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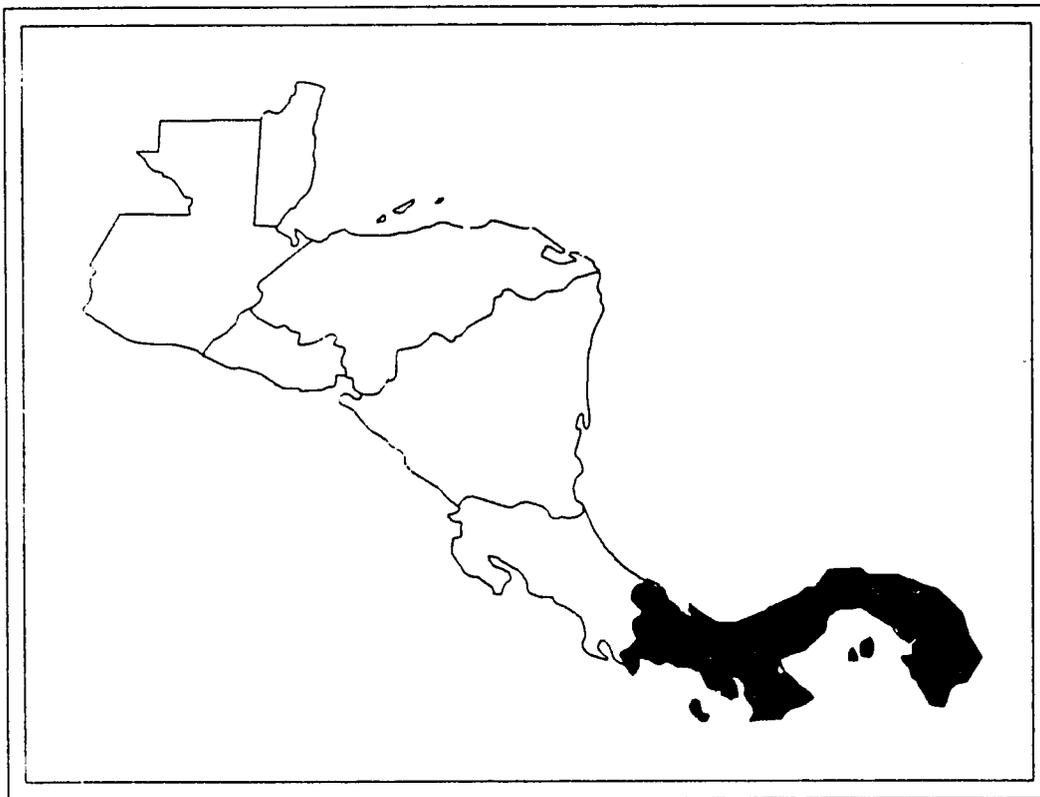
USAID/PANAMA

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PANAMA

**SEMI-ANNUAL
PROJECT STATUS REPORT
APRIL 1, 1992 - SEPTEMBER 30, 1992**



**PREPARED BY OFFICE OF
PROJECTS, PROGRAM AND ECONOMIC POLICY (PPEP)**

USAID/PANAMA SEMI-ANNUAL REPORT ACTIVE PROGRAMS/PROJECTS

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MISSION DIRECTOR'S OVERVIEW

1. Scope and Financial Overview:

USAID/Panama conducted a review of its portfolio of active programs/projects during the week of November 16-20, 1992. Projects were examined to determine: their financial status, including mortgage pipeline and expenditures; progress in meeting pre-established objectives; implementation problems and actions designed to address them; and planned activities for the following semester. Special emphasis was placed on efforts to monitor and assess project impact on gender related issues. Program output indicators were recently reviewed and refined with the assistance of a Prism team. These will be incorporated into our next Action Plan and monitored as part of future SAR reviews.

Overall, the financial analysis of the Mission portfolio indicates continued satisfactory progress during the past six-month period. Performance has been equal to or better than expected, with a few notable exceptions, i.e. the Trade and Investment Project (525-0309) and the Natural Resources Management Project (525-0308). See section 6 on Problems/Issues below. As noted in the Financial Summary Table, the cumulative obligations of Active Programs and Projects Total \$336.3 million which represent 94.1% of the combined LOP amount authorized. Of the amount obligated, \$248.9 million or 74.0% has been expended. The mortgage at the end of the period, \$21.0 million, represents 5.9% of the authorized LOP.

2. Pipeline Analysis:

The pipeline of active projects and programs at the end of the period total \$87.3 million, a decrease of 66.5% when compared to the beginning FY Pipeline. Of this amount, all but \$43,000 is three years old or less.

3. Major Accomplishments Towards Achievement of Program Outputs:

a. Strengthened Competent Civilian Government Institutions

- In the Public Ministry, a Position Description Manual has been completed and draft implementation regulations for the Judicial Career are under review.
 - Computers and ancillary equipment have been
-

- delivered and installed in the Supreme Court and Public Ministry.
- A pilot study was conducted in two Panama City courts and prosecutors' offices to analyze case flow, records management and statistical reporting. A separate study of records management in the justice sector was also finalized.
- Economic training for the first group of 50 participants from the public sector to strengthen skills in policy analysis and formulation was initiated.

b. Increased Pluralism and Public Support for Democratic Values and Processes

- The successful implementation of the Constitutional Referendum on November 15, 1992, was partially due to the technical assistance provided to the Electoral Tribunal to improve logistics, tabulation, reporting and to carry out a civic education campaign. Final data indicate that 40.6% of eligible voters participated in the referendum compared to a target of 48% established in the Action Plan.
- During the reporting period, the Centro Pro Democracia, sponsored 7 workshops and seminars for 339 beneficiaries (59% M, 41% F). To date the total number of beneficiaries is 912. Because of the success of the "Centro", four independent civic organizations have spun off, acquiring legal status and conducting their own civic awareness programs with materials and advice from the "Centro".

c. Preservation of Natural Resources

- The Inter-Agency Technical Committee is now operational and meets regularly on a semi-monthly basis.
- During the reporting period INRENARE hired 50 additional park rangers.

d. GOP Adoption of an Apolitical Strategy for Canal Management

- A draft bill was submitted to the National Assembly which proposes the establishment of an organization and related procedures for overseeing the utilization of reverted lands.

4. Women as Beneficiaries and Contributors to Portfolio Performance:

The USAID/Panama portfolio of programs/projects benefits and encourages the participation of women in development activities. To date, dedicated training projects such as CAPS, CLASP-II, PANAJURU Local Scholarships and Private Sector Scholarships have included women as approximately 20% of their trainees. Under the training components of the other projects, women beneficiaries account for approximately 59% of total trainees.

As contributors to portfolio performance, women are increasingly participating in important and often critical aspects of program and project implementation. The following are notable examples of the high-level roles and responsibilities women have in contributing to institutional and economic development in Panama:

- a. In the Justice Sector, targeted by the Improved Administration of Justice Project, 36.2% of Supreme Court and Superior Tribunal justices are women; 40.3% of the Circuit level judges and Municipal level judges are also women. In the Public Ministry, 44.8% of District Attorneys 31.6% of Municipal Attorneys and 28.9% of Superior Attorneys are women.
- b. In the area of Economic Policy Development, the technical coordinating and implementing unit located in the Ministry of Planning and Economic Policy (MIPPE), is headed by a woman. The legal advisor to the unit and many of the technical staff are women. Moreover, the Minister of MIPPE is a woman.

5. Terminated Projects:

During the current reporting period, all activities under the Central America Peace Scholarships Project (597-0001) were completed. During the next reporting period this project will be transferred to the Terminated Programs/Projects section of the Financial Summary table. Note that the Mission funded portion of CAPS, 525-1000, remains active.

The Improving Police Services Project (525-0305) has been reported in the Summary Financial and Pipeline Tables because original funding was provided under the Dire Emergency Act. During the current reporting period these resources were completely expended. The funds for activities implemented under this Project are transferred directly in AID/W through the State Department to the Department of Justice under the provisions of Section 632 (a) of the FAA. The Department of Justice is responsible for implementing the Project and for financial reporting. Therefore, USAID/Panama will no longer track this Project in the SAR.

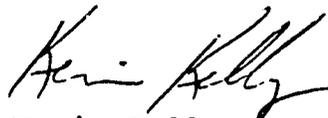
6. Problems/Issues:

Most problems/issues encountered during the review were of an implementation nature. Corrective measures have been adopted to address them. Due mainly to circumstances beyond the control of the Mission, implementation of the Trade and Investment Development Project (525-0309) and of the Natural Resources Management Project (525-0308) were slower than anticipated.

A four-month delay in compliance with conditions precedent to disbursement considerably slowed down the implementation of the Trade and Investment Development Project. This delay was mainly the result of the inexperience of the primary implementation organization, a private sector group, with the development of a project of this nature, which focuses on bringing about major and complicated policy changes. The group was slow in developing a concerted effort to identify and articulate major cross cutting and policy constraints which affect the majority of the organization's members.

Implementation of the Natural Resources Management Project was delayed because the debt swap, a key financing mechanism of the Project, has not taken place. The commercial banks and the GOP still have not reached agreement on the restructuring of the outstanding debt. As a result, the commercial bank's steering committee is unwilling to issue a *pari pasu* waiver required to allow a debt for nature swap to go forward. In addition to slowing down implementation of the Project, the delay runs the risk of an increase in the costs of Panamanian debt instruments to levels that would make a debt swap unfeasible. The Mission is now considering other alternatives that have the potential of providing a long-term cash flow to support natural resources management activities in Panama.

Finally, an issue of growing concern to the Mission is the cost of participant training. Our desire is to continue with training programs as they have been highly successful over the years, with former scholarship recipients now occupying leadership positions in both the public and private sector. Currently, however, training for an Associate Degree costs about \$52,000 and about \$105,000 for a BS/BA degree. These costs are increasing while budget levels are declining. We are already planning to postpone initiation of short-term training activities under the CLASP II project because of FY 1993 budget cuts. Given the role participant training can have in building democratic societies, this would appear to be an issue that deserves Bureau-wide attention.



Kevin Kelly
Mission Director

FINANCIAL SUMMARY OF USAID/PANAMA PORTFOLIO
(APRIL 1, 1992 THROUGH SEPTEMBER 30, 1992)
(\$000)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
PROJECT NO.	PROGRAM/PROJECT TITLE	CATEGORY	DATE OF INIT. OBLIG.	LAST REVISED FACD	% OF LOP ELAPSED	% OBLIG. EXPEND.	AUTH. LOP AMOUNT	CURRENT FY OBLIG. TO DATE	CUMUL. AMOUNT OBLIG.	MORT-GAGE	BEGINNING FY PIPELINE	PLANNED SEMESTER EXPEND.	ACCRUED SEMESTER EXPEND.	ACCRUED AS % OF PLANNED	CUMULATIVE ACCRUED EXPEND.	ENDING PIPELINE	PLANNED EXPEND. (NEXT SEM.)
ACTIVE PROJECTS																	
SO # 1: STRENGTHENED COMPETENT CIVILIAN GOVERNMENT INSTITUTION							34,143	4,185	31,038	3,107	20,280	2,088	2,438	117%	15,283	18,758	1,467
525-0308	FINANCIAL MANAGEMENT REFORM	G	08/05/91	08/05/98	27%	8%	6,300	1,300	5,800	500	4,500	175	478	272%	508	5,291	480
525-0312	IMPROVED ADMIN. OF JUSTICE	G	03/08/91	03/08/98	32%	8%	12,000	2,875	9,575	2,425	6,871	450	341	78%	808	8,787	890
525-0313	ECONOMIC POLICY DEVELOPMENT	G	04/18/91	08/30/94	44%	18%	1,043	210	881	182	855	83	83	148%	134	727	210
525-0314	TAX ADMIN. IMPROVEMENT	G	03/08/91	03/08/93	78%	4%	1,800	0	1,800	0	1,484	200	328	184%	832	888	267
525-0806	IMPROVING POLICE SERVICES **	G	05/31/90	05/31/92	100%	100%	13,200	0	13,200	0	8,800	1,200	1,200	100%	13,200	0	0
SO # 2: INCREASED PLURALISM AND PUBLIC SUPPORT FOR DEMOCRATIC VALUES AND PROCESSES							53,742	4,148	42,073	11,888	13,308	1,810	2,742	151%	30,841	11,232	3,888
525-0258	PVT. SECTOR SCHOLARSHIP FUND	G	08/28/84	03/31/83	84%	80%	3,500	0	3,388	114	1,012	150	518	345%	3,051	388	300
525-0281	PANAJURU LOCAL SCHOLARSHIPS	G	05/31/85	04/30/84	82%	78%	1,447	0	1,447	0	550	132	124	84%	1,133	814	128
525-0285	PANAJURU - ZAMORANO	G	08/28/88	12/31/92	88%	94%	750	0	750	0	44	15	1	7%	707	43	43
525-0302	IRP - SDA	G	03/07/90	01/30/93	78%	55%	700	0	700	0	248	112	136	121%	388	312	312
525-0807	DEMOCRATIC INITIATIVES	G	11/07/90	08/30/93	53%	64%	3,172	884	3,172	0	1,585	700	535	78%	2,038	1,134	880
525-0317	IMPROVED ELECTION ADMIN.	G	08/30/92	08/30/94	0%	0%	4,260	1,285	1,285	2,915	0	0	0	0%	0	1,285	1,078
525-1000	C. AMERICA PEACE SCHOLARSHIPS	G	03/28/85	12/31/84	77%	83%	12,050	0	12,050	0	5,480	813	818	180%	9,885	2,088	400
525-0001	C. AMERICA PEACE SCHOLARSHIPS	G	03/28/85	10/11/83	87%	100%	12,823	0	12,823	0	77	38	14	37%	12,823	0	0
525-1001	C. & L. AMERICA PEACE SCHOL. II	G	08/30/91	08/30/98	14%	10%	15,000	2,000	6,380	8,640	4,380	80	488	882%	848	8,714	880
SO # 3: INCREASED AND DIVERSIFIED EXPORTS							5,128	2,530	4,173	856	1,854	288	233	80%	337	3,888	888
525-0309	TRADE & INVESTMENT DEVELOPMENT	G	03/31/82	03/31/86	17%	0%	2,500	2,000	2,000	500	0	100	0	0%	0	2,000	278
525-0313	ECONOMIC POLICY DEVELOPMENT	G	04/18/91	08/30/94	44%	18%	2,629	530	2,173	456	1,654	188	233	147%	337	1,838	590
SO # 4: PRESERVATION OF NATURAL RESOURCES							18,000	3,000	13,000	5,000	10,000	8,000	32	0%	38	12,981	8,100
525-0808	NATURAL RESOURCES MANAGEMENT	G	08/07/91	08/07/98	18%	0%	18,000	3,000	13,000	5,000	10,000	8,000	32	0%	38	12,981	8,100
SO # 5: GOP ADOPTION OF AN APOLITICAL STRATEGY FOR CANAL MANAGEMENT AND USE OF REVERTED LANDS							1,328	280	1,088	282	811	78	115	1	188	801	288
525-0313	ECONOMIC POLICY DEVELOPMENT	G	04/18/91	08/30/94	44%	15%	1,328	280	1,088	282	811	78	115	147%	188	801	288
OTHER							1,081	0	1,081	0	882	88	141	188%	388	888	288
525-0287	PVT. SECTOR LOW COST SHELTER	G	02/18/91	02/28/94	41%	38%	300	0	300	0	300	38	64	183%	118	184	88
525-0302	IRP - CONTINGENCY	G	03/07/90	08/30/93	78%	40%	511	0	511	0	112	0	0	0%	202	308	300
525-0320	DRUG AWARENESS AND PREVENTION	G	08/28/91	08/30/93	50%	31%	250	0	250	0	250	50	77	154%	77	173	180
SUBTOTAL ACTIVE PROJECTS							113,403	14,124	82,408	20,884	48,723	13,320	8,701	43%	47,880	28,388	18,577
TERMINATED PROGRAMS/PROJECTS																	
525-0800	REHAB. OF CHORRILLO APARTMENTS	G	02/02/80	10/31/80	----	100%	2,448	0	2,448	0	51	0	0	0%	2,448	0	0
525-0801	SMALL BUSINESS RESTORATION	G	02/22/80	07/21/80	----	100%	4,885	0	4,885	0	8	0	0	0%	4,882	8	0
525-0302	ANCON	G	03/07/90	08/30/92	----	100%	270	0	270	0	0	0	0	0%	270	0	0
525-0302	IRP - DEMOCRATIC NEEDS ASSESSMENT	G	03/07/90	08/30/92	----	100%	58	0	58	0	0	0	0	0%	58	0	0
525-0302	IRP - FINANCIAL MGMT. - CONTRALORIA	G	03/07/90	08/30/92	----	100%	557	0	557	0	0	0	0	0%	557	0	0
525-0302	IRP - EMERGENCY EMPLOYMENT	G	03/07/90	08/30/92	----	99%	8,457	0	8,457	0	127	0	0	0%	8,410	47	0
525-0302	IRP - HOUSING	G	03/07/90	08/30/92	----	99%	17,375	0	17,375	0	308	0	0	0%	17,208	167	0
525-0302	IRP - DISPLACED PERSONS	G	03/07/90	08/30/92	----	100%	1,788	0	1,788	0	138	0	0	0%	1,788	0	0
525-0302	IRP - SUPREME COURT BUILDING	G	03/07/90	08/30/92	----	100%	300	0	300	0	0	0	0	0%	300	0	0
525-0302	IRP - ADMINISTRATION OF JUSTICE	G	03/07/90	08/30/92	----	100%	150	0	150	0	20	0	0	0%	150	0	0
525-0302	IRP - HARZA	G	03/07/90	08/30/92	----	100%	180	0	180	0	12	0	0	0%	180	0	0
525-0802	IRP - T. A. & COMMODITIES	G	03/07/90	08/30/93	----	98%	8,288	0	5,288	0	330	0	0	0%	5,288	42	0
525-0804	PVT. SECTOR REACTIVATION PROG.	G	07/24/80	08/23/91	----	100%	107,800	0	107,800	0	0	0	0	0%	107,800	0	0
525-0818	AFLD	G	08/28/91	03/31/92	----	100%	138	0	138	0	100	0	0	0%	138	0	0
SUBTOTAL TERMINATED PROGRAMS/PROJECTS							147,874	0	147,874	0	1,082	0	0	0%	147,818	288	8
ACTIVE PROGRAM																	
525-0803	ECONOMIC RECOVERY PROGRAM	G	07/33/80	12/31/92	80%	83%	243,850	0	243,850	0	214,000	42,000	0	0%	201,850	42,000	42,000
SUBTOTAL ACTIVE PROGRAM							243,850	0	243,850	0	214,000	42,000	0	0%	201,850	42,000	42,000

**PIPELINE ANALYSIS
USAID/PANAMA
SEPTEMBER 30, 1992
(\$000)**

PROJECT NO. (1)	PROJECT TITLE (2)	CUMULATIVE OBLIGATION (3)	FY OBLIGATION (4)						PIPELINE (5)	PIPELINE DISTRIBUTION (6)							
			1986	1987	1988	1989	1990	1991		1992	1986	1987	1988	1989	1990	1991	1992
ACTIVE PROGRAMS/PROJECTS																	
525-0258	PVT. SECTOR SCHOLARSHIP FUND	3,386	0	500	0	0	0	500	0	335	0	0	0	0	0	335	0
525-0281	PANAJURU LOCAL SCHOLARSHIPS	1,447	247	500	0	0	500	0	0	314	0	0	0	0	314	0	0
525-0285	PANAJURU - ZAMORANO	750	300	450	0	0	0	0	0	43	0	43	0	0	0	0	0
525-0287	PVT. SECTOR LOW COST SHELTER	300	0	0	0	0	0	300	0	184	0	0	0	0	0	184	0
525-0302	IRP - CONTINGENCY	511	0	0	0	0	0	511	0	309	0	0	0	0	0	309	0
525-0302	IRP - SDA	700	0	0	0	0	250	450	0	312	0	0	0	0	0	312	0
525-0303	ECONOMIC RECOVERY PROGRAM	243,850	0	0	0	0	243,850	0	0	42,000	0	0	0	0	42,000	0	0
525-0308	IMPROVING POLICE SERVICES **	13,200	0	0	0	0	6,630	6,570	0	0	0	0	0	0	0	0	0
525-0308	FINANCIAL MANAGEMENT REFORM	5,800	0	0	0	0	0	4,500	1,300	5,291	0	0	0	0	0	3,981	1,300
525-0307	DEMOCRATIC INITIATIVES	3,172	0	0	0	0	0	2,308	864	1,134	0	0	0	0	0	270	864
525-0308	NATURAL RESOURCES MANAGEMENT	13,000	0	0	0	0	0	10,000	3,000	12,981	0	0	0	0	0	9,981	3,000
525-0309	TRADE & INVESTMENT DEVELOPMENT	2,000	0	0	0	0	0	0	2,000	2,000	0	0	0	0	0	0	2,000
525-0312	IMPROVED ADMIN. OF JUSTICE	9,575	0	0	0	0	0	6,900	2,675	8,767	0	0	0	0	0	6,092	2,675
525-0313	ECONOMIC POLICY REFORM	4,100	0	0	0	0	0	3,100	1,000	3,464	0	0	0	0	0	2,464	1,000
525-0314	TAX ADMIN. IMPROVEMENT	1,600	0	0	0	0	0	1,600	0	968	0	0	0	0	0	968	0
525-0317	IMPROVED ELECTION ADMINISTRATION	1,285	0	0	0	0	0	0	1,285	1,285	0	0	0	0	0	0	1,285
525-0320	DURG AWARENESS AND PREVENTION	250	0	0	0	0	0	250	0	173	0	0	0	0	0	173	0
525-1000	C. AMERICA PEACE SCHOLARSHIPS	12,050	0	5,600	1,000	0	5,450	0	0	2,095	0	0	0	0	2,095	0	0
597-0001	C. AMERICA PEACE SCHOLARSHIPS	12,923	7,547	0	0	0	0	0	0	0	0	0	0	0	0	0	0
525-1001	C. & L. AMERICA PEACE SCHOL. II	6,300	0	0	0	0	0	4,300	2,000	5,714	0	0	0	0	0	3,714	2,000
TOTAL		336,259	8,094	7,050	1,000	0	256,680	41,349	14,124	87,349	0	43	0	0	44,409	28,773	14,124

** Funds for the Improving Police Services Project are transferred in AID/W via the State Department to the Department of Justice under the provisions of Section 632(a) of the FFA. The Department of Justice is responsible for implementing the project.

CENTRALLY-FUNDED PROJECTS

Category A: Supports Strategic Objectives and can be managed by Mission

- 598-0791 Regional Technical AID Center
Funding Level: \$659,100 (Core)
PACD: September 24, 1966
Project Purpose: To increase U.S. Cooperation with Latin Institutions and to provide Latin American University and technical school students as well as professionals with access to high quality, U.S. published textbooks and technical information in Spanish at affordable prices.
Nature & Extent of Mission Management: Extensive
Project Rating: B
- 598-0770 Legislative Strengthening
Funding Level: \$700,000 (Buy-in)
PACD: July 31, 1993
Project Purpose: Strengthen the Panamanian Legislative Assembly's capacity through the introduction of modern legislative management techniques and systems, improvement of its organizational structures and development of a research capacity.
Nature & Extent of Mission Management: Extensive
Project Rating: B
- 598-0802 Central American Journalism
Funding Level: \$500,000 (Buy-in)
PACD: March 31, 1993
Project Purpose: Provide technical and specialized training to media owners and journalist to strengthen their professional capabilities and assist them to fulfill their role in a democracy.
Nature & Extent of Mission Management: Extensive
Project Rating: B

Category B: Supports Strategic Objectives and is beyond Mission capacity to manage

596-0165 Export Industry Technology Support Project (EXITOS)
598-0604 Coop. Assoc. of States for Scholarships
598-0642 Administration of Justice
598-0657 Health and Nutrition Technical Services
598-0659 Education & Human Resources Technical Support
598-0782 Parks in Peril
598-0789 AIFLD - Union to Union
598-0790 AIFLD - Core
598-0800 Accountability and Financial Management
936-5448 Gemini
936-5738 Private Sector Energy Development
940-0012 International Executive Service Corps (IESC)

Category C: Does not support Strategic Objectives

936-5116 Vitamin A for Health
936-5834 Narcotics Awareness and Education

SMALL PROJECT REPORT
(April 1, 1992 - September 30, 1992)

1. **Project Name and Number:** Private Sector Low Cost Shelter
525-0287

PACD: 02/28/94

Amount: \$300,000

Implementing Agency and/or Grantee: Ministry of Planning and
Economic Policy

Project Manager: Kermit Moh

Specific Linkage to Strategic Objectives: N/A

Project Purpose: Support the Mission's housing program through technical assistance which will increase the involvement of the private sector in long term mortgage lending for low cost shelter.

Background: This project was undertaken primarily to allow the Mission to carry out two Housing Guaranty projects initiated before USAID's departure in 1987. Over \$10 million from the first project (525-HG-012) had been in a U.S. escrow account since 1986. The second project (525-HG-013) consisted of a long standing \$25 million guaranty authorization which, if reactivated, could be used to finance over two thousand low cost units through four or five of Panama's private banks. Implementing these two programs presented a unique opportunity to alleviate a pent up demand for low income housing and strengthen the private banking sector which, along with the rest of the economy, had been severely weakened by the policies of the previous government. Both of these projects were initially designed to fill a requirement of the 1977 Panama Canal Treaty.

The reactivation of 525-HG-012 is well underway and, since August, 1991, over \$3.3 million has been released from the project escrow account based on the GOP's presentation of over 1800 mortgages for low cost shelter. Negotiations are now underway with the GOP to channel the approximately \$7 million balance through the Caja de Ahorros, a semi-autonomous national savings bank.

Regarding 525-HG-013, in 1990 and early 1991, major home builders and private banks encouraged USAID to reactivate the

\$25 million program so that outside mortgage funds would be available to sustain a forthcoming recovery that, they felt, would require more long-term funds than would be available locally.

The Mission agreed to reactivate the project and, to date, one bank has signed an agreement with the Mission allowing it to borrow approximately \$5 million.

The project itself is market driven and other private banks are aware of its activities. Their participation will depend upon the attractiveness of the project at any given time. Factors such as a drop in the long-term interest rates in the U.S. or a decrease in the current liquidity of the banking system would in all probability attract the participation of additional banks.

Major Accomplishments or Problems

Grant 525-0287

- Program Manager is overseeing housing programs as anticipated.
- Local legal advisor has designed appropriate documents to establish AID's security interest for mortgages eligible under 525-HG-013. Documents approved by RHUDO and RLA.

Project 525-HG-012

- Cable request to AID/W for authorization to negotiate redesign of project approved.
- Discussions held with Caja de Ahorros on proposed program.
- Caja de Ahorros was assisted by Mission funded TA in designing the new 525-HG-012 program and in preparing a new marketing strategy.

Project 525-HG-013

- Implementation Agreement signed with lead borrower, Banco General.
- Competition for project Administrator extended to qualified Panamanian banks, in addition to three local affiliates of U.S. banks.

Project 525-HG-004 and 005

- Caja de Ahorros is effectively administering both projects.

- Claim for the payment of arrears totalling \$1.2 million pressed with MIPPE and linked to ongoing drawdowns and redesign of 525-HG-012.
- Local legal advisor has supported this claim via meetings with BHN and "Procurador de la Administración".

Project 525-HG-003B

- Mission continued to press AID/W to arrange for the Caja de Ahorros to prepay this loan by settling the AID/Investor dispute over the outstanding balance.

Major Activities or Corrective Actions during the Forthcoming Period

Project 525-HG-012

- One to two additional drawdowns from escrow account based on presentation of eligible mortgages for a total of approximately \$.9 million.
- Signing of third amendment to the Project Implementation Agreement reflecting the inclusion of the Caja de Ahorros.

Project 525-HG-013

- Project administrator selected and on board.
- First borrowing by Banco General for \$5 million.

Project 525-HG-004 and 005

- Follow up on the \$1.2 million debt and link future drawdowns or modifications of 525-HG-012 to its resolution.

Project 525-HG-003B

- Follow up with AID/W on the pre-payment issue.

SMALL PROJECT REPORT
(April 1, 1992 - September 30, 1992)

2. **Project Name and Number:** Immediate Recovery Project 525-0302
SDA Component.

PACD: 06/31/93

Amount: \$700,000

Implementing Agency and/or Grantee: USAID/Panama

Project Manager: Jose R. Sanchez

RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES: By supporting community self-help activities, the Project directly supports Strategic Objective No. 2, Increased Pluralism and Public Support for Democratic Processes and Values.

Percent of LOP Funds related to Strategic Objective No. 2: 100%

Project Purpose: Assist small-scale, community based humanitarian and developmental projects.

Major Accomplishments or Problems: Originally, \$250,000 was provided under this component of the IRP project to assist small-scale community self-help projects. These resources financed 48 sub-projects covering a wide range of activities in rural areas such as aqueducts, foot-bridges, school annexes and classrooms. These approved projects were 100% completed during the past reporting period.

At the end of the past reporting period an additional \$250,000 was added to the project, of which \$150,000 was earmarked for the financing of self-help sub-projects in the province of Bocas del Toro which suffered extensive damage to its infrastructure as the result of a severe earthquake in the month of April and flooding in August. By the end of that reporting period, 29 sub-projects were approved and signed with local communities in the Bocas del Toro province at a cost of \$148,000. To date 60% of these sub-projects have been completed.

With the remaining \$100,000, another 18 sub-projects were financed in other rural areas of Panama, such as Darien and San Blas. To date 50% of these sub-projects have been completed. In September 1992, another \$200,000 was added to this component. Thirty nine (39) sub-projects in 8 of the 9 provinces of Panama and San Blas were selected to receive these funds. The Project completion date is planned for 1993.

SMALL PROJECT REPORT
(April 1, 1992 - September 30, 1992)

3. Project Name and Number: Democratic Initiatives 525-0307

(Note: This is an "Umbrella Project" with four discrete sub-projects. Two of these exceed the limit for classification as small projects, but have been included in this section in order to maintain the integrity of the Project).

Specific Linkage to Strategic Objectives: The Project directly supports two of the mission's strategic objectives, which together contribute to the sub-goal of Consolidation of Democratic Processes and Institutions.

The private sector subprojects - Journalism Strengthening and Civic Education help bolster **Increased Pluralism and Public Support for Democratic Processes and Values** (Strategic Objective No. 1) through training to improve professionalism and ethics in the media and the expansion of civic awareness and participation in a democratic society.

In the public sector, the Legislative Development subproject supports the achievement of **Strengthened Competent Civilian Government Institutions** (Strategic Objective No. 2) through the introduction of modern legislative management techniques, the improvement of organizational structures and the development of a research capacity.

Finally, the AID to the Electoral Tribunal subproject supports both strategic objectives, through voter awareness and registration campaigns and institutional development activities designed to improve the Tribunal's capacity to conduct free and fair elections.

Percent of LOP Funds related to Strategic Objective No. 1: 38%
" " " " **Strategic Objective No. 2: 62%**

3.a. Democratic Initiatives: 525-0307.01
Journalism Strengthening Component

PACD: 02/15/93 (PACD was extended at no additional cost)

Amount: \$500,000

Implementing Agency or Grantee: Florida International University (FIU)

Project Manager: Carol Horning

Project Purpose: Provide technical and specialized training to media owners and journalists to strengthen their professional capacities and assist them to fulfill their role in a democracy.

Major Accomplishments or Problems: A total of \$500,000 was added to the LAC Regional Cooperative Agreement with FIU for the Central American Journalism Program (CAJP) to conduct a series of seminars and workshops for Panamanian print and media professionals. In February 1992, the PACD was extended by 12 months at no additional cost due to substantial cost savings achieved in part through the innovative use of on-site newsroom seminars. As a result, program outputs more than doubled, (from 10 seminars up to an actual total of 23), as did the projected number of beneficiaries (from 175 up to an actual total of 423 to date). Female trainees comprise an average 36% of project beneficiaries, corresponding roughly to female representation in the Panamanian media.

In April 1992, a mid-term assessment conducted by FIU and USAID confirmed the project's positive and continuing impact on its beneficiaries' professional progress. For example, several journalists attributed their recent promotions to improved skills and performance derived from the training, while others reported using project documents as standard guidance for their staff. The assessment also found that seminar topics developed for the Panama-specific project (Economic and Business Reporting, Police and Trial Reporting, Legislative Reporting and Campaign and Election Coverage) are being replicated under the regional CAJP project, as is the pilot methodology of conducting seminars in newsrooms and on-location TV news production.

Results of public opinion polls used in the assessment were presented to media owners in a subsequent workshop. (Several of the owners later applied this data in strategic planning).

Other activities during the reporting period included: on-site workshops at 3 newspapers and 2 TV stations; 2 rural radio seminars; an ecology workshop and an ethics seminar. The Panama coordinator also prepared a bilingual "how-to" guide on seminar organization and logistics for possible use by the regional CAJP program. Upcoming events will include seminars on investigative reporting, legislative reporting, campaign and election coverage and a conference on the role of the press in a democracy. A final assessment of the Panama-specific project will be conducted in February 1993 to determine its overall impact, following which all journalism strengthening activities will be continued under the CAJP regional project.

3.b. Democratic Initiatives: 525-0307.02
Civic Education Component

PACD: 11/30/92 (PACD to be extended to June 30, 1993)

Amount: \$240,000

Implementing Agency and/or Grantee: America's
Development
Foundation
(ADF); Civic
C r u s a d e
Foundation

Project Manager: Carol Horning

Project Purpose: Provide non-partisan training in democratic responsibilities and rights to Panamanian youth leaders and private citizens to foster civic participation in a democratic society.

Major Accomplishments or Problems: Under a \$240,000 grant, ADF is providing institutional support to the subgrantee, the Civic Crusade Foundation's Center for Democracy, for the latter to conduct a civic education campaign.

Project activities include: youth leadership seminars; democracy fairs at universities; workshops to bolster democratic participation of interest groups in public policy formulation; participation in regional and international fairs; and a broad-based media campaign, among others. During the reporting period, the Center conducted a total of 7 workshops and seminars for 339 beneficiaries (59% M, 41% F). Topics included the role of voluntary organizations, youth leadership and strategic planning. To date, the total number of seminar beneficiaries is 912. The Center also sponsored a weeklong democracy fair at the regional branch of the University of Panama located in Chiriquí province. The Center's monthly newspaper supplements (circulation: 35,000) explored freedom of expression, civic values, and the role of youth in a democracy, while weekly radio shows and TV roundtables aired panel discussions on free-market economics, constitutional reforms, the legislature, the role of women in the consolidation of democracy, and environmental protection, among others. Under USAID's CLASP II project, the Center provided conferences and workshops to 42 Thomas Jefferson Fellows on Panamanian history, civic participation, free enterprise and the role of community leaders.

The Center's impact on the Panamanian public has continued to expand. To date, four independent civic organizations have spun off as a result of its activities, acquiring legal status and conducting their own civic awareness programs with

materials and advice (but no funding) from the Center. A nationwide poll conducted in January 1992 indicated that 10% of the respondents could identify the 1-year-old organization by name and activities, and public support for both was significant.

Due to the impressive success of this project, the Mission is considering a follow-on effort to consolidate the Center's progress. In the interim, the PACD of the current grant will be extended to the authorized date of June 30, 1993 at no additional cost, and the remaining activities will be spaced out accordingly.

3.c. Democratic Initiatives: 525-0307.03
Aid to Electoral Tribunal Component

PACD: 12/15/92

Amount: \$1,540,512

Implementing Agency and/or Grantee: Ministry of Economic Policy and Planning;
I n s t i t u t o Interamericano de D e r e c h o s Humanos/Centro de Asesoría y Promoción E l e c t o r a l (IIDH/CAPEL)

Project Manager: Carol Horning

Project Purpose: Provide technical assistance, training and commodities to strengthen the capacity of the Electoral Tribunal in the areas of voter registration, identification and election administration.

Major Accomplishments or Problems: Under the final extension of the PACD, the Centro de Asesoría y Promoción Electoral (CAPEL) has been providing technical assistance to the Tribunal in preparation for the Constitutional Reform Referendum scheduled for November 15, 1992. This technical assistance involves logistics in preparation for the referendum, assistance in refining the tabulation and reporting systems and continued assistance in the development of civic education campaigns which are dedicated to voter motivation and awareness and information as to the mechanics of voting. The Project was amended on September 30, to increase the LOP level to \$1,540,512.

Activities under this Project will conclude December 15, 1992 with an evaluation of the completed Referendum process. It is expected that similar technical assistance will also be supplied by CAPEL under the long-term follow-on project

(Improved Electoral Administration, Project Number 525-0317) that will provide assistance in preparation for the 1994 general elections.

3.d. Democratic Initiatives: 525-0307.04
Legislative Development Component

PACD: 03/15/93

Amount: \$700,000

Implementing Agency and/or Grantee: Consortium for
Legislative
Development
(CLD)

Project Manager: Carol Horning

Project Purpose: Strengthen the Legislative Assembly's capacity through the introduction of modern legislative management techniques and systems, improvement of its organizational structures and development of a research capacity.

Major Accomplishments or Problems: A total of \$700,000 was added to the Regional Legislative Development Project with the Consortium for Legislative Development (Center for Democracy, FIU, and SUNY/Albany) for the Panama Project in September 1991. In February 1992, the CLD hired a U.S. project manager, established a local office and conducted a needs assessment for design of a legislative information system (LIS). The technical report and LIS specifications were approved by IRM and the Legislative Assembly in May 1992. A survey of the Assembly building's electrical system was conducted in August 1992, resulting in recommendations for an upgrade in order to accommodate the LIS installation. (The electrical upgrade and installation costs will be financed by the Assembly; the USAID project will fund the commodities). Other activities during the reporting period included: staff participation in several regional ATELCA meetings, hosting of the 6th ATELCA General Assembly meeting in Panama City, a study tour of U.S. legislatures by 4 legislators and 2 staffers in July 1992, budget training at SUNY/Albany for the Assembly's new professional budget analysts, technical assistance in the preparation of position descriptions and an organizational chart, and a seminar on press relations/media legislation. Upcoming events will include a seminar on the role of the legislature in a democracy, procurement and delivery of the LIS computer equipment, TA and reference books for the Assembly library and technical training for staffers.

SMALL PROJECT REPORT
(April 1, 1992 - September 30, 1992)

4. **Project Name and Number:** Drug Awareness and Prevention
525-0320

PACD: 09/29/93

Amount: \$250,000

Implementing Agency and/or Grantee: Cruz Blanca Panameña

Project Manager: Jose R. Sanchez

Specific Linkage to Strategic Objectives: N/A

Project Purpose: Upgrade the technical capability of the staff of Cruz Blanca Panameña and provide training for approximately 1440 volunteers in modern techniques of drug awareness and prevention which will enable them to actively participate in programs designed to increase public awareness of the adverse affects of illegal drug usage and ways of prevention.

Major Accomplishments or Problems: The Project Grant Agreement was signed on September 28, 1991. Initially delays were encountered because AID required Cruz Blanca to present an audit prior to receiving disbursements. This audit was not completed until May 1992. Funds were then provided for training to volunteer members and U. S. technical assistance. From May 1992 through October 1992, Cruz Blanca Panameña conducted a total of 23 seminars and workshops to provide training for approximately 725 participants. They have received excellent technical assistance through the Narcotics Awareness and Education Project (NAE), from Development Associates Inc.

With the financial assistance of the Narcotics Awareness and Education Project, Cruz Blanca Panameña and Centro de Estudios Latinoamericano (CELA) conducted the first Survey on Drug Prevalence and Attitudes in Urban Panama. The main findings of the study showed that Panama has the most serious drug problem of the Latin American/Caribbean countries. Cruz Blanca provided excellent press coverage of the results of the study through public radio, television, and conferences, which created broad awareness of the drug problem in Panama.

In addition to these specific project results, Cruz Blanca has done an excellent job generating public credibility in the organization through their yearly Red Ribbon Campaign, educational articles in newspapers and participation in television programs.

PROJECT STATUS REPORT
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IA. BACKGROUND DATA

Project Title: PRIVATE SECTOR SCHOLARSHIPS
Project Number: 525-0258
Date of Authorization: original 06/28/84 amendment 09/30/87
Date of Obligation: original 06/28/84 amendment 09/30/87
PACD: original 03/31/88 amendment 03/31/93
Implementing Agencies: CONSEJO DEL SECTOR PRIVADO PARA LA ASISTENCIA EDUCACIONAL (COSPAE)
Major Contractors: N/A
AID Project Manager: Patricia Rodriguez
Status of CPs/Covenants: All met
Date of Last Evaluation: 04/31/91 Next Evaluation: 02/93 estimated
Planned Number of Non-Federal Audits during Fiscal Year: One (1)
The Number of such Audits Contracted for/Completed: One (1) 1991
Date of Last Audit: 09/30/91 Next Audit: 11/30/92

IB. FINANCIAL DATA

Amount Authorized: DA/ESF Grant: original \$2,500,000 amended to \$ 3,500,000
Amount Obligated: DA/ESF Grant: original \$ 750,000 amended to \$ 3,385,647 *
Amount Committed: Period: \$ 114,353
Cumulative: \$3,385,647
Accrued Expenditures: Period - Projected: \$ 150,000
Period - Actual: \$ 517,848
Cumulative: \$3,050,848
Period - Next: \$ 200,000
Counterpart Contribution: Planned: \$2,840,000
Actual: \$2,762,105
% LOP Elapsed: 94%
% of Total Auth. Oblig. 100%
% of Total Oblig. Exp. 90%
% of Total Auth. Exp. 90%

* The original amount was \$3,500,000 but in FY 92 \$114,353 in "M" account funds were deobligated.

IIA. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES

Specific Linkage to Strategic Objectives: By strengthening the capacities of selected individuals in a democratic environment, the Project directly supports Mission Strategic Objective No. 2, Increased Pluralism and Public Support for Democratic Values and Processes.

Percent of LOP Funds Relating to Strategic Objectives: 100%

IIB. PROJECT PURPOSE

To establish a private Panamanian organization, COSPAE, with broad private sector participation, that can identify training needs, select trainees, arrange training programs and successfully reincorporate participants into the Panamanian economy.

III. PROJECT DESCRIPTION

This project was suspended for a period of 14 months and was reactivated in April of 1990. The Project had two contract agreements: the first was with the Institute of International Education (IIE) to provide support for the creation of a private Panamanian Organization, COSPAE, which has largely been accomplished; the second was signed with COSPAE on September 30, 1987 in order to increase their administrative and technical capacity to develop and implement scholarship and training programs without the continued assistance of IIE. Under the Project, COSPAE is developing its administrative and technical capability, preparing a Five-Year Plan for future activities, and implementing training programs and a follow-up program for returned U.S. participants.

IV. PROJECT STATUS

Planned EOPS

Progress To Date

1. An effective Private Panamanian training organization established.

1. COSPAE was created in 1984 and registered as a PVO organization. Even though years of crisis in Panama caused adverse effects on COSPAE, it has reorganized its office and staff, and at this time, the organization is well established.

PROJECT STATUS REPORT
April 1, 1992 - September 30, 1992 A B X C

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|---|--|
| <p>2. Training programs to address private sector training needs developed and routinely provided.</p> | <p>2. Long-term training is being provided in the U.S. to nine (9) participants who are pursuing an A.S. in Micro-computer systems and telecommunications. Also, four short-term training programs are being provided to the private sector.</p> |
| <p>3. An established functioning, financial management system.</p> | <p>3. COSPAE's accounting office is implementing effective control through their computerized financial management system.</p> |
| <p>4. An effective internal capability for raising training funds.</p> | <p>4. COSPAE has developed and implemented a number of fund-raising activities, including an annual fund-raising dinner. Also, Expocomer, an industrial and commercial fair provides significant counterpart contributions to COSPAE.</p> |
| <p>5. A demonstrated capacity for the contracting and procurement of training related services.</p> | <p>5. Based on the Administrative and Accounting Policy Procedures Handbook developed by Price Waterhouse, COSPAE has successfully contracted for training related services in Panama and in the U.S.</p> |
| <p>6. The capacity to organize U.S. and Panamanian training programs including selecting, placing and providing follow-up services to trainees.</p> | <p>6. During this period COSPAE has organized and implemented:
 (a) one Industrial Maintenance Program (U.S. short-term training),
 (b) one Merchandising Program (local/U.S short-term training),
 and (c) two local short-term training programs, one on Personnel Management Administration and the other one on "Negociación y Políticas de Compras".
 As part of trainee follow-up services, a National Congress of COSPAE's grantees was held during the reporting period.</p> |
| <p>7. The capacity to engage in strategic planning to define future training activities.</p> | <p>7. COSPAE has improved its strategic planning capabilities by hiring specialized personnel. Also, a survey was carried out by COSPAE, among the private sector in Panama, in order to identify the areas of training in Panama.</p> |

B. Major Outputs

	Planned					Accomplished				
	LOP	Period		Cum.	Next Period	Period		Cum.		% of LOP
		M	F			M	F	M	F	
1. <u>COSPAE/IIIE</u>										
a. Short-term	243	0	0	243	0	0	0	235	8	100
b. Long-term	100	0	0	100	0	0	0	15	0	15
2. <u>COSPAE</u>										
a. Short term U.S.	57	20	7	27	30	20	6	20	6	45.6
b. Short-term Local	173	46	23	69	104	46	23	45	23	39.3
c. Long-term-U.S.	13	10	3	13	0	8	1	8	1	69.2

C. Other Accomplishments and Overall Status

Two staff members finished their six-month local training course related to the organization of training programs.

Short-term training courses were implemented during this period, as follows:

- Industrial Maintenance, which was provided at Houston Community College for a total of 12 participants (all males) from April 4 through June 25, 1992;
- "Negociacion y Politicas de Compras", provided locally for 6 females and 9 males, making a total of 15 participants, from July 6 through July 31, 1992;
- Merchandising - provided in two phases, first phase in Panama for 26 students (8

PROJECT STATUS REPORT
April 1, 1992 - September 30, 1992 A B X C

females and 18 males) from July 6 through July 31, 1992, and the second one at Houston Community College, with fourteen participants (6 females and 8 males);

- Personnel Management Administration - provided in Panama for a total of 28 participants (11 males and 5 females) during morning hours and the advanced course consisting of 12 students (8 males and 4 females) during the afternoon.

D. Problems and Delays

- The remaining U.S. long-term participants will finish their training at the end of August, 1993 and the Grant Agreement's PACD is March 31, 1993, therefore, the PACD will have to be extended.
- COSPAE does not submit its reports or planning documents in timely fashion and the planning documents often need revision.

E. Major Activities or Corrective Actions During the Next Six Months

USAID will:

- Review the budgets submitted by COSPAE regarding the short-term training courses.
- Interview potential candidates for the forthcoming courses of the next period.
- Continue close monitoring of COSPAE's activities.
- Request COSPAE information regarding IAPs visa extensions for the U.S. long-term participants.
- Request COSPAE's audit reports for review by Mission Financial Analyst.
- Request USAID/Panama's Controllers Office to audit COSPAE as well as verify their counterpart contribution.
- Prepare an extension of the PACD until September, 1993 to cover the period of the U.S. long-term participants.

COSPAE will:

- Continue with their planned training courses, locally and in the U.S. as well as with its staff training.
- Prepare for the Expocomer Fair.
- Submit its audit report to USAID.

PROJECT STATUS REPORT
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IA. BACKGROUND DATA

Project Title: PANAJURU LOCAL SCHOLARSHIPS
Project Number: 525-0281
Date of Authorization: original 08/31/85 amendment 09/20/90
Date of Obligation: original 08/31/85 amendment 09/20/90
PACD: original 04/88 amendment 04/30/94
Implementing Agencies: NATIONAL FOUNDATION FOR PANAMANIAN RURAL YOUTH (PANAJURU)
Major Contractors: N/A
AID Project Manager: Patricia Rodriguez
Status of CPs/Covenants: All met
Date of Last Evaluation: 02/12/88 Next Evaluation: to be determined
Planned Number of Non-Federal Audits during Fiscal Year: One (1)
The Number of such Audits Contracted for/Completed: One (1) - 1991
Date of Last Audit: 09/30/91 Next Audit: 1992

1B. FINANCIAL DATA

Amount Authorized: DA/ESF Grant: original \$447,000 amended to \$1,447,000
Amount Obligated: DA/ESF Grant: original \$200,000 amended to \$1,447,000
Amount Committed: Period: \$0
Cumulative: \$1,447,000
Accrued Expenditures: Period - Projected: \$132,000
Period - Actual: \$123,000
Cumulative: \$1,132,501
Period - Next: \$100,000
Counterpart Contribution: Planned: \$1,768,940
Actual: \$1,474,574
% LOP Elapsed: 82%
% of Total Auth. Oblig. 100%
% of Total Oblig. Exp. 78%
% of Total Auth. Exp. 78%

IIA. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES

Specific Linkage to Strategic Objectives: This project is linked directly to Mission Strategy Objective No. 2 Increased Pluralism and Public Support for Democratic Values and Processes. The Project supports the SO by providing improved education opportunities to socio-economically disadvantaged rural youth in a democratic environment.

Percent of LOP Funds Relating to Strategic Objectives: 100%

IIB. PROJECT PURPOSE

To provide classroom and on-farm training for economically disadvantaged Panamanian rural youth to improve skills and technologies.

III. PROJECT DESCRIPTION

This project was suspended for a period of 14 months due to the economic and political crisis of 1988-90. It was reactivated in April, 1990. The project provides local scholarships to economically disadvantaged Panamanian rural youths so that they may be better prepared to work in the agriculture sector as farm managers, supervisors, agricultural extension agents or in other positions and prepare them for future academic training. The grant is administered by PANAJURU, a non-profit Private Voluntary Organization (PVO) with official backing from the Government of Panama. It is dedicated to the social well-being of the rural communities and Panama's youth in particular.

Training is provided by existing professional and technical institutes (IPTs), located in rural areas which offer a high school level of training. IPT's have a widely dispersed constituency and provide a level of training designed to return students to the farm with new technology, equip them for employment in the agricultural sector and prepare them for future academic training.

IV. PROJECT STATUS

Planned EOPS

Progress To Date

- | | |
|--|---|
| <ol style="list-style-type: none"> 1. Trend of declining enrollment in agricultural training institutes stabilized or reversed. 2. Increase in the number of trained students returning to their communities and working in agricultural activities. | <ol style="list-style-type: none"> 1. The decrease in enrollment was stopped, reversing it to a 15% growth per year. 2. 70% of the graduates that received scholarships returned to their communities and are working in agriculture. Presently, one of the graduates is working with PANAJURU. |
|--|---|

PROJECT STATUS REPORT
April 1, 1992 - September 30, 1992 A B X C

3. Increased number of students able to meet the rigorous academic qualifications for enrollment at ZAMORANO in Honduras.
3. Continuous efforts have been made to improve academic and practical education, keeping students in the community upon graduation. Some of them are working their own land. Close supervision is provided to the scholars by PANAJURU's Coordinator to measure the students progress. Also, retreats are undertaken to strengthen their skills and academic performance.

B. Major Outputs

	Planned									Next Period	Accomplished								
	LOP			Period							Period			Cum.			% of LOP		
	Total	F	M	Total	F	M	Cum	F	M		Total	F	M	Total	F	M			
1. Training*																			
Long-term	776	113	663	348	124	224	638	236	402	0	348	124	224	762	171	591	98.2		

* Indicates number of people who began training.

C. Other Accomplishments and Overall Status

- A new Board of Directors was elected for PANAJURU.
- On July 3, 1992 a "Field Day" activity was carried out at the Daniela Lusk School, at Lola de Las Palmas in the Province of Veraguas. A total of 200 students from ten (10) IPTs attended. The objectives were: (a) acquaint the various IPT participants of Veraguas Province with each other; (b) exchange experiences among the students and coordinators about the administration of different projects carried by their educational centers, and (c) create new awareness of the responsibility that the students should have for conservation of the environment.
- The Project Financial Analyst visited PANAJURU to review their accounting records and the documentation related to PANAJURU's counterpart contribution. As in the past, PANAJURU informed our Financial Analyst that a counterpart of 17.5% was approved as administrative costs contribution. Neither the documentation signed between USAID and PANAJURU nor other documents clearly explain how the counterpart contribution should be calculated. The Financial Analyst requested supporting documentation on counterpart contribution which was received. It details PANAJURU's counterpart contribution from 1988 through 1991.
- A workshop retreat was carried out in the Primer Ciclo de Las Minas, Province of Herrera for scholars located in the areas of Los Santos and Herrera.
- In the past, PANAJURU was seriously behind schedule in its payments to schools. The Mission, therefore, approved advances to pay schools on time.

D. Problems and Delays

- PANAJURU is behind schedule in their scholarship payments because problems arose in the bank regarding the printing of new checks. As a result, the old checks had to be destroyed and new checks are being printed.

E. Major Activities or Corrective Actions During the Next Six Months

- A letter will be sent to PANAJURU to inform them the results obtained by our Financial Analyst regarding the counterpart contribution. The letter will let them know that the counterpart should be registered retroactively, from August 31, 1985, as per PIO/T No. 525-0281-3-70161.
- In March, a Scholars' Retreat will be carried out at "Alto de Piedra, in the Province of Veraguas.
- In January, a Scholars' Retreat will be carried out in the Jesús Obrero Center School, Tolé, Province of Chiriquí.
- In February, scholars from the Province of Coclé and the Azuero Region will attend a retreat. Tentatively, the school selected is located in San Roquito, Province of Coclé.

PROJECT STATUS REPORT
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IA. BACKGROUND DATA

Project Title: ZAMORANO SCHOLARSHIPS PROJECT
Project Number: 525-0285
Date of Authorization: original 08/26/86 amendment 05/23/89
Date of Obligation: original 08/26/86 amendment 12/31/91
PACD: original 12/31/91 amendment 12/31/92
Implementing Agencies: NATIONAL FOUNDATION FOR PANAMANIAN RURAL YOUTH (PANAJURU)
Major Contractors: Escuela Agricola Panamericana - ZAMORANO
AID Project Manager: Patricia Rodriguez
Status of CPs/Covenants: All met
Date of Last Evaluation: 09/24/92 Next Evaluation: N/A
Planned Number of Non-Federal Audits during Fiscal Year: One (1)
The Number of such Audits Contracted for/Completed: One (1) - 1991
Date of Last Audit: 05/25/91 Next Audit: 10/31/92

IB. FINANCIAL DATA

Amount Authorized:	DA/ESF Grant:	original	\$ 1,028,000	amended to \$ 750,000
Amount Obligated:	DA/ESF Grant:	original	\$ 300,000	amended to \$ 750,000
Amount Committed:	Period:		\$ 0	
	Cumulative:		\$ 750,000	
Accrued Expenditures:	Period - Projected:		\$ 95,000	
	Period - Actual:		\$ 0	
	Cumulative:		\$ 706,568	
	Period - Next:		\$ 44,432	
Counterpart				
Contribution:	Planned:		\$ 463,000	
	Actual:		\$ 834,259	

% LOP Elapsed:	96	%
% of Total Auth. Oblig.	100	%
% of Total Oblig. Exp.	94	%
% of Total Auth. Exp.	94	%

IIA. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES

Specific Linkage to Strategic Objectives: The project is linked directly to Mission Strategic Objective No. 2 Increased Pluralism and Public Support for Democratic Values and Processes. The Project supports the SO by providing improved educational opportunities to socio-economically disadvantaged rural youth in a democratic environment.

Percent of LOP Funds Relating to Strategic Objectives: 100%

IIB. PROJECT PURPOSE

To provide rural youth practical college-level training in agriculture and strengthen the organizational and administrative capacity of PANAJURU, a local PVO.

III. PROJECT DESCRIPTION

Originally the project was to provide scholarships to 40 Panamanians to receive training at the Escuela Agricola Panamericana (EAP) at ZAMORANO, Honduras. However, during the political and economic crisis of 1988-90, PANAJURU encountered difficulty raising contributions to meet its counterpart requirements and as a result, AID's portion was reduced from \$1,028,000 to \$750,000, a decrease of \$278,000.

Candidates for assistance were selected from high school graduates with demonstrated scholastic ability, an interest in agricultural activities, and economic need. The participants studied practical farming applications and applied tropical agronomy. PANAJURU administered the selection of candidates, and provided advisory and administrative support to them during their training.

The Project also contributes to the development of PANAJURU through selected short-term technical assistance.

IV. PROJECT STATUS

Planned EOPS

Progress To Date

- | | |
|--|---|
| <ol style="list-style-type: none"> 1. Cost accounting system and operational structure in place. 2. Long-term objectives and strategies defined. | <ol style="list-style-type: none"> 1. A comprehensive accounting/ financial management system has been established. A new position, serving as a Field Auditor, specially for local Chapters, was created. 2. With the assistance of a local private consultancy firm and drawing on the evaluation of the impact of the project, PANAJURU is preparing a proposal for a project to develop Didactic Modules to support the rural youth agricultural businessmen. |
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PROJECT STATUS REPORT
April 1, 1992 - September 30, 1992 A B X C

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| 3. | Organisational and institutional changes implemented. | 3. PANAJURU has restructured its technical staff. Statutes were revised and an additional vice-presidency was created. Also two commissions were created: (1) Commission for the Integral Development of the Rural Family and (2) the Commission for New Projects and Commercialization. |
| 4. | Procurement and disbursement procedures adopted. | 4. As part of its administrative and institutional reorganization, PANAJURU improved its procurement procedures. |
| 5. | Procedures for selecting scholarship candidates established. | 5. PANAJURU upgraded and modernized selection of scholarship candidates. |
| 6. | Effective fund-raising capability established. | 6&7. A new fund-raising commission was created. A fund-raising campaign was planned: (1) through the television media donated by a private advertising company; (2) meetings have been held locally and in the provinces for fund-raising activities and (3) annual donations provided by private enterprises are continuously being received. |
| 7. | Effective fund-raising levels achieved. | |

B. Major Outputs

	Planned				Accomplished		
	LOP	Period	Cum.	Next Period	Period	Cum.**	% of LOP
1. Training * Long-term	28	(M) 24 (F) 4	28	0	0	(M) 10 (F) 3	46.4%

- * Reduced due to inability to generate counterpart contributions. The LOP was 40 participants in the original Grant Agreement. Indicates number of participants who initiated training.
- ** Indicates number of participants who completed training.

C. Other Accomplishments and Overall Status

- Terms of reference and curricula vitae for an evaluation of the impact of the Project, were submitted to PANAJURU and Eng. Ariel Barnett was selected to carry out the evaluation.
- The evaluation was delivered to USAID on September 24, 1992. A debriefing on this evaluation was provided by Eng. Barnett at PANAJURU's Conference Room to the Board of Directors and USAID/Panama staff.
- The evaluation discusses: (a) the reason for the high level of dropouts from the program, (b) the impact of the students who graduated under the project, (c) why the project did not achieve the expected results, (d) the high average cost per student which was estimated in the amount of US\$50,000 and (e) recommendations for the use of the remaining funds. Reasons for the high drop out rate were academic deficiencies in mathematics, physics, chemistry, and the lack of an adequate study methodology.
- Based on the evaluation, PANAJURU plans to submit a proposal for using the remaining project funds.

D. Problems and Delays

- The project activities programmed for this period suffered delays because PANAJURU continued with staff constraints and at the same time they initiated their institutional reorganization.
- PANAJURU found funds mismanagement in one of their Chapters, which are non-USAID funds, requiring that their local accounting and administrative personnel be transferred for a short-period of time to allow for an audit of that chapter.
- The above mentioned factors confronted by PANAJURU affected the timely selection of a qualified and knowledgeable consultant to carry out the evaluation on the impact of the project.

E. Major Activities or Corrective Actions During the Next Six Months

- A Mission project team meeting will be held to review the proposal to be submitted by PANAJURU on the use of available funds to determine if it is feasible.
- If the project committee considers that the proposal is not feasible because (a) it does not meet the grant's main purpose or, (b) the lack of time and/or enough resources, other alternatives for the use of the undisbursed funds will be considered.

PROJECT STATUS REPORT
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IA. BACKGROUND DATA

Project Title: Economic Recovery Program
Project Number: 525-0303
Date of Authorization: original 06/19/90 amendment 00/00/00
Date of Obligation: original 07/03/90 amendment 00/00/00
PACD: original 10/03/91 amendment 12/31/92
Implementing Agencies: Ministry of Planning and Economic Policy
Major Contractors: none
AID Project Manager: Nilka Varela
Status of CPs/Covenants: First Tranche CPs were met as of 10/03/90; Second Tranche CPs were met as of 1/15/92
Date of Last Evaluation: CDIE, Nathan Evaluation in process Next Evaluation: n/a
Planned Number of Non-Federal Audits during Fiscal Year: One
Number of such Audits Contracted for/Completed: Two
Date of Last Audit: 9/24/92 Next Audit: Recipient Audit in process.

IB. FINANCIAL DATA

Amount Authorized:	ESF Grant: original	\$243,850,000	amended to n/a
Amount Obligated:	ESF Grant: original	\$243,850,000	amended to n/a
Amount Disbursed into Separate Account:		\$ 71,850,000	
Amount Disbursed from Separate Account into SPIF (public sector budget support):		\$ 70,450,000	
Amount Disbursed from Separate Account for Clearance of IFI Arrears:		\$130,000,000	
Accrued Expenditures: Period-Projected:		\$ 42,000,000	
	Period-Actual:	\$ -	
	Cumulative:	\$201,850,000	
	Period-Next:	\$ 42,000,000	
% LOP Elapsed:		- %	
% of Total Auth. Oblig.		100%	
% of Total Oblig. Exp.		83%	
% of Total Auth. Exp.		83%	

IIA. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES

Specific Linkage to Strategic Objectives: n/a
Percent of LOP Funds Relating to Strategic Objectives: n/a

IIB. PROJECT PURPOSE

To support the Government of Panama (GOP) in implementing policy reforms for economic recovery and to help restore the creditworthiness of the Panamanian public sector.

III. PROJECT DESCRIPTION

The Economic Recovery Program is an ESF cash transfer grant to assist the Government of Panama to implement its economic reform program. The program has two components: (1) US\$130 million to contribute to a Support Group fund to clear Panama's payment arrears to the World Bank, the Interamerican Development Bank, and the International Monetary Fund; and (2) \$113.85 million for public sector budget support, to provide additional financing to the Government of Panama's Special Priority Investment Fund (SPIF), through which GOP funds for investment activities in the social, infrastructure and other areas are channelled.

IV. PROJECT STATUS

A. Progress to Date:

As of 9/30/92, the GOP had defined and publicly announced its economic strategy and had come to agreement on a shadow program with the International Monetary Fund. Negotiations with the World Bank and Interamerican Development Bank were concluded 1/92 for an Economic Recovery Loan and a Public Enterprise Reform Loan, respectively. The first tranche disbursement under these programs had been made. The second tranche of A.I.D. funds disbursed for use in the SPIF is nearly expended. Documentation to satisfy conditions for the third tranche disbursement were submitted by the GOP in late September, 1992.

B. Other Accomplishments and Overall Status

- o \$130 million in contribution for IFI arrears clearance disbursed during second quarter of FY 1992.
- o Terminal date for requesting disbursement extended to December 31, 1992. Private accounting firm contacted to audit SPIF, and audit concluded September 24, 1992 for the period January 1, to March 31, 1992.
- o MLAT signed and ratified by Panamanian legislature.

C. Problems and Delays

- o Passage of Privatization Law delayed until July 14, 1992 affected the timetable for third tranche disbursement since it delayed disbursement of the first tranche of the IDB Program until mid September, 1992.
- o Request for third tranche disbursement under review. Additional information has been requested from GOP.

PROJECT STATUS REPORT
April 1, 1992 - September 30, 1992 A ___ B X C ___

- o Seven out of fifteen audit recommendations from first audit of the SPIF (conducted by local audit firm) had not acted upon by the GOP. Verification is underway since some of the seven audit recommendations in question have since been addressed.

D. Major Activities or Corrective Actions During the Next Six Months

- o Third tranche of public sector budget support disbursed.
- o GOP will continue to request and receive disbursements into SPIF (monthly).
- o Contract will continue with private accounting firm for audit of SPIF financial flows to implementing agencies.

PROJECT STATUS REPORT
April 1, 1992 - September 30, 1992 A B X C

IA. BACKGROUND DATA

Project Title: FINANCIAL MANAGEMENT REFORM PROJECT
Project Number: 525-0306
Date of Authorization: original 5/30/91 amendment N/A
Date of Obligation: original 6/5/91 amendment 6/5/92
PACD: original 6/5/96 amendment N/A
Implementing Agencies: MIPPE, HACIENDA and CONTRALORIA
Major Contractors: R. J. Miranda & Co.
AID Project Manager: Steven G. Liapis
Status of CPs/Convenants: All met
Date of Last Evaluation: N/A Next Evaluation: January 1994
Planned Number of Non-Federal Audits during Fiscal Year: None
The Number of such Audits Contracted for/Completed: None
Date of Last Audit: N/A Next Audit: N/A (*)

(*) The planned evaluation, in January 1994, will include a financial review of the project activities, audit of institutional contractor will be provided by DCAA in accordance with contract provisions.

IB. FINANCIAL DATA

Amount Authorized: DA/ESF Grant: original \$6,300,000 amended to \$
Amount Obligated: DA/ESF Grant: original \$4,500,000 amended to \$5,800,000
Amount Committed: Period: 9/30/92 \$2,854,072
 Cumulative: \$3,205,359
Accrued Expenditures: Period - Projected: \$ 140,000
 Period - Actual: (1) \$ 475,323
 Cumulative: \$ 508,605
 Period - Next: \$ 450,000

(1) Actual expenditures exceeded projected due to accelerated implementation.

Counterpart
Contribution: Planned: \$ 2,200,000
 Actual: \$ 277,000

% LOP Elapsed: 15 %
% of Total Auth. Oblig. 92 %
% of Total Oblig. Exp. 9 %
% of Total Auth. Exp. 8 %

IIA. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES

Specific Linkage to Strategic Objectives: This project serves to strengthen Panamanian government institutions by strengthening their financial management capability and thereby renewing public confidence in the integrity and competence of the government. As such, it relates directly to Strategic Objective No. 1, Strengthened Component Civilian Government Institutions.

Percent of LOP Funds Relating to Strategic Objectives: 100%

IIB. PROJECT PURPOSE

To improve and integrate GOP financial management and audit systems and promote accountability of government officials in managing public resources.

III. PROJECT DESCRIPTION

The project calls for the establishment of an Integrated Financial Management System comprising four subsystems as follows:

- A Budget Subsystem which produces an effective financial plan which facilitates control over the expenditure of government funds;
- An Accounting Subsystem which classifies, records and analyzes all government financial transactions;
- A Debt Subsystem that manages acquisition, servicing and retirement of the public debt; and
- A Treasury Subsystem which manages the cash assets of the government through projection and monitoring of cash flows, receipt and control of revenues and the processing of disbursements.

The project also calls for the establishment of a Comprehensive Audit System which assures fair, objective, reliable and independent review of government performance and financial reporting.

IV. PROJECT STATUS

Advisors for all subsystems are on board except for the Treasury subsystem, where work is scheduled to begin mid 1993. All project advisory personnel have developed workplans which have been approved and have familiarized themselves with GOP laws and operations. Computer equipment for all advisors has been procured; additional equipment has been ordered to be placed in critical counterpart institutions dealing with financial management. The advisors have given 15 courses in their respective areas and have provided training courses attended by over one thousand government financial management employees.

PROJECT STATUS REPORT
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Planned ROPS

Progress To Date

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|----|---------------------------------|---|
| 1. | Budget Subsystem Installed | Advisor is currently developing manual of procedures for the formulation of the FY 1994 budget submission. |
| 2. | Accounting Subsystem Installed | First draft of "Conceptual Framework" covering the generally accepted accounting principles of governmental accounting has been prepared. Also, first draft of "Governmental Accounting Plan" covering a standardized system has been delivered for Contraloria review. |
| 3. | Public Debt Subsystem Installed | General diagnosis of public debt and reconciliation of debt completed. Briefing package developed for new Minister of Plan's participation in IMF meeting. Advisor reviewing policy and procedures manual for registration and control of public debt. |
| 4. | Treasury Subsystem Installed | Activities to begin during next reporting period. |
| 5. | Comprehensive Audit System | Two Audit Standards decreed; a third one outlined. Draft of compendium of Basic Standards of Professional Government Auditing and Internal Controls is under review and should be issued during the next reporting period. New GOP Auditor General was named and has become very active in project implementation. Intensive training for internal auditors was developed covering various subjects. Training courses were offered to auditors from all GOP institutions. |

B. Major Outputs

	<u>Planned</u>				<u>Accomplished</u>			
	LOP	Period	Cum.	Next Period	Period	Cum.	% of LOP	
1. Laws/Reg's Drafted/Enacted	4	0	0	1	0	0	0	
2. Policy/Procedure Manuals Developed or Upgraded	5	0	0	0	0	0	0	
3. Management Information Strategy	1	0	0	0	0	0	0	
4. Organizational Mission Statements developed	5	0	0	1	4	4	80	
5. Short-Term Training	M 156 F 104	M 0 F 0	M 0 F 0	M 300 F 400	M 420 F 595	M 420 F 595	M - F -	

*Please note that the total male and female participation in Contraloria training was changed from counting individuals to units trained. For example, one female participating in five training courses would represent five female "units". The overall female to male ratio in the Contraloria is estimated to be 3 to 2.

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April 1, 1992 - September 30, 1992 A ___ B X C ___

C. Other Accomplishments and Overall Status

- Initiated discussions with Panama Canal Commission to facilitate PCC/GOP information transfer on basic operational systems. Held training sessions on the importance of a reformed personnel system, an inventory system and a procurement system.
- In conjunction with Tax Administration Project (525-0314), held Federal Investigative Course mainly targeted to investigative auditors.

D. Problems and Delays

- All problems or delays experienced during the current period have been recognized and solved.

E. Major Activities or Corrective Actions During the Next Six Months

- Complete hiring of expatriate and Panamanian consultant staff.
- Adoption of "Conceptual Framework" for accounting sub-system.
- Promulgation of Audit Standard No. 3
- Application of reconciled public debt figures in data base software.
- Completion of Manual of Instructions for the Formulation of the GOP Budget.
- Continue ongoing training.

PROJECT STATUS REPORT
April 1, 1992 - September 30, 1992 A B C X

IA. BACKGROUND DATA

Project Title: NATURAL RESOURCES MANAGEMENT
Project Number: 525-0308
Date of Authorization: original 06/04/91 amendment 00/00/00
Date of Obligation: original 06/07/91 amendment 06/05/92
PACD: original 06/07/98 amendment 00/00/00

Implementing Agencies: Ministry of Planning and Economic Policy (MIPPE)
National Institute for Renewable Natural Resources (INRENARE)

Major Contractors: PASA with US National Park Service (USNPS)
AID Project Manager: Jesús Sáiz, PSD
AID Project Officer: David S. Gardella, PSD
Status of CPs/Covenants: Of 9 CPs, 7 have been met.
Date of Last Evaluation: N/A Next Evaluation: Year 3 (1994)
Planned Number of Non-Federal Audits during Fiscal Year: One (1)
The Number of such Audits Contracted for/Completed: None
Date of Last Audit: N/A Next Audit: FY94

1B. FINANCIAL DATA

Amount Authorized:	DA/ESF Grant: original	\$18,000,000	amended to \$
Amount Obligated:	DA/ESF Grant: original	\$10,000,000	amended to \$13,000,000
Amount Committed:	Period:	\$ 9,727,851	
	Cumulative:	\$ 9,727,851	
Accrued Expenditures:	Period - Projected:	\$ 8,300,000	
	Period - Actual:	\$ 38,861	
	Cumulative:	\$ 38,861	
	Period - Next:	\$ 9,100,000	
Counterpart Contribution:	Planned:	\$23,174,000	
	Actual:	\$ 91,671	
% LOP Elapsed:		18.0 %	
% of Total Auth. Oblig.		72.0 %	
% of Total Oblig. Exp.		0.3 %	
% of Total Auth. Exp.		0.2 %	

IIA. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES

Specific Linkage to Strategic Objectives: The MARENA Project, by focussing on the conservation and protection of various watersheds and national parks, is the Mission's primary vehicle for accomplishing Strategic Objectives No. 4 "Preservation of Natural Resources". The Project also supports Strategic Objective No. 5 "GOP Adoption of An Apolitical Strategy for Canal Management and Use of Reverted Lands" by strengthening the planning and coordination capacity of entities involved in the reversion process.

Project Resources devoted to accomplishing Objective No. 4: 75%

Project Resources devoted to accomplishing Objective No. 5: 25%

IIB. PROJECT PURPOSE

To protect and manage Panama's renewable natural resources, with particular emphasis on the Canal Watershed.

III. PROJECT DESCRIPTION

The project addresses the problem of unplanned and exhaustive use of the renewable natural resources of Panama. The project has three components: Management of the Panama Canal Watershed; Management of National Parks and Wildlands; and establishment of a nature foundation. Activities within these components will focus on INRENARE's planning and interagency coordination; the need to establish a permanent physical presence of INRENARE staff within national parks and reserves; and the increasing importance of the local NGO sector in natural resources protection and management. A debt for nature swap financed by the project between The Nature Conservancy (TNC) and the GOP will provide long-term funding for the first two components. Fundación NATURA, a non-profit voluntary organization, is responsible for: (1) managing a trust fund that will be used to finance environmental activities; (2) reviewing and approving proposals; (3) making disbursements to qualified conservation activities; and (4) managing technical assistance and training provided to NGO's, under the project.

IV. PROJECT STATUS

Planned EOPS

Progress To Date

1. Management of the Canal Watershed will be coordinated and supervised by INRENARE and implemented through collaborating government agencies and NGOs.

1. The Interagency Technical Committee (CTI) is operational and meets semi-monthly. It is charged with coordinating activities in the Canal Watershed.

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April 1, 1992 - September 30, 1992 A B C X

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| <p>2. Public lands within the Panama Canal Watershed will be protected, and private lands will be zoned and soil conservation land use practices introduced.</p> <p>3. A capability to perform environmental assessments will be established in INRENARE.</p> <p>4. The boundaries of 11 national parks and 3 reserves will be marked. Park staff will be trained, equipped and permanently stationed in the parks and reserves</p> <p>5. A total of 9 park management plans will be prepared and implemented along with 5 existing management plans. Encroachment by agriculture and other inappropriate land users in these reserves will be halted.</p> <p>6. Private landholders and community groups in buffer areas surrounding parks and reserves will have planted 6,000 hectares of trees for fuelwood and other local uses, and will be utilizing sustainable agricultural and improved practices.</p> <p>7. The NATURA conservation Foundation will be providing adequate long term funding for park protection and sustainable development in the Panama Canal Watershed, rural communities and buffer areas of the National Parks.</p> | <p>2. The CTI, with assistance from the USNPS, has recommended that the remaining forested areas of the former Panama Canal Zone be declared National Parks and incorporated into the park system as they revert back to Panama in accordance with the Canal Treaties.</p> <p>3. Pending</p> <p>4. Pending. To date, boundaries of 2 tentative national parks in the former PC Zone have been delineated. A total of 50 additional rangers have been appointed.</p> <p>5. A PASA agreement was signed with the USNPS to assist INRENARE to review and prepare park management plans. A new law for national parks and reserves is under review by the board of directors of INRENARE. This new law will contribute to the improved management of these areas.</p> <p>6. The U.S. Bureau of Land Management (BLM) has made preliminary recommendations for land use plans within the Canal Watershed.</p> <p>7. The NATURA Foundation is meeting monthly. Completion of the debt swap is pending a <u>pari passu</u> waiver from the Commercial Bank Steering Committee for Panama.</p> |
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B. Major Outputs

	Planned				Accomplished		
	LOP	Period	Cum.	Next Period	Period	Cum.	% of LOP
1. Panama Canal Interagency Tech. Comm. Functional	1	0	0	0	0	1	100
2. INRENARE ability to review Env. Impact assessments	1	0	0	0	0	0	0
3. INRENARE Administration Fin. System functional	1	0	0	1	0	0	0
4. Parks and Reserves plans designed	14	0	0	0	0	0	0
5. Park rangers and Personnel trained	229	0	0	40	0	0	0
6. Parks Baseline data established	7	0	0	0	0	0	0
7. NATURA Foundation legally established	1	0	0	0	0	1	100
8. Deforestation in the P.C.W.* halted	1	0	0	0	0	0	0
9. Hectares reforested	6000	0	0	0	0	0	0

* P.C.W. Panama Canal Watershed

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C. Other Accomplishments and Overall Status

Documentation submitted to satisfy the Conditions Precedent to first disbursement was accepted and approved with PIL No. 4. With this approval, the long-term TA with the USNPS was contracted as well the architectural plans for parks infrastructure. The construction plans were completed and accepted by INRENARE and USAID. The GOP requested an extension of the completion dates for the Special Covenants 5.2, 5.4 and 5.5 which was subsequently approved in PIL No. 6. During this period, project representatives for MiPPE and INRENARE were approved in PIL's 7 and 8.

The CTI is fully operational and meeting regularly. USAID is in the process of purchasing Landsat images and equipment for the GOP's Tommy Guardia Institute and INRENARE that will be used to determine the rate of deforestation and a base line for future evaluation of the project. INRENARE hired 50 additional park rangers and USAID proceeded to initiate procurement of uniforms, field equipment and vehicles to allow the initiation of park patrols. A USNPS team visited Panama and submitted the work plan for FY93 including required radio communication equipment. A grant agreement between USAID and The Nature Conservancy (TNC) to carry out the debt swap was signed. NATURA has an Executive Director and meets regularly.

During the reporting period, the Project has been instrumental in promoting the concept of establishing additional park reserves. Due to Project efforts, legislation has been introduced to expand the park area along the East bank of the Canal and INRENARE has drafted a decree that would create an Interoceanic Park along the West Bank. A new law has also gone into effect that establishes incentives for reforestation activities.

D. Problems and Delays

The proposed debt swap, key to the Project's long term financing and to general implementation, has not taken place. AID has a sub-grant agreement with TNC to provide funds for such a swap but, to date, this has not been implemented. The reason is that the commercial banks holding Panamanian debt and the GOP have not yet reached agreement on how the commercial debt should be restructured. As a result, the Commercial Bank Steering Committee is unwilling to issue a pari passu waiver allowing such a transaction to go forward.

This delay not only slows down project implementation but increases the risk of having the price at Panamanian debt rise to levels that will make a debt swap no longer feasible.

As an alternative to the debt swap, the Mission has begun examining the option of establishing a DA funded endowment for Fundacion NATURA. Recent legislation (Section 567 of the FY93 FAA) appears to allow the use of DA funds to create a fund of this type. If this is the case, and if the GOP provides assurances that it is also willing to endow such a fund, the Mission will proceed to implement the project under this new scenario. Under this scenario, AID is expected to endow the fund with \$8 million, TNC with \$2 million and the GOP with \$15 million.

In the interim, the Mission has decided to fund only those activities located in the Canal Watershed that make sense in the event that neither of the aforementioned types of financing are forthcoming.

E. Major Activities or Corrective Actions During the Next Six Months

- Alternative to the debt for nature swap designed and accepted to permit long-term financing of activities and/or redesign of the project.
- Implementation Plan for 1993 submitted and approved.
- New parks in the former Panama Canal Zone together with a new law for national parks and reserves approved by the Panama Legislature. CTI continues working on the preparation of the Panama Canal Watershed management Plan. Images and equipment to determine rates of deforestation installed in the GOP's Tommy Guardia Institute. Financial management and administrative system for strengthening INRENARE's institutional capabilities established.
- USNPS long-term advisor resident in Panama and working in operation and management of the parks of the PC watershed. Boundary demarcation of parks and reserves in PC watershed initiated and park rangers trained
- Construction of park infrastructure in the PC watershed initiated.

PROJECT STATUS REPORT
April 1, 1992 - September 30, 1992

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IA. BACKGROUND DATA

Project Title: **TRADE AND INVESTMENT DEVELOPMENT PROJECT**
Project Number: **525-0309**
Date of Authorization: **original 03/30/92**
Date of Obligation: **original 03/31/92** **amendment 06/12/92 and 07/22/92**
PACD: **original 03/30/95**
Implementing Agencies: **The Chamber of Commerce, Industry and Agriculture of Panama (CCIA) and Fundación ANDE**
Major Contractors: **None**
AID Project Manager: **Kermit C. Moh (Officer), Felipe F. Frederick**
Status of CPs/Convenants: **All met**
Date of Last Evaluation: **N/A** Next Evaluation: **09/30/94**
Planned Number of Non-Federal Audits during Fiscal Year: **One (1)**
The Number of such Audits Contracted for/Completed: **One (1) contracted, not completed.**
Date of Last Audit: **N/A** Next Audit: **03/31/93**

1B. FINANCIAL DATA

Amount Authorized:	DA/ESF Grant:	original	\$ 2,500,000	
Amount Obligated:	DA/ESF Grant:	original	\$ 1,000,000	amended to \$2,000,000
Amount Committed:	Period:		\$	
	Cumulative:		\$	
Accrued Expenditures:	Period - Projected:		\$ 92,500	
	Period - Actual:		\$	
	Cumulative:		\$	
	Period - Next:		\$ 275,000	
Counterpart Contribution:	Planned:		\$ 867,000	
	Actual:		\$ 42,050	
% LOP Elapsed:			17%	
% of Total Auth. Oblig.			80%	
% of Total Oblig. Exp.			0%	
% of Total Auth. Exp.			0%	

IIA. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES

Specific Linkage to Strategic Objectives: The TID Project is linked directly to Mission Strategic Objective No. 3 "Increased and Diversified Exports". The Project will support this SO by encouraging policy reform towards free trade and by developing non-traditional export of selected products in the agribusiness and light industry sub-sectors.

Percent of LOP Funds Relating to Strategic Objectives: 100%

IIB. PROJECT PURPOSE

The purposes of the Project are: (1) to adopt policy changes that reorient Panama's economy away from import substitution and towards free trade; and (2) to develop exports of selected products in the the agribusiness and light industry sub-sectors.

III. PROJECT DESCRIPTION

The Project will enlist and support local private sector organizations to promote necessary policy changes which define the legal, judicial and regulatory environment to liberalize the country's trade regime and to remove internal constraints to increased production for export. Within the limitations of Section 599 and other legal and regulatory requirements, the project will also selectively assist local companies in developing non-traditional agricultural and light industrial exports.

IV. PROJECT STATUS

Planned EOPS

Progress To Date

- | | |
|--|--|
| <ol style="list-style-type: none"> 1. Reduction in both the: <ol style="list-style-type: none"> (a) legal/regulatory barriers to imports and exports in 6 product areas; and (b) legal/regulatory and/or cost constraints to export related investment and production. 2. Private sector assumes an increased and better organized role in determining Panama's policy environment. 3. At least 6 non-traditional products or services are introduced and/or their production increased for world markets. | <p>Terms of reference to contract TA to carry out both a master study on policies and a plan to establish a "one-stop" licensing center, have been drafted by Fundación ANDE.</p> <p>Fundación ANDE has brought together nine (9) of the most important organizations of the private sector and it is beginning to take the lead for changes which will create an improved trade environment in Panama.</p> <p>The Gremial de Exportadores de Productos Agrícolas No-Tradicionales (GREKPAN), a member of Fundación ANDE, has initiated exports of onions (to the U.S.A.) and rambutan and mangosteen (to Europe).</p> |
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PROJECT STATUS REPORT
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4. A group of entrepreneurs and production managers are familiar with and are applying newly acquired export and production technologies. Members of GREXPAN have been acquiring new technologies in non-traditional agricultural production and export.

B. Major Outputs

	LOP	Planned				Accomplished		
		Period	Cum.	Next Period	Period	Cum.	% of LOP	
1. Master Study	1	1	0	1	0	0	0	
2. Individual policy studies	6	0	0	2	0	0	0	
3. Product development plans	6	0	0	2	0	0	0	
4. Firm-specific interventions	50	0	0	2	0	0	0	
5. Commercial Service Center	1	1	0	0	0	0	0	
6. "One-Stop" Business Licensing Center	1	0	0	1	0	0	0	
7. Training (Short Term)-number of participants.	906	M 44 F 8	0	M 85 F 15	0	0	0	

C. Other Accomplishments and Overall Status

During the period, conditions precedent to initial disbursement by A.I.D. were met by the grantee. It should be noted that CCIA did not submit documentation showing that these CPs had been met until September, 1992. As a result, there was no disbursement of funds during the period.

Currently, Fundación ANDE, the entity that the CCIA has charged with the day-to-day implementation of the project, is made up of the nine most prominent private sector organizations in Panamá. They have put into place the basic organization required to manage the Project. Fundación ANDE has been especially effective during this period in pressuring the GOP to streamline its exports requirements in such commodities as onions.

Of the nine Board members of Fundación ANDE, two are women. In addition, it should be noted that a significant percentage of the business licences issued in Panama are to women. By streamlining this process (the idea is to grant a license in a matter of days instead of the six to eight months it currently takes) this important sector of the economy will benefit.

Establishing a "One-Stop Business Licensing Center" will entail changing regulations and procedures in such ministries as Commerce and Industry, Health, Agriculture, Treasury etc. before a physical "one-stop" center is actually established.

D. Problems and Delays

The Project has suffered a four-month delay in the initiation of full implementation. This is due to the fact that this is the first time in which the private sector as a whole has undertaken a Project of such a nature. Traditionally, private sector entrepreneurial organizations have worked independent of one another and focussed on working towards changes in regulations, laws and other constraints that had a direct and specific impact on their members. These were usually limited in scope to a single industry or product group. There was a lack of a concerted effort to identify policy constraints which were cross cutting in nature and affected the majority of the organizations or the entire sector.

E. Major Activities or Corrective Actions During the Next Six Months

- A long term adviser from IESC to be contracted to assist Fundación ANDE in the implementation of the Project.
- TA to be contracted to carry out both a Master Study on Policies and a Plan to establish a "One-Stop" Business Licencing Center.
- Computers and other equipment to be procured to enable the Commercial Service Center to be fully operational.
- TA to be contracted (with the EXITOS Project, Farmer-to-Farmer Program and others) to assist in the preparation of at least two (2) Product Development Plans and two (2) local firm-specific interventions, all of which will be export-oriented. All activities will be carried out within the limitations of Section 599 and other legal and regulatory requirements.
- TA to be contracted to carry out two Individual or Sectoral Policy Studies.

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| 2. Judicial operations adequately financed & budgets independently managed. | In 1992, the joint budget for the Supreme Court and Public Ministry increased to 2.73% of the national budget, up from 1.73% (The Constitutional requirement is 2% of the national budget). |
| 3. Courts and Prosecutors Offices operate without undue delay. | A total of five courts were added and began operations in 1992 (3 civil and 2 criminal courts). |
| A system of public defense is available at initial stages of trial process with resources adequate for effective representation. | For cases initiated since May 1991, public defenders have been available as defense counsel at the initial stages of the trial process. The existing total of 31 public defenders will be increased by 5 positions by December 1992. |
| 5. Adequate support services available, i.e., school, libraries, legal reference. | A total of nine legal reference libraries (245 books each) were donated to the Supreme Court and Public Ministry. They were established in the capital of each province. |
| 6. Cooperation and professional exchange operate throughout the system. | Justice sector officials continue to participate in regional activities. |

B. Major Outputs

	Planned				Accomplished				
	LOP	Period	Cum.	Next Period	Period	Cum.	% of LOP		
1. Diagnostic/Other	10	0	2	2	2	4	40%		
2. New Management Systems Establ.	3	2*	2*	1	1	1**	33%		
3. Oper. Systems Developed	4	2*	2*	0	2	2	50%		
4. Legal Libraries/Ref Centers Established	5	1	1	0	9■	9	180%		
5. Training (Persons)	M	E	M	E	M	E	M	E	
5a. Long Term	3	3	0	0	1	0	0	1	33% 33%
5b. Short Term	750✓	500✓	50	50	205	239	70	70	38 47 243 286 32% 57%

* Work was underway

** Work continues in Public Ministry.

■ The total basic legal materials were converted to 9 legal libraries.

✓ Number of participants, although the same person may have attended more than one course.

C. Other Accomplishments and Overall Status

During the reporting period, the long-term institutional contractor (Development Associates) was selected and came on board. The contract was signed in June 1992 and the team arrived in Panama in July. To ease the transition, the short-term contract with MSD for start-up activities was extended; it was completed on Sept. 30, 1992.

Among MSD's final actions was completion of a pilot study conducted in two Panama City courts and prosecutors' offices to analyze case flow, records management and statistical reporting. As a result of the report's recommendations, specific activities to improve these areas will be a priority during the next period. A separate study of records management in the justice sector was also finalized.

Computers and ancillary equipment were delivered and installed in the Supreme Court and Public Ministry in June 1992. This equipment will be augmented by procurement of additional units by each institution.

A total of nine legal reference libraries (245 books each) were donated for joint use and management by the court system and Public Ministry in the capitals of all nine provinces. The librarians are scheduled to receive training in legal library management from ILANUD the first week in October.

Current data indicates the following gender statistics for mid to senior-level professionals in the justice sector institutions: Supreme Court and Superior Court judges: 36% F, 64% M, Circuit and Municipal Court Judges 40% F, 60% M. Female representation at senior and midlevels in the Public Ministry is 29% for Attorney General, Solicitor General and Superior Court prosecutors, 45% at the District Attorney level and 32% for Municipal and Circuit prosecutors.

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D. Problems and Delays

Obtaining the necessary budget support for the justice sector continues to be problematic. Despite the 1992 increase, which exceeded the Constitutional requirement (2%), the Supreme Court and Public Ministry are trying to make up for years of neglect in infrastructure and personnel, and could have difficulty meeting the project requirement for counterpart funds. While budget cuts are not unique to the Justice Sector, the joint Judiciary and Public Ministry budget request for 1993 has already been cut by 27%; and supplemental appropriations will be required to make up at least a portion of the difference that was intended to renovate the sector. An increase to 4% of GDP was proposed as part of a package of 58 constitutional reforms, however, they were defeated in the November 15, 1992 referendum.

The Judicial Technical Police was transferred from the Ministry of Government and Justice to the Public Ministry in January 1992. However, project activities related to the integration of the Judicial Technical Police with the Public Ministry are being delayed because of internal/administrative difficulties within these agencies.

E. Major Activities or Corrective Actions During the Next Six Months

- Complete installation of local offices for long term contractor.
- Revise contractor work plan to address priorities identified by each institution within the component project guidelines.
- Initiate procurement of commodities for the Judicial School.
- Initiate procurement and training for the Public Defense Institute.
- Provide training for legal library managers.
- Approve Judicial Career for Public Ministry and implement competitive selection of new positions to be filled.
- Approve automated or preprinted formats for (universal) file covers, index cards, entry-exit registry books, implement pilot application in a concentrated judicial circuit; approve a case file numbering system.
- Incorporate gender-disaggregated data in monitoring system for new justice sector positions to be filled by competitive selection as part of the counterpart contribution.

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IA. BACKGROUND DATA

Project Title: Economic Policy Development
Project Number: 525-0313
Date of Authorization: original 04/11/91 amendment 00/00/00
Date of Obligation: original 04/11/91 amendment 07/31/92
PACD: original 09/30/94 amendment 00/00/00
Implementing Agencies: Ministry of Planning and Economic Policy (MIPPE)
Major Contractors: Development Technologies, Inc. and Iowa State University
AID Project Manager: Nilka Varela
Status of CPs/Covenants: CPs met on July 12, 1991
Date of Last Evaluation: None Next Evaluation: 12/92
Planned Number of Non-Federal Audits during Fiscal Year: None
The Number of such Audits Contracted for/Completed: None
Date of Last Audit: None Next Audit: 7/93 - Audit of Commodity Procurement

IB. FINANCIAL DATA

Amount Authorized: DA/ESF Grant: original \$ 5,000,000 amended to n/a
Amount Obligated: DA/ESF Grant: original \$ 3,100,000 amended to \$ 4,100,000
Amount Committed: Period: \$ 1,218,564
Cumulative: \$ 1,765,315
Accrued Expenditures: Period - Projected: \$ 300,000
Period - Actual: \$ 441,692
Cumulative: \$ 636,283
Period - Next: \$ 500,000
Counterpart
Contribution: Planned: \$ 1,700,000
Actual: \$ 300,000
% LOP Elapsed: 43%
% of Total Auth. Oblig. 82%
% of Total Oblig. Exp. 16%
% of Total Auth. Exp. 13%

IIA. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES

Specific Linkage to Strategic Objectives:

Linkage to Strategic Objective No. 1: Strengthened Competent Civilian Government Institutions, is through institutional development with respect to economic policy formulation and implementation, as short term TA is opportunely provided to policy makers and the capabilities of some 100 public sector economists are upgraded and their training is reoriented to the analysis of policy changes implicit in a GOP economic program based on market economies and trade liberalization.

Linkage to Strategic Objective No. 3: Increased and Diversified Exports, will be promoted through reformed trade and commercial policies that are conducive to trade liberalization, as reflected in the elimination of specific tariffs and a reduced level of ad valorem rates.

Linkage to Strategic Objective No. 5: GOP Adoption of an Apolitical Strategy for Canal Management and Use of Reverted Lands, is established through the support leading to the establishment of both a Canal management and reverted areas management authority.

Percent of LOP Funds Relating to Strategic Objectives: Strategic Objective No. 1: 60%; Strategic Objective No. 3: 20%; Strategic Objective No. 5: 20%

IIB. PROJECT PURPOSE

To assist Panama in expanding and strengthening the process of economic policy making.

III. PROJECT DESCRIPTION

The Project has three components with activities that strengthen and expand the process of economic policy making: Economic Policy, Economic Training, and Canal Management and Development Plan.

The Economic Policy component funds technical assistance to MIPPE for the development and implementation of economic policies. The technical assistance is conditioned on MIPPE's modifying the way it analyzes and proposes economic policy. All technical assistance requests from MIPPE must identify as appropriate: the economic policy to be formulated or implemented; the time frame for implementation; the multi-ministerial task force assigned to it; the necessary role the advisor is expected to play in bringing about change; a description of how the Legislative Assembly will be advised of the findings and how recommendations of the task force will be made public.

Under the Economic Training component, an in-house training program will upgrade the economic analysis capacity within the GOP. This component is expected to complement the Economic Policy component by concentrating part of the training on priority areas for economic reform.

The Canal component allows for short term studies and technical assistance to assist the GOP in identifying options which will eventually lead to a non-partisan strategy for managing both the Canal and the reverted areas. After consultation with the private sector and the public at large the executive will refine this proposed strategy into two legislative proposals: one to establish a management authority for the reverted areas and one for operation of the Canal.

PROJECT STATUS REPORT
April 1, 1992 - September 30, 1992

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IV. PROJECT STATUS

Planned EOPS

Progress To Date

- | | |
|---|--|
| <p>1. MIPPE-initiated process incorporates implementing Ministries in policy analysis, formulation, and debate</p> | <p>TA contract signed with Development Technologies, Inc. Some 15 task orders have been approved, of which 5 have been completed, 7 are in process and 3 are being resubmitted with revised SOWs and/or new consultants. One was canceled.</p> <p>Training contract signed with Iowa State University. Training for first group of 50 participants from the public sector has begun.</p> |
| <p>2. MIPPE-initiated process directly leads to significant economic policy changes (non-conditional) in 3 sectors</p> | <p>Progress in this area depends on forthcoming TA.</p> |
| <p>3. Economic information necessary for policy reform supplied in a timely manner</p> | <p>An IRM expert evaluated the critical information needs of the Dirección de Estadística y Censo in the Comptroller General's Office and the Coordinating Unit in MIPPE. Hardware and software have been purchased based on these recommendations and partial delivery has been made.</p> |
| <p>4. A national decision has been taken regarding the management mode for the Canal, and plans for implementation of this mode are underway, i.e. two management authorities are created by law: one for the Canal and one for the reverted areas.</p> | <p>Through a series of special committees appointed by the President, representatives of the private sector, legislative and executive branch have participated in hearings and other public forums which have led to a draft law on the reverted areas. The proposed law has been formally presented to the Assembly.</p> |

B. Major Outputs

	Planned				Accomplished		
	LOP	Period	Cum.	Next Period	Period	Cum.	% of LOP
1. <u>Economic Policy Analyses/support of economic reform</u>	30	2	2	8	5	5	17
CSS Financial System	CSS financial reports	--	--	--	--	--	--
Computer produced statistical & Census report	1 Household Survey Completed	--	--	--	--	--	--
2. <u>Economic Training for GOP Economists</u>							
Public Sector Economists Trained in Macroeconomics, Microeconomics, Econometrics and Selected Special Econ Topics	100	50	50	50*	50*	50*	50*
3. <u>Canal Management and Dev. Plan</u>							
Canal Management Authority	1	--	--	--	--	--	--
Canal Reverted Areas Authority	1	--	--	--	--	--	--

* 53 participants were selected to receive the training during the 1st year of the program. Of these, 24 were women and 29 were men. To date, 3 male participants have dropped out. Figures refer to participants starting training, not completing it.

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April 1, 1992 - September 30, 1992

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C. Other Accomplishments and Overall Status

The GOP implementing agency for this project is MIPPE, which is headed by a woman; and within the Ministry there is the coordinating unit for the GOP's economic program also headed by a woman. Several more women are on the staff of the coordinating unit.

The Economic Policy component was initiated in September, 1991, with the signing of a \$2.3 million contract with Development Technologies, Inc. Task orders approved during this reporting period addressed various issues: Agro-industry, social security transformation of price control office, effective protection, economic integration and the legal frameworks of selected labor markets.

The Economic Training component was initiated in June, 1992, with the issuance of a Cooperative Agreement with Iowa State University for \$871,271. There are 50 participants currently taking the training. Female participants hold 44% of the office chief positions held by the group currently receiving training, and 62% of the analyst/technician positions. Only women are participating from the Ministry of Agriculture (2), Ministry of Education (1), Ministry of Finance (1), the National Congress (1), Social Security Fund (1), and Colon Free Zone (1).

Under the Canal component, the International Executive Service Corps has provided technical assistance and formal recommendations on land use, infrastructure, port facilities and other matters. In addition, it furnished advice which led to important modifications of the draft legislation which will create the Interoceanic Regional Authority (ARI). ARI will eventually manage the sale and lease of the reverted areas.

D. Problems and Delays

- ° Quarterly reports by Development Technologies, Inc. have not been presented in a timely fashion.
- ° Some delay experienced in the presentation of consultant reports.

E. Major Activities or Corrective Actions During the Next Six Months

- ° TA will continue to be provided to MIPPE. It will focus on implementation of IBRD Structural Adjustment Program.
- ° Economic Training will continue for the first group of selected GOP economists.
- ° Discussions continue with GOP regarding areas in which support can be given to Canal concerns.

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IA. BACKGROUND DATA

Project Title: Tax Administration Improvement
 2Project Number: 525-0314
 Date of Authorization: original 03/05/91 amendment n/a
 Date of Obligation: original 03/05/91 amendment n/a
 PACD: original 03/05/93 amendment n/a
 Implementing Agencies: HIPPE, Min. Hacienda y Tesoro (MHyT)
 Major Contractors: PASA with IRS
 AID Project Manager: Harry C. Dorcus
 Status of Cps/Covenants: All met
 Date of Last Evaluation: 09/17/92 Next Evaluation: 07/05/93
 Planned Number of Non-Federal Audits during Fiscal Year: *
 The Number of such Audits Contracted for/Completed: n/a
 Date of Last Audit: n/a Next Audit: n/a

* Audit is the responsibility of the implementing PASA agency, IRS

IB. FINANCIAL DATA

Amount Authorized:	DA/ESF Grant:	original	\$ 1,600,000.00	amended to \$ n/a
Amount Obligated:	DA/ESF Grant:	original	\$ 1,600,000.00	amended to \$ n/a
Amount Committed:	Period:		\$ 61,029.00	
	Cumulative:		\$ 1,396,226.00	
Accrued Expenditures:	Period - Projected:		\$ 300,000.00	
	Period - Actual:		\$ 328,919.00	
	Cumulative:		\$ 632,708.00	
	Period - Next:		\$ 257,112.24	
Counterpart				
Contribution:	Planned:		\$ 1,700,000.00	
	Actual:		\$ 297,653.00	
% LOP Elapsed:			75%	
% of Total Auth. Oblig.			100%	
% of Total Oblig. Exp.			40%	
% of Total Auth. Exp.			40%	

IIA. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES

Specific Linkage to Strategic Objectives: The major objectives of this project are tax reform implementation, reorganization of the Directorate General of Income (DGI), development of an Audit Process Manual, and development of a permanent DGI training center. Achievement of these objectives contributes directly to the Mission's Strategic Objective No. 1, Strengthening Competent Civilian Government Institutions.

Percent of LOP Funds Relating to Strategic Objectives: 100 %

IIB. PROJECT PURPOSE

To improve the GOP's ability to organize and operate its tax collection system.

III. PROJECT DESCRIPTION

The project involves tax administration assistance in the areas of Audit, Collection, and Training. The audit focus is on development of an Audit Process Manual to promote uniformity and improve audit techniques and skills. The Collection program is focused on development of an active collection unit to improve collection of delinquent accounts and improve taxpayer compliance. The training activities focus on the establishment of a Ministry of Hacienda y Tesoro (MHyT) training center and development of DGI tax-specific training courses.

IV. PROJECT STATUS

The project grant was authorized on 03/05/91. The three project advisors arrived on-site in August 1991, for a two year assignment. During this period of inactivity there were no project expenditures.

The project is involved in tax reform implementation, DGI reorganization, creation of a large case audit group and on the job training for auditors. The original EOP for 5 Mission Statements has been deleted as an objective. The DGI is undergoing a protracted re-organization which will substantially change the mission of the DGI and its departments. This also impacts upon the original EOP for 5 procedural manuals. The Personnel procedural manual has been deleted as an output as the re-organization will completely change the DGI position descriptions and personnel procedures. The EOP objective for development of a DGI training center is added to this SAR. This is a major objective which was omitted from the original SAR.

PROJECT STATUS REPORT
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Planned ROPS

Progress To Date

- | | |
|--|--|
| <ol style="list-style-type: none"> 1. Procedural manuals developed 2. Operational workplan developed 3. Training courses developed 4. Design and equip training center 5. Conduct MHyT training | <p>TDY selected to write audit manual. 1st. draft in process. Collection manual 75% completed. Audit and training workplans completed. BIT, WP-5.1, audit modules revised. Training center space pending selection. Equipment purchases 90% completed. 234 males and 433 females of the MHyT have received training in various courses. * (see note below)</p> |
|--|--|

B. Major Outputs

	<u>Planned</u>				<u>Accomplished</u>									
	LOP		Period		Cum.		Next Period		Period		Cum.		% of LOP	
1. Manuals	4		1		1		1		1		1		25	
2. Workplans	4		1		2		2		1		1		25	
3. Trng. Courses	10		1		1		1		3		3		30	
4. Trng. Center	1		.5		.5		.5		.5		.5		50	
5. Training *	M	F	M	F	M	F	M	F	M	F	M	F	M	F
	100	80	0	0	0	0	20	20	221	415	234	433	-	-
5a. Long Term	N/A													
5b. Short Term	Same as above													

* Please note that the total male and female participation in DGI training courses was changed from individuals to "units" trained. One female participating in five training courses would represent five female "units". The female to male gender ratio in the DGI is reported to be 6 to 1.

C. Other Accomplishments and Overall Status

In the first nine months of 1992, the large case audit program completed eight large cases with combined deficiencies of \$2,484,576.90 of which \$1,987,660 has been collected. For this same period, the information matching program produced a total of 470 audit cases with a yield of \$1,907,445.00 in additional assessments which are in the collection process. This results in an average monthly yield of \$211,939.44. Total tax revenue collected to date is \$610.4 million which is \$67.2 million over budget projections.

One significant success factor is the participation of 433 female "units" in the various DGI training courses. The integration of the USAID/IDB/Mhyt training units into one training program has increased the projected base of participants in the MHyT training courses. This results in the large increase of LOP training accomplished versus the original LOP training planned.

The team is developing an audit process manual and related training materials. They have initiated efforts to establish an active collection unit in the Panama regional office and improvements in the DGI part-payment agreement procedures. The team has worked closely with the MHyT in their efforts to establish an effective training center and DGI training priorities. We have conducted Basic Instructor Training courses and computer wordprocessing courses.

D. Problems and Delays

The counterpart contribution regarding the lease/purchase of a new computer has been delayed. The MHyT conducted the proper bidding process and selected a Digital computer. However, the specifications in the Request For Proposals (RFP) were vague and a protest (law suit) was filed by IBM which will delay procurement of the computer system indefinitely. This delay will have a very limited, if any, impact on major LOP outputs. However, this results in the counterpart contribution being unfulfilled at this time. The project mid-term evaluation identified various problems related to the lack of commitment and assese to DGI department chiefs. This delayed the decision making process for the Project.

E. Major Activities or Corrective Actions During the Next Six Months

As a result of the project mid-term review, the DGI and the project team agreed to focus efforts in the audit area, specifically to develop an audit process manual and the related training materials for all auditors. Joint efforts will continue with the IDB project in the active collection program and training areas. The project has scheduled a 90-day TDY to assist in the development of the audit process manual. In response to the evaluation findings the DGI formally designated the department chiefs as counterparts in their respective functional areas. Within the next sixty days the DGI will respond officially to AID on a decision to extend the PACD.

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IA. BACKGROUND DATA

Project Title: Improved Electoral Administration
Project Number: 525-0317
Date of Authorization: original 09/08/92 amendment NA
Date of Obligation: original 09/10/92 amendment 09/30/92
PACD: original 09/30/94 amendment NA
Implementing Agencies: Electoral Tribunal/Government of Panama
Major Contractors: Instituto Interamericano de Derechos Humanos/Centro de Asesoría y Promoción Electoral (IIDH/CAPEL) to be contracted for the majority of the technical assistance to be provided.
Roger Yochelson/OPA
AID Project Manager:
Status of CPs/Covenants: In process of compliance
Date of Last Evaluation: NA Next Evaluation: September, 1993
Planned Number of Non-Federal Audits during Fiscal Year: See Section IV-C
The Number of such Audits Contracted for/Completed: NA
Date of Last Audit: NA Next Audit: NA

IB. FINANCIAL DATA

Amount Authorized:	DA/ESF Grant:	original	\$ 4,200,000	amended to \$ NA
Amount Obligated:	DA/ESF Grant:	original	\$ 1,255,600	amended to \$ 1,284,600
Amount Committed:	Period:		\$ -0-	
	Cumulative:		\$ -0-	
Accrued Expenditures:	Period - Projected:		\$ -0-	
	Period - Actual:		\$ -0-	
	Cumulative:		\$ -0-	
	Period - Next:		\$ 1,075,000	
Counterpart Contribution:	Planned:		\$ 2,800,000	
	Actual:		\$ -0-	
% LOP Elapsed:			.03%	
% of Total Auth. Oblig.			31%	
% of Total Oblig. Exp.			00%	
% of Total Auth. Exp.			-0%	

IIA. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES

Specific Linkage to Strategic Objectives:

The activities of this Project are directly linked to the Mission's Strategic Objective No. 1, Strengthened Competent Civilian Government Institutions, and Strategic Objective No. 2, Increased Pluralism and Public Support for Democratic Values and Processes. The Project will support SO No. 1 by providing commodities, training and technical assistance to improve the operational capacity of the Electoral Tribunal, the key organization of the country's electoral process. It will support SO No. 2 by providing a program of seminars and workshops that address the roles and responsibilities of the country's political parties in the election process and technical assistance and financial support to design and implement a mass media voter education campaign throughout the country to inform the public about its functions and responsibilities in a democratic society.

Percent of LOP Funds Relating to Strategic Objective #1: 65%

Percent of LOP Funds Relating to Strategic Objective #2: 35%

IIB. PROJECT PURPOSE

To hold free, fair and open general elections in CY 1994.

III. PROJECT DESCRIPTION

The Project supports Panama's preparations for the CY 1994 elections by improving the managerial and organizational capability of the Electoral Tribunal, by increasing the country's general understanding of democratic systems, and by providing vital assistance, in terms of training and commodities, to carry out the elections. Project resources will be focused on the general development of the Tribunal as well as specific line divisions, legally registered political parties and the general public. The Project is a continuation of the Aid to the Electoral Tribunal component of the Democratic Initiatives Project (525-0307).

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C. Other Accomplishments and Overall Status

Activities to be implemented under this project are extremely time sensitive. The majority of the activities are in support of the 1994 general elections, and to be fully effective must be completed as planned. Any delays in implementation will result in damage to the Panamanian electoral processes.

Provisions for Non-Federal audits are to be included in the Cooperative Agreement with CAPEL.

Contracts with local Panamanian institutions that will be responsible for implementing segments of the Project, will contain provisions for Non-Federal audits.

D. Problems and Delays

Initial activities are pending compliance with Conditions Precedent

E. Major Activities or Corrective Actions During the Next Six Months

Major activities to be undertaken during the next six months involve the definition of activities and contracting for services for the technical assistance to be provided under the Project. It is expected that the technical assistance will be provided by CAPEL and will involve institutional development working with the Administrative division, the Electoral Affairs division, the Division of the Civil Registry and the Identification Card Division. It is expected that CAPEL will also provide assistance in initiating electoral process seminar/workshops with the Tribunal/political parties, seminar/workshops with the Tribunal/media, and assistance in the development and implementation of civic education campaigns.

A task force of approximately 100 persons will be contracted to input vital data into the Civil Registry computer system. Initial activities in up-dating and fully cleansing the Electoral lists will commence.

Procurement of commodities will be initiated.

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IA. BACKGROUND DATA

Project Title: Central American Peace Scholarships (CAPS)
 Project Number: 597-0001/525-1000
 Date of Authorization: Original 01/14/85 Amendment 03/30/87
 Date of Obligation: Original 03/29/85 Amendment 08/17/90
 PACD: Original 10/11/92 Amendment 12/31/94
 Implementing Agencies: USAID/Panama
 Major Contractors: Georgetown University, PIET
 AID Project Manager: Carol Horning/Vilma Jaen
 Status of CPs/Covenants: All met
 Date of Last Evaluation: 08/91 Next Evaluation: 12/92
 Planned Number of Non-Federal Audits during Fiscal Year: One
 The Number of such Audits Contracted for/Completed: Annual (Recipient Audit)
 Date of Last Audit: 05/92 (R/IG on Dire Suppl Funds) Next Audit: See above

IB. FINANCIAL DATA

Amount Authorized: DA/ESF Grant: Orig	\$25,416,580	amended to \$24,973,933 (A)
Amount Obligated: DA/ESF Grant: Orig	\$ 2,250,000	amended to \$24,973,933 (A)
Amount Committed: Period:	\$ 0	
	Cumulative:	\$ 24,973,933
Accrued Expenditures: Period - Projected:	\$ 900,000	
	Period - Actual:	\$ 933,173
	Cumulative:	\$ 22,879,266 (B)
	Period - Next:	\$ 331,880
Counterpart Contribution: Planned:	\$ 0 (C)	
	Actual:	\$ 0
% LOP Elapsed:	74.0%	
% of Total Auth. Oblig.	100.0%	
% of Total Oblig. Exp.	91.6%	
% of Total Auth. Exp.	91.6%	

- (A) Amount was reduced due to deobligation of \$23,189 REF: State 347943 dated October 22, 1991, Subject: M Account Legislation.
- (B) Amount recorded by MACS, subject to future adjustment. (See Major Problems and Delays re contractor budget discrepancies).
- (C) No counterpart contribution was required since the program had a political objective and participant selection was based on economic need.

IIA. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES

Specific Linkage to Strategic Objectives:

By strengthening the capacities of selected public sector and private sector individuals in a democratic environment, the Project directly supports two of USAID/Panama's strategic objectives: 1) Strengthened Competent Civilian Government Institutions and 2) Increased Pluralism and Public Support for Democratic Processes and Values.

Percent of LOP Funds Relating to Strategic Objective No. 1: 25%
 " " Strategic Objective No. 2: 75%

IIB. PROJECT PURPOSE

To increase the number of U.S. trained public and private sector individuals, especially the disadvantaged, at the planning, implementation, technical and administrative levels.

PROJECT STATUS REPORT
April 1, 1992 - September 30, 1992 A _ B X C _

III. PROJECT DESCRIPTION

Scholarship opportunities are provided for non-project related training activities and targeted at the socially and economically disadvantaged. Training is provided for individuals who are working or will work in agriculture, health and nutrition, human resources, energy, population, environment, science and technology, planning and institutional development. Training for different levels of the private sector is also designed to improve business practices and provide substantial assistance to groups who normally would not benefit from standard AID development projects.

IV. PROJECT STATUS

Note 1: New starts under this project were suspended in 1987 due to the cut-off in aid to Panama under Noriega. They were reactivated in 1990. Consequently, all the planned EOPS numbers had to be substantially reduced.

Note 2: Participant data subject to verification. (See Sections D-E for details).

Planned EOPS

Progress To Date

- | | |
|--|--|
| <p>1. Approximately 342 long-term CAPS Scholars, employing newly acquired skills can be active and influential in their communities.</p> <p>2. Approximately 172 short-term U.S. trained Peace Scholars will be exposed to U.S. cultural and professional skills.</p> <p>3. A system in place which provides training for the disadvantaged at the graduate, under-graduate or technical levels at costs equal to or lower than current AID costs.</p> <p>4. Closer business and friendship ties between Panama and the U.S. because of relationship formed during training.</p> | <p>1. Three hundred and forty-two participants enrolled in U.S. universities, of which 287 have returned and 9 remained in the U.S. illegally. Note: Two out of 9 previous non-returnees came back during reporting period, however, two additional non-returnees were posted. (EOPS reduction: 59 participants)</p> <p>2. One hundred and seventy-two U.S. short-term scholars participated in rural agricultural programs, teachers of English as a Second Language, municipal government and journalism. (EOPS reduction: 683 participants).</p> <p>3. Because of the USIS graduate program a decision was made to limit USAID training to undergraduate and technical levels. That system is in place.</p> <p>4. While in the U.S., scholars participated in different educational and cultural activities where ties with families, associations and private organizations were formed.</p> |
|--|--|

B. Major Outputs

	<u>Planned</u>						<u>Accomplished*</u>						% of LOP	
	LOP*		Period		Cum.		Next Period		Period		Cum.**			
	M	E	M	E	M	E	M	E	M	E	M	E	M	E
1. Training Pers	M	E	M	E	M	E	M	E	M	E	M	E	M	E
2. Long-term	214	126	0	0	214	126	0	0	0	0	214	126	100	100
3. Short-term	<u>136</u>	<u>36</u>	0	0	<u>136</u>	<u>36</u>	0	0	0	0	<u>136</u>	<u>36</u>	<u>100</u>	<u>100</u>
4. Total	350	162	0	0	350	162	0	0	0	0	350	162		

* As previously stated, all LOP outputs had to be reduced as a result of a 3-year hiatus in new-starts caused by a cut-off of aid to Panama during the Noriega regime.

** Indicates the number of people who began training. All participants began U.S. training prior to September 1991. Of these, all 172 short-term participants completed training and returned, while 287 long-term participants have completed training and returned, 9 have remained in the U.S. illegally, and the balance are still in training.

PROJECT STATUS REPORT
April 1, 1992 - September 30, 1992

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C. Other Accomplishments and Overall Status

During the last three months, 20 participants returned, including 5 civil aviation technicians who received short-term training at the FAA center in Oklahoma. An additional 37 participants completed long-term training during the reporting period, for a total of 57 long-term and short-term returnees in FY 92.

For the second year in a row, a Panamanian CAPS participant was class valedictorian at the Massachusetts Maritime Academy. Another participant was selected for an internship at the Carter Center, where she completed a study on Panama Canal issues, and a third was selected by her U.S. university for a paid internship to serve as a role model in a outreach program for inner-city high schools.

Georgetown University continues implementation of a follow-on program for all returned participants, including assistance with reentry adjustment, resume writing and job placement. The current rate of employment for returnees is 74%; however, 47 of the participants have been back less than one year.

The CAPS alumni association has elected a board and prepared draft by-laws, the first step toward obtaining legal status. With dues collected from the membership, the association has awarded a scholarship to an Embera student who is attending a teacher training college in Panama. CAPS alumni continued to be active in volunteer work, participating in Operation Smile and as helpers at a home for incapacitated senior citizens outside Panama City.

D. Problems and Delays

After delays due to changes in GU management and transfer of contracting authority from RCO to USAID, the new GU/CAPS coordinator was brought on board in July 1992.

The GU/CAPS budget submissions are seriously flawed, as indicated by a \$300,000 plus discrepancy between Training Cost Analysis (TCA) summary reports and the vouchers submitted to FM under GU's letter of credit. GU/CAPS has made considerable progress in correcting the situation but problems remain. Until the line-item budget is completely reconciled, voucher certification will remain on hold, as will a proposed contract amendment to reduce the level of effort to match actual activities and reprogram remaining funds.

The obsolete GU/CAPS software for CLASP participant data, maintained at GU headquarters since Noriega's regime, was not compatible with mission computer equipment, thereby precluding access to information required for verification and decision-making. GU converted the data to a standard software package in September 1992, however, some verification of participant numbers remains to be completed.

E. Major Activities or Corrective Actions During the Next Six Months

- GU/CAPS will reconcile all discrepancies between the financial reports and liquidation vouchers by December 1992 and provide USAID with corrected TCA summaries, individual TCA reports, and revised vouchers to cover the entire contract period to date.
- Contingent on mission approval of the revised financial reports, USAID will certify the liquidation vouchers and process the proposed contract amendment.
- Aguirre International will transfer and install the CLASP Information System (CIS) in Panama thus enabling the mission to verify and directly access CAPS participant data.
- A general meeting of the CAPS alumni association is scheduled for February 1993 to approve the by-laws and serve as the venue for a job fair for unemployed participants.

PROJECT STATUS REPORT
April 1, 1992 - September 30, 1992

A _ B X C _

IA. BACKGROUND DATA

Project Title: Caribbean and Latin American Scholarship Program II
 Project Number: 525-1001
 Date of Authorization: original 09/27/91 amendment N/A
 Date of Obligation: original 09/30/91 amendment 06/05/92
 PACD: original 09/30/98 amendment N/A
 Implementing Agencies: USAID/Panama, Ministry of Planning and Economic Policy
 Major Contractors: Partners for International Education and Training/World Learning Inc.
 AID Project Manager: Carol Horning
 Status of CPs/Covenants: All met
 Date of Last Evaluation: 08/91 Next Evaluation: 12/92
 Planned Number of Non-Federal Audits during Fiscal Year: One
 The Number of such Audits Contracted for/Completed: Annual (Recipient Audit)
 Date of Last Audit: 05/92 (R/IG) Next Audit: See above

1B. FINANCIAL DATA

Amount Authorized: DA/ESF Grant: original	\$ 15,000,000	amended to \$ N/A
Amount Obligated: DA/ESF Grant: original	\$ 4,360,000	amended to \$ 6,360,000
Amount Committed: Period:	\$ 3,385,373	
	Cumulative:	\$ 3,795,676
Accrued Expenditures: Period - Projected:	\$ 250,000	
	Period - Actual:	\$ 495,611
	Cumulative:	\$ 645,611
	Period - Next:	\$ 550,000
Counterpart		
Contribution: Planned:	\$ 3,547,000	
	Actual:	\$ 0
% LOP Elapsed:	14 %	
% of Total Auth. Oblig.	42 %	
% of Total Oblig. Exp.	10 %	
% of Total Auth. Exp.	4 %	

IIA. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES

Specific Linkage to Strategic Objectives:

By strengthening the skills and capacities of selected public and private sector individuals in a democratic environment, the project directly supports two of the Mission's strategic objectives: 1) Strengthened Competent Government Institutions and 2) Increased Pluralism and Public Support for Democratic Processes and Values.

Percent of LOP Funds Relating to Strategic Objective No. 1: 25%

Percent of LOP Funds Relating to Strategic Objective No. 2: 75%

IIB. PROJECT PURPOSE

To equip a broad base of Panamanian leaders and potential leaders with technical skills, training and academic education, and an appreciation and understanding of the workings of a free enterprise economy within a democratic society.

III. PROJECT DESCRIPTION

Scholarships are provided to young, grass-roots leaders identified by CLASP II Provincial Committees as having the potential and commitment to use the expertise gained from U.S. training to respond to community needs for economic and social development. Long-term trainees will study in fields of critical importance to development of the low income geographical areas they represent or to improvement of conditions of disadvantaged groups. Priorities for short-term training will include rural ecology and development organizations, young government leaders, youth groups, indigenous cooperatives and teachers' associations. Scholarships will be targeted at the economically and socially disadvantaged, with female participation of at least 40 %.

PROJECT STATUS REPORT
April 1, 1992 - September 30, 1992 A _ B X C _

IV. PROJECT STATUS

- | A. | <u>Planned EOPS</u> | <u>Progress To Date</u> |
|-----------|--|--|
| 1. | Approximately 150 Long-Term U.S. trained CLASP II Scholars, employing newly acquired skills, active and influential in their communities. | 1. Of 41 long-term Thomas Jefferson Fellows (TJF's) selected in the first group, 33 began studies in the U.S. in 1992. Seven TJF's will continue with English for two months and go to the U.S. in January 1993. Thirty-three scholars selected for the second group will begin English training in October. |
| 2. | Approximately 400 Short-Term CLASP II Scholars will receive U.S. training in the priority areas identified in Section III. | 2. Short-term training will be initiated in FY 94.* |
| 3. | System in place for linkage activities between scholars in-training and their communities and follow-on activities between returned scholars and provincial committees, and continued ties with U.S. | 3. Design for linkage activities projected for early FY 93. |
| 4. | CLASP II Scholars have benefitted in obtaining future employment, or increased responsibility and/or salary in existing jobs. | 4. N/A. |

* FY 93 funding constraints preclude initiation of short-term training until FY 94.

B. Major Outputs

	<u>Planned</u>				<u>Accomplished *</u>									
	LOP		Period		Cum.		Next Period		Period		Cum.		% of LOP	
	M	F	M	F	M	F	M	F	M	F	M	F	M	F
1. Training														
2. Long-Term	90	60	20	20	20	20	13	20	20	21	20	21	22%	35%
3. Short-Term	240	160	0	0	0	0	0	0	0	0	0	0	0%	0%
	330	220	20	20	20	20	13	20	20	21	20	21	6%	10%

* Numbers of new-starts during the period; training, in the case of long-term participants, will not be completed for several years.

C. Other Accomplishments and Overall Status

Under a buy-in to OIT's technical support project. PIET established a local office in Panama in May 1992 to provide limited short-term assistance with monitoring and U.S. placement of the CLASP II TJF's through February 1993.

The FY 92 CLASP II Thomas Jefferson Fellows (TJF's) underwent intensive English training at the Panama Canal College from February 14 through August 18, 1992. The students also earned U.S. college credits for courses in computer science and math; and 3 students were mainstreamed into a speech class at the PCC.

PROJECT STATUS REPORT
April 1, 1992 - September 30, 1992 A _ B X C _

A pilot effort to provide initial training in civic education and free-market economics during the intensive English course in Panama was completed in August 1992. Seminars and workshops organized by the Civic Crusade Foundation's Centro Pro Democracia (a USAID subgrantee under the Democratic Initiatives Project) featured forward-looking Panamanian experts who doubled as role models for the Jefferson Fellows, covering topics such as the Canal transition, economic growth and the role of entrepreneurs, the administration of justice, the role of community leaders, voluntary organizations and civic participation in a democratic society. Based on the program's success, it will be continued and expanded with the next group of TJF's.

Selection of thirty-three Thomas Jefferson Fellows (Group II) was completed in September 1992 after a five-month process. This group will receive English training at the Panama Canal College from October 18, 1992 through July 23, 1993. The FY 93 profile is as follows: 61% female, 39% male; 21% black; 6% indigenous; and 79% are economically disadvantaged.

Through regular national and regional meetings, the mission and contractor have made considerable progress in training the CLASP II provincial committees in the use of standard procedures for recruiting, pre-selecting, and interviewing potential candidates. As a result, the process was much smoother than last year.

D. Problems and Delays

FY 93 budget constraints have been more severe than originally projected. As a result, the mission has had to drastically cut back long-term scholarships and postpone any action to obtain a long-term institutional contractor. In FY 93, this also meant reversing the ratio of 4-year vs. 2-year scholarships and foregoing the initiation of short-term training. If these trends continue, all the EOP's for the project will require major reductions.

The above problem has been exacerbated by the high cost of individual scholarships (average of \$52,000 per associate degree; \$105,000 per BA/BS). An OIT effort to contain costs and negotiate preferential tuition rates at U.S. universities on an A.I.D.-wide basis would appear reasonable, given the enormous amount of resources involved and the benefits to the U.S. market., including employment. AID/W updates to the field on any such initiatives would be welcome.

E. Major Activities or Corrective Actions During the Next Six Months

- The short-term contract with PIET will be extended by 6 months to September 30, 1993.
- FY 93 participants will begin English training on October 18, 1992. The program will be supplemented by 3 college credit courses at the Panama Canal College. The TJF's will also receive training in democratic participation, ethics and personal responsibility, and free market economics from the Civic Crusade Foundation's Centro Pro Democracia.
- The operations manual for the CLASP II Provincial Committees will be finalized by 12/92. Contingent on projections of adequate funding for scholarships in the next fiscal year, national and regional workshops will be held to orient and assist committees with the screening of FY 94 candidates.
- Mission staff training on processing of medical clearances will be implemented next reporting period.