability and capacity to plan and implement programs in the drug education and public awareness field;
  - (c) Meet AID standards for an acceptable accounting, record keeping and overall financial management system;
  - (d) Identify personnel and travel policies (in writing), showing adequate applicability and control in recruitment, classification and salary for personnel and reasonableness to cost principles applied to travel.

In order to ensure that SEAMOS will meet these criteria at the time of the AID grant proposal review, the Contractor will (with additional short-term technical assistance, as necessary):

(2) Assist the Executive Director to:

- (a) Develop job descriptions for staff;
- (b) Recruit and hire the staff; and
- (c) Obtain adequate office space and equipment to perform the activities described below.

(3) Assist the staff to develop the operational structure of SEAMOS for the review and approval of the Board of Directors, which will include:

(a) Development of SEAMOS policies for expanded operations, e.g., substances to be dealt with, degree of program concentration (awareness, prevention, use of SEAMOS staff vs outside expertise, pragmatic vs research focus, etc.);

(b) Establishment of operational procedures for:

- i. integrated accounting and financial systems,
- ii. personnel system,
- iii. procurement system,
- iv. management information system,
- v. planning and budgeting, and
- vi. implementing the programs of SEAMOS in public education, awareness and outreach, applied research, training and technical assistance, and information collection, analyses, and dissemination.

c. Assist in the development of an acceptable grant proposal for funding of SEAMOS expanded activities by AID. The grant funds requested, in the form of a CA with CEPB (in accordance with AID Handbook 13), will be used to support the drug education, information and outreach, and awareness activities of SEAMOS over the life of the Project, approximately five (5) years.

(1) The grant fund will finance the following activities:

- (a) salaries,
- (b) operating expenses,
- (c) equipment and office supplies,
- (d) training (SEAMOS staff and others),
- (e) applied research,
- (f) information collection and analyses, and
- (g) communications and outreach.

(2) The Grant proposal should contain the following:

- (a) rationale for the proposed activities,
- (b) major assumptions,
- (c) a description of expected accomplishments,
- (d) resources required, including all necessary financing,
- (e) a description of the activities to be carried out to meet objectives,

- (f) time frame for implementation;
- (g) a set of targets to measure progress toward objectives; description of the participating groups; and
- (h) a plan for evaluating progress in meeting objectives.

2. Help define the nature and extent of the drug problem and establish a drug policy to guide SEAMOS in the development of appropriate narcotics awareness activities, which will include the following:

a. Review, analyze, and evaluate existing drug prevalence, clinical, and other related studies dealing with the Bolivian population. These will include at a minimum, the ongoing CONAPRE/PAHO prevalence study, CIEC's various clinical studies and CESE's hotline data bank.

b. Based on the results of the analysis, assist the Board in developing a preliminary policy that will guide them in developing appropriate narcotics awareness programs that will encourage the public to demand appropriate GOB action against drug use, narcotrafficking, and coca production.

3. The contractor will review drug education and awareness programs in CONAPRE and SUBDZSAL and develop a plan of action for assisting these programs. For example, if CONAPRE/PAHO have not yet completed the prevalence study, they will require additional assistance in finishing it and publishing the results. If the study has been completed, the technical assistance team will review the study methodology, questionnaire, and results, and provide the necessary assistance to the CONAPRE team to help institutionalize the study effort so that it is repeated every two years. Specifically, the contractor will ensure that CONAPRE's study covers the following:

- a. a statistically significant, nationwide sample;
- b. quantification of drug use by:
  - (1) number of users classified by age, sex, socio/economic condition, rural/urban habitat, and frequency of use; and
  - (2) substances used and quantities consumed.

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Assistance will also be provided on presentation of the data so that it is clear to lay persons and professionals alike.

The contractor will also work with SUBDESAL to improve its communications capability within the coca-producing areas.

The Contractor also shall:

1. Provide technical assistance to SEAMOS in carrying out its activities in accordance with its institutional goals and objectives. The Contractor will assist SEAMOS to plan its organizational structure, obtain personnel resources, train personnel, plan its objectives and program, and carry out its operational plans.

a. The Contractor will assist SEAMOS in planning for and obtaining personnel and physical resources, which will include:

- (1) Develop job descriptions for staff;
- (2) Develop a recruitment plan and schedule;
- (3) Recruit and hire additional staff;
- (4) Develop office space needs and equipment specifications;
- (5) Rent office space (if present space not adequate for full staff), and
- (6) Procure office equipment and supplies.

2. Assist SEAMOS to develop detailed operational plans, a strategic plan encompassing the life of the project and annual plans. The plans will contain measurable targets to be achieved by the end of the relevant time period for each programmed SEAMOS activity and mechanisms for evaluating progress. The plans will contain a full description of activities to be carried out in the following areas;

a. Information collection and analysis, including:

- (1) research topics and methodologies;
- (2) acquisition of information from external sources; and
- (3) operation and maintenance of a national resource center and clearinghouse;

b. Communications (educational and informational)

including:

- (1) mass media campaigns (radio, TV, print, posters, etc.), to include target groups;
- (2) seminars and conferences;
- (3) publications;
- (4) community outreach programs;

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c. Training, including, but not limited to, third country training and observational trips, seminars, on-the-job training, and general training in such topics as drug matters, PVO management, program planning and implementation, fund raising, accounting and financial management, and communications and outreach, etc., for:

- (1) Center management and staff; and
- (2) other interested groups and institutions;

d. Fund raising including special emphasis in helping local organizations become self-supporting.

e. Coordination with GOB and other Latin American programs and institutions.

The plans will be supported by schedules of major events, descriptions of resources required, and estimated costs.

### 3. Complementary Public Sector Activities.

The Contractor will also provide assistance for activities within CONAPRE and SUBDESAL that are complementary to the function of SEAMOS. Specifically, the public sector activities will focus on assisting CONAPRE to improve and institutionalize its drug research and data gathering capability; and assisting SUBDESAL in strengthening its Division of Communications to enable it to better reach campesinos in coca producing areas with its drug awareness messages. AID may also collaborate with these two agencies and assist them with financial support on the basis of the information provided by the review performed during the first year of the project. A principal objective of these public sector activities will be to promote active information exchange and program support between SEAMOS and the public sector.

Following signature of an AID project agreement, the Contractor will monitor implementation of the program and provide short-term technical assistance as required.

#### a. CONAPRE

The Contractor will provide institution building support to CONAPRE's Research Division, helping it expand and improve its capability to conduct and disseminate the results of drug-related research. By the end of the contract period, CONAPRE should have the capability to:

- (1) Conduct periodic prevalence surveys and studies on drug abuse;
- (2) Review, assess, and disseminate drug-related research reports, utilizing SEAMOS resources where feasible.

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b. SUBDESAL

The Contractor will provide technical assistance to the Communications Division of SUBDESAL to enhance and strengthen its capability to reach the campesino population in the coca-producing areas. By the end of the contract period, SUBDESAL should have the capability to:

- (1) Field a cadre of trained communications specialists capable of working in the field to get the narcotics awareness message across to the campesinos; and
- (2) Communicate effectively with members of the private business sector on alternative investment opportunities.
- (3) Train and expand its core group of communications specialists.

In addition, the Contractor will encourage and promote collaboration between SEAMOS and the public sector in development and implementation of narcotics education and awareness activities.

III. REPORTS

In lieu of the semiannual reporting requirements in the General Provisions of the contract, the Contractor will furnish USAID with the following special reports:

A. Work Plans: Within 45 days of contract signing the Contractor will provide the USAID Project Manager with a detailed plan for carrying out the scope of work of the contract for his/her approval. A revised plan will be submitted annually thereafter;

B. Quarterly Operational Report: At the end of each three month period, the Contractor will furnish a report describing the operational development of SEAMOS, including staff levels, information resources, procedural development, activities carried out during the period, and activities planned for the subsequent period. Major problem areas and suggested solutions should be included;

C. Quarterly Operational Report for Public Sector Activities: At the end of each three month period, the Contractor will furnish a report describing activities carried out during the period, activities planned for the subsequent period, major problems encountered during the period, and suggested solutions to the problems;

E. Final Reports: At the end of the first year and at the end of the contract, the Contractor will provide USAID with a summary of all activities carried out, verifying that the terms of the contract have been fulfilled; and

F. Contract Information System: The Contractor will maintain a contract status and reporting system which can provide immediate access to information. The system will include, at a minimum: (a) a time line for performance of services, (b) current financial information relating to the contract, and (c) the recurrent reporting documents described above.

#### IV. TEAM COMPOSITION AND QUALIFICATIONS

USAID/Bolivia has determined that in order to effectively execute the activities described in the Scope of Work, the following personnel are required:

A. Chief of Party/Drug Education and Information Specialist:

Should be a Spanish speaker (S-3, R-3) and have at least a Master's level university degree in the field of administration, economics, sociology, or anthropology.

1. The candidate should have the following qualifications:

a. At least 5 years experience in providing training and technical assistance in organizational development and mass communication campaigns in drug abuse education and information in a Latin American setting;

b. Knowledge of drug education and information and drug abuse prevention in a Latin American context;

c. At least 2 years experience in working with all segments of society in the development and organization of private voluntary organizations in a Latin American setting;

d. Knowledge of and familiarity with Bolivian culture and the socio/economic/political environment;

e. Demonstrated ability to manage, coordinate, and backstop a full-time staff and provision of short-term consultant assistance; excellent planning and management skills are needed; and

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f. Knowledge of AID development programs and experience in preparing and drafting AID grant requests for private voluntary organizations.

2. The duties of the Chief of Party/Drug Education and Information Specialist shall be to:

a. Coordinate and manage the strengthening and expansion of SEAMOS;

b. Provide assistance to the Board of Directors the Executive Director, and staff of SEAMOS to ensure submission of an acceptable grant proposal to AID and monitor implementation of the grant project;

c. Provide technical assistance, either personally or through short term consultants, to ensure that operational plans are developed and implemented in accordance with institutional objectives and the AID grant agreement;

d. Provide information for and monitor progress of AID-funded drug related activities in CONAPRE and SUBDESAL and manage the technical assistance provided to those institutions; and

e. Provide for the administration of the contract, support for short term consultants while in country, and accurate and timely reporting to USAID.

B. Drug Awareness and Information Specialist:

Should be a Bolivian national with English language capability (S-3, R-3) and have a university degree in public or business administration, economics, or sociology/anthropology/psychology.

1. The candidate should have the following qualifications:

a. At least 2 years of business, program, or project management experience, including interaction with accounting and financial systems;

b. At least 2 years experience in a staff or volunteer position within an organization which deals with mass communications, and public education and community outreach in the field of community development (health, nutrition education, income generation); and

c. Not publicly identified with a non-Bolivian institution which might impair the candidate's ability to maintain credibility and objectivity and thereby negatively impact on the project; and

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d. Demonstrated ability to manage and coordinate project activity.

2. The duties of the Drug Awareness and Information Specialist will be further defined by the Chief of Party, but will include:

a. Developing and maintaining contacts with Bolivian leaders and public and private associations and groups interested in drug abuse prevention, narcotics awareness, and treatment;

b. Providing assistance to the Chief of Party in adapting technical expertise on drug-related matters to the Bolivian socio-cultural context;

c. Acting in place of the Chief of Party during his/her absence; and

d. Providing administrative backstopping to the Contractor team.

C. Short-term Technical Assistance:

Will supplement the long-term Contractor team composed of the Chief of Party and the Drug Education and Informing Specialist. Approximately 48 p/m of level of effort will be required in the following subject areas:

<u>Title/Duty</u>	<u>Level of Effort</u>
1. Management Specialist to assist in the planning for and establishing the organizational structure and operational procedures of SEAMOS.	4pm
2. Accounting and Financial Systems Specialist to assist in developing and improving the accounting and financial record-keeping and reporting system for SEAMOS.	4pm
3. Training Specialist (with developing country experience) to assist SEAMOS to design and implement training activities for management and staff and other groups and institutions. In addition, the consultant will assist SUBDESAL to design and evaluate narcotics awareness communications training programs.	12pm
4. Drug Education Specialist to assist in planning, monitoring, and evaluating educational campaign(s) on the drug problem of Bolivia to be	

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implemented by SEAMOS, CONAPRE, and SUBDESAL. The consultant will be responsible for assuring the coordination of timing and message content between institutions.

10pm

5. Fund Raising Specialist (with developing country experience) to assist SEAMOS in setting goals for soliciting funding and planning for income generation and fund raising campaigns for local organizations.

2pm

6. Communications Specialist to assist SEAMOS in developing, producing, disseminating and evaluating mass media campaigns.

8pm

7. Survey Specialist to assist CONAPRE and SEAMOS in assessing studies on drug use and in designing and implementing future studies.

8pm

Each short-term consultant will present a brief work plan within one week of arrival in Bolivia. When the assignment is completed the consultant will present a final report to SEAMOS and AID concerning the assistance provided, accomplishments realized and recommendations.

V. SELECTION CRITERIA

WEIGHT

A. Firm's Experience and Qualifications:

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- Experience developing drug education and prevention programs directed to Spanish-speaking audiences and organizing private non-profit groups in LDCs. (10)
- Experience in recruiting and managing consultant teams and mobilizing personnel for overseas assignment. (10)
- Experience in successfully supporting long-term consultant teams abroad. (10)

B. Qualifications of Contract Personnel

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- Chief of Party (40)
- Drug Education and Information Specialist (20)
- Short-term Technical Assistance (10)

Total

100

100

### TECHNICAL ANALYSIS

Narcotics awareness activities in Bolivia date back at least to 1973 when two media associations (radio and print), concerned over the perceived increasing use of drugs, joined together to create "ACUERDO PRENSA RADIO" to determine if in fact a drug problem existed in Bolivia, and if so to convince the GOB to take appropriate action. The group determined that drug use, starting with amphetamines and progressing to marijuana and cocaine use, had the potential to become a serious problem. Since apparently Bolivia had no drug laws on the books at that time, the group started a massive media campaign, focusing on the various aspects of individual drugs, to get the GOB to introduce and pass appropriate legislation. However, once the law was passed, interest appeared to decline.

In 1983, the USG, working through NAU (now NAS) and USIS, established the Campana Educativa Sobre Estupefacientes (CESE) to begin to inform and educate the Bolivian people on the dangers of drugs. This was followed in 1986 by the establishment of Sistema Educativo Antidrogaccion y de Movilizacion Social (SEAMOS) by the Confederation of Private Bolivian Businessmen (CEPB) with USAID funding. SEAMOS has been concentrating on mass media, complemented by human resource training of individuals in other drug awareness organizations, to bring the drug problem to the attention of the Bolivian public. Until recently, both organizations, along with numerous other non-governmental organizations, have concentrated on alerting the public to the dangers of drug use only. Recently, SEAMOS has begun to strike hard at the danger posed to the nation by narcotrafficking and illegal coca production.

Although public opinion surveys conducted by both USIA (January 1990) and CIEC (as part of Development Associates, Inc., evaluation of SEAMOS) indicate that Bolivians are aware of the dangers of drugs (use and trafficking particularly), many feel that the major problem lies outside Bolivia's borders, and if it were not for the external demand, Bolivia would not have a problem. At the same time (as evidenced by recent newspaper articles and interviews with some public opinion leaders) there exist strong feelings about the economic necessity of coca production to the campesino. The prevailing sentiment is that coca eradication will only benefit the U.S. at the expense of Bolivian peasants. Thus, direct USG interventions in informing and educating the public to the dangers of drug cultivation, trafficking, and production are widely seen as USG attempts to influence Bolivian policy and actions. Bolivians have not yet accepted ownership of the problem.

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As discussed in the following section on "Institutional Analysis", there are numerous organizations and institutions (including CESE, SEAMOS, and GOB agencies) involved in narcotics awareness activities. However, none has a comprehensive integrated narcotics awareness program that addresses information, education, training, technical assistance, and research. CONAPRE's mandate is to plan and coordinate the above activities but not necessarily to serve as an implementing agency. Additionally, none of the above has the broad based support of Bolivian society. CESE, while well respected, is clearly an adjunct of the USG. SEAMOS is sponsored by the CEPB, a respected element of Bolivian society. Neither CESE nor SEAMOS are legal Bolivian institutions, although SEAMOS, through its association with the CEPB could be said to enjoy legal status. Although the various sectors of Bolivian society are involved in supporting some aspects of narcotics awareness, primarily prevention, there is no one unified effort that brings them all together in support of a national effort to fight the drug problem in its entirety. If efforts against trafficking and illegal production are to be improved and made more effective, those efforts must have the support of a much broader and more committed cross-section of Bolivian society than is presently the case.

In developing the Project Design, the design team considered the possibility of expanding and strengthening the capabilities of existing organizations to carry out a comprehensive national awareness program. CESE is clearly an agency of the USG. SEAMOS does, however, have a Bolivian support base, through the CEPB. If narcotics awareness is going to have the support of the Bolivian public, then they will have to be convinced, by Bolivians, that Bolivia does indeed have a narcotics problem. No externally generated message, nor one perceived as such, will carry the credibility needed to get the message across. Though SEAMOS is supported by the USG the potential credibility problem may be overcome by its effectiveness in carrying the message. By expanding its activities, and specifically targeting themes and messages through educational campaigns, training and outreach, and social mobilization, the credibility issue can be handled.

The Project seeks to overcome the disadvantages mentioned above by expanding SEAMOS' role in narcotics awareness on use, trafficking, and production, and emphasizing its capacity to mobilize and support anti-narcotics groups in all segments of society and in all geographic regions of the country. Despite the negative feelings toward the drug problem mentioned above, interviews with leaders in La Paz, Cochabamba, and Santa Cruz, revealed that many do feel that Bolivia has a narcotics problem and that Bolivians have a responsibility and national need to address that problem. USAID visibility in SEAMOS operations is minimal, thus giving more credibility to the organization. The main advantage in this approach is that SEAMOS has legal status through CEPB and can begin almost immediately to carry out expanded awareness and mobilization activities. The Project will be able to build on the progress already made by SEAMOS and CESE.

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INSTITUTIONAL ANALYSIS

SEAMOS

Organization

SEAMOS does not have legal status in its own right but being an element of the CEPB it can be said to have legal status derived from the CEPB. In any event the cooperative agreement funding SEAMOS will be signed with the CEPB which does have legal status so the issue of the legal status of SEAMOS does not arise.;

SEAMOS at present has a permanent staff of five and an additional four contract employees . Upon signature of the new CA SEAMOS intends to hire two additional staff members - an office manager and a controller/accountant which will enhance its administrative and financial capabilities.

SEAMOS is handled by an extremely capable Executive Director, who during only seven months in that position, has rapidly transformed SEAMOS into a well run, efficient and effective organization. Being a relatively small private organization there is little need for delegation of authority and the Executive Director, under the general policy guidance of the CEPB board and the SEAMOS board, can and does make decisions on her own in a timely fashion.

The board of the CEPB has approximately fifty members and the board of SEAMOS has eleven members. These two boards provide SEAMOS with a broad spectrum of representation including good geographic coverage. As noted above, other than in matters of broad policy guidance, the boards have delegated a large measure of autonomy to the Executive Director in the operation of SEAMOS, including signing documents and disbursing funds expeditiously. Under the direction of the new Executive Director financial record keeping and financial reporting has improved dramatically. With the addition of a new controller to the staff as presently planned these improvements are expected to accelerate still more.

Needless to say, with only a nine person staff SEAMOS has a simple informal structure which allows decisions to be made and implemented quickly.

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### Management

As noted earlier, the boards of the CEPB have delegated authority for the day to day operations of SEAMOS to the Executive Director, thus minimizing the necessity for consultation, clearances and other bureaucratic delays. Because of the small staff of SEAMOS, there has been no need to delegate this authority further.

Both the boards of the CEPB and SEAMOS are composed of successful businessmen and managers who are accustomed to managing large sums of money and making important decision. The Executive Director of SEAMOS is a newspaper executive with a proven management record and extensive knowledge concerning the drug problem in Bolivia.

### Staffing

The staff of SEAMOS, while small, is judged to be adequate to implement the tasks to be undertaken under the cooperative agreement particularly with the addition of the two additional staff members noted above. In assessing SEAMOS it should be kept in mind that SEAMOS, under this new project, is being called upon to expand what it has been doing quite successfully for four years under the Narcotics Awareness Project (511-0592). In addition, this project provides both long-and short-term technical assistance to SEAMOS to strengthen its capabilities.

### CESE

CESE is an element of the Narcotics Awareness Section of the U.S. Embassy in La Paz and has the managerial, financial and technical expertise that one would expect in such an organization. It is funded by NAS, USIS and, under this project, also by USAID/Bolivia.

### CONAPRE

CONAPRE is an autonomous subsecretariat responsible directly to CONALID, a ministerial level council established by the Coca Control Law to coordinate all Bolivian Government activities relating to counter-narcotics.

CONAPRE will require training to strengthen its administration and financial systems prior to signature of a project agreement and disbursement of funds in August 1991. The technical assistance scope of work calls for such assistance to CONAPRE beginning April 1991.

### SUBDESAL

SUBDESAL is responsible for working through the established administrative structure to plan and program alternative development activities. In the past, SUBDESAL has experienced numerous problems as a

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result of a lack of definition of specific lines of authority and responsibility not being defined. A recent evaluation (Painter, April 1990) states that the most charitable characterization that can be made of SUBDESAL's operations is "whimsical." Like CONAPRE it will require technical assistance to improve and strengthen its administrative and technical systems prior to signature of a project agreement and disbursement of funds in August 1991. The technical assistance scope of work calls for such assistance to SUBDESAL beginning in April 1991.

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## ECONOMIC ANALYSIS

The problem which this project addresses is the lack of awareness, in Bolivia, of either the nature or the magnitude of the threat to Bolivia of the cocaine industry which presently operates here - i.e., the hidden costs of those operations. The project strategy might be seen, then, as an attempt to make those hidden costs manifest to the broadest possible range of Bolivians.

Given the clandestine nature of the cocaine industry in Bolivia and the limited amount of research carried out (or, probably, even possible) to date, few data are available to quantify these costs. A summary of the most likely areas in which these costs are being incurred, however, will give a general notion of their probable significance to Bolivia:

### 1. Economic Distortions

Distortions in the economy caused by narcotics production, processing and trafficking are quite visible even if they would take a very extensive study to quantify with any precision. There are numerous reports that, before the recent drop in the price of coca leaf, farm labor was hard to find and much more expensive than it had been earlier due to higher wages paid in the coca production areas. Drug money is reportedly bidding up the price of urban real estate, especially in Cochabamba and Santa Cruz, adding to investment costs already inflated by high interest rates. Increased importation of luxury goods by cash-flush, middle-level participants in the Bolivian narco-economy are diverting scarce hard currency from productive uses; a continuation of this trend could put pressure on the Government's courageous policy of permitting a free exchange rate. A combination of these factors increase the cost of productive investment and divert factors of production from more productive uses.

### 2. Health Costs

The effects of cocaine base smoking on mental health are extremely serious. Generally described as psychologically addictive, cocaine base smoking can cause anxiety, paranoia, mood swings, euphoria, motor excitement and, at chronic levels, auditory and visual hallucinations and psychosis.

Visual and anecdotal evidence indicates that base smoking is growing most rapidly among young people, from ages 12 or 13 to 20. The potentially explosive nature of this situation becomes clearer when one

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takes into account the fact that 45% of the population of Bolivia is under 14 years of age. Increasing prevalence of use among this rapidly growing cadre of the population can only indicate spiralling health costs in the near future.

### 3. Loss of Worker Productivity

There is anecdotal evidence in Bolivia of productivity loss among urban workers due to the smoking of cocaine base. While any attempt to quantify the potential loss of productivity from this cause would be speculative, an idea of the potential problem Bolivia faces may be gleaned from studies of the U.S. National Institute on Drug Abuse which link drug abuse in the U.S. to increased absenteeism, increased sick leave, turnover, thefts, lowered productivity, product loss or waste, higher insurance rates, increased job-related accidents and workmen's compensation claims, poor judgement on the job and greater amounts of management time spent with drug abusing employees.

More precise information on the general scale of narcotics abuse among youth (not worker productivity) in Bolivia will become available upon completion of the CONAPRE/PAHO epidemiological study.

It should also be noted that studies of cocaine base smokers indicate that those addicted to PBC (pasta basica de cocaína) become so (psychologically) dependent on the drug that they have practically no other interests in life.

### 4. Corruption

Stories are rife in Bolivia of the amount of corruption in all branches of the Bolivian Government and at almost all levels. Experience in other countries infected by the cocaine industry indicates that these stories probably are true in basic substance if not in detail or extent. While such stories are not new in Bolivia, their generality (i.e. "They're all on the take." v. "That judge, or general, or congressman is a crook.") and their general dispersion through the society ~~are~~ new. The general belief in any society that corruption is wide-spread is an acid that erodes the bonds that hold that society together and allow it to work in a unified way towards consensual goals. The costs to the society of this disempowering force are apt to be very high in Bolivia, where democracy is still fragile, and there is a long tradition of centrifugal political forces based on geographic dispersion.

### 5. Threat to Political Stability

A related but separate factor is the threat to the future political stability of the country that would be represented by the Government's perceived inability to successfully "get a handle on" the

narcotics problem. President Jaime Paz Zamora has committed considerable personal prestige to the fight against narcotics. Political forces here, particularly some groups on the left, are starting to have some success in linking the "plight" of the coca farmers to other, partially-politically-inspired claims of various labor groups against the government. If these political groups are seen as being able to "block" government action on narcotics, one could envisage a return to the political instability and paralysis of the '60's and '70's.

#### 6. Domestic Food Production

The population of the Chapare coca producing region increased 366 percent between 1978 and 1986. While not all of the immigrants were farmers, a majority were. This represented a significant movement of labor out of food crops and into coca production.

#### 7. Breakdown of Social Values

Drug abuse is alternatively described as a cause of family disintegration and a result or symptom of family problems. While impossible to determine which comes first, it is evident that the two feed on each other. Looking only at the effects of coca use on society, however, it is clear that drug abuse turns many users into criminals. Addicts often turn first to stealing from their families, then to stealing from others, and finally to dealing in drugs in order to maintain their habit. Additionally, the common practice of paying workers in processing plants in coca paste, which they then have to sell in order to earn cash, adds to this vicious circle.

The narcotics trade also causes social order to break down by drawing large numbers of people into illegal activities, thus making law-breaking acceptable to more and more people. This, in turn, leads to a growing cynicism throughout society. The wealth generated by drug trafficking is not invested in the economy, which could produce social benefits, but is spent on imported high-visibility consumer goods which further erode the social basis of Bolivia by distorting traditional attitudes toward work, saving, and social mobility. It's an easy way to get ahead fast:

The discussion above generally delineates the pervasiveness of the hidden costs of the narcotics industry throughout the Bolivian economy, society and body politic. One further factor should be added: these costs will increase as time goes by, so that failure to take serious, effective action on narcotics now will increase - and in many cases greatly increase these costs in the future.

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SOCIAL SOUNDNESS ANALYSIS

Social factors affecting and affected by project implementation

A. **The Role of the Campesinos:** The 1952 Revolution is deemed to have incorporated Bolivian Indians into the mainstream of society and the body politic. So central is this belief to the existing social and political philosophy of the country that even the word "Indian" is not used outside of a clearly demarked anthropological setting, the euphemism "campesino" being employed instead.

While the 1952 Revolution clearly did significantly enhance the legal and political status of the campesinos, social relationships between that group and the predominantly white, urban, middle-class, educated, governing class have been slower to change. Attitudes of that group towards the campesinos are still heavily tinged with paternalism and also with a touch of romanticism deriving from the latter's perceived role in the revolution. Politically, however, the campesinos are a force to be reckoned with within the country and the "governing class" (admittedly a somewhat overdrawn characterization) is quite aware of this and accepts it.

B. **Geographical Diffusion and Diversity:** Historically, and until the quite recent unification of the principal population centers of the country by modern roads and communications, Bolivia was, in many ways, four or five countries rather than one. The perceived distinction, within the country, between "Collas" and "Cambas" is well known. There are significant ethnic differences between the main populations of La Paz, Cochabamba, Santa Cruz and even Sucre, the official capital. The people of Cochabamba, and even more so, those of Santa Cruz, have long been accustomed to solving their own problems in their own ways although frequently complaining of both lack of attention from and lack of understanding by the authorities in La Paz. These differences affect attitudes. The people of Cochabamba and Santa Cruz tend to distrust those of La Paz who, in turn, tend to regard the former from a more-than-geographical height.

1. The Coca Growers:

No census exists (there are some rough head counts) of the farmers presently growing coca illegally in the Chapare or in some areas of the Yungas. While some are indigenous to those areas, the increase in the

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population of the Chapare (an increase of 366% between 1978 and 1986) shows clearly that most of that population comes from elsewhere. Many are believed to be farmers from the high valleys around Cochabamba (some of whom are believed to maintain farms in those areas on which they still produce food crops, going down to the Chapare to tend their coca after the food crops are harvested). Many others are thought to be displaced miners or other unemployed laborers. The recent sharp fall in the price of coca leaf has caused a notable amount of out-migration from the Chapare to Cochabamba and Santa Cruz. This has caused some social dislocation in those cities and is generally blamed for increasing drug use there, particularly among young boys.

2. Social Impact of the Project:

This Project, if successful, should have a significant impact on the problem of drug abuse in Bolivia. How this would fall out, with respect to the various groups in the society discussed above, is impossible to say at the moment. The PAHO/CONAPRE epidemiological study in process should provide some better basis for measurement of drug use among youth than exists at present.

Because the objectives of this project are limited to information, education, and mobilization, no other significant social impact is foreseen.

3. Impact of Social Factors on Project Implementation.

Although this analysis is not required by AID Handbook 3 or other applicable regulations, it is considered to be of sufficient importance to include in this paper. From the social analysis presented above, certain key factors emerge:

- - The need for broad geographic representation. SEAMOS may be located in La Paz, but should not be of La Paz if it is to have credibility in the rest of the country. There should be local people, in any given department, who can assure their "paisanos" that they have a real voice in SEAMOS.

- - Similarly, the operations of SEAMOS should be decentralized to the maximum extent possible. For example, Promotores may be trained in La Paz and may even be funded by SEAMOS for an interim period and on a declining basis, but they should "belong to" and be housed by local, preferably departmental, anti-narcotics committees. Also, for example, in the production of television spots, videos and radio spots, local production people should be involved where they exist. At the very least great pains should be taken to get input, in the scripting and production processes, from local levels.

- - Care should be taken to maintain consultation with campesino groups in the preparation of training and informational materials (where such materials are aimed at those groups). This should certainly be done on a regular basis by those officials of SUBDESAL who will be producing these materials.

### AID's ACCOUNTING AND DISBURSEMENT PROCEDURES

AID is required to account for its projects on an accrued expenditures basis by project element. In addition, AID's project accounting system requires that, as project activities are carried out, commitments be made for each financial transaction against the appropriate project element. Disbursements are then made against each commitment. At the end of each quarter, estimates are made of the accrued costs for each commitment and recorded in AID's ledgers. A Project Status Report is then prepared and is available for information at the Office of the Controller.

The remainder of this section explains how commitments for each project element are made and the procedure for making disbursements against those commitments. The explanations and instructions are provided by each project element as shown on the budget contained in table IV-2, Foreign Exchange and Local Currency, of this project paper.

#### I. Element I - SEAMOS

Purpose:

This element will provide US\$5,000,000 to SEAMOS through a Cooperative Agreement with the Confederation of Bolivian Private Businessmen (CEPB).

Method of Commitment and Disbursement:

Once the Cooperative Agreement with the CEPB is signed, SEAMOS will present an Implementation Plan which will describe the use of the resources assigned, detailed by dollar and local costs. After the preparation of this plan and its submission to USAID/B for approval, a Project Implementation Letter will be issued describing the procedures for commitments and disbursements for dollar and local currency costs.

#### II. Element II - Public Sector Programs

Purpose:

This element will provide financial resources for operational costs to the following GOB institutions: a) \$500,000 to the National Committee for the Prevention of Illegal Drug Abuse (CONAPRE) and b) \$380,000 to the Subsecretariat for Alternative Development and Coca Crop Substitution (SUBDESAL).

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Method of Commitment and Disbursements:

The method for making commitments and disbursements for each of the mentioned GOB institutions will be the same as described in the discussion for Element I above.

III. Element III - Contract with CESE

Purpose: To provide training in drug awareness and education to Bolivian organizations involved in counter-narcotics operations. This element will provide US\$1,000,000 to CESE.

Method of Commitment: Services of CESE under this CONTRACT will be requested by submission of PIO/T, prepared by the project officer and signed by the Mission Director or his deputy. Upon submission of a proposal by CESE and its approval by USAID/B, a contract will be negotiated with CESE for training services.

Method of Disbursement: USAID/Bolivia will make periodic advances to the contractor who will submit vouchers to USAID/Bolivia in accordance with the terms of the contract.

IV. Element IV - Technical Assistance

Purpose: The purpose of this element is to strengthen and expand the operations of SEAMOS, to assist in the design and implementation of a public opinion study on drug knowledge and attitudes in Bolivia and to assist CONAPRE and SUBDESAL in designing programs to support their efforts. The amount budgeted for this element is US\$2,090,000.

Method of Commitment: A PIO/T will be prepared by USAID/Bolivia for a "buy-in" to the worldwide Narcotics Awareness and Education Project which is being carried out by Development Associates, Inc. The scope of work for such a buy-in is contained in the annex of this project paper. Standard procedures will be followed for the issuance of delivery orders under Indefinite Quantity Contracts and for the submission of PIO/Ts for AID/W action. PIO/Ts should be discussed with Dr. Anthony Meyer, Bureau of Science and Technology, AID/W who is the project manager.

Method of Disbursement: The contractor will submit vouchers to AID/W. The vouchers, which will be itemized by the PIO/T number of the USAID/Bolivia "buy-in" will be examined and approved or disapproved by the AID/W project manager. On the basis of his/her approval, funds will be disbursed by AID/W to the contractor. At the same time, a back-up face sheet will be sent to the Mission project manager for concurrence. Should the Mission project manager not concur, an adjustment will be made at the time of the next submission of vouchers by the contractor.

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V. Element V - Evaluation and Audits

Purpose: The purpose of this element is to provide two evaluations of SEAMOS (including CESE). The first evaluation will focus on the organizational effectiveness of SEAMOS, its accomplishments to date and projected future activities. Goals and objectives will be evaluated, suggestions for improvements made and plans for continuing without long-term technical assistance reviewed. This first evaluation will take place during the second year from the new CA.

The second and final evaluation of SEAMOS will take place toward the end of the LOP and will assess the impact of SEAMOS and the overall effectiveness of the project.

The evaluation of CONAPRE and SUBDESAL will be conducted in accordance with the evaluation plan (p. 57) of this project paper. Technical guidance for the planing and implementation of the above evaluations will be the responsibility of an interagency team composed of representatives from NAS, USIS and USAID, as well as representatives of SEAMOS, CONAPRE and SUBDESAL.

Audits will be conducted annually by an international auditing firm. Total funds for this element will be US\$250,000.

Method of Commitment: Evaluations will be conducted under a contract arranged under a PIO/T with the scope of work determined by the interagency team as described above. Audits will be subcontracted by the organizations involved with the prior approval of the USAID project manager in consultation with the USAID/Controller.

Method of Disbursement: Payment will be made upon submission of vouchers approved by the project manager.