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AGENCY FOR INTERNATIONAL DEVELOPMENT

MEXICO

PROGRAM OBJECTIVES DOCUMENT/ACTION PLAN

FY 1993-1994

MARCH, 1992

A.I.D./MEXICO
PROGRAM OBJECTIVES DOCUMENT/ACTION PLAN
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I. Program Objectives.

A. Overview.

In a period of history when dramatic changes seem almost commonplace, Mexico, too, is undergoing a quiet but less-noticed revolution: one of the world's most protected economies has become one of the most open; tight monetary policies have replaced fiscal irresponsibility; and important political reforms are improving electoral transparency while shifting real power to municipal, state and federal levels of government.

A similarly dramatic, and related, change is taking place in U.S.-Mexico bilateral relations. Both countries have consciously rejected the historical resentments and posturing which sometimes hindered their ability to work together constructively to address mutual concerns in such critical areas as trade, narcotics trafficking, immigration, the environment and regional political issues. The most conspicuous example of this changing relationship has been, of course, the U.S.-Mexico-Canada decision to establish a North American Free Trade Zone. Ironically, the attention drawn to that decision has tended to obscure the fact that the U.S. and Mexico are engaged in an historically unprecedented process of problem-solving across a broad range of bilateral and regional issues. The scope of this dialogue is reflected in the broad range of topics addressed by the annual, cabinet-level meetings of the U.S.-Mexico Binational Commission: commerce and investment; border issues, cooperation on science, technology, environment and narcotics; immigration; cultural and educational relations, etc.

A bilateral agenda of such breadth requires the participation of many elements of the U.S. Government, and indeed, virtually all of the 30 USG agencies represented in Mexico are engaged to one degree or another in this effort.

A.I.D.'s role in this context has been defined in close consultation with the U.S. Ambassador, the Country Team and AID/LAC. This process took into consideration (1) Agency and LAC Bureau objectives; (2) A.I.D.'s limited financial and management resources; (3) the Agency's unique capacity to address critical but selected aspects of the U.S.-Mexico bilateral agenda; and (4) A.I.D.'s responsibility to address development issues related to Congressional earmarks and U.S. foreign policy interests in Mexico. This assessment identified three major and two secondary objectives for the A.I.D./Mexico program:

Major: 1) Support the adoption and successful implementation of the North American Free Trade Agreement (NAFTA).

2) Counter/Mitigate Global Warming by reducing the emission of "greenhouse gases".

3) Support Mexican efforts to reduce excessive population growth.

Secondary: 1) Reduce demand for illicit drugs.

2) Decrease the incidence and transmission of AIDS.

The selection rationale and implementation strategy for each of these objectives are discussed below.

It should be noted that an important consequence of this process to define A.I.D.'s essential-but-limited role has been the decision to terminate A.I.D./Mexico support in several sectors which had previously received modest A.I.D. assistance. These include health (except AIDS), nutrition, agriculture, education/vocational training, and food assistance. Support for child survival will continue through FY 1992, and be terminated thereafter.

B. Strategic Objectives.

1. Support the adoption and successful implementation of the NAFTA.

Adoption and successful implementation of the NAFTA is the primary issue on the U.S.-Mexico bilateral agenda. NAFTA negotiations were launched in 1990, when President Carlos Salinas de Gortari formally proposed to President Bush that Mexico and the U.S. became partners in a free trade agreement. The consequences of Mexico's proposal --and the immediate U.S. acceptance-- have echoed throughout the hemisphere. Canada quickly embraced the concept, and thus sealed the notion of a North American free trade zone. Central America, the Caribbean and South America accelerated their time tables for liberalizing their trade policies and reforming their economies. More than an initiative to make U.S. and Mexican industry more competitive, and to create new jobs, the NAFTA has emerged as a key reflection of U.S. policy to promote political, economic and social stability through an open and prosperous world trading system.

According to virtually all responsible analyses, the trade agreement will create jobs and promote growth in all three participating countries. The prospect of closer economic integration has nonetheless generated serious concerns regarding the security of U.S. jobs and wages, and Mexico's record on the environment, labor conditions and worker rights. President Bush's May, 1991 letter to the Congressional leadership acknowledges and shares these concerns; and pledges that a free trade agreement will not be sent to Congress in the absence of substantial parallel progress on labor and environmental issues.

A Memorandum of Understanding signed in May, 1991 between the U.S. and Mexican Departments of Labor addresses many of the labor issues cited in the President's May 1 letter, and establishes a program of joint U.S.-Mexico action and cooperation in areas such as occupational health and safety, worker rights and child labor.

In February, 1992 the U.S. and Mexico announced a joint plan (The Integrated Border Plan for the Environment) to spend at least $700 million on pollution cleanup and water quality improvements along the U.S.-Mexico border. In addition to this environmental plan for the border region, EPA and A.I.D. are jointly sponsoring several activities to strengthen the capacity of Mexican government and business to, respectively, strengthen enforcement of environmental regulations, and incorporate environmentally-responsible technologies into industrial processes.

The bulk of A.I.D./Mexico's efforts under the first phase --adoption-- of the NAFTA is in direct support of the agenda set forth in the President's May 1 letter to Congress. These have included financial support for (1) implementation of the Labor M.O.U. cited above; (2) preparation of the Border Environment Plan; (3) technical assistance and training for GOM personnel in enforcement of environmental regulations; and (4) technical assistance to address specific obstacles to the NAFTA negotiation process, e.g., potential embargos on Mexican seafood exports as a result of inadequate safeguards to protect dolphins and sea turtles.

During FY 1993-1994, A.I.D./Mexico's role will shift away from its current emphasis on short-term activities preparatory to the NAFTA, and toward activities which will help ensure successful implementation of the agreement. Some of these longer-term activities are already under way. They include a PASA with the U.S. Patent and Trademark Office (PTO) to help the GOM Ministry of Trade and Commerce improve its capacity to effectively protect intellectual property rights; a

PASA with the U.S. Animal and Plant Health Protection Service (APHIS) to strengthen Mexico's animal health and phyto-sanitary protection technologies; an inter-agency agreement with EPA to engage U.S. business as sources of environmental know-how for Mexican business, and to improve Mexican access to U.S.-source goods and services in the environment field (WEC).

A.I.D./Mexico's role in this implementation phase of the NAFTA will continue to be limited, as are all A.I.D. activities in Mexico, by very limited funds and management capacity, and by a clear determination that such assistance is (1) essential to USG interests, and (2) not available from other USG and/or private sources. Within those constraints, A.I.D./M in FY 1993-1996 should be prepared to provide support in the following illustrative areas:

-Enforcement of Mexican environmental regulations.

-Selected elements of the U.S.-Mexico Integrated Border Plan for the environment, and the 1989 U.S.-Mexico agreement on Mexico City pollution.

-Trade promotion of energy and pollution abatement technologies.

-Implementation of selected activities which will emerge from the Labor M.O.U. in areas such as worker health and safety, child labor, labor standards, collective bargaining agreements, conflict resolution, enforcement of Mexican labor laws and regulations, etc.

-Turtle and marine mammal conservation

-Investment sector analyses.

-Animal and phyto-sanitary measures.

-Youth conservation corps.

-Trade promotion with Central and South America and the Caribbean.

Outputs: Ideally, the expected output of A.I.D.'s short-term assistance efforts in support of the NAFTA would be an approved free trade agreement. Other factors, however, will determine the outcome of the NAFTA negotiations and the subsequent vote in all three countries' legislatures. Realistic outputs of A.I.D.'s participation in the process

leading up to the NAFTA must therefore be project-specific, i.e., those objectives set forth in A.I.D.'s individual agreements with DOL and EPA, the TA and training results achieved with regard to dolphin and sea turtle conservation efforts, etc. Outputs resulting from A.I.D. support for NAFTA implementation measures are similarly described in A.I.D./M's agreements with the U.S. Patent and Trademark Office (PTO), and APHIS and others. Overall, the longer-term outputs of A.I.D. assistance include:

- o a functioning and effective IPR system in place at the GOM Ministry of Commerce and Investment (SECOFI)
- o a comprehensive body of GOM environmental laws and regulations in effect, and rigorously enforced by GOM federal, state and municipal authorities
- o workers' rights and working conditions enhanced in such areas as occupational health and safety, collective bargaining, dispute settlement, and enforcement of child labor laws
- o 100% of the Mexican shrimp fleet and 100% of the Mexican tuna fleet utilizing internationally-accepted procedures for the protection of, respectively, sea turtles and dolphins
- o enforcement of phyto and animal health protective measures adequate to meet U.S. requirements and standards for importation of agricultural products

Other outputs will depend on the specific activities identified as essential/appropriate for A.I.D. assistance during FY 1993-1996 (see illustrative areas, page 4).

Funding source for NAFTA-related activities: ITT project.

2. Global Climate Change: Reduce the Emission of Greenhouse Gases.

A.I.D. has identified Mexico as one of the two highest-priority countries in Latin America for countering global warming (Brazil is the other). A.I.D./W guidance suggests that mission programs to mitigate climate change should focus on two sectoral areas: (1) forests and (2) energy.

Forestry activities should seek to reduce burning of biomass and to preserve forests and wetlands to serve as carbon reservoirs. Energy activities should attempt to reduce fossil fuel burning for energy production through improved use efficiency and energy conservation strategies.

A.I.D./Mexico addresses the first --forestry-- objective by concentrating assistance efforts in and around several of Mexico's protected parks and reserves. These target areas have been identified by the GOM, A.I.D. and environmental NGOs as having endangered forests having important biodiversity/environmental value. A.I.D./Mexico focuses assistance on core zone protection, buffer zone management, institutional strengthening in park management and enforcement, increased NGO participation in resource management, and regional cooperation, including improved international collaboration on management of cross-border parks and reserves (e.g., Calakmul/Mexico-Maya Biosphere Reserve/Guatemala-Rio Bravo/Belize).

Major projects under this objective have included mission buy-ins to the LAC Bureau "Parks-in-Peril" Project with The Nature Conservancy, and two Buffer Zone Management projects with World Wildlife Fund; support for a debt-for-nature swap executed by the GOM and Conservation International; and institutional development grants to Mexican NGOs engaged in tropical forest conservation programs.

These activities will continue in FY 1992-1996 assuming continuation of funding further to the Congressional earmark for GCC, and A.I.D.'s continuing designation of Mexico as a GCC key country. New activities to be launched in FY 1992-1994 --again assuming continuation of the earmark-- will focus on research on carbon sequestering and land use options in tropical environments, on strengthening Mexico's policy and regulatory framework vis-a-vis the country's protected areas, and on support for GCC-related actions of Mexico's Tropical Forestry Action Plan (TFAP).

A.I.D./M has implemented very few activities under the energy efficiency and conservation component of the GCC program. Current activities include two A.I.D./M buy-ins to R&D Bureau Office of Energy and Infrastructure projects which: (1) promote end-use efficiency and load management (RCG-Hagler, Bailly), and (2) train energy sector personnel in efficiency and coordination technologies (IIE). A.I.D./M has also coordinated with R&D/EI in the implementation of two centrally-funded programs focused on market development of energy and environment technologies (RCG/Hagler, Bailly); and

development of renewable energy resources such as biomass and wind (U.S. Export Council for Renewable Energy-ECRE). The low level of A.I.D./M investment in the energy component of GCC is a consequence of: (1) funding constraints in the overall GCC program; and (2) A.I.D./M's determination that the forest/biomass conservation component of the GCC program represented the area of greatest potential impact of limited GCC resources. A.I.D.'s participation in the energy sector consequently remains at a "sub-strategic" level, and energy conservation is not therefore presented in this Action Plan as a key element in A.I.D./M's GCC program to reduce greenhouse gas emissions.

If GCC funds remain scarce during FY 1992-1994, A.I.D./M will maintain its emphasis on the forest/biomass component of the GCC program. The major consequence of this decision will be delays in Mexico's adoption of energy efficient and alternative energy technologies, and the potential loss of emerging market opportunities for U.S. vendors.

Outputs: The key outputs of A.I.D.'s investment in the protection of threatened parks and reserves will include:

-Specific improvements in park management (park management plans in place; park boundaries demarked; technical staff, including rangers, trained and equipped).

-Improved economic/financial sustainability of conservation activities (increased GOM financial support for park management; increased number of environmentally sound income-generating projects in buffer zones).

-Strengthened capacity of conservation NGOs (NGO/GOM cooperation in area management formalized; key NGO/GOM staff trained).

-An improved policy and legal framework for sustainable development and area protection (appropriate laws and regulations in place).

-An improved data/information base on status of protected areas (baseline studies; GIS database; deforestation/land use monitoring).

The key outputs of A.I.D.'s far more modest investment in the energy sector will be the increased utilization of energy efficiency and conservation technologies in Mexico, and increased transfers (sales) of renewable energy services and technologies from the U.S. to Mexico. As noted previously, attainment of these energy-related outcomes will depend on the availability of GCC resources beyond current (FY 1992) levels.

Funding sources for GCC activities:
-LAC Bureau GCC Project.
-R&D/EI centrally-funded projects.

3. Population Growth.

The Mexican Government has established a particularly ambitious demographic goal for the country, i.e., the attainment of an annual population growth rate of 1% by the year 2000. (The current growth rate is approximately 2.1%/year). When President Carlos Salinas de Gortari announced this goal in 1990, he emphasized that rapid population growth was incompatible with the GOM's other goals to reduce infant and maternal mortality, increase jobs and income, and provide for the social, educational and infrastructural needs of the nation.

A.I.D. has supported the population activities of GOM agencies and Mexican NGOs since 1978, primarily via A.I.D./W funding of Mexican organizations' cooperative programs with U.S. NGOs such as Pathfinder International, IPPF/Western Hemisphere, the Association for Voluntary Surgical Contraception, Population Council, Family Health International, various universities, and others. Since 1986, A.I.D./Mexico has also provided some direct assistance (under the LAC Bureau ITT Project) to non-government organizations such as MEXFAM and FEMAP. This assistance was an important factor behind Mexico's success in reducing its population growth rate from 3.2% in 1976 to the present growth rate of approximately 2.1%.

The GOM's achievement of its goal for the year 2000 will require an unprecedented commitment of energy and resources, particularly as the bulk of the population program's beneficiaries during this period will be rural dwellers with relatively low levels of contraceptive practice. A.I.D., moreover, is attempting to conclude its lengthy involvement in Mexico's population program, albeit in a manner which will not disrupt (indeed, which will facilitate) the long-term impact and sustainability of the Mexican program.

An "A.I.D./Mexico Population Assistance Strategy, 1992-1996" which addresses A.I.D.'s response to the U.S.-Mexico objectives was reviewed and approved by AA/LAC in November, 1991. The key elements of this strategy include:

-A consolidation of A.I.D. assistance into relatively few projects, with an emphasis on delivery of family planning services in rural areas.

-Concentration of project activities in nine predominately rural states, and the poorest peri-urban areas of Mexico City --all characterized by low levels of contraceptive practice.

-The conditioning of A.I.D. assistance to the GOM's commitment to increase its family planning budget by an amount equal to A.I.D.'s contribution.

-Phase-out of A.I.D. assistance in 5-7 years.

The strategy will also support an increase in the financial self-sufficiency of private sector family planning agencies by increasing their ability to raise domestic revenues through a variety of income-generating activities.

Outputs: The key result of A.I.D. participation in the Mexican population program will be increased contraceptive practice (prevalence) in the 10 target areas noted above. Specifically, A.I.D./Mexico expects that contraceptive prevalence in these areas will increase from 35% of eligible couples in 1992 to 60% in 1997.

Funding sources: Over 95% of the funds needed to implement the A.I.D. population assistance strategy will be provided by R&D/Population (A.I.D./W) through that office's cooperative agreements and contracts with U.S. NGOs, foundations and universities.

The balance of funds will be provided by A.I.D./M directly, under the population account of the LAC Regional ITT Project.

C. Implementation Strategy.

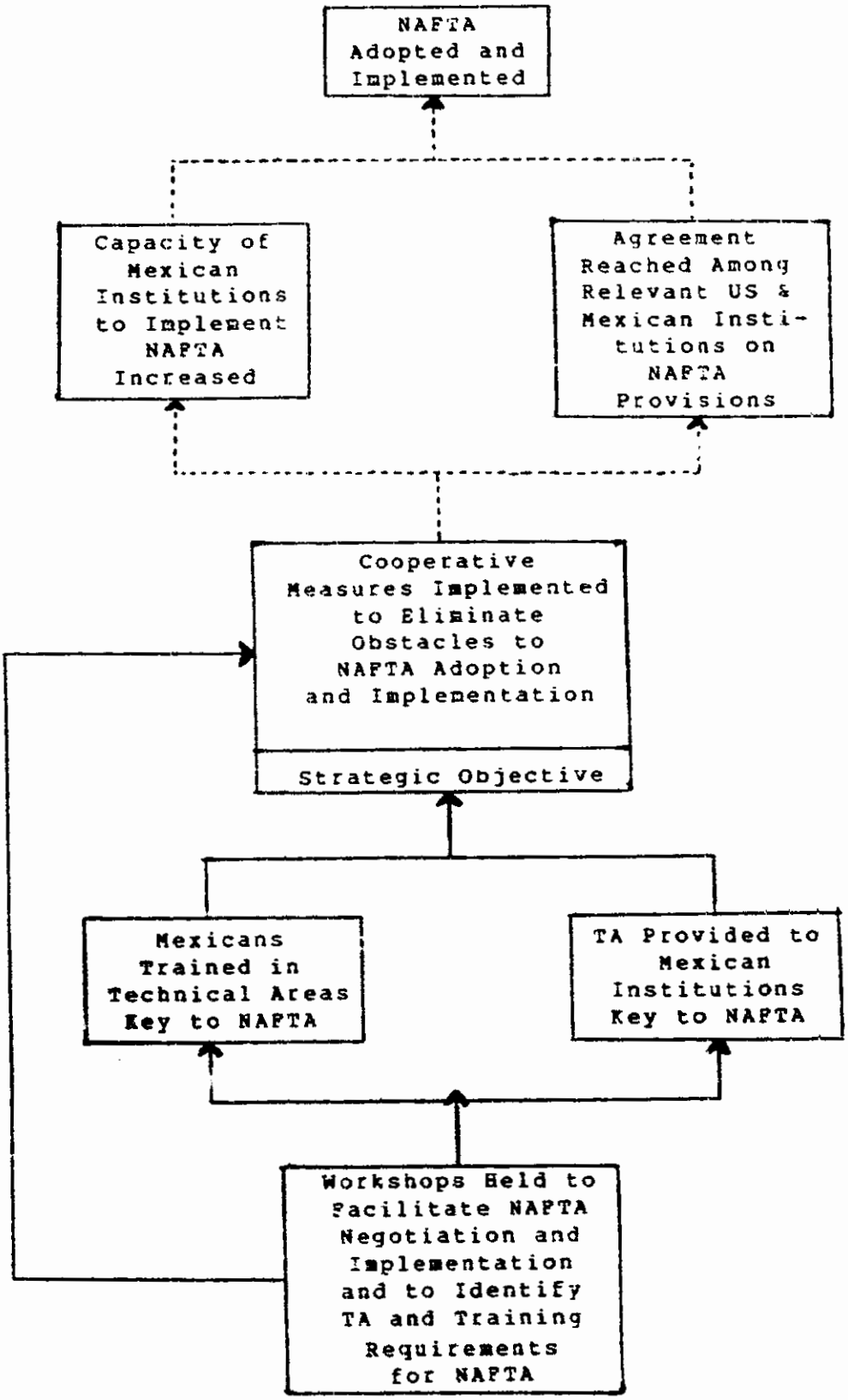
1. NAFTA: Through much of 1991 and 1992, A.I.D./Mexico's support for NAFTA-related activities was largely reactive. Specific tasks were identified in President Bush's May 1, 1991 letter to Congress; others emerged from the very dynamic negotiation process leading toward the NAFTA; and some, e.g., those relating to dolphin and sea turtle conservation, were intended to remove irritants/obstacles to a positive environment for the NAFTA negotiations. As noted previously, some significant components of A.I.D./M's NAFTA support program have a longer-term perspective: cooperation between the GOM Trade Ministry and the U.S. Patent and Trademark Office on IPR issues; APHIS' support for strengthened cooperation on animal and phyto-sanitary safeguards; and EPA/WEC efforts to link U.S. and Mexican businesses in the application of cost-effective environmental technologies.

In the judgement of A.I.D./M and the Country Team, all of these actions are essential to NAFTA adoption and, eventual implementation; singly or together, however, they are not sufficient to ensure that the NAFTA will be either adopted or successfully implemented. The "objective tree" shown on the following page reflects this disconnect between A.I.D.-supported activities/outputs and achievement of the two-part strategic objective (NAFTA Adopted and Implemented). In brief, A.I.D.-assisted activities contribute to, but do not guarantee, that (1) agreement will be reached among the U.S., Mexico and Canada on the NAFTA (A.I.D.'s short-term objective); or (2) once the NAFTA is adopted, that the capability of Mexican institutions to implement the NAFTA (A.I.D.'s longer-term objective) will substantially increase.

Notwithstanding these conceptual reservations, A.I.D./M will continue to support NAFTA-related activities --subject to the selection criteria noted in Section I.B.(1)-- given the exceptional importance which U.S. policy attaches to this historic trade initiative, and the important contributory role which A.I.D.-assisted activities can play in helping ensure its success. Depending on the specific activity selected for support, A.I.D./M will generally rely on PASA's or inter-agency agreements as the preferred mechanism(s) to channel resources to the appropriate operational agencies of the USG (DOC/PTO, DOC/National Marine Fisheries Service, EPA, APHIS, DOL, etc.). A.I.D./M will also provide modest amounts of direct support for Mexican organizations involved in NAFTA-related activities, e.g., the U.S. and Mexican Chambers of Commerce, other industrial/trade associations, and certain conservation NGOs.

STRATEGIC OBJECTIVE # 1

Adoption and Implementation of the NAFTA



All of these activities would be funded under the LAC Regional ITT Project.

2. Global Climate Change: Reduce the Emission of Greenhouse Gases.

Section I.B.(2) discusses GCC funding constraints, and A.I.D./Mexico's determination that the GCC program's greenhouse gas reduction objective can best be achieved by focusing the limited available resources on forest conservation and park protection activities.

The "strategic objective tree" shown on the following page reflects this focus by excluding consideration of the marginal contribution made by A.I.D.-assisted energy efficiency/conservation activities toward the reduction of greenhouse gas emissions.

Implementing mechanisms for the Mexico GCC program will include: (1) mission buy-ins to central projects such as "Parks in Peril" (The Nature Conservancy) and the Conservation of Biological Diversity Program (World Wildlife Fund, Conservation International and the World Resources Institute) to support conservation activities in and around priority protected areas; (2) additional funding tranches for Conservation International's debt-for-nature swap in support of conservation activities in the Lacandon Forest; (3) institutional support grants to Mexican NGOs engaged in forest conservation programs and the Mexico Tropical Forest Action Plan; (4) an inter-agency agreement with EPA to research/quantify carbon cycling in target areas and help monitor forest cover and land use; and (5) a grant agreement with the Environmental Law Institute to help strengthen the legal and regulatory framework regarding Mexico's protected areas.

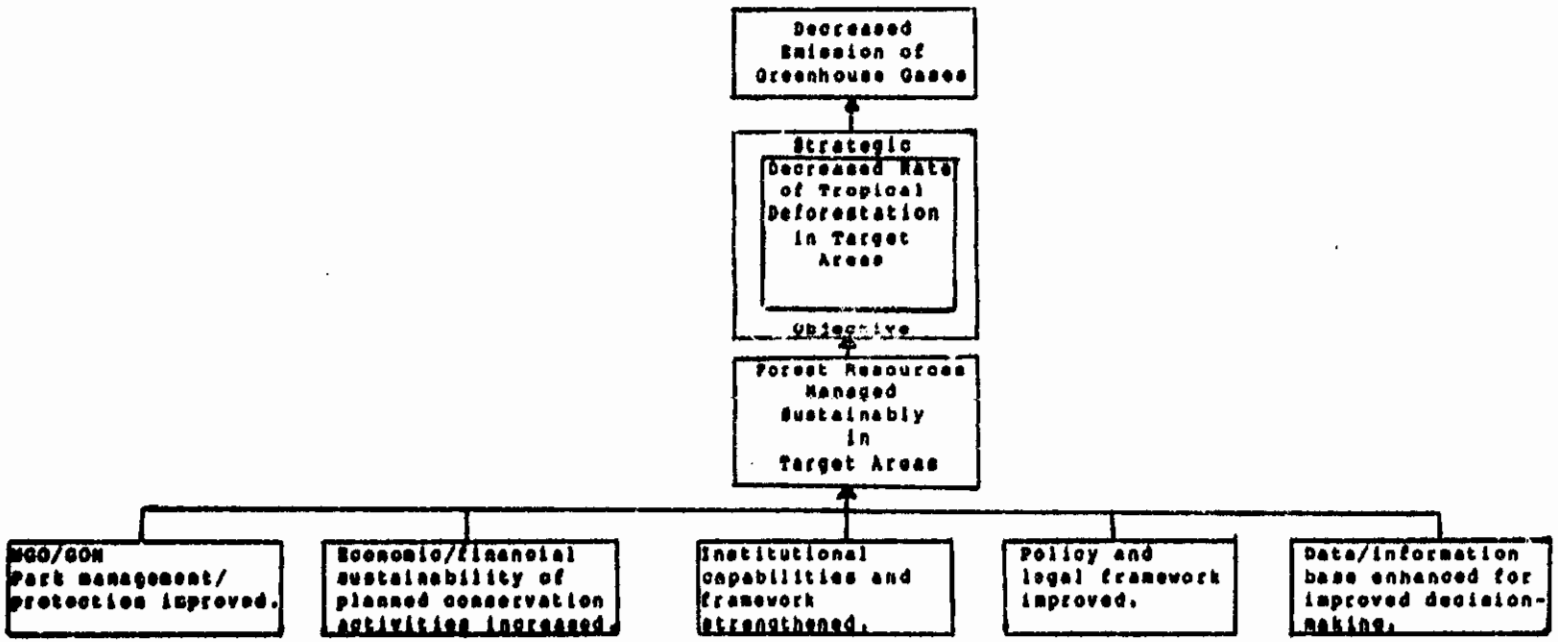
If additional funds become available, A.I.D./M will buy in to R&E/EI projects which promote energy efficiency, and which develop the technical feasibility and market-readiness of alternative energy technologies such as solar, wind, small hydro and hybrid systems.

3. Population

Until recently, A.I.D. channelled population assistance to Mexico via a multitude of large and small projects (over 60 in 1991), each of which had its specific objective(s) (research, family planning service delivery, data collection, demographic analysis, communication, etc.). One of

STRATEGIC OBJECTIVE # 2

DECREASED RATE OF TROPICAL DEFORESTATION



ACTIVITIES:

1. Park master and operational planning.

2. Participatory rural appraisal workshops carried out with participating communities; local goals incorporated into management plans.

3. Infrastructure and equipment (guard stations, communications, vehicles, environmental education/visitor centers, etc.) installed and maintained according to plans.

4. Staff training plan developed and implemented.

1. Funding for NGO partners (operating and management costs) provided by AID.

2. Socio-economic analysis of needs/ opportunities for buffer zones completed.

3. Feasibility studies for alternative nature-based economic opportunities/micro-enterprises completed.

4. Technical assistance workshops and training provided to promote microenterprise development.

1. NGO role in management of parks/reserves agreed upon and codified.

2. Staff training provided to support NGO/GOH roles.

1. Maps of parks (with core and buffer zones) created and agreed upon.

2. Park boundaries marked in field.

3. Policy and legal specialists of GOH and NGO trained.

4. Quantity and quality of enforcement increased.

1. Baseline studies performed and critical information entered into data base.

2. G.I.S. data base established and developed.

3. Deforestation and land use monitored for the target area.

4. National and regional workshops held on issues of deforestation and GCC.

the key changes called for by the A.I.D. Population Assistance Strategy, 1992-1996 is the focus and consolidation of A.I.D. resources on a small number of projects in specific areas of Mexico. Virtually all of these projects, moreover, will share the same objective, i.e., to increase contraceptive prevalence in the predominately rural areas selected for project activities. (One planned project --to improve the financial self-sufficiency of private sector family planning agencies-- will have a less immediate impact on contraceptive prevalence). The design process for projects implemented under the strategy will apply the prevalence criterion as a consistent test against which each project, and its constituent components, will be measured. A Demographic and Health survey will be conducted in the intended project areas in 1992 to provide a baseline of current family planning practice; and surveys will be carried out in 1994 and 1997 to assess program performance.

This functional and geographic program focus was developed in close consultation with the Mexican Government (i.e., with the Ministry of Health-SSA, the Mexican Social Security Institute-IMSS, and the National Population Council-CONAPO) and directly supports population goals established by the GOM "National Family Planning Program, 1990-1994" as published July 17, 1991 in the GOM Diario Oficial. The essential features of USG-GOM cooperation are described in a Memorandum of Understanding to be executed in the Spring of 1992 between A.I.D./Mexico and CONAPO --marking the first time the two governments have undertaken a formal agreement on population matters.

With the exception of a small number of activities to be funded under the LAC Regional ITT Project (audit costs, U.S. PSCs, closeout costs for incrementally-funded projects, some low-cost, time-limited projects), activities implemented under the new strategy will be funded by R&D/Population. More specifically, a relatively small number of the U.S. grantees and contractors funded by R&D/Pop will participate in the design and negotiation of the family planning projects identified in the Population Strategy, and will execute direct agreements with appropriate Mexican implementing agencies to support these projects.

As described in the A.I.D./Mexico Population Strategy, the newly-consolidated population program will include the following activities:

-Expansion of clinical family planning services.

-Family planning training.

-Family planning communications.

-Commercial sale of contraceptive products.

-Financial self-sufficiency of private sector agencies.

These activities will be supported by selected operations research, periodic surveys as described above, and a built-in evaluation system. The project design/negotiation process for each of the above major activities will incorporate a significant funding commitment by the GOM (or private pharmaceutical companies in the case of the commercial sales project). This design process with the GOM will begin immediately after the signing of the A.I.D.-GOM MOU (Spring, 1992), and will focus initially on preparation of the largest project --Expansion of Clinical Family Planning Services, including family planning training and communications activities related thereto. (Preparation of the Commercial Sales Project was initiated in January, 1992: consultations are currently under way with two pharmaceutical companies, through The Futures Group, to conduct a pilot contraceptive sales project in the states of Chiapas and Guanajuato). Preparation of the Private Sector Self-Sufficiency Project will begin in late Spring of 1992. Two "lead" cooperating agencies --most likely Pathfinder International and IPPF/Western Hemisphere-- will bear primary responsibility for support of, respectively, the public sector and private sector programs. Other agencies such as the Association for Voluntary Surgical Contraception (AVSC), The Johns Hopkins University, Development Associates, Population Council, Family Health International and PROFIT will respond to selected technical requirements of the overall program.

The "strategic objective tree" shown on the following page summarizes the concept and expected outputs of the population assistance program.

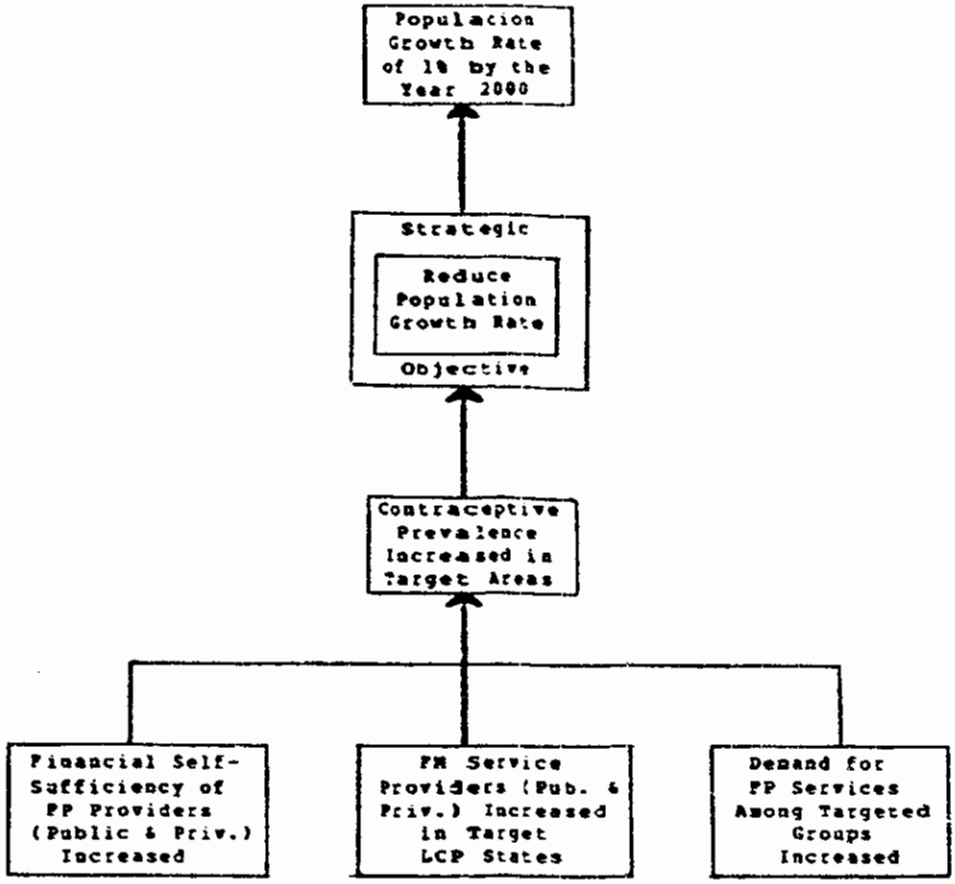
4. Other Activities

A. Narcotics Demand Reduction

It is estimated that 30% of the heroin consumed in the U.S. originates in Mexico, and that 50% of the cocaine entering the U.S. transits Mexico. Both countries are cooperating closely in an aggressive campaign to reduce this traffic through crop eradication, intensified interdiction efforts and stiffer law enforcement. A.I.D./M's Narcotics Demand Reduction activities complement these efforts by

STRATEGIC OBJECTIVE # 3

Reduce Population Growth Rate



Activities:

--Policy Dialogue

--TA and Training Provided in Commodities Logistics

--TA and Training Provided to Support Income-Generating Activities by Private Sector FP Providers

--Donor Coordination

--TA, Training and Equipment Provided to Start-Up FP Practitioners in Target LCP States

--Doctors Trained in Surgical FP Procedures

--Health Care Workers, Pharmacists, and Social Workers Trained in FP

--Health care workers, Pharmacists, and Social Workers Trained in FP Service Delivery in Target LCP States

--IEC Targeted at Certain Demographic Groups in Target LCP States

--Operations Research

* LCP = Low Contraceptive Prevalence

enhancing community-level recognition of Mexico's own drug abuse problems, and by mobilizing public support for tougher laws and more effective prevention programs. A.I.D./M supports private sector-based prevention programs along the U.S.-Mexico border, in Mexico City and in Monterrey; surveys to assess community attitudes toward drug problems; school presentations; and analysis and dissemination of drug use data.

Mexico's significance in the international war on drugs has been underscroed by A.I.D. Administrator Roskens, who in a June, 1991 message to A.I.D. missions in all "certification" countries (including Mexico) called for continuing, vigorous action in support of drug education and awareness programs. A.I.D./Mexico expects to continue its support for demand reduction activities at relatively modest levels at least through FY 1994.

B. AIDS Prevention

Mexico is the third largest reservoir of HIV in the hemisphere (after the U.S. and Brazil). Moreover, the relative openness of the U.S.-Mexico border (over 260 million border crossings in 1991) means that the effectiveness of an AIDS-prevention strategy in one country will inevitably be reinforced or thwarted by efforts in the other country. And Mexican sensitivity to the U.S. role as an "exporter" of the virus to Mexico has created expectations of U.S. cooperation in addressing Mexico's AIDS epidemic.

A.I.D. has focused its AIDS assistance on non-government organizations which reach high-risk populations including prostitutes, gay groups, drug users, and to limited extent, sexually-active adolescents. These organizations frequently face considerable obstacles in accessing financial support from the GOM or other donors, despite their considerable success in promoting an active --and positive-- public dialogue on AIDS issues in this very conservative country.

In July, 1991 A.I.D./Mexico and LAC/W identified AIDS as an assistance sector to be considered for termination after FY 1992. A.I.D./M proposes that a modest AIDS program continue through the current Action Plan period (FY 1993-1994), during which time A.I.D./M will work closely with the recipient NGOs, the GOM and other donors to ensure that these important efforts continue after termination of A.I.D. assistance.

C. ADC Training

Until recently, the ADC Training Project --and its predecessor project, LAC II-- provided resources for training opportunities across a wide range of technical, management and academic disciplines. However, in keeping with the A.I.D./Mexico program consolidation and restructuring Agreement of July, 1991 (State 25425, August 2, 1991) all training activities currently carried out under the ADC are in direct support of A.I.D./M strategic objectives (NAFTA, GCC, Population, some narcotics demand reduction and AIDS prevention). Meanwhile, none of the other A.I.D./M or A.I.D./W-funded activities which support A.I.D./M's strategic objectives include a training component (with the exception of a terminating buy-in for energy training). The ADC Training Project is therefore a critically important implementation tool for the A.I.D./M program, as it provides the sole means by which A.I.D./M can address the training requirements of the overall assistance program. An effective response to the strategic objectives described in this Action Plan requires a continuing, adequately-funded ADC Training Project through the LOP of the A.I.D./M assistance program. ADC funding, moreover, should be maintained as a separate line item in the A.I.D./M budget, rather than drawn from budget levels established for the ITT, GCC and Narcotics Demand Reduction Projects --a practice which has disrupted planning for the latter projects, and produced less-than-adequate resources for ADC training activities.

D. Miscellaneous A.I.D./W-Funded Activities.

1. Program in Scientific and Technical Cooperation (PSTC): PSTC seeks to stimulate new and innovative research on problems that confront developing countries (ADC's are accorded relatively low priority for PSTC grants). A.I.D./M obligates PSTC funds and monitors PSTC projects on behalf of the R&D Bureau Science Office. Six PSTC projects are currently being implemented in Mexico.

2. OFDA: A.I.D.'s Disaster Assistance Office provides occasional training assistance in areas such as wildfire suppression, management of hazardous materials, disaster management, earthquake engineering, search and rescue, emergency medicine and airport safety. Most training takes place in Mexico City or elsewhere in Latin America, with technical assistance of the Office of Regional disaster Advisor in San Jose, Costa Rica.

3. ASHA: The American Schools and Hospitals Abroad program has provided important assistance over the past several years for the construction and operating costs of two institutions in Mexico --the American British Cowdray (ABC) Hospital, and the University of the Americas. Other institutions have requests pending before ASHA in 1992, and will submit revised proposals in 1993/94 if their current proposals are not successful.

4. Biodiversity: The A.I.D./W-funded Conservation of Biological Diversity Program (World Wildlife Fund, The Nature Conservancy and the World Resources Institute) is currently (1992) supporting 13 small biodiversity sub-projects throughout Mexico. These activities represent an important complement to the buffer zone-focused activities of the A.I.D./M Global Climate Change Program. Two A.I.D./M buy-ins to this program support the creation of environmentally-sensitive income-generation activities around Mexico's protected parks and reserves.

5. PRE Bureau Projects:

A. Franchise Guarantee Program: This project provides a 50% guarantee of loans executed to purchase Mexican franchises of U.S. businesses. The maximum individual loan under the program is $250,000 ($125,000 subject to guarantee), with a loan guarantee ceiling on $3,000,000 for each participating (lending) institution. Initial discussions with Mexican financial institutions began in January, 1992. Since that time, seven Mexican banks have expressed interest in participating in the program.

B. Trade and Investment Services (TIS): This project is a cooperative venture between a chamber of commerce in Monterrey (CAINTRA) and the International Executive Service Corps (IESC), Stamford, Conn. to promote joint ventures between U.S. and Mexican businesses. The Mexican chamber seeks out businesses interested in executing joint ventures, evaluates the proposals, and forwards viable candidates to IESC. IESC searches for a sinilarly interested U.S. company, effects the match, and leaves the two companies to complete the joint venture process. When a successful agreement is executed, each company pays a small fee to the local chamber. This project was officially inaugurated in February, 1992.

6. RTAC-II: A.I.D./M provides administrative support and technical oversight for the RTAC-II Project, which maintains its regional office in Mexico City.

II. Program Performance (in support of LAC Bureau objectives).

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

Sub-Objective A: Encourage economic policies that promote investment, productive employment and outward-oriented diversification.

In FY-1992 A.I.D./Mexico and LAC/W were able to move quickly to assemble a "rapid response" package in support of the NAFTA negotiation process. Key elements of this package included support for activities implemented under the US-GOM MOU on labor issues; preparation of the Integrated Environment Plan for the Border; and the development of a cooperative U.S.-Mexico program on IPR protections. Without this timely assistance, neither DOL nor EPA would have been able to meet the tasks/deadlines publicly established for them by the U.S. Administration. And it is generally, if informally, acknowledged by Mexican counterparts that the Mexican Congress' passage of the Industrial Property Protection legislation in July, 1991 was assured by U.S. agreement to help install an improved IPR protection capability within the GOM Trade Ministry. A.I.D./M-supported TA for the Mexican shrimp fleet in the design, construction and use of turtle-excluder devices (TEDs) was a key factor behind Mexico's avoidance of a U.S.-mandated shrimp embargo in 1991-1992.

Sub-Objective C: Encourage increased economic opportunities for the disadvantaged.

In 1991 over six million Mexican couples received family planning services supported at least in part by A.I.D. assistance. Those services enabled Mexican parents --and particularly women-- to successfully exercise a fundamental right, i.e., to determine their own fertility. The new population assistance strategy developed in 1991 by A.I.D. and several GOM agencies will help ensure that Mexico's poorer and more isolated rural citizens can exercise this same basic right.

A.I.D.'s assistance for child survival programs helped (1) increase the use of ORT in six Mexican states suffering the highest rates of infant mortality, and (2) the GOM attain nationwide child vaccination coverage of more than 80%.

The Section 416 Food Assistance Program --transferred from A.I.D. to USDA in December, 1991-- provided supplemental food rations to four million of Mexico's poorest citizens, and supported the implementation of over 200 development projects

which will increase the quality of life and income-earning capacity of these beneficiaries.

Sub-Objective D: Encourage preservation and sustainable use of the natural resource base.

GCC grants to several U.S. and Mexican conservation NGOs are supporting the management of seven major parks and reserves covering more than five million acres of tropical forest in southeastern Mexico. In 1991 A.I.D./M helped develop, and was the major contributor to, Mexico's first debt-for-nature swap, executed by the GOM and Conservation International. Proceeds from the debt exchange are being used to ensure protection of the Lacandon Forest --one of the last remaining expanses of tropical hardwood forest in North America.

A.I.D./M and R&D/EI coordinated the development of an energy-and-environment market development conference for Mexico (Boston, March 3, 1992), which drew over 200 potential investors, customers and clients. The conference, two others scheduled for 1992, and a Mexico Market Assessment report developed under the R&D/EI project will generate increased U.S.-Mexico trade opportunities in environmentally-responsive technologies.

Objective III. Respond to specific challenges.

Sub Objective B: Diminish participation in production, trafficking and abuse of narcotics.

In 1991 over 37,000 persons directly participated in anti-drug presentations and special events conducted by A.I.D.-supported community organizations, and thousands more were reached by radio, TV, and print campaigns promoting a drug-free lifestyle. FEMAP, which had conducted successful programs in Cd. Juarez, Monterrey and Tijuana, extended the program to Matamoros.

Sub-Objective C: Respond to epidemics that threaten the region.

A.I.D./M has generally used its AIDS resources to support the often-innovative work of NGOs which deal with high-risk populations. In 1991, FEMAP enlisted and trained some 1,800 prostitutes in Cd. Juarez and Tijuana as AIDS/STD education agents. Another NGO produced an AIDS comic book aimed at poorly educated rural populations where high levels of misinformation exist with respect to HIV transmission. In Guadalajara, an NGO is conducting research to determine

effective strategies for reaching men --especially bisexuals-- who engage in high-risk behavior. The centrally-funded AIDSTECH project supported the production of a radio soap opera with an AIDS theme, and an HIV information course for pharmacists.

Objective II. Support the evolution of stable, participatory democratic societies.

Sub-Objective B: Stengthen public participation in Democratic Process.

In 1991, A.I.D. provided support for some 20 Mexican NGOs involved in development, conservation and humanitarian activities in Mexico. This assistance has enhanced the visibility and competence of some NGOs to the extent that they are now important interlocutors, partners (and occasionally gadflies) with the GOM in the shaping of public policy. In the population field, FEMAP and MEXFAM have been invited to join the GOM's highest planning body for family planning programs (the Grupo Inter-Institucional de Planificacion Familiar, chaired by the Secretary of Health). Mexican conservation organizations such as PRONATURA and Fundacion Universo 21 are increasingly setting the tone for the public debate on environmental issues. And the General Coordinator of the GOM National Addictions Council as well as the head of the Health Secretariat's AIDS prevention program have both agreed to seek the views --and participation-- of A.I.D.-funded NGOs in the design and execution of the GOM's drug/AIDS awareness strategies.

III. Portfolio Analyses.

A. New and Terminating Activities: Summary.

Despite the upward pressure on new starts created by A.I.D./M's role in support of the NAFTA, A.I.D./M will continue a process of significant project consolidation during the Action Plan period. Excluding audits, PSCs and unanticipated small projects, A.I.D./M will initiate 20-25 new activities during FY 1992-1994, and complete between 30-35 activities

during the same period. By the end of FY 1994, approximately 20 projects will be active, compared to over 60 at the close of FY 1991.*

Table 3 shows all projects and activities currently planned for the FY 1992-1994 period. New starts are marked with an asterisk (*); terminating activities are marked with a cross (+). Activities which will begin and end during FY 1992-1994 are marked with both symbols (*+).

The most important variable in the projected "case load" will be the extent of A.I.D./M participation in activities to ensure successful implementation of the NAFTA. Table 3 attempts to reflect these probable requirements; but experience to date suggests that some, possibly significant, projects may present themselves with little notice.

B. New Project Descriptions

The following pages describe four new projects having LOP values of $500,000 or more. These include:

1. U.S.-Mexico Labor Cooperation (PASA with U.S. Department of Labor).

2. Intellectual Property Rights (IPR) Cooperation (PASA with U.S. Patent and Trademark Office).

3. Environmental Policy Studies (H.B. 13 grant to the Environmental Law Institute).

4. Implementation of the Mexico Tropical Forestry Action Plan (H.B. 13 grant to the Miguel Aleman Foundation).

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* Approximately 35 projects are being completed in sectors which are no longer eligible for A.I.D./M assistance per the July, 1991 agreement with LAC/W (child survival, health, agriculture, education, and most ITT-funded population activities).

New Activity Description

ACTIVITY: U.S.-Mexico Labor Cooperation

PROJECT NUMBER: 598-0616-23-3-10015 (ITT Project)

IMPLEMENTING AGENCY: U.S. Department of Labor

FUNDING LEVEL: FY 1991: $206,000
FY 1992: $289,000
FY 1993: $58,000
LOP: $553,000

FUNDING SOURCE: DA (Education and Human Resources)

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

This project conforms with the LAC Bureau objective to encourage economic policies that promote investment, productive employment and outward-oriented diversification. The PASA supported by this project will enable the U.S. Department of Labor to collaborate with the GOM Secretariat of Labor to develop labor policies that will ensure a safe working environment, develop reliable labor statistics, and provide for workers' rights.

The project directly supports U.S. efforts to successfully negotiate a North American Free Trade Agreement. In his May 1 letter to Congress transmitting the "Response to Issues Raised in Connection with the Negotiation of a North American Free Trade Agreement," President Bush noted that "Mexico has strong laws regulating labor standards and worker rights. Beyond what Mexico is already doing we will work through new initiatives to expand U.S.-Mexico labor cooperation." This project provides for training and cooperative activities between the U.S. Department of Labor and the GOM Secretariat of Labor and Social Welfare to carry out the initiatives described by President Bush.

B. Relationship to Overall A.I.D. Policy Objectives

This project addresses two components of the Enterprise for the Americas Initiative: expand international commerce through greater trade liberalization, and promote private investment through policy reform. Both of these policy objectives will be substantially achieved in Mexico by the adoption and implementation of the NAFTA.

C. Relationship to Other Donor Activities: N/A

D. Project Description:

A.I.D./Mexico initiated this project on an emergency basis in FY 1991. This description has been included in this year's action plan to allow A.I.D./Washington an

opportunity to review the activity prior to authorizing additional funding.

The project supports collaboration between the U.S. Department of Labor and the GOM Secretariat of Labor and Social Welfare in the areas of occupational health and safety, labor statistics, work force participation in the informal sector, and labor-management relations/worker rights. Activities to be completed under this project include cooperative studies in the areas of occupational health and safety systems, including labor relations, enforcement, and reporting; the design, collection, preparation, and dissemination of labor statistics; comparative analysis of the informal sector; and industrial relations systems, including the legal framework, collective bargaining, and dispute resolution.

Major outputs for this project include a study on occupational safety and health systems in both countries; the development of a current data base of U.S. Mexican labor statistics; and a study of the informal sector in both countries.

E. Sustainability of Proposed Activities:

Technical assistance and training provided under this project will create fundamental changes in the collection and use of labor statistics, occupational health and safety laws, and the enforcement of these laws. These changes will be integrated into GOM labor policy.

F. Potential Issues: None

New Activity Description

ACTIVITY: Intellectual Property Rights (IPR) Cooperation

PROJECT NUMBER: 598-0616.23-3-10016 (ITT Project)

IMPLEMENTING AGENCY: Department of Commerce, Patent and Trademark Office

FUNDING LEVEL: FY 1991: $250,000
FY 1992: $250,000
LOP: $500,000

FUNDING SOURCE: DA (Education and Human Resources)

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

This project conforms with the LAC Bureau objective to encourage economic policies that promote investment, productive employment and outward-oriented diversification. A PASA funded by this project will enable the U.S. Patent and Trademark Office to collaborate with the GOM's Industrial Property Office (in the Secretariat of Commerce and Investment--SECOFI) to ensure enforcement of Mexico's new Property Protection Law. The project provides training and technical assistance to update existing patent files, install modern patent examination methods to speed the granting of patents in Mexico, and enforce the new patent laws.

This project supports U.S. efforts to successfully negotiate a North American Free Trade Agreement by helping create an intellectual property rights (IPR) protection capacity in SECOFI. Without effective administration of Mexico's new Industrial Property Law (July, 1991), U.S businesses will be reluctant to expand trade and investment activities in Mexico. Such protection is crucial to investment and innovation in this emerging market.

B. Relationship to Overall A.I.D. Policy Objectives

The training and technical assistance provided under this project support the implementation of Mexico's new intellectual property rights law. Such activities reinforce the Enterprise for the Americas objectives to encourage trade liberalization and private investment through policy reform.

C. Relationship to Other Donors N/A

D. Project Description

A.I.D./Mexico initiated this project on an emergency basis in FY 1991. This description has been included in this year's action plan to allow A.I.D./Washington an opportunity to review the activity prior to authorizing additional funding.

The project provides technical assistance and training to develop and strengthen the capacity of the GOM Industrial Property Office to implement and ensure compliance with Mexico's new industrial property law.

The U.S. Patent and Trademark Office (USPTO) will provide technical assistance to the GOM's Industrial Property Office (IPO) to create the organizational infrastructure needed to implement the new Mexican law; to provide training in patent and trademark examination; and technical assistance and training in the implementation of IPO's new organizational structure.

Major outputs include an assessment of IPO requirements for training and administration; an organizational and budget model for the IPO; training in patent and trademark examination for IPO employees; and the development and implementation of a computerized tracking system for patent requests.

E. Sustainability of Proposed Activities

The outcome of this project will be a permanent capability within SECOFI to receive, process, and approve new patents, trademarks, copyrights, etc., and to effectively protect the interests of current holders of such intellectual property rights--including those rights held by U.S. individuals and institutions.

F. Potential Issues:

The IPO has been slow in hiring new staff and in identifying staff for training. Their delays are due in part to the involvement of key SECOFI personnel in the NAFTA negotiations.

NEW ACTIVITY DESCRIPTION

ACTIVITY TITLE: Environmental Policy Studies Related to Climate Change

PROJECT/PROGRAM NUMBER: 598-0784.12

IMPLEMENTING AGENCY: Environmental Law Institute

FUNDING LEVEL:

FY 1992:	$ 200
FY 1993:	$ 200
FY 1994:	$ 100
LOP:	$ 500

FUNDING SOURCE: ARDN (Global Climate Change)

A. Relationship to LAC Bureau Objective and Sub-objective, Mission Strategic Objective and Focus Areas:

AID/Mexico's Global Climate Change project focuses on the mitigation of climate change by reducing greenhouse gas emissions. The "AID/M Environmental/GCC Strategy and Workplan" states the goal of producing in Mexico the capabilities and conditions for the sustained use of natural resources in a matter that mitigates environmental impact and climate change, protects biological diversity and promotes equitable and sustainable economic growth. One of the principal focus areas of this workplan is policy formulation/reform, institutional strengthening and awareness. This project is designed to contribute significantly to this AID/M objective.

The 1991 AID/M Action Plan review in Washington produced agreement on the need for additional investments in the GCC/Mexico program to enhance policy/legal analysis and reform. This project addresses this need, and in a larger context supports the Bureau Objectives/Sub-objectives I.D. (Encourage Preservation and Sustainable Use of the Natural Resource Base) and III.A (Foster Regional Integration and Cooperation, especially regarding the cross-border effects of environmental degradation). It also conforms to the recently-developed LAC Bureau Environmental Options and most recent Agency ENR policy and strategy statements.

B. Relationship of Activity to Overall A.I.D. Policy Objectives:

In FY 1990 Congress directed A.I.D. to undertake actions which address the threat of global climate change. In December, 1991 the LAC Bureau transmitted to LAC Missions the first GCC Guidelines for A.I.D. missions and bureaus. These Guidelines recommended, inter alia, that A.I.D. support policy analysis and reform of unsound policy and legal frameworks. This project responds to this directive.

C. Relationship to Other Donor Activities:

Several important projects and initiatives are being implemented in Mexico to promote improved environmental policies and legal and institutional structures. A.I.D./M will promote ELI linkages and cooperation with these efforts.

Within the private sector, both U.S. and Mexican environmental NGOs are working in this area. These NGOs include The World Wildlife Fund, The Nature Conservancy, Conservation International, PRONATURA and the Fundacion Universo Veintiuno -- organizations that are receiving A.I.D. support through the GCC program. All of these groups, however, due to their limited staff and financial resources and the nature of their programs and interests, focus on eliminating select policy constraints. None address the cross-cutting issues of climate change nor deal directly with policy/legal reform at the national level.

On the public side, A.I.D. collaborates with two institutions that are working to influence institutional and policy reform in the environmental sector: the USEPA and the World Bank. Both are working to strengthen SEDUE (the Mexican Environment and Urban Development Secretariat) and improve the legal and policy framework which facilitate environmental protection and protected areas management. The World Bank is also strengthening SARH (the Mexican Secretariat of Agriculture and Water Resources) in the forestry sector. AID/M will promote ELI cooperation with these institutions to increase project impact.

D. Activity Description:

Through this project the Environmental Law Institute (ELI) will attempt to change GOM policies and legal and institutional structures that currently encourage tropical forest destruction in Mexico. The project will investigate prospects and strategies for reforming these policies, laws and institutions in order to improve forest management, protect priority parks and reserves, and promote sustainable development in the buffer zones of protected areas. In a later phase of this project, ELI will expand its focus to address the issues of reliance on and inefficient use of fossil fuels.

Initial project objectives will be accomplished through a series of research/analysis, training and information exchange activities which will be implemented in collaboration with different public and private sector agencies in Mexico. Principal Mexican collaborators at the national level include the Centro de Investigaciones Sobre Estados Unidos de America (CI/EUA) and the Instituto de Investigaciones Juridicas (IIJ) at the Universidad Nacional Autonoma de Mexico (UNAM) and the Fundacion Universo Veintiuno (FUV). Important collaborators at the field/project level include the Mexico Tropical Forestry Action Plan (PROAFT) and conservation NGOs such as WWF, TNC, PRONATURA and Conservation International. Project activities will be conducted under the auspices of ELI's Inter-American Center for Environmental Policy

(ICEP) and be staffed by U.S. and Latin American attorneys and economists at the ELI as well as additional environmental professionals drawn from the ICEP network in Mexico and throughout the hemisphere. Comparative studies and information exchange are expected to occur with other countries with relevant policy/legal reform experiences, including Canada and Brazil.

ELI is currently working within the USAID/LAC Global Climate Change Program through a grant agreement with AID/Brazil. In supervising this project, A.I.D./M will cooperate closely with both LAC/DR/E and AID/Brazil.

Method of Obligation: H.B. 13 Grant

Major Outputs Expected: a North American conference on environmental law and policy; follow-up meeting(s) to harmonize environmental laws and coordinate regional and national implementation and enforcement of these laws; legal and institutional strategies for addressing climate change;and technical assistance to the GOM and cooperating NGOs.

E. Sustainability of Proposed Activities: the policy studies and technical assistance provided by this project will complement and strengthen the ongoing AID/M GCC field projects which have limited capabilities to deal with macro-level policy and economic issues.

F. Potential Issues: none

NEW ACTIVITY DESCRIPTION

ACTIVITY TITLE: Strengthening Mexico's Tropical Forestry Action Plan (PROAFT) for Forest Conservation and GCC Mitigation

PROJECT/PROGRAM NUMBER: 598-0784.12

IMPLEMENTING AGENCY: Fundacion Miguel Aleman (FMA)

FUNDING LEVEL:

FY 1992:	$ 200
FY 1993:	$ 250
FY 1994:	$ 250
LOP:	$ 700

FUNDING SOURCE: ARDN (Global Climate Change)

A. Relationship to LAC Bureau Objective and Sub-objective, Mission Strategic Objective and Focus Areas:

AID/Mexico's Global Climate Change project seeks to mitigate climate change by reducing greenhouse gas emissions. A.I.D./M's principal focus area under this objective is decreasing the rate of deforestation in target areas and promoting sustainable forestry. This project is designed to contribute significantly to this AID/M objective.

This project supports the Bureau Objectives/Sub-objectives I.D. (Encourage Preservation and Sustainable Use of the Natural Resource Base) and III.A (Foster Regional Integration and Cooperation, especially regarding the cross-border effects of environmental degradation). It also conforms to the recently-developed LAC Bureau Environmental Options and most recent Agency ENR policy and strategy statements.

B. Relationship of Activity to Overall A.I.D. Policy Objectives:

In FY 1990 Congress directed A.I.D. to undertake actions which address the threat of global climate change. In December, 1991 the LAC Bureau transmitted to LAC Missions the first "GCC Guidelines for A.I.D. missions and bureaus". These Guidelines recommend, inter alia, focusing on four sectors where development-related activities are most likely to contribute to global climate change. One of these sectors, viz. forestry, has been targeted as of higher priority and relevance for A.I.D. assistance in Mexico. This project responds to this rationale.

C. Relationship to Other Donor Activities:

While several foreign donors are active in Mexico in the field of forest production, few are promoting forest management and protection as a strategic element of a program for sustainable development in tropical regions based on the conservation of parks, reserves and biodiversity. Those donors that have programs/projects

that are most relevant to this approach (which characterizes the A.I.D./M GCC program) include the World Bank and IDB, several conservation NGOs, and the German government/GTZ (ie, the "Plan Piloto Forestal"). Although some coordination is already going on with these donors through Mexico's tropical forestry planning activities, this project will strengthen PROAFT's capabilities to increase cooperation at the operational level with these various donors.

PROAFT staff is in contact with a number of Mexican foundations and conservation NGOs that promote forest conservation and have expressed interest in collaborating with Mexico's Tropical Forestry Action Program. These donors include the Miguel Aleman Foundation and Conservation International, as well as several other Mexican NGOs that are participating in the A.I.D. GCC program.

D. Activity Description:

As in the case of many of the 86 countries worldwide that have been participating in The Tropical Forestry Action Plan (TFAP), the initial performance of Mexico's "Plan de Accion Forestal Tropical" (PAFT), which began in 1988, was limited and led to few operational/field management improvements. In July of 1991, as a result of two events -- a presidential directive to arrest deforestation in Mexico's tropics and the decision taken by a national panel of experts to reorient the PAFT -- a new program initiative called PROAFT was begun.

With new and dynamic leadership, an increased budget, and political support from the highest levels within the GOM, the PROAFT has begun to succeed in Mexico. The scope has evolved from creating a tropical forestry plan to promoting sustainable development in rural tropical areas using forestry as a tool. This new philosophy is very compatible with the strategy being implemented under the GCC/Mexico program.

This project provides matching funds to the Miguel Aleman Foundation to support Mexico's PROAFT in activities to prevent tropical forest destruction in Mexico and help mitigate global climate change. The project will investigate prospects and strategies and implement pilot projects to improve forest management, protect priority parks and reserves, and promote sustainable development in the buffer zones of protected areas. Priority will be given to activities that link with and complement ongoing GCC projects.

The first phase of the project research/analysis, training and information exchange activities and pilot projects which will be implemented under tripartite agreements (ie, between SARH/PROAFT, the local community/organization, and a private or semi-private research/conservation/development partner). An important collaborator in this program will be Conservation International, which will suport this FMA/PROAFT project under it's debt-for-nature swap agreement with the GOM. C.I. will help the Miguel

Aleman Foundation leverage approximately 25% in additional financial resources by converting the A.I.D. dollar contribution into local currency through the swap mechanism.

Important collaborators at the field/pilot project level include conservation NGOs such as WWF, TNC, PRONATURA and Conservation International/Mexico, as well as local organizations (ejidos, community groups and production associations or cooperatives).

FMA is currently colaborating with C.I. on environmental studies and projects in the state of Veracruz, where FMA's ENR program is very active. FMA also has a close working relationship with the PROAFT staff.

Method of Obligation: H.B. 13 Grant

Major Outputs Expected: natural forest regeneration and management projects; reforestation; agroforestry projects; tree nurseries; non-timber product enterprises; sustainable forestry incentives; an enhanced tropical forestry data base and information system; research, training and technical assistance for local groups.

E. Sustainability of Proposed Activities: the research, studies, training, technical assistance in forestry to be provided and the pilot projects to be supported by this project will complement and strengthen the ongoing AID/M GCC field projects which do not have the technical and financial capabilities to implement sustainable forestry components.

F. Potential Issues: none

IV. Resource Requirements, FY 1993-1994.

A. Development Assistance.

1. NAFTA/Trade Promotion

Establishing firm funding requirements for NAFTA-related activities has been complicated by the dynamic nature of the NAFTA negotiation process, and the frequent need to address urgent, unforeseen requirements presented to A.I.D. by elements of the Country Team and the Office of the U.S. Trade Representative. While it is possible now to identify certain longer-term activities necessary to implement the NAFTA (IPR, enforcement of environmental regulations, animal and phyto-sanitary safeguards), A.I.D./M expects that new requirements will continue to emerge with little advance notice. The illustrative list of NAFTA-related tasks shown in Section I.B. gives a sense of the universe of possible activities, but the likely scope and cost of A.I.D. efforts in response to these needs are difficult to anticipate with confidence. The project/budget table shown as Table 3 represents A.I.D./Mexico's best current estimate of these requirements through FY 1994. All NAFTA-related activities will be funded under the LAC Regional ITT Project.

NAFTA Funding Requirements, FY 1993-1994 (Summary): ($000)

ITT (LAC Regional)	FY 1993	FY 1994	Total
EHR			
New	140	-	140
Mortgage	58	140	198
PSEE			
New	375	275	650
Mortgage	300	300	600
ARDN			
New	400	100	500
Mortgage	-	250	250
Total:	1,273	1,065	2,338

2. Global Climate Change

Until recently, A.I.D./Mexico had been encouraged to develop an increasingly ambitious GCC portfolio. A.I.D./W

guidance now indicates, however, that the combined effects of a continuing resolution in FY 1992 and the need to meet USG environment commitments in Brazil --through FY 1994-- will likely constrain further growth in the A.I.D./M GCC program. This funding squeeze has two consequences: (1) The GCC program is burdened with high mortgage requirements; and (2) A.I.D./M's continuing inability to undertake substantive efforts in the energy sector. The mortgage is of course the more pressing concern; and the program focus on forest conservation is technically sound from a GCC perspective. The loss of options in the energy sector has important long range implications, however, particularly with regard to prospects for enhanced U.S.-Mexico trade in energy technologies. Table 3 identifies budget requirements for some new starts in energy efficiency and renewables on the possibility that GCC funding will become available at previously-estimated levels. A.I.D./M also expects that R&D/EI will provide some support for small-scale energy activities in order to maintain a U.S.-Mexico dialogue in this sector.

Global Climate Change Funding Requirements: ($000)

GCC (LAC Regional)	FY 1993	FY 1994	Total
ARDN			
New	1,800	1,300	3,000
Mortgage	1,463	1,985	3,898
Sub-Total (LAC):	3,263	3,285	6,898
R&D/EI	350	350	350
Total:	3,613	3,535	7,498

3. Population

Most of the resources required to implement A.I.D./M's new population assistance strategy will be provided by R&D/POP through that office's centrally-funded grants and contracts. A relatively modest amount of funding will be provided under the LAC Regional ITT Project for: (1) close out costs of incrementally-funded ITT population projects; (2) audit costs under the recipient audit program; (3) USPSC population staff; and (4) miscellaneous activities more appropriately funded directly by A.I.D./M (e.g., invitational travel; occasional purchase orders, small workshops/conferences, etc.).

Population Funding Requirements:

ITT (LAC Regional)	FY 1993	FY 1994	Total
Population			
New	30	30	60
Mortgage	102	104	206
Sub-Total (LAC):	132	134	266
R&D/POP	14.000	12.000	26,000
Total:	14.132	12.134	26.266

4. AIDS

Mexico is not one of the AIDS "emphasis countries" tentatively identified by LAC/W. While A.I.D./M does not propose that Mexico be so-designated, it is strongly recommended that limited AIDS resources continue to be made available through FY 1994 to address the special requirements described in Section I. (Focus on high-risk populations; Mexican identification of the U.S. as an HIV-exporter; epidemiological importance of vigorous AIDS prevention strategies in contiguous countries having a porous border).

AIDS Funding Requirements: ($000)

ITT (LAC Regional)	FY 1993	FY 1994	Total
AIDS			
New	175	141	316
Mortgage	96	50	146
Total:	271	191	462

5. Narcotics Demand Reduction

A.I.D./Mexico is the sole source of external donor support in Mexico for the demand reduction activities of community-based NGOs, particularly along the U.S.-Mexico border. More recently, and at the request of the Director of the GOM demand reduction program, A.I.D./M has agreed to provide limited support for GOM drug use surveys and development of drug awareness materials for the Mexican school curriculum. Funding requirements for demand reduction activities could expand exponentially, but are being held to an

essentially arbitrary ceiling of approximately $300,000/year in reflection of A.I.D./M's limited capacity to manage a larger program.

Narcotics Demand Reduction Funding Requirements: ($000)

Narcotics Demand Reduction (LAC Regional)	FY 1993	FY 1994	Total
EHR			
New	120	105	225
Mortgage	184	98	282
Total:	304	203	507

6. ADC Training

As explained previously, the ADC Training Project is being presented as a discrete activity primarly to establish and maintain a separate budget allocation for the project. In practice, all training provided under the project is in direct support of the three strategic objectives, and to a very limited extent, the two secondary objectives. This project has been chronically under-funded since its inception in FY 1990, requiring procedurally awkward transfers from the ITT and GCC projects to sustain its viability.

ADC Training Funding Requirements:

ADC Training (LAC Regional)	FY 1993	FY 1994	Total
EHR	600	500	1,100
Total:	600	500	1,100

B. Operating Expenses

The OE budget remains a problem. Although increased slightly in FY 1991, virtually all of the additional funds were used for legally-mandated FSN salary increases. Meanwhile, A.I.D./M has for years postponed purchases which cannot be deferred much longer. Efforts to hold down OE costs, moreover, have eliminated any flexibility in the budget. Cost-reduction measures include the use of program funds for appropriate technical (PSC) staff; maintenance of a long-term,

low-cost (by Mexico City standards) residential lease; time-limits on phone calls; cancellation of office subscriptions to U.S. newspapers; and the effective elimination of travel to A.I.D./W, with the exception of Action Plan week.

RIG/A/T conducted a systems audit of A.I.D./Mexico in January, 1992. The draft audit report has not been received as of March, 1992; but the Record of Audit Findings --RAFs-- prepared by the audit team identified several shortcomings, virtually all of which relate to the absence of detailed Mission Orders.

Implementation of the recommendations of the audit will require additional TDY assistance from USAID/Guatemala. For the planning period, quarterly visits from the Controller staff and annual visits from the Regional Contract Management and Regional Contract Officers are anticipated. This will require an additional $7,000 annually in OE funds.

Since the A.I.D./Mexico program is implemented primarily through non-governmental organizations, A.I.D./Mexico does not have any Trust Funds or the ability to generate Trust Funds. A.I.D./Mexico has not used reverse accommodation exchange since it does not have Trust Funds.

The only non-recurring items in the A.I.D./Mexico budget are as follows:

Replacement of the office vehicle in FY 1992 is anticipated at a cost of $15,000. The current vehicle, a 1986 VW Caribe (Rabbit), is beyond its useful life and requires frequent maintenance.

A.I.D./Mexico is 40% below USG office space standards, and Embassy management has instructed A.I.D./M to bring the office up to these standards. The cost of moving A.I.D./M to other office space in the Embassy is anticipated to cost $2,000 in FY 1992.

Three replacement personal computers need to be purchased in FY 1992. The current computers are Wang Classics and the annual maintenance is $1,500. The cost of a new computer is $2,000 per unit with annual maintenance of $125. Purchase of the replacement computers will bring A.I.D./Mexico into compliance with the A.I.D. standard established by FA/IRM.

Funds are included for the transfer of the current A.I.D. Representative and for his replacement in the FY 1993 budget.

The A.I.D./Mexico operating expense budget requirements for the Action Plan period are:

FY 1992	FY 1993	FY 1994
$325,000	$300,000	$300,000

C. Staffing Requirements:

A.I.D./M eliminated one US PSC staff position in FY 1992, reflecting the program consolidation described herein. Staffing requirements through FY 1994 will include:

USDH:	1	(OE)
US PSC:	4	(Program)
FSN (DH):	4	(OE)
FSN (PSC):	3	(OE)
FSN (Institutional contractor)	1	(Program)
TOTAL:	13	(8 OE; 5 Program)

V. Issues.

1. The ADC Training Project requires its own, adequate project budget, vs. continuation of prior years' practice of transferring funds from the ITT and GCC projects to ADC Training.

2. A.I.D./M proposes continuation of AIDS assistance through FY 1994.

3. Funding requirements for NAFTA-related activities are estimates. LAC/W is being asked to approve FY 1993-1994 funding levels which are not fully justifiable by in-hand project requirements, but which would enable A.I.D./M to react quickly to emerging requirements.

VI. Tropical Forests and Biodiversity Analyses.

Sections 118 and 119 of the Foreign Assistance Act require that every country plan (e.g. Action Plan) prepared by A.I.D. include an analysis of (1) the actions necessary in that country to achieve conservation and sustainable management of tropical forests and biological diversity; and (2) the extent to which the actions proposed for support by the Agency meet the needs thus identified.

A.I.D./Mexico presumes that the Mexico Environment Assistance Strategy approved by LAC/W in May, 1990 meets the requirements of Sections 118 and 119 of the FAA. Moreover, the selection of tropical forest conservation (GCC) as one of A.I.D./M's strategic objectives, plus the biodiversity protection consequences of that objective, make the A.I.D./M program particularly responsive to the environmental concerns which motivated Sections 118 and 119.

Table 1.1: MONITORING THE ACHIEVEMENT OF STRATEGIC OBJECTIVES

Country: Mexico

LAC Bureau Objective: Support the achievement of broadly based, sustainable economic growth
Sub-Objective: Encourage economic policies that promote investment, productive employment, and outward-oriented diversification

Mission Strategic Objective 1: Adoption and successful implementation of the North American Free Trade Agreement

Indicator	Unit	Base-line		Target			Current Year 1991		1992 Target	Data source
		value	date	value	date	Revised	value	date	value	
NAFTA adopted	N/A	N/A	1992	Information in these columns not required for performance indicators			N/A	N/A	Information in this column not required for performance indicators	N/A

Program Output 1.1: Mexicans trained in key, NAFTA-related technical areas such as IPR, labor relations, and phyto-sanitary technologies

Number trained	persons									
- PTO/SECOFI		0	1990	14	1994		4	1991	10	Project
- DOL/Sect. Labor		0	1990	2895	1994		915	1991	1000	Reports
- APHIS/Sect. Agri.		0	1990	12	1992		0	1991	12	

Program Output 1.2: Workshops/Conferences to facilitate NAFTA negotiations and to identify areas of future collaboration on NAFTA implementation

Number workshops	workshops									
- PTO/SECOFI		0	1990	3	1994		3	1991	3	Project
- DOL/Sect. Labor		0	1990	26	1994		16	1991	8	Reports
- EPA/SEDUE		0	1990	8	1994		6	1991	2	
- APHIA/Sect. Agri.		0	1990	1	1992		0	1991	1	

Program Output 1.3: Technical assistance provided to Mexican institutions key to NAFTA

Number of Institutions	Institutions									
All Institutions*		0	1990	11	1994		11	1991	11	Project Reports

*See attached list

*Institutions:

PTO: Secretary for Commerce and Investment, Intellectual Property Office (SECOFI/IPO)

DOL: Secretary of Labor (STPS)
National Institute of Statistics and Geography (INEGI)
Mexican Labor Confederation (CTM)
Mexican Institute for Social Security (IMSS)
Secretary of Public Education (SEP)
Banco de Mexico
Chambers of Commerce

EPA: Secretary of Urban Development and Environment (SEDUE)

APHIS: Secretary of Agriculture (SARH)
National Plant Protection Organization (NAPPO)

Table 1.1: MONITORING THE ACHIEVEMENT OF STRATEGIC OBJECTIVES

Country: MEXICO (ILLUSTRATIVE - To be fully developed into a park-specific framework by 9/92)

LAC Bureau Objective: Support the Achievement of Broadly-Based Sustainable Economic Growth
Sub-Objective: Encourage Preservation and Sustainable Use of the Natural Resource Base

Mission Strategic Objective 1: REDUCE THE EMISSION OF GREENHOUSE GASSES.

Indicator	Unit	Base-line value	Base-line date	Target value	Target date	Revised	Current Year 1991 value	Current Year 1991 date	1992 Target value	Data source
Forest resources	Parks-in-Peril	0	9/90	Information in these columns not required for performance indicators			3	9/91	Information in this column not required for performance indicators	T.N.C.
managed sustainably in	Buffer Zones	0	9/90				4	9/91		W.W.F.
target areas	Calakmul	0	9/90				1	9/91		Pronatura/Y
	Selva Lacandona	0	9/90				1	9/91		C.I.
	Northern Parks	0	9/90				0	9/91		W.W.F.

Program Output 1.1: Park Management/Protection Improved

		Base-line value	Base-line date	Target value	Target date	Revised	Current Year 1991 value	Current Year 1991 date	1992 Target value	Data source
T.N.C.: "Parks-in-Peril"	P.I.P.s	0	9/90	10 (all)*	9/95		3	9/91	6	T.N.C.
W.W.F.: Buffer Zone Mgt.	Buffer Zones	0	9/90	6 (2)	12/95		4	9/91	4	W.W.F.
Pronatura/Y:Calakmul Mgt.	Calakmul	0	9/90	1 (2,3,4)	8/94		1	9/91	1	Pronatura/Y
C.I.:Selva Lacandona	Selva Lac.	0	9/90	1 (all)	8/95		1	9/91	1	C.I.
W.W.F.:Northern Border Wildlands	To be determined	0	9/90	4 (2)	9/95		0	9/91	2	W.W.F.

Program Output 1.2: Economic Financial Sustainability of Planned Conservation Activities Increased

		Base-line value	Base-line date	Target value	Target date	Revised	Current Year 1991 value	Current Year 1991 date	1992 Target value	Data source
T.N.C.: P.I.P.	P.I.P.s	0	9/90	10 (1, 2)	9/95		3	9/91	6	T.N.C.
W.W.F.: B.Z.M.	Buffer Zones	0	9/90	6 (all)	12/95		4	9/91	4	W.W.F.
Pronatura/Y:Calakmul	Calakmul	0	9/90	1 (all)	8/94		1	9/91	1	Pronatura/Y
C.I.:Selva Lacandona	Selva Lac.	0	9/90	1 (all)	8/95		1	9/91	1	C.I.
W.W.F.: Northern Border Wildlands	To be determined	0	9/90	4 (all)	9/95		0	9/91	2	W.W.F.

Program Output 1.3:

(Continued on next page)

*Note: Under the target column, the numbers in parenthesis ( ) refer to indicator numbers shown on attached Table 1.1.A.

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Table 1.1: MONITORING THE ACHIEVEMENT OF STRATEGIC OBJECTIVES

Country: MEXICO (ILLUSTRATIVE - To be fully developed into a park-specific framework by 9/92)

LAC Bureau Objective: Support the Achievement of Broadly-Based Sustainable Economic Growth

Sub-Objective: Encourage Preservation and Sustainable Use of the Natural Resource Base

Mission Strategic Objective 1: REDUCE THE EMISSION OF GREENHOUSE GASSES (Continued)

Indicator	Unit	Base-line value	Base-line date	Target value	Target date	Revised	Current Year 1991 value	Current Year 1991 date	1992 Target value	Data source
				Information in these columns not required for performance indicators					Information in this column not required for performance indicators	
Program Output XXX 1.3.: Institutional Capabilities and Framework Strengthened										
T.N.C.: P.I.P.	P.I.P.s	0	9/90	10 (all)	9/95		3	9/91	6	T.N.C.
W.W.F.: B.Z.M.	Buffer Zones	0	9/90	6 (all)	12/95		4	9/91	4	W.W.F.
Pronatura/Y: Calakmul	Calakmul	0	9/90	1 (all)	8/94		1	9/91	1	Pronatura/Y
C.I.:Selva Lacandona	Selva Lac.	0	9/90	1 (all)	8/95		1	9/91	1	C.I.
W.W.F.: Northern Border Wildlands	To be determined	0	9/90	4 (all)	9/95		0	9/91	2	W.W.F.
Program Output XXX 1.4.: Policy and Legal Framework Improved										
T.N.C.: P.I.P.	P.I.P.s	0	9/90	10 (all)	9/95		3	9/91	6	T.N.C.
W.W.F.: B.Z.M.	Buffer Zones	0	9/90	6 (all)	12/95		4	9/91	4	W.W.F.
Pronatura/Y: Calakmul	Calakmul	0	9/90	1 (all)	8/94		1	9/91	1	Pronatura/Y
C.I.: Selva Lacandona	Selva Lac.	0	9/90	1 (all)	8/95		1	9/91	1	C.I.
W.W.F.: Northern Border Wildlands	To be determined	0	9/90	4 (all)	9/95		0	9/91	2	W.W.F.
Program Output XXX 1.5.: Data/Information Base Enhanced for Improved Decision-Making										
T.N.C.: P.I.P.	P.I.P.s	0	9/90	10 (all)	9/95		3	9/91	6	T.N.C.
C.I.: Selva Lacandona	Selva Lac.	0	9/90	1 (all)	8/95		1	9/91	1	C.I.

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TABLE 1.1.A Program Outputs and Indicators for
Strategic Objective #2: Reduction of Deforestation Rates in Target Areas

GOAL: DECREASED EMISSION OF GREENHOUSE GASES (CO2)

STRATEGIC OBJECTIVE	INDICATOR	DATA SOURCE
Decreased rate of tropical deforestation in target areas.	Rate of loss of forest cover before and after intervention.	1. Remote sensing. 2. Project evaluations and field reports/ surveys regarding land use changes.
PROGRAM OUTPUT		
1. Park management/ protection improved	1. Basic protection infrastructure/equipment in place and operating. 2. Local communities participating in and supporting the conservation effort. 3. Existence of updated, sound management and annual operational plans. 4. Adequate number of technical staff trained/ equipped.	1. Progress reports from grantee organizations. 2. Evaluations.
2. Economic/financial sustainability of planned conservation activities increased.	1. Greater and more diversified sources funding for NGO partner, as a result of project activity. 2. Increased GOM financial support for management of the area. 3. Increased number of income-generating natural resource-based economic activities implemented by local communities.	1. Annual reports of NGOs. 2. National/state budget allocations. 3. Project evaluations and progress reports.

TABLE 1.1.A Program Outputs and Indicators for
Strategic Objective #2: Reduction of Deforestation Rates in Target Areas
GOAL: DECREASED EMISSION OF GREENHOUSE GASES (CO_2) (Continued)

STRATEGIC OBJECTIVE	INDICATOR	DATA SOURCE
PROGRAM OUTPUTS		
3. Institutional capabilities and framework strengthened.	1. NGO participation/ influence in E/NR management and planning increased and institutionalized.	1. Project evaluations and progress reports.
	2. NGO/GOM linkages for area management formalized and strengthened.	2. Cooperative agreements and collaborative management plans.
	3. Key NGO/GOM staff trained.	
4. Policy and legal framework improved.	1. Legal and regulatory framework reformed leading to more sustainable development and area protection.	1. Project evaluations and progress reports.
	2. Local, state and federal programs and policies giving greater support to E/NR management.	2. Cooperative agreements, host country laws, regulations, programs.
	3. Key NGO/GOM staff (policy/legal) trained.	3. Local, state, and federal development plans.
5. Data/information base enhanced for improved decision-making.	1. Baseline studies performed.	1. Project evaluations and progress reports.
	2. G.I.S./database established and developed.	

FZ/mc

Table 1.1: MONITORING THE ACHIEVEMENT OF STRATEGIC OBJECTIVES

Country: MEXICO

LAC Bureau Objective: SUPPORT THE ACHIEVEMENT OF BROADLY-BASED, SUSTAINABLE ECONOMIC GROWTH (I).
Sub-Objective: ENCOURAGE INCREASED ECONOMIC OPPORTUNITIES FOR THE DISADVANTAGED (I.C).

Mission Strategic Objective 1: REDUCE POPULATION GROWTH.

Indicator	Unit	Base-line		Target			Current Year 1991		1992 Target	Data source
		value	date	value	date	Revised	value	date	value	
Increased contraceptive prevalence in target areas	%	35	1990	Information in these columns not required for performance indicators			35%	1991	Information in this column not required for performance indicators	Demog. and Health Survey (DHS)

Program Output 1.1: INCREASED GOM FINANCIAL RESOURCES FOR F.P.

GOM FP Budget	$	45 M/yr	1991	65 M/yr	1997		$45 M/yr	1991	$45 M	GOM Budget

Program Output 1.2: INCREASED FINANCIAL SELF-SUFFICIENCY OF F.P. NGOs.

% of budgets financed by external donors	%	90	1991	60	1996		90%	1991	90%	NGO budgets

Program Output 1.3: INCREASED DEMAND FOR F.P. SERVICES.

Contraceptive prevalence	%	35	1990	60%	1997		35%	1991	35%	GOM statistical (DHS)

Table 2.1: STRATEGIC OBJECTIVE PROGRAM OVERVIEW

Country: Mexico

Strategic Objective: Adoption and Successful Implementation of the North American Free Trade Agreement

Other Activity:

Program Outputs	Activities	Source of Support	
		Title	No.
Train Mexicans in key, NAFTA-related technical areas	-Train patent examiners and supervisors	Intellectual Property Rights Cooperation (PASA with U.S. PTO)	
	-Train National Institue of Statistics, personnel in collaction and analysis of labor statistics	U.S.-Mexico Labor Cooperation (PASA with DOL)	
	-Train Secreatriat of Labor, chamber of commerce and union representatives in various labor issues	Cooperative Support for the Development and Implementation of a U.S.-Mexico Border Environmental Plan (PASA with EPA)	
	-Train Secretariat of Labor and industry representatives in occupational safety and health		
	-Train Secretariat of Agriculture and North American Plant Protection Organization personnel in phtyo-sanitary protection technologies	Cooperative Support for GOM's Plant and Animal Health Policies (PASA with AHPIS)	
	-Train SEDUE, DDF, and other personnel in environmental law enforcement		
Technical assistance to Mexican institutions key to NAFTA	-Reorganization of GOM patent examination office	Intellectual Property Rights Cooperation	
	-Provision of U.S. patent documentation and equipment	U.S.-Mexico Labor Cooperation	
	-Develop U.S.-Mexican labor and industry statistical data base	Cooperative Support for GOM's Plant and Animal Health Policies	
	-Support for occupational health and safety regulation enforcement		
	-Develop a curriculum for plant and animal health		

Table 2.1: STRATEGIC OBJECTIVE PROGRAM OVERVIEW

Country: Mexico

Strategic Objective: Adoption and Successful Implementation of the North American Free Trade Agreement, CONT.

Other Activity:

Program Outputs	Activities	Source of Support	
		Title	No.
Workshop/Conferences to facil te NAFTA negotiations and to identify areas of future collaboration	-Meetings between U.S. Patent and Trademark Office and Secretariat of Commerce and investment representatives to determine technical assistance and training needs	Intellectural Property Rights Cooperation (PASA with PTO)	
		U.S.-Mexico Labor Cooperation (PASA with DOL)	
	-Conferences with Department of Labor and Secretariat of Labor representatives to explore the informal sector, child labor, occupational health and safety, and labor and industry statistics	Cooperative Support for the Development and Implementation of a U.S.-Mexico Border Environmental Plan (PASA with EPA)	
	-Public opinion hearings along the U.S.-Mexico border to review proposed border environmental plan	U.S.-Mexico Border Health Foundation Environmental Health Conference (H.B. 13 grant)	
	-Border conference on environmental health		

Table 2.1: STRATEGIC OBJECTIVE PROGRAM OVERVIEW

Country: MEXICO

Strategic Objective: REDUCE THE EMISSION OF GREENHOUSE GASSES.

Other Activity:

Program Outputs	Activities	Source of Support	
		Title	No.
Park Management/ Protection Improved	• Park master and operational planning.	TNC, CI, WWF, Pronatura/Y Projects.	
	• Participatory Rural Appraisal, workshops, technical meetings.	TNC, CI, WWF, Pronatura/Y Projects.	
	• Infrastructure/equipment installation and maintenance.	TNC Parks-in-Peril Program.	
	• Staff training.	TNC, CI, WWF, Pronatura/Y, ADC/GCC Training Projects.	
Economic/Financial Sustainability of Planned Conservation Activities Increased	• Funding for NGOs increased/ diversified.	GCC Projects; TFAP/Mexico.	
	• Socio-economic needs assessment for buffer zones completed.	WWF Project.	
	• Feasibility studies and pilot projects to promote natural-resource-based income generating activities.	TNC, WWF, CI Projects; TFAP/Mexico.	
	• Technical assistance and training to assist micro-enterprises development.	WWF, TNC, CI Projects.	
	• Debt-for-nature-swap.	CI Selva Lacandona Program.	

Table 2.1: STRATEGIC OBJECTIVE PROGRAM OVERVIEW

Country: MEXICO

Strategic Objective: REDUCE THE EMISSION OF GREENHOUSE GASSES (Continued)

Other Activity:

Program Outputs	Activities	Source of Support	
		Title	No.
Institutional Capabilities and Framework Strengthened.	• NGO role in management of parks and reserves agreed/codified/ implemented.	Environmental Law Institute (ELI); TNC, WWF, CI, Pronatura/Y Projects.	
	• NGO/GOM staff trained.	GCC projects; ADC Training; FUV/EPM Project.	
	• Cooperative agreements for area management celebrated with SEDUE.	TNC, WWF, CI Projects.	
Policy and Legal Framework Improved.	• Maps of parks (delineating core and buffer zones) created/agreed upon.	TNC, WWF, CI, Pronatura/Y Projects.	
	• Park boundaries marked.	TNC.	
	• GOM/NGO policy and legal staff trained.	GCC Projects; ELI, FUV/EPM Projects.	
	• Enforcement increased.	GCC Projects.	
	• Improvement of laws/regulations.	ELI; GCC Projects.	

Table 2.1: STRATEGIC OBJECTIVE PROGRAM OVERVIEW

Country: MEXICO

Strategic Objective: REDUCE THE EMISSION OF GREENHOUSE GASSES (Continued)

Other Activity:

Program Outputs	Activities	Source of Support	
		Title	No.
Data/Information Base Enhanced for Improved Decision Making.	• Baseline studies performed and data entered.	CI, TNC, WWF, Pronatura/Y Projects.	
	• G.I.S. data base established and developed.	EPA Project; GCC Projects.	
	• Monitoring of deforestation and land use for target areas.	EPA Project; GCC Projects; TFAP Mexico.	
	• National/regional workshops to increase awareness.	GCC Projects; RUV/E Project.	
	• Research grants.	CI and TNC Projects; AID/W WWF/BSP Program.	

Table 2.1: STRATEGIC OBJECTIVE PROGRAM OVERVIEW

Country: MEXICO

Strategic Objective: REDUCE POPULATION GROWTH.

Other Activity:

Program Outputs	Activities	Source of Support	
		Title	No.
-Increased contraceptive prevalence in project areas	-Extension of clinical FP services -Commercial sale of contraceptives -FP training -FP communications	-R&D/POP Projects: Pathfinder, IPPF, AVSC, JHU, Population Council, etc.	
-Increased GOM financial resources for FP	-GOM commitment of counterpart funds of AID-assisted activities	-GOM-AID MOU -GOM project budgets	
-Increased financial self-sufficiency of private sector FP organizations	-Income-generation activities (diagnostic labs; fee-for-service FP; designation as IMSS service facilities -Debt-swap -Management streamlining	-R&D/POP; IPPF, PROFIT	

Table 2.1: STRATEGIC OBJECTIVE PROGRAM OVERVIEW

Country: Mexico

Strategic Objective: IIIB: Diminsh participation in production, trafficking and abuse of narcotics

Other Activity: Reduce the demand for/use of illicit drugs

Program Outputs	Activities	Source of Support	
		Title	No.
Inform Mexicans and increase public awareness of the drug problem in Mexico	-Prevention talks/presentations at schools -Prevention talks to parents -Posters displayed in prominent places -Murals with anti-drug messages -Creative events with anti-drug themes -School curriculum materials prepared -Community events with anti-drug theme -Public information campaigns	-Drug prevention along the northern border (FEMAP) -Youth network services (CORA) -Mexico City campaign (Fundacion Murrieta) -High Risk Youth Study (Miguel Aleman/CONAFE)	
Strengthen grass-roots organizations	-Establish new youth centers in Matamoros, Mexicali, Veracruz, and San Luis Potosi -Provide technical assistance and training to project staff	-Drug prevention along the northern border (FEMAP) -Youth network services (CORA) -Narcotics Awareness and Education buy-in (Development Associates)	

Table 2.1: STRATEGIC OBJECTIVE PROGRAM OVERVIEW

Country: M E X I C O

Strategic Objective: III.C Respond to epidemics that threaten the region

Other Activity: Reduce the transmission of AIDS

Program Outputs	Activities	Source of Support	
		Title	No.
Increased awareness of the modes of transmission and modes of prevention of HIV	Prevention program with commercial sex workers	FEMAP	
	Radio soap opera	Mexicanos Contra el SIDA	
	Materials on AIDS for public libraries	Fundacion Mexicana para la Salud, CONASIDA	
	Information, counselling, and testing for low income women	Mexicanos Contra el SIDA	
	Informative talks for adolescents	CORA	
	Awareness and prevention in Yucatan	Mexicanos Contra el SIDA	

TABLE III

SUMMARY PROGRAM FUNDING TABLE
($000)

( ) = Estimated Expenditures

LAC Bureau	FY 92	FY 93	FY 94	Strategic Obj.No.	Bureau Obj./ Sub-Obj.No.
ITT					
1. NAFTA/Trade Promotion					
a) EHR					
+ DOL PASA	289 (306)	58 (189)	(58)	I	A
+ PTO PASA	250 (200)	(200)	(100)	I	A
*+ Import-Export Training (DESEM)	65 (10)	(55)	-	I	A
+ Maquila Employment (CETYS)	40 (40)	(40)	-	I	A
PSC	41 (25)	40 (40)	40 (40)	I	A
Other	_____	100 (50)	100 (100)	I	A
Sub-Total, EHR:	685 (581)	198 (574)	140 (298)	I	A
b) PSEE					
Environment Planning and Management (Fund. Univ. 21)	(26)	50 (40)	75 (65)	I	A

LAC Bureau (Con't.) (ITT-Con't.)	FY 92	FY 93	FY 94	Strategic Obj.No.	Bureau Obj./ Sub-Obj.No.
+ Turtle/Marine Mammal Conserv.	(25)	75 (50)	100 (100)	I	A
+ Border Environ. Plan (EPA)	(24)	-	-	I	A
Youth Conservation Corps	100 (25)	150 (200)	200 (225)	I	A
*+ EPA/WEC	150 (90)	150 (30)	(80)	I	A
* Border Environment TA (Buy-In to PRE/H projects)	-	100 (50)	100 (100)	I	A
*+ AmCham Environ. Study	35 (35)	-	-	I	A
*+ Ariz.-Mexico Border EN Conf.	5 (5)	-	-	I	A
Other	30 (20)	150 (110)	100 (200)	I	A
Sub-Total, PSEE:	320 (250)	675 (580)	575 (77)		
c) ARDN					
* EPA PASA (EN Enforcement)	(100)	100 (110)	100 (90)	I	A
+ APHIS PASA	(30)	(71)	-	I	A
* Plant/Animal Health TA & Research (Texas A&M)	-	200 (100)	150 (200)	I	A

LAC Bureau (Con't.) (ITT-Con't.)	FY 92	FY 93	FY 94	Strategic Obj.No.	Bureau Obj./ Sub-Obj.No.
Other	-	100 (50)	100 (100)	I	A
Sub-Total, ARDN:	(130)	400 (331)	350 (390)	I	A
NAFTA TOTAL:	1005(961)	1273(1485)	1065(1558)		
2. Population					
MEXFAM	75 (75)	-	-	I	C
FEMAP	75 (57)	-	-	I	C
Audits	30 (30)	-	-	I	C
PSCs	50 (40)	102 (92)	104 (100)	I	C
Other	30 (20)	30 (30)	30 (30)	I	C
Total:	260 (222)	132 (122)	134 (130)		
3. AIDS					
*+ Mexicanos Contra el SIDA	85 (67)	85 (81)	85 (71)	III	C
*+ AIDS Info in Public Libraries (FUNSALUD)	50 (30)	(20)	-	III	C
+ Tijuana Outreach Program (FEMAP)	45 (52)	45 (35)	(10)	III	C
+ Youth Network Services (CORA)	25 (15)	25 (25)	(10)	III	C

LAC Bureau (Con't.) (ITT-Con't.)	FY 92	FY 93	FY 94	Strategic Obj.No.	Bureau Obj./ Sub-Obj.No.
*+ Evaluation of AIDS Hotline (FUNSALUD)	-	50 (35)	(15)	III	C
* AIDS Modules in Universities (FUNSALUD)	-	-	50 (33)	III	C
PSC	25 (22)	26 (25)	26 (25)	III	C
Other	15 (15)	40 (30)	30 (40)	III	C
Total:	300 (226)	271 (281)	191 (204)		
4. Child Survival					
+ ORT Training and Promotion (FUNSALUD)	62 (72)	-	-	I	C
*+ Buy-In to Accelarated Immunization Project (PAHO)	250 (60)	(100)	(90)	I	C
+ Buy-In to PRITECH ORT Program	50 (65)	-	-	I	C
PSC	25 (22)	(3)	-	I	C
Other	13 (13)	-	-	I	C
Total:	400 (197)	(103)	(90)		

LAC Bureau (Con't.)	FY 92	FY 93	FY 94	Strategic Obj.No.	Bureau Obj./ Sub-Obj.No.
Drug Awareness (EHR)					
+ Youth Services Network (CORA)	30 (30)	(40)	-	III	B
+ Demand Reduction on U.S.-Mex. Border(FEMAP)	135 (160)	72 (150)	36 (90)	III	B
*+ Drug Prevention in Maquilas (FEMAP)	0	100 (50)	75 (125)	III	B
+ Risk Factors Analysis (CONAFE)	25 (20)	(40)	-	III	B
*+ Border Prevalence Survey (CONADIC)	20 (20)	-	-	III	B
+ Buy-In for TA (Develop. Assoc.)	90 (100)	100 (90)	- (100)	III	B
PSC	11 (10)	12 (11)	12 (12)	III	B
Other	-	20 (15)	80 (50)	III	B
Total:	284 (340)	304 (396)	203 (377)		
Global Climate Change (ARDN)					
+ Calakmul Biosphere Reserve (PRONATURA)	75 (170)	(75)	-	I	D
+ EN Planning & Mgt. (Fund. Univ. 21)	(40)	100 (100)	100 (100)	I	D

LAC Bureau (Con't.)	FY 92	FY 93	FY 94	Strategic Obj.No.	Bureau Obj./ Sub-Obj.No.
Debt Swap (Conservation International)	165 (412)	250 (165)	250 (250)	I	D
Buffer Zone Mgt. (WWF Buy-In)	(350)	780 (650)	825 (750)	I	D
Northern Border Wildlands (WWF Buy-In)	(160)	160 (160)	160 (160)	I	D
Parks-in-Peril (TNC Buy-In)	558 (528)	568 (558)	600 (568)	I	D
+ Silvo-Pastoral Demonstration	25 (23)	25 (25)	(25)	I	D
*+ EN Policy Studies (Environmental Law Institute)	200 (50)	200 (250)	100 (200)	I	D
* Tropical Forestry Action Plan	200 (50)	250 (150)	250 (250)	I	D
*+ Land-Use Monitoring/ Research (EPA PASA)	200 (50)	200 (200)	(150)	I	D
+ Energy Training Program (IIE)	(100)	-	-	I	D
Demand Side Mgt. (RCG/Hagler Bailly Buy-In)	(333)	500 (450)	400 (300)	I	D

LAC Bureau (Con't.)	FY 92	FY 93	FY 94	Strategic Obj.No.	Bureau Obj./ Sub-Obj.No.
* Energy/Renewables (Buy-In to ECRE)	300 (100)	350 (400)	300 (400)	I	D
PSC	140 (210)	130 (175)	200 (195)	I	D
Other	-	100 (70)	100 (100)	I	D
Total:	1863(2576)	3613(3528)	3285(3448)		
ADC Training	600	600	500		
OTHER (Incrementally-funded project carried over from pre-consolidation period).					
PSEE					
+ Micro-Enterprise Incubator (Fundacion Murrieta)	25 (12)	(30)	-	I	C
TOTAL LAC BUREAU:	4764	6193	5378		
POP	260	132	134		
AIDS	300	271	191		
CS 400	-	-			
EHR	1596	1102	843		
PSEE	345	675	575		
ARDN	1863	4013	3635		

OTHER BUREAU-FUNDED	FY 92	FY 93	FY 94	Strategic Obj.No.	Bureau Obj./ Sub-Obj.No.
R&D Population					
Various grants and contracts (Pathfinder, IPPF/WHR, Pop. Council, JHU, AVSC, PROFIT, etc.)	11.000	14.000	12.000	I	C
R&D/SCI					
PSTC	300	200	200	I	C
R&D/FENR					
Conservation of Biological Diversity Project	400	300	300	I	A
R&D/Health					
ADDR	55	55	-	I	C
PRITECH	100	100	-	I	C
R&D/EI					
Renewables (ECRE)	85	100	100	I	A & D
Market Development (RCG/Hagler, Bailly)	100	100	100	I	A & D
Data Clearinghouse (EPA PASA)	150	100	-	I	A & D
Other	50	50	50	I	A & D

OTHER BUREAU-FUNDED	FY 92	FY 93	FY 94	Strategic Obj.No.	Bureau Obj./ Sub-Obj.No.
PRE					
Franchise Loan Guarantee Program	100	100	-	I	B
Trade Investment Service (TIS)	50	50	-	I	B
ASHA	300	300	300	II	A
TOTAL NON-LAC BUREAU:	12.690	15.455	13.050		
PROGRAM TOTAL:	17.454	21.648	18.428		