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**USAID/EL SALVADOR**

**SEMI-ANNUAL REPORT**

**PERIOD ENDING SEPTEMBER 30, 1992**

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**USAID El Salvador Portfolio Review**  
**April 1, 1992 - September 30, 1992**

**Mission Director's Overview**

**A. Portfolio Overview**

From April through September 1992, USAID El Salvador obligated \$234 million in Development Assistance, Economic Support Fund, and Demobilization and Transition Fund (DTF) resources for eight new and seventeen ongoing projects. In addition, \$4.1 million in PL-480 Title II funds were expended. The combined DA/ESF/DTF total represented more than \$51 million over FY 1991 levels, a 28 percent increase. Eight new activities were initiated during the SAR period. The \$166 million Peace and National Recovery Project, centerpiece of the National Reconstruction Program, completes the positioning of \$250 million in USAID and local currency resources for support to the implementation of the January 1992 Peace Accords. In addition, the Mission signed new agreements for the \$82 million FY 1992 Policy Reform Cash Transfer Program; the Judicial Reform II Project; the Democratic and Electoral Assistance Project; the Coffee Technology Transfer Project; the Environmental NGO Strengthening Project; a grant to Catholic Relief Services; and a grant to the International Executive Service Corps.

During the SAR period, the Mission achieved significant progress in the areas of highest priority to U.S. foreign policy objectives for El Salvador. The beginning of full implementation of the National Reconstruction Program and obligation of projects for deepened electoral and judicial reform provided important support to GOES efforts to implement the Peace Accords. The Policy Reform Cash Transfer Program assisted the GOES to bring about improvements in governance while maintaining sound economic policies.

Progress in the National Reconstruction Program is more fully reported in State and USAID cables. In summary, the timely development and authorization of the Program allowed USAID to redirect its existing portfolio and to mobilize and deliver additional dollar and local currency resources in support of the Peace Process. In five months of implementation, using 16 GOES and NGO implementing agencies and 11 major contractors, USAID provided important and immediate humanitarian assistance while laying the institutional groundwork for longer term support to the reintegration into society of ex-combatants and to the reactivation of the former conflictive zones. By December 1992, USAID had assisted the GOES to furnish agricultural starter and household goods packages to over 13,000 ex-combatants. Approximately 500 FMLN personnel were enrolled in vocational training and counselling. Plans were well advanced for treatment of war-wounded. Land had been distributed to 1,600 persons, with acquisition of additional parcels in process. Health posts and schools, destroyed during the war, had been surveyed; USAID assistance was mobilized to equip them as they reopened. This intensive support will continue through the final demobilization in

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December 1992 and afterwards in order to promote the fastest possible reintegration of the combatants of both sides into society.

The Policy Reform Cash Transfer Program was signed on July 30, including conditionality to improve fiscal performance, revitalize financial management, and further improve the administration of justice. The GOES implemented a value-added tax, passed a law which improved its auditing procedures, and developed analytical materials in support of the proposed law for the national Council on the Judiciary. The GOES complied with the initial conditions in September and the first tranche of \$41 million was disbursed.

Progress in judicial reform includes the successful demonstration of oral trial procedures. Over 1,000 persons attended the July IberoAmerican Conference, partially funded by USAID, to discuss reforms in the way that criminally accused persons are treated by the justice system. A subsequent conference, also well attended, discussed reforms to the penal code. With less public profile but no less importance, the principal actors in the sector came to agreement on the design of the Judicial Reform II Project. This new Project carries forward the court administration and other reforms under Judicial Reform I while assisting the Salvadorans themselves to forge the next steps in the reform process.

In the next SAR period, the following new projects are scheduled for obligation: Environmental Protection (\$20 million) and Small Enterprise Support (\$5 million). Three projects will be amended to extend the life of project and increase AID financial assistance: Training for Productivity and Competitiveness (\$5 million), Legislative Assembly Strengthening (\$1 million), and AIFLD (\$3.4 million). Incremental funding will be provided for five ongoing projects.

#### B. Success Stories

##### Strategic Objective No. 1: Transition for War to Peace

Although the three projects which support this objective are attaining their targets, it is still too early to assign "A" ratings to them. However, several of the Project successes noted below also support this objective.

##### Strategic Objective No. 2: Equitable Economic Growth

**Microenterprise Development Project** - Since July 1991 (16 months of operations), the Project has assisted the opening of 573 Village Banks benefiting 15,110 microentrepreneurs. Also, 1,304 individual borrowers received loans through 195 organized solidarity groups. The project is active in the ex-conflictive zone, where there are 49 village banks with 1,202 beneficiaries and 6 solidarity groups with 31 beneficiaries. Of the 16,300 loans made, 15,000 of them were to women microentrepreneurs.

**Small and Microenterprise Support** - This Project, which terminated in June 1992, provided loans to 1,800 small and microbusinesses. The Grantee, PROPEMI, is a unit of FUSADES. In addition to meeting its lending targets, PROPEMI also attained financial self-sufficiency. A follow-on project is planned for FY 93 obligation.

**Industrial Stabilization and Recovery Project** - The FUSADES component of this project assisted activities which generated 4,337 jobs, \$27 million in foreign exchange and \$10 million in investment. The Export Development Fund, FIDEX, which began operations as a freestanding private financial institution in April 1992, placed \$3.9 million in industrial loans during the semester. The Center of Studies (DEES) continues to monitor the GOES macro-economic policy, study micro-economic and social issues, and assess the business climate. Its results are published in newspapers and bulletins.

As a result of Section 599 of the 1993 Appropriations Act, the Mission provided interim guidance, reported separately, to FUSADES on investment promotion activities. An internal review of the Mission's portfolio was undertaken in October 1992 to provide input to the interim Agency guidelines.

**Rural Electrification** - The project constructed the first new electrical line into the formerly conflictive area. It will be the advisor and agent for the GOES National Reconstruction Secretariat in further electrical construction and rehabilitation in the NRP, working with municipalities and NGO's. Project staff have promoted the Energy Efficiency Institute, a consortium of public and private energy entities, to improve energy efficiency in public and private uses. It has also developed a model Productive Uses Program which has been demonstrated throughout the CA region by the Grantee, NRECA.

**Rural Enterprise Development II** - The project has created 15,683 permanent jobs and trained 1,973 persons in cooperative principles, accounting, and entrepreneurial development. As a result, 22 out of 33 cooperatives with more than a year of assistance show positive returns and nine more have substantially reduced losses. As a result of this success, the Grantee, TechnoServe, has been selected by the Secretaria Nacional para la Reconstrucción to participate in training of the ex-combatants in cooperative strengthening and farm administration.

**NTAE Production and Marketing** - Project staff, under the leadership of the Grantee, CLUSA, transferred NTAE technology to 1,770 hectares of sesame, black-eyed peas, okra, melons and organic coffee valued at more than \$1,000,000, and benefitting 24,400 direct and indirect beneficiaries.

**Training for Productivity and Competitiveness** - This Project expanded its scope during the semester to finance vocational training leading to the economic reintegration of FMLN ex-combatants. Nearly 10,000 persons were trained under regularly scheduled courses in all 14 departments of El Salvador. In addition to the successful program accomplishments, the Grantee, FEPADE, made institutional changes which will permit it to become financially self-sufficient. FEPADE also has attracted eight other international donors for its program.

**Special Development Activities** - The project provided rapid response to community requests for very small (\$8,000 average) activities where community leadership had developed the plan. The 40 projects which were implemented, benefitted 4,000 persons and emphasized that decentralized decisions could work in all parts of El Salvador.

Strategic Objective No. 3: Enduring Democratic Institutions and Practices

**Legislative Assembly Strengthening** - The Project's Technical Committee was widely used by Assembly and political party leadership as a Forum for discussing administrative and organizational issues. Project-financed policy analysts assisted legislators to review a variety of legislation. The project is increasing the effectiveness of the Legislative Branch as a channel for public communication and participation in democratic governance.

**Strengthening Democratic Processes** - CENITEC carried out high quality studies on such topics as the electoral code, economic policy, and broadened political participation after the Peace Accords. Seminars sponsored with project assistance brought together a broad spectrum of important Salvadoran groups, including the FMLN, to discuss and debate policy alternatives.

**Strengthening Achievement in Basic Education** - The project assisted the Ministry of Education to prepare and distribute revised curriculum guides to 8,000 kindergarten and first grade teachers. These guides are the first step in a thoroughgoing revision of the entire primary school curriculum, which will be completed in 1995. The Project also assisted the Ministry to train teachers and their supervisors in modern teaching techniques. Textbooks and teaching materials will be distributed in the formerly conflictive zones in January 1993 as part of the reintegration of these areas under the National Reconstruction Program.

**CLASP II/CAPS** - A total of 2,200 Salvadorans received training in the U.S. to enhance their academic or technical skills and to develop their leadership capability. The majority of the scholars are socially and/or economically disadvantaged, residing in the rural areas. The target of 40% participation by women was exceeded. Special efforts have been made to recruit candidates from ex-conflictive zones. Peace Scholars from all 14 departments actively participated in the Third CAPS/CLASP Annual Conference in June 1992, under the slogan "Peace Scholars working towards National Reconstruction".

Strategic Objective No. 4: Healthier and Better Educated Salvadorans

**Maternal Health/Child Survival** - This project operates in 233 communities, assisting local NGOs to operate clinics and educational programs. Project-supported NGOs benefitted 102,000 women and children, of whom 40% are in the formerly conflictive zones. Project assistance has helped 20 local NGOs strengthen their programs to the point where they can comply with USAID accountability requirements.

**Health Systems Support** - The project furnishes commodities to fill the gap between public health needs and what the GOES budget can provide. The area of the Project increased under National reconstruction, adding 73 health posts for improvement of sanitary sewers and water, as well as extending the number of health posts which regularly receive drugs. Training continues for rural doctors and nurses. Commodity planning for 1993 was completed, while a cost recovery plan was begun.

**Family Health Services** - The Grantee, the Salvadoran Demographic Association, targets the 1,500 poorest and smallest communities in El Salvador. In rural areas, 580 health promoters are furnishing information directly to poor women on basic ORS, child nutrition, and birth spacing. Approximately 80,000 cases have been resolved or referred to medical assistance and promoters carried out 330,000 educational sessions. Approximately 40% of project services are delivered in the formerly conflictive zone.

Strategic Objective No. 5: Environmental and Natural Resource Management

The one project which supports this objective was initiated in August 1992. The Environmental Protection Project, the centerpiece for the Strategic Objective, will be initiated in March 1993.

Other Projects

**Earthquake Reconstruction** - This project, which ends in March 1993, completed two public markets (for a total of eight LOP), 424 classrooms, and the remaining 1,500 housing units of the 9,900 target. The project has developed a strong technical advisory unit within the Public Works Ministry, which also assists in National Reconstruction procurements.

**C. Problem Projects**

Four projects received Mission management attention for implementation problems during the SAR period. Two were terminating activities which will not be extended; two were restructured to facilitate the achievement of their objectives.

**Federation of Bar Associations** - Project implementation was delayed as the Grantee made the transition to a new Board of Directors in May 1992. Also, the Grantee's Project Coordinator resigned and activities were suspended while a new person was identified. Corrective actions such as the enhancement of the Federation's administrative capabilities were taken immediately and positive results are expected.

**Community-based Integrated Rural Development** - Although the project has advanced on schedule in training community leadership, the July 1992 evaluation identified 38 recommendations for strengthening project management and implementation. The Grantee, Save the Children Federation, is addressing them. The main infrastructure activity, a 160 km. water distribution line, has experienced delays in trunk line construction and in preparation for the construction of the branch lines.

**Industrial Stabilization and Recovery Project** - Unlike the FUSADES component (the success story above), the GOES component failed to develop and implement a national export strategy to focus public and private efforts on increased Salvadoran non-traditional export to extra-regional markets. In spite of Mission efforts to generate interest in the formation of the National Export Commission, neither the private nor the public sector was able to come to terms on the issue. Funds under this project component were deobligated on September 30, 1992.

**PL-480 Title II Maternal Child Health Program** - This program, administered by Catholic Relief Services, closed in September 1992. Although food was distributed to 43,000 families, less than half of the health objectives were met. Weak administrative capability of the local dioceses led to poor accountability for food stocks and program results. The activity was phased out in an orderly manner.

#### **D. Mission Issues**

##### **1. Sustainability**

A variety of GOES and NGOs development programs supported by USAID should continue in the absence of high U.S. foreign assistance levels. The Mission has undertaken a forward-looking strategy to promote the financial and administrative self-sufficiency of local NGOs. Some of these, such as FEPADE and FUNTER, are already within reach of this goal. Others will continue to require assistance in structuring themselves and their programs in order to live within the funds that they can raise on their own. Many GOES programs, originally supported by the jointly programmed Extraordinary Budget, are being reshaped to fit within the consolidated Ordinary Budget by January 1994. Decentralized administration, budgeting, and program management are being achieved in the health and education sectors, with across-the-board budget preparation and control to be undertaken by each Ministry in 1993.

##### **2. Accountability for Commodities**

The Mission has taken steps to close the recommendations of a 1991 commodity management evaluation and a 1992 IG audit. Approval of recipient administrative capacity now includes specific review of their commodity management capability. Remedial assistance is provided where the recipient does not meet USAID standards. The Mission has implemented commodity management training for all project managers. A specialized monitoring system is planned for all projects with \$250,000 or more of commodities.

##### **4. Audit recommendations**

During the SAR period, the Mission continued to aggressively address audit recommendations. At the close of the period, no GAO audit recommendations were outstanding. Four RIG federal and seven non-federal audit recommendations were outstanding, of which seven were resolved. Accountability continues to be a major concern in the local currency portfolio. A cumulative total of 709 audit recommendations have been closed this fiscal year. However, 70 recommendations are still outstanding, of which 32 are essentially resolved.

#### **E. Financial Summary**

The Mission had 40 active dollar-funded projects and one project funded from trust funds during the second half of FY 1992, an increase of four dollar-funded projects over the portfolio at the close of the prior semester. The increase occurred as six projects (Coffee Technology, Judicial Reform II, Democratic and Electoral Processes, IESC, Catholic Relief Service and Environmental NGO Strengthening) and an unfunded PACD

extension (FIPRO) were approved. Three projects were completed during the SAR period: Water Management 519-0303, PROPEMI I 519-0304, and Industrial Stabilization - GOES Component 519-0287.00. The Trade Credit Insurance Program also terminated.

During the course of the next SAR period, the Mission expects to make two new obligations (Environmental Protection 519-0385, PROPEMI II 519-0387) and three funded PACD extensions (Training for Productivity and Competitiveness 519-0315, Legislative Assembly Strengthening 519-0360, and AIFLD 519-0368). One short unfunded PACD extension is planned (Judicial Reform I) to permit orderly close-out of this activity. Three projects will close out as scheduled: Earthquake Reconstruction 519-0333, CAPS 519-0337, and FIPRO 519-0372. In addition, the Mission will terminate monitoring of the PROINVER insurance fund and local currency reflows under Central Bank credit lines (except agriculture, which is being redirected to support ex-combatant credit needs in the former conflictive zones).

As indicated in the attached tables, the Mission accrued expenditures of \$109.2 million during the second semester of FY 1992, as compared to \$98.8 million in the previous semester. The accrued expenditures were 97% of the level projected at the start of the period. We expect to increase expenditure levels in FY 1993 as the land transfer and construction activities of the National Reconstruction Program move into full implementation.

#### F. Age of Portfolio

The Mission's portfolio is relatively young, with 19 of 40 active projects obligated in FYs 1990-1992. The LOP obligations (\$351 million) of these 19 projects equals 36% of the Mission's total LOP obligations in September 1992. Factoring in the new obligations and portfolio reduction due to the closeouts noted above, the Mission's portfolio aged less than three years rises to 44 percent in March 1993. Unexpended funds from FY 1988 and prior years equals \$37.2 million, or 11% of the total pipeline. The majority of those funds (\$20.7 million) are in the Earthquake Reconstruction Project, which reaches its PACD in March 93.

## FINANCIAL SUMMARY OF USAID/EL SALVADOR APRIL 1, 1992 THROUGH SEPTEMBER 30, 1992

PROJECT NO	PROGRAM PROJECT TITLE	CAT	DATE OF INITIAL OBLIGATION	LAST REVISED PACD	% OF LOP ELAPSED	% OBLIG. EXPEND.	AUTHORIZED LOP AMOUNT	CURRENT FY OBLIG TO DATE	CUMULATIVE AMOUNT OBLIG.	MORTGAGE	BEGINNING FY PIPELINE	PLANNED SEMESTER EXPEND.	ACCROED SEMESTER EXPEND.	ACCROED AS OF % PLANNED	CUMULATIVE ACCROED EXPEND.	ENDING PIPELINE	PLANNED EXPEND. (NEXT SEM.)
ACTIVE PROJECTS																	
519-0281	Health & Jobs for DPs	B	05/12/82	05/31/93	94%	96%	79,851,788	102,649	79,800,963	50,825	6,706,775	1,800,000	1,233,690	69%	76,475,458	3,325,505	1,800,000
519-0287	Industrial Stab. (FUSADRES)	A	09/25/84	09/30/94	80%	71%	47,900,000	6,500,000	43,000,000	4,900,000	11,246,190	2,000,000	4,036,481	202%	30,737,899	12,262,101	2,000,000
519-0287	Industrial Stab. (GOES)	C	09/25/84	09/30/94	80%	95%	2,560,000	0	1,531,429	1,028,571	1,112,843	0	79,882	N/A	1,451,552	79,877	0
519-0296	Judicial Reform	B	07/13/84	03/31/93	94%	77%	13,734,000	0	13,734,000	0	6,106,277	1,300,000	1,642,860	126%	10,528,375	3,205,625	2,000,000
519-0303	Water Management (GOES)	B	08/27/85	08/31/92	100%	91%	5,293,100	0	5,293,100	0	1,172,734	1,147,170	649,610	57%	4,811,575	481,525	1,131,134
519-0304	PROPEMI	A	08/30/85	06/30/92	100%	100%	6,000,000	0	6,000,000	0	0	0	0	0%	6,000,000	0	0
519-0307	Agrarian Reform Financing	B	07/31/86	07/31/93	88%	99%	50,000,000	0	50,000,000	0	13,355,224	7,000,000	7,360,993	105%	49,577,527	422,473	400,000
519-0308	Health Systems Support	A	08/29/86	09/30/94	75%	68%	77,000,000	10,200,000	65,135,000	11,865,000	21,605,161	5,000,000	5,676,399	114%	44,398,925	20,736,075	5,000,000
519-0315	Training Productivity	A	08/31/87	08/31/94	73%	75%	14,000,000	0	13,300,000	700,000	6,155,881	1,700,000	1,462,340	86%	9,947,952	3,352,048	1,411,030
519-0318	Microenterprise Dev.	A	08/31/90	08/31/97	30%	50%	10,000,000	2,500,000	6,500,000	3,500,000	3,086,961	914,973	1,258,860	139%	3,222,795	3,277,205	2,600,000
519-0320	Public S. Improvement	B	08/30/89	09/30/94	61%	27%	75,000,000	5,500,000	64,924,000	10,076,000	50,017,935	3,300,000	3,484,422	106%	17,570,322	47,353,678	4,500,000
519-0323	Free Zone Dev. (GOES)	B	08/31/88	09/01/93	82%	8%	21,000,000	0	15,545,000	5,455,000	15,528,619	2,000,000	748,618	37%	1,299,466	14,245,534	1,500,000
519-0323	Free Zone Dev. (FUSADRES)	B	08/31/88	09/30/94	67%	29%	5,000,000	2,000,000	5,000,000	0	1,890,037	275,000	195,385	71%	1,457,714	3,542,266	200,000
519-0327	Agribusiness Development	B	09/27/87	09/30/94	71%	61%	33,000,000	0	33,000,000	0	20,502,881	3,000,000	4,120,029	137%	20,184,013	12,815,987	4,000,000
519-0333	Earthquake Reconstruction	A	09/22/87	03/31/93	91%	79%	98,000,000	0	98,000,000	0	48,290,027	18,900,000	16,039,177	85%	77,267,621	20,732,379	20,732,379
519-0337	El Salvador Peace Scholar./	A	03/21/85	09/30/93	88%	99%	18,200,000	0	18,165,338	34,662	4,457,376	1,671,437	1,781,214	107%	17,988,573	176,765	106,000
519-0301	C.A. Peace Scholarships	A	07/02/85	09/30/92	100%	100%	10,300,000	0	10,135,427	164,573	9,168	0	0	N/A	10,126,259	9,168	0
519-0348	Teleton (FONTEB)	B	08/31/87	08/30/94	74%	47%	6,350,000	1,500,000	6,350,000	0	2,345,256	470,000	378,201	80%	2,996,475	3,353,525	275,000
519-0349	Tech. Support. Pol. Anal.	B	08/30/88	07/31/95	59%	40%	32,000,000	0	25,000,000	7,000,000	19,603,738	2,000,000	2,827,512	141%	10,006,323	14,993,677	2,000,000
519-0357	SABE	B	09/21/90	08/31/98	26%	4%	33,000,000	9,000,000	21,260,000	11,740,000	12,125,990	1,686,000	110,861	7%	871,884	20,388,116	4,800,000
519-0358	WBCCA-Rural Electrification	A	08/12/88	09/30/95	58%	69%	10,000,000	0	10,000,000	0	4,812,766	1,000,000	890,836	89%	6,916,534	3,083,466	750,000
519-0360	Legislative Assembly	A	08/29/90	03/31/93	81%	52%	750,000	0	750,000	0	673,580	250,000	203,529	81%	390,371	359,629	250,000
519-0361	CLASP II	A	09/27/90	07/15/97	30%	31%	28,500,000	2,096,000	14,189,479	14,310,521	10,772,624	1,453,786	1,682,330	116%	4,468,893	9,720,596	2,598,343
519-0362	Coffee Technology Transfer	B	04/30/92	07/31/97	8%	0%	12,000,000	4,307,000	4,307,000	7,693,000	0	0	0	N/A	0	4,307,000	5,000,000
519-0363	Family Health Services	A	07/31/90	07/30/95	43%	37%	22,000,000	3,778,900	16,420,900	5,579,100	10,766,812	2,500,000	2,810,502	112%	6,156,113	10,264,787	2,330,000
519-0364	Community Based Int.	C	05/30/89	08/31/94	64%	69%	8,540,000	0	6,555,000	1,985,000	4,193,961	1,300,000	1,249,009	96%	4,554,896	2,000,104	1,709,000
519-0367	Maternal Health/Child	A	07/27/90	07/31/97	31%	28%	25,043,355	5,542,000	14,742,335	10,301,020	7,372,803	1,000,000	1,093,674	109%	4,110,900	10,631,435	1,700,000
519-0368	A I F L D	B	05/31/90	05/31/93	78%	62%	14,400,000	1,480,000	14,400,000	0	7,050,129	2,200,000	1,707,176	78%	8,960,549	5,439,451	2,200,000
519-0372	FIPRO	B	08/31/89	09/30/92	100%	64%	1,040,000	0	1,040,000	0	601,939	158,000	124,713	79%	661,955	378,045	0
519-0373	Bar Associations	C	09/26/90	09/30/94	50%	25%	500,000	0	500,000	0	475,273	37,834	67,716	179%	126,395	373,605	100,000
519-0375	Strengthen. Democratic Pr.	B	03/30/90	06/30/94	59%	42%	2,500,000	900,000	2,500,000	0	1,108,917	275,000	265,867	97%	1,043,187	1,456,813	275,000
519-0376	Judicial Reform II	new	09/29/92	09/30/97	0%	0%	15,000,000	4,500,000	4,500,000	10,500,000	4,500,000	N/A	N/A	N/A	0	4,500,000	N/A
519-0377	FUNDASALVA	B	09/27/90	09/30/93	67%	63%	2,000,000	500,000	2,000,000	0	983,621	394,750	333,895	85%	1,265,045	734,955	400,000
519-0382	Technoserve	A	06/28/90	05/31/94	58%	30%	6,500,000	2,000,000	6,500,000	0	3,682,123	809,000	360,065	45%	1,960,005	4,539,995	809,000
519-0391	Democratic & Elct. Process	new	09/29/92	09/30/95	0%	0%	4,000,000	4,000,000	4,000,000	0	4,000,000	N/A	N/A	N/A	0	4,000,000	N/A
519-0392	Non-Trad. Ag. Exp.	A	06/30/91	06/30/96	25%	15%	9,000,000	3,000,000	5,500,000	3,500,000	2,433,201	756,021	327,574	43%	802,973	4,697,027	750,000
519-0394	Peace and Natl. Recovery	B	06/05/92	04/30/97	7%	0%	166,000,000	74,852,000	74,852,000	91,148,000	0	0	15,255	N/A	15,255	74,836,745	35,000,000
519-0395	L.R.S.C.	B	05/30/92	06/30/94	16%	4%	500,000	500,000	500,000	0	0	0	20,000	N/A	20,000	480,000	25,000
519-0399	C. B. S.	new	07/31/92	07/31/94	8%	0%	1,000,000	800,000	800,000	200,000	0	0	0	N/A	0	800,000	N/A
519-0400	Environmental NGO Strength.	new	08/20/92	02/28/95	4%	0%	2,000,000	2,000,000	2,000,000	0	0	0	0	N/A	0	2,000,000	500,000
TOTAL ACTIVE PROJECTS							969,462,243	147,558,549	767,730,971	201,731,272	308,746,822	66,298,971	64,248,675	97%	438,373,769	329,357,202	108,851,886

12-17-92

\* An additional \$1,500,000 has been obligated in Washington to the United Nations for humanitarian assistance to the FMLN and the Truth Commission.

PROJECT No.	PROGRAM PROJECT TITLE	CAT.	DATE OF INITIAL OBLIGATION	LAST REVISED PACD	% OF LOP ELAPSED	% OBLIG. EXPEND.	AUTHORIZED LOP AMOUNT	CURRENT FY OBLIG. TO DATE	CUMULATIVE AMOUNT OBLIG.	MORTGAGE	BEGINNING FY PIPELINE	PLANNED SEMESTER EXPEND.	ACCRUED SEMESTER EXPEND.	ACCRUED AS OF % PLANNED	CUMULATIVE ACCRUED EXPEND.	ENDING PIPELINE	PLANNED EXPEND. (NEXT SEM.)
TERMINATED PROJECTS																	
519-0265	Agrarian Reform S. Support(G)		09/21/83	09/30/89	100%	94%	12,257,000	0	8,338,700	3,918,300	3,169,254	0	0		7,808,004	530,696	0
519-0265	Agrarian Reform S. Support (L)		09/21/83	09/30/89	100%	98%	38,500,000	0	30,000,004	8,499,996	656,515	0	0		29,343,489	656,515	0
519-0210	Pop. Dynamics- ADS/GOBS		08/29/85	09/30/90	100%	99%	10,000,000	0	9,352,995	647,001	695,287	0	0		9,303,711	49,288	0
519-0275	Salv. Demographic Assoc.		09/30/83	09/30/90	100%	99%	9,353,000	0	9,353,000	0	97,680	0	0		9,255,319	97,681	0
519-0295	Education Syst. Revitalization		04/18/85	12/31/90	100%	93%	37,600,000	0	37,600,000	0	2,694,626	0	0		34,905,373	2,694,627	0
519-0303	Water Management (FUSADES)		08/27/85	09/30/91	100%	100%	13,450,900	0	13,450,900	0	204,125	204,125	188,089	92%	13,434,864	16,036	16,036
519-0336	Private Sector Initiatives		08/31/87	12/31/91	100%	100%	4,700,000	0	4,700,000	0	380,715	0	(5,800)		4,694,200	5,800	0
519-0371	T.A. to Business (IBSC)		07/17/89	12/31/91	100%	100%	400,000	0	400,000	0	96,000	0	58,161		400,000	0	0
519-0353	Coop. Prod. Marketing		08/01/88	07/31/91	100%	94%	1,900,000	0	1,900,000	0	116,882	0	0		1,783,118	116,882	0
519-0794	Freedom House-Salv. Elections		09/30/91	01/31/92	100%	89%	3,400,000	0	120,000	3,280,000	120,000	N/A	(3,356)	N/A	106,644	13,356	N/A
TOTAL TERMINATED PROJECTS							131,560,900	0	115,215,603	16,345,297	8,231,084	204,125	237,094	116%	111,034,722	4,180,881	16,036

PROJECT No.	PROGRAM ACTIVE PROGRAM	CAT.	DATE OF INITIAL OBLIGATION	LAST REVISED PACD	% OF LOP ELAPSED	% OBLIG. EXPEND.	AUTHORIZED LOP AMOUNT	CURRENT FY OBLIG. TO DATE	CUMULATIVE AMOUNT OBLIG.	MORTGAGE	BEGINNING FY PIPELINE	PLANNED SEMESTER EXPEND.	ACCRUED SEMESTER EXPEND.	ACCRUED AS OF % PLANNED	CUMULATIVE ACCRUED EXPEND.	ENDING PIPELINE	PLANNED EXPEND. (NEXT SEM.)
519-0369	Balance of Payments		05/29/91	05/28/92	100%	100%	90,000,000	90,000,000	90,000,000	0	45,000,000	45,000,000	45,000,000	100%	90,000,000	0	0
519-0378	Policy Reform Support		07/30/92	07/29/93	17%	0%	82,000,000	82,000,000	82,000,000	0	0	0	0	N/A	0	82,000,000	82,000,000

PROJECT No.	PROGRAM ACTIVE PROGRAM	CAT.	DATE OF INITIAL OBLIGATION	LAST REVISED PACD	% OF LOP ELAPSED	% OBLIG. EXPEND.	AUTHORIZED LOP AMOUNT	CURRENT FY OBLIG. TO DATE	CUMULATIVE AMOUNT OBLIG.	MORTGAGE	BEGINNING FY PIPELINE	PLANNED SEMESTER EXPEND.	ACCRUED SEMESTER EXPEND.	ACCRUED AS OF % PLANNED	CUMULATIVE ACCRUED EXPEND.	ENDING PIPELINE	PLANNED EXPEND. (NEXT SEM.)
519-00980	Program Trust LC Agreement FOES	"B"	02/04/92	01/31/97	13%	15%	80,000,000	15,000,000	15,000,000	65,000,000	15,000,000	5,759,840	2,233,967	39%	2,233,967	12,766,033	7,000,000

Projects.D  
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PROJECT NUMBER AND TITLE	FACD DATE	CUMULATIVE OBLIG.	OBLIGATIONS BY FISCAL YEAR								PIPELINE	PIPELINE					
			PRIOR FY87	FY87	FY88	FY89	FY90	FY91	FY92	PRIOR FY87		FY87	FY88	FY89	FY90	FY91	FY92
519-0281 Health Jobs for DP	G 0593	78,488.6	52,440.9	18,072.9			3,388.8	4,483.4	102.6	3,325.5	55.3	8.3			649.0	2,510.3	102.6
519-0287 Indust. Stab. & Recov.	G 0994	43,000.0	13,900.0	13,000.0				9,600.0	6,500.0	12,262.1		688.7				5,307.4	6,266.0
519-0287 Indust. Stab. & Recov.	G 0994	2,560.0	2,560.0							0.0							
519-0296 Judicial Reform	G 0393	13,734.0	9,234.0				1,500.0	3,000.0		3,205.6				1,095.8	2,109.8		
519-0307 Ag. Reform Fin.	G 0793	50,000.0	6,500.0	23,684.4	10,080.0		6,186.0	3,549.6		422.5		422.5					
519-0308 Health Syst. Supp.	G 0994	65,135.0	14,900.0	13,924.0	11,824.0		7,352.0		6,935.0	10,200.0	20,736.1	744.3	1,576.8	1,461.5	2,117.8		1,635.7
519-0315 Trng. for Product.	G 0894	13,300.0	6,000.0				2,900.0	4,400.0		3,352.0			102.7		1,286.1	1,963.2	
519-0318 FINCA	G 0897	6,500.0						4,000.0		2,500.0	3,277.2					1,275.7	2,001.5
519-0320 Public Serv. Reha	G 0994	64,924.0					8,000.0	35,434.0	15,990.0	5,500.0	47,353.4				7,293.3	18,570.1	15,990.0
519-0323 Free Zone Dev.	G 0993	15,545.0			3,755.0		11,790.0			14,245.5				1,706.9	12,538.6		
519-0323 Free Zone Dev.	G 0994	5,000.0			2,000.0				1,000.0	2,000.0	3,542.3			656.7			885.6
519-0327 Agribusiness Dev.	G 0994	33,000.0		10,116.0	7,738.0		11,046.0	4,100.0		12,816.1		6,320.4	2,099.8	3,482.8	913.1		
519-0333 Earthquake Recon.	G 0393	98,000.0	75,000.0	23,000.0						20,732.4		11,920.4	8,812.0				
519-0337 El Salv. Peace Sch.	G 0993	18,170.9	4,700.0	5,372.6	8,137.4				(29.1) <sup>1)</sup>	176.8		118.1	0.2	58.5			
519-0346 Teleton Foundation	G 0694	6,350.0	1,435.0	1,015.0	900.0			1,500.0	1,500.0	5,353.4		211.1	52.8	345.9		1,243.6	1,500.0
519-0349 Tech. Support Policy	G 0795	25,000.0		2,000.0	8,965.0		6,035.0	8,000.0		14,993.6			206.0	4,242.8	2,699.8	7,845.0	
519-0357 Educ. Quality Enh.	G 0898	21,260.0					3,360.0	8,900.0	9,000.0	20,388.2					2,658.4	8,729.8	9,000.0
519-0358 CA Rural Elect.	G 0995	10,000.0			5,000.0		5,000.0			3,083.5				61.2	3,022.3		
519-0360 Legis. Assembly	G 0393	750.0					490.0	260.0		359.6						213.5	146.1
519-0361 CLASP II	G 0797	14,189.5					5,000.0	7,093.5	2,096.0	9,720.6					1,278.2	6,346.4	2,096.0
519-0362 Coffee Tech	G 0797	4,307.0							4,307.0	4,307.0							4,307.0
519-0363 Family Health Serv.	G 0795	16,420.9					5,750.0	6,892.0	3,778.9	10,264.8						791.5	5,694.4
519-0364 Comm. Based Int.	G 0894	6,555.0				2,480.0	2,525.0	1,550.0		2,000.1				164.9	287.3	1,547.9	
519-0367 Nat. Health/Child	G 0797	14,742.3					3,815.3	5,385.0	5,542.0	10,588.1						1,121.6	3,924.5
519-0368 Democ. Labor Dev.	G 0593	14,400.0					8,312.6	4,607.4	1,480.0	5,439.5					2,062.9	1,896.6	1,480.0
519-0372 Ind. Found. Prev.	G 0992	1,040.0				400.0	300.0	340.0		378.0				16.7	62.8	238.5	
519-0373 Fed. of Bar Assoc.	G 0994	500.0					500.0			373.6					373.6		
519-0375 Strength. Democ.	G 0694	2,500.0						600.0	1,000.0	900.0	1,456.8				93.3	463.5	900.0
519-0376 Judicial Ref. II	G 0997	4,500.0								4,500.0	4,500.0						4,500.0
519-0377 FUNDASALVA	G 0993	2,000.0					500.0	1,000.0	500.0	735.0					81.7	213.6	439.7
519-0382 Rural Ent. Dev.	G 0594	6,500.0					4,500.0		2,000.0	4,540.0					2,540.0		2,000.0
519-0391 Democratic Elect.	G 0995	4,000.0								4,000.0	4,000.0						4,000.0
519-0392 NT Ag. Exp. Prod. Mkt.	G 0696	5,500.0						2,500.0		3,000.0	4,697.0					1,697.0	3,000.0
519-0394 Natl. Reconst.	G 0497	74,852.0								74,852.0	74,852.0						74,852.0
519-0395 IESC II	G 0694	500.0								500.0	480.0						480.0
519-0399 CRS	G 0794	800.0								800.0	800.0						800.0
519-0400 PADP	G 0295	2,000.0								2,000.0	2,000.0						2,000.0
597-0001 CA Peace Sch	G 0993	10,135.4	10,165.90						(30.5) <sup>1)</sup>	0.0							
MISSION TOTAL		756,160	109,700.80	165,932.30	71,784.60	74,646.4	99,560.3	86,976.7	147,558.5	328,758.3	799.6	21,369.0	15,057.1	35,725.5	39,745.5	69,315.9	146,745.7

Pipeline. update 12-9-92  
 (Source: 10-01-92 COMT MACS Report)  
 1) Deobligations done during FY 91.

**BUDGET TABLE**  
(000)

PROJECT NUMBER	FUND SRC.	PROJECT TITLE	AUTHORIZED LOP	MISSION S.O. %						MISSION S.O. AMOUNT (\$000)					
				1	2	3	4	5	OTHER	1	2	3	4	5	OTHER
5190000	EH	Program Development and Support	0					100		0	0	0	0	0	0
5190000	FN	Program Development and Support	0	100						0	0	0	0	0	0
5190000	HE	Program Development and Support	0			100				0	0	0	0	0	0
5190000	PN	Program Development and Support	0							0	0	0	0	0	0
5190000	SD	Program Development and Support	0		50	50				0	0	0	0	0	0
		PROJECT TOTAL	0							0	0	0	0	0	0
5190094	SD	Social Development Activities	0						100	0	0	0	0	0	0
5190291	FN	Health/Jobs for Displaced Families	5,573						100	0	0	0	0	0	5,573
5190291	HE	Health/Jobs for Displaced Families	4,025						100	0	0	0	0	0	4,025
5190291	SD	Health/Jobs for Displaced Families	26,310						100	0	0	0	0	0	26,310
5190291	ES	Health/Jobs for Displaced Families	26,044						100	0	0	0	0	0	26,044
5190291	RR	Health/Jobs for Displaced Families	1,550						100	0	0	0	0	0	1,550
		PROJECT TOTAL	64,602							0	0	0	0	0	64,602
5190297	SD	Industrial Stabilization/Recovery	9,500	100						0	9,500	0	0	0	0
5190297	ES	Industrial Stabilization/Recovery	41,960	100						0	41,960	0	0	0	0
		PROJECT TOTAL	50,460							0	50,460	0	0	0	0
5190296	ES	Judicial Reform	13,734		100					0	0	13,734	0	0	0
5190303	FN	Water Management	18,020	100						0	18,020	0	0	0	0
5190303	ES	Water Management	2,724	100						0	2,724	0	0	0	0
		PROJECT TOTAL	18,744							0	18,744	0	0	0	0
5190307	FN	Agrarian Reform Sector Financing	50,000	100						0	50,000	0	0	0	0
5190309	HE	Health Systems Support - APSISA	60,500	40		60				24,200	0	0	36,300	0	0
5190309	PN	Health Systems Support - APSISA	4,000			100				0	0	0	4,000	0	0
5190309	CS	Health Systems Support - APSISA	3,000	40		60				1,200	0	0	1,800	0	0
5190309	ES	Health Systems Support - APSISA	9,500	100						9,500	0	0	0	0	0
		PROJECT TOTAL	77,000							34,900	0	0	42,100	0	0
5190315	EH	Trng for Productivity Competitiveness	10,000	40	60					4,000	6,000	0	0	0	0
5190315	ES	Trng for Productivity Competitiveness	4,000	40	60					1,600	2,400	0	0	0	0
		PROJECT TOTAL	14,000							5,600	8,400	0	0	0	0
5190319	SD	Microenterprise Development	10,000	100						0	10,000	0	0	0	0
5190320	HE	Public Services Improvement	23,990	40		55	5			9,596	0	0	13,195	1,200	0
5190320	FN	Public Services Improvement	18,400	50	50					9,200	9,200	0	0	0	0
5190320	ES	Public Services Improvement	32,610	34	33		33			11,097	10,761	0	10,761	0	0
		PROJECT TOTAL	75,000							29,923	19,961	0	23,956	1,200	0

PROJECT NUMBER	FUND SRC.	PROJECT TITLE	AUTHORIZED LOP	MISSION S.O. %						MISSION S.O. AMOUNT (\$000)						
				1	2	3	4	5	OTHER	1	2	3	4	5	OTHER	
5190323	SD	Free Zone Development	11,455	100							0	11,455	0	0	0	0
5190323	ES	Free Zone Development	14,545	100							0	14,545	0	0	0	0
		PROJECT TOTAL	26,000								0	26,000	0	0	0	0
5190327	FN	Agribusiness Development	25,534	100							0	25,534	0	0	0	0
5190327	ES	Agribusiness Development	7,466	100							0	7,466	0	0	0	0
		PROJECT TOTAL	33,000								0	33,000	0	0	0	0
5190333	ES	Earthquake Reconstruction	99,000						100		0	0	0	0	0	99,000
5190337	ES	El Salvador Peace Scholarship	9,062		25	50	25				0	2,266	4,531	2,266	0	0
5190337	EH	El Salvador Peace Scholarship	3,138		25	50	25				0	785	1,569	785	0	0
5190337	FN	El Salvador Peace Scholarship	6,000		25	50	25				0	1,500	3,000	1,500	0	0
		PROJECT TOTAL	18,200								0	4,550	9,100	4,550	0	0
5190346	HE	Strengthen of Rehabilitation Services	6,350	100							6,350	0	0	0	0	0
5190349	ES	Tech. Support, Policy Anal. and Trg.	32,000		75	25					0	24,000	8,000	0	0	0
5190353	FN	National Coop. Business Assoc.	1,900		95			15			0	1,615	0	0	285	0
5190357	EH	Strength. Achievement in Basic Educ.	32,500	10		10	70	10			3,250	0	3,250	22,750	3,250	0
5190357	ES	Strength. Achievement in Basic Educ.	500	100							500	0	0	0	0	0
		PROJECT TOTAL	33,000								3,750	0	3,250	22,750	3,250	0
5190358	SD	C.A. Rural Electrification Support	10,000	80	20						8,000	2,000	0	0	0	0
5190360	ES	Legislative Assembly Strengthening	750			100					0	0	750	0	0	0
5190361	ES	CLASP	12,093			50	25	25			0	0	6,047	3,023	3,023	0
5190361	EH	CLASP	16,407			50	25	25			0	0	8,204	4,102	4,102	0
		PROJECT TOTAL	28,500								0	0	14,250	7,125	7,125	0
5190362	FN	Coffee Technology	12,000		75			25			0	9,000	0	0	3,000	0
											0	0	0	0	0	0
5190363	HE	Family Health Services	2,250				100				0	0	0	2,250	0	0
5190363	PN	Family Health Services	19,750				100				0	0	0	19,750	0	0
		PROJECT TOTAL	22,000								0	0	0	22,000	0	0
5190364	EH	Community Based Integ. Rural Dev.	800				100				0	0	0	800	0	0
5190364	HE	Community Based Integ. Rural Dev.	1,730				100				0	0	0	1,730	0	0
5190364	FN	Community Based Integ. Rural Dev.	6,010				100				0	0	0	6,010	0	0
		PROJECT TOTAL	8,540								0	0	0	8,540	0	0
5190367	HE	Maternal Health/Child Survival Serv.	4,772				100				0	0	0	4,772	0	0
5190367	CS	Maternal Health/Child Survival Serv.	19,728				100				0	0	0	19,728	0	0
5190367	ES	Maternal Health/Child Survival Serv.	500				100				0	0	0	500	0	0
		PROJECT TOTAL	25,000								0	0	0	25,000	0	0

PROJECT NUMBER	FUND SRC.	PROJECT TITLE	AUTHORIZED LOP	MISSION S.O. %						MISSION S.O. AMOUNT (\$000)						
				1	2	3	4	5	OTHER	1	2	3	4	5	OTHER	
5190368	FN	American Institute Free Labor Dev	7,932			100					0	0	7,932	0	0	0
5190369	SD	American Institute Free Labor Dev	6,468			100					0	0	6,468	0	0	0
		PROJECT TOTAL	14,400								0	0	14,400	0	0	0
5190369	ES	Balance of Payment Support	90,000	80	20						0	72,000	18,000	0	0	0
5190371	SD	Int'l Executive Service Corps.	400	100							0	400	0	0	0	0
5190372	SD	Occupational Safety FIPRO	1,040			100					0	0	1,040	0	0	0
5190373	ES	Federation of Bar Associations	500			100					0	0	500	0	0	0
5190375	SD	Strengthen Democratic Process	2,500			100					0	0	2,500	0	0	0
5190376	ES	Judicial Sector Strengthening	15,000			100					0	0	15,000	0	0	0
5190377	SD	FUNDASALVA	500						100		0	0	0	0	0	500
5190377	EH	FUNDASALVA	1,500						100		0	0	0	0	0	1,500
		PROJECT TOTAL	2,000								0	0	0	0	0	2,000
5190379	ES	Economic Policy Reform	312,000	90	20						0	249,600	62,400	0	0	0
5190382	FN	Technoserve Rural Enterprise Dev.	8,500	85				15			0	5,525	0	0	975	0
5190393	ES	Social Investigative Unit	5,500			100					0	0	5,500	0	0	0
5190395	FN	Env/Natural Resources Protection	30,000					100			0	0	0	0	30,000	0
5190387	SD	Small Enterprise Support	5,000	50	50						2,500	2,500	0	0	0	0
5190388	SD	Municipal Level Democratic Dev	9,000			100					0	0	9,000	0	0	0
5190388	FN	Municipal Level Democratic Dev.	6,000			100					0	0	6,000	0	0	0
		PROJECT TOTAL	15,000								0	0	15,000	0	0	0
5190391	ES	Electoral and Democratic Processes	4,000			100					0	0	4,000	0	0	0
5190392	FN	Small Farmer Export and Marketing	9,000	85				15			0	7,650	0	0	1,350	0
5190394	ES	Peace and National Recovery	116,000	100							116,000	0	0	0	0	0
5190394	DTF	Peace and National Recovery	50,000	100							50,000	0	0	0	0	0
		PROJECT TOTAL	166,000								166,000	0	0	0	0	0
5190395	SD	Int'l Executive Service Corp.	500	100							0	500	0	0	0	0
5190396	SD	Integrated Financial Management	10,000			100					0	0	10,000	0	0	0
5190396	ES	Integrated Financial Management	10,000			100					0	0	10,000	0	0	0
		PROJECT TOTAL	20,000								0	0	20,000	0	0	0
5190397	FN	Modernization of the Agr. Sector	40,000	75				25			0	30,000	0	0	10,000	0

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PROJECT NUMBER	FUND SRC.	PROJECT TITLE	AUTHORIZED LOP	MISSION S.O. %					MISSION S.O. AMOUNT (\$000)						
				1	2	3	4	5	OTHER	1	2	3	4	5	OTHER
5190399	FN	Catholic Relief Service	1,000	40	60					400	600	0	0	0	0
5190400	FN	FACF Environmental	2,000					100		0	0	0	0	2,000	0
5190794	ES	El Salvador Elections Assistance	2,936			100				0	0	2,936	0	0	0
5990791	EH	RTAC II	350						100	0	0	0	0	0	350
<b>TOTAL</b>			<b>1,474,308</b>							<b>257,383</b>	<b>626,505</b>	<b>200,260</b>	<b>156,021</b>	<b>59,195</b>	<b>164,952</b>

FRJ2 WK3-12/17/92

1/2

**MISSION STRATEGIC OBJECTIVE No. 1:**

**Transition from War to Peace**

# PROJECT STATUS REPORT

April 1, 1992 - September 30, 1992

MISSION DIRECTOR'S RATING: A \_\_\_ B XX C \_\_\_

## I. BACKGROUND DATA

Project Title & No.: Peace And National Recovery Project  
Project Number: No. 519-0394  
(List of other NRP supporting projects are reported separately - see Financial Data for details)

Supporting Projects: 0281, 0308, 0315, 0320, 0346, 0357, 0358, 0387

Date of Authorization: Original: 01/17/92 Last amendment: N/A  
Date of Obligation: Original: 05/06/92 Last amendment: 09/30/92  
PACD: Original: 04/30/97 Amended to : N/A  
Status of CPs: Met July 1992

Implementing Agencies: Currently Active: National Reconstruction Secretariat (SRN), UNDP, SETEFE, MOH, MOP, MSPAS, MOE, MAG, MIPLAN, ANDA, CEPA, CONARA, FEPADE, FUNTER, NRECA, FUSADES.

Major Contractors: Currently Active: Price Waterhouse, Banco Salvadoreño, Clapp & Mayne, Ronco Consulting Corp., Louis Berger Int'l., Baja Orthotics/Prosthetics, A.E.D., FUPAD, Fundación Carbajal, PROSAMI, Creative Associates Int'l., Inc.

AID Project Managers: Raymond G. Lynch 519-0394/519-0281  
Supporting Projects: Jack R. Dale 519-0308  
Mel Chatman 519-0315  
James W. Habron 519-0320  
Raul Toledo/Hector R. Casanova 519-0346  
Bill Harwood 519-0357  
Mike Wise 519-0358  
Rosa M<sup>e</sup> de Guirola 519-0387

Date of Last Evaluation: N/A  
Date of Next Evaluation: March 1993

Planned number of non-Federal Audits during Fiscal Year: 0  
The number of such Audits Contracted for/Completed: 0

Date of Last Audit: Pre-Award Survey to SRN and CRS 08/10/92  
Date of Next Recipient Audit:

## FINANCIAL DATA (See Annex I)

## II. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES

- A. Specific Linkages to Strategic Objectives  
Strategic objective No. 1 is focused on National Reconstruction which this project (0394) fully supports.
- B. Percent of LOP funds relating to S.O.: 100%

## III. PROJECT PURPOSE AND DESCRIPTION

- A. Project Purpose: To assist the GOES to support its National Reconstruction Plan and the process of national reconciliation and economic stabilization by restoring basic humanitarian, social and health services, rebuilding basic infrastructure, reactivating the economy in areas torn by the war and by reintegrating individuals and families affected by the conflict.
- B. Achievements to Date:
1. Of the approximate 8,500 FMLN ex-combatants, 40 percent have received household furnishings and agricultural tool packages based on an urban and rural distribution.
  2. The MEA program operated in the formerly conflictive zones has implemented 740 basic infrastructure projects and have provided 100,000 man-days of temporary employment.
  3. Training received by 2,255 ex-combatants in vocational or advanced skills.
  4. The Land Bank has transferred 4,933 acres of a total 67,344 acres that has been agreed to between the FMLN and the GOES.

## III. PROJECT PURPOSE AND DESCRIPTION (cont.)

- C. Project Description:  
The project will provide the full range of assistance, including technical assistance, commodities, credit, reconstruction of infrastructure, training and employment, basic health and other services for Salvadorans most affected in the ex-conflictive zones and those needing to be reintegrated into the social and economic life of the country.

## IV. PROJECT STATUS

### A. Planned EOPS

1. Increase Voter Participation <sup>1/</sup>
2. Employment growth in NRP are (by gender) <sup>2/</sup>
3. Percent of ex-combatants <sup>3/</sup>
  - 1) Employed, and
  - 2) Exercising voting rights (by gender)

<sup>1/</sup> Registration procedures pending Passage of Electoral Code by National Assembly in October, 1992, ODI contracted TA to assist in data collection in 1993.

<sup>2/</sup> Tracked by annual household surveys beginning 1993.

<sup>3/</sup> Training initiated this reporting period, employment figures available after training available in future reports.

IV. Project Status (cont.)

B. Major Outputs

Component I: Immediate Conflictive Zone Relief	Planned				Accomplished		
	LOP	This Sem.	Cum.*	Next Sem.	This Sem.	Cum.	% of LOP
	Number of new personal ID cards (cedulas) issued	70,000	n/a	n/a	700	817	817

The GOES has passed two decrees to make the process of obtaining identification documents (cedulas) more flexible for those who do not have these documents. Through ISDEM, a GOES institution that provides technical assistance to mayors, they have been assisting the mayors in the ex-conflict areas reconstruct their municipal registration records so that civilians may obtain their cedulas, birth certificates and voter registration cards.

Component II: Assistance to Ex-Combatants	Planned				Accomplished		
	LOP	This Sem.	Cum.*	Next Sem.	This Sem.	Cum.	% of LOP
	Number receiving demobilization packages	11,000	n/a	n/a	1,500	3,328	3,328
Number of disabled receiving physical rehabilitation assistance*	1,000	n/a	n/a	250	94	94	9%
Number university scholarships awarded ***	900	n/a	n/a	25	0	0	0%
Number receiving reintegration counselling.	36,000	n/a	n/a	4,000	920	920	2%

The Program has emphasized assisting the GOES meet Peace Accord deadlines by assisting project activities that contribute to the successful demobilization of ex-combatants, primarily the FMLN during the first six months of the Peace Accords. This has refocused some of the original activities more on the reinsertion of ex-combatants than originally planned in the program, however this strategy has helped prevent serious set-backs to the demobilization efforts or stagnation in the Peace process. A reprogramming of funds and activities will be carried out during the next reporting period.

Component III: Social & Economic Reactivation	Planned				Accomplished		
	LOP	This Sem.	Cum.*	Next Sem.	This Sem.	Cum.	% of LOP
	Increase number of schools provided with supplies, equipment or rehabilitated	700	n/a	n/a	95	112	112
Number of people trained and subsequently employed**	25,000	n/a	n/a	2,000	2,350	2,350	10%
Number of Credit beneficiaries							
Agriculture	25,000	n/a	n/a	1,200	1,478	1,478	6%
Micro Enterprise	5,300	n/a	n/a	35	43	43	1%
Village banks	68,000	n/a	n/a	500	686	686	1%
Number of NGOs that have participated in NRP	80	n/a	n/a	15	32	32	40%
Training provided for ex-conflictive zone teachers	Grades K-6	n/a	n/a	40%	0	0	0%
Primary Health facilities with adequate water and sanitation	73	6	6	23	6	6	8%

Component III. Social & Economic Reactivation (continued)

The SRN has been open to work with NGOs with experience in the ex-conflictive areas both pro-GOES and pro-FMLN NGOs. These NGOs may obtain funding directly from the SRN or through arrangements with umbrella NGOs, e.g., Catholic Relief Service, who can provide technical assistance to new or inexperienced NGOs. Despite some of the early hesitations and uncertainties by NGOs to work with the SRN, some are beginning to look to the SRN to fund their rural projects. This has been beneficial to both the SRN who do not have access to some of the very remote rural areas and benefit to the NGOs to access funding for their community projects. Nearly all of the Ministry of Health's Health Centers have been re-opened, re-stocked and MOH personnel operating them in the ex-conflictive zone. The MOH has already carried out two successful nation-wide vaccination campaigns that included the ex-conflictive zone.

Component IV: Land Transfer	Planned				Accomplished		
	LOP	This Sem.	Cum.*	Next Sem.	This Sem.	Cum.	% of LOP
	Number of Land Bank transaction (beneficiaries)	10,600	n/a	1,600	1,300	1,600	1,600

Land transfer will be the most problematic issue facing the GOES, due to limitations of available land, the large demand and possible limitations of funds. The rights of the tenedores, squatters, who occupied land prior to the end of the war, may become a difficult question for the GOES to resolve. However, they are looking for means to accommodate this population after giving priority to demobilized combatants.

Component V: Infrastructure	Planned				Accomplished		
	LOP	This Sem.	Cum.*	Next Sem.	This Sem.	Cum.	% of LOP
	Increase number of communities with access to potable water	350***	n/a	28	20	28	28
Number of kilometers of roads rehabilitated	3,600***	n/a	402	350	402	402	11%
Number of MEA basic infrastructure projects	4,700	n/a	740	600	740	740	16%

The successful MEA program was the first to begin implementing activities immediately in the ex-conflictive zone when the Peace Accords took effect. The program provides immediate temporary employment and is rapidly helping the local municipalities to rebuild. Although a few communities are experiencing problems in allowing mayors to return to their communities, both ONUSAL and COMURES, multi-party commission of mayors, have made some progress in resolving this impasse. The Ministry of Public Works (MOP) has also been working rapidly to open up roads to many of the rural communities where people are returning home. MOP did have some temporary set-backs when some FMLN affiliated groups took some of the heavy road machinery protesting that their communities were not being served.

\* Cumulative planned reflects actual accomplished.  
 \*\* Reflects only trained, subsequent employed information not available for this report.  
 \*\*\* Current surveys are evaluating what LOP needs will be.

### C.1. Other Accomplishments and Overall Status

The Mission's Peace and National Recovery Program was able to initiate a rapid start-up of reconstruction project activities immediately after the Peace Accords went into effect. Within the first semester of this Program approximately \$20 million was been disbursed to institutions working on National Reconstruction Projects. This includes 32 NGOs working in the ex-conflictive zone.

The GOES has developed a flexible mechanism for quick project review, approval, and disbursement, as well as, a means for working with non-GOES certified NGOs. Those not certified can work through umbrella organizations which assist with TA for management and accounting controls.

To date the Land Bank has assisted over 1,600 recipients with land transfers in the ex-conflictive zones.

USAID has been contributing to the demobilization efforts through support of demobilization packages for the ex-combatants. USAID has been actively supporting the GOES in ensuring that necessary funding is available for programs, such as the Land Bank, training, etc., so as not to delay the demobilization process.

### C.2. Women in Development Issues

The target beneficiary group of the Peace and National Recovery Program is made up of demobilized FMLN AND ESAF combatants and the civilian population most affected by the conflict of both sexes. Several of the impact indicators tracked by the implementors and the Mission are gender segregated, such as agricultural and microenterprise credit, occupational skills training, land distribution transactions, to name a few.

### D. Problems and Delays

The fulfillment of the Peace Accords timetables is still a very sensitive issue that may occasionally result in Project implementation delays as readjustments in demobilization schedules and other deadlines are altered.

NRS Staff: Although the NRS has some qualified personnel, they need a reorganization of personnel to strengthen the institution. Much of the responsibility for actions is with few individuals.

Other Donors: Although the GOES made a convincing presentation at the March Consultative Group Meeting, which attracted over \$700 million in donor pledges, USAID is the only significant donor participating in the GOES National Reconstruction Program.

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

The Controller's office plans to work more closely with the NRS on the management of the dollar funds, through training sessions and reviews (including special DTF tracking needs).

USAID will set up and manage its own Management Information System for the purpose of tracking project implementation and community needs profiles. It is planned that the system will eventually be managed by the NRS.

Programs for evaluating the needs of the war wounded will be carried out and subsequent assistance programs put into place.

More activities in infrastructure rehabilitation, primarily roads, bridges and water, will be carried out. The General Reconstruction Directorate (a procurement and TA unit assisting line Ministries with earthquake rehabilitation projects) will work with the NRS for infrastructure TA and procurement, as well as utilize EQ project reflows for housing projects.

USAID will continue to support the GOES' efforts towards demobilizing the remaining combatants through the procurement of household furnishing and agriculture tool packages for both sides.

Local University Scholarship and longer term technical skills training programs for ex-combatants will be initiated. These new programs and the vocational skills training will all be managed by a local NGO with experience in this area and set up for this type of activity. It will work closely with other NGOs on design and implementation.

15 million will be made available for land transfer programs through the Land Bank.

Monitor the return of mayors in exile.

Carry-out a reprogramming exercise with the National Reconstruction Secretariat.

Focus on the reopening schools located in the ex-conflictive zone will be a priority for the upcoming school year.

PROJECT 519-0394: PEACE AND NATIONAL RECOVERY AND SUPPORTING PROJECTS  
 PROJECT STATUS REPORT: APRIL 1, 1992 - SEPTEMBER 30, 1992  
 FINANCIAL DATA SHOWN IN U.S. DOLLARS

	1	2	3	4
COMPONENTS	LOP APPROVED BUDGET	TOTAL OBLIGATIONS TO DATE	TOTAL AMOUNT COMMITTED	TOTAL ACCRUED EXPENDITURES
<b>A. IMMEDIATE CONFLICTIVE ZONE RELIEF</b>	<b>4,000,000</b>	<b>3,400,309</b>	<b>3,129,083</b>	<b>2,415,071</b>
1. ESF FUNDING	600,000	600,000	600,000	600,000
2. DTF FUNDING	0	0	0	0
3. HCOLC FUNDING	2,000,000	1,400,309	1,329,083	1,019,312
4. EXISTING PROJECTS	1,600,000	1,600,000	1,300,000	896,759
<b>B. ASSISTANCE TO EX-COMBATANTS</b>	<b>15,938,289 /1</b>	<b>15,938,289 /1</b>	<b>14,988,844 /1</b>	<b>2,567,755 /1</b>
1. ESF FUNDING	0	0	0	0
2. DTF FUNDING	8,000,000	8,000,000	7,060,365	5,255
3. HCOLC FUNDING	7,038,289	7,038,289	7,038,289	2,562,500
4. EXISTING PROJECTS	900,000	900,000	900,000	0
<b>C. SOCIAL AND ECONOMIC REACTIVATION</b>	<b>149,283,086</b>	<b>71,724,749</b>	<b>32,389,278</b>	<b>11,117,718</b>
1. ESF FUNDING	79,700,000	19,362,000	6,500,000	1,388,284
1.1. PROJECT 519-0394 (NRP)	65,700,000	13,852,000	0	0
1.2. PROJECT 519-0308 (APSISA)	8,000,000	2,500,000	2,500,000	138,284
1.3. PROJECT 519-0367 (GABE)	8,000,000	3,000,000	3,000,000	1,250,000
2. DTF FUNDING	34,500,000	34,500,000	10,821,988	0
3. HCOLC FUNDING	22,483,086 /1	13,370,277 /1	11,484,820 /1	7,862,830 /1
4. EXISTING PROJECTS	12,600,000	4,602,472	4,602,472	1,866,602
<b>D. LAND TRANSFER MECHANISMS</b>	<b>15,278,825</b>	<b>12,278,825</b>	<b>4,250,258</b>	<b>153,625</b>
1. ESF FUNDING	10,000,000	7,000,000	0	0
2. DTF FUNDING	6,000,000	6,000,000	3,971,831	0
3. HCOLC FUNDING	278,825 /1	278,825 /1	278,825 /1	153,625 /1
<b>E. INFRASTRUCTURE SERVICE RESTORATION</b>	<b>54,500,000</b>	<b>10,580,000</b>	<b>8,080,000</b>	<b>2,155,708</b>
1. ESF FUNDING	31,300,000	2,500,000	0	0
2. DTF FUNDING	0	0	0	0
3. HCOLC FUNDING	3,200,000	0	0	0
4. EXISTING PROJECTS	20,000,000	8,080,000	8,080,000	2,155,708
<b>F. PROGRAM AUDIT AND MANAGEMENT</b>	<b>10,000,000</b>	<b>4,000,000</b>	<b>471,154</b>	<b>10,000</b>
1. ESF FUNDING	7,500,000	1,500,000	471,154	10,000
2. DTF FUNDING	2,500,000	2,500,000	0	0
<b>G. TRUTH COMMISSION</b>	<b>1,000,000</b>	<b>1,000,000</b>	<b>1,000,000</b>	<b>1,000,000</b>
1. ESF FUNDING	1,000,000	1,000,000	1,000,000	1,000,000
<b>TOTAL COMPONENTS</b>	<b>LOP BUDGET</b>	<b>OBLIGATIONS TO DATE</b>	<b>AMOUNT COMMITTED</b>	<b>ACCRUED EXPENDITURES</b>
1. ESF FUNDING	130,000,000	31,852,000	7,471,154	2,898,284
2. DTF FUNDING	50,000,000	50,000,000	21,943,972	5,255
3. HCOLC FUNDING	35,000,000	22,087,500	20,110,797	11,598,267
4. EXISTING PROJECTS	35,000,000	14,882,472	14,782,472	4,918,069
<b>GRAND TOTAL NRP</b>	<b>250,000,000</b>	<b>118,821,972</b>	<b>64,308,396</b>	<b>19,419,875</b>
<b>OTHER NON-NRP USAID PROJECTS</b>				
PROJECT 519-0361 (CLASP)	4,800,000	4,800,000	4,800,000	1,000,000
PROJECT 519-0367 (MAT/CHILD HEALTH)	6,385,861	6,385,861	6,385,861	833,018
PROJECT 519-0364 (CBIRD)	3,000,000	3,000,000	3,000,000	113,000
PROJECT 519-0318 (CAM)	786,480	786,480	702,301	702,301
LAND BANK (HCOLC)	12,082,500	12,082,500	12,082,500	3,410,250
MUNICIPALITIES IN ACTION (HCOLC)	41,082,430	41,082,430	41,082,430	3,856,843
<b>TOTAL NON-NRP PROJECTS</b>	<b>67,017,251</b>	<b>67,017,251</b>	<b>67,833,092</b>	<b>9,715,412</b>

NOTE 1/ THE MISSION AND GOES HAVE AGREED TO INCREASE THE APPROVED BUDGET, OBLIGATION, AND COMMITMENT TO ADDRESS FUNDING REQUIREMENTS.

% LIFE-OF-PROJECT (LOP) ELAPSED: 6%  
 % OF TOTAL AUTHORIZED OBLIGATED: 48%  
 % OF TOTAL OBLIGATED EXPENDED: 18%  
 % OF TOTAL AUTHORIZED EXPENDED: 8%

## ANNEX I

PROJECT 519-0384: PEACE AND NATIONAL RECOVERY AND SUPPORTING PROJECTS  
 PROJECT STATUS REPORT: APRIL 1, 1982 - SEPTEMBER 30, 1982  
 FINANCIAL DATA SHOWN IN U.S. DOLLARS

	1	2	3	4
COMPONENTS	LOP APPROVED BUDGET	TOTAL OBLIGATIONS TO DATE	TOTAL AMOUNT COMMITTED	TOTAL ACCRUED EXPENDITURES
<b>A. IMMEDIATE CONFLICTIVE ZONE RELIEF</b>	<b>4,000,000</b>	<b>3,400,309</b>	<b>3,129,063</b>	<b>2,415,071</b>
1. ESF FUNDING	500,000	500,000	500,000	500,000
2. DTF FUNDING	0	0	0	0
3. HCOLC FUNDING	2,000,000	1,400,309	1,329,063	1,019,312
4. EXISTING PROJECTS	1,500,000	1,500,000	1,300,000	895,759
<b>B. ASSISTANCE TO EX-COMBATANTS</b>	<b>15,938,289 /1</b>	<b>15,938,289 /1</b>	<b>14,988,644 /1</b>	<b>2,587,755 /1</b>
1. ESF FUNDING	0	0	0	0
2. DTF FUNDING	8,000,000	8,000,000	7,060,388	5,255
3. HCOLC FUNDING	7,038,289	7,038,289	7,038,289	2,582,500
4. EXISTING PROJECTS	800,000	900,000	900,000	0
<b>C. SOCIAL AND ECONOMIC REACTIVATION</b>	<b>149,283,088</b>	<b>71,724,749</b>	<b>32,389,278</b>	<b>11,117,718</b>
1. ESF FUNDING	79,700,000	19,362,000	8,800,000	1,388,284
1.1. PROJECT 519-0384 (NRP)	66,700,000	13,862,000	0	
1.2. PROJECT 519-0308 (APSISA)	8,000,000	2,500,000	2,500,000	138,284
1.3. PROJECT 519-0357 (SABE)	8,000,000	3,000,000	3,000,000	1,250,000
2. DTF FUNDING	34,500,000	34,500,000	10,821,988	0
3. HCOLC FUNDING	22,483,088 /1	13,370,277 /1	11,484,820 /1	7,862,630 /1
4. EXISTING PROJECTS	12,600,000	4,502,472	4,502,472	1,866,602
<b>D. LAND TRANSFER MECHANISMS</b>	<b>15,278,825</b>	<b>12,278,825</b>	<b>4,250,256</b>	<b>153,825</b>
1. ESF FUNDING	10,000,000	7,000,000	0	0
2. DTF FUNDING	8,000,000	8,000,000	3,871,831	0
3. HCOLC FUNDING	278,825 /1	278,825 /1	278,825 /1	153,825 /1
<b>E. INFRASTRUCTURE SERVICE RESTORATION</b>	<b>54,500,000</b>	<b>10,580,000</b>	<b>8,080,000</b>	<b>2,155,708</b>
1. ESF FUNDING	31,300,000	2,500,000	0	0
2. DTF FUNDING	0	0	0	0
3. HCOLC FUNDING	3,200,000	0	0	0
4. EXISTING PROJECTS	20,000,000	8,080,000	8,080,000	2,155,708
<b>F. PROGRAM AUDIT AND MANAGEMENT</b>	<b>10,000,000</b>	<b>4,000,000</b>	<b>471,154</b>	<b>10,000</b>
1. ESF FUNDING	7,500,000	1,500,000	471,154	10,000
2. DTF FUNDING	2,500,000	2,500,000	0	0
<b>G. TRUTH COMMISSION</b>	<b>1,000,000</b>	<b>1,000,000</b>	<b>1,000,000</b>	<b>1,000,000</b>
1. ESF FUNDING	1,000,000	1,000,000	1,000,000	1,000,000
<b>TOTAL COMPONENTS</b>	<b>LOP BUDGET</b>	<b>OBLIGATIONS TO DATE</b>	<b>AMOUNT COMMITTED</b>	<b>ACCRUED EXPENDITURES</b>
1. ESF FUNDING	130,000,000	31,852,000	7,671,154	2,898,284
2. DTF FUNDING	50,000,000	50,000,000	21,843,972	5,255
3. HCOLC FUNDING	58,000,000	22,087,500	20,110,797	11,598,267
4. EXISTING PROJECTS	35,000,000	14,982,472	14,782,472	4,915,069
<b>GRAND TOTAL NRP</b>	<b>250,000,000</b>	<b>118,921,072</b>	<b>64,308,395</b>	<b>19,419,875</b>
<b>OTHER NON-NRP USAID PROJECTS</b>				
PROJECT 519-0381 (CLASP)	4,800,000	4,800,000	4,800,000	1,000,000
PROJECT 519-0387 (MAT/CHILD HEALTH)	8,388,861	8,388,861	8,388,861	833,018
PROJECT 519-0384 (CBIRD)	3,000,000	3,000,000	3,000,000	113,000
PROJECT 519-0318 (CAM)	786,480	786,480	702,301	702,301
LAND BANK (HCOLC)	12,082,500	12,082,500	12,082,500	3,410,250
MUNICIPALITIES IN ACTION (HCOLC)	41,082,430	41,082,430	41,082,430	3,866,843
<b>TOTAL NON-NRP PROJECTS</b>	<b>67,917,251</b>	<b>67,917,251</b>	<b>67,833,092</b>	<b>9,715,412</b>

NOTE 1/ THE MISSION AND GOES HAVE AGREED TO INCREASE THE APPROVED BUDGET, OBLIGATION, AND COMMITMENT TO ADDRESS FUNDING REQUIREMENTS.

% LIFE-OF-PROJECT (LOP) ELAPSED: 6%  
 % OF TOTAL AUTHORIZED OBLIGATED: 48%  
 % OF TOTAL OBLIGATED EXPENDED: 16%  
 % OF TOTAL AUTHORIZED EXPENDED: 8%

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

I. BACKGROUND DATA

Project Title: Reconciliation-Credit & Income Generation  
 Project Number: 519-0399  
 Date of Authorization: original 07/16/92 amendment 00/00/00  
 Date of Obligation: original 07/16/92 last amendment 00/00/00  
 PACD: original 07/31/94  
 Implementing Agencies: Catholic Relief Services (CRS)  
 Major Contractors: None  
 Project Manager: ALMena, ANR  
 Status of CPs/Covenants: Major CP's completed, others in process

Date of Last Evaluation: 00/00/00 Next evaluation: 02/94  
 Planned Number of Non-Federal Audits during Fiscal Year: Pending  
 The Number of such Audits Contracted for/Completed: Pending  
 Date of Last Audit: 00/00/00 Next audit: 07/93

MISSION DIRECTOR RATING:

FINANCIAL DATA

Amount Authorized:	DA Grant:	orig \$1,000,000.00 amended to N/A
Amount Obligated:	DA Grant:	orig \$ 800,000.00 amended to N/A
Amount Committed:	Period:	\$ 0
	Cumulative:	\$ 0
Accrued Expend. :	Period - Projected	\$ 0
	Period - Actual	\$ 0
	Cumulative:	\$ 0
	Projected Next Sem.	\$ 0
Counterpart Cont.:	Planned:	\$211,945.00
	Actual:	\$ 0
% LOP elapsed:		5
% of Total Auth. Oblig.		80
% of Total Oblig. Expended		0
% of Total Auth. Exp.		0

II. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVE

A. Specific Linkage to Strategic Objective

The Project contributes to the Mission goal to Assist El Salvador Make the Transition from War to Peace by assisting through credit and technical assistance to improve income levels to meet food security and other needs of families living in poverty.

B. Percent of LOP Funds Relating to Strategic Objective

100% of the LOP funds relate to the Mission's Strategic Objective 1, Assist El Salvador Make the Transition from War to Peace.

III. PROJECT PURPOSE AND DESCRIPTION

A. Project Purpose

To assist Catholic Relief Service (CRS) in expanding its support of productive enterprise initiative through credit and technical assistance to targeted low income beneficiaries.

B. Achievements to Date

This is a new project.

C. Project Description

This Operational Program Grant (OPG) is designed to improve income levels to meet food security and others needs of 2,800 families living in poverty. The project consists of two credit programs. One program will be village banking with 1,200 urban women. The other will be rotating agricultural loan funds (RALFs) with 1,600 poor farmers. Operating expenses, Training/TA and management of the program will absorb \$585,098 of AID funds, equivalent to the 59% of total funds.

IV. PROJECT STATUS

A. Planned EOPS

Progress to Date

1. Village Banking

VB program projects a 99% repayment of its loans.  
 a. 40 new village banks will be established in three diocesan Caritas and \$243,500 are authorized as seed capital.

1A

b. 1,200 new indiv. borrowers

2. Revolving Agricultural Loan Funds (RALFs)

RALFs program projects a 95% repayment of its loan.  
 a. 75 new community RALFs will be organized in five participating dioceses with \$171,400 as seed capital.

1A

b. 1,600 new indiv. borrowers

2

B. Major Outputs

	Planned			Accomplished			
	LOP	This Sem.	Cum	Next Sem.	This Sem.	Cum.	% of LOP
1. Village Banks							
a. No. new field offices							
-Total Funds \$	243,500						
-New Banks		40	22	22	10	n/a	
-Members		1,200					
b. Individual borrowers							
-Total funds							
-No. Loans							
2. Rotating Agricultural Loan Fund (RALFs).							
-Total Fund	171,400						
- No. Individual farmers receiving loans.		1,600					
Male members							
Female members							
- No. of communities RALFs		75	25	25	12	n/a	
3. Training							
of tech. agents trained							
female agents							
male agents							
a. Financial Management of RALFs							
b. Pest/Pesticide management							
c. Sustainable agricultural techniques							
4. Technical Assistance							
	0	0	0	0	0	n/a	

C. Other Accomplishments and Overall Status

This is a new project.

D. Problems and Delays

doc 843 ALM/ANR  
(Dec.9/92)

E. WID Issues

NA

F. Major Activities or Corrective Actions During Next Six Months

During the next months, both village banking and RALFs activities will be implemented at a moderate pace. At the beginning of 1993 CRS and Caritas will have implemented 22 village banks and established 25 community RALFs.

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**IV. PROJECT STATUS**

**A. Planned EOPS**

1. Prosthetic Production
2. Amputee Registry
3. People trained

**Progress to Date**

Average 32 devices/month, but has reached 74/month depending on demand. Production capacity could be increased to 100 per month if needed

2,223 amputee registered

10,689 beneficiaries

**B. Major Outputs**

	Planned			Accomplished			% of LOP
	This LOP	This Sem.	Next Sem.	This Sem.	Cum. LOP		
- Number of Prostheses (*)	2500	270	1860	270	245	2001	80%
- People Trained/Informed (*)	17500	1500	13100	1500	2948	10689	61%
- Printed Material Dist. (*) (000)	100	10	62.5	20	17.8	60.3	60%
- Reconstruction: (**)							
(a) - New Patients (1)	1000	250	250	400	340	376	38%
(b) - New centers	5	0	0	5	5	5	100%

(\*) Goals revised as per Amendment No.5

(\*\*) New outputs incorporated as per PIL No.18 dated March 23, 1992

(1) Includes patients attended directly by FUNTER and patients attended in centers financially supported by FUNTER.

**C. Other Accomplishments and Overall Status**

1. After several meetings and discussions with F-16, ASALDIG and ONUSAL, FUNTER finally began providing prosthetic devices to FMLN ex-combatants in September.
2. The orthotic Training and Production Program developed by FUNTER was approved by USAID. The process of contracting for international technical assistance in this field has begun.
3. As scheduled during this semester, FUNTER contracted a local architectural firm for the design of its new building.

**D. Problems and Delays**

**Problem:** The problem of a part-time volunteer Executive Director described in the previous SAR continues and is causing administrative delays within FUNTER (in Audit and Financial monitoring). It is expected that a new Board of Directors that will be elected early in November 1992 will take immediate action on this issue. If a new Executive Director is not named by January, USAID, El Salvador should intervene.

**E. Women in Development Issues:**

FUNTER has detected a total of 33 new disabled women during this period. This makes a total of 537 amputee women registered in the National Registry.

**F. Major Activities or corrective Actions during the Next Six Months:**

1. The design of the new building will be finished by mid-November, 1992. **Responsible:** FUNTER
2. A new Board of Directors will be elected in November 1992. Nomination of an appropriately qualified full-time Executive Director. **Responsible:** FUNTER
3. Finalize the contracting of the external auditing firm for the project. **Responsible:** FUNTER
4. Contract a Technical Advisor for the development of the Training and Production Program in Orthosis. **Responsible:** FUNTER

**MISSION STRATEGIC OBJECTIVE No. 2:**

**Equitable Economic Growth**



B. Major Outputs

	Planned				Accomplished		
	LOP	This	Next	Semest	This	Cum	% of LOP
		Semest	Semest		Semest		
Annual Household surveys	5	3	5		-	6	120%
Program/policy development studies carried out	25	2	8	4	1	10	40%
Tech assistance provided*	1140	150	731	150	178	963	84%
Short term training for GOES personnel and private sector*	370	100	359	150	137	557	150%
Long term training*	175	24	92	24	24	123	70%
Technical assistance in financial management*	311	36	172	72	114	334	107%

\* in person months

C. Accomplishments and Overall Status

The Institute for Liberty and Democracy (ILD) in conjunction with GOES officials finished adjustments to the legal framework of the Property Registry. Land-Registry software was adjusted to operate at full capacity and all personnel received training. The pilot program initiated in August, to date 459 titles were delivered to residents of urban informal settlements. The pilot program target for the next three months is 8,000 titles. With ILD assistance the local Institute for Liberty and Progress is improving its management capabilities and will soon receive authorization for autonomous management of its funds. This two-year program ends in December 1992.

Training was provided throughout the period. Approximately 629 persons (216 women and 413 men) attended twenty two in-country short-term courses and 40 (13 women and 27 men) attended ten offshore short-term seminars. Long term training at INCAE is being provided to four (1 women and 3 men) GOES officials. Training is a LOP activity.

As a direct result of the assistance provided under the Tax Modernization Program the Ministry of Finance drafted the law for the Value Added Tax. The decree was approved and the tax is in force since 9/1/92. The Tax Modernization program also developed a creative solution to the treasury's difficulties with bank receipts, float and reconciliation, and now taxpayers are able to pay in various commercial banks. The program made substantial advances in computerization completing the pre-registration of more than 42,000 contributors. In the customs area the contractor team drafted a new organic law for Customs as well as Customs regulations. The new law proposes a reduction of about half of the present level. The Customs team also developed a new "baggage" law to allow the searching only by random. This program ends in November 1993.

The Program of Improvement and Modernization of the Superintendency of the Financial System started in May. Of the five components covered under the activity, the legal framework, the Handbooks and procedures and the Organizations are completed; for the remaining two, Human Resources and Computerization, the contractor presented draft plans which are in the process of being reviewed by the Superintendency. The program will end in July/93.

USAID/El Salvador continued working with the GOES financial management entities to assist them in improving their operations. On July 31 the Assembly passed reinterpret the Constitution. The law: (1) provides for periodic advances; (2) authorized post audit as an effective modern control mechanism; and (3) decentralizes payment functions. The Court of Accounts prepared a new law which proposes a substantial decrease in its involvement in the expenditure authorization process and other incompatible functions, and introduces the modern post-audit as a cost effective means of control. The law is expected to be presented to the Assembly in October. For the implementation of the Integrated Financial Management Program USAID has requested proposals from US firms activity. An advisor will start to provide technical assistance for the Court of Accounts in October/92.

Through assistance from Kansas State University, all 16 grain handling and storage facilities belonging to IFA have been legally and technically inspected, value appraised, and estimates of rehabilitation established; 10 have been officially appraised by the Treasury Department and are ready for sale; sales prospectus have been elaborated and are ready for distribution to prospective clients. The GOES privatization strategy for the grain handling and storage facilities has been reviewed and approved by the Ministry of Agriculture; legal aspects have been reviewed by the Minister of Justice; and the Executive Order is expected to be issued in late 1992. Potential buyers have been identified and informed about the privatization benefits; a technical assistance and training package has been approved to support successful buyers; the first facility should be transferred by the end of 1992.

Technical assistance was provided to carry out the first national census in 20 years. A mid-term evaluation was initiated in September, major recommendations include the following: a plan needs to be developed to focus Mission management attention on sorting out where the project should be headed and the funding implications; the line between PD&S and the project should be clarified; the reporting treatment of major activities under this project should be separated; the need for periodic reviews of the program, and strengthening the advisory functions to the GOES of the personnel funded under the project.

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C.I. Women in Development Issues

The study entitled Diagnostic of the Situation of Women in El Salvador was financed under the project and provided valuable inputs to the GOES to review its economic and social programs to take women in development issues into account. The report was published in August, 1992.

The Project Technical Unit within MIPIAN sent letters to all the public sector institutions receiving training under the project, to promote the role of women and their participation in training activities, as a result this semester 34% of all trainees were women, compared to only 6% last semester.

D. Problems and Delays

**Delay:** The GOES has been slow in preparing and approving the Action Plan for Privatization, to date the meeting to review USAID comments has been indefinitely delayed. **Solution:** Senior Mission management will bring this issue to the attention of senior GOES officials.

E. Major Activities During the Next 6 Months

1. Technical assistance for the implementation of the Tax Modernization Program and the Strengthening of the Superintendency of the Financial Sector will continue to be provided.
2. Technical assistance will continue to be provided in support of the economic and social programs of the GOES in privatization, democratic initiatives, training, and public sector efficiency.
3. The contract to start the implementation of the Integrated Financial Management Program will be signed.
4. The pilot program of titling implemented by the ILD will be completed. ILD will finish its assistance on 12/31/92.
5. The first facility of IRA will be privatized by the end of 1992.
6. Technical assistance will continue to be provided to the census.

WPPPRJ304

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

MISSION DIRECTOR RATING: A  B  C

**I. BACKGROUND DATA**

Project Title:	Training for Productivity and Competitiveness	Amount Authorized:	DA/ESF Grant: orig \$14,000,000 amended to \$ NA
Project Number:	519-0315	Amount Obligated:	DA/ESF Grant: orig \$ 6,000,000 amended to \$13,300,000
Date of Authorization:	original 08/31/87 amendment 00/00/00	Amount Committed:	Period: \$ 0
Date of Obligation:	original 08/31/87 last amendment 08/29/90	Accrued Expend.:	Cumulative: \$13,276,957
PACD:	original 08/31/92 amended to 08/31/94		Period - Projected \$ 1,700,000
Implementing Agencies:	Fundación Empresarial para el Desarrollo Educativo (FEPADE)	Counterpart Contrib.	Period - Actual \$ 1,462,340
Major Contractors:	N/A		Cumulative: \$ 9,947,952
AID Project Manager:	Melvin Chatman, OET	% LOP elapsed:	Projected Next Sem. \$ 1,411,030
Status of CPs/Covenants:	CPs to First Disbursement - All Met: 8/87 CPs to Subsequent Disbursement - All Met: 8/87 Covenants: All Met: 8/87	% of Total Auth. Oblig.	Planned: \$ 4,670,000
Date of Last Evaluation:	02/91 Next evaluation: 05/94	% of Total Oblig. Expended	Actual: \$ 2,485,562
Planned Number of Non-Federal Audits during Fiscal Year:	3, 1992, 1993, 1994	% of Total Auth. Exp.	
The Number of such Audits Contracted for/Completed:	2		
Date of Last Audit:	10/91 Next audit: 10/92		

**II. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVE**

**A. Specific Linkage to Strategic Objective**

a) Strategic Objective No.1 Assist El Salvador Make the Transition From War to Peace. FEPADE training programs were among the first activities initiated to support this objective. The programs make unskilled FMLN and SAF ex-combatants ready for return to civilian life.

b) Strategic Objective No.2 Increase Equitable Economic Growth. FEPADE is providing training opportunities for thousands of Salvadorans who would, otherwise, be unable to afford technical training and be employed.

**B. Percent of LOP Funds Relating to Strategic Objective**

80 % No. 2 — 20 % No. 1

**III. PROJECT PURPOSE AND DESCRIPTION**

**A. Project Purpose**

To develop or upgrade the human resources needed by the Salvadoran private sector for increasing production, productivity and

competitiveness through the establishment of special training programs and linkages between the productive sectors and educational institutions.

**B. Achievements to Date**

1) Since 1987 FEPADE has trained 36,400 in vocational training courses. It also has trained 6,772 under management training seminars. A total of 126 credits have been earned.

2) In relation to the National Reconstruction Plan (NRP) FEPADE has trained 345 members of ex-conflictive areas.

**C. Project Description**

The Project improves vocational and technical skills training needed by priority sectors of El Salvador's economy, especially the non-traditional export segment.

The four components are: (1) Institutional Strengthening; (2) Vocational Technical Training; (3) Management and Information Training; (4) Scholarships and Education Credit Loans.

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IV. PROJECT STATUS

A. Planned EOPS

Progress to Date

1. FEPADE to be 100% self-sufficient  
FEPADE is currently approximately 50% self-sufficient.
2. 80% of FEPADE training graduates to be employed in area of training and rated as better prepared than average employees  
FEPADE shows 95% employment after training. 100% of employees rate FEPADE trained students as better prepared than the average employee.
3. 95% of all programs should be with visible industry/education relationship.  
100% of programs have visible relationship.
4. Under NRP activities 7000 persons will be trained. 5% of the total has been obtained.

B. Major Outputs

	Planned			Accomplished			% of LOP
	*LOP	This Sem.	Cum.	Next Sem.	This Sem.	Cum.	
1) Institute personnel trained in technical-vocational system	250	34	124	146	71	368	147%
(Cum. sex disaggregated data M/F: 70%/30%)							
2) Competency based curriculum designed	40	1	24	1	4	60	150%
3) Persons trained in competency based skills	25,800	4,274	6,574	6,486	6,792	30,699	119%
(Sex disaggregated data M/F: 69%/31%)							
4) Institution Programs received equipment and materials	18	2	27	1	9	46	255%
5) Management Administrative Training Management course participants	8,000	1,475	3,020	1,480	1,543	6,904	86%
(Cum sex disaggregated data M/F: 70%/30%)							
6) Export Training Persons trained in non-traditional export occupations	4,100	1,332	3,287	1,885	1,519	6,244	152%
(Cum. sex disaggregated data M/F: 18%:82%)							

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7) Members of ex-conflictive areas to be trained 7,000 — — 1,520 345 345 5%

C. Other Accomplishments and Overall Status

1. GENERAL

- a) FEPADE has been pro-active in the areas of National Reconstruction, delivering 20 courses for 345 participants and operating in five FMLN camps.
- b) FEPADE has 27 Advisory Committees composed of representatives from the private sector, technical institutes and others.
- c) FEPADE has implemented Management Administration Training seminars in General Administration, Total Quality, Accounting, Finance, Manufacturing/ Production and Sale/Merchandising, Economics, Export/Import, Human Resources.
- d) FEPADE has delivered 1,574 courses in the last year thru forty vocational/technical institutions.
- e) FEPADE will implement a direct/indirect cost accounting system on 01/93.

2. WOMEN IN DEVELOPMENT STATUS

- a) FEPADE's scholarship program is now being used to promote women in responsible business management positions.
- b) FEPADE has mounted a multimedia campaign designed to recruit women for training in traditional and non-traditional jobs.
- c) FEPADE continues to strive for its goal of 40% female participation in all of its programming. 9,463 women have been trained through the technical vocational program and 1,933 through the management-administrative program.

D. Problems and Delays

- Achievement of VOTEC institutional self-sufficiency continues to be difficult. Plans are hampered by the lack of a viable plan for self-sufficiency.
- Close commodity management recommendations.

E. Major Activities or Corrective Actions During the Next 6 Months

1. Establish its endowment using, in part, program income from the project.
2. Develop a new MIS strategy and propose it to AID.
3. Expand ex-conflictive zone involvement.
4. A total of 1,500 members of ex-conflictive areas will be trained.
5. Commodity management evaluation recommendations will be closed.
6. The draft of the document for the extension of the project for three more years will be prepared.

**PROJECT STATUS REPORT**  
**APRIL 1, 1992, SEPTEMBER 30, 1992**

MISSION DIRECTOR RATING: A X B \_ C \_

**I. BACKGROUND DATA**

Project Title: NTAE Production and Marketing  
 Project Number: 519-0392  
 Date of Authorization: original 06/28/91 amendment 00/00/00  
 Date of Obligation: original 06/28/91 last amendment 06/01/92  
 PACD: original 06/30/96 amendment 00/00/00  
 Implementing Agencies: Cooperative League of the U.S.A. (CLUSA)  
 Major Contractors: NONE  
 AID Project Manager: Luis Antonio Gonzalez  
 Status of CPs/Covenants: CPs to First Disbursement - All Met  
 CPs to Subsequent Disburs.- All Met  
 Covenants: NONE  
 Date of Last Evaluation: 00/00/00 Next Evaluation 06/01/94  
 Planned Number of Non-Federal Audits during Fiscal Year: Pending  
 The Number of such Audits Contracted for/Completed: Pending  
 Date of Last Audit: 00/00/00 Next Audit 00/00/00

**FINANCIAL DATA**

Amount Authorized: DA/ESF Grant: orig \$9,000,000  
 Amount Obligated: DA/ESF Grant: orig \$2,500,000 amended to \$5,500,000  
 Amount Committed: Period: \$3,000,000  
 Cumulative: \$5,500,000  
 Accrued Expend.: Period - Projected \$ 756,021  
 Period - Actual \$ 650,061  
 Cumulative: \$1,465,505  
 Projected Next Sem. \$ 750,000  
 Counterpart Contrib: Planned: \$2,260,375  
 Actual: \$ 361,877  
 % LOP elapsed: 23%  
 % of Total Auth. Oblig. 61%  
 % of Total Oblig. Expended 27%  
 % of Total Auth. Expended 16%

**II. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES**

**A. Specific Linkage to S.O.**

Because of the environmentally friendly technological packages extended by CLUSA to cooperatives and small farmers (S.O.No.5), exports and labor will be increased thus increasing equitable economic growth.

**B. Percent of LOP Funds Relating to S.O.**

85% of funds relate to strategic objective number 2, increase equitable economic growth. 15% of funds relate to strategic objective number 5, improved environment and natural resources management.

**III. PROJECT PURPOSE AND DESCRIPTION**

**A. Project Purpose**

To increase the production and marketing of non-traditional agricultural exports (NTAES) by cooperatives and small farmers.

**B. Achievements to Date**

The Project has made excellent progress towards the Project purpose and is on target to have a major impact on non-traditional exports by cooperatives and small farmers who have exported crops such as sesame, black-eyed peas, okra, melons, and marigold which have earned more than \$2,000,000 in the first year of the project. Several new crops are being added. New activities in formerly conflictive areas have reinforced and enhanced the success of the reconstruction program.

**C. Project Description**

The Project provides intensive in-the-field training and technology transfer to producers in the production, harvesting and postharvest handling and packing of NTAE products. The Project will also link coops and producers, private sector suppliers and local buyers (processors/exporters). Intensified marketing/investment efforts in the U.S. and other foreign markets will be made. A separate unit will be established to address business, financial and training needs of participating cooperatives. A record keeping and reporting system to monitor production of participating coops will be established.

**IV. PROJECT STATUS**

**A. Planned EOPS**

	<u>Progress to Date</u>
1. 6,000 additional hectares will have been planted in selected non traditional agricultural export crops due to CLUSA's assistance and market facilitation	1,770
2. 126,471 Total direct/indirect beneficiaries	25,426
3. 40 NTAE crops produced with net profits	26
4. NTAE production increased by 250%	108%

**B. Major Outputs**

	Planned		Next		Accomplished		% of
	LOP	This Sem.	Cum.	Sem.	This Sem.	Cum.	
- Increase in NTP: products exported	8	2	4	0	2	4	50
- Increase in irrigated has.	800	0	75	150	78	158	20
- Employment days generated							
Person/days (x 1,000)	533	36	48	60	27	126	24
- Women	107	7	9	12	5	25	23
- Men	426	29	39	48	22	101	24
- Increase in Action Plans	52	15	24	6	9	22	42
- Exporters/processors/brokers assisted	10	0	1	0	0	3	30
- Foreign investors assisted	5	1	2	1	1	2	40
- Production increased (lbs X 1,000)	26,146	2,000	4,000	6,000	1,797	14,686	56
- Cooperatives and groups of small producers assisted	36	5	15	6	8	20	55
- Environment:							
a) Cooperatives trained in pesticide management and safety	36	10	20	5	1	11	30
b) Cooperatives sign a letter of understanding	36	8	25	6	7	24	66
c) No. of person/days of TA/T dedicated to crop & environment protection	420	30	60	20	27	57	14

### C.1. Other Accomplishments and Overall Status

- 27 technicians from: Coops (14), CLUSA (5), exporters (4), banks (2), and ISTA (2) participated in a field trip to farms in Honduras to observe improved technology for melon production.
- Crop production credit applications were completed for 25 project participant cooperatives. 19 applications submitted and 17 approved.
- 9 Action Plans were developed and 12 implemented of 15 planned.
- 8 new coops/small farmer groups began receiving technical assistance of 5 planned for this semester.
- CLUSA finished the pickle feasibility study and presented it to San Cayetano and La Labor Cooperatives.
- Through Project assistance UCRAPROBEX was approved as Associate Member of the Organic Crop Improvement Association (OCIA).
- Organic coffee crop certification was completed for 2 cooperatives.
- Five new cooperatives in oriente are receiving T/A from CLUSA: Tamera, San Antonio Silva, Casa Mota, La Providencia and San Mauricio.
- Technical Assistance in negotiating melon contracts is being provided to 10 cooperatives.
- NTAE production assistance focused mainly on marigold, okra and sesame planting and harvesting. A total of 531.5 mzs. of NTAEs were planted: 184.5 mzs of marigold, 10 of okra, and 337 of sesame.
- CLUSA trained two members of the Nueva Guayapa cooperative in Computer Software use prior to the installation of a computerized accounting system.
- CLUSA assisted Los Achiotales cooperative in the preparation of a grant proposal for a sprinkler irrigation system to be used in the production of NTAEs. The Inter American Foundation (FIA) approved the request for \$6,000.
- Melanie Zavala, CLUSA's pesticide safety specialist, gave a two day seminar in The Safe Use of Pesticides to 19 technicians from CLUSA (10), exporters (4), Association of Distributors of Ag. Products (1), TechnoServe (2), and UCRAPROBEX (1).
- CLUSA trained 47 members of 11 new producing cooperatives, ISTA, and BFA in "Types of Melon Sales Contracts".
- AID obligated \$3,000,000 to the Project to have a new cumulative of \$5,500,000.
- The Project was visited by 3 board members of 3 U.S. cooperatives with the purpose of establishing coop to coop relationships.
- During the period, 7 cooperatives received 52 hrs. of TA/T in pesticide management and safety.

### C.2 WID Issues

- 5,587 women/day of employment were generated in the NTAE production.
- In order to expand the outreach of the Zamorano training, CLUSA in coordination with Zamorano sponsored a 40 hrs. seminar on "The Safe Use of Household Pesticides". A total of 15 women social promoters attended. These women will now develop training programs for presentations to other women in their communities to make them aware of the pesticide dangers around their homes.

### D. Problems and Delays

- No major problems or delays.

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

- Approve CLUSA's Action Plan for 1992 - 1993.
- Develop Jalapeno Pepper Project with El Maranon Cooperative in coordination with FUSADES/DIVAGRO and EDCO, a US buyer.
- Conduct in coordination with Zamorano Agricultural School a 50 hour seminar on Integrated Pest Management.
- Install accounting software and further train the Nueva Guayapa cooperative in its use.
- Develop and implement 7 Action Plans.
- Present Cara Sucia irrigation feasibility study to Banco Salvadoreno for its financing.
- Sign a production and marketing technical assistance contract with ACOPAI.
- Continue the promotion of the Pickle Project between a U.S. firm and Cooperative producers.
- Conduct a 3-day seminar on organic coffee production.
- 6 new cooperatives will be incorporated in the program.
- CLUSA will evaluate the 21 action plans implemented to their effectiveness in bringing about sustainability to the beneficiaries.

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

MISSION DIRECTOR RATING: A X B C

**I. BACKGROUND DATA**

Project Title: Rural Enterprises Development II  
 Project Number: 519-0382  
 Date of Authorization: original 06/28/90  
 Date of Obligation: original 06/28/90 last amendment 06/19/92  
 PACD: original 05/31/94  
 Implementing Agencies: TechnoServe, Inc.  
 Major Contractors: N/A  
 AID Project Manager: Luis Antonio González  
 Status of CPs/Covenants: CPs to First Disbursement-All Met: 10-30-90  
 Covenants: Various Satisfactory

**FINANCIAL DATA**

Amount Authorized: DA/ESF Grant: orig \$6,500,000  
 Amount Obligated: DA/ESF Grant: orig \$4,500,000 amended to \$6,500,000  
 Amount Committed: Period: \$2,000,000  
 Cumulative: \$6,500,000  
 Accrued Expend.: Period - Projected \$ 809,000  
 Period - Actual \$ 699,780  
 Cumulative: \$2,868,103  
 Period - Next \$ 800,000  
 Counterpart Contrib: Planned: \$2,167,000  
 Actual: \$1,050,700

Date of Last Evaluation: 00/00/00 Next evaluation: 02/01/93  
 Planned Number of Non-Federal Audits during Fiscal Year: Pending  
 The Number of such Audits Contracted for/Completed: Pending  
 Date of Last Audit: 00/00/00 Next audit: 00/00/00

% LOP elapsed: 65%  
 % of Total Auth. Oblig. 100%  
 % of Total oblig. Expended 44%  
 % of Total Auth. Exp. 44%

**II. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVE**

**A. Specific Linkage to S.O.**

TechnoServe is transferring environmentally friendly technology to Phase I, Phase III, and traditional cooperatives (S.O. No.5), thus increasing exports and jobs (S.O. No.2).

**B. Percent of LOP Funds Relating to S.O.**

85% of funds relate to strategic objective number 2, increase equitable economic growth. 15% of funds relate to strategic objective number 5, improved environment and natural resources management.

**IV. PROJECT STATUS**

**A.**

Planned EOPS                      Progress to Date

1. Increase employment (person years)	42,000	15,682
2. Increase family income (\$000)	162,567	96,077
3. Increase area under cultivation (ha.)	88,190	73,497

**III. PROJECT PURPOSE AND DESCRIPTION**

**A. Project Purpose**

To develop self-managed enterprises and assist institutions which service these enterprises.

**B. Achievements to Date**

Satisfactory progress has been made toward the project purpose. For example, 22 cooperatives report positive cash flows under self management after receiving project assistance.

**C. Project Description**

Project activities will emphasize strengthening Phase I, Phase III, and traditional cooperatives. Limited support will be provided to GOES institutions, mainly in terms of sharing information and lessons learned. Technical assistance and training will also be provided in a limited way to cooperative federations and private development institutions, which service rural enterprises.

**B. Major Outputs**

	<u>Planned</u>			<u>Accomplished</u>		<u>% of LOP</u>	
	<u>LOP</u>	<u>This Sem.</u>	<u>Next Sem.</u>	<u>This Sem.</u>	<u>Cum.</u>		
Cooperatives assisted	50	4	23	4	8	38	76
Preliminary investigations	72	8	45	6	3	40	56
Project Agreements	72	10	47	10	13	67	93
Project activities analyzed	204	28	132	27	35	105	51
Project plans implemented	98	15	67	21	27	76	78
Training activities	64	8	96	8	18	52	81
Feasibility studies	14	3	11	4	8	27	193
Coordination activities	112	14	82	14	18	129	115
Persons trained	3,200	400	1,892	800	421	1,973	62
Women		32		80	53	311	
Men		368		720	368	1,662	

**C.1. Other Accomplishments and Overall Status**

- AID obligated \$2,000,000 to the Project to have a new cumulative of \$6,500,000.
- After 13 years as Program Director, Ing. Lino Osegueda retired. Lic. Carlos Abarca, former Vice-director, and a 14 year veteran in TechnoServe El Salvador, was appointed as new Director.
- TechnoServe assisted 33 cooperatives in completing financial report for the close of their FY. 22 showed positive cash flows 9 reduced cash flow deficits by as much as 55% from previous year. At the rate these cooperatives are performing, they will be self sustained at PACD.
- Action Plans for the coops assisted were reviewed and adapted to the new market conditions.
- 104 members of UCRAPROBEX were trained in 5 separate events. 44 were trained in industrial aspects of coffee and 60 in financial aspects.
- Bureaucratic procedures in CENDEPESCA have delayed approval of fishing permits to FECCOOPAZ - Federation of Fishermen Cooperatives. TechnoServe trained members of the federation in salesmanship, and changed the old open market system to a direct sale to institutions and retail markets.
- Two feasibility studies (irrigation systems for El Progreso de R.L. and packing system for El Castano) are completed. Agreement with UCRAPROBEX has been signed to make the coffee roasting study.
- 37 Cooperatives affiliated to UCRAPROBEX have radio communications with the central office that provides daily market information.
- TechnoServe and PRADEPESCA signed an agreement to assist a fishermen cooperative "El Pacifico", in La Union.

**C.2. WID Issues**

- Women have been included in the Administrative Council of cooperatives Nazareth, FECCOOPAZ, Florencia and Las Lajas, assisted by TechnoServe.
- 65 new jobs have been created in cooperatives El Rubi, Nuevo Amanecer, and Las Brisas, under TechnoServe assistance.
- Registration of one of the women coops was completed. The other two completed paper work and are in process of registration.

**D. Problems and Delays**

- No major problems or delays.

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

- A formal Evaluation of the Project has been scheduled for February 1993.
- TechnoServe will complete the UCRAPROBEX feasibility study.
- TechnoServe, and the cooperatives will implement the two feasibility studies.
- Ten new assistance agreements will be signed. 4 of them will be with new cooperatives which will increase the employment generated by the Project.
- TechnoServe will cooperate with the Secretaria Nacional para la Reconstruccion (SNR) in training demobilized persons and micro-enterprises in several agriculture topics related with the protection of the environment and farm administration.
- Complete 6 new preliminary investigations previous to signing an assistance agreement.

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

MISSION DIRECTOR RATING: B

**I. BACKGROUND DATA**

Project Title: Coffee Technology Transfer  
 Project Number: 519-0362  
 Date of Authorization: original 07/15/92 amendment 00/00/00  
 Date of Obligation: original 07/17/92 last amendment 09/30/92  
 PACD: original 07/31/97  
 Implementing Agencies: Salvadoran Coffee Research Foundation (PROCAFE)  
 Major Contractors: None  
 Project Manager: Mike Wise, ANR  
 Status of CPs/Covenants: Major CP's completed, others in process

Date of Last Evaluation: 00/00/00 Next evaluation: 06/94  
 Planned Number of Non-Federal Audits during Fiscal Year: Pending  
 The Number of such Audits Contracted for/Completed: Pending  
 Date of Last Audit: 00/00/00 Next audit: 07/93

**FINANCIAL DATA**

Amount Authorized: DA Grant: orig \$12,000,000 amended to N/A  
 Amount Obligated: DA Grant: orig \$ 4,510,000 amended to \$10,000,000  
 Amount Committed: Period: \$ 4,510,000  
 Cumulative: \$ 4,510,000  
 Accrued Expend.: Period - Projected \$ 0  
 Period - Actual \$ 0  
 Cumulative: \$ 0  
 Projected Next Sem. \$ 5,000,000  
 Counterpart Cont.: Planned: \$11,250,000  
 Actual: \$ 0  
 % LOP elapsed: 5  
 % of Total Auth. Oblig. 30  
 % of Total Oblig. Expended 0  
 % of Total Auth. Exp. 0

**II. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVE**

**A. Specific Linkage to Strategic Objective**

The Project contributes to the Mission goal of increasing equitable economic growth by assisting coffee producers, especially small producers, to increase yields, profits, foreign exchange and rural employment through improved coffee production technology. Since the majority of El Salvador's existing forests are coffee plantations, the Project also contributes to the objective of improved environment and natural resource management.

**B. Percent of IOP Funds Relating to Strategic Objective**

Increasing equitable economic growth.....95%  
 Improved environment and natural resource management.....5%

**III. PROJECT PURPOSE AND DESCRIPTION**

**A. Project Purpose**

To improve per unit coffee yields and overall industry performance with a special emphasis on small producers.

**B. Achievements to Date**

PROCAFE has been formed and functioning for over a year. A "check-off" of \$1.00/quintal has been allocated by the Legislature to sustain PROCAFE. Key personnel from ISIC have been identified and hired by PROCAFE, branch offices have been opened (the first was in Ciudad Barrios in the NRP area) and field days, demonstrations, etc. are being conducted by PROCAFE. All Conditions precedent to the first disbursement have been met. The RFP for Project funded technical assistance is ready for publication, and the EA has been reviewed and sent to AID/W for approval.

**C. Project Description**

The Project will provide technical assistance, training and equipment to establish a modern coffee research and extension capability under the direction of the industry's growers/processors. By adapting improved technology, the Salvadoran coffee industry will halt the decline in annual production and surpass previous levels. Project activities will extend throughout the country (including the NRP areas) and to all growers, but they will focus on the special problems of the almost 30,000 small growers and cooperative members. Project impacts will be multiplied, where possible, by transferring technology through organized groups of farmers.

**IV. PROJECT STATUS**

**A. Planned EOPS**

Progress to Date

1. Technology transferred to 15,000 small producers and 46 ag ref coops.
2. New technology and improved cultural practices (ICP) employed on 120,000 manzanas.
3. Yield increases to:
  - 25 QQ/MZ fully replanted
  - 20 QQ/MZ partially replanted
  - 15 QQ/MZ imp. cultural practices.
4. PROCAFE will have sustainable admin, research and extension units with 68 trained technology transfer agents.

**B. Major Outputs**

	Planned			Accomplished			
	LOP	This Sem.	Cum	Next Sem.	This Sem.	Cum.	% of LOP
of farmers attended	20,000	0	0	1,000			
of small farmers	15,000	0	0	750			
of female farmers	2,000	0	0	100			
of male farmers	18,000	0	0	900			
of manzanas attended	120,000	0	0	5,000			
fully renovated	20,000	0	0	200			
partially renov.	31,250	0	0	500			
imp.cult. prac.	68,750	0	0	4,300			
of tech. agents trained	68	0	0	0			
female agents	10	0	0	0			
male agents	58	0	0	0			
of field days, training events, etc.	20	0	0	2			
Check-off funds recv'd	\$11.25 M			\$ 1.0M			

**C. Other Accomplishments and Overall Status**

For the first time in history, the four private sector coffee organizations of El Salvador are united in a common goal and cooperating to support an industry initiative.

PROCAFE has signed a 10 year contract with the Salvadoran Coffee Council to provide coffee research and extension services to Salvadoran growers. It has also signed cooperative research agreements with CATIE and PROMECAFE and conducted a survey resulting in the first official Salvadoran coffee production estimates since 1980. It has established a data bank containing the names and farm data for all registered coffee producers in the country, and will soon begin a Producer Census.

PROCAFE has been operating under Limited Scope Grant Agreement funds from AID and two SETEFE Action Plans which will expire in November. The first annual Project Action Plan has been prepared, as well as a Five Year Plan.

The notice announcing an RFP for Technical Assistance has been sent to the CBD and should appear near the end of October. Five major firms (consortia) have expressed interest assisting the implementation of the Project.

**D. Problems and Delays**

1. Update on Problems/Delays from Previous SAR—N/A

2. This Period

**Problem:** The "check-off" funds are not yet being collected by the Ministry of Hacienda and passed to PROCAFE's account through the CSC. **Status:** Although the Project has met the CP's to the first disbursement, the Ministry of

Hacienda does not yet have authority to collect the "check-off", even though the 1993-94 coffee year began on October 1. Prior to receiving the "check-off" funds from the Ministry of Hacienda, the CSC is required to submit for legislative approval a formula allocating the cost of the "check-off" among producers, processors and exporters. The CSC has submitted its proposal to the President, but the President is withholding all legislation related to coffee from the Assembly in a dispute over an unrelated matter. The impact of this is that coffee is being exported without the PROCAFE "check-off" being deducted, thus reducing counterpart funds. Also affected by the President's decision is a Decree granting MAG the authority to rent the former ISIC facilities to PROCAFE (a condition for subsequent disbursements).

**E. WID Issues**

Even without Project funding, PROCAFE continues to support Women in Development activities. The first PROCAFE technician approved for Master's level training is a woman currently studying at CATIE, and preliminary data from the list of growers indicate that a significant proportion (perhaps as high as 30%) of registered coffee producers in El Salvador are women. A woman serves as Vice President of the PROCAFE Board.

**F. Major Activities or Corrective Actions During Next Six Months**

Convince President Cristiani to release the CSC decree so that it can be approved by the Assembly and Hacienda authorized to collect the "check-off."

Obtain Presidential approval to for MAG to rent the former ISIC facilities to PROCAFE and pass some of the former ISIC equipment to PROCAFE.

Sign a contract for the provision of Project funded Technical Assistance and begin procurement activities.

Assist PROCAFE to hire a permanent, qualified Executive Director and to complete selection of key personnel.

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

I. BACKGROUND DATA

Project Title: Rural Electrification  
 Project Number: 519-0358  
 Date of Authorization: original 08/12/88 amendment 04/05/90  
 Date of Obligation: original 08/12/88 last amendment 06/30/89  
 PACD: original 09/30/95  
 Implementing Agencies: National Rural Electric Cooperative Association  
 Major Contractors: None  
 Project Manager: Mike Wise, ANR  
 Status of CPs/Covenants: None

Date of Last Evaluation: 07/15/91 Next evaluation: 03/93  
 Planned Number of Non-Federal Audits during Fiscal Year: Pending  
 The Number of Sucl. Audits Contracted for/Completed: Pending  
 Date of Last Audit: 12/30/91 Next audit: 12/92

MISSION DIRECTOR RATING: A

FINANCIAL DATA

Amount Authorized: DA Grant: orig \$5,000,000 amended to \$10,000,000  
 Amount Obligated: DA Grant: orig \$5,000,000 amended to \$10,000,000  
 Amount Committed: Period: 0  
 Cumulative: \$10,000,000  
 Accrued Expend. : Period - Projected \$ 1,000,000  
 Period - Actual \$ 746,600  
 Cumulative: \$ 6,916,534  
 Projected Next Sem. \$ 750,000  
 Counterpart Cont.: Planned: (colones) 25,000,000  
 Actual: (colones) 17,226,550  
 % LOP elapsed: 59  
 % of Total Auth. Oblig. 100  
 % of Total Oblig. Expended 69  
 % of Total Auth. Exp. 69

II. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVE

A. Specific Linkage to Strategic Objective

By increasing the efficiency of El Salvador's electrical utility through training, technical assistance and improved operating procedures, the Project contributes to increasing equitable economic growth, especially in underserved rural areas. Project construction activities focus on the NRP areas, thus helping El Salvador make the transition from war to peace.

B. Percent of LOP Funds Relating to Strategic Objective

Increasing equitable economic growth... 85%  
 Helping El Salvador make the transition from war to peace 15%

III. PROJECT PURPOSE AND DESCRIPTION

A. Project Purpose

To implement and demonstrate proven methods for improving delivery and end use of electricity in rural areas. The purpose was recently amended to support privatization of CEL and construction/rehabilitation of lines in NRP areas.

B. Achievements to Date

As shown in the Outputs Section, the Project has demonstrated increased electrical distribution efficiency and availability, especially in rural areas. In addition, two studies forming the basis for privatization of electrical distribution are underway. One private rural electric cooperative has been formed and is serving 5,000 persons, and electric distribution lines into the NRP areas have been constructed/rehabilitated.

C. Project Description

The Project assists CEL to improve overall electrical distribution efficiency, including the promotion of private distribution entities. It constructs distribution lines in rural areas and demonstrates productive uses of electrical energy to rural consumers. Project activities have been redirected toward serving the energy needs of NRP area residents, and the Project has expanded its counterpart relationships to include municipalities, NGO's, etc. in order to reach more persons within the NRP areas.

IV. PROJECT STATUS

A. Planned EOPS

1. Improved productivity and standards of living for 25,000 rural residents, especially in the NRP areas heretofore unserved by electricity.
2. CEL's operating efficiency improved resulting in increased service to expanded rural areas.

Progress to Date

Line construction and rehabilitation activities continue and are being expanded in the NRP areas. The Productive Uses program is operating in NRP areas as well.  
  
 CEL personnel continue to receive training and technical assistance which are the bases of improved service delivery.

B. Major Outputs

	Planned				Accomplished		
	LOP	This Sem.	Cum	Next Sem.	This Sem.	Cum.	% of LOP
1. Reduce RE const costs	5%	0	5%	0	0%	11%	220
2. Const substations	4	1	1	0	0	1	25
3. Reduce peak demand	2%	0	0	0	0	0	0
4. Train utility staff	90	110	290	120	120	406	412
5. Men (person days)	NA	100	155	120	120	397	
Women (person days)	NA	10	15	0	10	17	
6. Conduct PU demos.	200	30	80	30	28	106	52
7. Small hydro inventory and pilot projects	1	0	1	0	0	1	100
8. Increase of consumers of electricity	26,000	500	2,800	2000	600	3,950	16
9. Reduce power losses	5%	0	1%	0	0	1%	20
10. Increase availability of electricity	10%	0	6%	1%	1	5%	50
11. Studies to improve RE management	4	1	4	0	1	4	100
12. Studies to improve RE SOP's	3	0	3	0	0	5	167
13. Construct rural distribution lines (kms)	1,000	200	501	300	109	243	24

C. Other Accomplishments and Overall Status

1. NRECA MOU signed with GOES on 9-9-92 authorizing NRECA to expand its counterparts to municipalities, the SRN and NGO's; and NRECA established a Merliot branch office to serve the expanded number of counterparts.

D. Problems and Delays

1. Update on Problems and Delays from Previous SAR

**Problem:** The NRECA evaluation recommended establishing a credit facility within CEL to promote sales of Productive Uses appliances. The recommendation was rejected within the Mission which decided to: (1) Try to improve BFA/CEL cooperation, and (2) expand NRECA's activities to involve more lending entities. **Status:** BFA established Productive Use loans as eligible under its C 43 million Small Enterprise line of credit. On 9-12 and 9-23, NRECA and BFA held training sessions with BFA agents to familiarize them with loan procedures for Productive Uses purchases. As of 9-30-92, seven loans totalling 12,200 colones have been made. NRECA approached FINCA/CAM as an alternative source of credit and an agreement is being developed between the organizations.

**Delay:** The NRECA MOU was lost in MIPLN, delaying the approval of additional counterparts for NRECA construction activities, especially within the NRP areas. **Status:** The MOU was found and subsequently signed on 9-9-92. NRECA's counterparts now include the SRN, municipalities and NGO's, increasing the availability and agility of NRECA resources, especially in the NRP areas.

2. Rural line construction is still behind schedule due to delays by CEL in acquiring necessary construction materials and awarding construction

contracts.

E. WID Issues

There are no significant WID issues to report this semester. NRECA continues to support Women in Development by training women technicians and managers in CEL and supplying electricity to rural areas. Many of the Productive Use activities are aimed at easing chores traditionally assigned to rural women and expanding women's economic opportunities.

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

1. The Sector Distribution Strengthening Study is underway and will continue throughout the semester, making an inventory of all distribution lines, equipment, etc. within the country. The information will be integrated with other studies of the current distribution system in order to develop and recommend a plan for delineating reasonable, economically viable distribution districts. This is a prerequisite to eventually privatizing distribution.

2. With the recent approval of Terms of Reference for the expanded Energy Efficiency Program (based on data collected under a previous activity), NRECA will undertake this activity by developing a detailed work plan for USAID approval.

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

MISSION DIRECTOR RATING: A    B X C   

I. BACKGROUND DATA

Project Title: Agribusiness Development  
 Project Number: 519-0327  
 Date of Authorization: original 09/27/87 amendment 07/31/89  
 Date of Obligation: original 09/29/87 last amendment 03/07/90  
 PACD: original 09/30/92 amended to 09/30/94  
 Implementing Agencies: FUSADES (Divagro/Fidex)  
 Major Contractors: HAC/API (shrimp T/A)  
 AID Project Manager: Donnie E. Harrington  
 Status of CPs/Covenants: CPs to First Disbursement: 01/26/88  
 CPs to Disbursement(Line of Credit):07/13/88  
 Covenants: Various, substantially met.

Date of Last Evaluation: June 92 Next evaluation: May 94  
 Planned Number of Non-Federal Audits during Fiscal Year: Pending  
 The Number of such Audits Contracted for/Completed: Pending  
 Date of Last Audit: December 91 Next Audit: December 92

FINANCIAL DATA

Amount Authorized:	DA/ESF Grant: orig \$20,000,000 amended to \$33,000,000
Amount Obligated:	DA/ESF Grant: orig \$10,116,000 amended to \$33,000,000
Amount Committed:	Period: \$ 1,387,331
	Cumulative: \$32,662,798
Accrued Expend.:	Period - Projected \$ 3,000,000
	Period - Actual \$ 3,799,812
	Cumulative: \$20,184,013
	Projected Next Sem.\$ 4,000,000
Counterpart Contrib. Planned:	\$11,000,000
	Actual: \$ 5,215,642
% LOP elapsed:	72%
% of Total Auth. Oblig.	100%
% of Total Oblig. Expended	61%
% of Total Auth. Expended	61%

II. RELATIONSHIP TO STRATEGIC OBJECTIVES

A. Specific Linkages to Strategic Objective:

The Project contributes directly to strategic objective number 2, increase equitable economic growth, by providing technical assistance, training and credit to producers and exporters of non-traditional agricultural products. The Project also contributes to strategic objective number 5, improved environment and natural resources management through its quality assurance program which includes an analytical laboratory.

B. Percent of LOP Funds Relating to Strategic Objective:

85% of funds relate to strategic objective number 2, increase equitable economic growth and 15% of funds relate to strategic objective number 5, improved environment and natural resources management.

III. PROJECT PURPOSE AND DESCRIPTION

A. Project Purpose:

To increase the production and export of new agricultural products.

B. Achievements to Date:

The Project has successfully promoted 14 nontraditional export crops, (93% of planned EOPS), of which the most successful are sesame, melons, flowers and ornamental plants, and pond raised shrimps. Incremental NTAE foreign exchange earnings from project-assisted crops totalled to date \$34.4 millions.

C. Project Description:

Project is designed to provide technical assistance, training and credit to private non-traditional, export agribusiness in El Salvador, thereby increasing foreign exchange and employment.

IV. PROJECT STATUS

<u>A. End of Project Status (EOPS):</u>	<u>Planned EOPS</u>	<u>Progress to Date</u>
1. Increase foreign exchange earned by the agricultural sector	US\$49 M annual exports	\$34.4
2. Increased employment in the agricultural sector	12,600 fulltime equivalent jobs generated	13,450
3. Increased non-traditional crops being commercially produced and exported	15 NTAEs being produced and exported	14
4. Increased area under cultivation of non-traditional crops for export	23,000 has. under NTAEs by 1994	18,681

B. Major Outputs

	LOP	Planned			Accomplished		
		This Sem.	Cum.	Next Sem.	This Sem.	Cum.	% of LOP
1.A functional technology transfer program instituted:							
- 30 new products identified & technology disseminated.	30	0	25	2	0	32	106 %
- Four experimental stations testing new varieties and training agrobusinessmen, farmers, students and coops members.	4	0	4	0	0	4	100 %
- On-farm demos to validate NTAE technology.	90	6	42		10	78	87 %
- An established quality assurance program, including pest control and post harvest activity.	1	0	1	0	0	1	100 %
- An integrated T/A delivery system established reaching:							
a. 40 agribusiness	40	2	N/A		0	60	150 %
b. 20 agrarian ref.coops	20	0	N/A		0	76	380 %
c. 11,000 small farmers (000)	11.0	1.0	N/A	1.0	0.2	9.2	84 %
- Aquaculture exporting \$ 3 million annually (\$000)*	3,000	200	N/A	300	404	752	25 %
2.A functional credit program established:							
- \$10 million in loans committed to NTAE projects (\$000)	10,000	1,200	6,900	700		3,738**	37 %
- \$4 million of the above committed to aquaculture activities (\$000)	4,000	600	N/A	400		0 1,506**	38 %
3.A viable marketing capability developed:							
- 12 foreign investments in El Salvador promoted by DIVAGRO*	12	1	4	1	3	6	50 %
4.Economic Benefits to 23,000 rural households (000)	23	0.6	N/A	1.2	0.6	21.7	94 %

\* indicator added during Project implementation.

\*\* These figures have been revised to reflect the value of the loans actually committed and the devaluation of the colon.

C.1 Other Accomplishments and Overall Status

- Mid-project evaluation was completed. Findings and recommendations have been discussed with FUSADES to be implemented ASAP. Two most important tasks over the 30 months remaining to PACD were defined: (1) restructuring the organization to permit greater responsiveness to client demands and (2) to implement tactical and strategic measures to begin to achieve self-sufficiency
- DIVAGRO completed the importation of lab equipment and constructed 65% of the building for its Quality Assurance laboratory.
- DIVAGRO has actively begun the contracting of laboratory personnel in anticipation of the initiation of activities in its building.
- When 70% of LOP has elapsed, EOPS indicators are on target or have surpassed them.
- DIVAGRO sponsored 13 training seminars attracting 493 (421 males and 72 females) participants for ornamentals, quality control, irrigation, etc. 71 participants received certification as Certified Pesticide Applicator
- 12 seminars in different NTAES topics are planned for the current semester.
- Fluker Farms, EDCO Food Products and Sociedad Industrial de Aditivos y Tecnologia Agropecuaria, 3 new foreign investors promoted by DIVAGRO initiated activities to produce and exports NTAES.
- DIVAGRO has continued promotion of NTAES providing T/A and research support to farmers in crops such as sesame, evaluating 4 new varieties imported from Mexico, in 4 different locations; melons, providing training to farmers in new areas in Oriente in preparation for the new crop season; logistic support to 63 new hectares of seedless watermelons to be planted next season and to 70 has. planted of broomcorn and marketing support to the associated agribusiness; T/A to 27 small farmers planting 12.5 has. of brocoli in the conflictive areas of Chalatenango; importing 4 new varieties of flowers and 18 new varieties of palm; T/A to 30 has. of shrimp ponds and to a new company producing PLs.

C.2 W.I.D. Issues

- 4,797 female jobs (65% of total) created by DIVAGRO assisted enterprises.
- A woman has opened the first melon export company, promoted by DIVAGRO.
- Majority of persons employed by DIVAGRO for its Quality Assurance laboratory, analytical section, are women.

D. Problems and Delays

- At the rate of actual expenditures FUSADES/DIVAGRO will run out of funds for operations well in advance of the PACD.
- FUSADES presented to A.I.D. a sustainability plan that is not acceptable.

E. Major Activities or Corrective Actions During the Next 6 Months

- A reprogramming of funds will be made in order to provide DIVAGRO with adequate funding until PACD.

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

MISSION DIRECTOR RATING: B

**I. BACKGROUND DATA**

Project Title: Agrarian Reform Financing  
 Project Number: 519-0307  
 Date of Authorization: Original 07/15/86 amendment: none  
 Date of Obligation: Original 07/31/86 last amendment 03/12/90  
 PACD: Original 07/31/91 amended to: 07/31/93  
 Implementing Agencies: Central Reserve Bank of El Salvador (BCR).  
 Contractor: Arizona State University (ASU)  
 AID Project Manager: Ana Luz Joya de Mena  
 Status of CPs/Covenants: CPs to first disbursement all met: 12/15/86

Date of Last Evaluation: 07/91 Next evaluation: none  
 Planned Number of Non-Federal Audits during Fiscal Year: 1  
 The number of such Audits Contracted for/Completed: 1  
 Date of Last Audit: 03/92 Next audit: 11/93

**FINANCIAL DATA**

Amount Authorized: DA Grant: orig \$50,000,000 amended to \$ none  
 Amount Obligated: DA Grant: orig \$ 6,500,000 amended to \$50,000,000  
 Amount Committed: Period: \$ 0  
 Cumulative: \$49,922,184  
 Accrued Expend. : Period - Projected \$ 7,000,000  
 Period - Actual \$ 7,360,992  
 Cumulative: \$49,577,527  
 Projected Next Sem. \$ 0  
 Counterpart Cont.: Planned: \$17,000,000  
 Actual: \$17,000,000  
 % LOP elapsed: 89%  
 % of Total Auth. Oblig. 100%  
 % of Total Oblig. Expended 99%  
 % of Total Auth. Exp. 99%

**II. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVE**

**A. Specific Linkage to Strategic Objective**

By increasing the availability and productive use of credit to agrarian reform sector farm families, the project has contributed to increasing equitable economic growth through increased agricultural production and productivity of land and labor. In response to the National Reconstruction Program, \$5 million of Project credit reflows were used to establish a production credit fund to increase production in the ex-conflictive areas, thus contributing to strategic objective number one, assist El Salvador make the transition from work to peace.

**B. Percent of LOP Funds Relating to Strategic Objective**

95% of funds relate to strategic objective number two, increase equitable economic growth.  
 5% of funds relate to strategic objective number one, assist El Salvador make the transition from work to peace.

**III. PROJECT PURPOSE AND DESCRIPTION**

**A. Project Purpose**

To increase the availability and productive use of credit in the Reform Sector.

**B. Achievements to Date**

At September 30, 1992 the Project has rediscounted a cumulative total of \$ 94.6 Million (Investment \$20.41 Million, production \$74.23 Million) over the life of the project. Of this amount, the 94% was granted to Phase I cooperatives and 6% was granted to to Phase III beneficiaries.

At the end of the crop year 91/92 the accumulated value of production generated total \$90.3 million over the life of the Project.

**C. Project Description**

The heart of Project 0307 is a rediscount line of credit for use by the mixed or private banks and the BFA for funding loans to Phase I cooperatives and Decree 207 farmers (Finateros). The remaining three components, including Training and Policy Studies, provide direct support to the realization of the sound and full usage of the Rediscount Credit Line.

**IV. PROJECT STATUS**

**A. PLANNED EOPS**

	Planned EOPS	Progress to Date.
1. Increase in credit flow to sector (million \$)	60.0	69.7(*)
2. Increase use of investment credit by coops	140 coops	171
3. Improve loan repayment rate over 1985 level	85%	98%
4. Value of Production (million \$)	40.0	90.3
5. Value of traditional exports (million \$)	36.0	50.3
6. Value of non-traditional exports (million\$)	5.0	5.5
7. Value of import substitution (million \$)	3.0	7.2
8. Value of consumption (million \$)	N/A	27.3
9. Employment generation (000 person/days)	6,500	16,586

(\*) Of this amount \$45.3 million was disbursed by AID.

**B. Major Outputs**

	Planned				Accomplished		
	LOP	This	Next	Next	This	Cum.	% of
		Sem.	Sem.		Sem.		LOP
<b>1. Rediscount Line</b>							
a) No. of loans contracted	7,000	517	N/A	19	239	6,300	90%
b) Total amount contracted							
- AID funds (million \$)	46.0	0	N/A	0	0	46.0	100%
- Other funds (million \$)	N/A	N/A	N/A	0	15.4	48.6	N/A
						94.6	
<b>2. Training</b>							
- In-country courses	45	0	0	72	0	61	136%
- In-country seminars	0	37	N/A	128	0	104	N/A
- Overseas training	45	0	N/A	0	0	99	216%
(No. of participants)							
- Long term training	20	0	20	0	0	15	60%
(No. of participants)							
<b>3. Seminars and Policy Studies</b>							
	20	0	N/A	0	0	15	75%

**C. Other Accomplishments and Overall Status.**

- All project grant funds available for credit, \$46 million, have been contracted. The rediscount credit line will continue to operate with reflows and counterpart contributions.

- Eligible borrowers include Phase I cooperatives and Phase III beneficiaries. As of September 30, 1992, a total of 241 different Phase I cooperatives had received a total of 1,382 loans in the amount of \$88.7 Million. The 28% of number of loans and 23% of volume are for investment. Of these investment loans, 44% is for crops of which 84% is for new coffee plantations and for coffee renovation, 30% for machinery and equipment, 13% for livestock, 10% for agroindustry and the remaining 3% for farm infrastructure. The 72% of number of loans and 77% of volume are for annual production crops. For annual production loans, 78% of volume was for coffee.

- Major activities reported in previous period were accomplished. The financial audit of the Project was finished. Findings will be reported in next period.

- A total of \$2.0 million was contracted for 2,128 annual production loans to PRN clientele by the BFA.

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ALdeMena/avs

- The amount granted to 8,120 Phase III beneficiaries, grew to a total of \$5.8 million. Only nine out of 4,914 loans were for investment. Production loans were mainly for basic grains (58%), coffee 19%, melon 11%, sorgum 5% and the others 7%.

- Data on the delinquency status by participating banks shows that of the total outstanding portfolio of 97.3 million 96.28 % has been recuperated. Delinquency is concentrated in two banks: Banco de Fomento and Hipotecario.

**D. WID Issues.**

- Loans are granted to men and women without any discrimination. In the case of cooperatives (Phase I and Phase III), loans are made to the cooperative, not to individuals. Out of a total of 31,609 beneficiaries, 3,596 or 11% are women.

**E. Problems and Delays.**

- The amount of credit contracted under the rediscount line fell dramatically during the period April-June. Three factors account for the sharp reduction: First, is the fact that banks found themselves with excess liquidity and had chosen to finance loans with their own funds rather than using the rediscount line, at least temporarily. Second was the elimination of UTFRA's role in identifying and promoting investment projects. Third, was the delay in starting the rainy season.

**F. Major Activities or Corrective Actions During the Next Six Months.**

- Initiate the planning process for the close-out of the project.
- Continue the process assisting the BCR for restructuring UTFRA's role with a view of post project structure.
- Continue a close monitoring of the progress of GOES-BFA/AID MOU.
- Inform of findings on financial audit of Project.



C. Project Description.

The Project consists of technical and financial support to develop the capacity of El Salvador's private and public sectors to provide policy support, technical and credit assistance, technology transfer, and training services to producers, packers, and exporters of irrigated, labor-intensive non-traditional agricultural products to extra-regional markets.

IV. PROJECT STATUS

A. Planned EOPS

Progress to Date

1. Salvadoran farmers adopt precision irrigation on approx 2,500 Has. for production of high labor, high value non-traditional export crops.	2,727 Has.
2. Salvadoran enterprises are utilizing FUSADES to engage in exporting non-traditional agricultural products to extra regional markets.	39
3. Sixty private sector field agents trained and providing support services to farmers in precision irrigation technology.	45
4. 1,400 farmers applying skills in on-farm water management and irrigated farming	1,582

B. Major Outputs

	Planned			Accomplished		
	LOP	This Sem.	Next Sem.	This Sem.	Cum.	% of LOP

FUSADES

1. Value of the exports of NTAE (000 \$)	-	0	24,800	0	0	16,121	N/A
2. Labor created (000 person-days)	-	0	1,856	0	0	882	N/A
3. Total credit approved (000 \$)*	10,735	0	10,735	0	0	10,735	100

\* Figures relating to the Credit Line have been adjusted to reflect Colon devaluation.

GOES

1. CENTA's extensionists:							
a) Trained	136	50	136	0	216	229	168
b) Providing services	50	50	50	0	60	83	166
2. Farmers trained in on farm water management and irrigated agriculture	1,085	200	1,200	0	328	1618	149

B. Major Outputs

	Planned				Accomplished		
	LOP	This Sem.	Next Sem.	Next Sem.	This Sem.	Cum.	% of LOP
3. CENTA's researchers trained and incorporating irrigated agriculture into CENTA's research work.	40	40	40	0	68	72	180
4. Curriculum for B.S. Degree in irrigated agriculture developed at ENA	1	0	1	0	0	1	100
5. ENA's staff trained							
a) M.S. Degree level	4	0	2	0	0	2	50
b) Short-term training	34	20	34	0	63	63	185
c) Teaching	26	12	26	0	13	37	142
6. DGDR planners and Technicians trained and carrying out more cost effective irrig. project planning, contracting and supervision of public irrig. construction	54	20	54	0	52	62	115
7. OA and OSPA planners trained and carrying out more balanced planning of water resource use for agric.	22	20	31	0	37	41	186

C.1 Other Accomplishments and Overall Status:

1. CENTA's extensionists continued their in-country and in U.S.A. short-term training. 50 (men) participated in eight training courses in U.S.A. and 166 (5 women) participated in eighteen in-country training events. Five participants out of the 216 extensionists were women (3%).

2. 328 (20 women) farmers continue receiving training and technology transfer during the irrigation season from November 91 to May 92. During this reporting period they participated in complementary training events in on-farm water management and irrigated agriculture. 27 training parcels at farm level were used for extension agent and farmer training. 20 farmers out of the 328 were women (16%).

3. CENTA's researchers continued their in-country and in U.S.A. short-term training. 13 (2 women) participated in eight training courses in U.S.A. and 55 (nine women) participated in seventeen in-country training events. Eleven participants out of the 68 researchers were women (16%).

4. The ENA's curriculum for BS Degree in irrigated agriculture training continued. The second graduation ceremony during the life of the Project was in August 28, 1992. Seven students graduated in that date. The cumulate number of students graduated during the LOP is 25. The third group of students continued their academic training.

5. ENA staff members continued their in-country and in U.S.A. short-term training. 17 (2 women) participated in nine training courses in U.S.A. and 46 (5 women) participated in sixteen in-country training events. Seven participants out of the 63 ENA staff members were women (11%).

6. DGRD, OEDA and OSPA planners and technicians continued their in-country and in U.S.A. short-term training. 20 (2 women) participated in nine training courses in U.S.A. and 69 (men) participated in sixteen in-country training events. Two participants out of the 89 planners and technicians were women (2%).

7. Project final evaluation was done in 1990, based on which the Project was extended two years up to August 31, 1992.

8. Project close out activities initiated. Short term T.A. final vouchers and PIO/PS budget amendments to reflect actual expenditures processed in order to liquidate Project budget elements eligible expenditures. Furniture and equipment that was procured for long term T. A. contractor's logistical support was donated to GOES-MAG implementing units.

#### C.2 Women in Development Issues

1. 20 women farmers (16% of total farmers trained) who are owners of irrigated parcels of land continue receiving training during this reporting period.

2. 25 women MAG technicians received training. The roles of these women in the Project were: five as CENTA extensionists, eleven as CENTA researchers, seven as ENA professors, and two as planners in OSPA and OEDA.

#### D. Problems and Delays

1. Update of Problem/Delays from previous SAR.

-Delay: Delay in the effort to draft a national irrigated agriculture strategy. The corrective action proposed was that ANR make determination on whether an Irrigation Study should be carried out utilizing PD&S funds. Status: ANR decided not to do study due to the lack of GOES interest.

2. This period.

-None.

#### E. Major Activities or Corrective Actions During the Next 6 Months

1. Follow-on and close out of Project activities.

Doc 1188 WPPRDO  
October 27, 1992

**PROJECT STATUS REPORT**  
Apr. 1, 1992 - Sept. 30, 1992 \*

MISSION DIRECTOR RATING: A X B C

**I. BACKGROUND DATA:**

Project Title: Small and Microenterprise Program  
 Project Number: 519-0304  
 Date of Authorization: Original:08/29/85 Amendment No. 09/08/89  
 Date of Obligation: Original:08/29/85 Amendment No. 09/08/89  
 \* PACD: Original:09/30/89 Amendment No. 06/30/92  
 Implementing Agency: FUSADES/PROPEMI  
 Major Contractors: FUPAD, Fundación Carbajal  
 AID Project Manager: Rosa María A. de Guirola, PRE  
 Status of CP's/Covenants: CP's to First Disbursement - All met: PIL's 1,2,6 and 7 dated 10/28/85; 11/18/85; 1/29/86; and 2/10/86.  
 Planned Number of Non-Federal Audits during Fiscal Year: 1 (6/92)  
 The Number of such Audits Contracted for/Completed: 2 (6/85 - 6/91)  
 Date of Last Evaluation: Nov. 1991 Next evaluation:  
 Date of Last Audit: Feb./1992 Next Audit:

**FINANCIAL DATA**

Amt. Authorized:	DA/ESF Grant: Orig.	\$ 3,000,000	Amended to \$6,000,000
Amt. Obligated:	DA/ESF Grant: Orig.	\$ 3,000,000	Amended to \$6,000,000
Amt. Committed:	Period	\$ - 0 -	
	Cumulative:	\$ 6,000,000	
Accrued Expend.:	Period-Projected	\$ - 0 -	
	Period-Actual	\$ - 0 -	
	Cumulative:	\$ 6,000,000	
	Period - Next	\$ - 0 -	
Counterpart Contrib.Planned:		Waived	
	Actual:	\$ 400,712	
% LOP elapsed:		100 %	
% of Total Auth. Oblig.		100 %	
% of Total Oblig. Expended		100 %	
% of Total Auth Exp.		100 %	

**II. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVE**

**A. Specific Linkage to Strategic Objective**

During the LOP, this project increased the employment and increased equitable economic growth, during the transition from the war time conditions to peaceful reconciliation.

**B. Percent of LOP Funds Relating to Strategic Objective**

100% Equitable Economic Growth.

**III. PROJECT PURPOSE AND DESCRIPTION**

**A. Project Purpose**

The purpose of the project is to increase the profitability and promote the expansion of small and microenterprises, thereby generating employment and fostering economic growth.

**B. Achievements to Date**

The project reached selfsufficiency and has been operating with its own reflows since April 1991.

**C. Project Description**

Develop a permanent program of technical assistance, training and credit for small and micro-enterprises.

**IV. PROJECT STATUS**

**A. Planned EOPS**

- Credit and training program established and partially self-sufficient with a portfolio of \$4.5M capacity develop to provide buss. training and credit to 800 entrepreneurs, and on-site technical assistance to 400 buss. per yr. after A.I.D. project ends.
- 2,700 new jobs created.
- 250 buss. "graduated" to formal credit system.

**Progress to Date**

Credit and Training Program established with \$4.5M. in loans outstanding and collected interest up to May 30/91. Since June/91 PROPEMI started using their reflows, allocating a ttl. amt. of loans and collected interest for \$2.85M. as of June 30/92. Capacity develop to provide buss. training and on site TA to 300 and 900 buss. up to May 30/91. With PROPEMI own reflows, 5242 on site TA and 4187 bussiness.

8,614 new jobs created.

618 buss. "graduated" to formal credit system.

**B. MAJOR OUTPUTS**

	LOP	PLANNED		ACCOMPLISHED		% OF LOP	
		THIS SEMEST.	NEXT SEMEST.	THIS SEMEST.	CUM.		
1. Technical Assist. to Business No.	2,700	2,174	11,183	2,910	1,414	11,971	443%
2. Credit Disbursed	2,700	605	2,700	558	262	3,427	126%
No. Loans	\$4.5	\$1.58	\$7.98	\$1.75	\$0.96	\$7.42	164%
US\$ million:							
3. Training to SME (No.)	2,700	1,570	9,481	1,370	1,330	8,382	310%

C.1. OTHER ACCOMPLISHMENTS AND OVERALL STATUS

- The delinquency rate during this period was 9% which is lower compare to last year rate of 15%. The average amount of loans for this period was \$3,594, thus provided loans to a population with limited access to commercial loans
- 262 loans were granted, 10% were for microentrepreneurs and 90% for Small Enterprises, generating 1,257 new jobs.
- PROPEMI provided technical assistance to 23 ex-combants in the norther part of the country, in an area that was taken by the guerillas during the civil war. Opening the door to these individuals to become part of the country's private sector.
- From total 262 loans granted this period, all are already from PROPEMI reflows.

C.2. WID ISSUES

- Out of the total (92) microentrepreneurs loans granted, 51% were for women.
- Out of the total (170) small enterprise loans granted, 32% were for women.
- From the 1,330 microentrepreneurs that received Tech. Ass. 646 were women, representing 48 % of the total.

D. PROBLEMS AND DELAY

None.-

E. MAJOR ACTIVITIES OR CORRECTIVE ACTIONS DURING THE NEXT SIX MONTHS

- Prepare the Project Assistance Completion Report.
- A proposal for a new project is being reviewed in the Mission for a PROPEMI II in FY 93.

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JEGS/PRE

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

**MISSION DIRECTOR RATING: A**

**I. BACKGROUND DATA:**

Project Title : Trade Credit Insurance Program (T.C.I.P.)  
 Project No. : N/A  
 Date Authorization, original : December 19, 1990  
 Latest Amendment (No.2) : September 30, 1990  
 Date Initial Allocation : February 5, 1985  
 Date Last Renewal : September 30, 1991  
 PACD : September 30, 1992  
 Implementing Agency : BCR  
 Major Contractors : None  
 Date of Last Evaluation : April, 1988 (R. Nathan and Associates)  
 Date of Next Planned Evaluation : First Quarter of FY'93 (Eximbank)  
 Date of Last/Planned Audit : February 28, 1989 (IG)  
 Date of CPs met : N/A  
 Planned Number of Non-Federal Audits during Fiscal Year : N/A  
 The Number of such Audits Contracted for/Completed : N/A  
 USAID Project Manager : Oscar Salinas, PRE

**MAXIMUM CREDIT GUARANTEE IN US\$ MILLIONS:**

Amount Planned : 25.0 (1/20/85)  
 Amount Allocated : 75.0 (2/13/85)  
 : 100.0 (9/29/87)  
 : 90.0 (Up to date)  
 LCs Confirmed Period : 6.0  
 Cumulative : 637.9  
 % LOP Elapsed : 100.0%  
 Counterpart Contribution : N/A

**II. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES:**

**A. SPECIFIC LINKAGE TO STRATEGIC OBJECTIVES:**

The T.C.I.P. has contributed to an increase of equitable economic growth in El Salvador, through the support given to private investment, exports and employment through the provision of trade credit.

**B. PERCENT OF LOP FUNDS RELATING TO STRATEGIC OBJECTIVES:**

100.0 %

**III. PROJECT PURPOSE AND DESCRIPTION:**

**A. PROJECT PURPOSE:**

Encourage increased short-term trade credit from the U.S. institutions to commercial banks in El Salvador for financing the importation of goods and services for the use of the Private Sector in El Salvador.

**B. ACHIEVEMENTS TO DATE:**

- The T.C.I.P. has been a Program that has provided needed trade credit when all credit available to the country was eliminated and additional collateral and guarantees were required due to the country conflict. The T.C.I.P. is not longer necessary due to the confidence brought to the country by the end of the conflict.
- Original allocation was \$25.0 million and because of heavy utilization it was increased to \$100.0 million in 1987. During reported semester shipments guaranteed under the Program were \$5.8 million approximately.

- The project was successfully closed. This is the last SAR of this Program.

**C. PROJECT DESCRIPTION:**

Line of credit working through normal banking procedures for letters of credit opening between Salvadoran Banks and Correspondent U.S. Banks. Insurance for payment to exporter is part of the benefits offered.

**IV. PROJECT STATUS:**

**A. MAJOR OUTPUTS:**

The T.C.I.P. is an USAID/Washington initiative. USAID/El Salvador has monitoring and reporting responsibilities only.

Allocations by US Correspondent banks are:

Citizens & Southern Intl. Bank	\$15.0
Capital Bank	\$15.0
Deutsch Sudamerikanische Bank	\$12.0
Citibank, Miami	\$12.0
Atlantic Security Bank	\$ 9.0
Banco Atlántico, Miami	\$ 8.0
Citibank, New York	\$ 7.0
The International Bank of Miami	\$ 5.0
First American International Bank	\$ 4.0
Manufacturers Hanover Trust Co.	\$ 3.0
<b>TOTAL</b>	<b>US\$ 90.0</b>

**V. PROBLEMS/DELAYS, NEXT STEPS FOR THEIR RESOLUTION:**

- Waiting for final guidance on behalf of USAID/Washington for project close out.

NA

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

MISSION DIRECTOR RATING: A    B X C   

**I. BACKGROUND DATA**

Project Title: I.E.S.C. Technical Assistance to Business  
 Project Number: 519-0395  
 Date Authorization: Original: 07/07/92  
 Date of Obligation: Original: 07/07/92  
 PACD: Original: 06/30/94  
 Implementing Agency: International Executive Service Corps IESC  
 Major Contractors: None  
 AID Project Manager: Oscar M. Salinas, PRE  
 Status of CPs/Covenants: PIL No. 1, July 24, 1992.  
 Date of Last Evaluation: none  
 Planned Number of Non-Federal Audits during Fiscal Year: Pending  
 The Number of such Audits Contracted for/Completed: Pending  
 Date of Last Audit: none Next Audit: 2/93

**FINANCIAL DATA**

Amount Authorized:	Grant: orig:\$ 500,000
Amount Obligated:	Grant: orig:\$ 500,000
Amount Committed:	Period: \$ -0-
	Cumulative:
Accrued Expend.:	Period - Projected \$ 500,000
	Period - Actual \$ --
	Cumulative: \$ 20,000
	Projected Next Sem \$ 20,000
Counterpart Contrib.	Planned: \$ 562,800
	Actual: \$ --
% LOP Elapsed:	11.0%
% of Total Auth. Oblig.	100.0%
% of Total Oblig. Expended	4.0%
% of Total Auth. Expended	4.0%

**II. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES**

**A. Specific Linkage to Strategic Objectives**

The Project relates to the increase of equitable economic growth strategic objective, since the technical assistance provided by IESC to Salvadoran private sector companies will permit them become more productive, quality concious and cost efficient, which will increase exports, private investment and productive employment.

**B. Percent of LOP funds relating to Strategic Objectives**

Project goals are 100% dedicated to the accomplishment of increase equitable economic growth.

**III. PROJECT PURPOSE AND DESCRIPTION**

**A. Project Purpose**

Assist Salvadoran private sector companies and organizations to become more productive, quality concious, and cost efficient in order to help in the economic reactivation of El Salvador.

**B. Achievements to date**

Since the Project started on July 7, 1992, IESC has been making necessary arrangements to contact volunteer executives in order to provide the technical assistance that several companies from the private sector have requested. On the other hand, IESC has been working with Asociación Salvadoreña de Industriales (ASI) on the mechanisms that they will use to provide technical assistance to help in the Industrial Reconversion Program.

**C. Project Description:**

IESC will provide technical assistance to small, medium and large Salvadoran companies for the expansion of business, increase in productivity and sales, improve competitiveness, technology transfer, and avoidance of business closures. The assistance will be provided in the following industries: agro and food industry; leather and shoes; textile and apparel; plactic, paints, ink, etc., pharmaceutical; and metal mechanics.

IESC will work together with the Asociación Salvadoreña de Industriales (ASI) on its Industrial Reconversion Program for El Salvador, providing technical assistance to companies in the six sectors aforementioned.

**IV. PROJECT STATUS:**

<u>Planned EOPS:</u>	<u>Progress to Date</u>
1. Productive employment	-
2. Business expansion	-
3. Increase in productivity and sales	-
4. Technology transfer	-
5. Avoidance of business closures	-

B. Major Outputs

	<u>Planned</u>				<u>Accomplished</u>		
	<u>This</u>	<u>Next</u>	<u>This</u>	<u>% of</u>			
	<u>LOP</u>	<u>Semes</u>	<u>Cum</u>	<u>Semes</u>	<u>Semes</u>	<u>Cum</u>	<u>LOP</u>
<u>Technical Assistance</u>							
Carry out sub-projects partially financed by the grant.	40	0	0	5	0	0	0%

C. Other Accomplishments and overall status

- IESC is in the process of recruiting volunteer executives to provide assistance to five private sector enterprises.
- IESC and ASI are working closely to coordinate the provision of technical assistance for the Industrial Reconversion Program. They are working on a mechanism to improve the identification of clients and diagnostic process in order to respond to client needs in a shorter period.

D. Women in Development Issues

To date it is not possible to define how the project will affect women.

E. PROBLEMS AND DELAYS

The delay in the identification of clients for ASI's Industrial Reconversion Program could affect IESC's expected Project accomplishments.

F. Activities or Corrective Actions during the next 6 months

- IESC will provide technical assistance to: KONFFETTY, S.A., a children ware manufacturer, to expand its operations and export capacity; TYLES, S.A., a tyle producer, to improve its production techniques in order to substitute imports; CADESA, a plastic fabric manufacturer, to improve production techniques in order to increase export capacity; CAJAS Y BOLSAS, a cardboard box producer, to increase export capacity; and MADERAS Y METALES, a furniture producer, to expand operations and increase export capacity. This technical assistance will not be through ASI's Reconversion Program.
- IESC and ASI will start providing technical assistance to companies engaged in industrial reconversion.

**PROJECT STATUS REPORT**

April 1, 1992 - September 30, 1992

**MISSION DIRECTOR RATING:**

Private Sector Component: A \_\_\_ B X C \_\_\_  
 Public Sector Component: A \_\_\_ B X C \_\_\_

**I. BACKGROUND DATA**

Project Title: Free Zone Development  
 Project Number: 519-0323  
 Date of Authorization: Original 08/30/88 Amendment: N/A  
 Date of Obligation: Original 08/31/88 Last Amend: N/A  
 PACD: Original 09/01/93 Amended to: 09/30/94(\*)  
 Implementing Agencies: Private Sector Public Sector  
                                   FUSADES                   Central Reserve Bank (BCR)  
   Ministry of Economy (MINEC)  
 Major Contractors: None  
 AID Project Manager: Oscar M. Salinas, PRE  
 Status of CPs/Covenants: CPs to First Disbursement-All Met: 01/12/89  
   CPs to Subsequent Disburs-All Met: 06/15/90  
 Planned Number of Non-Federal Audits during Fiscal Year: Pending  
 The Number of such Audits Con. racted for/Completed: Pending  
 Date of Last Evaluation: None                   Next evaluation: pending  
 Date of Last Audit: None                        Next audit: not planned

(\*) Only for FUSADES component, GOES component PACD remains 9/1/93.

**FINANCIAL DATA**

	Private Sector	Public Sector
Amount Authorized: DA/ESF Grant	\$5,000,000	\$21,000,000
Amount Obligated:	\$5,000,000	\$15,545,000
Amount Committed: Period:	\$1,701,158	\$ 2
	Cumulative:	\$4,326,286
Accrued Expend.: Period Proj:	\$ 275,000	\$ 2,000,000
	Period Actual:	\$ 195,385
	Cumulative:	\$1,457,714
	Proj.Next Sem:	\$ 200,000
Counterpart Planned:	\$ 707,000	\$12,732,000
Contributions: Actual:	\$ 152,268	\$ 6,779,991 (*)
% LOP Elapsed:	67%	82%
% of Total Auth. Obligated:	100%	74%
% of Total Oblig. Expended:	29%	15%
% of Total Auth. Expended:	29%	11%

(\*) Action Plans approved for infrastructure works and sub-borrowers contributions, at an exchange rate of ₡8.00 per \$1.00.

**II. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES**

**A. Specific Linkage to Strategic Objectives**

The Free Zone Project relates to the increase of equitable economic growth strategic objective, since its main objectives are the generation of productive employment, increase of exports and new private investment through the provision of needed industrial space in the country.

**B. Percent of LOP Funds Relating to Strategic Objectives**

The Free Zone Project funds are 100% dedicated to the accomplishment of increasing equitable economic growth through its three components: the Private Zone Development, Promotion and Marketing, and Infrastructure and Institutional Support.

**III. PROJECT PURPOSE AND DESCRIPTION**

**A. Project Purpose**

To develop private free zones in El Salvador through the establishment of a revolving credit facility for private free zones, provide technical assistance and training to free zone developers, promotion activities to attract investors, and improve the administration and services offered by the Government of El Salvador's free zone at San Bartolo (SBFZ) in order to increase productive employment, investment and foreign exchange earnings in the export sector.

**B. Achievements to Date**

To date the Project has helped to develop three private free zones, providing them with technical assistance, training to free zone managers and Government officials, external infrastructure, free zone promotion and financial assistance.

**C. Project Description**

The Project consists of three inter-related components designed to provide credit, technical assistance, training and institutional support required to foment successful free zone development in El Salvador: the Private Zone Development component provides long-term financing and technical assistance to Salvadoran investors to promote the successful establishment of private free zones; the second component, Promotion and Marketing, provides technical assistance, training and operational support to PRIDEX to promote El Salvador's free zone program, both domestically and internationally; and the Infrastructure and Institutional Support component which has been designed to help improve operations and management of the San Bartolo Free Zone, to fortify the government's information program and to assist in establishing an efficient regulatory framework for zone development throughout the country. In addition, counterpart funding has been made available by the GOES under this component to install the required external infrastructure for the private free zone(s).

Private Sector Component (Cont'd.)

IV. PROJECT STATUS

A. Planned EOPS

1. 7,000 new jobs generated	760
2. \$49,000,000 in new exports	\$ 519,203
3. \$8,890,000 in foreign exchange	\$ 181,721 (*)
4. \$18,000,000 in new investment	\$2,953,336 (*)

(\*) Estimated data.

1. Private Sector Component

B. Major LOP Outputs

	Planned				Accomplished				% of LOP	
	This Semes		Next Semes		This Semes		% of LOP			
	LOP	Cum	LOP	Cum	LOP	Cum	LOP			
a) Export firms operating	35	3	3	4	2	2	2	8.5%		
b) FZone managers trained	2-3	2	-	2	-	2	2	3	2	166%
c) FZones designed (feasibility studies)	2-3	1	3	1	1	4	1	4	133%	

C. Other Accomplishments and Overall Status

- PRIDEK has continued providing technical assistance to free zone developers. Five new free zone developers have requested technical assistance to PRIDEK for the preparation of the feasibility studies: Santa Ana, "Z" El Salvador, Amatepec, El Progreso II and Export Salva.
- PRIDEK organized the Seminar "Free Zone Management and Operation: The Dominican Republic Experience", conducted by a free zone specialist of the DR for public and banking sector officials, managers and potential free zone managers, with a total attendance of 69 people. In addition, said specialist provided direct technical assistance to some free zones under development.
- Trips to free zones in the region have continued for potential free zone managers.
- Within the free zone promotional activities that PRIDEK has done during this period, are: 1) trip to San José, Costa Rica where they had a country presentation for potential investors, which resulted in two companies visiting the free zones in El Salvador, one of them already signed contract with El Pedregal Free Zone; 2) press publications and TV interviews on the free zone concept and the status of the projects, and articles in international magazines; 3) preparation of a brochure on Perspectives and Advantages of El Salvador Free Zones; and 4) assisted a foreign mission

Private Sector Component (Cont'd.)

interested in investing in the country and the OPIC mission that visited the free zones under construction.

- A financial analysis of the Free Zone Projects in El Salvador was done by The Services Group, where they concluded that the 15% interest rate applied to the project credit line loans still permits a good margin of profits to free zone developers given present financial situation in the country.

D. Problems/Delays

- An amendment to Section 599 of the Foreign Assistance Act has severely affected the Free Zone Project implementation. We are waiting for A.I.D./Washington to provide Mission with final guidance; meanwhile, a letter providing interim guidance to FUSADES on restrictions to the use of funds has been drafted, and the Mission is waiting for A.I.D./Washington comments on the draft.

E. Major Activities Actions During the Next 6 Months

- The evaluation of the project, which was scheduled for September, 1992, will take place until AID/Washington reaches a decision on the situation of Project.
- A pre-feasibility study on the development of free zones in the eastern part of the country will be concluded. The study will consider the development of free zones in that region as an effort towards the reconstruction and economic reactivation of the country.

2. Public Sector Component

B. Major LOP Outputs

	Planned				Accomplished				% of LOP
	LOP	This Semes	Cum	Next Semes	This Semes	Cum	LOP		
-Number of sites (*) pre-qualified for FZone construction	8	2	6	2	4	11	137.5%		
-Number of FZones (*) authorized	2-3	0	4	1	0	3	100%		
-Number of loans (*) approved	2-3	1	5	1	0	2	66%		
-Construction of under roof space (sq. mts.)	70,000	8,000	15,500	18,000	13,202	19,212	27%		
-Public Infrastruct for Project-financed free zones in place	2-3	1	4	1	1	3	100%		
-Customs facilities located in each Proj financed free zone	2-3	1	2	1	1	1	33%		
-Privatize SBZ (*)	1	1	1	1	-0-	-0-	0%		

(\*) Revised Logframe LOP output.

Public Sector Component (Cont'd.)

C. Women in Development Issues

There are at least three women in executive positions in the two enterprises that have started operations in El Progreso Free Zone; and the General Manager of the zone is a woman. Of the 700 jobs generated by El Progreso Free Zone, approximately 560 have benefited the women population.

D. Other Accomplishments and Overall Status

- Eventhough it was planned to have expenses in GOES component for \$2,000,000 during this period, mainly for loan disbursements, the developers did not request advances of funds until the month of September, based on their expectations in obtaining a reduction in credit line interest rate.
- El Progreso Free Zone was inaugurated on June 29/92 and started operations in July/92 with two foreign firms.
- El Pedregal Free Zone has built 5,000 sq. mts. and has signed a contract with a foreign company for 15,000 sq. mts. Its external infrastructure is finished with regard to the electricity service and access road. Water and telecommunication services will be partially in place when the zone starts operations (Nov./92). All public services will be fully in place by March, 1993.
- San Marcos Free Zone has built 7,000 sq. mts. and its external infrastructure is being constructed, having already finished the storm drain system. CAESS has provided the zone with temporary electricity supply and ANTEL provided them 30 telephone lines.
- The first Project annual meeting was held on June 18, 1992 with the participation of MIPLAN, SETEFE, MINEC, BCR and AID. The purpose of the meeting was to assess Free Zone Project implementation. The meeting was very positive since it helped to make government officials aware of all the different activities that the project involves. As a result the GOES suggested possible mechanisms to expedite project implementation.
- MINEC has informed us that there are around 14 new projects under different stages of development, in addition to the ones under construction.
- 52% of local currency assigned for the construction of free zone external infrastructure (the equivalent in Colones of US\$6.0 million), has been used for three free zone projects. Eventhough the project was designed to assist two or three zones, given the fact that there are at least four projects in or ready to get into the feasibility study stage, public service institutions have expressed their concern about the funding of these zones external infrastructure and MIPLAN is taking steps towards addressing this situation with other government authorities.

Public Sector Component (Cont'd.)

- During the reported period MINEC has been working in legal, valuation and promotional aspects in order to privatize San Bartolo Free Zone.
- E. Problems/Delays
  - An amendment to Section 599 of the Foreign Assistance Act, has affected the implementation of the Free Zone Project. We are waiting for A.I.D./Washington to provide final guidance on on restrictions to the use of funds. A letter providing interim guidance to the GOES on this subject has been drafted and the Mission is waiting for A.I.D./Washington comments on it.
- F. Major Activities During the Next 6 Months
  - El Pedregal and San Marcos Free Zones will start operations by November/92.
  - A workshop with Autonomous Institutions, FUSADES, MINEC, SETEFE, MIPLAN and AID will take place by the end of October, 1992, in order to analyze project status, problem areas and actions that need to be taken.

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

MISSION DIRECTOR RATING: A X B C

**I. BACKGROUND DATA**

Project Title: Industrial Stabilization and Recovery  
Project Number: 519-0287.01  
Date of Authorization: Original: 09/17/84 Amendment: 03/08/91  
Date of Obligation: Original: 09/24/84 Last Amendment: 07/31/92  
PACD: Original: 09/30/87 Amendment: 09/30/94  
Implementing Agency(ies): FUSADES  
Major Contractors: CARANA Corporation, ITI  
AID Project Manager: Ana Vilma Albanez de Aguilar  
Status of CPs/Covenants: CPs to First Disbursement - All Met  
Covenants: All Met  
12/17/84; 1/14/85; 1/9/85; 10/22/85;  
6/17/85; 10/17/85; 4/27/88; 6/13/88;  
8/15/89.  
CPs to Additional Disbursement under  
the Investment Fund- All Met

Date of Last Evaluation: 06/30/88 Next Evaluation: 2QCY93  
Planned Number of Non-Federal Audits during Fiscal Year: Pending  
The Number of such Audits Contracted for/Completed: Pending  
Date of Last Audit: 01/92 Next Audit: 9/93

**FINANCIAL DATA**

Amount Authorized:	orig. \$6,890 amended to \$47,900,000
Amount Obligated:	orig. \$2,157 amended to \$43,000,000
Amount Committed:	Period: \$ 6,214,097
	Cumulative: \$42,540,716
Accrued Expend.:	Period-Projected \$ 2,000,000
	Period-Actual \$ 4,036,479
	Cumulative: \$30,737,899
	Projectd.Next Sem.\$ 2,000,000
Counterpart Contrib. Planned:	\$ 8,107,400
	Actual: \$ 2,783,332
% LOP elapsed:	80%
% of Total Auth. Oblig.	90%
% of Total Oblig. Expended	71%
% of Total Auth. Exp.	64%

**II. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVE**

**A. Specific Linkage to Strategic Objective**

The export and investment promotion activities of FUSADES contribute SOB 2 increase equitable economic growth, by increasing private investment, exports, productive employment, market assistance and availability of technical assistance and credit. The activities of the Center of Studies of FUSADES contribute to the creation and maintenance of appropriate economic policy framework.

**B. Percent of LOP Funds Relating to Strategic Objective**

100% Equitable economic growth

**III. PROJECT PURPOSE AND DESCRIPTION:**

**A. PROJECT PURPOSE:**

To stimulate growth in the nontraditional export sectors of El Salvador, resulting in increased levels of employment, income, investment, and foreign exchange earnings.

**B. Achievement to Date**

As a result of PRIDEK' efforts in supporting local export projects targeting the US market and in promoting foreign investment in El Salvador, PRIDEK

has generated to date over 32,000 jobs, \$171.4 million in foreign exchange earnings, and \$52.0 million in new investment in export enterprises. The PRIDEK activities have been supported by FIDEX, the credit arm of FUSADES. In addition, the Center of Studies of FUSADES periodically monitors the GOES macro-economic policy, which it succeeded in supporting.

**C. Project Description**

PRIDEK - The Export and Investment Promotion Program carries out activities in two separate units, Export Promotion and Investment Promotion. The Export Promotion unit promotes industrial development of local exporters through technical assistance, market research and general export promotion activities. The Investment by means of two overseas offices located in Miami and New York.

FIDEX - The export development fund is the financial arm of FUSADES, which is responsible for providing credit to exporters in non-traditional agriculture and industry.

CENTER OF STUDIES - This unit conducts an active program of economic, social and legal research, policy analysis, and dissemination activities in support of FUSADES' free enterprise, private sector led growth model.

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**IV. PROJECT STATUS:**

A.	Planned EOPS*	Accompl. This Semester	Progress To Date:
1. An estimated 37,500 jobs in export enterprises (no.):	37,500	4,377	32,153
2. An estimated \$139 million in foreign exchange earnings (US\$ millions):	\$139,000	\$ 27,147	\$171,446
3. An estimated \$135 million of new investment in export enterprises (US\$ millions):	\$135,000	\$ 9,984	\$ 52,024

\*Note: EOPS have been adjusted to reflect new results stated in Project Paper Supplement No. 2.

**B. Major Outputs**

	Planned				Accomplished		
	LOP	This Semes	Cum	Next Semes	This Semes	Cum	% of LOP
1. \$15.0 million in investment fund disbursement for industrial export projects. (US\$ millions)							
Loans	\$15	6.3	15	3.95	2.35	11.05	74%
Equity	0	0	0	0	0	0	0
2. Sub-projects identified promoted and developed by PRIDEX 1/	300	20	288	0	0	522	174%
3. Number of investing 2/ companies assisted	10	100	10		45	272	

1/ This has not increased because continued assistance is being provided to the same PRIDEX' clients.

2/ No targets specified since this output was added to provide additional useful information.

**C.I. OTHER ACCOMPLISHMENTS AND OVERALL STATUS**

**FUSADES**

During this semester, FUSADES' administration focused on resolving the recommendations that arose from the RIG audit performed last semester. For this purpose, independent consultants were hired to help FUSADES implement RIG recommendations. In addition, the Mission Controllers office worked closely with this team in verifying what FUSADES had moved forward on. This is essential before the mission can send the final response memo to RIG due on 10/19/92. It is expected that all recommendations will be closed by October 31, 1992. Additionally, the provisional overhead rate was adjusted from 7.9% to 12%, effective May, 1992. According to RIG, an overhead audit cannot be performed until all audit recommendations are closed. FUSADES' revised strategy for self sufficiency was presented to Mission directors at the end of this reporting period.

**CENTER OF STUDIES**

With respect to the activities carried out by FUSADES' Department of Legal Studies during this semester, it is worth mentioning the organization of a Labor Forum to analyze different alternatives for modernizing labor legislation in El Salvador, with the participation of two speakers from Argentina and Mexico and a representative from the Salvadoran labor union movement; participation of commission and staff representatives at the Conference on "Opening of the Americas", organized by CATO Institute, in which free-market reform issues were discussed; preparation of a study on the tax law on transfer of non-property assets and services rendered (VAT) and a study on capitals market in El Salvador.

During this reporting period, the Department of Economic and Social Studies (DEES) aggressively disseminated its analyses and studies through weekly newspaper publications and monthly economic and social bulletins on current topics of general interest, such as the fiscal deficit, status of the external public debt of the financial system, commercial negotiations between Mexico and El Salvador, monetary regulation, etc. In addition, two Situational Reports, each one including a quarterly survey on the business climate, were presented to its 73 subscribed companies and special invitees from private and public sectors.

In addition, among the studies completed this semester are: "Central American Economic Integration: Harmonization of Tax Policy" and "The Economy and the Environment in El Salvador".

#### FIDEX

FIDEX, S.A. began operations as a private financial institution on April 1, 1992. During this semester, the second amendment to the Trust Agreement was approved and signed by FUSADES, A.I.D. and Cititrust (Bahamas) Limited, thus eliminating the \$500,000 loan and/or loan equity limit and allowing the use of principal and interest reflows. Additionally, the Funds Management Agreement between FUSADES and FIDEX, S.A. was approved by A.I.D. to allow additional disbursements of credit resources to be channelled through FIDEX, S.A.

FIDEX, S.A. efforts to place credit funds during this period resulted in \$3,900,000 in loans approved, including a \$3.0 million loan for a free zone project. Of the total approved, \$2.350 has been disbursed by A.I.D. Additionally, under the new administration, FIDEX, S.A. dedicated much time and effort to clean and update the files and to check on loans previously approved and disbursed to clients.

Lastly, FIDEX' administration and board of directors had a retreat session at the end of this reporting period to discuss the new mission statement for the independent financial institution and the timeframe for the sale of stock to the public.

#### PRIDEX

PRIDEX accomplishments for this reporting period have been outstanding, not only for the jobs, foreign exchange and investment generated, but for the promotion efforts resulting from the high quality work PRIDEX staff is performing in contacting and assisting local exporters, foreign investors and commercial missions.

#### PRIDEX INVESTMENT PROMOTION UNIT

During this semester, 3 missions visited El Salvador: the OPIC Mission, with the participation of 13 U.S. potential investors for whom approximately 157 appointments were set up by FUSADES; Beacon Council of Dade County, Florida, and a mission of Japanese economists. PRIDEX, in coordination with 3 Salvadoran business associations, visited the cities of Dallas and Houston in a commercial mission, and also attended, in a joint mission with government officials and Salvadoran businessmen, an investment campaign meeting organized by the Multilateral Investment Guarantee Agency (MIGA), aimed to increase foreign direct investment flows into El Salvador. In addition, 5 foreign firms started operations during this reporting period: Textico, Do All Industries, Quality, Incassa, and Regent International; 5 others signed rental or purchase contracts for industrial space to establish factories by the end of the year: Charter, Sara Lee Knits, Mamiye Brothers, Spring City, and Hangchang, and 3 of the established foreign firms expanded operations: Satellite International, Brooklyn Manufacturing and Perry Manufacturing.

#### PRIDEX EXPORT PROMOTION UNIT

Parallel to foreign investment promotion, PRIDEX' local export promotion unit emphasized efforts to continue developing the export base of the sectors the Program assists. Currently, PRIDEX' data base for the metal mechanics sector includes approximately 42 small and medium industries; ASIMETAL, the metal mechanics association, has been formed and is working in coordination with the Salvadoran Industrialists Association (ASI) to discuss activities related to the sector. Four firms participated in the Expo Metal Mechanics Subcontracting Fair, in Mexico, and 3 firms attended the Hardware Show in Chicago, looking for new markets outside the CACM.

In addition, PRIDEX organized for its clients in light industry a sales and marketing trip to visit Puerto Rico and the Dominican Republic, in which 10 firms participated and signed sales contracts for the near future. Another sales and marketing trip to P.R. and the D.R. was organized for the garment sector in which 6 firms participated, having all made sales contacts.

PRIDEX' local export promotion unit initiated the "graduation" process of client firms that no longer require assistance from the Program; a total of 37 firms will be "graduated", including all firms in the textile sector.

In all, PRIDEX efforts resulted in the creation of 4,377 jobs, \$27.147 million in foreign exchange, and \$9.984 million in new investment. Most of the employment generated came from the garment drawback sector, including local exports and foreign investment, (91%), followed by footwear (3%) and metal mechanics sector (3%). Generation of foreign exchange resulted, again, from garment drawback (56%), followed by textiles (27%) and gift articles (8%). New investments were generated mainly in garment drawback (91%), followed by metal mechanics (5%) and footwear (3%).

#### FUSADES' CONTRIBUTION TO NRP

FUSADES initiated during this period the implementation of agricultural projects in ex-conflictive zones. Additionally, it extended its micro-enterprise training services to these areas and is currently carrying out a study on "Analysis of the Socioeconomic Situation of Micro Localities", which includes a significant number of areas contemplated in the National Reconstruction Program.

#### C.II. MID ISSUE

91% of the jobs generated during this reporting period were in the drawback sector, where women represent the majority of the labor force.

#### D. MAJOR ACTIVITIES DURING THE NEXT 6 MONTHS

- Sale of stock to the public by FIDEX, S.A.
- Closing of recommendations from the FUSADES audit and completion of the FUSADES overhead rate audit.
- Preparation of PIO/T for FUSADES' mid-term evaluation in 2Q CY93.
- Formation of a joint A.I.D./FUSADES team to discuss a realistic self-sufficiency plan, based on well-thought possible scenarios which are not contingent upon Mission's further funding after PACD.

#### E. PROBLEMS AND DELAYS

-As a result of an amendment to Section 599 to the Foreign Assistance Act, PRIDEX' activities in the Investment Promotion area have been severely affected. Until A.I.D./Washington provides Mission with final guidance, a letter providing interim guidance on restrictions to the use of funds has been drafted to be sent to FUSADES. Mission is currently awaiting A.I.D./Washington comments on the draft.

WPP6802



B. Major LOP Outputs

1. GOES articulates policy framework to support private sector initiatives in non-traditional exports and investment.

Progress to Date

A National Strategy for the development of exports has been defined with the participation of representatives from the public and private sectors. Both the GOES Economic Cabinet and the President of El Salvador agreed with the Strategy. Agreement was also reached on the implementing mechanism: a joint private-public sector high-level Commission. To date, the Commission has not become operational.

2. GOES establishes mechanisms to improve coordination of government policy and support for exports and investment promotion at operational levels of government

One stop export and investment documentation center created and operating. A set of laws and regulations related to export and investment promotion and guarantee in place and being implemented. The above mentioned Commission approved to coordinate policy and support, but not operational.

3. GOES formulates a plan to reactivate full operations at San Bartolo Free Zone (SBFZ).

Additional factory space constructed. Remedial measures to improve basic services supply (water, phone, and electricity) implemented. 100% of factory space occupied. Additional land urbanized for future construction. Legal steps required for the clarification of the ownership of the zone taken. Valuation done by the Ministry of Finance.

C. Women in Development Issues

N/A

D. Other Accomplishments and Overall Status

-During this reporting period, the outstanding advances, totalling \$55,034, pending since 1988 and 1989, were liquidated by MINEC, after much persistence from A.I.D.

-According to requirements from AID/Washington to deobligate all funds prior to FY 86, a total of \$1,028,571 of remaining funds under the subject Project was deobligated.

E. Problems and Delays

MINEC has been unable to resolve SETEFE's audit findings regarding project funds administration. Therefore, MINEC is not eligible to receive additional AID support, preventing the funding of a National Export Commission under MINEC. As of 9/30/92, the Project was terminated.

F. Major Activities or Corrective Actions During the Next 6 Months

Issue letter informing the GOES about termination of the assistance and begin PACR preparations.

Initiate actions to evaluate Project in 3/93 as part of evaluation of FUSADES Project No. 519-0287.

WPP6805

**PROJECT STATUS REPORT**  
**APRIL 1, 1992 - SEPT. 30, 1992**

MISSION DIRECTOR RATING: A X B C

**I. BACKGROUND DATA:**

Project Title: Microenterprise Development Project  
 Project Number: 519-0318  
 Date of Authorization: Original:08/31/90  
 Date of Obligation: Original:08/31/90  
 PACD: Original:08/30/97  
 Implementing Agency: FINCA INTERNATIONAL/CAM

AID Project Manager: Rosa Maria A. de Guirola, PRE  
 Status of CP's/Covenants: CP's to First Disbursement - All met: PIL's No. 1 Dec. 7, 1990 and No. 6 June 11, 1991.  
 Others CPS, for Disbursement of Program and NoP  
 Date of Last Evaluation: None Next evaluation: 01/30/93  
 Planned Number of Non-Federal Audits during Fiscal Year: 1 (9/93)  
 The Number of such Audits Contracted for/Completed: 2 (9/91 and 9/92)  
 Date of Last Audit: Feb. 1992 Next Audit: 08/31/92

**FINANCIAL DATA**

Amt. Authorized: DA/ESF Grant: Orig. \$10,000,000.  
 Amt. Obligated: DA/ESF Grant: Orig. \$ 6,500,000.  
 Amt. Committed: Period \$ 2,613,954.  
 Cumulative: \$ 6,386,090.  
 Accrued Expend.: Period-Projected \$ 914,973.  
 Period-Actual \$ 1,268,860.  
 Cumulative: \$ 3,222,795.  
 Period - Next \$ 2,602,607.  
 Counterpart Contrib.Planned: \$ 4,919,000.  
 Actual: \$ 221,531.

% LOP elapsed: 28%  
 % of Total Auth. Oblig. 65%  
 % of Total Oblig. Expended 49%  
 % of Total Auth Exp. 32%

**II. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES**

**A. Specific Linkage to Strategic Objective**

This project promotes increased equitable economic growth by providing credit access to microentrepreneurs, and transition from war to peace through credits and technical assistance.

**B. Percent of LOP Funds Relating to Strategic Objective**

100% of this project is related to Strategic Objective.

**III. PROJECT PURPOSE AND DESCRIPTION**

**A. Project Purpose**

The purpose of the project is to establish a new, viable, sustainable Salvadoran Institution for providing microentrepreneurs with increase access to financial and non-financial services.

**B. Achievements to Date**

Created a Salvadorean Institution for microentrepreneurs support and disbursed a total of \$1,0 million in loans benefiting a total of 16,409 micros.

**C. Project Description**

The recipient will develop a Salvadoran Institution, entitled the Microenterprise Support Center (CAM) which will provide financial and non-financial services to rural and urban microenterprises in El Salvador through village banks and individual loans.

**IV. PROJECT STATUS**

**A. Planned EOPS**

- The establishment of a micro-enterprise institution (CAM), the provision of financial services and the provision of selected non-financial services to microentrepreneurs.
- 2,320 new village banks.
- 2,333 new ind. borrowers

**Progress to Date**

On Apr. 5/91 the CAM was legally recognized (established). Conditions Precedent to disbursement fr. Prg. activities were apprvd. on June 11, 1991.

574 Village Banks have been inaugurated.  
 1,304 Indv. borrowers recvd. their loans. These are formed through 195 organized solidarity groups.

**B. MAJOR OUTPUTS**

	LOP	PLANNED			ACCOMPLISHED			LOP
		THIS SEMEST.	CUM.	NEXT SEMEST.	THIS SEMEST.	CUM.	%	
1. Instit. Develop.*	\$2,018	444	939	1,300	402	943	46%	
2. Financial Servcs.*	\$3,400							
a. Field Offices	19	4	6	0	2	6	31%	
b. Village Banks								
- Total Funds	\$2,182	457	722	1,695	702	1,072	8	
- New Banks	2,320	252	504	450	244	573	24%	
- Members	69,600	7,082	12,122	28,728	7,928	15,110	21%	
c. Individual Borrowers:								
Total Funds	\$1,200	274	398	583	251	375	31%	
No. Loans	2,333	745	1,091	1,344	886	1,304	55%	
3. Non Financial Services*	\$ 800	20	40	67	15	33	4%	
a. Village Banks								
Leaders Trained	9,280	756	1,512	3,190	732	2,428	15%	
b. Village Banks								
Members Trained	69,600	7,082	12,122	28,000	6,342	13,524	19%	
c. Microentrepreneurs Trained	2,800	745	1,091	2,600	709	1,124	40%	

\* Figures in US\$ thousand

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**C.1. OTHER ACCOMPLISHMENTS AND OVERALL STATUS**

- 6,471 village bank members received their first loan corresponding to a 43% of total portfolio.
- 3,139 village bank members received their second loan corresponding to a 21% of total portfolio.
- 4,324 village bank members received their third loan corresponding to a 28% of total portfolio.
- 1,081 village bank members received their fourth loan corresponding to a 7% of total portfolio.
- 90 village bank members received their fifth loan corresponding to a 1% of total portfolio.
- Extended project coverage to all 14 geographical departments of the country and 27 of the 109 municipalities of the ex-conflictive zones.
- Sustained its loan portfolio of the village banks repayment rate of over 99%, and 97% repayment rate on the microenterprise portfolio, which demonstrates us that the Village Bank methodology does work ie: Given credit access and training even poor people are good credit risks
- The Project Support Office with FINCA's officials was established in El Salvador to provide closer communication and monitoring of CAM operations with A.I.D.

**NATIONAL RECONSTRUCTION PLAN ISSUES**

- The project has been active in the ex-conflictive zone as follows:  
Total Village Banks 49; total amount \$65,300; total Beneficiaries: 1,202 (men 49 women 1,153).
- Total solidarity groups 6; total amount \$7,262; total beneficiaries: 31 (men 5, women 26 )

**C.2. WID ISSUES**

- Exactly 95.7% of the CAM's 14,464 village bank borrowers are women and 89% of the CAM's 1,304 solidarity groups and individual borrowers are women.

**D. PROBLEMS AND DELAY**

Implementation is ahead of schedule and the project evaluation will provide us guidance on the actions to be taken.

**E. MAJOR ACTIVITIES OR CORRECTIVE ACTIONS DURING THE NEXT SIX MONTHS**

- CAM's Internal Manuals Prodecures will be revised and approved.
- Midterm Project Evaluation will be done during first semester of 1993.
- Intensified expansion of project services into the ex-conflictive zones.
- Expansion of the CAM Board of Directors (at least 4 new members)

ID6812  
PRE.



C. Other Accomplishments and Overall Status

1. Completion of FY 91 liquidations.
2. Women participated significantly in 32% of the FY 92 projects.
3. 10 out of 40 projects in ex-conflictive areas.
4. Electrification: 10
  - Roads Improvement: 2
  - Bridges: 2
  - Vocational Training: 10
  - Wells: 1
  - Water: 1
  - Education: 5
  - School Construction: 2
  - Others: 7 (Equipment and furniture for different institutions, i.e. CROC, Foster Home, etc.)

D. Problems and Delays

1. Delay in allocation of funds for FY 92 caused delays in execution of the sub-projects, although all qualified projects were initiated.

E. Major Activities or Corrective Actions during the Next 6 Months

1. Complete liquidation of FY 92 SDA funds.
2. Committee will meet to review all FY 93 SDA project proposals.
3. Preparation of PIO/T for the SDA Evaluation to be performed in the second quarter of the FY 93. Evaluation will be expected to examine:
  - a) Eligibility criteria;
  - b) Development impact;
  - c) Sustainability;
  - d) Sample study since 83.
4. Investigate possible role/focus for Peace Corps.

**MISSION STRATEGIC OBJECTIVE No. 3:**

**Enduring Democratic Institutions and Practices**

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

MISSION DIRECTOR RATING: A      B      C       
 (New Project)

**I BACKGROUND DATA**

Project Title: Judicial Reform II  
 Project Number: 519-0376  
 Date of Authorization: original 09/28/92 amendment None  
 Date of Obligation: original 29/09/92 last amendment None  
 FACD: original 30/09/97 amended to:  
 Implementing Agencies: Supreme Court, Public Ministry, Ministry of  
 Justice and National Council of the Judiciary  
 Major Contractors: Not defined  
 AID Project Manager: Ana Klenicki, ODI

Status of CPs/Coverants: Pending  
 Planned Number of Non-Federal Audits during Fiscal Year: N/A  
 The number of such Audits Contracted for/completed: N/A  
 Date of Last Evaluation: N/A Next evaluation: March 95  
 Date of Last Audit: N/A Next audit: pending  
 Planned Number of Non-Federal Audits during Fiscal Year:  
 The Number of such Audits Contracted for/Completed:

**FINANCIAL DATA**

Amount Authorized:	DA/ESF Grant: orig	\$15,000,000	amended to \$
Amount Obligated:	DA/ESF Grant: orig	\$ 4,500,000	amended to \$
Amount Committed:	Period:	\$ 0	
	Cumulative:	\$ 0	
Accrued Expend.:	Period - Projected	\$ 0	
	Period - Actual	\$ 0	
	Cumulative:	\$ 0	
	Projected Next Sem.	\$ 250,000	
Counterpart Contrib. Planned:		\$ 7,800,000	
	Actual:	\$	
% LOP elapsed:		0 %	
% of Total Auth. Oblig.		30 %	
% of Total Oblig. Expended		0 %	
% of Total Auth. Exp.		0 %	

**II RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES**

**A. Specific Linkages to Strategic Objective.**

The Project is linked to the mission strategic objective number 3, Promoting enduring democratic institutions.

**B. Percent of LOP funds relating to Strategic Objective.**

100%

**III PROJECT PURPOSE AND DESCRIPTION**

A. The Project supports Salvadoran efforts to accelerate and deepen El Salvador's judicial reform process, and through this process, ensure that citizens' due process and equality before the law are guaranteed.

**B. Achievements to date**

This is a new Project.

65

C. Project Description

Project activities include: 1) Strengthening Salvadoran Support for Justice Sector Reform; 2) Strengthening Institutional Capacity to implement Reforms; and 3) Other USG Justice Sector Activities.

IV. PROJECT STATUS

A. Planned ECPS:

Progress to Date

1. Criminal case backlog will have been reduced and fewer detainees will be awaiting trial or sentencing.
2. Legal and organizational reforms which provide individuals greater guarantees of due process, such as improved procedural protections.
3. Greater citizen understanding of the law, the role of the actors in the justice sector, and expectations for fair and timely judicial decisions.
4. Legal and organizational reforms to improve the legal framework, especially in areas related to civil, commercial and family matters.
5. The provision of adequate operational budgets and increased levels of other donor funding for justice sector improvement.

D. Problems and Delays

This is a new Project.

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

- PIL accepting CPs to first disbursement.
- Basic PIL.
- Completion of Stakeholder Analysis.
- Institutional Contractor proposals reviewed and Contractor selected.
- PSC Manager on board.
- Nominations for Judicial Reform Implementing Unit.
- Decree issues to create Jud. Reform Implementing Unit.
- SOW for Institutional review of MDJ.
- PIL approving 1993 Action Plan.

PRJ.1072

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

MISSION DIRECTOR RATING: A      B      C       
 (New Project)

**I BACKGROUND DATA**

Project Title: Democratic and Electoral Processes  
 Project Number: 519-0391  
 Date of Authorization: original 09/28/92 amendment  
 Date of Obligation: original 30/09/92 last amendment  
 PACD: original 30/09/95 amended to:  
 Implementing Agency: Supreme Electoral Tribunal  
 Major Contractors: IIHR/CAPEL and other to be defined  
 AID Project Manager: John Anderson

Status of CPs/Covenants: Pending

Date of Last Evaluation: N/A Next evaluation: June 1994  
 Date of Last Audit: N/A Next audit: pending  
 Planned Number of Non-Federal Audits during Fiscal Year:  
 The Number of such Audits Contracted for/Completed:

**FINANCIAL DATA**

Amount Authorized:	DA/ESF Grant: orig	\$ 4,000,000 amended to \$
Amount Obligated:	DA/ESF Grant: orig	\$ 4,000,000 amended to \$
Amount Committed:	Period:	\$ 0
	Cumulative:	\$ 0
Accrued Expend.:	Period - Projected	\$ 0
	Period - Actual	\$ 0
	Cumulative:	\$ 0
	Projected Next Sem.	\$ 450,000
Counterpart Contrib. Planned:		\$ 1,350,000
	Actual:	\$ 0
% LOP elapsed:		0 %
% of Total Auth. Oblig.		100 %
% of Total Oblig. Expended		0 %
% of Total Auth. Exp.		0 %

**II RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES**

**A. Specific Linkages to Strategic Objective**

The Project is linked to the mission strategic objective number 3, Promoting enduring democratic institutions.

**B. Percent of LOP funds relating to Strategic Objective.**

100%

**III PROJECT PURPOSE AND DESCRIPTION**

A. The Project goal is to promote enduring democratic institutions and practices in El Salvador.

The purpose of the Project is to strengthen the integrity and inclusiveness of the Salvadoran democratic and electoral processes, especially the participation of women, young citizens, and rural people.

**B. Achievements to date**

This is a new Project.

17

C. Project Description

Project activities include: 1) The Supreme Electoral Tribunal; 2) Citizen Involvement; and 3) Election Observation.

IV. PROJECT STATUS

A. Planned EOPS:

Progress to Date

1. Increased citizen confidence in the electoral process in general, and specifically in the ability of the SET to register voters and conduct fair, open elections, according to established rules and transparent procedures.
2. Increased participation in the 1994 elections of Salvadorans, especially the participation of women, young citizens, and rural people by activities to overcome absenteeism in elections.
3. Increased availability of information about government through more objective reporting, broader coverage of issues, and its wider dissemination through mass media and informal media.
4. Broadened geographical and numerical outreach of civic education efforts, leading to increased citizen awareness of political rights and responsibilities.

D. Problems and Delays

This is a new Project.

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

- PIL accepting CPs to first disbursement.
- Set LC Action Plan for C5 million.
- Select PSC Manager to arrive Feb. 1, 93.
- CAPEL institutional review completed and Grant awarded.
- Basic PIL preparation.
- Prepare PIO/T for institutional contractor. Team leader to arrive 4/1/93.

PRJ.1014

27



B. MAJOR OUTPUTS

	<u>PLANNED</u>				<u>ACCOMPLISHED</u>			
	<u>LOP</u>	<u>PERIOD</u>	<u>CUM.</u>	<u>NEXT PERIOD</u>	<u>PERIOD</u>	<u>CUM.</u>	<u>% OF LOP</u>	
1. Institutional Development. -Implementation of self-sufficiency plan.	RFP for study issued.							
2. Loans made.	535	15	15	20	0	0	0	
3. Grants made.	400	15	15	20	0	0	0	
4. Unions, Federations, or Camp.Org. which have received T.A. and/or training.	30	4	4	4	0	0	0	
5. Labor-Management Cooperation.	Target to be established based upon strategy.							
6. Participants from Unions, Feds., Emp. Assoc., or campesi. org's who have received training.	M 10000 F 6000	M 500 F 300	M 500 F 300	M 500 F 300	M 16 F 4	M 16 F 4	M .2 F .1	

C.I. OTHER ACCOMPLISHMENTS AND OVERALL STATUS

- \* FOES met CP's to First Disbursement (i.e., established an adequate system to manage and control funds; contracted an independent audit firm; completed the environmental assessment on pesticides). Technical assistance from CLUSA to implement the loan and grant program, including the development of loan and grant manuals, is being provided to enable FOES to comply with this special condition of the agreement. Policy statements for the loan and grant programs have been reviewed and approved.
- \* FOES is carrying out a training needs survey of org's. which plan to send representatives for tri-partite trng. for 50 participants in the United States and El Salvador under the CLASP II program.
- \* FOES moved into adequate offices, and contracted key personnel including the Director of Operations.

C.II. WID ISSUES

- \* The labor union and campesino organization movement in El Salvador has not generally included women in the decision making process. Baseline data which FOES establishes for each organization will have information by gender.
- \* FOES has made female participation one of its criteria for consideration of loan and grant proposals from affiliates.

D. PROBLEMS AND DELAYS

- \* Expectations of labor organizations for quick disbursements under the FOES project have not been met and FOES believes its credibility is at stake.

E. MAJOR ACTIVITIES OR CORRECTIVE ACTIONS DURING THE NEXT SIX MONTHS

- \* FOES will elaborate 4 development packages with an adequate strategy towards resolving institutional problems. These will be reviewed and approved by AID.
- \* The self-sustainability strategy will be developed, reviewed and approved by AID.
- \* The following CP's for special disbursements will be met during the next six months: Environmental Assessments for infrastructure projects will be approved before expenditures can be made for these activities; the 1993 Action Plan will be approved; and the annual audit of the program will begin.

Loan/Grant Program

- \* Development Plans for four organizations will be implemented: training, technical assistance, loans and grants will be given.
- \* The grant and loan manuals will be reviewed and approved by AID.

Labor-Management Cooperation

- \* Fifty participants for the tri-partite training under the CLASP program will be chosen.
- \* The Labor-Management Cooperation Plan will be finished and activities in this area will begin.

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

Mission Director Rating A      B      C      X     

**I. BACKGROUND DATA**

Project Title: Federation of Bar Associations  
 Project Number: 519-0373  
 Date of Authorization: Original 09/26/90 Amendment N/A  
 Date of Obligation: Original 09/26/90 Amendment N/A  
 P/ACD: Original 09/30/94  
 Implementing Agencies: Inter-American Bar Foundation; Sal.Fed of Bar Assoc.  
 Contractor: N/A  
 MID Project Manager: Luis Alonso Medina  
 Status of CPs/Covenants: Complied  
 Date of Last Evaluation: N/A Next evaluation: 02/93  
 Planned Number of Non-Federal Audits during Fiscal Year : N/A  
 The Number of such Audits Contracted for/Completed : N/A  
 Date of Last Audit: N/A Next audit : 11/05/92

**FINANCIAL DATA**

Amount Authorized: ESF Grant: orig \$ 500,000 Amended to \$ N/A  
 Amount Obligated: ESF Grant: orig \$ 500,000 Amended to \$ N/A  
 Amount Committed: Period: \$ 248,292  
 Cumulative: \$ 383,273  
 Accrued Expnd.: Period - Projected \$ 37,834  
 Period - Actual \$ 67,716  
 Cumulative: \$ 126,395  
 Projected Next Sem. \$ 100,000  
 Counterpart Cont.: Planned: N/A  
 Actual: N/A  
 % LOP elapsed: 50%  
 % of Total Auth. Oblig. 100%  
 % of Total Oblig. Expended 25%  
 % of Total Auth. Exp. 25%

**II. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVE**

**A. Specific Linkage to Strategic Objective**

A strong Bar Association is an important element in the construction of a professionalized, independent and efficient judiciary. The Bar's role to improve selection of judges and oversee judicial performance strengthens the Judiciary as an instrument of public accountability for elected and appointed government officials, as well as a more effective instrument of justice.

This project supports USAID/El Salvador's strategic objective to promote enduring democratic institutions and practices by improving procedural protection related to timeliness and impartiality in the judicial system.

**B. Percent of LOP Funds Relating to Strategic Objective**

100% Strategic Objective number 3 "Enduring Democratic Institutions and Practices"

**III. PROJECT PURPOSE AND DESCRIPTION**

**A. Project Purpose:** To strengthen the Salvadoran Federation of Bar Associations (SFBA) to enable it to better serve its members' interests as well as those of the citizenry in general.

**B. Achievements to Date:** After working in the establishment of basic administrative infrastructure, the SFBA is now ready to begin carrying out a broader public education program, including some income-generating programs. As part of the Institutional Strengthening activities, SFBA headquarters is providing different services to associates, and is being used by different bar associations to hold conferences, meetings and other bar activities.

**C. Project Description:** The project will institute a reciprocal, professional association between the U.S. non-profit Inter-American Bar Foundation (IABF) and the SFBA, through which the Foundation will assist the Federation in carrying out three specific activities: (1) a continuing legal education program; (2) a law-related education program; and (3) activities related to strengthening the SFBA institutionally.

**IV. PROJECT STATUS**

**A. Planned EOFS**

1. Increase in human and financial resources available to the SFBA
2. Independently initiated activities
3. Increased independence both from judicial system and from political pressures.

**Progress to Date**

Project-financed administrative staff is undertaking overall program planning, including a number of income-generating services to be offered to Associates to increase membership.

SFBA directors coordinating a comprehensive law related education program which includes radio and T.V. programs.

Members working with the judiciary are restricted from participating in direction of project activities. A review of SFBA bylaws will be made to assure more discussion when taking politically-related decisions.

**B. Major Outputs**

	Planned			Accomplished			% of LOP
	LOP	This Semest.	Next Semest.	This Semest.	Next Semest.	% of LOP	
1. Lectures sponsored	240	5	55	7	19	8	
2. Average participants per lecture.	45	-	-	171	96	-	
3. Radio spots on law education	1152	25	193	0	0	0	
4. Newspaper inserts on law education	96	12	44	7	18	19	
5. Publications on law education	12	-	5	0	0	0	
6. Bar member visit to	10	6	6	6	0	0	

C.1. OTHER ACCOMPLISHMENTS AND OVERALL STATUS

SFBA continued working with project-financed staff in the implementation of Action Plan activities. A new Board of Directors took office in early June and the Project Committee was rearranged. Following Board's guidance, the Committee has designed a comprehensive plan to carry out several activities in the Continuing Legal Education and Law Related Education programs. A new local coordinator and an administrator have been hired in June and August 92, respectively, to cover all areas of action. Both are organizing income-generating programs designed to strengthen SFBA independence and financial viability.

A seminar on Constitutional law with participation of 3 prestigious foreign professors was organized to discuss the necessity of better constitutional protection in El Salvador. A 2-day seminar on Intellectual Property (Copyrights, Trademarks, Patents) with the presence of local and foreign professors analyzed the need of enhanced protection, to improve El Salvador's position in the international investment market. A seminar on alternative dispute resolution methods was held in conjunction with the Salvadoran Chamber of Commerce to discuss the advantages and promote the use of such methods in commercial disputes.

The Law Related Education program was widened to cover TV and radio areas thus making more effective the flow of information to the population.

IABF discussed mechanism with new SFBA Board to diminish political influence from the Supreme Court and outlined the need to make a complete revision of the Institution's bylaws in order to have a new election method in place and more direct participation of all association members. This position was accepted by some Board members but has not yet produced general consensus. IABF is working to promote this change in next year's annual meeting to be held on April 93.

C.2. WID ISSUES

Women are participating in several bar associations. 27% of all participants in legal education program were women.

D. PROBLEMS AND DELAYS

- Project activities slowed down while a new Local Coordinator was being identified.
- Trip of Bar leaders to visit Florida's sister associations was postponed due to Hurricane Andrew.
- Institution weakness against political pressures for endorsement of party or personal positions continue to exist.

E. MAJOR ACTIVITIES OR CORRECTIVE ACTIONS DURING THE NEXT SIX MONTHS

A group of prestigious attorneys assisted by the Local Coordinator will prepare a revised version of the bylaws for discussion and consideration at the next Annual Meeting scheduled for 04/93.

Six bar leaders will visit the U.S. as part of the exchange program designed to familiarize local bar leaders with bars' roles in developed countries.

A prime-time TV program will be aired to discuss several legal issues of interest for the community. The program will have an open telephone line to give experts' opinion to particular problems. A similar program will be produced in radio, assuring coverage of a wider range of individuals.

A plan detailing how income to be generated from Action Plan activities should be used to start the process of making the SFBA a self-sufficient organization has been requested to the IABF. ODI expects this plan on January 1993.

AV

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

MISSION DIRECTOR RATING: A B C

**I. BACKGROUND DATA**

Project Title: Strengthening Democratic Processes  
Project Number: 519-0375  
Date of Authorization: original 03/29/90 amendment N/A  
Date of Obligation: original 03/30/90 last amendment 07/07/92  
PACD: original 06/30/94  
Implementing Agencies: Centro de Investigaciones Tecnológicas y Científicas (CENITEC)  
Contractor: N/A  
AID Project Manager: Mauricio Herrera Obello  
Status of CPs/Covenants: CPs to First Disbursement: All Met  
Covenants: All met; CENITEC is complying with the criteria established in "Program Description."

Planned Number of Non-Federal Audits during Fiscal Year: N/A  
The Number of such Audits Contracted for /Completed : N/A  
Date of Last Evaluation: September/October, 1992. Next evaluation: 06/94  
Date of Last Audit: December 31, 1992 (RCA) Next audit: 02/93 (RCA)

**FINANCIAL DATA**

Amount Authorized:	DA Grant:	orig \$2,500,000	amended to N/A
Amount Obligated:	DA Grant:	orig \$ 600,000	amended to \$2,500,000
Amount Committed:	Period:	\$ 845,000	
	Cumulative:	\$2,415,000	
Accrued Expend. :	Period - Projected	\$ 275,000	
	Period - Actual	\$ 265,867	
	Cumulative:	\$1,043,187	
	Projected Next Sem.	\$ 275,000	
Counterpart Cont.:	Planned:	\$1,148,507	
	Actual:	\$ 638,823	
% LOP elapsed:		58 %	
% of Total Auth. Oblig.		100 %	
% of Total Oblig. Expended		41 %	
% of Total Auth. Exp.		41 %	

**II. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVE**

**A. Specific Linkage to Strategic Objective**

CENITEC supports the development of the democratic process and institutions in El Salvador by encouraging the participation of the different economic, social and political sectors of the society in better understanding and broader public discussion of policy-relevant issues.

**B. Percent of LOP Funds Relating to Strategic Objective**

100% Strategic Objectives No. 3 "Enduring Democratic Institutions and Practices."

**III. PROJECT PURPOSE AND DESCRIPTION**

**A. Project Purpose**

To assist the Center for Technological and Scientific Research (CENITEC) to enhance the democratic process in El Salvador, by encouraging the participation of the different economic, social and political sectors of the society, as well as by carrying out social problem studies and elaborating problem-solving proposals.

**B. Achievements to Date**

Through participation of some 2154 individuals in issues-focused seminars and dissemination of 11,500 issues of policy relevant journals during this semester, CENITEC is increasing civic awareness and communication, and widening public participation in democratic decision making. Moreover, CENITEC is gaining wider public recognition of its capacity to carry out seminars and charlas to analyze and discuss a variety of issues. Though CENITEC research studies are more economics-oriented, social issues have increasingly been discussed in these studies. A mid-term evaluation currently being conducted will assess the impacts of outreach activities, and the extent to which CENITEC is perceived as an effective and objective institution for public awareness and participation.

**C. Project Description**

The project consists of three components: a) research studies of contemporary issues, including assessments of the economic and social situation; b) sponsorship of seminars, which will facilitate discussion of contemporary issues among leaders of different sectors of the society; and c) production and dissemination of publications, which will allow informed dialogue of significant public policy and development issues involving a broad range of the Salvadoran society.

IV. PROJECT STATUS

A. Planned EOPS

Institutionalized Mechanism/Forum created for the non-partisan discussion of contemporary social and economic issues and the formulation of proposals reflecting the consensus of political forces in El Salvador.

Progress to Date

CENITEC seminars and publications are bringing together different sectors of society in issue-oriented discussion. A self-sufficiency study is being contracted to identify future funding.

B. MAJOR OUTPUTS

	<u>Planned</u>				<u>Accomplished</u>		
	<u>LOP</u>	<u>This Semest.</u>	<u>Cum</u>	<u>Next Semesth.</u>	<u>This Semes</u>	<u>Cum</u>	<u>% of LOP</u>
1. Research Studies Program							
a. Research studies	49	8	35	7	6	38	77
b. Socioeconomic bulletin	48	6	27	6	6	27	56
2. Seminar Program							
a. Monthly Seminars	50	6	29	6	5	29	58
Number of attendees	-	-	-	-	1003	8564	-
b. Bi-weekly "Charlas"	100	12	58	12	12	54	54
Number of attendees	-	-	-	-	1151	4779	-
c. Bi-weekly Meetings	100	10	32	11	11	33	33
3. Publications Program							
a. Presencia Magazine							
-Issues	17	2	10	2	2	10	58
-Total Published	25500	3000	12000	3000	1500	12000	47
b. Seminar Booklets							
-Issues	48	5	26	5	4	25	54
-Total Published	24000	3000	15500	3000	4500	26000	108
c. Research Study Booklets							
-Issues	23	3	14	3	1	12	52
-Total Published	34500	3000	15000	3000	2000	20000	57
d. Socioeconomic Bulletin							
-Issues	48	6	21	6	4	25	52
-Total Published	72000	9000	40000	6000	3500	29000	40

C.1 OTHER ACCOMPLISHMENTS AND OVERALL STATUS

The Research Studies Program has played an increasingly significant role in social/economic policy discussion and formulation in El Salvador. For example, according to CENITEC, the research study on "Current Consumer Price Index Limitations and Proposal of an Alternative Price Index" influenced the Ministry of Economy to design a new price index which may be implemented in January, 1993. Moreover, the Legislative Assembly Sub-Commission for Privatization not only used as supportive documentation for its opinion on the privatization of the banking system a study carried out by the Research Unit, entitled "ARENA Financial Reform: Where is the Privatization of the Banking System Going?" but also invited members of this unit to give their opinion on this issue. Finally, CENITEC has newly participated in the on-going discussion of the Economic and Social Reconciliation Forum. One research specialist was chosen as economic advisor for the Forum of the Small and Medium Businessmen Association (AMPES), one of the eight industrial organizations that take part in this Forum.

Within the Seminar Program, seminars, "charlas," and bi-weekly meetings have been carried out. Through these activities, CENITEC sponsors a wide debate on economic, social, political, cultural, and technical issues among different sectors of Salvadoran society, which in turn promotes pluralism. Different sectors of society --government institutions, labor unions, professionals, and financial institutions-- have participated in this Program during the semester. Transition to Democracy in Chile and El Salvador, Citizens' Security, The Architectural Patrimony, A National Value that is Being Lost, were some seminar topics discussed during this period. The audience was approximately 200 people in each event. Also, bi-weekly meetings and less formal "charlas" have been carried out with an ad-hoc participation of experts depending on the subject matter under discussion. Among the topics discussed were: The Role of the Informatic within the National Reconstruction Process, Recent Evolution of Salvadoran Economy and Its Perspective for 1992, Women and Work in Time of Crisis. The average number of participants in these "charlas", for this period, was 100 people and includes representatives from the private sector, government, academicians, students, labor sector, peasant organizations, etc.

The Publication Program, through its journals "Presencia," "Política Económica," and "Cuadernos de Investigación," focused its attention on peace accord issues and perspectives, social reconciliation, post war challenges, and respect for human rights. Some local private universities, i.e. Albert Einstein University, Technological University, Central American University (UCA), and José Matías Delgado University, are using CENITEC publications as reading material for their students, indicating potential of CENITEC publications as academic resources. Sale of documents for this period increased a substantially (30%); main users are students, professionals, labor unions, politicians, intellectuals, and the public in general. CENITEC was invited by the University of Guadalajara to participate in its International Book Fair to be carried out at the end of this year.

C.1 OTHER ACCOMPLISHMENTS AND OVERALL STATUS (cont.)

Preliminary mid-term evaluation results show that CENITEC has advanced reasonably well toward the achievement of its goals and objectives, has carried out fairly high quality studies of contemporary issues, has brought together a broad spectrum of important decision-making Salvadoran groups to discuss contemporary issues, has stimulate debate, and has disseminated the results of studies through publications among different sectors of Salvadoran society.

Implementation of the recipient-contracted audit for 1991 has been completed and the institution is proceeding to contract for year ending 1992. All other activities contemplated in the Action Plan for 1991/1992 have been carried out.

C.2 WID ISSUES

CENITEC seminars and research activities have addressed women's issues in the context of overall analysis rather than as a separate, isolated issue. It is currently estimated that 45 % of attendees at these activities are women.

D. PROBLEMS AND DELAYS

CENITEC has had difficulties in finding an appropriate firm to develop the self-sufficiency plan. Only two proposals were received and neither firms fully met requisites in the RFP. Negotiation on consultant experience is ongoing with one of the bidders; if proposal is not responsive, CENITEC will reject the proposal and restart the contract award process.

E. ACTIVITIES OR CORRECTIVE ACTIONS DURING THE NEXT 6 MONTHS

- CENITEC will contract the development of the self-sufficiency plan from a limited list of sources with experience in this field which will be provided to CENITEC if current negotiation fails. CENITEC will begin implementation as soon as the plan is finished.
- CENITEC's financial audit for 1992 will be conducted in February 1993.



IV. PROJECT STATUS (Cont.):

A. Planned EOPS

- 3. Major large and mid-sized companies affiliated.
- 4. Formation of Intersectorial Commission on Occupational Safety and Health (CISO).
- 5. Define and encourage the execution of a national policy on OSH.

Progress to Date

55 companies currently affiliated (22 original members).  
 15 reps. from 3 sectors (labor, management, government) formed the CISO, and agreed to its by-laws.  
 International and national laws have been compiled into manuals for review by CISO.

B. MAJOR OUTPUTS

	PLANNED			NEXT		ACCOMPLISHED				
	LOP 6000	PERIOD 1000	CUM. 13000	PERIOD N.A.	CUM. 1862	PERIOD 9442	% OF LOP met			
1. Workers trained onsite in OSH.				N.A.						
2. General courses on OSH topics.	15	2	10	N.A.	3	18	LOP met			
3. Inspection of workplaces.	120	50	150	N.A.	51	216	LOP met			
4. Formulation of fee structure.	Fee structure established.									
5. Overseas Trng.	M	F	M	F	M	F	M	F	M	F
Long-Term	0	0	0	0	0	0	0	0	0	0
Short-Term	10	2	3	1	15	5	0	0	1	0
									6	1
									60	50

C.I. OTHER ACCOMPLISHMENTS AND OVERALL STATUS

- \* FIPRO requested a six-month extension of the project in late October. The PACD will be extended within the parameters of the recent project evaluation.
- \* FIPRO is using indicators and generating statistics to pinpoint problems and to define overall trends of affiliated companies.
- \* Six workshops with the CISO were held to discuss the installation of the CNSO (National Council on Occupational Safety).
- \* FIPRO, in coordination with AIFLD and SIPES (Port Authority Workers) has carried out training for 600 workers. FIPRO also coordinated with AIFLD and SUTC (construction workers union) to carry out training for construction workers. The increased contact is a positive factor in achieving one of the project's goals of helping reduce polarization between labor and management.
- \* MAPFRE (a Spanish OSH organization) carried out four general courses on OSH. These courses are being carried out on a regular basis and are generating funds for FIPRO which will help FIPRO to attain self-sustainability.

C.I. OTHER ACCOMPLISHMENTS AND OVERALL STATUS

- \* FIPRO has begun to carry out a combination of direct marketing as well as a public awareness campaign through newspaper and radio to remind workers and employers of their OSH responsibilities.
- \* FIPRO continues to regularly meet with companies to explain to them the benefits of using and paying for FIPRO technical services, and increasing FIPRO's potential for self-sustainability.
- \* FIPRO has given assistance to the CISO to draft the legal statutes of the National Council on Occupational Safety (CNSO).
- \* Ten companies affiliated recently to FIPRO; They will be actively participating in OSH training and other activities.

C.II. WID ISSUES

- \* FIPRO is not formally generating statistics which identify participation in the various activities by gender. FIPRO estimates that 30% of participants in training events are women.

D. PROBLEMS AND DELAYS

Financial Self-Sufficiency:

- \* Many of the affiliated firms are using FIPRO's technical services only sporadically, affecting FIPRO's potential for meeting LOP planned counterpart contribution and for long-term financial self-sustainability. This is despite their efforts to convince affiliated companies that they need to improve working conditions at the plants. To promote its services FIPRO will continue to offer affiliated and unaffiliated firms a specific technical package designed to address the OSH needs of each firm.

E. MAJOR ACTIVITIES OR CORRECTIVE ACTIONS DURING THE NEXT SIX MONTHS

- \* FIPRO will continue to coordinate with AIFLD and the democratic trade unions to encourage more labor union participation in activities.
- \* FIPRO will continue giving legal assistance to the CISO to help draft the legal statutes of the CNSO for its eventual installation in November; the CISO will be analyzing the potential structure, organization, and formation of the CNSO and will approve the legal statutes to ultimately apply for and receive legal status. Representatives of the CISO/CNSO will embark on an observational trip during the semester.
- \* MAPFRE will carry out one course on Occupational Safety and Health.
- \* The project will end on 3/31/93; during this period a the Project Assistance Completion Report will be completed.



D. WORK OUTPUTS

	PLANNED*				ACCOMPLISHED								
	LOP	PERIOD	CUM.	NEXT PERIOD	PERIOD	CUM.	% OF LOP	LOP met					
1. Increase unions affiliated to UNOC.	5	0	5	1	0	6		LOP met					
2. Increase membership in UNOC affiliated unions.	5000	2000	9500	2000	2400	65000		LOP met					
3. Microenterprise credits given to urban union members.	1000	200	1050	200	147	347	34.7						
4. Soc. welfare services provided to urban workers/families.	5000	2000	5800	2000	1905	7938		LOP met					
5. Improve efficiency and management of urban/ rural unions.	AIFLD is providing technical/operational assistance to 12 unions.												
6. Assist rural fam. gain access to land.	20000	Legal and technical services have been provided by UNOC to 460 families.											
7. Improve prod./ income of Phase I & III beneficiaries.	15000	20000	25580	0	3478	10500	70.0						
8. Increase employ./ incomes of rural women.	1000	200	1500	800	896	1866		LOP met					
9. Soc. welfare services provided to rural families.	10000	900	3900	2000	1709	12294		LOP met					
10. Training (Persons.) Short-Term	M	F	M	F	M	F	M	F	M	F	M	F	LOP
	4800	4220	10642	4220	3294	17182	6779	met					
	1500	580	1298	580	1274	6779	met						

\* Planned LOP, period and cumulative targets to be revised in conjunction with Project Amendment.

C.I. OTHER ACCOMPLISHMENTS AND OVERALL STATUS

UNOC

- \* UNOC and the CGT (General Confederation of Workers) have become actively involved in the Socioeconomic Forum. With the recent inclusion of ANEP, discussion will revolve around issues of interest to workers and campesinos including discussion of proposed changes to the labor code.
- \* UNOC has become more active in providing positive technical assistance to labor. The Inter-Gremial relies on the UNOC to provide tangible analyses of current labor issues, facilitating consensus among labor unions on positions and indirectly supporting labor participation in the Socioeconomic Foro.

C.I. OTHER ACCOMPLISHMENTS AND OVERALL STATUS (Cont.)

Rural Program

- \* Survey of Phase III cooperatives carried out by Technoserve and ACOPAI has been analyzed and is being used to develop projects and plans, and make administration adjustments in services to affiliated coops.
- \* Major subagreements were signed with ACOPAI and FEDECAS to provide loans, technical assistance, and training. Training in the use, control, and administration of pesticides is a major component of this assistance.

Urban Program

- \* During the semester AIFLD was instrumental in providing technical assistance to the SUTC (construction workers), SIPES (port authority workers), and FESINCONSTRANS (Federation of transportation, construction, and allied trade unions) towards the signing of or renewal of collective contracts.
- \* AIFLD and FEPADE worked together to plan joint labor-management observational/training trip to the U.S. to study seismic design and construction techniques.

Administrative

- \* AIFLD problems regarding their subgrant mechanism has been reviewed and resolved.
- \* The Director and Rural Program Officer who arrived just prior to this semester have become well versed in the labor and campesino situation in El Salvador.

FOES

- \* Through FOES, AIFLD is supporting 10 loan and grant projects while 8 are awaiting implementation. These projects include loans to increase agricultural production and grants to improve living standards.

C.II. WID ISSUES

- \* Training offered by AIFLD is not balanced in terms of gender because of generally low participation of women in the union and coop movements in El Salvador; however, village bank program has been successful in incorporating women. The village program which started in the east, has been replicated to ACOPAI affiliates in most parts of the country.

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- \* Affiliates of campesino organizations with which AIFLD works fear they may lose title to Phase III lands due to FINATA's revaluation of land value/debt. ACOPAI also claims unreasonably high administrative and technical fees are being charged by FINATA. This could lead to further public unrest among ACOPAI and FEDECAS affiliates and compromise dialogue on land related issues.
- \* The USAID contracted financial review has not initiated as planned, and we are now having difficulties finding a CPA firm to conduct the review.

#### MAJOR ACTIVITIES OR CORRECTIVE ACTIONS DURING THE NEXT SIX MONTHS

##### UNOC

- \* AIFLD will work with UNOC and the Inter-Gremial to devise strategies to include incorporation of FMLN and other ex-combatants into democratic worker and campesino organizations. They will also continue to increase dialogue between the UNOC and other worker organizations.
- \* The labor code is an upcoming item for discussion in the Socioeconomic Forum. UNOC will monitor discussion of the Inter-Gremial's proposed labor code, as well as GOES implementation of land tenure legislation and privatization.
- \* AIFLD will continue strengthening the Inter-Gremial by providing technical assistance and logistical support through the UNOC.

##### Rural Program

- \* AIFLD will continue to give training in the fundamentals of market economics. A four week course for campesino leaders will be given in Oct. and Nov. on Rural Marketing. These leaders will be major players in AIFLD's cooperative development strategy.
- \* ACOPAI continues to work with Phase III coops to represent members' land tenancy interests to FINATA. ACOPAI will also be directly involved in analyzing FINATA's role with regard to land tenancy.
- \* Ten agro-input stores with loans and other support from AIFLD will open during the semester; agro-inputs as well as technical assistance will be provided to campesinos through these stores. Technoserve will assist AIFLD and ACOPAI in establishing the agro-service stores.
- \* AIFLD continues to carry out training in the use, control, and administration of pesticides to all personnel from AIFLD, FOES, and campesino organizations involved with pesticides.

#### MAJOR ACTIVITIES OR CORRECTIVE ACTIONS DURING NEXT SIX MONTHS (Cont.)

##### Urban Program

- \* AIFLD's microenterprise program, which began with one CGT affiliate, has been expanded to include other CGT affiliates as well as the CTS.
- \* Through AIFLD and FEPADE working together, labor and management representatives will travel to the U.S to receive training in seismic design and construction, and strengthen labor-management cooperation in development of the industry.

##### Administrative

- \* A financial review and evaluation will be carried out during the period.
- \* AIFLD will submit a proposal during the period for a 22 month extension of the project.
- \* AIFLD will begin to disaggregate most project information by gender, and the IOPIC training school will develop a plan to promote the participation of women.

**PROJECT STATUS REPORT**  
April 1, 1991 - September 30, 1992

MISSION DIRECTOR RATING: A x B \_ C \_

**I. BACKGROUND DATA:**

Project Title: Legislative Assembly Strengthening  
 Project Number: 519-0360  
 Date of Authorization: Original:08/29/90 amendment 04/30/91  
 Date of Obligation: Original:08/29/90 amendment 04/30/91  
 PACD: Original:07/29/92 amendment 03/31/93  
 Implementing Agency: Legislative Assembly  
 Major Contractor: Research Triangle Institute  
 AID Project Manager: Mauricio Herrera Coello, ODI  
 Status of CP's/Covenants: CP's to First Disbursement :All Met  
 CP's to Subsequent Disburse:All Met

Planned Number of Non-Federal Audits during Fiscal Year: N/A  
 The Number of such Audits Contracted for/Completed : N/A  
 Date of Last Evaluation: None Next evaluation: 11/16/92  
 Date of Last Audit: None Next Audit: AID/W

**FINANCIAL DATA**

Amount Authorized:	ESF-Grant: Orig.	\$ 490,000 amended to \$750,000
Amount Obligated:	ESF-Grant: Orig.	\$ 490,000 amended to \$750,000
Amount Committed:	Period:	\$ 3,777
	Cumulative:	\$ 742,049
Accrued Expend.:	Period-Projected:	\$ 250,000
	Period-Actual:	\$ 203,529
	Cumulative:	\$ 390,371
	Projected Next Sem.:	\$ 250,000
Counterpart Contrib.:	Planned:	\$ 375,000
	Actual:	\$ 225,000
% LOP elapsed:		80 %
% of Total Auth. Oblig.:		100 %
% of Total Oblig. Expended:		52 %
% of Total Auth Exp.:		52 %

**II. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVE**

**A. Specific Linkage to Strategic Objective**

The Project works directly to increase the effectiveness of the Legislative Branch of Government as an essential channel of public communication and participation in democratic governance. By strengthening the role of legislators as elected representatives in policy deliberation and dialogue, and in review and oversight of other branches of Government, the Project promotes heightened accountability of public officials and increased confidence in Government generally.

**B. Percent of LOP Funds Relating to Strategic Objective**

100% Strategic Objectives No. 3 "Enduring Democratic Institutions and Practices."

**III. PROJECT PURPOSE AND DESCRIPTION**

**A. Project Purpose**

To strengthen the ability of the National Legislative Assembly to engage in a more analytical and informed policy dialogue internally and with other branches of government.

**B. Achievements to Date**

The Project's Technical Committee composed of representatives of each political party, is increasingly being utilized by Assembly and political party leadership as a Forum for discussing administrative and organizational issues affecting the Assembly. The policy analysts assigned to the parties are being increasingly called upon by representatives to conduct analysis. Services for diputados focussing on budget process, for example, are being arranged at representatives request.

**C. Project Description**

The project is designed to enhance the operational effectiveness of the Assembly, through the provision of technical assistance, training, and other material support. The project consists of three components: a) Technical Support Services, which will assist the Assembly to establish a Policy Research Unit to provide representatives with professional analysis of current issues and problems, the expansion of holdings of the newly organized Assembly Library, and training for the legislature; b) Infrastructure, which includes financial support for, inter-alia, providing Assembly members with semi-private offices and basic furniture; and c) Constituency Services, involving a pilot public education program to improve citizen understanding of the role and function of the Legislative Assembly. The bulk of the grant resources will finance activities under the Technical Support Services component, while counterpart funds will be used largely for equipment and infrastructure.

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IV. PROJECT STATUS

A. Planned EOPS

1. Deputies have increased access to action-oriented policy information.
2. Assembly debates improve in quality and vigor.
3. Increased public understanding of the role of the legislature.

Progress to Date

Four core-unit policy analysts have been integrated into the Assembly Committee system. 1/  
  
All of the eight policy analysts continue to conduct studies for Deputies.  
  
Debates among Deputies within Commissions improved by studies conducted by analysts.  
  
Pilot project under design.

B. MAJOR OUTPUTS

	Planned			Accomplished			% of LOP
	LOP	This Semest	Cum	Next Semest.	This Semest	Cum	
1. <u>Tech. Support Serv.</u>							
-Policy analysts hired and trained	8	-	8	-	8	-	100
-Information packets produced	6	2	4	2	2	4	66
-Study on compilation of law for priority policy	1	1	1	In Process			
-One-day workshops for deputies	6	2	4	3	-	1	16
-Books/Library			Books were acquired				100
2. <u>Infrastructure</u>							
-Semi-private offices for deputies constructed and equipped	84	-	-	-In Process			
-Equipment Purchased							
a) Computers	3	-	3	-	-	4	130
b) Audio system	1	-	1	-	-	1	100
3. <u>Public Education</u>							
-Plan development and distribution of annotated constitution	1	-	-	-	In Process		
-Pilot Public Education Project Designed	1	-	-	-	Not designed yet		

C.1 OTHER ACCOMPLISHMENTS AND OVERALL STATUS

Five deputies on the Technical Committee representing five different parties, Official Mayor, Coordinator of USAID programs for the Assembly, and the resident advisor made observation visits to national legislatures in Chile and Argentina. This is important since the Assembly is currently considering proposals for changes in its internal regulations including the leadership structure, committee system, organization of technical, analytical, and administrative support services. The outcome of the current discussion will be extremely important in terms of the Assembly's ability to contribute to the policy formulation process. The trip allowed deputies and the current chief administrator to observe and evaluate two alternative ways of doing business, in national legislatures that themselves offer striking contrast in styles, procedures, administrator systems, and support services.

Beginning in June, and based on agreements with Assembly leadership, policy analysts were formally assigned to support several committees, including: Political Committee, the most important committee in the Assembly made up of the Junta Directiva and chief of each political party's Assembly grouping, where extremely confidential and sensitive issues are discussed, Committee on Legislation and Constitutional Matters, Committee on Foreign Relations and Central American Integration, Committee on Infancy, Women, and the Family, Committee on the Economy and Agriculture, Committee on Culture and Education, Committee on Finance and Budget, and Committee on Environmental Protection and Health.

This integration into the committee system places the analysts where their skills are most likely to prove useful to the Assembly and helps to formalize an institutional niche for them. Within these commissions, analysts are participating in studies on environmental code, executive budget proposal, consumer protection, regional integration agreements, and other legislative projects. In anticipation of FY 93 budget cycle, ODI met with Legislative Assembly President to begin discussions on incorporation of policy analysts into ordinary budget.

Assembly Library holdings were expanded. Legislators, analysts, and technicians, have now more access to data on laws, relevant reports, studies and periodicals, to improve their analytical capability.

Basic office equipment for each legislator and the audio system for the Plenary Chamber have been delivered to enhance Deputies' operational efficiency.

Technical personnel, secretaries, and services personnel, using LC funds, received training in constitutional law, human relations and motivations, respectively, to improve not only the operational efficiency of the Assembly, but also its image.

1/ Policy Research Unit is composed of eight policy analysts; four assigned to the core central unit and four who work with political party caucuses.

C.2 WID ISSUES

Ten percent of elected representatives are women, all of whom have been participating in Project activities. A workshop for Central American women Deputies, financed through the Regional Legislative Assembly Project, will be carried out in last quarter of CY 92 in Honduras. Salvadoran women Deputies have not only confirmed their participation in this event, but also are working on their input for the agenda.

D. PROBLEMS AND DELAYS

a) Within the Technical Support Service Component:

- Technical Committee agreed to recommend the Junta Directiva to print the Indexed and Annotated Constitution as prepared in 1991 however, the Junta Directiva would prefer to have some jurists to review the document.
- The design of a system to organize existing laws to provide easy access has been initiated, however, no major progress has been made during this semester to complete the design.

b) Within the Infrastructure Component:

- Construction of the Annex (GOES counterpart funds) to shelter the administrative offices continue to have delay problems due to contractor deficiencies. In a related activity, the remodeling of the main building to provide semi-private offices for Deputies is advancing, although slowly.

E. MAJOR ACTIVITIES OR CORRECTIVE ACTIONS DURING THE NEXT SIX MONTHS

- Within the Technical Support Service Component: a) alternatives for funding salaries of analysts will be determined and negotiated with Assembly authorities. Salaries may be incorporated into the Assembly's ordinary budget, covered by local currency generations, or a combination of both; b) a mid-term evaluation will be conducted in mid-November to assess the extent to which Project funded activities have improved the analytical quality of debate and discussion with the Assembly; c) more information packages will be produced and participation of analysts within commissions. Key issues to be decided are (1) relative roles and relationship of existing "técnicos" and the new policy analysts, and (2) adjustments to Assembly Salary levels.
- In the Infrastructure Component, the construction of the Annex as well as the remodeling of the main building will be finished by the end of next semester.
- In the third component, Constituency Services Component, the design of a long-term strategy for a pilot public education program is being planned. Major effort over the next six months will be to study, develop, and implement an Assembly outreach program.
- Finally, an amendment to add funds, extend PACD, and expand activities of the Project has been planned for next semester. If consistent with results of the mid-term evaluation, USAID may increase support for Project activities to strengthen outreach by the Assembly members to their constituents and consideration of a wider range of public opinion in the Assembly's deliberation processes, among other activities, to attain Project objectives.

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

MISSION DIRECTOR RATING: A    B    X    C   

**I. BACKGROUND DATA**

Project Title: JUDICIAL REFORM PROJECT  
 Project Number: 519-0296  
 Date of Authorization: original 07/13/84 amendment 09/28/89  
 Date of Obligation: original 07/13/84 last amendment 05/18/90  
 PACD: original 04/27/87 amended to 03/31/93  
 Implementing Agencies: Ministry of Justice, Public Ministry, Supreme Court Commission for Investigation  
 Major Contractors: Checchi & Company Consulting, Inc.  
 AID Project Manager: Ana Klenicki/Luis Medina, ODI  
 Status of CPs: CPs to First Disbursement - All Met  
 Status of Covenants: Partially met. Budget allocation to Attorney General and Public Defenders still needs to be increased.  
 Date of Last Evaluation: 10/90, 12/90 Next evaluation: 01/93  
 Planned Number of Non-Federal Audits during Fiscal Year: N/A  
 The Number of such Audits Contracted for/Completed: N/A  
 Date of Last Audit: Next audit: FY93

**FINANCIAL DATA**

Amount Authorized:	ESF Grant: orig	\$ 765,000	amended to \$13,734,000
Amount Obligated:	ESF Grant: orig	\$ 765,000	amended to \$13,734,000
Amount Committed:	Period:	\$ 1,473,499	
	Cumulative:	\$13,238,220	
Accrued Expend.:	Period - Projected	\$ 1,300,000	
	Period - Actual	\$ 1,642,860	
	Cumulative:	\$10,528,375	
	Projected Next Sem.	\$ 2,000,000	
Counterpart Contrib. Planned:		\$10,740,500	
	Actual:	\$12,433,531	
	% LOP elapsed:	94%	
	% of Total Auth. Oblig.	100%	
	% of Total Oblig. Expended	76%	
	% of Total Auth. Exp.	76%	

**II. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVE**

**A. Specific Linkage to Strategic Objective**

Extensive training of prosecutors, public defenders, law professors and judges is producing better professionals aware of procedural and substantive issues, resulting in a more timely and prompt justice delivery. Greater public awareness of rights and responsibilities in justice sector is helping to achieve ambitious reform agenda needed to promote public confidence in the integrity of the system.

**B. Percent of LOP Funds Relating to Strategic Objective**

A 100% Strategic Objectives No. 3 "Enduring Democratic Institutions and Practices".

**III. PROJECT PURPOSE AND DESCRIPTION**

**A. Project Purpose:** Improve the administrative, technical and legal performance of El Salvador's justice system with emphasis on criminal justice.

**B. Achievements to Date:** Major achievement is the broad public and professional support building for the reform process producing new criminal and criminal procedure codes. The most prestigious law schools are changing their study plans in order to improve legal education. GOES-sponsored activities to support justice sector reforms have included broad participation from different sectors of Salvadoran society. Foreign experts participating in project activities have recognized that El Salvador is assuming a role of leadership in reforms to criminal justice.

**C. Project Description:** Project activities include(d):

- a) review/drafting of criminal laws conducted by the Ministry of Justice's Technical Support for Judicial Reform Unit (ATJ);
- b) the protection of participants in criminal cases (JPU);
- c) the development of investigative capabilities and establishment of a forensic laboratory for the Commission For Investigations (Comisión de Investigación de Hechos Delictivos - CIHD);
- d) the strengthening of judicial administration (Supreme Court) and training for the Public Ministry; and
- e) the improvement of instruction in law schools.

**IV. PROJECT STATUS**

**A. Planned EOPS Progress to Date**

1. Reduction in percentage of prisoners being held without trial. Supreme Court reports indicate reduction to date to 80%. Legal reforms to permit release pending trial drafted: pending submission to Assembly.
2. Increased percentage of accused individuals provided with legal assistance within 60 days of being accused. A system to collect statistics in the Public Defenders (PDs') Office is almost finished. Pilot court has developed base line collection mechanism. Legislation drafted by ATJ and approved by the Nat'l Assembly calls for the appointment of an attorney at the moment of arrest.
3. Greater impartiality in and improved quality of Court decision through professionalization and greater independence of the judiciary. A judicial school has been established by the Court with its own financing to train newly appointed judges and carry out in-service training program. Judicial appointments, judicial training and judicial career will now be managed by National Council for the Judiciary (NCJ). Constitutional reforms broaden representation on NCJ, lengthen Supreme Court justices term of office, and stagger their appointments.

Major Outputs

	Planned			Accomplished								
	LOP	This Semes	Um	Next Semes	This Semes	Um	% LOP					
<u>1) Revisory Commission*</u>												
-Analytical studies	5		8	-	8		160					
-Proposals drafted/submitted for legislative action	28		29	-	15		53					
<u>ATJ</u>												
-Proposals drafted/submitted for legislative action	17	4	17		3		18					
-Codes drafted	2			-	-		-					
<u>2) Judicial Protection Unit</u>												
-System established	No activities											
<u>3) Commi. for Investigations</u>												
-Investigators working	30		45	-	-	45	150					
-Lab. sections establ.	10		10	-	-	6	60					
-Personnel trained (**)	M	F	M	F	M	F	M	F	M	F		
Long-term	2	6	0	0	2	6	0	0	2	6	100	100
Short-term	46	16	0	0	46	16	0	0	64	27	139	169
<u>4) Judicial Administration</u>												
-Ct Syst. management assessmt	2		2	-	-	1	50					
-Improve Ct admin.	-		-	-	-	-	-					
-Judges trained	400		400	-	-	300	75					
-Judicial School estab.	1		1	-	-	1	-					
-Libraries established	5		5	-	10	15	300					
-Number of PDs	143		143	-	-	108	75					
-Law Sch. texts published	4	2	4	-	2	2	50					
-Law Prof. trained (**)	50		58(***)	-	-	58	116					
-Law Journal published	6	3	5	1	1	3	50					
-PDs & AGs trained		M	F	M	F	M	F	M	F	M	F	
Long-Term		2	0	0	0	0	0	2	0	0	0	
Short-Term	All prosecutors and PDs have received training 197 prosecutors -136 M & 61 F; 108 PDs - 81 M & 27 F											

(\* Support for Revisory Commission ceased in May 1991. No further new activities planned.

(\*\*) All have received several training courses.

(\*\*\*) All have received 130 hours of training (3 seminars)

C.1 Other Accomplishments and Overall Status

Legal Reform: Technical Support for Judicial Reform Unit (ATJ)  
 Three long term foreign advisors are working with the ATJ in the implementation of the Agenda for Reform. The agenda includes, inter alia, the drafting and presentation to the Nat'l Assembly of new criminal law and criminal procedure codes by December 1993. Out of three draft laws presented to the Assembly, one, institutionalizing the Public Defender's Office, has been enacted. New approaches in the process of public consultation have included law related NGOs sponsoring meetings to discuss reform issues. The NGOs include the political left and center. The ATJ, through its Executive Branch Support Unit, has made pronouncements on issues such as the agrarian, labor and family codes, analysed civil administrative procedures, consumer laws and privatizing the services of the public port of Acajutla, and amplified the draft law creating the civilian national police.

The two planned international conferences took place in July and September with attendance exceeding expectations with more than 1,800 attendees participating. Prior to the conferences the ATJ held two one-week seminars of intensive review of the criminal and criminal procedure codes with foreign experts participating in the events. They unanimously praised the ATJ's substantive work and stated that the effort represents a major step forward undertaken by the GOES in the ADJ reform process. The conferences had extensive media coverage as part of the Public Awareness Campaign.

A strategy for continuation and expansion of the public awareness campaign (PAC) was designed and initiated by the Public Defenders' Office using TV and news papers. The campaign includes information to the general public about the new public defenders law and the rights of the accused to be represented from the moment of detention.

Judicial Protection Unit

No activities under this component took place during the reporting period.

Commission for Investigation

The remodeling of the forensic laboratory is underway with a completion date of December 1992 and delivery date of late January 1993 for the equipment being procured through the institutional contractor.

Judicial Administration and Training

Agreement was reached with the Supreme Court on two priorities for AID assistance: court administration and training, with particular emphasis on the development of an effective MIS that will allow measurement of impact (i.e., actual reduction of court backlogs, improved case tracking, case distribution, etc.). A local currency action plan was submitted to finance procurement of computer equipment, but approval has been withheld pending receipt and analysis of design specs for the \$1 million computer procurement and resolution of outstanding audit recommendations to SETEPE. Assistance has been provided by the Office of Information Resources Management (IRM) in reviewing the plan and Court has accepted team recommendations. As part of the technical assistance in court administration, a pilot court has been chosen to implement case tracking, flow management and gathering of court statistics. Three foreign experts have worked with a criminal court in San Salvador developing a complete manual of administrative procedures and the collection of judicial statistics. The judge has been relieved from most of the administrative work allowing him to spend more time in the decision of cases. Role of the judicial secretary has also been redefined. The pilot court will function for the remainder of the Project with periodic evaluations to make necessary adjustments. It is expected that the model will be extended to other courts. Reforms will result in greater due process and observance of the speedy trial requirement.

Six Salvadoran lawyers and six Salvadoran journalists participated in USIA IV programs designed to improve knowledge of court administration and coverage of legal issues by the mass media (April, August, September).

Photographer working with the Sup. Ct. Forensic Institute attended last May forensic photography training offered by Dade County Police Dept. in Miami.

**Attorney General's Office:** Substantive training program continued during the period, with courses given inter alia in criminal procedure, criminal law, and legal writing. Two foreign experts worked in the design of new regulations related to the recruitment and promotion of prosecutors, changes in the organic law of the AG's office, design of a personnel manual, design of in-service training materials, and a library for prosecutors. Procurement of vehicles and radio transmitters for the anti-drug unit and other items for operational support of the western regional office which was opened during this reporting period, is completed.

**Public Defenders' Office:** Substantive training continued, with courses given on the American Convention on Human Rights, trial techniques and criminal procedure. The Law prepared by ATJ calling for the appointment of a defense attorney for accused individuals from moment of capture was approved. Because of this, the Public Defenders' Office will be reorganized to expand access to public defense and cover demand. TA was provided to carry out an in-service training program and to develop a Public Defender Handbook.

**Law Schools:** Review of the curricula and teaching methodologies completed, while substantive courses in criminal procedure, constitutional law and research procedures continued. The National University plans to adopt the new curricula by the end of CY 1992, which will result in modifications to private university curricula, as well. A Council of Law School Deans was created. It meets regularly to discuss implementation of curricular reform and participates in all activities related to AQJ reform. Two of the 4 planned textbooks were completed (Constitutional and Criminal Procedure law). Work on the other two planned textbooks was initiated (Criminal and Tax law). Work on the 4th issue of the law journal in progress. Three seminars for 50 law professors took place; experts from Spain, Argentina and Costa Rica imparted over 130 hours of criminal law and criminal procedure. Students of the law school of the National University held a Congress in September where they discussed justice sector reform issues. The September issue of the National University law students newspaper was dedicated to AQJ reform topics (19 pages).

#### C.2 WID Issues

Project staff continue to emphasize increased participation of women in training courses; however, women are proportionally underrepresented in the justice sector. The first Women Judges Assn. has been formed and recognized by the Supreme Court and representatives will attend the Int'l Assn. of Women Judges in the States next October. Project funds were used to send a penitentiary judge to participate in the Pan American Congress on Criminal Law held in Bolivia last September.

#### D. Problems and Delays

**Legal Reform:** National Assembly acted only on one proposal presented by MOJ for legal reform. MOJ needs to take greater initiative to push for approval of drafts presented.

**Commission for Investigations:** GOES plan to civilianize the CIHD presented to Congress in August 1992, was judged inadequate, thereby impeding obligation of additional funds under another project for the SIU. Funds for rent and computer maintenance contract are urgently needed, and MOJ has asked Amb. for assistance. All other operating costs will be assumed by GOES in Jan '93.

**Supreme Court:** Local currency action plan not approved pending SETEFE's resolution of audit irregularities. Activities in procurement of equipment to automate courts waiting resolution of action plan situation.

#### E. Major Activities or Corrective Actions During the Next 6 months

- **Legal Reform and Public Awareness:** Work during this period will concentrate on completing the drafting of the criminal and criminal procedure codes. Different NGOs including all ideological positions will participate in public consultation process in order to incorporate different view points in the reform process. The GOES will make ordinary budget allocations in CY 1993 for operational expenses of the ATJ, Public Ministry and Supreme Court.

- USAID and USIA will continue collaborating and will send 4 Salvadorans involved with the administration of justice on international visitor programs to the U.S.

- **Attorney General:** The Public Awareness Campaign will start with TV and newspaper articles in an effort to improve the institution's image as agency that observes due process when prosecuting criminal behaviour.

- **Commission for Investigations:** The GOES has committed itself to appoint two civilians to head the CIHD by February 93. Prior to assuming their new positions, the two civilians will receive three months training in the US on administering a detective unit and on criminal investigative techniques. State/ICITAP are also discussing the possibility, if adequate funding can be found, of providing specialized computer training in the US to two CIHD computer specialists. The renovation of the lab building will be completed and the equipment delivered and installed.

- **Judicial Administration and Training:**

**Supreme Court:** Pilot court will be evaluated by foreign experts in order to replicate effort in other courts.

**Attorney General's Office:** Technical assistance will be continued and a functional library opened for prosecutors to use.

**Public Defenders' Office:** Reorganization plan will be finished. For the first time since Project started, GOES will absorb financing of full recurrent costs.

**Law School Program:** Each of the most established law schools will have the revised, modern curricula in place and basic law libraries will be available for students.

**PROJECT STATUS REPORT**  
 April 1, 1992 - Sept. 30, 1992

MISSION DIRECTOR RATING: A X B \_\_\_ C \_\_\_

**I. BACKGROUND DATA**

Project Title: Caribbean and Latin American Scholarship Program (CLASP) II  
 Project Number: 519-0361  
 Date of Authorization: original 07/02/90 amendment None  
 Date of Obligation: original 09/30/90 last amendment 9/30/92  
 PACD: original 07/15/97  
 Implementing Agencies: USAID/El Salvador  
 Major Contractors: Development Associates, Inc. (DA)  
 AID Project Manager: Jaleh de Torres  
 Status of CPs/Covenants: N/A

Date of Last Evaluation: N/A Next Evaluation: Sept. 1992  
 Planned number of Non-Federal audits during FY: One  
 The number of such audits contracted for/completed: One  
 Date of Last Audit: June 1992 Next Audit: FM/OP

**FINANCIAL DATA**

Amount Authorized:	DA/ESF Grant: orig	\$28,500,000	amended to \$	N/A
Amount Obligated:	DA/ESF Grant: orig	\$ 4,983,240	amended to	\$14,189,479
Amount Committed:	Period:	\$ 6,922,277		
	Cumulative:	\$11,959,184		
Accrued Expend.:	Period - Projected	\$ 1,453,786		
	Period - Actual	\$ 1,682,330		
	Cumulative:	\$ 4,468,883		
	Projected Next Sem.	\$ 2,598,343		
Counterpart Contrib. Planned:		\$ N/A		
	Actual:	\$ N/A		
% LOP elapsed:		29%		
% of Total Auth. Oblig.		50%		
% of Total Oblig. Expended		31%		
% of Total Auth. Expended		16%		

**II. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES**

**A. Specific Linkage to Strategic Objectives**

The CLASP II project is directly linked to Mission's Strategic Objectives (S.O.'s) No. 3 (Promote enduring democratic institutions and practices), No. 4 (Healthier and better educated Salvadorans), and No. 5 (Improve environmental and natural resource management); with emphasis on S.O. No. 3.

**B. Percent of LOP Funds Relating to Strategic Objectives**

S.O. 3	50%	\$14,250,000
S.O. 4	25%	\$ 7,125,000
S.O. 5	25%	\$ 7,125,000

**III. PROJECT PURPOSE AND DESCRIPTION**

**A. Project Purpose**

The purpose of the project is to equip a broad base of leaders and potential leaders with technical skills, training, and academic education and an appreciation of the working of a free enterprise economy in a democratic society.

**B. Achievements to Date**

CLASP II project has trained 313 Salvadoran leaders and potential leaders in democratic practices and technical skills such as disaster relief, community service, protection of environment, enterprise development, and health education. Of the 313, 30 have come from ex-conflictive zones (National Reconstruction Plan - NRP).

**C. Project Description**

CLASP II will stress leadership development and consist of short and long-term technical or academic training, and exposure to the U.S. culture, society and democratic system. The program components are: 1) Pre-departure technical orientation, English language training and cultural orientation seminars; 2) U.S. training (leadership training, academic or technical training, Experience America activities and ELT); and 3) Follow-on program designed to reinforce training, facilitate the returnees' dissemination of knowledge, experience and exercise of leadership roles in their professions and their communities.

**IV. PROJECT STATUS**

**A. Planned EOPS**

**LEADERSHIP TRAINING**

1. 50% of CLASP short-term and 75% of long-term Scholars transmitting their technical training, Experience America insights and demonstrate leadership skills, involved involuntary activities in their communities.

**SKILL DEVELOPMENT**

2. All short-term and 95% long-term scholars successfully completed training.

3. All short-term Scholars return to their jobs and assume increased responsibility and 90% of long-term Scholars employed in areas related training, 6-12 months of return.

4. 90% of short-term and 50% of long-term Scholars employed in geographic area of origin prior to training.

**EXPERIENCE AMERICA**

5. 25% short-term and 50% long-term established long-term friendships and links with Americans 6 to 12 months after return.

6. 50% and 75% of Americans in contact with short and long-term Scholars respectively, have increased understandings of El Salvador.

7. 50% of short and long-term Scholars making efforts to further knowledge and exposure to U.S. culture.

8. 50% of short and long-term Scholars actively participating in CLASP Alumni Assoc., attending at least one official function per year.

**Progress to Date**

The scholars (75%) short term and (85%) long term are transmitting their new learnings through the implementation of multiplier effect activities and their action plans.

216 short-term (100%) and 20 long-term (91%) scholars successfully completed training.

All short-term and 85% long-term scholars are working in areas related to training.

100% of short-term and 85% 55% of long-term scholars have returned to their jobs in geographic area of origin.

This status will be measured in the second semester of 1993.

In general, all have increased understanding of El Salvador.

This status will be measured in the first semester of 1993.

More than 50% are participating in more than one function per year.

9. 75% of short and long-term Scholars actively participating in at least one CLASP follow-on program per year.

Yes, they are participating.

10. 90% of short and long-term Scholars have 50% increase in knowledge of role of leaders and how leadership is essential to the democratic process and for successful community activities.

Yes

**B. Major Outputs**

	Planned				Accomplished		
	LOP	This Semest	Cum	Next Semest	This Semes.	Cum	% of LOP
1. LT scholars trained	330	25	110	—	25	72	22%
2. ST scholars trained	1,250	50	270	150	50	241	19%
3. Total LT and ST Scholars	1,580	75	380	150	75	313	20%
4. Participation of special groups							% to date
a) 40% female participation	632				39	133	42%
b) 10% of U.S. training months at HBCUs	610				6	96	8%
c) 20% long-term training	316				25	72	23%
d) 70% disadvantaged	1,106				50	241	77%
e) National Reconstruction Plan				15	10	30	

5. Impact: As a result of OET policy dialogue, comprehensive research on the status of English Language instruction in 108 public schools, and a carefully designed U.S. training program for 25 long-term and 75 short-term English Language Teachers, the Ministry of Education has decided to add one more hour to the current 2 hours/week of English instruction in the public schools, to initiate a new ESL curriculum, to create a unit in the Ministry's Central Office to support the English Language program, and actively assist with the follow-on program of 100 English language teachers of the CLASP project. The stage is set so that the program will have impact on students in school year 1993.

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C. Other Accomplishments and Overall Status

C.1 General

- a) New programs: 25 Disaster Relief Volunteers and 25 Child Care Workers participated in the 3-week pre-departure training, and departed for a 9-week training.
- b) 25 ESL Teachers completed their pre-departure program and left for a 9-month U.S. training program.
- c) Field investigation/needs assessment started for: Physically Challenged and Instructors of Technical Institutes.
- d) Follow-on activities: Five two-day re-entry seminars were conducted.
- e) Three technical workshops were conducted with three groups of returned scholars.
- f) 25 short term scholars and 22 long-term scholars returned to the country. To date, 263 short-term and 22 long-term scholars have completed their programs.
- g) The CAPS Third Annual Reunion denominated "Peace Scholars and the National Reconstruction" took place on June 27-28 with an attendance of 786 Peace scholars from both CAPS and CLASP II. There was joint participation from NAPA, Development Associates, CAPS Alumni Association (ASECAPS) and USAID.
- h) Approximately 90 action plans are being carried out by the returned Peace Scholars assisted by the institutional contractor.
- i) Coordination activities between NAPA and DA regarding the follow-on component, and support to CAPS National Association and use of facilities continued for the transitional period.
- j) In August 1992, CLASP II opened a regional resource center for Peace Scholars' Alumni in Sonsonate.
- k) A PIC Committee approved the training programs to be implemented in the future.
- l) An update of the Social Institutional Framework (SIF) study was conducted.
- m) NRP - A total of 30 scholars from ex-conflictive zones have been trained in different training programs for: Municipal Mayors, Members of Emergency/Relief Organizations, Service Club Members, Scout Leaders, Environmental Specialists and Promoters, and Health Educators.

C.2 WID Issues

In the initial 24-month program implementation, 42% (133) women have been benefitted by Peace Scholarship training. We expect this percentage to increase in the future.

D. PROBLEMS AND DELAYS

1. 14 departmental Alumni Associations are actively involved in community development projects. However, the National CAPS/CLASP II Alumni Association (ASECAPS) is not progressing according to project's expectations. Its Board of Directors is having difficulties setting up goals and getting access to other sources of funds.

E. MAJOR ACTIVITIES AND CORRECTIVE ACTIONS DURING THE NEXT 6 MONTHS

1. Send 150 short-term scholars to U.S. training of which 15 will be from ex-conflictive zones.
2. Initiate needs assessment/program design for two long-term and two short-term groups.
3. Provide technical assistance to CAPS Alumni Association (ASECAPS) through the institutional contractor, to define its role and mission, as well as to look for other sources of funds to obtain sustainability.
4. Expand follow-on activities through three regional resource centers.
5. Develop the Country Training Plan.
6. Initiate implementation of recommendations of mid-term evaluation.

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

MISSION DIRECTOR RATING: A X B \_\_\_ C \_\_\_

I. BACKGROUND DATA

Project Title: Central American Peace Scholarships (CAPS)  
 (El Salvador)  
 Project Number: 597-0001/519-0337  
 Date of Authorization: original 02/14/85 amendment 03/30/87  
 Date of Obligation: original 03/21/85 last amendment 09/29/90  
 PACD: original 09/30/93 amended  
 Implementing Agencies: USAID/El Salvador  
 Major Contractors: NAPA/CSLA  
 AID Project Manager: Jaleh de Torres  
 Status of CPs/Covenants: N/A

Date of Last Evaluation: April/90 Next evaluation: Sept/1992  
 Planned number of Non-Federal audits during FY: One  
 The number of such audits contracted for/completed: One  
 Date of Last Audit: Dec. 1991 Next audit: Dec. 1992

FINANCIAL DATA

Amount authorized: DA/ESF Grant: orig \$27,550,000 amended to \$30,000,000  
 Amount Obligated: DA/ESF Grant: orig \$ 5,233 amended to \$28,291,597  
 Amount Committed: Period - Projected \$ None  
 Cumulative: \$28,290,933  
 Accrued Expend.: Period - Projected \$ 1,671,437  
 Period - Actual \$ 2,462,157  
 Cumulative: \$28,291,597  
 Projected Next Sem. \$ 106,000  
 Counterpart Contrib. Planned: N/A  
 Actual: N/A  
 % LOP elapsed: 88%  
 % of Total Auth. Oblig. 94%  
 % of Total Oblig. Expended 100%  
 % of Total Auth. Exp. 94%

II. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVE

A. Specific Linkage to Strategic Objective

The CAPS project contributes to all five Mission's Strategic Objectives (S.O.), especially S.O.'s No. 2 (Increase equitable economic growth), No. 3 (Promote enduring democratic institutions and practices), and No. 4 (Healthier and better educated Salvadorans); with emphasis on S.O. No. 3.

B. Percent of LOP Funds Relating to Strategic Objectives

S.O. 2	25%	\$ 7,072,900
S.O. 3	50%	\$14,145,798
S.O. 4	25%	\$ 7,072,899

III. PROJECT PURPOSE AND DESCRIPTION

A. Project Purpose

1. To provide training in the United States to socially and economically disadvantaged Salvadorans, especially leaders or those with leadership potential in order that they may assume roles useful for the economic, social, and political development of El Salvador; and
2. To widen the perspective of socially and economically disadvantaged Salvadorans by exposing them to U.S. democratic processes, institutions, and traditions in order to provide them an alternative to Marxist-Leninist political ideologies, thereby facilitating the development of an open, free, and participatory democratic process and society in El Salvador.

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B. Achievement to Date

CAPS project has trained 1,845 Salvadoran leaders and potential leaders in democratic practices and diversified technical fields. The beneficiaries have been from socio-economically disadvantaged groups with emphasis on women participation throughout the country.

C. Project Description

The training components are: 1) Pre-departure technical orientation, English Language Training and Cultural Orientation seminar; 2) U.S. training consisting of: (a) English Language Training, (b) Technical/Academic Training, (c) Leadership Training, and (d) Experience America activities; 3) Follow-on activities component which is intended to assist returning scholars to apply their new technical skills and to facilitate their exercise of leadership roles in their professions and their communities.

IV. PROJECT STATUS

A. Planned EOPS

Progress to Date

- |  |     |
|--|-----|
| 1. All scholars successfully completed training.   | 97% |
| 2. All scholars employed in areas for which they received training.  | 81% |
| 3. 75% of CAPS scholars returnees involved in ongoing development activities which support and develop democratic processes and share "Experience America" learnings with other Salvadorans. | 71% |
| 4. 50% of CAPS long-term Scholar returnees and 25% of short-term Scholar returnees have established long-term friendships and links with U.S. individuals.                                   | 68% |
| 5. 75% of U.S. citizens who had contact with CAPS Scholars have increased understanding of El Salvador.  | 57% |
|  | 54% |
|  | 83% |

- |  |     |
|--|-----|
| 6. 50% of CAPS Scholars returnees making efforts to further their knowledge and exposure to U.S. culture.    | 65% |
| 7. 80% of returned CAPS long-term and 100% short-term Scholars carrying out productive roles in El Salvador. | 86% |
|  | 98% |

B. Major Outputs

(Revised Sept. 1992)

	Planned			Accomplished		
	LOP	This Semest.	Cum	Next Semest.	This Semes.	% of LOP
1. LT scholars trained	552	—	552	—	—	100%
a) Post graduate scholarships	78	—	78	—	—	78
b) Jr. college scholarships	164	—	164	—	—	164
c) 25-month scholarships	50	—	50	—	—	50
d) One-year scholarships	260	—	260	—	—	260
2. ST scholars Trained	1,293	78	1,215	—	78	100%
a) Local leaders	468	78	390	—	78	468
b) Private Sector Workers	450	—	450	—	—	450
c) Public Admin. Leaders	375	—	375	—	—	375
3. Total LT and ST scholars	1,845	78	1,767	—	78	100%

4. Minimum Target for Participation of Special Groups

a) 40% Female Participation	738	833	45%
b) 10% of training at HBCUs	185	233	13%
c) 20% long-term training	369	552	30%
d) 70% disadvantaged	1,292	1,218	66% <sup>1/</sup>

5. Impact: The two groups of the Primary Education Leaders (150) trained, through very well-organized multiplier effect seminars, a total of 2,239 primary education teachers throughout the country. There were evidences of horizontal and mutual cooperation between various CAPS groups in their follow-on activities.

<sup>1/</sup> Mission has significantly exceeded the disadvantage target participation since 1987 during which period the disadvantage participation ranged between 74 and 96%. The 66% overall disadvantage participation is only indicative of the initial two years of the program.

Nine (9) Peace Scholars who participated in the program during the period belonged to the National Reconstruction Plan (NRP) areas. The total CAPS scholars from NRP areas since January 1992 is 58, and total to date since January 1991 is 103.

C. Other Accomplishments and Overall Status

C.1 General

- a) Net groups: 50 Women Leaders were selected, participated in a 1-week pre-departure activities and departed for a 6-week training. An additional 19 members of the Women in Development support group departed to New Orleans to participate in the 10-day Stage III of the training program. 28 Environmental Promoters were selected, participated in the 3-week pre-departure activities and departed for a 6-week training.
- b) 7 representatives of U.S. training institutions visited El Salvador to design the training curriculum in accordance to the country's needs. Moreover, 5 visits were made by NAPA's home office staff. Additionally, 5 members of different training institutions visited El Salvador to conduct a 3-day technical seminar for the two groups of (150 persons) Primary Education Leaders who have received training under CAPS.
- c) Follow-on: 97 short-term scholars returned to the country. To date, 1,845 ( 552 long-term and 1,293 short-term) have completed their programs.
- d) 1 technical seminar and 3 leadership workshops were conducted.
- e) The CAPS Third Annual Reunion took place on June 27-28 with an attendance of 786 Peace scholars from both CAPS and CLASP II.
- f) A one-week training seminar each in new teaching philosophy and methodologies was conducted for the MOE's 68 trainers and 249 Supervisors.
- g) 15 motorcycles were purchased for 15 district educational supervisors in order to facilitate their access and support to the CAPS Teachers.

- h) An end-of-project impact evaluation initiated on 7 September 1992.
- i) The final phase of transition and transfer of activities between NAPA and Development Associates (CLASP II Institutional Contractor) took place.
- j) CAPS Alumni Association obtained its legal recognition in June 1992.

C.2 WID Issues

CAPS minimum target for participation of women is 40%. To the end of project, 833 women (45%) participated in both long and short-term programs as indicated below. In the last semester an innovative training program for 50 women leaders from 24 women organizations was carried out with the participation of a support group (19 high level men and women). The women leaders' group has constituted itself. The institutional contractor is assisting the group.

	Accomplishments to date		
	Female	Male	Total
Long-term	236 (43%)	316 (57%)	552 (100%)
Short-term	597 (46%)	696 (54%)	1,293 (100%)
Total	833 (45%)	1,012 (55%)	1,845 (100%)

D. Problems and Delays  
None.

E. Major Activities or Corrective Actions During the Next 6 Months

1. Monitor the end-of-project evaluation process; receive and analyze the evaluation report.
2. Complete training of university graduate assistant teachers.
3. Receive and analyze NAPA's final report and several program reports.
4. Initiate the process of contract close-out for NAPA and CSLA.
5. Submit the Project Assistance Completion Report.
6. Submit Action Memorandum to advance the PACD from 09/30/93 to 03/31/93.

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

MISSION DIRECTOR RATING: A X B \_\_\_ C \_\_\_

**I. BACKGROUND DATA**

Project Title: Social Stabilization and Municipal Government Strengthening  
 Project Number: N/A  
 Date of Authorization: original N/A amendment: 9/30/91  
 Date of Obligation: original MOU 10/10/90 last amendment: N/A  
 PACD: N/A amended to 00/00/00  
 Implementing Agencies: CONARA, ISDEM, COMURES  
 Major Contractors: N/A  
 AID Project Manager: Thomas R. Hawk  
 Status of CPs/Covenants: N/A  
 Date of Last Evaluation: August 1990 (Special Projects)  
 Next evaluation: September 1993  
 Planned Number of Non-Federal Audits during Fiscal Year: 1  
 The Number of such Audits Contracted for/Completed: 0  
 Date of Last Audit: On going/concurrent non-federal audit  
 Next Audit: N/A

**FINANCIAL DATA (HGOLC)**

		ESF	PL-480
Amount Authorized:	Grant:	orig \$47,952,658	12,612,500
		amend \$54,702,658	18,337,500
Amount Obligated:	Grant:	amend \$54,702,658	18,337,500
Amount Committed:	Period:	\$ 3,050,000	5,725,000
	Cumulative:	\$54,952,658	18,337,500
Accrued Expend.:	Period - Projected	\$16,096,646	11,809,905
	Period - Actual	\$ 2,083,288	4,214,850
	Cumulative:	\$40,689,300	11,171,445
	Projected Next Sem.	\$14,663,358	7,166,055
Counterpart Contrib.:	Planned:	N/A	N/A
	Actual:	\$ N/A	N/A
% LOP elapsed:		N/A	N/A
% of Total Auth. Obligated		100%	100%
% of Total Oblig. Expended		74%	61%
% of Total Auth. Expended		74%	61%

**II. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVE**

- A. Specific Linkage to Strategic Objective  
 This Project directly contributes to the S.O. of promoting enduring democratic institutions and practices by strengthening local government, encouraging citizen participation and responding to the basic infrastructure needs of the communities.
- B. Percent of LOP Funds Relating to Strategic Objective  
 100% of the budget directly contributed to achieving promotion of democratic institutions and practices.

**C. Project Description**

The Project seeks to establish functional democratic governments in the 262 municipalities of the Republic of El Salvador and has two complementary major activities that support the strengthening of the democratic process at the grassroots level:

1. Direct technical assistance, including training, for: a) municipal level identification, prioritization and implementation of basic infrastructure projects; and b) assessments of financial and administrative capacities of municipal government, including mechanisms for increased local revenue generation.
2. Funding of projects for restoration and construction of basic municipal infrastructure, identified by open town meetings and prioritized by community associations and municipal councils.

The project thus views infrastructure and projects *per se* as both an end and a means to an end, and places equal emphasis on technical assistance and training in the process by which local associations and governments respond to the needs of their constituents expressed through open town meetings, community associations and town council meetings - formal mechanisms mandated by the Municipal Code of 1986.

**III. PROJECT PURPOSE AND DESCRIPTION**

- A. Project Purpose  
 To support the strengthening of the democratic process at the grassroots and local government level and to increase the revenues locally.
- B. Achievements to Date  
 During this period, there have been 516 Open Town Meetings, with a total participation of 80,212. The total number of projects executed is 1,219. Also 68% of 132 target municipalities have updated their tariff rates based on the "Ley General de Tributación Municipal" approved by the Legislative Assembly in December 1991.

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IV. PROJECT STATUS

- A. Planned EOPS: The Project has targeted the following:
1. Increased responsiveness of local governments to their constituencies.
  2. Improved basic infrastructure in 262 municipalities.
  3. Increased local capacity to resolve local problems, including increased capacity to generate revenues.
  4. Local level economic reactivation through project-funded utilization of labor and materials.

B. Major Outputs

	PER CY 91 ACTION PLAN	
	CY 1992 Planned	CY 1992 Accomplished to date
Basic Infrastructure Projects	2,600	1,219
Open Town Meetings: Events	1,044	516
Total Attendance:	261,000	80,212
Participants trained by ISDEM	792	528
I.D. issued by municipalities	3,000	4,526

C.1 Other Accomplishments and Overall Status

1. FY 1991 Action Plan has been approved with a PACD of December 1992 which coincides with the FY 90 Action Plan.
2. The CONARA Social Action Plan terminated September 1992.
3. The September 1992 Price Waterhouse Audit recommendations have been closed except for two issues related to questioned costs. The first is the transfer of CONARA property to SENCO in 1989 and the second is the use of gasoline by CONARA Staff.
4. COMURES and ISDEM Action Plan were approved.
5. RTI was contracted to do the Municipal Property Tax Study which will begin October 19, 1992 and will be completed by December 1, 1992.
6. COMURES Congress was held and the Mayors considered it a success.
7. A roundtable was held with Legislative Assembly Diputados from each political party. They expressed general support for Municipal Development.
8. The Operations Manager in ISDEM was changed. Thus far he has proven to be willing to make necessary personnel changes and take steps to de-politicize ISDEM at the field level. In general ISDEM has improved.
9. The Fondo de Incentivos Municipales (FIM) in the CONARA Action Plan favored 112 municipalities. This fund was created to favor municipalities who had at least three Cabildos Abiertos, increased their revenues, and administered their projects well over the last 12 month period.
10. The documentation project of ISDEM, with ACNUR support, has issued 4,526 documents and trained municipal employees in 106 municipalities.

C.2 Women In Development

1. In the 213 village banks, 95% of the beneficiaries have been women (5,325)
2. Nearly 500 potable water projects have been executed which have benefited mostly women in that they now do not have to carry water long distances.
3. Of 3,587 projects implemented by the municipalities, more than 50% of the beneficiaries have been women, i.e., farm to market projects, schools, community houses.

D. Problems and Delays

1. Forty three Exiled Mayors have not returned to their respective municipalities according to the QNUSAL report.

E. Major Activities or Corrective Actions during the Next 6 Months

1. Develop with SRV, ISDEM and COMURES the respective CY 1993 Action Plans.
2. Continue to work with Mission PRJ Office and consultant on Municipal Development Strategy.
3. Complete the Municipal Property Tax Study funded with PD&S funds. This will include a roundtable with delegates (diputados) in early November. Results of this study will be shared with COMURES and ISDEM. It is expected that they will then prepare a law for approval by the National Assembly.
4. Provide T.A. to COMURES through a non-personal service contract.
5. Send 12 Mayors and municipal employees to RIJUDO sponsored seminar on Environmental Sanitation.
6. In conjunction with ODI, organize a trip to Honduras with key delegates (diputados) to visit Honduran delegates (diputados) instrumental in the Honduran Municipal activities.
7. Work with COMURES, ISDEM, GTZ and CONARA in setting up a National Commission on Municipal Development. The purpose is to prepare a municipal platform that COMURES can present to the presidential candidates at next year's National Congress of Mayors.
8. Maintain close links with QNUSAL for return of mayors to municipalities.
9. Develop System for reporting actual or close proxy for accrued expenditure reporting.

**MISSION STRATEGIC OBJECTIVE No. 4:**  
**Healthier and Better Educated Salvadorans**

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

**I. BACKGROUND DATA**

Project Title: Maternal Health/Child Survival (PROSAMI)  
Project Number: 519-0367  
Date of Authorization: original 07/27/90 amendment 00/00/00  
Date of Obligation: original 07/27/90 last amendment 04/29/91  
PACD: original 07/31/97  
Implementing Agencies: Private Voluntary Organizations presently working in El Salvador  
Contractor: Medical Service Corporation International  
AID Project Manager: Richard L. Thornton  
Status of CPs/Covenants: CPs to First Disbursement met.

Date of Last Evaluation: N/A Next evaluation: 10/93  
Planned Number of Non-Federal Next Audit: 12/92  
Audits during Fiscal Year: 20  
The Number of such Audits Contracted for/Completed: none  
Date of Last Audit: DCAA Audit 9/92  
Limited Financial Review: 7/91

**II. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES**

**A. Specific Linkage to S.O.**

The project directly contributes to the Mission's Strategic Objective 4 'Healthier and Better Educated Salvadorans' by providing health and child survival services to some 350 high risk, mostly rural communities. To do this the project will, inter alia, assist up to 35 PVO's to recruit, train and place some 350 health promoters. Services provided will make a direct contribution to four of the five Strategic Objective performance indicators.

**B. Percent of LOP Funds Relating to S.O.: 100%**

**III. PROJECT PURPOSE AND DESCRIPTION**

**A. Project Purpose**

To expand community based maternal health/child survival (MHCS) services through PVOs to those areas of El Salvador where such services have been weak or nonexistent.

**FINANCIAL DATA**

Amount Authorized:  
Amount Obligated:  
Amount Committed:  
Accrued expend.:  
Counterpart Contrib.

% LOP elapsed:  
% of Total Auth. Oblig.  
% of Total Oblig. Expended  
% of Total Auth. Exp.

**MISSION DIRECTOR RATING: A X B C**

DA/ESF Grant: orig \$25,043,355 amended to \$  
DA/ESF Grant: orig \$ 3,772,000 amended to \$14,742,335  
Period: \$ 5,113,590  
Cumulative: \$13,887,893  
Period - Projected \$ 1,000,000  
Period - Actual \$ 1,093,674  
Cumulative: \$ 4,110,900  
Projected Next Sem. \$ 1,700,000  
Planned: \$ 8,333,333  
Actual: \$ 1,000,000

**B. Achievements to Date**

The project has won the respect and confidence of the PVO community and is now working with PVO's from all political philosophies. The project is also considered an important part of the assistance to the Ministry of Health National Plan. One hundred and fifteen Health Promoters have been recruited, trained and have begun work in their communities.

**C. Project Description**

The Project is divided into three major categories of activities: Maternal Health/Child Survival Service Delivery—both preventative and curative; Institutional Development of PVOs; and, Coordination, Policy Development and Research. The project provides grants, technical assistance and training for up to 35 local Private Voluntary Agencies now operating clinics and/or community based health programs to expand and improve their programs. Principal beneficiaries are women of fertile age and children under the age of five living in 350 rural and marginal urban communities.

**IV. PROJECT STATUS**

A. The Project now has 20 PVOs with grants. Nine PVO's are in full project implementation, while 11 more are certified, have organized their communities and identified health promoters to begin three months of basic training in October. Population coverage is currently 263,000 nationwide (233 cantons, 400 caserios). Approximately 39% of communities supported to date are located in the 115 NRP target municipalities.

### 3. Major Outputs

	Planned			Accomplished		
	LOP	Thrs	Qm.	Thrs	Qm.	% of LOP
<b>MCH services - attended or expanded in high risk communities</b>						
-Beneficiary communities	350	110	212	0	131	233
-Beneficiaries (000)	350	110	258	0	115	263
-Health Promoters	410	0	112	130	28	140
-Traditional Birth Att.	141	0	0	0	33	33
-Clinics	10	1	3	5	34	37
-Community Committees	350	0	28	10	138	267
-Water Systems	25	0	0	2	2	-
<b>A Network of Strengthened PVOs Providing MCH Services</b>						
<b>a. Project PVO's</b>						
-Private Vol. Organiz.	35	0	9	0	11	20
-Personnel Trained	480	27	312	280	250	390
-Personnel Receiving Technical Assistance	70	92	92	100	100	100
*PVO personnel may receive training in more than one area.						143
<b>Enhanced Inter-Agency Coordination, Info Dissemination</b>						
-PAC meetings	14	1	5	2	0	4
-PVO Coord. Body activities	NA	1	10	0	0	9
-OIC/MOH activities	NA	13	37	25	260	284
-Newsletter disseminated	24	2	5	2	2	5
-National Conferences/Seminars	10	0	6	0	0	6
-Other PVO's Receiving Training	50	0	166	0	0	166
						332

### C. Other Accomplishments and Overall Status

An important accomplishment of the project is the successful negotiation and coordination with the MOH, PAHO, and the FMN and its associated organizations. This has resulted in joint selection and training of health promoters, integration of projects and implementation of activities. In Panama, at a regional immunization conference held by PAHO, the project was presented to nine other countries as a model for PVO-MOH coordination.

The project gained momentum and efforts intensified as the number of PVOs and population base doubled in size, with projects in all departments but Morazan. Group training and individualized TA were provided to all PVOs to strengthen planning, implementation and evaluation of projects. Eight short-term group workshops were held, bringing the total to 14 to date. One long-term workshop in public health was provided to PVO technical staff and 104 health promoters completed long-term basic training in six sites. PVOs received individualized TA each month from 3 advisors (technical, finances, logistics) in extensive field visits to regional and central offices and community operations.

During this period, PVOs held a total of 904 general assemblies and health campaigns, health committees were formed in all cantons, and 7,000 volunteers were incorporated into the project. In each community a house-to-house census was completed and risk status assigned to each household. Thirty-four clinics were established with community participation, and communities donated 472 sites for project activities. Some 1,822 community group education sessions were conducted, and 11,400 educational sessions were conducted with individuals. A total of 104 health promoters made 37,027 home visits to detect serious cases of illness and provide early treatment and referral. Immunization coverage has been brought up to at least 80% in all project communities, and contraceptive use rates are above the national average for rural areas.

The project also began preparation for the third, and possibly final, selection of PVOs. This preparation included the revision of formats and criteria, and the publication of the third coordination document Analysis of Health Risk by Canton, 1993.

Efforts to strengthen all Salvadoran PVOs continued. Two new editions of the quarterly newsletter were distributed to 225 PVOs and other organizations nationally and internationally. Demand for the newsletter increased with special requests for subscriptions from PAHO and the American Public Health Association. Distribution of ORS to PVOs to combat cholera continued.

**C.I. NRP Activities**

Of the total PROSAMI accomplishments the following are estimates of what was accomplished in NRP municipalities;

Activity - From Jan 1992 to date

- No. of cantons: 91
- No. of beneficiaries (direct and indirect): 102,570
- No. of clinics established: 5
- No. health promoters recruited: 50
- No. of TBAs recruited: 10
- No. children treated for diarrhea: 1446
- No. children treated for IRA: 1087
- No. births attended: 8
- No. immunizations to children under 5: 1154
- No. of home visits conducted: 14,441 (84% of all households)
- No. of educ. sessions with community groups: 656 (7 per canton)
- No. of educ. sessions with individual community members: 4105
- No. of health/committees formed: 96
- No. of campaigns/general assemblies: 325
- No. of community volunteers donating time to the project: 2514
- No. of physical sites donated by the community: 170

**D. Problems and Delays**

The project made up for delays which occurred the previous period by speeding up the selection of the second round of PVOs. This put the project back on track according to its original timetable. A new Deputy Director arrived and began work on 6/23/92. The project has resolved the communication problems between home and field offices. The project has made up time lost by previous delays and is now slightly ahead of LOP schedule.

No further delays occurred during this period.

There is a problem due to Embassy policy concerning transfer of project financed vehicles to organizations without Persona Juridica. This problem presently involves only one of the 20 PVO's presently receiving PROSAMI assistance. However, this will become a serious problem in the third round which is expected to draw at least eight PVO's without Persona Juridica.

HPN has not been able to perform many field visits due to the unexpected departure of the USDH Project Manager in April, 1992.

DOC.HPN.136

**E. WID Issues**

The project contributed to empowering women through: 1) training and TA to women health professionals and administrative personnel; 2) training and TA to women in rural communities as health promoters and midwives; 3) education to rural women to assist them in caring for their own and their children's health; 4) incorporation of women in health committees which have a role in decision making and financial management of health resources. All 20 PVOs work in these areas. In addition, five of the 20 are feminist organizations working only with women (focused on battered women and women's rights, campesino women, promotion of breastfeeding, and women's education).

**F. Major Activities or Corrective Actions During the Next 6 Months**

<u>Activity</u>	<u>Responsible Entity</u>
-Continuing training and TA to 20 PVOs in planning, evaluation and implementation	-MSCI
-20 PVOs move into full implementation	-Individual PVO's
-Selection of the third group of PVOs (10 - 15) to complete LOP PVO and population coverage goals	-MSCI/HPN
-Publication of 2 newsletters	-MSCI
-Resolve problem of assigning vehicles to PVO's without 'Persona Juridica'	-EXO/HPN/RLT

PROJECT STATUS REPORT  
APRIL 1, 1992 - SEPTEMBER 30, 1992

A \_\_\_ B  C \_\_\_

I. BACKGROUND DATA

Project Title: Drug Awareness and Abuse Prevention  
 Project Number: 519-0377  
 Date of Authorization: Original 09/27/90  
 Date of Obligation: Original 09/27/90 last amend.04/25/91  
 PACD: Original 09/30/93  
 Implementing Agencies: FUNDASALVA  
 Major Contractors: \_\_\_\_\_  
 AID Project Manager: Rafael Retana  
 Status of CPs/Covenants: CPs to First Disbursement 12/13/90  
 CPs to Subseq. 03/1/91  
 Date of Last Evaluation: N/A Next evaluation: 02/15/93  
 Planned Number of Non-Federal Audits during Fiscal Year: 2, 1992, 1993  
 The Number of such Audits Contracted for/Completed: 1  
 Date of Last audit: 08/92 Next audit: 05/93

FINANCIAL DATA

Amount Authorized:	DA/ESF Grant:	orig \$2,000,000
Amount Obligated:	DA/ESF Grant:	orig \$ 500,000 to \$2,000,000
Amount Committed:	Period:	\$ 499,999
	Cumulative:	\$1,981,928
Accrued Expend.:	Period-Projected	\$ 394,750
	Period-Actual	\$ 333,895
	Cumulative:	\$1,265,045
	Projected Next Sem.	\$ 400,000
Counterpart Contrib.	Planned:	\$ 797,044
	Actual:	\$ 469,400
% LOP elapsed:		% 66
% of Total Auth.Oblig.		% 100
% of Total Oblig. Expended		% 61
% of Total Auth. Exp.		% 61

II. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES

- A. Specific Linkage to Strategic Objectives  
 Curriculum guides that FUNDASALVA has prepared as a complement to the current MOE curriculum, support the strategic objective "Healthier and Better Educated Salvadorans". A training/preventive education program for industry supports the S.O. "Increase Equitable Economic Growth". Post-traumatic and mental programs support the S.O. "Assist El Salvador Make the Transition From War to Peace".
- B. Percent of LOP Funds Relating to S.O.  
 Twenty five percent of the Grant is estimated that supports strategic objectives in the local Mission.

metropolitan area of San Salvador. With the peace accord, this institution has expanded its activities to the eastern and western part of the country. As an average FUNDASALVA has reached 145% of the LOP goals in 66% of the LOP time elapsed. A mass media campaign is underway to place substance abuse before the population as an integral problem.

III. PROJECT PURPOSE AND DESCRIPTION

- A. Project Purpose  
 To strengthen national drug and alcohol abuse/awareness programs directed at prevention of the abuse of harmful substances by the Salvadoran population.
- B. Achievements to Date  
 During the first year FUNDASALVA's activities were responsive to the nature of substance abuse in the

C. Project Description

- a) Drug Prevention Education. The priority focus is on education to prevent substance abuse. The Project will finance four interrelated education activities: Classroom programs, Community group programs, private industry programs and mass media.
- b) Institution Strengthening. This component aids FUNDASALVA in strengthening its ability to more effectively operate drug prevention activities, and to aid other private and public organizations in substance abuse preventive activities.

IV. PROJECT STATUS

A. Planned EOPS

1. Substance abuse programs to be implemented in national public and private educational institutions, private businesses and marginal communities.

Training programs in 39 schools were completed. Programs have been carried out also in 11 private business and in 40 marginal communities.

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2. A national substance abuse campaign information education and communications, will reach the high risk population, youth and young adults.

T.V. and radio spots together with press (promotional) are under way.

3. To strengthen FUNDASALVA's internal management to more effectively operate its drug prevention activities.

Institution strengthening staff development and management system improvement activities underway.

**B. Major Outputs**

LOP	Planned		Accomplished			
	This Sem	Cum.	Next Sem	This Sem	Cum.	% of LOP

1. Substance abuse programs in:

a) Public/Private schools	48	20	30	10	25	39	81
b) Marginal communities	50	10	30	10	20	40	80
c) Private businesses	4	5	9	4	7	11	275

2. Abuse prevention programs.

a) Sport Trainers	100	40	110	—	74	196	196
b) Teachers	500	60	180	100	131	395	79
c) Community leaders	200	—	—	—	32	157	78

3. Mass media IEC campaigns

a) T.V. Spots	30hrs.	4	14	4	4.62	18.26	60
b) Radio Spots	150hrs.	10	55	—	7.75	62.85	42
c) Press (Promotionals)	3000inches	600	2100	300	600	2788	92

**C. Other Accomplishments and Overall Status**

**C.1 Miscellaneous**

1. An event called "Antidrug Walk" was carried out in June this year. It motivated the Salvadoran population to participate in antidrug activities.

2. A socio-demographic study for population in ex-conflictive areas was completed.

3. An annual audit was carried out on FUNDASALVA in August; the final report will be submitted in October.

4. FUNDASALVA continued to carry out drug awareness and abuse prevention programs for classroom use, for use in marginal communities and private business, including drug alert talks in 18 public schools and 9 private businesses. A pamphlet called "Caminando Juntos" was completed; it has been distributed to 43 institutions.

5. FUNDASALVA developed a strategic plan for the operation of the organization over a five year period of time. Emphasis was given to self-sufficiency by 1994.

**C.2 Women in Development Issues**

Drug Prevention Programs for classroom use and marginal communities have 67% women and 33% men approximately. Programs for private businesses have 21% women and 79% men approximately.

**D. Problems and Delays**

No significant problems have been observed.

**E. Major Activities or Corrective Actions During the Next 6 Months**

1. FUNDASALVA will develop an "Educational Program at Distance" (Radio, T.V., bulletins, etc.).

2. FUNDASALVA will coordinate efforts with Ilopango, Ciudad Delgado and Mejicanos municipalities in order to carry out drug prevention programs.

3. Training will be provided to CLASP II scholars from five metropolitan schools.

4. FUNDASALVA will provide services to two NRP municipalities in Usulután.

5. In relation to income generation activities FUNDASALVA will carry out a drug survey within the private sector, coordinate with FEPADE antidrug activities, participate in El Salvador International Fair in November and contact the private sector with the purpose of establishing an endowment.

6. FUNDASALVA will initiate a "Community Mobilization Program", which consists of providing services to "colonias" in the metropolitan area.

7. Besides initiating a Volunteer Program, FUNDASALVA will carry out a Social Service Program for students during the next vacation period.

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

MISSION DIRECTOR RATING: A X B C

**I. BACKGROUND DATA**

Project Title : Health Systems Support Project  
 Project Number : 519-0308  
 Date of Authorization : Original 08/28/86 amendment 06/19/91  
 Date of Obligation : Original 08/29/86 last amendment 05/06/92  
 PACD : Original 09/30/91 amended to 09/30/94  
 Implementing Agencies : MOH  
 Major Contractor : Clapp & Mayne  
 AID Project Manager : Jack R. Dale  
 Status of CPs/Covenants: CPs to First disbursement -All Met:12/19/86  
 Covenants: all 9 covenants met 5/28/91  
 Amendment : CPs 7 - 5 met  
 Covenants 3 - 1 met, 2 on going  
 Date of Last Evaluation: 07/14/90 Next evaluation: 05/15/93  
 Planned Number of Non-Federal Audits during Fiscal Year: 0  
 The Number of such Audits Contracted for/Completed: 0  
 Date of Last Audit : 03/22/90 Next Audit: 01/15/93

**FINANCIAL DATA**

Amount Authorized:	DA/ESF Grant: orig	\$48,000,000	amended to	\$77,000,000
Amount Obligated :	DA/ESF Grant: orig	\$14,900,000	amended to	\$65,135,000
Amount Committed :	Period	:	\$ 2,304,000	
	Cumulative	:	\$50,476,415*	
Accrued Expend :	Period - Projected:	\$ 5,000,000		
	Period - Actual	:	\$ 6,774,440	
	Cumulative	:	\$44,398,925	*includes \$3,930,412
	Projected Next Sem.	:	\$ 5,000,000	earmarked under
Counterpart	Planned	:	\$50,538,000	PIO/C 10079, and
Contribution :	Actual	:	\$36,328,521	663,000 under PIO/C
				90101 (drugs) also
% LOP Elapsed			75%	90,000 PIO/C 20053
% of Total Auth. Oblig.			85%	and 465,000
% of Total Oblig. Expended			68%	insecticides PIO/C
				20055/20056.
% of Total Auth. Expended			58%	

**II. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVE**

This project supports the Mission's Strategic Objective of healthier and better educated Salvadorans through increasing contraceptive prevalence and increasing access to health and child survival services. Specifically, the project will strengthen the MOH in logistics, basic health services delivery, policy and program planning and management. The project also supports the Mission's Strategic Objective to assist El Salvador to make the transition from war to peace through certain Project activities focusing on NRP areas to reestablish access to basic services.

**(B. continued)**

population of El Salvador. It has played the most important role, in improving the basic management systems of the MOH. It has stimulated and supported a series of key policy reforms within the MOH. Several concrete successes contributing to project purpose are:  
 -The GOES has made a policy decision to permit the MOH to charge for services and pharmaceuticals as part of a cost-recovery strategy.  
 -The MOH has doubled the number of its community health promoters and is planning an additional 50% increase.  
 -Procurement, reception, and distribution system of pharmaceuticals is considered one of the best in Central America.

**B. Percent of LOP Funds Relating to Strategic Objective**

Healthier Salvadorans.....100%

**C. Project Description**

The project provides commodity assistance to the MOH to meet the gap between public health sector needs and what can be provided through the regular GOES budget. This is done to maintain basic services at all MOH facilities and assist the MOH to resolve key impediments to the provision and extension of basic health services to underserved areas. The project is developing effective and affordable community based health service delivery mechanisms. Project also has supported MOH on needed reforms to increase revenues and make sound planning, rationalize planning process and optimize personal levels. NRP project resources will be used to support and restore health services in exconflicted areas.

**III. PROJECT PURPOSE AND DESCRIPTION**

**A. Project Purpose**

To support and strengthen the capability of the MOH to deliver and support basic health care services, including preventive and primary care services important to the MOH Child Survival

**B. Achievements to Date**

This project to date has assisted the MOH to continue to provide and improve the delivery of basic health services to the high risk

**IV. PROJECT STATUS**

**A. Planned EOPS**

1. Increased vaccination coverage and ORS use.
2. Greater MOH coverage to rural population.
3. 90% of open MOH facilities w/minimum stocks of basic drugs/supplies.
4. 90% of Bio-medical equipment functioning.

**Progress to Date**

82.7% (Rural)  
85.4% (Urban)  
Community Health Program serving 580 rural communities (29% of the population)  
78% of facilities surveyed had 100% of recommended basic drugs.  
80% functioning

**B. Major Outputs**

	Planned				Accomplished		
	This		Next		This		% of
	LOP	Sem.	Cum.	Sem.	Sem.	Cum.	LOP
90% of primary care facilities have adequate water and sanitation	64	10	40	10	8	37	58
Vehicle fleet upgraded:							
Vehicles	250	0	223	0	0	223	89
Motorcycles	90	0	152	0	38	152	169
Rural Health Aid Program expanded and improved	Developed MIS System for Consolidated Pgm. 3/yr.				Dev. MIS System for Consolidated Pgm.		
Residual spraying for malaria (3 cycles/yr)		1	2	1	2	3	100
Emer. Med. Svcs. Mgrs. Trnd.	2,000	500	1,526	500	500	2,033	102
Health Promoters Trnd.	2,000	300	1,079	250	250	1,519	77
Nurses Trained	2,000	70	1,323	70	125	1,427	78
Computerized MIS installed	-	5	23	Sub-systems	5	Sub-systems	38
MOH staff trnd computers	1,000	60	542	60	98	729	73
Applied Health Services studies completed	50	2	40	1	1	41	82
MOH staff trnd policy/program planning	250	10	125	10	14	134	54
NRP outputs							
Primary health facilities with adequate water and sanitation	73	6	6	23	6	6	8
Decentralization Plan	1	1	1	0	1	1	100
Cost Recovery Plan	1	0	0	1	0	0	0

**C. Other Accomplishments and Overall Status**

- All Health Promoters have been absorbed by the MOH's budget.
- Reporting requirements for NRP related objectives have been identified.
- Lab Equipment for health facilities of formerly conflictive areas which have a lab technician have been identified and in process of procurement.
- 73 health facilities in municipalities under the NRP have been identified for the repair of their water and sewage systems.
- Analysis of Ambulatory and Hospital Costs Study and the Patronato Study completed and presented to the MOH.
- Essential drug list for Puestos and Unidades facilities down from 43 to 25 drugs.
- Amendment No.7 to Project Agreement signed on 5/6/92.
- 12 Doctors and 11 nurses trained as Emergency Medical Services Managers.
- 65 health facilities new doctors trained in the use of the MOH's basic drug list (Cuadro Basico).
- Completed repairs in water and sewage systems for 8 Health Units and Posts.
- PAHO, CDC & VBC completed the evaluation of El Salvador's Malaria Program.
- Completed the San Diego Estuary Drainage System for the prevention of malaria vector breeding.
- Completed eleven small malaria drainage projects.
- Construction of Paracentral Regional warehouse completed.
- 250 new Health Promoters trained.
- Medicine Prescription study underway.
- Study of the Health Condition of Children under 5 yrs in communities serviced by Health Promoters underway.
- 1993 Pharmaceutical and insecticide requirements identified and PIO/C's issued.
- Draft PIO/T for Project evaluation to be carried out during second quarter of calendar year 1993, will circulate for clearances.
- Health Promoter Manual revised, printed and distributed.

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D. Problems and Delays

1. Update on Problems/Issues from Previous SAR.

Problem: FMLN has restricted MOH access to former conflictive zones in some instances.

Status: MOH now has more access to formerly conflictive zones. Pharmaceutical deliveries to health facilities located in municipalities of the NRP are now being routinely made.

Problem: Delay in decentralization plan.

Status: MOH presented the decentralization plan on Sept 14, 1992. Implementation has started and will be completed by PACD as stated in the Agreement.

Problem: Delay in closing audit recommendations.

Status: Resolution targeted for 11/92.

2. This Period

No major problems or delays during this period.

E. WID Issues

There are no significant WID Issues to report this semester.

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

- Assist MOH to finalize cost recovery strategy, hold Mission's review and support implementation.
- Initiate repairs in water and sewage systems of 23 health facilities (former and non-conflictive zones).
- Identify shelving needs for health facilities under the NRP and continue to stock with pharmaceuticals all health facilities located in ex-conflictive areas.
- Contract the APSISA Project evaluation to be carried out during second quarter 1993.
- Prepare PIO/C for tools and equipment needs for regional bio-med and vehicle maintenance shops.
- Train 258 malaria voluntary collaborators who will work in ex-conflictive areas.

- Start construction of Santa Ana regional pharmaceutical warehouse (PL-480 funds).
- Support the MOH's regional and local programming activities for computerized monitoring and evaluation systems to be completed by the 3rd quarter 1993.
- Train 250 new Health Promoters in ex-conflictive areas.
- TA to develop scope of work for the Health Sector Assessment.

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

MISSION DIRECTOR RATING: A X B \_\_\_ C \_\_\_

**I. BACKGROUND DATA**

Project Title : Family Health Services  
 Project Number : 519-0363  
 Date of Authorization : Original 06/22/90 amendment N/A  
 Date of Obligation : Original 07/31/90 last amendment 09/30/92  
 PACD : Original 07/30/95 amended to: N/A  
 Implementing Agencies : Salvadoran Demographic Association  
 Major Contractor : Cambridge Consulting Corporation  
 AID Project Manager : Ing. Luis Oliva/Dr. Raul G. Toledo  
 Status of CPs/Covenants: CPs to First disbursement All Met: 05/03/91  
 Amendment : CPs to amendment. All met: 06/28/91

Date of Last Evaluation: N/A Next evaluation: 06/93  
 Planned Number of Non-Federal Audits during Fiscal Year: 1  
 The Number of such Audits Contracted for/Completed: 0  
 Date of Last Audit : 09/91 Next Audit: 12/92

**FINANCIAL DATA**

Amount Authorized: DA/ESF Grant: orig \$22,000,000 amended to N/A  
 Amount Obligated : DA/ESF Grant: orig \$ 5,750,000 amended to \$16,420,900  
 Amount Committed : Period : \$ 105,048  
 Cumulative : \$ 9,630,035  
 Accrued Expend : Period - Projected: \$ 2,500,000  
 Period - Actual : \$ 2,810,000  
 Cumulative : \$ 6,156,113  
 Projected Next Sem. \$ 2,330,000  
 Counterpart Planned (LOP) : \$13,826,000  
 Contribution : Actual : \$ 2,508,366

% LOP Elapsed 45.0%  
 % of Total Auth. Oblig. 74.6%  
 % of Total Oblig. Expended 37.5%  
 % of Total Auth. Expended 28.0%

**II. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVE**

**A. Specific Linkage to Strategic Objectives**

This project directly contributes to the Mission's Strategic Objective of healthier and better educated Salvadorans by increasing contraceptive prevalence and increasing access to health and child survival services. Specifically, the Project will expand child spacing and child survival activities into rural and marginal urban populations.

**B. Percent of LOP Funds Relating to Strategic Objective**

Healthier Salvadoreans (SO 4) 100%

**III. PROJECT PURPOSE AND DESCRIPTION**

**A. Project Purpose:** The project purpose is to continue and expand the delivery of birth spacing and maternal child health services to high risk populations in rural and marginal urban communities. Beneficiaries of the project are women in fertile age and children under age five in 1,500 of the country's poorest and smallest communities.

**B. Achievements to Date:** The SDA has already achieved over 50% of the Major Outputs planned under Component I of the project. The SDA's clinic system has been reinforced with the opening of three "satellite clinics" in Soyapango, La Union and San Fco. Gotera. In addition, to expand SDA services, a "private physician network" is attending women in fertile age and children under 5 in 37 municipalities. Also, the SDA has a total of 296 health promoters and contraceptive distributors in 66 ex-conflictive municipalities.

**C. Project Description:** The project consists of three components: (i) Family Health Services Delivery, for expanding family planning services offered to rural areas; (ii) Institutional Development that will enhance the financial viability of the SDA through improvements in its organizational efficiency and the addition of new services to generate income; (iii) Policy Development and Research to develop national policies which place contraceptives and other medicines at the reach of the poorest population.

**IV. PROJECT STATUS:**

**A. Planned ECPS**

**Progress to Date**

- 1. Increase from 120,000 CYP's(\*) to 200,000 by 1995 Est. 160,000(\*\*)
- 2. Increase ORS treatment by 20% (\*\*)
- 3. Increase rural contraceptive prevalence from 34% to 40% by 1995 Est. 36(\*\*)

(\*) Couple Years of Protection

(\*\*) This data will be measured in the 1993 Demographic Health Survey (DHS)

**B. Major Outputs**

	Planned			Accomplished			% of LOP
	LOP	This Sem	Cum	Next Sem	This Sem	Cum	

**Component I:**

1. Health promoters working	1,150	152	452	220	208	581*	51%
2. CBD's reduced from 800 to 400	400	34	154	0	34	400	100%
3. Marketplace clinics	12	0	4	0	0	10	83%
4. Satellite clinics	6	3	6	2	0	3	50%
5. Private physicians network	50	15	26	4	16	37	74%

**Component II (1992-1993):**

Central Referral clinic	1	0	0	0	0	0	0%
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**Component III (1993):**

1. Demographic Health Survey	1	0	0	0	0	0	0%
2. MCH Morbi Mortality Study	1	0	0	0	0	0	0%

(\*): 185 Health Promoters are working in ex-conflictive areas.

WPPHPN 340

**C. Other Accomplishments and Overall Status**

1. The SDA processed a local bidding for the contracting of an advertising agency.
2. The SDA initiated the contracting of a local agronomist to implement the Home Garden program to improve child nutrition.
3. Twenty three vehicles were received by the SDA in June.
4. The 581 Pro-Familia Rural Health Promoters provided services in their communities, as follows: 5,299 diarrhea cases treated; 10,594 ORS's distributed; 4,448 children received vitamins; 17,492 pregnant women received vitamins; 331,658 community educational sessions; 21,537 children referred for vaccination; 13,423 ARI cases referred for treatment; and 6,146 new CYP with distribution of pills and condoms.

**D. Problems and Delays**

1. Update on Problems and Delays from Previous SAR:  
**Problem:** The bidding for remodelling the SDA central building was delayed and it is expected that the completion of the remodelling will be September 1992. **Status:** The SDA requested twice an extension of the date to initiate the remodelling because they considered the possibility of buying a private hospital for income generation purposes. As of September 30, 1992, the Board has not taken final decision.
2. This Period:  
**Problem:** The problem of the delay of the remodelling of the SDA building continues. It is expected that the Board of Directors will take a final decision during the second quarter of FY 1993.

**E. Women in Development**

This project's primary target population is women in fertile age. In addition, 85% of the SDA rural health promoters are women (494 of the 581). 50% of the SDA staff are women.

**F. Major Activities or Corrective Actions During the Next Six Months**

1. The advertising agency will begin operating the mass media campaign. **Responsible:** The technical assistance team and SDA.
2. Two "satellite clinics" will be opened in Cojutepeque and Chalatenango. **Responsible:** SDA.
3. The "pilot phase" of the Demographic and Health Survey (FESAL-93) will take place during the second quarter of the Fiscal Year 1993. **Responsible:** SDA and CDC.
4. The hiring of a fundraising consultant is in process to address sustainability issues. A local firm is looking at cost efficiency. **Responsible:** SDA.
5. Initial sustainability objectives will be identified. **Responsible:** SDA.

PROJECT STATUS REPORT  
1 April 1992 - 30 September 1992

MISSION DIRECTOR RATING: A \_\_\_ B x C \_\_\_

I BACKGROUND DATA

Project Title: Public Services Improvement Project  
Project Number: 519-0320  
Date of Authorization: original 08/24/89 amendment N/A  
Date of Obligations: original 08/30/89 last amendment 09/07/92  
PACD: original 09/30/94 amended to N/A  
Implementing Agencies:  
Lempa River Executive Hydroelectric Commission (CEL),  
Ministry of Planning (MIPLAN),  
Ministry of Public Works (MOP),  
Ministry of Health and Social Welfare (MSPAS),  
National Administration for Water and Sewage Systems (ANDA),  
Autonomous Executive Ports Commission (CEPA)  
Major Contractors: Louis Berger International and others to be  
determined.  
AID Project Manager: James W. Habron, Sr.  
Status of CPs/Covenants:  
CPs to First Disbursement - All Met: 01/17/90  
Covenants: Will be satisfied as scheduled in PIL No. 3  
  
Date of Last Evaluation: N/A Next evaluation: 07/93  
Planned Number of Non-Federal Audits during Fiscal Year: 1  
The Number of such Audits Contracted for/Completed: 1  
Date of Last Audit: 06/23/92 Next audit: 02/94

FINANCIAL DATA

Amount Authorized:	DA/ESF Grant: orig \$75,000,000
Amount Obligated:	DA/ESF Grant: orig \$ 8,000,000 amended to \$64,924,000
Amount Committed:	Period: \$ 2,151,295
	Cumulative: \$23,183,534
Accrued Expend.:	Period - Projected \$ 3,300,000
	Period - Actual \$ 3,484,422
	Cumulative: \$17,570,322
	Projected Next Sem. \$ 4,500,000
Counterpart Contrib. Planned:	\$60,000,000
	Actual: \$31,125,290
% LOP elapsed:	% 61.7
% of Total Auth. Oblig.	% 86.6
% of Total Oblig. Expended	% 27.1
% of Total Auth. Exp.	% 23.4

II RELATIONSHIP TO MISSION STRATEGIC OBJECTIVE

A. Specific Linkage to Strategic Objectives:

The Project impacts directly on the Mission's Strategic Objective of "Healthier and Better Educated Salvadorans" through its activities which increase the number of rural households with access to potable water and latrines and to the Objective of "Assisting El Salvador make the Transition from War to Peace" through activities which re-establish access to basic services.

B. Percent of LOP Funds Relating to Strategic Objectives:

60% to the two strategic objective's in A above.

III PROJECT PURPOSE AND DESCRIPTION

A. Project Purpose:

To restore and preserve vital public services provided by the infrastructure agencies.

To improve and sustain the access of rural population to markets.

To increase access to potable water supply and sanitation systems of the rural populations, and to increase the proper use of water and sanitation systems in beneficiary families.

To support the GOES in its efforts under the National Reconstruction Plan by intensifying maintenance and repair programs on public physical infrastructure, and access to services.

B. Achievements to Date:

The Project has sustained a capacity by the GOES to restore and preserve basic services in numerous locations in the country during and immediately after the war. The reorientation of Project resources and implementation modalities carried out during the report period should facilitate efforts to rehabilitate and increase access to basic infrastructure services.

C. Project Description:

The Project is assisting the GOES in repairing and reconstructing public infrastructure damaged by the guerrillas while improving and expanding the delivery of rural water and assisting in the maintenance of secondary, tertiary, and lower class roads. Also, technical assistance is being provided to the different GOES agencies to improve their delivery of these services. The Project has now been amended to consist of five components: Component I: Public Services Restoration; Component II: Rural Roads Deferred Maintenance and Repairs; Component III: Water Supply, Sanitation, and Health; Component IV: Institutional Strengthening, Project Support, Monitoring and Evaluation; and Component V: Post War Maintenance, Repair, and Reconstruction.

IV PROJECT STATUS

A. Planned EOPS

	Progress to Date
1) 90% of the highways/road systems, 100% of the the electrical transmission and distribution system, and 85% of the ANDA water systems are operational (30% as of March 31, 1991).	50%
2) The financial and administrative capability to restore the major public services above is maintained (as of March 31, 1991 was estimated at 70%).	80%
3) A 10% increase (2% per year) in the level of traffic (ADT) on roads in the program is achieved.	0%
4) A reduction of 5% (1% per year) in the real unit transportation cost of cargo is achieved.	0%
5) The capacity of the MOP to plan and implement repair and maintenance of secondary, tertiary and rural roads is improved.	40%
6) 1,600 Km of secondary, tertiary and rural roads were given maintenance.	18%
7) 600,000 people served by new or repaired and functioning water systems and sanitary facilities, raising access from 13.5% to 30%.	0%
8) 90% of families in target communities know and practice correct use of water.	15%
9) 90% of schools in the target areas have adequate and clean latrines.	20%
10) Health and sanitation promoters have active contact with users of 95% of rural potable water and sanitation points installed under this project.	0%
11) 900 water point systems constructed in 300 communities, 120 communities will have their water systems improved, etc.	0%

B. Major Outputs

	Planned	Planned			Accomplished		
		This Sem.	Next Sem.	This Sem.	This Sem.	Cum.	% of LOP
	LOP						
<u>Component I:</u>							
1. Restoration of ANDA water systems outside San Salvador.	N/A	N/A	N/A	N/A	0	0	N/A
2. Restoration of electric distribution and transmission systems.	N/A	N/A	N/A	N/A	90	903	N/A
3. Restoration of damaged railway facilities.	N/A	N/A	N/A	N/A	16	123	N/A
4. Restoration of damaged airport facilities.	N/A	N/A	N/A	N/A	0	2	N/A
5. Restoration of damaged ocean port facilities.	N/A	N/A	N/A	N/A	0	0	N/A
6. Restoration of bridges.	N/A	N/A	N/A	N/A	0	0	N/A
<u>Component II:</u>							
1. Repair and maintenance of secondary, tertiary, Rural "A" and Rural "B" roads, 1,600 Kms.	1,600	200	431	275	189	280	18
2. Maintenance, control, and operation of construction equipment and vehicles. Not less than 310 units.	310	230	230	240	234	234	75
<u>Component III:</u>							
1. 120 communities served by small water systems repaired.	120	0	0	0	0	0	0
2. 900 new small water and sanitation systems installed.	900	0	0	155	0	0	0
3. Water committees formed for each new system.	350	199	398	90	83	313	89
<u>Component IV:</u>							
1. Management systems installed in Caminos MU (%)	100	20	75	10	20	60	60
2. Caminos Management Unit established (%)	100	0	100	0	0	100	100
3. ANDA Management Unit expanded and fully staffed, and management systems installed (%)	100	0	100	0	0	100	100

## Major Outputs

	Planned			Accomplished		
	This	Next		This	% of	
	LOP	Sem.	Cum.	Sem.	Cum.	LOP
<b>Component V: (NRP)</b>						
1. Repair of existing water systems						
2. Construction of new water sources/systems						
3. Construction of latrines						
4. Maintenance of telephone exchanges						
5. Repair/Reconstruction of elect. distribution lines						
6. Repair/Reconstruction of elect. transmission lines						
7. Repair/Reconstruction of railway lines						
8. Reconstruction of roads				157		
9. Repair/Reconstruction of bridges						

(Note:

Amendment No. 7 creating this Component was signed at the end of the period. Surveys and other analyses necessary to establish targets are being carried out. The resulting expected outputs and targets will appear in next report.)

### C.1. Other Accomplishment and Overall Status

As indicated below, significant physical progress was achieved on road rehabilitation activities under Component II. In support to the National Recovery Program (NRP), the MOP achieved the targets set forth in the initial Contingency Phase. The comprehensive review of Component III was valuable in that the resulting expanded flexibility and direction will better enhance progress toward EOPS. The time invested in this review far outweighs the loss of productivity.

The performance regarding achievement of Major Activities planned for the period was quite good. Of the 12 activities listed in the previous SAR, eight were fully met and the remaining four partially met.

**Specific Accomplishments -Project 0320:** 1) Under Amendment No. 7, residual resources from Component I were reprogrammed to support activities of the NRP. This Amendment also includes the expanded implementation modalities for Water Supply and Sanitation activities whether under Component III or the NRP. 2) Under Component II, 38 Kms of roads were rehabilitated and designs for another 213 Kms were completed by private consultants under contracts with the MOP. 3) Under Component III, 1,069 latrines were constructed by private firms, four contracts for the drilling of 62 wells, and two contracts for the construction of major water systems were issued, bids evaluated, and awards are pending final approvals. 4) The study for the inventory and valuation of the Transmission and Generation Systems of CEL was completed on schedule by the T.A. Consultants. This study forms a critical input to the proposed World Bank Power Sector Strengthening Project.

**Specific Accomplishments -Support to the NRP:** Under the Contingency Phase of the NRP, the MOP completed the rehabilitation of 153 Kms thru contracts with private firms. Work on the remaining 41 Kms under this Phase is nearing completion.

Status of each of the Project Components is as follows: **Component I - Public Services Restoration:** No new commitments were initiated. The residual funds have been reprogrammed into a new component which will provide support to the NRP. **Component II - Rural Roads Maintenance and Repair:** Six contracts for the design of another tranche of 252 Kms of road rehabilitation are underway. Four new contracts for construction services for the rehabilitation of 98 Kms are underway with completion scheduled for later this period. Work on the 153 Kms of rehabilitation contracted last period is progressing well. **Component III - Water Supply, Sanitation, and Health:** As noted elsewhere, the reassessment of design and implementation assumptions for this Component was completed early in the period. The initiation of all related activities has taken place. All contracts for the drilling of wells and construction of water systems are back on track. 2,157 latrines are under construction. The installation of handpumps on existing wells at schools, health clinics, and other public facilities is underway. The organizational structure for the regionalization of ANDA is in final stages of GOES approval. **Component IV - Institutional Strengthening, Project Support, Monitoring, and Evaluation:** Under the TA contract support to the GOES implementing agencies continues in management information systems, road maintenance management systems, and rural water supply and sanitation. New directions initiated and underway focus on privatization of road maintenance and training of MOH and ANDA staff in organization of and use of community labor for implementing projects at the local level. Short-term consultancies were also completed to a) assess commodity management and inventory systems, b) status of water quality labs in MOH and ANDA, c) to organize audit training for internal auditors of MOP, and d) to establish procedures for testing the product from abonera latrines being installed under this Project. **Component V - Post War Maintenance, Repair, and Reconstruction:** Introduced in Amendment No. 7 to the Project, this new component delineates activities in support of the NRP and will continue to form an integral part of the SAR. Funds have been earmarked for all agencies for proposed activities in the ex-conflictive zones. Plans are underway to begin implementation of activities in the target area early in the next period.

### C.2. WID Issues

The Project continues to successfully involve women in health and sanitation activities in the original target areas. As actual construction of facilities increases in volume we expect to see an expansion of their role due to the higher demands for community participation as a work force. Women health promoters of the MOH and their male counterparts are undergoing training specifically designed to achieve effective community involvement in the actual construction of rural water and sanitation facilities.

## D. Problems and Delays

### 1. UPDATE ON PROBLEMS/ISSUES from previous SAR.

**Problem:** An evaluation of the commodity management systems of the GOES implementing agencies identified critical weaknesses relating to accountability and records. **Status:** The evaluations carried out in all HCAs by the T.A. Contractor have been completed. The actions to correct the critical weaknesses found will commence early next period. **Problem:** The loss of key USAID project staff constrained timely completion of actions by USAID on HOC procurement of construction services under Component III. **Status:** Key USAID project staff on board prior to end of the period and required USAID approvals for HOC procurements moving well. **Problem:** The lack of substantive physical progress caused USAID and GOES to take another look at the design assumptions and implementation modality of Component III, Water Supply and Sanitation. **Status:** The reassessment was completed and decisions agreed to by USAID and GOES as to modifications to design and implementation modalities were taken. All prequalification of contractors was completed and issuance and award of construction contracts are back on stream. Since the reassessment, ANDA has completed both the outstanding Action Plans and new modifications, and obtained USAID approvals. **Problem:** A GOES audit revealed serious deficiencies in the commodity management systems in the AME. **Status:** Identification and introduction of a computerized inventory control system was carried out by the T.A. Contractor midway in the period. Testing of the system and training of counterpart AME Staff is well underway. Initial reviews by USAID and GOES auditors have been positive. The potential for replication in other HCAs appears very high. **Problem:** No procurement plans were approved during the period due to inability of GOES agencies to meet USAID requirements. **Status:** Resolved. Procurement plans for all agencies were approved by USAID and procurement action underway.

### 2. THIS PERIOD

**Delays:** The joint reassessment of the design and implementation modalities of Component III Water Supply and Sanitation curtailed all related activities for two months. The unresponsiveness of bidders on two major HOC procurements of spare parts for CEL's hydroelectric facilities has seriously affected the proposed overhaul schedule. Coordination of Project activities with the SRN to meet the goals of the National Recovery Program (NRP) has yet to fully materialize.

**Problems:** The apparent lack of capacity of the local private sector to respond to construction opportunities for well-drilling and road rehabilitation is having an adverse impact on the programs of ANDA (Component III) and MOP/DGC (Component II), respectively. 25 of the 36 commodity management recommendations contained in the DEVRES Report still remain open.

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

- Initiate the implementation of water supply and sanitation activities by municipalities and PVO's in the ex-conflictive zones.
- Commence activities by all designated HCAs under Component V.
- Approve Action and Procurement Plans of CEL for reconstruction of the electrical distribution system in areas outside the ex-conflictive zones.
- Approve Regionalization Plan of ANDA and the required Action Plan amendment.
- Approve the award by ANDA of the eight well-drilling contracts remaining under the current Action Plan.
- Complete the road inventory in the ex-conflictive zones.
- Conduct in-country seminar on Privatization of Road Maintenance and develop alternative strategies for implementation under the Project.
- Initiate feasibility and other studies and analyses which may assist other donors in financing major infrastructure projects.
- Determine the feasibility of replicating the computerized inventory control system newly introduced in the AME in other HCAs.
- Complete the close out of all activities which were originally programmed under Component I.
- Initiate the construction of small water systems and latrines utilizing community labor in the areas originally targetted under the Project.
- Carry out the first evaluation of the Project.
- Contract T.A. to assist in closing out Devres recommendations by June 30, 1993.
- Accelerate decentralization of water system and water well construction to municipalities, community water boards, PVOs, and Peace Corps (when available) under both Component III and Component V.

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

MISSION DIRECTOR RATING: A \_\_\_ B \_\_\_ C X

**I BACKGROUND DATA**

Project Title: Community Based Integrated Rural Development  
 Project Number: 519-0364  
 Date of Authorization: original 05/30/89 amendment 03/19/90  
 Date of Obligation: original 05/30/89 last amendment 03/22/91  
 PACD: original 08/31/94 amended to --/--/--  
 Implementing Agency: Save The Children Federation  
 Major Contractors:  
 AID Project Manager: Jacobo Harrouch

Status of CPs/Covenants:  
 CPs to First Disbursement - All Met: None  
 CPs to  
 Covenants: None

Date of Last Evaluation: 04/23/92 Next evaluation: 09/30/93  
 Planned Number of Non-Federal Audits during Fiscal Year: 0  
 The number of such audits Contracted for/Completed:  
 Date of Last Audit: 09/30/90 Next audit: 9/93 All 10 world-wide  
 audit.

**FINANCIAL DATA**

Amount Authorized:	DA/ESF Grant: orig	\$ 7,300,000	amended to \$ 8,540,000
Amount Obligated:	DA/ESF Grant: orig	\$ 2,480,000	amended to \$ 6,555,000
Amount Committed:	Period:	\$	
	Cumulative:	\$ 6,555,000	
Accrued Expend.:	Period - Projected	\$ 1,300,000	
	Period - Actual	\$ 1,152,117	
	Cumulative:	\$ 4,554,896	
	Projected Next Sem.	\$ 1,709,000	
Counterpart Contr.b.	Planned:	\$ 4,296,342	
	Actual:	\$ 1,917,995	
% LOP elapsed:		64 %	
% of Total Auth. Oblig.		77 %	
% of Total Oblig. Expended		69 %	
% of Total Auth. Exp.		53 %	

**II RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES**

**A. Specific Linkages to S.O.**

The Project is linked to the mission strategic objective number four which is healthier and better educated Salvadorans. This is accomplished with health promoters, and providing community-based health and nutrition education programs in the OPG targeted areas. Also, the Project proposes an increase in access to rural community school age population through a scholarship program and contracting, through the Parents Teachers Association (PTA), teachers and providing school materials. This activity is coordinated with GOES Ministry of Education (MOE) and EDUCO program.

**B. Percent of LOP funds relating to S.O.**

The level of investment related to the strategic objective is approximately 65% or an equivalent of \$2,890,000. Also, the OPG investment in the NRP is to be \$3,500,000 in the sector of health through the provision of potable water.

**III PROJECT PURPOSE AND DESCRIPTION**

A. The Project goal is to improve the social and economic conditions of low income families, especially women and children in two new impact areas and to reinforce the analytical, organizational and operative capacity of community groups, and programs in four other impact areas.

The purposes of the Project are: (1) to increase the real income of targeted households; (2) to decrease child morbidity and mortality; (3) to increase local access to educational and training activities which encourage participants to achieve their full physical and intellectual potential and to participate in a democratic process; and (4) to create and strengthen grass roots organizations.

Major field activities accomplished during this period:

**Health and Nutrition:**

Eight more CENET (Early Child Health Center) were initiated to measure growth and health for 818 children under three years of age. Sixty-five Mid-wives were supplied with the necessary equipment to assist with childbirth in 65 communities. 1025 were trained in water purification and 208 families built 208 latrines.

**Education:**

An agreement between the Ministry of Education and SCF was signed on May 19,1992 to provide access for 1265 students to kindergarten and 3190 students to primary basic of education in the areas affected by the ex-conflict and extreme levels of poverty. The funds are given by SCF to the communities which in turn contract directly the teachers and the procurement of didactic materials. Also, literacy classes for approximately one thousands adults through 75 adult literacy circles.

The Ministry of Education counterpart contribution consist in providing teachers training,teaching materials and the transfer of knowledge of the EDUCO model program implemented at national level.

**Economic Development:**

319 youngsters were trained in ten vocational workshops. 16 small business owners were helped with the elaboration of feasibility studies, so that they can solicitate financial resources to improve their services

**Natural Resources:**

399 small farmers were trained in Integrated Pest Management to make rational use of pesticides; 43 additional nurseries were established with 72,836 plants making a total amount of 104,136 trees; 171 home garden plots were established for 171 families to increase their food production.

**Community Village Banks:**

On Mid 1991 SCF requested FINCA Technical Assistance to recusatate existing SCF banks or replace them with the State-of-the- Art FINCA model banks. A contract was signed to do this first in Impact Area 2, San Martin, where 14 SCF banks lay virtually dormant. FINCA surveyed all of them and proceeded toorganize new ones. Later, when FINCA did not have enough of its own capital to finance new banks, CAM agreed to take over funding and supervision of these groups.

To date, a date a total of 18 new village banks have been started by the CAM in Impact Area 2, with a total membership is 436 families. CAM performance statistics on these banks indicate zero loan delinquency on a portafolio of US\$24,125, only \$570 of late weekly payments(2%) within the normal 16 week repayment period.

**C.2. Women in Development**

Eight months have elapsed since the established cease of fire on February 1, 1992, in the rural areas, every week more and more families are returning to their original habitat. However, the head of the households are women with a larger number of children born during the the last 12 years of the armed conflict therefore increasing their need to participate in those areas targeted by SCF program.

The percentage participation of women to date in the four specific sectors of the SCF program can be classified within the following ranges:

<u>Sectors</u>	<u>Percentage</u>
1. Economic Development	40-50%
2. Health/Nutrition	70-80%
3. Education	40-50%
4. Natural Resources	30-40%

A program review of the accomplished EOPS up to date shows the following regarding women participation:

	<u>EOPS</u> <u>Achieved</u>	<u>WOMEN</u>
1. Small Scale Farmers achieve increase in production and real income	2,267	907
2. Teachers trained	171	68
3. Village families reached through health programs	1,330	998
4. Community leaders trained in leadership and organization	525	184

IV PROJECT STATUS

A. Activities

	<u>Planned EOPS</u>	<u>Accomplished</u>
1) Small scale farmers achieve increases in production and real income.	3,500	2,267 *
2) Community access to educational opportunities:		
a. School Districts receiving training	5	12
b. Teachers trained	100	171
3) Village families reached through primary health programs.	1,500	1,330
4) Community leaders trained in leadership and organization.	200	525

Indicators used to measure accomplishments follow: a) Area cultivated by type and quantity of agricultural crops, b) breeding of domestic animals, c) supply and demand of family consumption products.

B. Major Outputs (Adjusted after the last SAR)

	<u>Planned</u>				<u>Accomplished</u>		<u>% of LOP</u>
	<u>LOP</u>	<u>Semes</u>	<u>Cum</u>	<u>Next Semes</u>	<u>This Semes</u>	<u>Cum</u>	
1) SCF training and technical assistance							
a. Sector courses conducted	375	41	191	30	32	261	69
b. Person-months of TA	120	16	60	12	10	66	55
c. Staff training sessions	50	3	36	4	3	65	130
2) Community projects	75	9	37	6	8	41	54
3) Community banks and microenterprises created.							
a. Communal banks	N/A	0	2	0	1	11	N/A
b. Microenterprises	N/A	0	25	0	0	25	N/A

C.1. Other Accomplishments and Overall Status

Mid-Term Operational Grant Evaluation

On July 20, 1992 the final accepted version of the Mid-Term Evaluation of the OPG III as carried out by Development Economics Group was received in the Mission. Both the Grantee and USAID gave high marks to the evaluators and to the final evaluation report since is very comprehensive, well written and contains 38 recommendations covering all components of project implementation and management. Even though the Grantee feels there are still a great number of subjectives observations, comments and conclusions which they do not agree with.

Three specific actions resulted from the evaluation 1) USAID and SCF will undertake a thorough review of OPG III in the light of the evaluations findings. 2) As a result of the above review, a Letter signeg by the Mission Director will be send to SCF presenting recommendations and/or adjustments for project continuation requesting SCF to prepare a final proposal so that USAID can proceed with the process of amending the OPG. 3) The project will be evaluated in September 1993 using the current and subsequent modifications as a basis for determining progress.

El Carpintero-El Sauce Water Project

On september 16,1992 a Pre-Construction meeting was held regarding the contract for the rehabilitation/repair of the El Sauce-El Carpintero water project. The contractor provide the Corps of Engineers with detailed plans for quality,safety,and construction approach. These will be reviewed by the Corps. Once these plans have been approved and the bonds are in order, the corps will give the order to proceed and work will commence by the end of the month of september 1992.

During the months of July and August 1992 the Project Implementation Committed (PIC) members met several times to discuss SCF solicitation to reprogram an additional \$750,000 to the original September 30, 1991 USAID approval of \$750,000 amount. After a careful examination of the supporting documentatio the PIC members recommended to the Mission Director to approve a maximum amount of \$1.5 Million or 50% of the project cost estimate, that will have to be reprogrammed from the authorized OPG budget to allow SCF pay the construction company contract mentioned above.

D. Problems and Delays

The time elapsed for the negotiation of the amendment to continue with the OPG between SCF and the USAID has been rather long because of number of persons involved in the decision making process as well as the recently solicitation of SCF to reprogram OPG III obligated funds to rehabilitate/repair El Carpintero-El Sauce water project in the Department of la Union.

The water subsystem for the town of El Sauce was delayed because SCF interes to diminish the high risk involved in the decision making process to selecte the new site to drill the water well took more time to make the geological studies needed..

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

For the period October 1992 to March 1993 SCF will begin to phase out in the Impact Areas No.3 (San Alejo ) and No 4 (Ilobasco) SCF will provide technical assistance to 23 communities to formulate their three years Action plans and cooperate with them in the search of funds from other donors/GOES institutions to implement them.

On July 17, 1992 the Mission Grant Officer request SCF a Status Report of the loan fund for villages banks in order to resolve the issue regarding proper accounting for loan disbursements. USAID plans to review it and resolve this accounting matter.

SCF will continue drilling two water wells through a private drilling company in two communities located in the Impact Area No. 2, San Martin; they have succesfully completed drilling three more water wells with the respective operating hand pumps.

Approximately 42 Communities Development Committes will be train by SCF to strengthen their capacity to manage their communities affairs and direct them so that they can deal with Government Primary Institutions and the International Donnor Community.

On the Impact Area No. 1, El Sauce, start the Repair/Rehabilitation EL Carpintero -El Sauce water project for the primary and secondary lines and all the work for the Gueripe and Malalaja subsystem.

An Specialist will be hired to to organize SCF Management Information System to identify basic data collection in the communities of the targeted agreed areas between SCF and USAID and the establishment of the appropriate impact indicators to mesure SCF program impact; define the information retrieval/methodoly and properly train the personnel in charge of make it operational.

SCF will continue their efforts to obtain funds from OTHER SOURCES to complete EL Carpintero -El Sauce repair/rehabilitation water project.

Complete the El Sauce town water project subsystem (at the present time a water well has been drilled and testing of the well capacity, and water quality is taking place.) and delivery to the Municipality of El Sauce for their full maintainance and operation.

WPPIRD/610(1-4)  
JHarrouch

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

**I. BACKGROUND DATA**

Project Title: Strengthening Achievement in Basic Education  
 Project Number: 519-0357  
 Date of Authorization: original 09/21/90 amendment N/A  
 Date of Obligation: original 09/21/90 last amendment 5/6/92  
 PACD: original 08/31/98 amended to N/A  
 Implementing Agencies: Ministry of Education  
 Major Contractors: A.E.D.  
 AID Project Manager: Bill Harwood, OET  
 Status of CPs/Covenants: CPs - Met  
 Covenants: Various; GOES/MOE will comply in the course of project implementation.  
 Date of Last Evaluation: N/A Next evaluation: 8/93  
 Planned Number of Non-Federal Audits during Fiscal Year: 0  
 The Number of such Audits Contracted for/Completed: 0  
 Date of Last Audit: N/A Next Audit: N/A

**FINANCIAL DATA**

Amount Authorized:  
 Amount Obligated:  
 Committed:  
 Accrued Expend.:  
 Counterpart Contrib.  
 % LOP elapsed:  
 % of Total Auth. Oblig.  
 % of Total Oblig. Expended  
 % of Total Auth. Exp.

MISSION DIRECTOR RATING: A \_\_\_ B X C \_\_\_

DA/ESF Grant: orig. \$27,000,000 amended to \$33,000,000  
 DA Grant: orig. \$ 3,360,000 amended to \$21,260,000  
 Period: \$17,900,000  
 Cumulative: \$21,260,000  
 Period - Projected \$ 1,686,000  
 Period - Actual \$ 2,378,000  
 Cumulative: \$ 3,005,000  
 Projected Next Sem. \$ 4,800,000  
 Authorized: \$26,000,000  
 Planned: \$ 4,350,000  
 Cum. Expenditures: \$ 3,650,000

**II RELATIONSHIP TO MISSION STRATEGIC OBJECTIVE**

**A. Specific Linkage to Strategic Objective**

We are producing "better educated Salvadorans" by improving the quantity and quality of the basic education system, including teacher training, curriculum revision, providing educational materials decentralization and by expanding basic educational services to the exconflictive zone.

**B. Percent of LOP Funds Relating to Strategic Objective: 100%**

**III PROJECT PURPOSE AND DESCRIPTION**

**A. Project Purpose**

To improve the relevance, effectiveness, and efficiency of basic education at the Kindergarten through sixth grade level in El Salvador.

**B. Achievements to Date**

1. Produced reworked K-3 curricular guides;
2. Ordered K-1 workbooks for next school year;
3. Delivered educational materials to all schools in the republic, including Escuelas Populares.
4. Provided training for 8,000 teachers, 210 supervisors and 500 principles.
5. Created three democratic think tanks within the MOE to aid in decision making;
6. Successfully field tested a distance education (radio) program for math;
7. Planned pilot projects in school libraries and model schools.

**C. Project Description**

**Component One** includes curriculum validation and revision, learning assessment, national standardized test development, instructional program/classroom management improvements through instructional materials, in-service teacher training, and improved supervision. **Component Two** enhances the participation and effectiveness of the Ministry of Education,

teachers, parents, and communities. Major aspects are decentralization, supervision, and community involvement. **Component Three** provides for project administration, evaluation and audit. **Component Four (Amendment 2)** expands SABE coverage and provides special attention to the exconflictive zones.

**IV PROJECT STATUS**

**A. Planned EOPS**

Progress to Date

- |  |   |
|--|---|
| <ol style="list-style-type: none"> <li>1. Increased number of 13-year-olds each year who have acquired basic learning objectives, including literacy, from 425,000 to 700,000.</li> <li>2. Decreased average number of years needed to produce a sixth grade graduate from 13.2 to 9.</li> <li>3. Assure the provision of materials, texts, and training to students and teachers in the exconflictive zone.</li> <li>4. Decentralize MOE operations.</li> </ol> | <ul style="list-style-type: none"> <li>- Curriculum development and validation processes underway for K-3.</li> <li>- Achievement testing being planned.</li> <li>- Progress in K and 1 will be measured in February 1993.</li> <li>- Materials have been ordered. MOE has approved purchase of texts.</li> <li>- Consultants for planned decentralization have been contracted.</li> </ul> |
|--|---|

As SABE is an eight year project, immediate impact will not be obvious. With the introduction of validated curriculum and achievement tests in K-3 at the end of 1992, we will begin to establish data on achievement levels and will be able to track the results by 1994. In 1993, we will begin to look at the following interim progress in grade 1:

1. Decreased failure rates
2. Increased average achievement test scores

B. Major Outputs	LOP	Planned			Accomplished			C. Other Accomplishments and Overall Status
		This Semest	Cum	Next Semest	This Semest	% of Cum LOP	C.1 GENERAL	
1. Educational materials in all exconflictive zone schools	Grades K-6	0	0	100%	0	0	0	a. All technical management groups functioning.
2. Training provided for exconflictive zone teachers.	Grades K-6	0	0	40%	0	0	0	b. 8,000 curriculum guides for kindergarten and first grade were distributed. The validation process has started.
3. Revised national curriculum guides in place: K-1, 3-92 Grades 2 and 3: 3/93	Grades K-6	100% 0	100% 0	100% 100%	100% 100%	100% 100%	25% 25%	c. Design of language arts and math workbooks for kindergarten and a language arts workbook for first grade were completed.
4. K-3 curric. validated	K-6	75%	0	100%	0	0	0	d. Procurement process for vehicles, computers, copiers and audio-visual equipment under way.
5. Achievement testing system functioning. (Grade 1: 11/92)	Grades 1-6	0	0	25%	0	0	0%	e. Further developed supervisor role definition and training.
6. Textbooks based on revised curriculum and instructional program available in K-6. (K-1: 2/93)	28 units (grades K-6 for 4 basic subjects)	0	0	100%	0	0	0%	C.2. <u>W.I.D. ISSUES</u>
7. Classroom and reference materials delivered to public primary schools. (K-1: 6/92)	28,500 sections	100%	100%	9,000	100%	100%	35%*	a. 99.7% of kindergarten teachers and approximately 97% of grade 1-3 teachers are women. They benefit from the training and the educational materials they will receive.
8. Training in pupil centered philosophy and in revised curriculum and instructional methodology. K-1 8,000 Admin. 200	22,000 teachers & 2,000 admin. staff.	8,000 200	8,000 200	7,000 200	100% 100%	8,000 200	33%* 10%*	b. Educational statistics will be collected and reported by gender.
9. Regional offices have guidelines and trained staff to carry out their responsibility. (Equipped - 1992)	- Offices equipped - Management analysis completed - Guidelines developed - Personnel trained	100%	100%	100%	100%	100%	50%	c. Textbooks/materials are being designed free of gender bias.
10. Supervisory staff providing supervision to and serving as resources for local schools.	210 super- visors	120	210	210	210%	210%	25%*	D.1 <u>Status of Problems and Delays last reporting period.</u>
11. Parent teachers as- sociations supporting local schools	400	0	0	25	0	0	0%	1. The Chief of party was replaced. 2. The previous expenditure delays are being addressed by securing the services of a procurement specialist. 3. Evaluation and Testing: AED will provide technical assistance for the Evaluation position. The Testing position will probably be contracted out to a university.

- D.2 Current Problems and Delays.
- Four year technical assistance positions require replacement.
  - Lack of data on grades K-6 in exconflictive zone.
  - Lack of texts for grades 3-6 in exconflictive zone.
- E. Major Activities or Corrective Actions During the Next 6 Months
- One consultant replacement will be appointed in December, 1992; another may be filled in November, 1992. Negotiations with respect to the third have begun.
  - 1993 School year: training for 15,000 teachers; introduction of new curriculum for grades 2-3; commodities and didactic materials delivery to all schools in the country.
  - Data will be generated and organized by AED teams.
  - MOE will be lobbied to permit the reprinting of Planas Libres and the purchase of new texts.

\* Activities with asterisk are developmental and will be repeated in subsequent years.

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I. BACKGROUND DATA

Project Title: Regional Technical AID Center II (RTAC-II)  
 Project Number: 597-0011  
 Date of Authorization: orig 08/22/86 amendment 04/22/91  
 Date of Obligation: orig 08/22/86 last amendment N/A  
 PACD: orig 09/30/91 amended to 09/24/96  
 Implementing Agencies: FRPADE (El Salvador)  
 Major Contractors: Aguirre International (Regional)  
 AID Project Manager: Rafael Retana  
 Status of CP's/Covenants: N/A  
 Date of Last Evaluation: 08/89 Next evaluation: to be determined  
 Planned Number of Non-Federal Audits during Fiscal Year: N/A  
 The Number of such Audits Contracted for/Completed: N/A  
 Date of Last Audit: 03/92 Next audit: audits are  
 AID/W controlled

FINANCIAL DATA

Amount Authorized:	DA/Grant:	orig	\$ 24,000,000	amended to	43,000,000*
Amount Obligated:	DA/Grant:	orig	\$ 10,000,000	amended to	25,145,500*
Amount Committed:	Period:		\$ 25,145,500*	(region wide)	
Accrued Expend.:	Cumulative:	Period -Projected	\$ 161,300		
	Period -Actual	Cumulative:	\$ 1,510,000		
Counterpart Contrib. Planned:	Projected Next Sem.:		\$ 100,000		
Actual:			\$ N/A		
			\$ 835,900		

II. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES

A. Specific Linkage to Strategic Objectives

The RTAC-II Program supports strategic objective Healthier and Better Educated Salvadorans, and enhances democratic initiatives by providing university textbooks.

B. Percent of IOP Funds Relating to S.O. 100%

III. PROJECT PURPOSE AND DESCRIPTION

A. Project Purpose

Increase U.S. participation and influence in higher education and in the training of Central American professionals and leaders.

B. Achievements to Date

The RTAC-II Program had exceeded all of its anticipated goals. 209,000 textbooks have been distributed to university students.

C. Project Description

Provide up-to-date, U.S. technical materials and textbooks, in Spanish, at affordable prices to university and technical schools students, libraries, and professionals in Latin America. The components are:

- 1) Textbooks. They are the primary output of RTAC-II and will be made available to university students and others through bookstores.
  - 2) Pamphlets and Booklets. The production and distribution of pamphlets and booklets to host government technicians for outreach or extension work or for community development projects.
  - 3) Brokering of Information. On-line access to U.S. educational and technical information.
  - 4) Book Procurement Services-Purchase Orders. Centralized buying mechanism for technical information.
  - 5) Provision of Technical Assistance and Training.
- \* These are funds for the whole regional project.

IV. PROJECT STATUS

A. Planned EOPS

1. RTAC-II textbooks being sold at all 32 Salvadoran universities.
2. RTAC-II textbooks being sold at 12 key non-universities bookstores throughout the country.

Pamphlets, booklets and textbooks distributed to governmental agencies and libraries throughout the country.

Special Purchase Orders to support other projects in this Mission.

Progress to Date

RTAC-II textbooks being sold at 23 Salvadoran universities. Promotion is implemented in other universities.

RTAC-II textbooks being sold at 17 key non-universities

USAID/E.S. has distributed 559,000 pamphlets to PVO's and Ministries.

Books provided to Empresarios Juveniles, NAPA, FUNTER and FUNDASALVA. Total = 6

B. Major Outputs

	LOP	Planned		Accomplished		% of LOP	
		This Sem.	Cum.	Next Sem.	This Sem.		Cum.
Textbooks	204,000	17,000	34,000	17,000	15,900	38,220	19%
Pamphlets	300,000	-0-	-0-	-0-	2,000	4,000	1%
Purchase Orders	6	-0-	-0-	-0-	-0-	-0-	-0-
Tech. Assist.	6	-0-	-0-	-0-	1	1	16%

C. Other Accomplishments and Overall Status

C.1. Miscellaneous

1. FEPADE authorities (two members of the Board and two executives) visited Mexican publishers in June in order to learn about the book industry.
2. A marketing and feasibility study for high school textbooks was carried out in August. It is a mechanism that will support the institutionalization of RTAC-II in FEPADE.
3. Six book fairs have been carried out to promote RTAC-II textbooks.

4. A Peruvian commission visited FEPADE to learn mechanisms on the implementation of RTAC-II.
5. A regional meeting was held in August of all RTAC-II Mission Coordinators and Distribution Center Managers to discuss the IAC concept paper on institutionalization.

C.2. Women in Development Issues.

Approximately 40% of this beneficiaries of RTAC-II are women.

D. Problems and Delays

Although the LAC Bureau strongly supports RTAC-II, regional funding will be terminated. In addition, the LAC Bureau expects that missions will contribute the levels indicated in the RTAC-II Project Paper. In the case of El Salvador, it was envisioned that \$353,000 for operational/administrative expenses and \$225,000 for books for a total contribution of \$ 578,000 would be effected. At this point, it is imperative that USAID/El Salvador maintain this level of commitment to help achieve RTAC-II's financial sustainability by 1996.

E. Major Activities or Corrective Actions During the next 6 Months

1. Technical training (2 seminars), will be provided to bookstore members in El Salvador.
2. Five book fairs will be carried out to promote RTAC-II textbooks.
3. A total of 24,000 university textbooks will be distributed for Cycle I 93.
4. USAID and FEPADE will discuss mechanisms for RTAC-II self-sufficiency in FEPADE and develop a complete self sufficiency phase out plan including textbook cost increases, management and Mexico operations. This means institutionalizing the program in El Salvador, which is the main reason for amending it for another five years.

Doc.814/OET

**MISSION STRATEGIC OBJECTIVE No. 5:**

**Environmental and Natural Resource Management**

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

I. BACKGROUND DATA

Project Title: Salvador Environmental NGO Strengthening  
 Project Number: No. 519-0400  
 Date of Authorization: Original 08/20/92 Amendment 00/00/00  
 Date of Obligation: Original 09/23/92 Last amendment 00/00/00  
 PACD: Original 02/28/95  
 Implementing Agencies: Pan American Development Foundation (PADF)  
 Contractor:  
 AID Project Manager: Peter Gore  
 Status of CPs/Covenants: CPs Fulfilled

Date of Last Evaluation: Next evaluation: 01/95  
 Planned Number of Non-Federal Audits during Fiscal Year: None  
 The Number of such Audits Contracted for/Completed: None  
 Date of Last Audit: Next audit: 00/00/00

FINANCIAL DATA

Amount Authorized: DA Grant:	orig	\$2,000,000	amended to \$
Amount Obligated: DA Grant:	orig	\$2,000,000	amended to \$
Amount Committed: Period:		\$00	
	Cumulative:	\$00	
Accrued Expend. : Period - Projected		\$00	
	Period - Actual	\$00	
	Cumulative:	\$00	
	Projected Next Sem.	\$500,000	
Counterpart Cont.: Planned:		\$1,188,333	
	Actual:	\$00	
% LOP elapsed:		3.3	
% of Total Auth. Oblig.		100	
% of Total Oblig. Expended		00	
% of Total Auth. Exp.		00	

II. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVE

A. Specific Linkage to Strategic Objective

The Project will strengthen Salvadoran environmental NGOs to work with the GOES for appropriate Natural Resource Management (NRM) policies and to carry out NRM activities. The NGOs will receive organizational and management training as well as fundraising to contribute to their long term sustainability.

B. Percent of LCP Funds Relating to Strategic Objective

100% of the LCP funds relate to the Mission's Strategic Objective 5, Improved Environmental and Natural Resource Management.

III. PROJECT PURPOSE AND DESCRIPTION

A. Project Purpose

The Project Goal is to protect and promote sustainable use of El Salvador's natural resources. In striving to achieve this goal, the Project Purpose is to strengthen Salvadoran Environmental NGOs to be self-sustaining advocates for natural resource management.

IV. PROJECT STATUS

A. Planned EOPS

Progress to Date

- |   |    |
|---|----|
| 1. Up to eight NGOs will have a track record demonstrating their private sector environmental leadership and the potential for their long range institutional sustainability.   | NA |
| 2. The participating NGOs will be perceived by the environmental community as credible advocates of one or more environmental issues as represented by their impact on community consciousness raising and NR policy. | NA |
| 3. The participating NGOs will have established linkages with SEMA/CONAMA, local NGOs, FOCAM, appropriate government institutions, international NGOs, and international support organizations.                       | NA |
| 4. The NGOs will have established a network of linkages among themselves and other national NGOs working in natural resources.  | NA |

1/16

B. Achievements to Date

The chief of party officially arrived in country on October 3, 1992 — past the cutoff date for the reporting period. The CoP spent a week in country at PADF expense during September arranging office space and screening potential local staff members

C. Project Description

Over 30 months, PADF will carry out a process for strengthening six to eight NGOs with potential effective specialization and impact in aspects of natural resources management. Up to twenty selected ENGOS will participate in a series of workshops to help them define their goals, develop potential for effective specialization and impact in aspects of natural resource management (NRM), and prepare proposals to take part in the Project's institutional strengthening. Eight ENGOS will be selected for intensive technical assistance and training to solidify institutional progress, as well as Operational Strengthening Grants to help them over a year to carry out their strategies and operational plans developed with PADF assistance. At least six, subject to performance, will receive second year grants, totalling about \$540,000 over the life of project. These Subgrants will fund ENGO Board and staff training in planning, management, fundraising and proposal preparation, and an annually declining portion of operational costs. The project will also provide small activity grants of \$3,000-\$15,000 aggregating to \$160,000, to enable ENGOS to undertake activities in environmental policy, education, or activities in soil, water, and forestry management.

DOC27WPPPHG/PG/avs  
October 14, 1992

B. Major Outputs

	Planned			Accomplished			% of LOP
	LOP	This Semest	Cum	Next Semest.	This Semest.	Cum	
1) Operating ENGO Planning Systems	8	0	0	0	NA	0	0%
2) Trained ENGO Boards and Staff	8	0	0	0	NA	0	0%
3) Functioning Admin Systems	8	0	0	0	NA	0	0%
4) Implemented Fund-raising Strategies	8	0	0	0	NA	0	0%
5) Functioning Project ENGO Funding Mechanism	8	0	0	0	NA	0	0%

C.1 Other Accomplishments and Overall Status

Chief of Party arrived Oct 3, 1993 to begin Project set up. SENS will give Salvadoran NGOs an early start on strengthening to be able to participate more effectively in PROMESA in 1994-95

C.2 WID Issues

Women incorporated into the Boards of Directors of the main NGOs that are being strengthened.

D. Problems and Delays

None -- Project had not officially begun by the end of the period.

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

Carry out initial training workshops for larger universe of environmental NGOs to prepare them to compete for eight operational strengthening grants.

**PROJECT STATUS REPORT**

April 1, 1992 - September 30, 1992

MISSION DIRECTOR RATING: A \_\_\_ B X C \_\_\_

**T. BACKGROUND DATA**

Project Title: Emergency Program: Health and Jobs for Displaced Families

Project Number: 519-0281

Date of Authorization: Original: 02/11/82 Last amendment: 09/26/90

Date of Obligation: Original: 05/12/82 Last amendment: 09/28/90

PACD: Original: 09/30/83 Amended to: 05/31/93

Implementing Agencies: Currently Active: Ministry of Planning (Secretaria de Reconstrucción Nacional SRN), Creative Associates International.

Projects Completed: OEF International, FEDECCREDITO, CESAD, World Relief, Project HOPE, Ministry of Health, International Rescue Committee and Ministry of Interior (CONADES).

Major Contractors: Currently Active: Ronco Consulting Corp. (until November/92) and Banco Salvadoreño.

Contracts Completed: Arthur Andersen, Kraus International and Contracting Corp. of America.

AID Project Manager: Raymond G. Lynch

Date of Last Evaluation: September 1988

Date Of Next Evaluation: February 1993

Planned Number of Non-Federal Audits during Fiscal Year: 0

The Number of such Audits Contracted for/Completed: 0

Date of Last Audit: June 1992 a/

Date of Next Recipient Audit: September 1992 b/

**FINANCIAL DATA**

Amount Authorized: DA/ESF Grant: Original: \$6,000,000  
Amended to: \$79,800,963

Amount Obligated: DA/ESF Grant: Original: \$6,000,000  
Amended to: \$79,800,963

Amount Deobligated: \$153,474

Amount Committed: Period: \$102,649  
Cumulative: \$79,800,963

Accrued Expenditures: Period - Projected: \$ 1,800,000  
Period - Actual: \$ 1,826,000  
Cumulative: \$77,067,771  
Projected Next Semester: \$ 1,800,000

Counterpart Contribution: GOES Planned: \$ 8,592,600  
Actual: \$19,394,030  
PVO Planned: \$580,568  
Actual: \$580,568  
Total Planned: \$9,173,168  
Actual: \$19,974,598

% Life-of-Project (LOP) Elapsed: 96 %  
% of Total Authorized Obligated: 100 %  
% of Total Obligated Expended: 96 %  
% of Total Authorized Expended: 96 %

**II. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES**

A. This Project is reaching completion and does not relate directly to Mission Strategic objectives.

**III. PROJECT PURPOSE AND DESCRIPTION**

- A. Project Purpose:  
The purpose of this Project is to provide income earning opportunities, basic health services, and adequate nutrition for the displaced population, while efforts are developed and tested to relocate those displaced persons, who are willing and able, into more productive lives.
- B. The Project currently supports the efforts of implementing institutions to provide permanent solutions for the Displaced Population in the form of housing, basic community infrastructure (access roads, sanitation, water, etc.), productive projects, health and education services, and other basic needs in returnee sites or new sites. This assistance is to enable Displaced Families to become economically reintegrated into Salvadoran society.
- C. Achievement to Date  
The EOPs for this project were met this semester. A final evaluation of the remaining DP communities were completed which showed that nearly all DP communities were no worse off than their non-DP neighbors. CREA has initiated reintegration counselling activities with ex-combatants.

**IV. PROJECT STATUS**

A. Planned EOPs	Progress to Date
1. Reduce the number of Displaced Persons requiring assistance from over 400,000 to 25,000.	18,077 <u>c/</u>
2. Permanently resettle 60,000 DPs in new sites or their original homes of origin.	61,033 resettled

- a/ A concurrent audit of CONADES was completed in December 1990, and a monthly financial review team is in place. First World Relief audit completed Jan. 1990, final completed on June 15, 1992; CESAD audit completed in Jan. 1989 and the Int'l. Rescue Committee comprehensive audit completed on June 1992.
- b/ Creative Associates recipient audit begins on September 1992; and will be finished on November, 1992.
- c/ 13,320 of the remaining 18,077 displaced reside outside the National Reconstruction zone and will be the focus of assistance through March 1993. The remaining 4,757 will receive assistance from 0394 under the National Reconstruction Program, phasing out by May 1993.

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**B. Major Outputs**

Component I: Employment Generation & Vital Infrastructure Program	Planned				Accomplished		
	LOP	This Sem.	Cum.	Next Sem.	This Sem.	Cum.	% of LOP
Services agencies <u>1/</u>	10	N/A	10	N/A	N/A	10	100
Construction of camp environmental improvements <u>1/</u>	69	N/A	69	N/A	N/A	60	87
Employment proj. <u>1/</u>	3,800	N/A	3,800	N/A	N/A	4,846	127
DP's employed (average per month <u>1/</u> )	10,000	N/A	10,000	N/A	N/A	13,000	130
Work projects, returnees <u>1/</u>	50	N/A	50	N/A	N/A	62	124
Vital infrastructure projects <u>4/</u>	170	50	159	18	21	242	142

  

Component II: Nutrition Services <u>2/</u>	Planned				Accomplished		
	LOP	This Sem.	Cum.	Next Sem.	This Sem.	Cum.	% of LOP
Number of CENAS operating	24	N/A	24	N/A	N/A	24	100
Food Baskets delivered monthly to DPs.	25,000	N/A	25,000	N/A	N/A	35,000	146
No. of health dispensaries	82	N/A	82	N/A	N/A	82	100

  

Component III: Public Health <u>3/</u>	Planned				Accomplished		
	LOP	This Sem.	Cum.	Next Sem.	This Sem.	Cum.	% of LOP
<u>Immunization</u> <u>3/</u>							
Total applications, doses	68,250	400	68,250	150	457	112,651	165
Children under five years old.	50,375	400	50,375	100	352	93,515	186
Pregnant Women (tetanus toxoid).	4,405	100	4,405	25	105	5,921	124
Distribution of MOH's ORT Salts. (doses)	95,500	N/A	95,094	N/A	N/A	95,094	99

1/ The temporary employment program was phased out March 31, 1989.

2/ This component activity ended May 20, 1988.

Component III: Public Health (cont.) <u>3/</u>	Planned				Accomplished		
	LOP	This Sem.	Cum.	Next Sem.	This Sem.	Cum.	% of LOP
<u>Curative Health</u>							
Medical referrals.	74,306	75	74,306	50	87	82,608	111
Home visits.	425,832	2,500	425,832	520	1,840	586,590	138

  

Component IV: Reintegration/Returnee	Planned				Accomplished		
	LOP	This Sem.	Cum.	Next Sem.	This Sem.	Cum.	% of LOP
Number of PVO Coop. or Grant Agreements	5	2	5	2	2	6	120
Relocated/Returnee Displaced Families <u>4/</u>	16,470	400	13,320	300	65	12,182	74
Returnee/Relocation Projects <u>4/</u>	139	10	134	5	6	125	90
Solidarity groups formed to develop microbusinesses <u>5/</u>	80	30	80	0	82	256	320
Agricultural Starter Packages Distributed <u>4/</u>	31,632	400	27,032	0	106	27,432	87

  

Component V: Training	Planned				Accomplished		
	LOP	This Sem.	Cum.	Next Sem.	This Sem.	Cum.	% of LOP
Short term vocational skills training courses completed	95	0	95	0	0	134	141
Long term training	0	0	0	0	0	0	0
<u>Preventive Health</u>							
No. of rural health volunteers trained	50	75	155	25	35	1,133	2,266
No. of community health seminars	200	200	400	50	60	570	285

3/ Vaccines are currently provided by the Ministry of Health (MOH).

4/ Adjusted LOPs, per Project Paper Amendment of Sep. 90.

5/ LOP adjusted and converted to assist individual Microbusinesses

**C.1. Other Accomplishments and Overall Status**

- The Project has successfully met the EOP targets during this semester. The remainings of the project will support the phase out of a few remaining projects in displaced communities and support to the National Reconstruction Program.
- Fiscal supervision by the Banco Salvadoreno continued during this period to verify the closure process of CONADES Action Plans for ESF88, ESF89 and PL-480/90. This activity concluded 9/30/92. SETEFE in coordination with SIU continues to investigate the use of Project Funds assigned to Action Plan PL-480/90. USAID must determine what action to take as a result of these investigations.
- Ronco Consulting Corporation carried out another nationwide displaced community evaluation. This evaluation identifies the DP communities most needy. It has been presented to the National Reconstruction Secretariat which is the GOES agency now responsible for assistance to the displaced.
- USAID action has facilitated the process of issuing birth certificates and IDs to those previously without access to this required documentation.

**C.2. Women in Development Issues**

- Over half of the displaced family units are comprised of female heads of households. The DP program has focused its projects on the permanent resettlement and economic reintegration of the displaced families and has not segregated the program for male or female heads of households. The latter group has received equal assistance opportunities in productive projects, housing, resettlement, etc.

**D. Problems and Delays**

- During the beginning of the reporting period the National Reconstruction Secretariat did not take an active role on assistance to the remaining DPs, however they have recently begun working with NGOs on implementation DP reintegration activities which should adequately meet the needs of the DP Program through the PACD.
- There still remains an outstanding Bill of Collection for approximately 10 million colones. In 1988 the CESAD project was terminated by USAID due to misuse of funds. An investigation led to the conviction of top CESAD management. CESAD still exists, however there is some doubt as to the ability of CESAD to pay this debt.

The Devres report on CONADES had six recommendations related to internal controls, management of vehicles, etc. Ronco attempted to assist CONADES with the closure of these recommendations, however CONADES was not always cooperative and this was one of the issues which led to the Mission's decision not to continue financing this institution.

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

- This Program is due to terminate in May 1993. Projects are being phased out in the remaining Displaced communities.
- A final evaluation will be conducted on the program in February, 1993.
- The remaining pipeline of funds will be completely exhausted by March 1993 and focus of assistance will be to displaced families outside the ex-conflictive zone, as well as, assist to the reintegration counselling efforts for the ex-combatants.
- A meeting will be held with the current CESAD Manager in order to know their position on the \$10 million Bill of Collection matter and take a final decision.
- A new Bill of Collection will be sent to CESAD for 10 Million colones plus interest by the Mission. The Mission will take appropriate action, to bring this outstanding issue to closure. If CESAD has no way of paying this bill the Mission will need to go to AID/W and ask them to remove this outstanding bill from the Mission's records.

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WPPRGL/29 - 11/30/92 -- (final)

**PROJECT STATUS REPORT**  
 April 1, 1992 to September 30, 1992

MISSION DIRECTOR RATING: A X B \_\_\_ C \_\_\_

**I. BACKGROUND DATA**

Project Title: Earthquake Reconstruction  
 Project Number: 519-0333  
 Date of Authorization: original 09/22/87 amendment 08/26/88  
 Date of Obligations: original 09/22/87 last amendment 08/26/88  
 PACD: original 09/30/90 amended to 03/31/93  
 Implementing Agencies: Ministry of Planning, Vice-Ministry of Housing, Central Reserve Bank(see last page)  
 Major Contractors: Too numerous to list  
 AID Project Manager: Charles C. Brady  
 Status of CPs/Covenants: CPs to First Disbursement - Met: Yes  
 Covenants: in force  
 Date of Last Evaluation: 04/04/89 Next evaluation: 03/93  
 Date of Last Audit: 09/30/91 Next audit: 01/93  
 Planned No. of Non-Federal Audits during FY 1  
 Number of such Audits Contracted for/Completed 1 (6/92)

**FINANCIAL DATA**

Amount Authorized:	DA/ESF Grant: orig \$75,000,000 amended to \$98,000,000
Amount Obligated:	DA/ESF Grant: orig \$75,000,000 amended to \$98,000,000
Amount Committed:	Period: \$ 7,491,749
	Cumulative: \$96,974,516
Accrued Expend.:	Period - Projected \$18,900,000
	Period - Actual \$16,059,177
	Cumulative: \$77,267,621
	Projected Next Sem. \$20,732,379
Counterpart Contrib.	Planned: \$ 3,276,000
	Actual: \$ 4,141,977
% LOP elapsed:	91%
% of Total Auth. Oblig.	100%
% of Total Oblig. Expended	79%
% of Total Auth. Exp.	79%

**II. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES:**

The Earthquake Reconstruction Project is an emergency project. Its basic objective is to rebuild or rehabilitate earthquake damaged infrastructure. It is nearing completion and does not relate directly to Mission Strategic Objectives.

- 2) Preparation of an administrative and operational procedures manual.
- 3) Preparation of a standardized procurement manual based on Handbook 11 and adapted to local regulatory authorities, regulations and laws.

**III. PROJECT PURPOSE & DESCRIPTION**

**A. PROJECT PURPOSE**

To assist the GOES and the private sector of El Salvador in reconstructing and rehabilitating housing, schools and health facilities, vital infrastructure, and reestablishing small businesses and private education facilities, particularly those benefitting lower income groups affected by the October 10, 1986 earthquake.

**B. ACHIEVEMENTS TO DATE**

Principal accomplishments of the Project to date include:

**a. Institutional**

- 1) Organization of the Dirección General de Reconstrucción complete with recruitment and training of its attendant staff.

**b. Planning**

- 1) Identification and selection of all subprojects and preparation and approval of all Action Plans.
- 2) Preparation of all Bid documents for all contracts.

**c. Contracting**

Contract and award for over 567 individual contracts for services, demolition, commodities, design, supervision and construction.

**d. Implementation**

Construction of over \$77 M in subprojects. Several hundred schools, bridges, health facilities, markets, domestic water systems and over 13,000 houses for earthquake victims complete with infrastructure (urbanization) and community facilities have been built. Additionally, \$ 80 M has been used from credit line reflows in both earthquake assistance projects to construct more infrastructure of the same type.

C. PROJECT DESCRIPTION

The Earthquake Reconstruction Program is a massive construction activity designed to replace infrastructure damaged in the earthquake of 1986.

IV. PROJECT STATUS

A.1. Planned EOPS

- 1) Project beneficiaries will have shelter, highways, market facilities, access to schools and health care services and public utilities at a level superior to those prior to the earthquake.
- 2) Businesses assisted by the Project will be functioning at a level equal to that prior to the earthquake.

A.2. Progress to Date

- 1) Based on project expenditures approximately 77.3% of the beneficiary group has gained access to services and facilities described in EOPS.
- 2) Demand for small business credit was largely satisfied by \$8.8 M in the predecessor credit component of 519-0331. Small business credit under this activity is complete. Moreover, the GOES has recovered \$10.0 M from credit line reflows in Project 519-0331 and has reinvested that amount in other high priority but unfunded earthquake eligible subprojects. Additional recoveries are expected to occur before the EOP. Such reflows will be used as contingencies to cover recent inflationary costs and reinvested in unfunded, earthquake eligible activities.
- 3) All earthquake housing reconstruction and supporting infrastructure activities, some 13,000 houses under 519-0333, will be completed by January 31, 1993

B. Major Outputs

	Planned				Accomplished		
	LOP	This		Next	This		% of
		Sem.	Cum..	Sem.	Sem.	Cum.	LOP
Public Markets	14	2	8	6	2	8	57.14%
Classrooms	2,140	688	1,975	429	424	1,711	79.95%
Health Facilities	8	1	6	2	1	6	75.00%
Sites and Services	62	16	62	9	7	53	85.00%
Community Facilities	29	4	24	8	4	21	72.00%
Housing	10,280*	1,577	10,254	455	1,505	9,899	96.29%
Kms. of Highways	24	0	24	0	2	24	100.00%
Equipment	\$4,482	61%	107%	47%	7%	53.28	53.28%
Loans for Housing and Social Services	5,316*	838	3,829	106	2,110	5,210	98.00%

\*Note: Some of the 5,316 loans for Housing construction and repair are for houses included in the total of 10,280.

C.1. Other Accomplishments and Overall Status

The Earthquake Reconstruction Project is progressing well enough to finish all physical projects on or before the PACD, March 31, 1993. Most end-of-project closeout activities, if not all of them, will also be finished by that date as well.

A number of major infrastructure projects were concluded during this reporting period followed by inaugurations presided over by cabinet officials, the President and ranking U.S. officials.

On October 1, 1992, 72 physical projects remain under construction. They are expected to terminate as follows: 42 by December 31, 22 more by January 31, and the final 8 by the end of February, 1993.

All activities related to earthquake housing reconstruction will terminate by the end of the year, however, one PVO will require a short extension to finish civil works which were added to its grant during implementation. Efforts then will intensify on completing the infrastructure under construction, and concentrate on the liquidation of contracts, final reports, end-of-project audit and the final evaluation.

There are no outstanding audit recommendations in this activity and it is anticipated that due to the favorable changes in the foreign exchange rate and the use of credit reflows from the earlier phases of earthquake assistance that several times the number of subprojects planned at the Project Paper stage will be accomplished.

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## C.2 WID Issues

The Earthquake Reconstruction Project has as its principal aim the replacement of high priority infrastructure which was damaged by the earthquake of 1986. As the earthquake did not discriminate between men and women in its destruction, the replacement projects also have not discriminated between the sexes.

Furthermore, the nature of the subprojects is such (roads, schools, bridges, public services, hospitals, housing, small business credit, public markets) that both men and women tend to benefit in an equal way from the replacement of such infrastructure.

This notwithstanding, cultural patterns are such that women appear to derive more benefits from some projects than men. For example, all of the vendors (some 20,000) in the 15 public markets being reconstructed are women. Market reconstruction also includes the provision of daycare centers for children under school age, thus the mothers of some 40,000 children are freed from daily childcare functions so that they can engage in more productive activities.

In the area of housing reconstruction, over 11,000 units will be constructed or repaired by the end of the activity. Experience shows that over 55% of the more than 7,000 units already constructed are titled to women. Women tend to be in the majority as heads of household in the low-income communities which the Project is emphasizing. In the other 45% of the families, men and women ostensibly benefit equally; however, all of the houses are provided with individual household connections for basic public services such as domestic water, electricity and sewage disposal facilities. Experience demonstrates that in El Salvador, as elsewhere in the developing world, it is the women and children who porter water for cooking, bathing and other household chores. This fact, too, tilts the scale of benefits toward women. Furthermore, in most communities where housing construction has taken place, or is planned, day-care centers have been constructed and are being managed to absorb large numbers of children so that unemployed mothers can seek training or employment and so that employed women can have a more suitable alternative to leaving the children unattended or paying someone else to care for them.

## D. Problems and Delays

Events of the last six months have aggravated construction activities. Rain throughout the period, numerous labor strikes, energy blackouts, shortages of construction materials (particularly steel and cement) increases in costs for labor, cement, energy, fuel, water, transportation and the introduction of the Value Added Tax (IVA) have had their collective impact on project's progress. Nevertheless, GOES and USAID officials have monitored events closely and managed to diminish the impact of such conditions and have kept the project relatively on schedule. Still, a few more projects than had been projected will extend into the new year.

### D.1. Past Problems:

**Problem:** A problem was highlighted in the last SAR relating to houses constructed by private sector contractors under the S&L Associations which were built but not promptly occupied. The problem stemmed from the privatization of the S&L Associations and a reluctance on their part to extend credit to low-income families as a matter of increased credit risk. Thus, a large bill of collection was presented to the GOES for capital used and interest gained on houses constructed with project funds but not occupied.

**Status:** The bill of collection for the unoccupied houses has had the effect of speeding up the titling process to earthquake victims. The original bill of collection has already been reduced by half and it is expected that an even larger number of houses will be titled during the month of October. The National Housing Authority (FORAVIPO) and the respective S&L's will make repayment to USAID for any housing units unoccupied by October 24, 1992. And, those monies, if any, will be reinvested in still unfunded, earthquake reconstruction needs.

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D.2 Current Problems:

- Although the Earthquake Reconstruction Project has done much to reactivate the construction sector in San Salvador, many of the medium-size and smaller contractors are facing serious financial difficulties due to recent construction cost increases which have occurred for labor, cement, steel, energy, fuel, water, transportation, and taxes. All have added to the construction burden in a way that could not be planned. The collective impact is that some of the contractors are on the verge of bankruptcy.
- The IVA went into effect on September 1, 1992. All bid documents and all contracts in the DGR state that contractors are exempt from identifiable taxes.
- The establishment of the IVA is a positive step, however, it had led to price speculation on the part of suppliers and is being applied in a haphazard fashion. This has aggravated the problems mentioned above.

E. Major Activities or Corrective Actions During the Next 6 Months

- The Earthquake Reconstruction Division and the Controller's Office will continue to work closely with FONAVIPO during the months of October and November and it is expected that either all of the units constructed with USAID funds will be titled and occupied or that a reimbursement will be made to USAID. Funds recovered will be reinvested for a variety of earthquake proposed projects that are still not funded.
- Complete all construction activities barring further problems along lines of those mentioned in D.2.
- Initiate, as possible, closeout actions on those contracts for which work has been completed.

I. BACKGROUND DATA (continued)

Implementing Agency(ies): The Dirección General de Reconstrucción (DGR), the Ministry of Public Works, Ministry of Public Health, Ministry of Education/CEL, Municipality of San Salvador, Urban Housing Institute (IVU), National Water and Sewerage Authority (ANDA), the National Popular Housing Program (PRONAVIPO), the Financiera Nacional de la Vivienda (FNV), Banco Hipotecario, nine National Banks, seven savings and loan associations, and three private voluntary organizations.

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

MISSION DIRECTOR RATING: A \_\_\_ B \_\_\_ C X

**I BACKGROUND DATA**

Project Title: PL 480 Title II CRS/CARITAS Maternal Child Health Program  
Farm Bill Grant No.: FBGF91-02  
Date of Authorization: 09/19/91 (AER-FY-92)  
Date of Authorization: 09/05/91 (Farm Bill Grant/91-92)  
PACD: PL 480 Title II: 09/30/92 Grant Farm Bill/91: 09/30/92  
Implementing Agencies: CRS/CARITAS de El Salvador  
Major Contractors:  
AID Project Manager: Julio A. Mena  
Status of CPs/Covenants:  
CPs to First Disbursement - All Met: 09/19/91  
Date of Last Evaluation: 05/15/91 Next evaluation: None  
Planned Number of Non-Federal Audits during Fiscal Year: 0  
The Number of such Audits Contracted for/Completed: 0  
Date of Last Audit: CRS 09/15/91 Next audit: None

**FINANCIAL DATA**

Amount Authorized:	(\$CIF value of 4,586 MT of Title II commodities, FY 91/92)	
	PL-480 Title II Grant:	\$2,019,448
	Farm Bill 91-92:	\$ 151,589
	Cumulative:	\$2,171,037
Accrued Expend.:		
	Period - Title II:	\$1,949,195
	Period - Farm Bill:	\$ 128,837
	Cumulative:	\$2,078,832
	Projected Next Sem.	\$ 8,500
Counterpart Contrib.		
	Planned: (in kind)	\$ 840,000
	Actual:	\$ 840,000
% LOP AER/FY-92 elapsed:		100%
% of Total AER/FY-92 Auth. Oblig.:		100%
% of Total AER/FY-92 Oblig. Expended:		96%

**II PROJECT PURPOSE**

The overall objective of the Maternal Child Health CRS/CARITAS program in FY-92 is to provide nutritional support and health education to undernourished mother/child recipients, and to improve health conditions and income levels of participants and their families.

**III PROJECT DESCRIPTION**

USAID budgeted 7,245 MT of PL-480 Title II commodities for FY-92 and Caritas distributed, through 510 nutritional centers, the authorized amount of 4,586 MT to 43,500 needy families. Beneficiaries received food commodities, and basic education in health care and nutrition. In FY-92, Caritas increased training and education activities and enlarged the income generation component by creating village banks, small businesses and expanding food production projects within all Caritas dioceses. \$151,589 of the FY-91/92 Farm Bill funds were used to support program monitoring and nutritional surveillance, and to develop a more efficient administrative system for Caritas. CRS requested that FY-92 Farm Bill funds be used, during the first quarter of FY-93, to finance the incomplete FY-92 activities through December, 1992. The CRS MCH Program will end on November 15, 1992.

**IV PROJECT STATUS**

**A. Planned EOPS**

- 1) Integrate 5% of the participant families in income generation projects

Progress to Date  
43%

**B. Major outputs**

	<u>Planned</u>		<u>Accomplished</u>		
	<u>LOP</u>	<u>This Sem.</u>	<u>This Sem.</u>	<u>Cum.</u>	<u>LOP %</u>
1. Title II commodities distributed in MT	7,245	3,622	2,508	5,593	77%
2. Training workshops for MCH promoters	20	12	8	8	40%
3. Volunteers participating in training courses	2,000	500	654	654	33%
4. Village Banks implemented	40	10	13	13	33%
5. Participant families in Income Generation Projects	2,175	1,087	927	927	43%

**C. Other Accomplishments and Overall Status**

1. Caritas implemented 13 village banks to serve 300 poor women. 927 small farmers participated in agricultural production projects planting more than 500 manzanas of corn, beans, soya, as well as raising pigs, and chickens. Caritas gave courses in reading, writing, and sewing.
2. CRS has begun an internal assessment of each of the Caritas dioceses to determine their individual ability to implement projects in preparation of the phase-out of this program. CRS plans to continue this assessment during the first quarter of FY-93. CRS has requested that they be allowed to expend the unused portion of the FY-92 Farm Bill funds during the first quarter of FY-93 to carry out a final evaluation and audit of this Program.

4. Following is the beneficiary and commodity status for the MCH CARITAS program:

	<u>Projected</u>		<u>Actual</u>	
	<u>Oct/91-Sept./92</u>	<u>Oct/91-Sept./92</u>	<u>Oct/91-Sept./92</u>	<u>Achievement</u>
Family rations	43,500	39,500		91.0%
Average/month	510	439		86.0%
Nutrit. center				
<u>Commodity</u>	<u>Oct/91-Sept./92</u>	<u>Oct/91-Sept./92</u>	<u>Total MT</u>	
Rice	3,664 MT	2,514 MT	69%	
Beans	2,697 MT	1,610 MT	60%	
Vegoil	884 MT	462 MT	52%	
Cornmeal	Not Planned	765 MT	00%	
Lentils	Not Planned	242 MT	00%	
<u>Total</u>	<u>7,245 MT</u>	<u>5,593 MT</u>	<u>77%</u>	

**D. Problems and Delays**

1. During this year, food distribution lagged as a result of the late arrival of all shipments from FY-92 call forwards. First and 2nd call forward shipments arrived between December 1991 and February 1992. The third call forward shipment never arrived and the last oil shipment arrived in late September, 1992.
2. Beans arrived in six small shipments making distribution among eight dioceses difficult and increasing the time needed to complete custom procedures.

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

1. The PL-480 Title II Program was to end on September 30, 1992, however, due to the late arrival of the call forward shipments the Mission has authorized CRS to distribute the remaining food through November 15, 1992.
2. USAID will review the paper work on food distributions and inventories to ensure that food distributions are concluded by November 15, 1992.
3. Assist the CRS in an orderly phase-out of this program, e.g.: (1) USAID will handle the PACR, (2) CRS will take care of the final Audit.