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USAID/PERU
SEMI-ANNUAL PORTFOLIO REVIEW
PERIOD APRIL 1 - SEPTEMBER 30, 1991

December 1991

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SECTION 1

PROJECT STATUS REPORT
April 1, 1991 - September 30, 1991 A _ B X C _

I. BACKGROUND DATA

Project Title: Agricultural Planning and Institutional Development
 Project Number: 527-0238
 Date of Authorization:
 Loan and Grant original 08/24/83 amendment 08/19/88
 Date of Obligation:
 Loan original 08/25/83 amendment 12/12/84
 Grant original 08/25/83 amendment 09/30/88
 P/ACD: original 12/31/88 amended to 12/31/91
 Implementing Agencies: Ministry of Agriculture (MOA), Ministry of Economy and Finance (MEF), National Agrarian University (NAU) National Weather Service (SENAMHI)
 Major Contractors: -Farm Management Services S.A. (FMS)
 -Midamerica International Agricultural Consortium
 contracts ended December 1988 and January 1989
 AID Project Manager: Dawey Cúnkus
 Status of CPs/Covenants: Three (3) evaluations have been executed. No outstanding Conditions Precedent exist as Operational Plans and budgets have been completed.
 Date of Evaluation: Last 10/91 Next -
 Date of Audit: Last 12/31/90 Next -

FINANCIAL DATA

Amount Authorized:	DA/ESF	Grant: original \$ 6,000,000	amended \$ 6,650,000
		Loan: original \$ 6,000,000	amended \$11,000,000
Amount Obligated:	DA/ESF	Loan : original \$ 1,500,000	amended \$11,000,000
		Grant: original \$ 250,000	amended \$ 6,650,000
Amount Committed:	Period Loan:	\$ 1,262,237	Grant:** \$ 99,954
	Cumulative Loan:	\$10,679,816	Grant: \$ 6,615,461
Accrued Expenditures:	Period Projected:		
	Loan:	\$ 750,000	Grant: \$ 200,000
	Period Actual:		
	Loan:	\$ 446,081	Grant: \$ 363,806
	Cumulative to date:		
	Loan:	\$ 9,856,280	Grant: \$ 6,581,694
	Next Period:		
	Loan:	\$ 410,000	Grant: \$ 33,767
	Outstanding Advances:		
	Loan:	\$ 527,425	Grant: \$ 86,716
Counterpart Contribution:	Planned:	\$ 8,500,000	
	Actual:	\$ 6,807,251	
% ICP Elapsed:	Loan:	97.05%	Grant 97.05%
% of Total Auth. Oblig.	Loan:	100.00%	Grant: 100.00%
% of Total Oblig. Exp.	Loan:	89.60%	Grant: 98.97%
% of Total Auth. Exp.	Loan:	89.60%	Grant: 98.97%

II. PROJECT PURPOSE

The purpose of this project is to strengthen the Government of Peru's capacity to formulate sound agricultural sector policies and effectively manage the implementation of those policies.

III. PROJECT DESCRIPTION

The project consists of 11 activities under four components. Component I seeks support for agricultural policy analysis through the establishment of a Agricultural Policy Analysis Group (GAPA), support to the Division of Economic Studies in the MEF, and to the Planning Office of the MOA. Component II will reinforce the information support of the agricultural sector by administering surveys, constructing databases (national rural household data), information on area and production, and agroclimatic impact assessment.

Component III will improve the management of the sector through revised management guidelines and procedures, improved management capabilities of personnel through training, etc. Component IV was designed to develop human resources with advanced training and developing linkages between the Ministry of Agriculture(MOA) and the National Agrarian University (NAU).

IV. PROJECT STATUS

A. Planned ECPS

1. MOA will develop capacity to design and assess policy alternatives.

Progress to Date

GAPA - a group of highly qualified professionals has provided support to the MOA on short, medium and long term programs. Most of the studies conducted by GAPA in 1984 and 1985 were to lay the groundwork for policy planning or policy change rather than to support existing policies. GAPA's recommendations based on studies made in 1984 and during the first half of 1985 were:

- Liberation of exchange rates to avoid over-valuation of local currency and to improve the international competitiveness of food products, thus preventing discrimination against the agricultural sector.

- Continuation of tariff protection measures for imported food products to counteract the effects of subsidies in other countries of origin.

- Market intervention to establish minimum prices for food products.

From 1986 to 1988 most of GAPA's studies, were aimed at guiding short-term policy rather than at designing new policies. Government policies were directed at implementing price controls for producers and consumers with GAPA's efforts focus on design and follow-up of the Agricultural Sector's Revitalization Program (PRESA). Under this program the following policy actions were implemented:

- Subsidized interest rates and interest differentials for different products were introduced.

B. Major Outputs

<u>Description</u>	<u>Planned</u>				<u>Accomplished</u>		
	<u>LOP</u>	<u>Period</u>	<u>Cum.</u>	<u>Next</u>	<u>Period</u>	<u>Cum.</u>	<u>% of LOP</u>
				<u>Period</u>			
1.Memoranda to Minister immediate pressing issues							N/A
2.Reports on Medium and Long Term Policy Studies	N/A	N/A	N/A	10	10	240	N/A
3.Studies,Interrelationship Agriculture-Macroeconomics	N/A	N/A	N/A	N/A	5	25	N/A
4.Tracking Systems on Sector Proj. Invest.	3	0	3	0	0	3	100%
5.National Rural Household Survey	1	0	1	0	0	1	100%
6.Area & Production Survey	10	1	6	0	1	7	70%
7.Data Production Agroclimatic Impact							N/A
8.Personnel database Ministry of Agricul.	1	0	1	0	0	1	100%
9.Strengthen financial manag. INIPA offices	2	0	2	0	0	2	100%
10.Graduate Teaching & Research fellowship							
a. Masters Degree	80	0	80	0	0	25(14)	31%(18%)
b. Research Support	27	0	27	0	0	23	85%

N/A : Unquantifiable

- Prices for fertilizers, pesticides, fuel, and electricity were reduced through subsidies.

- Real salaries were increased.

- Consumer subsidies and guaranteed prices to farmers were established for priority products to prevent price increases, assuring at the same time the maintenance of producer profit margins. During this period, GAPA also participated in the creation of an Agriculture Revitalization Fund (FRASA), of the National Agricultural Marketing Corporation (CONA) and in the drafting of the Agricultural Sector Law and the Sierra Plan. GAPA was also responsible for establishing price levels and determining investment requirements for implementing producer and consumer subsidies.

Since July 1990, most of GAPA's studies were designed to recommend policy changes, although a considerable proportion, about 30 percent, were designed to support and guide short-term policies. GAPA's advisory role has continued under the present administration and the group participated actively in analyzing short- and medium-term policies, especially those pertaining to tariff reform, prices (price ranges and surcharge rates), and the drafting of the new Agrarian Law. There was also a study (June 1991) of the effect of the economic stabilization program on the agricultural sector. In July 1990, GAPA prepared a report on policy guidelines for 1990-1995. Many of its recommendations have been implemented to some extent, or are under discussion. Among them are the following:

- To stabilize inflation and gradually reduce control of the different markets by influencing exchange rates, interest rates, and price controls.

- To change macroeconomic policies that discriminated against agriculture.

- To orient public investment toward improvement of physical infrastructure, markets, and agro-climatic information.

11. Training	P L A N N E D								A C C O M P L I S H E D					
	LOP		Period		Cumulat		Next Period		Period		Cumulat.		% LOP	
	M	F	M	F	M	F	M	F	M	F	M	F	M	F
Overseas														
Long-Term	10	2	0	0	10	2	0	0	6	0	10(5)	2	100%(50%)	100%
Local														
Long Term		80	0	0		80	0	0	0	0	61(8)	4	81%(10%)	
Local														
Short term	1029	521	200	50	1229	571	200	30	269	57	1237	588	120.21%	112.86%

- To standardize import tariffs at a rate between 10 and 20 percent.
- To consolidate land ownership and the freedom to select land-tenure models democratically.
- To use the price-range system for basic food products, establishing limits in accordance with international prices.
- To promote competitive trading of agricultural products and inputs.
- To establish interest rates for medium-and large-scale producers and for highly profitable products that are close to free-market rates.
- To support a national price-information system.
- To continue providing food assistance to target populations.

Actually, GAPA is developing coordinated actions between private and public sector by the National Plan for the Agroexport Development, etc. In this time, they executed activities of support to the Agrarian Organizations. GAPA coordinated other activities with the MEF, Central Reserve Bank, National Planning Institute, which has permitted development of economic models in which there are interactions between global macroeconomic policies and sector policies.

2. Demand for information and analysis for agricultural policy making will be stimulated.

The creation of a group of trained staff with the means to conduct serious, well-focused policy analysis has created a demand for such analysis in Peru. Ministers of Agriculture, have GAPA's services extensively. At present, private organizations like OVA are showing interest in the services of policy analysts. It is reasonable to believe that the demand for policy analysis will increase in the future.

To date about 255 short and medium term studies have been produced. Examples for this period: policy issues relating to macroeconomy, prices, credit, land ownership, commercialization, product consumption, etc.

3. The information base for agricultural policy making

The Planning Office of the MDA has developed a database on investment programs and an inventory of projects to act as a register for decisions on agricultural policies. A National Survey of Rural Homes has been completed and results disseminated. Surveys in coastal valleys for agricultural production statistics and agroclimatic impact assessment are continuing to be implemented.

4. The capacity of public agricultural sector will be strengthened to function efficiently.

2000 personnel received short term training in administrative areas. 325 procedures were simplified and 12 client service guides published.

Personnel database is the best inventory of human resources in the sector. The MDA computer center is almost complete, even now allowing interaction between the various entities involved in agricultural policy development. Personnel will continue to be trained in the utilization of the computer equipment.

5. Broader human resource base

6 participants have followed the Ph.D. in the United States in Economics. 6 participants have completed Masters degrees in Mexico in scientific disciplines. 160 participants began, only 22 completed Masters in Peru. The role of the UNA was very important. In that time the UNA has the best programs in advanced training. Short term training in administrative areas has been provided to 1237 men and 583 women from Lima and regional offices of MDA.

C. Other Accomplishments and Overall Status

The APID Project PYCD is scheduled to terminate on December 31, 1991. A draft final evaluation of the Project was completed during August which indicated that the Project had not reached its goal or substantially achieved its purpose. The evaluation cites the following shortcomings in the management structure of the Project:

D. Problems and Delays

A series of contracting problems and removal of key personnel were presented during the period. Two of the individuals leaving their positions during the period were the last of six GAPA PHDs trained under the project.

Very limited communication and no support between the GOP Coordination Unit and UNALM exist. This due to GOP opposition to UNALM.

a) the complexity of the overall project structure hindered Project implementation, b) authority is lacking in coordinating across three ministries and an autonomous university, c) neither GOP implementation nor activity managers have been full time nor remunerated, d) USAID management since 1988 has been "distant" and too-little involved, and e) PADI's Coordination Office has been mired in operating procedures.

Nonetheless, during 1991 the Project has contributed in the development of recent sectorial agricultural policies and law reforms including: a) an agricultural tariff reform law, b) land titling/tenure law, c) a liberation of markets for agricultural products law, and d) a promotion of a new agricultural promotion/investment law. Also initiated during the period are a new general agrarian law and a national plan for development of agricultural exports.

The Project has produced 265 short- and medium term studies geared to establish agricultural policies.

The project has purchased new computer equipment and trained MOA personnel in its use in order to improve the MOA's administrative capability.

The GOP has executed a program of incentives allowing voluntary retirement for all levels of employees.

(3220M)

Only 22 of 160 long-term, in-country participants have completed their degree. While the majority have completed their course requirements, they have been unable to, and likely will not, complete their required thesis.

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

Installation of UNALM computer equipment (valued at approximately US\$350,000). They arrived in Peru during April 1990.

Complete ongoing GAPA agricultural policy studies and draft proposals for new agricultural decrees.

Project close down process needs to be initiated early during the period and be completed.

Review and approve final evaluation.

Review and act upon audit findings.

F. Mission Director's Comments

The project has effectively served the needs of the Ministry of Agriculture during this new administration. It has provided support for studies which have been used to develop policies and guidelines.

PACD of 31 December 1991 will be discussed during the week following SARS to determine if an extension of the project will be requested.

(3221M)

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

A ___ B ___ C x

ATTACHMENT C

I. BACKGROUND DATA

Project Title: Upper Huallaga Area Development
 Project Number: 527-0244
 Date of Authorization: original 09/08/81 amendment 09/30/88
 Date of Obligation: original 09/15/81 amendment 08/09/90
 PACD: original 09/30/86 amended to 12/31/92
 Implementing Agencies: PEAH
 Major Contractors: IRI, and then FONCO
 AID Project Managers: Merritt Broady
 Status of CPs/Covenants: Met

FINANCIAL DATA

Amount Authorized:	DA Loan: original	\$15,000,000
Amount Obligated:	DA Loan: original	\$15,000,000
Amount Committed:	Period:	\$ (20,786)
	Cumulative:	\$14,249,433
Accrued Expenditures:	Period - Projected:	\$ -
	Period - Actual:	\$ -
	Cumulative:	\$14,249,433
	Period - Next	\$ 175,750
Amount Authorized:	DA/ESF Grant: original	\$ 3,000,000 amended to \$12,900,000
Amount Obligated:	DA/ESF Grant: original	\$ 750,000 amended to \$12,900,000
Amount Committed:	Period:	\$ 738,745
	Cumulative:	\$10,555,245
Accrued Expenditures:	Period - Projected:	\$ 1,158,000
	Period - Actual:	\$ 1,789,256
	Cumulative:	\$ 9,700,580
	Period - Next	\$ 1,272,009
Counterpart Contribution:	Planned:	\$13,858,000
	Period:	\$ 590,845
	Cumulative:	\$13,267,155
% LOP Elapsed:		89.05%

	<u>Loan</u>	<u>Grant</u>
% of Total Auth. Oblig.	100.00%	100.00%
% of Total Oblig. Exp.	94.99%	75.19%
% of Total Auth. Exp.	94.99%	75.19%

Date of Last Evaluation: 10/27/86 Next Evaluation: 10/01/92
 Date of Last Audit: 10/15/90 Next Audit: 02/01/92

II. PROJECT PURPOSE

To support GOP development and narcotics control activities in the UHV by strengthening public sector agricultural support services and expanding rural and community development activities.

III. PROJECT DESCRIPTION

The Upper Huallaga Area Development (UHAD) Project will develop and transfer appropriate agricultural technologies and will strengthen agricultural support services in the Upper Huallaga Valley (UHV). Project activities carried out in support of this purpose have concentrated on reestablishing GOP agricultural development services in

B. Major Outputs

	Planned				Accomplished		
	LOP	Period	Cum.	Next Period	Period	Cum.	% of LOP
1. Demonstration Plots	3,000	200	2,996	216	351	1,557	52%
2. Technical Assistant to farmers	18,100	257	13,428	650	2,080	13,415	74%
3. Seeds production (rice, maize, coffee) (Kg.)	429,724	88,000	367,000	44,000	11,860	111,699	26%

short and long term improvements for a variety of crop packages.

plots have been implemented, covering 2,248 Has. Nurseries and plots are installed in the growers own land. The cultivated surface and the productivity of rice has increased substantially. Currently, in Tocache and Uchiza 2,000 Has. (approx.) of rice under irrigation had an average yield of about 5,000 Kg./Has. This average yield of rice crop production would be profitable.

A credit system using realistic rates for both short and medium term credit will be significantly expanded to serve project area farmers.

An agricultural credit program of \$3 million was established and implemented through the Agrarian Development Bank (ADB) until 1988. In 1989 the GOP did not budget credit funds through the Project. In the CY 1990 Budget the GOP allocated counterpart funds in the amount of approximately US\$325,000. Only part of these funds were used and 114 loans for agricultural sustenance were made for specific crops such as rice, plattains and corn. Because these loans affected only 125 cultivated hectares in CY 90, PEAH has designed a new Credit Plan with its corresponding by-laws for CY 91 with a supervised credit role for its extensionists. In CY 1991, 91 agricultural loans were granted for a total of 106 Has. and for a total amount of US\$400,000. It should be noted that there is not a strong loan demand because of the prevailing indexed high interest rates even through there is a need for the loans.

Delivery of farm production services, such as input

To date, 4,576 new land titles have been registered. The issuance of

marketing and land registration will have been upgraded to make these services accessible to project area farmers.

land possession certificates to obtain credits has been simplified. PEAH is coordinating actions for the installation of the rice mill in Tocache with the participation of the CORDESAM and the Rice Farmers Committee. PEAH has also prepared an operational plan with corresponding cost estimates for the installation of rice mills in Aucayacu and Tocache. However, the OGP decision to disband the state parastatal - ECASA - responsible for all rice milling and marketing has brought into question exactly who will own, operate and capitalize the two Project installed mills. It is hoped that rice producers will be interested in operating and capitalizing these mills.

6. The statistical capability to measure changes in cropping patterns, technology, and on-farm incomes will be in place and functioning.

Agricultural statistical and cadastral agencies installed in the area. For eight consecutive years, annual statistics summaries have been published, which contain data on crop type, production level, soil quality, demography, basic social services, etc. Per A.I.D.'s request, PEAH is submitting monthly reports on production costs of coca and other alternative crops in the Upper Huallaga valley.

7. The capacity of the regional office of the Ministry of Transport and Communications to plan and carry out road maintenance activities will have been substantially improved. Transportation costs in the project area will

1224,5 kms of marginal highway and rural roads have been repaired, maintained, and/or rehabilitated. Since 1985, due to the increased terrorism and narcotrafficking in the area, PEAH has assumed almost all of the MIC's responsibility for maintaining and repairing the Mar-

have been reduced or stabilized due to improved road conditions.

ginal highway in addition to its role of maintaining the farm to market road system. In 1990, PEAH obtained financial and other material resources from a private sector african palm oil operation and the Tingo Maria Transport Association for the rehabilitation of 6 bridges and the construction of several river crossings where small bridges were destroyed. The Tulumayo bridge, seriously damaged by terrorists, in April 1990 was totally repaired. In August 1991, terrorists fully destroyed the Tulumayo bridge and all other bridges were once again seriously damaged. The Ministry of Transportation and Communications (MTC) is procuring a Bailey bridge to replace the Tulumayo bridge. In August 1991 an agreement was signed among the Departmental Development Corporation of San Martin (CORDESAM), the MTC and the Alto Huallaga Special Project (PEAH) for rehabilitating 100 Kms. of the Marginal Highway between Tocache and Shumanza, at the cost of US\$800,000 to be financed by CORDESAM. Implementation of such agreement won't be performed due to lack of funds of CORDESAM. PEAH in the last months, repaired 51 Kms. of the Marginal highway between Pucayacu and Tocache, reducing the costs and time of transportation, three hours approximately. PEAH has written agreements with the Municipalities of Uchiza and Tocache for the maintenance of the Marginal highway and secondary roads in their corresponding jurisdictions.

2. Environmental sanitation conditions in the project area will have improved so that a significantly higher percentage of communities have potable water and sanitation systems and the communities are participating in the selection and completion of these and other development projects.

125 courses have been held by PEAH in support of the various sectors, training approximately 3,080 participants drawn from local members of mother's clubs and potable water committee leaders. 85 classrooms have been built and 191 repaired, benefitting 11,040 students; 22 health units built; and 34 rural potable water systems have been constructed, benefitting 49,290 inhabitants. In this activity, the community participation is very intensive.

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

C. Other Accomplishments and Overall Status

Action highlights

During the current year, PEAH has intensified direct work with the Producers Committees, which are most the representative base organizations in the Upper Huallaga. The technical assistance to the farmers and the community works are performed through these organizations. The major part of the extensionists are living in the same communities where they are giving their support. With this kind of work, more identification between extensionists and farmers is being obtained. In addition and even more importantly, there is now more community involvement on protecting the extensionists that are providing services.

PEAH personnel rehabilitated a strategic section of the affirmed portion of the Marginal Highway (51 Kms.) between Pucayacu and Tocache with heavy equipment and the protection of the Army. This work has allowed a reduction of approximately three hours of vehicle transit between Tingo Maria and Tocache. In September, the subversives completely destroyed the Tulumayo bridge, one of the most important between Tingo Maria and Aucayacu. Five other bridges in this same section previously suffered great damage. PEAH is collaborating by building channels to facilitate vehicle transit. The problem will be more serious beginning in December when the rainfalls are heavier.

D. Problems and Delays

PEAH Staffing and Salaries. Although the GOP increased salaries, PEAH personnel salaries are still low in comparison with other projects' personnel in the zone. This situation improved in September when, due to a request of PEAH authorities, the Ministry of Economy and Finance authorized an increase of 35% to all PEAH's staff. Currently, one extensionist with an Agrarian or Livestock Engineering degree is earning S/.256.00 monthly, an equivalent of \$278.00. Under this salary arrangement, it is very hard to keep an adequate technical staff. During the present period several qualified technicians from the PEAH's Maintenance Pool have resigned.

Security Conditions. On July 26, the Aucayacu PEAH Camp suffered a serious subversive attack. After several hours the soldiers that protect the camp finally controlled the situation. Three soldiers and several subversives were killed. Some extensionists that were working in communities near the Camp were advised and protected by the farmers.

In the other PEAH areas, this last period was relatively tranquil, although during the last two months in the Tocache and Uchiza zones there were attacks on some farmer leaders and one UN extensionist. After these actions the extensionists had to move to more secure zones. The population of various communities located to the south of the Campanilla Zone office (Nuevo Jaen, Nuevo San Martin, Shumanza, etc.) has been greatly reduced due to the presence of narcotraffickers and terrorists in these communities which were previously dedicated to growing corn, rice and beans. The majority of these farmers have moved to cities located to the north of the Department. PEAH extensionists have moved to more secure zones like Hucungo and Pachiza, Villa Prado and other communities near Juanjui.

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

On November 15 the CY 1992 PEAH Operational Plan will be finalized. PEAH Executive Directorate and USAID Special Projects Division professionals are visiting the different Zone Offices to make suggestions towards the prioritization of activities and work methodologies.

In coordination with the PEAH Executive Directorate it has been resolved that the Zone Offices will complete the infrastructure works programmed for 1991. Before the end of the current year and during the first months of 1992, the training of PEAH personnel who are in charge of the Extension and Community Development Activities, will be reinforced in order to assure the implementation of the activities being programmed in the new Operating Plan. At the same time, the implementation of an integral program (crops, livestock and promotion of small agroindustries) will be initiated to serve as the base for the development of future projects.

F. Mission Director's Comments

The Project continues to experience difficult security problems. In fact, they have deteriorated in the past year. During the report period, terrorists have attacked extension workers, launched a major attack on the PEAH project headquarters in Aucayacu and blown up a critical bridge on the Marginal Highway. Because of security problems, the impact of the project on coca production has been limited. Yet a strong framework has been established that can enable development activities to go forward.

USAID/Peru is planning to conduct an evaluation in the first quarter of CY 92. The purpose is to find out lessons learned from the program which can be applied to the new Selva Economic Rehabilitation Program scheduled for implementation in FY 92.

I am asking PEAH to undertake a study of the current status of land titling in the UHV. We know that most of the land was titled 20 years ago but it now appears that much of it has been abandoned. I am also requesting that an inventory of available agricultural technology for the project area be made. We need to know what agricultural technology is available for existing crops and animal husbandry. More focus needs to be placed on market potential for legal crops currently grown in the UHV.

Since there has been a change in PEAH management, I am instructing Project staff to devote more time in the field to insure that project funds are being expended prudently and efficiently. PEAH needs to use the final year of the UHAD project to try new and innovative projects in an imaginative manner.

UPPER HUALLAGA
S27-02-4
Impoverished Objective Tree

USAID/PERU PROGRAM GOAL
(LDC OBJECTIVE)

Assess to needs for international coop. in addressing specific challenges to obtain broadly based sustainable eco. growth & stable env.

USAID/PERU SUB-PROGRAM GOAL
(LDC SUB-OBJECTIVE)

Contribute to the formulation & imple. of USG strategies for dealing w/ issues of special concern such as production and trafficking of drugs.

USAID/PERU STRATEGIC OBJECTIVE

Assess eco based employment and foreign exchange earnings w/ local alternatives.

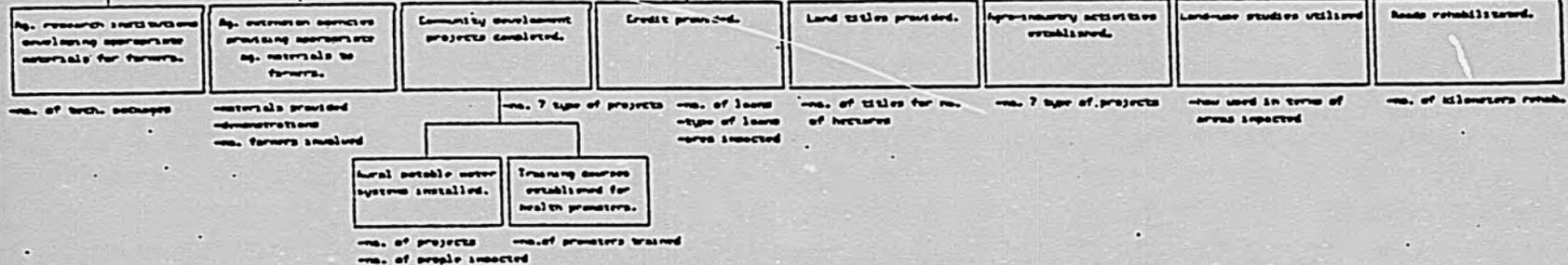
COMMENT: At this juncture there are no performance indicators that can be identified. USAID/Peru is using employment and foreign exchange generation as indicators for this Strategic Objective.

PROJECT PURPOSE

To support BOP development & narcotic control activities in the UMG by strengthening public ag. services & expanding rural & community dev. actv.

COMMENT: It is assumed that a crop production indicator could be appropriate to measure performance at this level. However, it appears that such data is not available except on an anecdotal basis. A GIS should be put in place to ease the gathering of this data.

OUTPUTS



COMMENT: Have all the outputs been identified on which you are going to report for the quarterly reporting? For accomplishments in terms of building stronger institutional capacity sector, please put them down immediately below the section where you discuss output achievements.

OUTPUT INDICATORS: Output indicators appear straight forward.

BEST AVAILABLE COPY

II. PROJECT PURPOSE

The purpose of the project is two-fold, (1) to strengthen the capacity of five private institutions to carry-out more industry responsive and higher quality management education, training, consulting and applied research; and (2) to strengthen linkages between these institutions and the industries they serve.

III. PROJECT DESCRIPTION

The components of the project are highly inter-related and together will produce a network of management institutions better able to serve private sector firms at this critical time. New levels of awareness among academics and practitioners will be raised as they relate to specific areas such as: agribusiness/international business and small business/entrepreneurship, facilitating a timely institutional response to current management needs.

B. Major Outputs

	<u>Planned</u>				<u>Accomplished</u>		
	<u>LOP</u>	<u>Period</u>	<u>Qm.</u>	<u>Next Period</u>	<u>Period</u>	<u>Qm.</u>	<u>% of LOP</u>
a) <u>ESAN</u>							
1. MBA scholarship program for faculty from provincial universities	12	0	25	8	0	25	312%
2. L/T Training total	8	0	7	0	2	7	88%
Male	6	0	5	0	1	5	83%
Female	2	0	2	0	1	2	100%
b) <u>Pacifico</u>							
1. MBA scholarship program for faculty from provincial universities	6	0	9	4	0	3	50%
2. Completion of applied research and preparation of university text books	15	10	1	3	1	1(*)	6%
3. L/T Training total	9	1	12	0	0	12	133%
Male	6	1	8	0	0	8	137%
Female	3	0	4	0	0	4	133%
c) <u>Piura</u>							
1. MBA Training at ESAN	3	0	3	3	0	3	100%
2. L/T Training total	3	1	4	0	0	5	167%
Male	2	1	3	0	0	4	200%
Female	1	0	1	0	0	1	100%
d) <u>IPAE</u>							
1. Regional Offices established	3	0	3	0	2	5	160%

(*) Refers to materials fully developed, revised and put into textbook format, ready for final printing.

IV. PROJECT STATUS

A. Planned EOPS

1. Existing Management Programs Strengthened: Key functional areas of management education will be improved and adapted to the Peruvian environment. On-going curriculum revision processes will be in place, based on an improved information base of needs assessment and applied research for curriculum and materials development.

2. New Program Elements Introduced: New degree and non-degree programs will have been implemented for those sectors of the Peruvian economy with the greatest potential for growth: international business, agribusiness, and small business. The programs will address management development issues specific to Peru, based on research and close collaboration with private sector groups. The participating institutions will have an improved capacity to influence management practices in these sectors.

Progress to Date

All five institutions have performed curricular reviews of major areas in their Management programs. ESAN, Pacifico and Piura have undertaken detailed revisions of program contents at the graduate and undergraduate levels. ADEX performed a thorough review and introduce major changes in the 9-month program on International Business. IPAE has successfully established an on-going "Train the Trainer" program to provide updated training on teaching methodology for 300 instructors/trainers in Lima and the provinces.

During the present reporting period, eleven professors from ESAN's faculty participated in the IV workshop on "Teaching Methodologies"; in addition, final revised version of the guideline prepared to evaluate the graduate program was completed. Two junior professors from ESAN successfully completed their doctoral degree program at the Universidad of Texas, Austin. Both are back in their teaching jobs.

Under exchange program with IESE (a leading Business School), Universidad de Piura received technical assistance in the area of Human Resources Development both for the graduate and undergraduate programs in Business Administration. A junior faculty member completed a 6-month specialized training program in Marketing at Babson College, which was followed by a 1-month internship at Burger King's headquarters.

ADEX has engaged the technical services of a local company to perform an assessment of their computer/information needs. Another consultant was hired to assist in the process of defining the institutional rol in the present socio-economic context, as well as to increase membership services.

Participating institutions have enthusiastically supported the development of new areas of expertise by including them in their extension, undergraduate and graduate programs. IPAE has successfully implemented new programs in Agribusiness and Small Business, the later also developed in the "Distance/Correspondance Education" format. ESAN has developed a 1-month full time executive program on International Trade, also attended

by participants from other Latin American countries. Pacifico has introduced as a major concentration on the MBA program the areas Agribusiness, International Trade and Entrepreneurship. Piura has implemented a 6-month program on Entrepreneurship which is given once a year, attendees are sub-contractors to major Peruvian corporations. ADEX performed a major assessment of their 3-year technical training program on International Trade, introducing important changes in the curricular contents.

During the reporting period IPAE continued to provide wide coverage to the area of Agribusiness. A total of five courses were given in Lima and the provinces. New courses, such as "Post-harvest handling" are being developed. Activities in the area of Small Business/Entrepreneurship successfully implemented; in Lima, a total of 5 courses were given ranging from "Small Business Administration" to "How to Manage a Drugstore".

3. Collaborative Mechanisms Among the Institutions and with the Private Sector Established: The participating institutions will take the leadership in establishing productive linkages with the industries they serve. Two national advisory boards (in international business, and agribusiness) and one regional board will be established. Conferences, fora, and top level seminars will be held, focussing on the major development issues faced by the private sector. Relevant applied research on selected sectoral concerns, management improvement studies on issues which cross sectoral lines, and training needs assessments will be conducted both in Lima and the provinces.

The participating institutions have established various linkage mechanisms with the Private Sector and more recently with NAPA's support they have significantly increased their joint collaborative efforts. Through various applied research activities supported by the project, ESAF has developed an expertise in the area of Agribusiness, followed by specialized publications, conferences and technical assistance provided by professors and students. ADEX has established Exporters committees in collaboration with the Chambers of Commerce located in Trujillo/Piura/Iquitos/Arequipa and Quzco. Through the "Mango" and "Tropical Fruits" applied research projects, Piura is actively involved in the San Lorenzo area (60,000 hectares) that has a significant contribution towards the generation of export crops (mango, asparagus and passion fruit). Pacifico has undertaken a major task of publishing 26 university textbooks based on private sector experiences.

During reporting period Pacifico has completed 3 applied research studies, one of them has been edited into a textbook form and will become the first of the series to be published.

ADEX worked closely with Chambers of Commerce located in Trujillo/Piura/Arequipa/Quzco. "Information Centers" have been established in each Chamber to provide data/information on international trade. Each Information Center has access via modem to ADEX's data base and electronic mail system. In collaboration with A.I.D. and the Commercial office of the Embassy, ADEX organized seminars on "Doing Business with the U.S.A.", held in Lima and Trujillo with the participation of U.S. Customs, FDA, Florida State and Florida Importers-Exporters Association.

4. Management Improvement Services Decentralized and Diffused: On a pilot basis, 3 regions will have gained the capacity to plan and implement management training programs relevant to their respective regional development needs. Other Peruvian educational institutions will have access to the improved information base for curriculum and materials development. A select number of faculty from these institutions will have been trained.

5. Institutional Development Enhanced: The participating institutions will have an increased capacity to plan strategically and develop broader bases of financial support. Specific financing mechanisms to support programs and faculty will be in place.

IPAE has been very successful in expanding services into the provinces. With the project's support 3 regional offices located in Ica, Arequipa and Sullana have been fully implemented. In addition, another 2 regional offices in Iquitos and Cuzco have been implemented with IPAE's own resources. These regional offices provide training through a 3-year Business Administration program, plus other short term activities in Agribusiness, Entrepreneurship and the "Distance/Correspondence Education" program. Pacifico and ESAN offered the "MBA Degree Scholarship" program for professors from universities outside of Lima. To date a total of 25 and 3 have graduated from ESAN and Pacifico's MBA programs respectively. ESAN also implemented the "Professional Women Scholarship" program, 9 talented young women participated and graduated from such program.

During this reporting period in addition to above described programs, ESAN implemented a "Special Scholarship" program for socio-economic disadvantaged participants; seven candidates secured admission.

Piura initiated their MBA program, the project is funding two half scholarships for two participants.

All five participating institutions have developed strategic plans in order to better respond to market needs and expand their training/educational scope of services.

Three of the institutions, ESAN/Piura/Pacifico implemented very active fund raising mechanisms which have enable them to further expand their financial base. Establishing linkages with alumnae has been a major orientation of this activity.

This project component also included funding for senior staff to attend to fora/seminars and workshops to keep up to date on recent developments in their fields of expertise.

During this period, seven senior staff members (1 from IPAE, 3 from Pacifico, 3 from ESAN) attended this specialized training in Colombia, Mexico and the U.S.A.

C. Other Accomplishments and Overall Status

Revised workplans consistent with available funding were completed by the five institutions and approved by A.I.D. Flow of funds has been reiniciated thru a new obligation of \$700,000, plus an additional \$475,028 which enables NAPA to fund activities thru the first quarter of 1992, thus ensuring that the project will not reach another standstill. NAPA Field Office has successfully established working meetings with the participation of representatives from the institutions. It is the first time during the LOP that such important flow of information is taking place on a continuing basis.

The participating institutions have developed an institutional capacity to supply management improvement services in a continuous an responsive manner. Each institution has developed an expertise in sectoral growth areas, which added to the basic infrastructure required to create more effective educational technology and the commitment to improve continuously the quality of services delivered to their respective audiences has significant impact in improving management practices in private industry and preparing the qualified human resources to work in such industries.

The project has also had significant impact in bringing about important shifts in the roles now played by the participating institutions and the private sector in the development of human capital requirements as part of addressing major constraints to the development of a marketled economy.

D. Problems and Delays

No problems or delays occurred in present period.

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

Participating institutions' project coordinators and NAPA will co-host meeting with the Ambassador and A.I.D.'s Mission Director to present the project's accomplishments during the past five years of implementation. NAPA will be working closely with each institution to develop CY 92 workplans.

F. Mission Director's Comments

This project has been successful in strenghtening five educational institutions to contribute directly to our strategy by building the human resource base needed for reactivating the private productive sectors. As this project will be coming to a successful conclusion over the next year, we are not planning to continue broad support to the institutions. The only programs most likely not to be continued after A.I.D. support terminates are the provincial faculty training activities carried out by ESAN and the University of the Pacific. As these provide an important source of entrepreneurial development for interior cities, we should actively try to interest other donors in providing follow-on funding for these programs. The insititutions do offer useful resources and strenghts which they have developed under the project, that we should consider capitalizing on in future activities. This includes ESAN in the area of Administration of Justice, IPAE in Small Business and Agribusiness, the Universidad de Piura in Entrepreneurship and the Universidad del Pacifico in development economics and policy studies. The Mission should try to maintain a relationship with these institutions and capitalize on the professional strenght that we helped them achieve.

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

Attachment C

3438T

A ___ B ___ C XI. BACKGROUND DATA

Project Title: Agricultural Technology Transformation (ATT)
 Project Number: 527-0292
 Date of Authorization: original 06/26/87
 Date of Obligation: original 09/25/87 amendment 08/01/89
 PACD: original 08/31/93
 Implementing Agencies: National Institute for Agricultural and Agro-Industrial Research (INIAA), National Agrarian University (UNALM), National Agrarian Organization (ONA), and Fundacion para el Desarrollo Agropecuario (FUNDEAGRO).
 Major Contractors: North Carolina State University.
 AID Project Managers: Audón Trujillo, Jr.
 Status of CPS/Covenants: As stated in the Project Agreement for disbursement of funds, and an evaluation, have been met
 Date of Last Evaluation: June 1990 Next June 1993
 Date of Last Audit: Feb. 1991 (RIG) Next Audit: Oct. 1991 (Non-Federal)

FINANCIAL DATA

Amount Authorized:	DA/ESF Grant: original	\$25,000,000
Amount Obligated:	DA/ESF Grant: original	\$4,000,000 amended to \$23,198,724
Amount Committed:	Period:	\$4,634,498
	Cumulative:	\$21,767,299
Accrued Expenditures:	Period - Projected:	\$2,800,000
	Period - Actual:	\$2,571,027
	Cumulative:	\$19,352,783
	Period - Next	\$2,800,000
Counterpart Contribution:	Planned:	\$27,000,000
	Actual	\$ 6,000,000
% IOP Elapsed:		68%
% of Total Auth. Oblig.		93%
% of Total Oblig. Exp.		83%
% of Total Auth. Exp.		77%

II. PROJECT PURPOSE

To expand the scope and improve the quality and relevance of agricultural technology being generated for Peruvian agriculture, and the technology transfer services being provided to Peruvian farmers in order to increase rural incomes and reduce unit costs of agricultural production while increasing agricultural productivity and yields. The project also assists in strengthening the management and administration of INIAA, the administration and teaching program of UNALM, and improving the linkages between private institutions, FUNDEAGRO and ONA, and public institutions.

III. PROJECT DESCRIPTION

The project consists of three closely interrelated components (technology generation, technology transfer and human resource development) which correspond to the three major functions performed by the agricultural technology generation and transfer system, funded by \$25 million of grant funds and \$27 million from GOP resources.

B. Major Outputs

	<u>Planned</u>		<u>Next</u>		<u>Accomplished</u>		
	<u>LOP</u>	<u>Period</u>	<u>Cum.</u>	<u>Period</u>	<u>Period</u>	<u>Cum.</u>	<u>% of IOP</u>
<u>I. Technology Generation</u>							
<u>A. Improved Technology</u>							
1. New/improved seed varieties	55	5	21	5	0	21	33
2. Basic seed produced (MT)	20,550	2,000	5,800	3,000	0	2100	6
3. Improved agronomic practices developed and (disseminated)	300(300)	20(*)	140(*)	20(*)	0	199(*)	33(*)
4. Improved animal husbandry practices developed & (disseminated)	15(12)	3(*)	10(*)	2(*)	0(*)	6(*)	50(*)

IV. PROJECT STATUS

A. Planned EOPS

1. Technology generation to be achieved by consolidation and integration of INIAA's research programs, strengthening INIAA's administration and management, and expanding research opportunities

2. Technology transfer to be achieved by establishing a technology transfer specialist program,
 - Stimulating private sector technology transfer enterprises, and
 - Stimulating an improved seed production and distribution system.

3. Human resource development to be achieved by strengthening UNALM's administration and teaching programs, improving research, teaching and extension materials competitive graduate study fellowships and participant training.

Progress to Date

Consolidation of Research Stations, 34 to 14, linkages with universities solidified, new technology inputs continue.

Developed systems used to train personnel at 3 research stations.

Peer group selection/monitoring evaluation system in place, publication of results are included in budgets.

Increased use of mass media methodology to 12 stations and 2 private sector enterprises.

CNA participation in farm management, production costs, supply demand function in place at 9 sites.

Organizational seed certification system established by Supreme Decree, regulatory guidelines developed.

2 Memorandums of Understanding signed with UNALM to strengthen graduate school support and library information systems.

Workshops prioritized research thrusts for UNALM competitive grants. Project goals expanded.

B. Major Outputs

	Planned				Accomplished		
			Next				
	LOP	Period	Cum.	Period	Period	Cum.	% of LOP
B. Addit. university faculty & private sector scientist active in research	250	25	125	25	23	152	60
II. Technology Transfer							
A. Technology transfer specialist trained (completed)	55(55)	0(0)	55(55)	(0)	0(0)	71(48)	129(87)**
B. Training of private sector professionals to extend technology	40	20	40	0	20	40	100
C. Private sector enterprise models formed for technology transfer	10	4	0	0	0	4	40
D. A National Seed Assoc. formed	1	1	1	0	1	1	100
E. Reg. Seed Assns./Enterp.	3	1	3	0	4	10	333
III. Human Resources							
A. Improved university graduate teaching program	-	-	Unquantifiable	-	-	-	-
B. Establish a private sector scholarship program	1	0	1	0	0	1	100

B. Major Outputs NOTE: Number w/o () indicate started. Parenthesis () indicate completed

		<u>Planned</u>		<u>Accomplished</u>		
				<u>Next</u>		
<u>LOP</u>	<u>Period</u>	<u>Cum.</u>	<u>Period</u>	<u>Period</u>	<u>Cum.</u>	<u>% of LOP</u>

C. Participant Training

1. Long Term

a. In-Country M.Sc	200	-	100	100	0(0)	93(0)	47(0)
Female	-	-	-	-	0(0)	16(0)	-
Male	-	-	-	-	0(0)	77(0)	-
b. External M.Sc	12	0	12(2)	0(4)	0(0)	12(3)	100(25)
Female	-	-	-	0	0(0)	4(0)	-
Male	-	-	-	4	0(2)	8(3)	-
c. External Ph.D.	4	0	0	0(1)	0(2)	9(3)	225(75)
Female	-	-	-	0(0)	0(0)	1(0)	-
Male	-	-	-	0(1)	1(2)	8(3)	-

2. Short Term

a. Non-academic	52	24	68	0	6(6)	75(75)	144(144)
Female	-	-	-	-	0(0)	9(9)	-
Male	-	-	-	-	6(6)	66(66)	-

* The exact information on numbers of new agronomic and animal husbandry practices that have been disseminated is not yet available.

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

C. Other Accomplishments and Overall Status

1. The Project Administrative structure has been revised. The most important features are: 1) the Coordination Committee now has a permanent Chief, 2) the GOP has a Project Manager for the ATT Project, and 3) the Vice-Minister of Agriculture and the OFA Chief preside over the Project giving final approval on operational workplans.
2. In support of the Project's 1991 activities, the GOP has approved the use of approximately US\$6.8 Million local currency equivalent. Of this amount US\$3 million is for FUNDEAGRO, US\$2.9 for INIAA and US\$0.9 for UNALM.
3. As of August 1991, the GOP has reduced the number of INIAA research stations from 14 in 1990 to 9 as of August 1991. Personnel reductions in INIAA have also been considerable. During 1991 over 1,800 of INIAA's 4,600 employees have opted for early retirement offered by the GOP. This leaves INIAA with approximately 2,800 employees nationwide.
4. Over 85% of commodities, purchased off-shore by NCSU, have arrived and have been distributed to the participating institutions. Commodities include: equipment for seed laboratories, 3 portable soil analysis kits, video equipment, and vehicles.
5. In September Price Waterhouse began to assist FUNDEAGRO develop improved administrative/management controls (i.e., develop manuals for personnel, finance, accounting and budgeting, and management), conduct a personnel and salary evaluation, and develop a "recommended" organizational chart. A review of FUNDEAGRO administrative process and procedures was completed in April and accepted by the FUNDEAGRO board of directors in August. FUNDEAGRO has submitted various administrative/management controls for A.I.D. approval which must be acted upon. Other controls have not yet been received by the Mission.
6. LOE targets have been surpassed for observational studies and impact studies. Sufficient individuals have initiated off-shore long-term participant training to meet the LOE target. Five have completed their long-term training. In-country, long-term participant training is considerably behind schedule. Only 93 of LOE target, 200, have begun training, none have completed their training. 107 students needed to complete only their thesis or but a few courses will be selected during the next six months in order to meet LOE target for in-country, long term training.

D. Problems and Delays *

1. The GOP has refused to allow UNALM access to PL-480 funds (equivalent to US\$873,000) during 1991. These funds comprise the lion's share of funds available for UNALM under the ATT Project and has had a major effect on Project activities undertaken by UNALM. Similarly the GOP has blocked the use of \$161,000 for procurement of commodities destined for UNALM. The GOP's lack of support for UNALM during 1991 indicate close review by AID and a decision on various options including: a) continuing as is (i.e., respecting the GOP's stance regarding opposition to UNALM), b) allowing UNALM access to DA funds available for procurement without seeking GOP approval in the respective PIO/T, or c) formally recognizing the limited role which UNALM can play with GOP opposition and reallocating remaining project funding to other project activities.
2. Two of the four participating institutions are without available obligated funds to begin 1992 activities. While prospects look good regarding the sanctions against Peru being lifted. Any delay will have a negative effect on implementing project activities by ONA and UNALM. Approximately 1.8 million remain to be obligated.
3. The delay in the approval of the 1991 annual workplan has hindered implementation of Project activities. The delay, largely due to the lateness in beginning work on developing work plans (drafts first submitted in December 1990) and integrated plans not submitted until August 8 - A.I.D. have made a decided impression on implementing institutions to work together in generating their annual workplans. The Project Secretariate and A.I.D. worked closely to developing a schedule for having 1992 workplans submitted and as of late September progress on development of the 1992 workplans has been evidenced.
4. The GOP has delayed in the signature of a PIO/T which authorizes a grant amendment providing a reallocation of FUNDEAGRO's grant funds. The reallocation was jointly agreed upon by all participating institutions during Project Coordination Committee meetings and reflect the use of remaining funds until the end of the Project.
5. The prime contractor, NCSU, has selected, and the Mission has approved,

C. Other Accomplishments and Overall Status (CONTINUED)

7. Supreme decrees published that establishes major private sector participation in the National Seed Commission and an executive secretary for follow up activities, delegation of seed certification to the Departmental Seed Committees.
8. Creation of a National Seed Producers Association.
9. Project documentation including contracts, grants, PILs, etc. has and will include sex disaggregated reporting requirements.
10. UNALM graduate school baseline study completed and distributed throughout the faculty.
11. A Project Coordinator was selected b. was unable to assume his duties as he had an obligation with the GOP.

a new Chief of Party. He was to have arrived in Peru to begin his duties on September 15th. However, his arrival has been delayed by the Vice-Minister of Agriculture's delay in signing the PIO/T providing the contract funds for technical assistance.

6. On a monthly basis over 120 incoming actions are received by AID pertaining to the AIT Project. A Project Administrative Assistant is needed to assist the Project Manager and Project Coordinator handle incoming correspondence and problematic areas.

Major Activities or Corrective Actions During the Next Six Months *

1. Receive, review, and approve the 1992 Annual Workplans.
2. GOP support of UNALM is needed. Specifically, PL-480 funded earmarked for UNALM needs to be approved by the GOP.
3. Recommendations from the Price Waterhouse regarding FUNDEAGRO's administrative, management, and accounting controls are to be approved by the Mission and implemented by FUNDEAGRO.
4. Upon a window being made available, Mission needs to obligated remaining unobligated funds amounting to \$1.8 million. \$917,000 or remaining unobligated funds remains for procurement and training. Consideration needs to be given to the reallocation of these funds as training goals have been met and procurement at this stage of the project not be worthwhile.
5. An audit of the Project's implementing institutions and NCSU is to be conducted.
6. Under AIT NCSU has overrun technical assistance costs. During the next period NCSU will need to submit a report as to how far remaining TA component funds under the contract will carry TA. Moreover, NCSU should reconcile the two financial expenditure reports they submit under the project which show large discrepancies -- one report is submitted to the Mission by the NCSU Project Coordinator, the other is submitted by the NCSU Controller to USAID/W on their letter of credit.
7. Registration of the UNALM Foundation.
8. Hire a Project Administrative Assistant.

F. Mission Director's Comments)

To date, this project has almost exclusively concentrated on technology generation and human resource development. During the remainder of the project the major emphasis will be on the transfer of this technology to farmers. The 1992 operating plans, which each institution will submit for approval by December 15th, will include clear plans on dissemination activities which also reflect benchmarks for achievement. During the next three months an assessment will be carried out to determine what the project has and potentially will achieve at the goal and purpose level for each participating institution. Due to the previous problems we have had with this project, coupled with the need to completely change gears and focus on technology transfer, we will look at progress over the next six months in the area of dissemination to determine if we want to continue the project through to the original PACD.

request for vehicles to USAID. MOH plan for the use and maintenance of vehicles.

graph to indicate that "The vehicles purchased under the project for technical consultants and regional coordinators may be transferred to the MOH, at any time, to support project activities being carried out by MOH project staff throughout the country, by a written agreement of both parties which should include a plan for the use, operation and maintenance of these vehicles." This part of the CP was met by the MOH with the submission of such a plan and the MOH was so notified thru PIL No. 40.

No action is necessary at this time.

The original CP contained in Section 4.10 of the Agreement was modified to indicate that Peru shall furnish to A.I.D. "evidence that permanent positions have been established and Peru funds budgeted for MOH staff trained under the project to serve as Managers for the Computer Centers created in each of the Health Departments, Regions or Sub-regions, where A.I.D.-financed computers have been installed." This CP remains unmet.

3. Subsequent acquisition of vehicles
4. Establishment of permanent positions, budgeted with GOP funds, for a computer systems engineer for each UDES.

Date of Last Evaluation: 09/12/90
Date of Last Audit: None

Next Evaluation: 12/15/92
Next Audit:

II. PROJECT PURPOSE

The project strengthens the capability of the public health sector to deliver improved child survival health services through an integrated, expanded, and sustainable health care system.

III. PROJECT DESCRIPTION

The project consists of two major components: 1) expansion of child survival (CS) services; and 2) strengthening of decentralized support systems for sustainable CS service delivery. Activities under the former component include five major CS interventions: diarrheal disease control, nutrition, immunizations, family planning and acute respiratory infection control. Activities under the latter component include training and supervision, health communications, financial and personnel management and logistics, development of an active epidemiologic surveillance program and development of a health information system.

This project supports the expansion of CS services in both the MOH and IPSS. Project assistance to strengthen decentralized support systems is provided primarily to the MOH.

IV. PROJECT STATUS

A. Planned EOPS

Progress to Date

- | | |
|--|--|
| <p>1. 80% of diarrheal episodes in children under age 5 will be treated with ORS or home available fluids.</p> <p>2. In 80% of diarrheal episodes in children under 5, food intake will remain constant or increase compared to pre-diarrheal levels.</p> <p>3. 80% of children under one will be completely immunized with BCG,</p> | <p>No nationwide information on treatment of diarrheal episodes will be available until the next Demographic and Health Survey (DHS) is performed in 1991-92.</p> <p>Immunization coverage levels for CY 1991 reached to date an</p> |
|--|--|

B. Major Outputs

	Planned			Accomplished			% of LOP
	LOP	Period	Cum.	Next Period	Period	Cum.	
<u>Diarrheal Disease Component</u>							
1. Teaching oral rehydration units established.	8	5	3	5	0	0	0
2. Public sector health personnel trained in DDC.	8,000	1,000	3,033	1,000	0	2,033	25
3. ORS available in public sector health facilities.	100%	100%	100%	100%	100%	100%	100
<u>Immunizations Component</u>							
1. A functioning cold chain established with at least one refrigerator in each health center.	689	291	575	14	237	712	103
2. DPT, measles polio, BCG and TT vaccines available in public sector health facilities.	100%	90%	90%	90%	85%	85%	85
<u>Acute Respiratory Infection Component</u>							
1. Public sector health personnel trained in ARI.	8,000	1,000	5,070	1000	0	4,070	51
2. Antibiotics for ARI control available in public sector health facilities.	100%	100%	100%	90%	80%	80%	80

measles, DPT and polio vaccines.

4. Wild polio virus will be eliminated from Peru.
5. 50% of women 15-49 who give birth will receive two doses of tetanus vaccine before or during their pregnancy.
6. 100% of cases of ARI that are seen in public sector facilities will be treated according to MOH norms.
7. 30% of women in union of fertile age will use modern methods of contraception.
8. 40% of infants will be exclusively breastfed through 4 months of age and continuously breastfed through 12 months of age.
9. Prevalence of malnutrition in children 12-23 months (below two S.D. of the mean weight for age) will be reduced to 10%.

average of 34% dropping considerably from 1990.

In 1991, there were so far 23 probable and zero confirmed cases of polio, and PAHO prepared to certify in the next period eradication.

The coverage level for two doses of tetanus toxoid vaccine in pregnant women in 1991 is 30% to date.

MOH norms on ARI diagnosis were adjusted in December 1990 to be in accord with WHO norms. This will facilitate efficient case management.

The percentage of women in union of fertile age using modern methods of contraception in 1986 was 23%. Estimates for 1990 are 30%. Updated information will be available in the 1992 DHS.

The average duration of exclusive breastfeeding was less than 2 months in urban areas and 10 months in rural areas in 1984. This figure will be updated in the next DHS Survey.

The prevalence of malnutrition was estimated to be at 13.4% in 1984 ranging from 3-10% in coastal areas to 20-27% in mountain/jungle areas. A study by the IIN will show how the economic crisis of

Family Planning Component

1. Public sector health personnel trained in family planning.	8,000	100	590	500	100	190	2
2. Appropriate contraceptive methods available in public sector health facilities.	100%	90%	90%	100%	85%	85%	85

Health/Management Information System Component

1. Public sector health personnel trained in the use of the HIS/MIS.	18000	9000	9076	8900	8393	8469	47%
2. UDES linked via computerized system to the central level for information sharing.	28	28	28	0	19	19	.68%

Active Epidemiologic Surveillance Component

1. Physicians trained in field epidemiology and assigned to central and department levels.	20	0	0	10	0	0	0
2. Sentinel Sites established.	8	2	2	2	0	0	0
3. Obligatory Disease reporting system in place in 28 UDES.	28	28	28	28	28	28	100
4. National laboratory	180	20	20	20	0	0	0

10. A comprehensive health and management information system (HIS/MIS) will be installed and operational nationwide.

1990 affected food consumption and nutritional status of children in 4 urban areas in Peru.

The computerized health and management information systems have been fully developed but implemented, along with the required hard/software, in only 19 out of the 28 UDES. The HIS/MIS Implementation and user training in the remaining 9 UDES is underway with the support of UDES trainers and regional computer advisers located throughout the country. A total of 76 professionals from the 28 UDES and MOH central level were trained on computer center's management, basic hardware maintenance and software training. In addition, a total of 829 HIS/MIS users from UDES and 7,640 from regional health centers and posts have been also trained. Hardware/software needs for the MOH central LAN have been determined.

personnel trained.
5. National laboratories upgraded.

4	1	1	1	0	0	0
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U.S. and Third Country Training

Male	16	2	2	2	3	5	31
Female	15	2	2	2	2	2	13
Total	31	4	4	4	5	7	23

11. A nationwide Active Epidemiologic Surveillance (VEA) system will be established.

Two of the three components of the VEA system (field epidemiology training program and computerized disease reporting system) are underway. The third component (strengthening national laboratories) along with the second 2-year course on field epidemiology, will begin during the next

period. The first group of 10 field epidemiologists will finish their training very soon (November 1991) and return to their Departmental Units.

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

C. Other Accomplishments and Overall Status

1. Progress on Previous Problems

During the reporting period, significant progress was achieved in solving most of the previous problems and delays. The level of GOP counterpart funds actually spent by the MOH was \$1.9 million, which represented 94% of the amount budgeted for the period. The third CSAP coordinator was contracted, completing the project management requirements. Project commodities consigned to IPSS were released from MOH warehouses. As recommended by the mid-term project evaluation, the administrative contract with Alpha Consult S.A. was terminated two years early and funds originally committed for the long-term Regional Management Advisers are now being used to finance short-term technical assistance. The strikes of the MOH health workers, physicians and other professionals terminated, although voluntary resignations of MOH professionals under a GOP program of incentives affected the implementation of some project components.

The nutrition component of the CSAP had little previous progress. During the reporting period, infant and adult weight scales were purchased to equip 260 health facilities, and progress was made on a training program for UDES level nutrition program coordinators.

2. Major Highlights During the Reporting Period

a. Two of the project-funded components - the Field Epidemiology Training Program (FETP) and the computerized health and management information systems (HIS/MIS) - continued providing very critical support to the MOH anti-cholera campaign. Timely gathering of accurate information regarding the number of cholera cases, hospitalizations and deaths due to the epidemic, and the logistical requirements and distribution throughout the country, as well as the epidemiological analysis and reporting continued to be the basis for the MOH decisions and actions to combat the cholera epidemic.

b. CDC selected (in coordination with MOH counterparts and

D. Problems and Delays

1. The continued impossibility of obligating new grant funds authorized under the project because of economic sanctions against Peru, and consequent financial limitations.
2. Resignation of Dr. Eduardo Pretell, the MOH National Project Director. Dr. Nazario Carrasco has been already named for this position through a Ministerial Resolution.
3. The protracted health workers strike delayed and postponed most program activities in the MOH by one or two trimesters.

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

1. Delivery of 14 refrigerators/freezers and spare parts for the MOH to fulfill the remaining needs of the cold chain for the immunization program. ICC coordination for 1992 syringe procurement and new 5-year Immunization Plan.
2. Completion of first course and return of field epidemiologists to Departments, and initiation of the second 2-year course under the FETP.
3. Completion of massive training courses for MOH staff throughout the country on the use and applications of the HIS/MIS software packages developed by PRISM. Carry out complementary procurement and complete installation of hardware. Implement hardware and software requirements for the MOH central level LAN.
4. Provision of technical assistance to the MOH for the implementation of the health communications component, through a buy-in with HEALTHCOM II.
5. Provision of technical assistance to the MOH for analysis of current nutrition programs, and incorporation of recommendations into official MOH documents.

USAID/Peru) and hired Dr. Douglas Hatch who will serve as the long-term epidemiologist adviser to the FETP in Peru, replacing Dr. Thomas Betz who was medically evacuated. Dr. Hatch just received his security clearance from the State Department and now is scheduled to arrive Lima in late November 1991. Dr. Hatch will provide overall technical assistance to the MOH's Active Epidemiological Surveillance Program (VEA) on a permanent basis with particular emphasis to VEA's FETP. This type of TA will be reassured after a gap of approximately nine months, period during which CDC provided short-term assistance only.

c. Based on the positive results of a 4-month HIS/MIS pilot testing program carried out during late CY 1990 in the largest UDES - Lima Norte - and the subsequent polishing and refinements of the systems, the MOH issued the Ministerial Resolution SA/DM No. 469-91, dated June 3, 1991 to: (1) authorize full implementation of the HIS/MIS in all the MOH's 28 UDES; (2) begin the institutionalization of these systems through the MOH's Dirección General de Estadística e Informática; and (3) delegate to the UDES Directors the MOH liability for the HIS/MIS installation, use and sustainability. Based on this Resolution, full installation and training of the HIS/MIS has been completed in 19 UDES while in the remaining 9 UDES these activities are currently underway and scheduled to be completed within the next four months. Approximately 8,766 HIS/MIS users from UDES and health centers and posts have been trained, and another 9,025 are scheduled to be trained by January 1992.

d. Amendment No. Five to the Project Grant Agreement was issued modifying three conditions precedent in order to conform with current project needs and expedite implementation. Condition Precedent to Disbursement for the Health Departments After Calendar Year 1988, as stipulated in Section 4.4 of the Agreement, was modified to indicate that in any year after CY 91, Peru shall furnish to A.I.D. "an annual budget for that calendar year, by project component and funding source, utilizing the budget line items currently approved for project accounting". Also, Condition Precedent to Initial Disbursement for Vehicles, as described in Section 4.7 of the Agreement was amended by adding a paragraph to indicate that "The vehicles purchased under the project for technical consultants and regional coordinators may be transferred to the MOH, at any time, so support project activities being carried out by MOH project staff throughout the country, by a written agreement of

6. Provision of technical assistance to MOH to plan and implement a Nutrition Course for Regional Nutrition Coordinators through a buy-in to the LAC HNS Project.
7. Provision of technical assistance to the MOH to carry out a National Breastfeeding Assessment through a buy-in to MotherCare or the HNS Project.
8. Provision of technical assistance to the MOH for validation of infant feeding educational materials in two regions, through a buy-in with NCP/AED.
9. Coordinate multi-donor financing and activities in an expanded Interagency Coordination Committee (ICC), including a National Lactation Management Program.
10. Technical assistance for the development of a Regional Training Center for ARI in Arequipa.
11. Strengthening of CDD program through purchase of ORS and training.

F. Mission Director's Comments

A historical perspective on this project has demonstrated to USAID the problems and perils associated with working through the public sector of the MOH to advance and achieve Child Survival objectives, notwithstanding the clear primacy the MOH must bear in the field of primary health care. The GOP has experienced some consistent management and administrative problems in meeting the CPs attached to this project. As a result, the project activities began fully a year later than originally scheduled.

Large personnel turnover associated with the GOP's incentive program for early retirements, a difficult labor situation exacerbated by a four month long strike of MOH personnel, little allocation of scarce resources to raise public sector salaries, and the institutional paralysis provoked by the sudden and unexpected cholera epidemic, all contributed to a virtual public sector shutdown for much of the year. The Child Survival Action Project also gradually began to run out of money for programming of new activities, as available uncommitted funds dwindled, and sanctions remained in effect barring the way to further obligations of planned funding.

both parties which should include a plan for the use, operation and maintenance of these vehicles." Finally, Condition Precedent to Subsequent Disbursement for Computers, as stipulated in Section 4.10 of the Agreement, was changed to require from the MOH "evidence that permanent positions have been established and Peru funds budgeted for MOH staff trained under the project to serve as Managers for the Computer Centers created in each of the Health Departments, Regions or Sub-regions, where A.I.D.-financed computers have been installed."

- e. PL-480 counterpart funds in the amount of S/.1,466,755 (\$1,917,710 at USAID's monthly average exchange rate) were disbursed by the Ministry of Economy and Finance (MEF) to finance the MOH's local currency costs of the project during the reporting period. This represents 90% of the total amount budgeted by the MOH for the same period. This rate of disbursement shows a significant improvement from the last reporting period when only 26% of the budgeted amount was actually disbursed by MEF.
- f. A long delayed shipment of 237 kerosene/electric refrigerator/freezers was received in port in early September. These will be removed from port presently and distributed rapidly to strengthen the national cold chain system.
- g. IOC coordination to purchase ORS locally (with PAHD, UNICEF and MOH), using PL 480 funds allocated for CSAP.

On the positive side, the HIS/MIS, by far the largest component of this project has begun to function in a number of regional MOH centers, and a full scale trial period for the system is expected to take effect in the next several months. This system is also expected to provide MOH management with clear information on national health status. Also, during this period the project provided nearly 100% of the MOH EPI syringe requirements, many of which were brought into the country through an emergency air shipment. Technical assistance requirements in health communications and nutrition components also finally began to be addressed.

Nutrition and breastfeeding activities under the project have been minimal. As discussed in earlier SARs, the inability of the MOH to meet the C.P. for a nutrition plan prevented the timely channeling of project resources to this important area. Therefore, due to time constraints, through the remainder of the project there are no major outputs expected in this sector. The Mission intends to carry out some minor project activities and technical assistance. Some impact on the planned breastfeeding EOPS will be accomplished through the efforts of the communications technical assistance initiating in October 1991.

Based on our experience with this project, it is clear that further investment in public sector primary health care should be limited to selected priority areas, promoting partnership opportunities with the private sector, ensuring quality care to the neediest populations, fostering efforts at effective cost recovery and sustainability, and guaranteeing a "safety net" of Child Survival services on an increasingly decentralized basis, as a link to the non-project assistance for health sector reform project we have planned for FY93.

Initial efforts at establishing a policy dialogue with the MOH have begun and these will continue including our close coordination and leadership with UNICEF, PAHD, PVO representatives, and other agencies. USAID's agenda over the next year will be centered on achieving concrete and measurable steps towards program sustainability by the MOH. These will include the substantial increase of Ministerial responsibility over syringe procurement for the immunization campaigns, over the local production of ORS from the LUSA factory, the budgeting of sufficient resources to support Child Survival program supervision in the regions, and the institutionalization phase of the HIS/MIS following full implementation in January.

2.	Improved drug education program in MOE.	Drug Prevention Curriculum designed and tested. Expansion to all regions expected in 1992-1994.
3.	Institutionalized drug abuse surveillance and data collection by MOH.	Pilot program developed only in Lima/Callao. Only part of objectives completed with the data collected during the "one-typical-week" survey.
4.	Drug incidence and prevalence study.	Completed.
5.	Comprehensive analysis of project for broad A.I.D. programming.	Evaluation performed in May 1990 concluded that the project can serve as model for replication of similar projects within Latin America and worldwide.
6.	Increased public awareness relating to production and trafficking.	CEDRO permanently hold discussions with opinion leaders and provides mass media with information on the adverse effects of coca production and trafficking on Peru's society and economy.

B. Major Outputs

	<u>Planned</u>		<u>Next</u>		<u>Accomplished</u>		
	<u>LOP</u>	<u>Period</u>	<u>Qm.</u>	<u>Period</u>	<u>Period</u>	<u>Qm.</u>	<u>% of LOP</u>
4. Increased awareness of adverse effects of drugs production and traffic on Peru's economy and on its democratic institutions							
- No. of public debates, seminars held	8	3	3	3	2	2	25%
- No. of press articles, TV/Radio presentations	80	20	20	30	21	21	26%
- No. of briefings to Opinion Leaders	80	25	25	30	20	20	25%
- No. of people trained	13,000	2,500	2,500	5,000	3,000	3,000	23%
5. Increased network of organizations/ programs in awareness and prevention							
- No. of local, pro-active prevention programs	20	10	10	6	12	12	60%*
- No. of organizations incorporated to network	2,000	5	1,987	4	3	1,985	99%
6. Incidence and prevalence and other drug related studies completed	7	1	5	1	1	5	71%
7. High school Drug Prevention Curriculum (DPC)							
- No. of schools with DPC incorporated	100						Activities to start in November 1991
- No. of school teachers trained	1,600						Activities to start in November 1991
- No. of students benefiting with the DPC	80,000						Activities to start in November 1991

* Activities started in March 1991.

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

C. Other Accomplishments and Overall Status

On September 30, 1991 the Project received the green light to obligate funds for CEDRO and the MOE. \$857,050 was obligated to CEDRO, of which \$150,000 will allow for the rehabilitation and construction of three new facilities for the "Street Children" Program and the balance will finance their current Program through June 1992. The MOE signed for a new Limited Scope Grant Agreement in the amount of \$250,000 to start the nationwide expansion of the recently developed drug prevention curriculum. Of this amount \$80,000 has been reserved for TA that will be shared with CEDRO as required.

During the reporting period CEDRO hosted the International Workshop on the Consequences of Coca Production and Narcotrafficking. The event was funded by Partners of America and USIA. Participants from the international press (Spain, Holland, Italy and the US) attended the workshop and had a chance to visit Tingo Maria and overfly the UHV. CEDRO representatives participated in the Second and Third Regional Demand Reduction conference held in Quito and Cartagena (funded by USIA).

CEDRO completed the survey on Opinion, Attitudes and Values of Peruvian Youth which was presented to the public in September.

Since February 1991, CEDRO has been working very closely with PEAH in developing prevention programs in Tingo Maria and surrounding rural areas. Training for school teachers and school parents was provided in May and CEDRO is currently assisting PEAH in their kitchen gardens and family farms program.

D. Problems and Delays

Self-sustainability of CEDRO is still an issue and it will probably continue to be for some years. The current economic crisis of the country does not allow CEDRO to raise the funding needed. With the new money obligated in the MOE's Grant Agreement Mission can provide TA to temporarily overcome this issue.

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

1. After considering the "pros and cons" to extend current Project or create a second one, the Mission will develop the necessary paperwork (PP, PP Supplement, Project Authorization, etc.)
2. Mission will review and approve CEDRO's Operational Plan for CY 1992.
3. CEDRO will host the 3rd International Workshop on "Drug Abuse Demand Reduction".
4. CEDRO shall perform its third epidemiological study on drug consumption to update the information obtained on 1989.
5. CEDRO will have not less than two new facilities to carry out their "Street Children" Program.

In addition to their current activities, CEDRO has moved anonymously in creating awareness among Peruvians on the adverse effects of coca production and drug trafficking on Peru's economy. An average of 20 opinion leaders (congressmen, ministers, attorneys, directors of newspapers, etc.) are invited each month to CEDRO to discuss this theme and to receive CEDRO's inputs and points of view. Since August a group of well-known economists has been working with CEDRO to prepare articles that are later on passed to the press.

The Andean Corporation for Drug Prevention, of which CEDRO is the executive secretariat, has approved its Action Plan for the next three years. The Plan considers holding at least one annual meeting to analyze common problems related with coca production and narcotrafficking.

Since April of 1991, CEDRO is supporting, with Project funds, self-designed prevention programs in twelve high risk communities in Lima. A small amount of "seed-money" is passed by CEDRO to these communities to support them in the development of alternative activities (i.e. production, cultural, etc.) that could motivate people to stay away from drugs and pursue through rational means the generation of legal revenues.

In spite of a terrorist attack which destroyed the Project Office, the MOE submitted on time their final report on their Project activities along with the proposal to expand nationwide the application of the Drug Prevention Curriculum. The proposal lead to the new grant mentioned at the beginning of this section. It is expected that around 80,000 students will be benefitted with the prevention program.

F. Mission Director's Comments

- The Project Status Category is A. Its success is due to the strength of local management and reflects also the strength of USAID management and collaboration.

- There is a need to ensure that the INCA provides an exception for non-controversial development project activities so as to avoid delays in the disbursement of funds and implementation of projects supporting our drug control objectives. This is particularly important in CEDRO's case, since it will run out of funds by the end of June 1992 if we face similar INCA delays as in FY 91.

- We will ask CEDRO to prepare a sustainability program which includes actions needed to mobilize other resources. USAID/Peru and A.I.D./W should use their contacts to direct other donors towards CEDRO.

- We will also work with CEDRO in the development of a discrete program on the threat that drugs represent for Peru's economy and democratic institutions.

- With respect to additional funding beyond the September 92 PACD, we will be discussing the appropriate mechanism for providing a new grant to CEDRO after reviewing the options with RLA/RCO/LAC/DR. We will then provide CEDRO with an outline of what they need to do, what are our expectations and priorities and the time frame for presenting a new proposal.

STATISTICS ON ROUTINE ACTIVITIES

ITEMS	SEPTEMBER	CUMULATIVE THRU 1991	TOTAL TO DATE
CEDRO-sponsored Conferences and Seminars	1	20	165
Conferences Attended by CEDRO			
- National	3	10	107
- International	2	9	43
Publications			
- Informative Bulletin	0	5	35
- Scientific Magazines	0	2	15
- Weekly Local Press Articles	47	375	1,380
- Research Summaries	0	1	9
- Preventive Campaigns	0	0	4
Materials produced			
- Pamphlets	0	11	61
- Reprints	0	0	26
- Guidance Pamphlets	0	0	34
- Manuals	0	2	41
- Posters	2	5	27
Spots			
- Radio	0	8	25
- TV	0	3	7
Articles Published in Local Press	94	757	2,878
Radio Presentations	22	260	977
TV Presentations	6	43	352
Training Courses			
- In CEDRO	0	10	100
- In other places	8	43	4,730
Persons Trained	1,620	15,914	454,457
Organizations Incorporated	0	3	1,985
Documentation Center			
- Acquisitions	117	931	7,781
- Information Requests Done	1,157	8,278	27,313
- Persons Served by CEDRO	558	4,636	19,493
- Publications Distributed	1,784	13,008	600,741
Others			
- Translations	0	0	97
- Written Proposals	0	10	94
- Training outside Peru	0	2	22
- Scholarship Granted	0	5	24
Institutions Receiving Technical Assistance	6	101	945

DRUG EDUCATION AND PUBLIC AWARENESS

PROJECT NUMBER: 527-8288

USAID/PERU
STRATEGIC OBJECTIVE

Replace coca based
employment and foreign
exchange earnings
with legal alternatives

PROJECT GOAL

To strengthen Peruvian
commitment to drug
enforcement and coca
eradication programs

Indicators :

1. Amount of GOP resources dedicated to counter drugs

PROJECT PURPOSE

To increase public
awareness of problems in
Peru related to drugs

Indicators :

1. % of people who think drugs are bad for Peru
2. # of lobbying activities on the GOP
3. % of people who drug information is accurate

PROJECT
OUTPUTS

Establish drug education
information center

Improved financial self-
sufficiency of center

Increased dissemination
of drug awareness
information

Improved awareness of
adverse effects of drug
production and traffic
on Peru's economy and on
its democratic system

Improved and expanded
public education program
on drug abuse

Increased network of
organizations/programs in
awareness and prevention

Incidence and Prevalence
studies completed

Indicators :

1. Drug center established

Indicators :

1. % of funds from non-A.I.D. funds
2. # of funding sources

Indicators :

1. # of publications
2. # of radio/tv spots
3. # of conferences/participants
4. # of materials purchased from CEDRO

Indicators :

1. # of public debates, seminars, etc. held
2. # of press articles, TV/Radio presentations
3. # of briefings to opinion leaders
4. # of people trained

Indicators :

1. New curriculum developed
2. # of teachers trained

Indicators :

1. # of local, pro-active prevention programs
2. Size of national drug awareness network

Indicators :

1. Major study completed
2. # of follow-up completed

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II. PROJECT PURPOSE

The purpose of the Project is to promote policy dialogue and reform through the improvement of (a) the institutional capacity of the private sector to research and analyze key issues of national importance and to engage in constructive policy dialogue with the GOP; (b) the institutional organization of the private sector around key policy research issues of broad significance; (c) the institutional capability of the GOP to research and analyze key policy issues; and (d) enhanced understanding of the positive role of private enterprise and its potential economic contribution to the development of Peru.

III. PROJECT DESCRIPTION

The Project consists of four separate but related components: (1) Further strengthening of ILD in its efforts to research and document the role of the informal sector in the economy and to advocate a policy framework more conducive to investment and integration into the formal economy, (2) Institutional development of CONFIEP and strengthened research and analysis capability in the formal private sector - including assistance to sectoral and provincial associations - , (3) Development of a strengthened economic policy analysis capability in the public sector, and (4) Guidance and support to: assure coordination among participants; assure Project monitoring, evaluation and regular Project adjustments; help stimulate and focus dialogue on key Project themes; and identify and follow up opportunities for private investment and export development.

Since the activities under the ILD component were completed in February 1989, this semiannual report will only cover the CONFIEP and Public Sector (BCR) portions of the Project.

B. Major Outputs:

ITEM (Unit of Measure)	PLANNED			ACCOMPLISHED			
	LOP	PER.	Q.M.	NEXT P.	PER.	Q.M.	Z (*)
1 -CONFIEP Studies (Studies)		2	115	0	2	115	100
2 -CONFIEP Training a) Male		0	3200	0	0	3200	-
3 -CONFIEP Training b) Female		0	740	0	0	740	-
4 -CONFIEP Training c) Total		0	3940	0	0	3940	-
5 -CONF. Pub. Ed. + Inf. Exch. (Meetings)		0	79	0	0	79	-
6 -CONF. Prom. Sect. Relat. (Meetings)		0	310	0	0	310	-
7 -CONF. Develop. Reg. Cham. (Meetings.)		0	257	0	0	257	-
8 -CONF. Priv-Pub. D. Ec. Stab. (Study)		0	1	0	0	1	-
9 -BCR Economic and Tech. Studies	16	1	31	3	2	32	200
10-BCR Training a) Short-T. Male		3	31	3	2	30	67
11-BCR Training b) Short-T. Female		2	13	1	0	11	0.
12-BCR Training c) Short-T. Total	48	5	44	4	2	41	40
13-BCR Training d) Long-T. Male		0	12	0	3	15	300
14-BCR Training e) Long-T. Female		0	1	0	2	3	200
15-BCR Training f) Long-T. Total	10	0	13	0	5	18	500
16-BCR Dialogue Facilit. (Seminars)	10	3	10	2	1	8	33

(*) % is referred to period figures.

IV. PROJECT STATUS

A. Planned EOPS:

Progress to date

1. A strengthened private sector umbrella organization. The implementation of the CONFIEP component was completed in the first month of this reporting period. CONFIEP has had an impressive growth: From the original number of 6 founder institutions, it has grown to 31 organizations grouped in 15 sectors. These represent more than 15,000 private companies employing approximately 1,600,000 Peruvians. CONFIEP provides services to all of its associates through its research and institutional development departments. Other important tool is the group of 17 working committees which provide assistance in specialized areas.
2. Improved national understanding of the need for private savings and investment in order to stimulate economic growth. CONFIEP has been very active promoting the importance of private savings and investment, through meetings fora and conferences. In addition, it is important to stress that the BCR has utilized grant and counterpart funding to carry out studies which complemented this effort. Such studies included a nation wide study on the Savings and Loan System and another study on "Tax Incentives for Investment in Peru". CONFIEP has also programmed studies for "The Development of Capital Markets", "The Participation of Private Sector Representatives in the Board of Directors of BCR and in the Superintendence of Banks and Insurance" and "Devices to stimulate capital repatriation".
3. Greater understanding, within and beyond the private sector, of the meaning and role of private enterprise. CONFIEP ably used the media to insist in the importance of private enterprise for the improvement of the deteriorated conditions of the country. The President and key members of CONFIEP, have actively participated with President Fujimori and other GOP officials in trips and meetings abroad on subjects related to Peru's reinsertion into the international financial community, as well as in foreign investment and Peruvian exports to new markets (i.e.: Pacific Basin).

C. Other Accomplishments and Overall Status

CONFIEP

The implementation of this component practically terminated before the beginning of this reporting period; only minor administrative activities were carried out during the period.

Despite the fact that this project has been completed, continued CONFIEP participation in the dialogue between private sector and the GOP, as well as participation of key CONFIEP officers in important activities of the GOP abroad, continue producing a strong beneficial impact.

An important concern of the Mission during project implementation, has been to assist CONFIEP to achieve self sustainability after the termination of the A.I.D. funding support. This has been attained by CONFIEP through the increase of the monthly dues collected from its members, as well as through the simplification of CONFIEP's staff structure. In addition, CONFIEP continues working to obtain other donors' financial support for specific new projects.

BCR

Despite the difficulties explained in "D" below, the new BCR project staff has been able to organize its accounting procedures to revise and submit to A.I.D. the liquidations corresponding to the months of November and December 1990, complying with the requirements established in the PIL which approved dollar disbursements for the BCR.

Equally important has been the BCR/USAID joint review of the status of the project funding and its projection to the end of this year. It is estimated that an amount of \$80,000 will be available to carry out activities during the next year up to the PACD, which is August 31, 1992. A detailed operational plan and budget will be prepared, reviewed and approved before the end of the year.

4. Strengthened Policy analysis within the GOP

The Project has provided long term Master degree training in the U.S. to 21 staff members of the BCR (18 have already graduated). Approximately 40 professionals have received short term training. In addition, the BCR has widened the scope of the program by including two lawyers that will obtain masters degrees in International Law and one professional who will obtain a masters in administration. The strength gained in Policy Analysis has been demonstrated by the kind of studies that have been carried out by graduate professionals, which range from "Econometric Models" to "Monetary Policies" or "Tax Incentives". A demonstration of the high level of the selected BCR candidates as well as the quality of the studies in the U.S. is that one of the BCR graduates has been appointed by the GOP to head the important "National Tax Administration Superintendence". This officer called several other graduated colleagues and BCR staff members to work with him. The reorganization undertaken by these professionals has increased the much needed GOP's tax revenue. An unusual loan from IDB has been obtained to computerize the tax system. These professionals will return to the BCR at the end of their assignment. On the other hand, several other graduated participants have been promoted to higher level responsibilities at the BCR.

5. Initiation of a constructive private - public policy dialogue focused on how to stimulate investment and economic growth.

CONFIEP has continued its leading role in a private-public policy dialogue, through a dynamic interaction with the GOP. Studies and proposals such as "The participation of Private Sector Representatives in the Board of Directors of BCR and in the Superintendence of Banks and Insurance", referred in (2) above, are clear examples of efforts to dynamize the dialogue.

6. Strengthened regional private sector associations and development of effective linkages between CONFIEP and the regional associations.

The excellent support provided by CONFIEP to the network of Regional Chambers with the funding of this project has effectively strengthened those umbrella regional business organizations.

A PIO/C for the procurement of one minicomputer for the BCR and one for the MEF was prepared at the end of this period. It is expected that the computers will be delivered to BCR and MEF before December 31, 1991. With these two units, the minicomputers purchased under the project will total nine, which is the number specified in the Grant Agreement.

Since it is not possible to obligate additional funds for the project, and also because the PACD is August 31, 1992, there will not be new long term trainees.

During this reporting period, five BCR professionals have returned to the Bank after completion of their long term Master Degree training in the U.S.

Mission has completed the documents and procedures necessary to send two BCR staff members to a seminar at the Federal Reserve Bank of New York, on "Banking Supervision" and "Central Banks".

D. Problems and Delays

Unexpectedly, two changes of key personnel took place during the reporting period: At the request of the new minister of Economy and Finance, the BCR economist in charge of the project was temporarily transferred to serve as advisor to the minister; and the program of incentives implemented by the GOP to reduce the number of government employees caused the resignation of the BCR's good and experienced project accountant. Although both officials were immediately replaced by the Bank, the changes caused some delays and difficulties in project implementation. The new officials are well qualified and things are now running smoothly.

The existing 620 (q) and Brooke-Alexander sanctions impeded the additional obligation of \$700,000 planned for the GOP component (which includes BCR, MEF and INP). As a consequence, the Mission had to allocate such resources to other projects not affected by the sanctions, and the funding of the GOP component was reduced to the amount of \$2,100,000.

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

CONFIEP

Receive from CONFIEP and review the final liquidation of the project component.

BCR

The major activities of the next reporting period should be the preparation, review and approval of the 1992 Operational Plan for the period January 1, 1992 - August 31, 1992 (PACD).

Prepare corresponding documents and coordinate activities to carry out four short term training programs related to Peru's reinsertion into the international financial community. A total of 8 BCR professionals will participate in these programs that will take place in Central Banks of the U.S. and some Latin American countries.

F. Mission Director's Comments

The consolidation of CONFIEP as the private businesses' umbrella organization and competent representative of the sector, has been achieved through the support provided by the project. This has been confirmed by the active participation of key members of CONFIEP in important trips and meetings of President Fujimori abroad, in relation with Peru's reinsertion into the international financial community as well as for the promotion of foreign investment and Peruvian exports to new markets (i.e. the Pacific Basin).

On the other hand, the support provided to the BCR through long and short term training of its staff, and the funding of studies addressed to propose adequate economic policy measures, have improved substantially the capacity of the Bank. BCR is recognized as the only GOP institution capable of providing reliable technical support for economic policy decisions, and constructive dialogue with the private sector. The GOP has obtained from the BCR staff several professionals to appoint them in important positions such as the recent case of the National Tax Administration Superintendent, whose reorganizational work and improvements in fiscal generations are outstanding.

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April 1, 1991 - September 30, 1991

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I. BACKGROUND DATA

Project Title: Administration of Justice
Project Number: 527-0303
Date of Authorization: original 06/24/86 amendment 08/26/88
Date of Obligation: original 06/25/86 amendment 07/24/89
PAOD: original 12/31/87 amendment 12/31/92
Implementing Agencies: 1) Ministry of Justice (MJ)
2) Public Ministry (PM)
3) Judicial Power (JP)
Major Contractors: None
Personal Services
Contractor/Project
Adviser: Grimaldo Guipptons
Coordinator: James D. Rudolph
Project Manager: Rodolfo Salinas
Status of CPs/Covenants: All have been discharged
Date of Last Evaluation: 03/15/90. Next Evaluation: Unscheduled
Date of Last Audit: 09/91 Next Audit: 5/92

II. FINANCIAL DATA

Amount Authorized:	ESF Grant: original	\$1,000,000	amended to \$2,850,000
Amount Obligated:	ESF Grant: original	\$1,000,000	amended to \$2,850,000
Amount Committed:	Period:	\$ 62,705	
	Cumulative:	\$2,167,386	
Accrued Expenditures:	Period - Projected:	\$ 245,000	
	Period - Actual:	\$ 103,087	
	Cumulative:	\$1,847,533	
	Period - Next	\$ 260,000	
Counterpart Contribution:	Planned:	\$2,500,000	
	Actual	\$1,107,942	
% LOP Elapsed:		85%	
% of Total Auth. Oblig.		100%	
% of Total Oblig. Exp.		65%	
% of Total Auth. Exp.		65%	

III. PROJECT PURPOSE AND GOAL

The purpose of the project is to encourage and provide the means for structural improvements in Peru's legal institutions through technical assistance and training. The goal of the project is to improve the state's administration of justice.

IV. PROJECT DESCRIPTION

The strategy of the project is to identify and foster local efforts to prosecute cases justly and speedily, raise professional standards for judges and prosecutors, organize and manage judicial personnel, improve administrative planning and budgeting skills and system capacity, and more generally, to inspire trust in judicial institutions and the rule of law.

Note We have changed reporting format in response to "Quarterly Monitoring and Report Requirements for Alternative Development Projects Management Information System." While the former "Planned EOPS" have been retained for purposes of continuity, major outputs as well as indicators at the goal, purpose, and output levels have also been changed according to the same newly-issued requirements.

V. PROJECT STATUS

A. Planned EDPS:

Progress to Date

1. "High priority areas have been selected for continued action and the most effective strategies and methodologies have been defined."
The selected priority areas are: (1) public legal services; (2) management and legal information systems; and (3) professional and administrative training. Human Rights-related activities in the Public Ministry and National Police have recently been added as a fourth high-priority area.
2. "Each institution's administrative information system has been streamlined and basic data have been consolidated and computerized."
A management information system having judicial statistics, case-flow management, and personnel management components is operating in ten model courts in the Judicial Palace in Lima. To implement this system in 51 additional courts and in the Public Ministry, it will be necessary that the Supreme Court and the Public Ministry formally approve the new manual system developed by the contractor.
3. "A computerized database system for judicial statistics has been partially implemented and detailed plans elaborated for its completion."
A statistics system has been developed for the judicial branch under the court management activity to measure, inter alia, output, court pressure points, and time standards.
4. "A computerized index for all legislation has been designed and partially implemented."
The Judicial Sector Assessment has recommended that small legal libraries be installed as more economical and accessible alternative to a computerized index.
5. "There are on-going training programs for sector personnel and each institution has developed a middle range training plan based on an assessment of training needs and its experience with courses financed by the project."
The design of a long-distance training program will be started in the coming period. This activity will be undertaken in addition to the permanent training programs created at the Judicial Power and the Public Ministry. Curriculum Development and programs to train prosecutors and judges are being refined on the basis of the experience acquired from each implemented course.
6. "Eighteen legal services offices are in full operation, five of them in the provinces. Their activities are centrally monitored, a plan exists for further expansion of the program, and training of staff is on-going."
The Ministry of Justice is implementing a centrally monitored evaluation and training plan, for legal services; 24 offices are operating in poor urban areas of metropolitan Lima and 7 are operating in similar areas of the provinces.
7. "Office equipment has been provided to provincial courts and public prosecutors' offices in accord with plans for upgrading material resources."
Office equipment and furniture for public prosecutors' offices of the provinces has been purchased and installed. The equipment purchased for the Judicial Training Academy of the Judicial Power has been installed. The Training Academy of the Public Ministry was inaugurated with equipment and furniture purchased under the Project.

The Legal Aid Offices received a complete set of furniture in order to implement their offices in provinces and in poor urban areas of metropolitan Lima.

8. "Wider support for the program has been generated within the government and society at large. One concrete indicator is relative increase in the budgets of the Judicial Branch and Public Ministry."
- For the first time the Judicial Power has received the allocation of 2% of the GOP budget (as established in the Constitution). However, the administrative office for planning and budgeting from the Judicial Power is not prepared to effectively manage such volume of resources. It will be necessary to provide technical assistance to the Judicial Power in order to ensure an adequate management and use of the budgeted funds.
9. "There is a completed sector assessment providing baseline data and a full analysis of sector problems."
- The Catholic University and ESAN have carried out the Judicial Sector Assessment. A team of experts from these two institutions will provide an assessment focused mainly on three components (1) criminal judicial process, (2) court organization and administration; and (3) judicial information management system needs, although it did not provide baseline data..
10. "A National Commission for the strengthening of the Peruvian Justice system is fully functioning as a policy-making body for the sector."
- Sector-wide meeting to discuss the above mentioned assessment will provide a basis for the design of a new and more effective set up to manage the AOJ project. An important task to be carried out will be to involve the Judicial Power, Public Ministry and Ministry of Justice in the new design and to reach agreement on its immediate implementation.

B. Goal Indicators:

"Peruvians have confidence in the judicial system."

"Accessibility to the judicial system by lower socio-economic groups."

"Improved human rights record"

Progress to Date (Baseline):

79 percent of Peruvians have no confidence in the judicial system.

Lower socio-economic groups, by and large, lack access to judicial system.

Widespread abuse of basic human rights, including disappearances in Emergency Zones.

C. Purpose Indicators:

"Reduced percentage of persons in penitentiary awaiting trial."

"Reduced average time to complete a criminal court proceeding."

"Increased ratio of number of trials initiated/number of trials pending."

Progress to Date:

75 percent of penitentiary population awaiting trial.

Median time for judicial process averaged 2 years and 2 months, and the real time must be around six months.

In 1991, on average each judge of the first instance received 340 new cases, but processed only 80.

D. Major Outputs - Indicators:

Ministry of Justice

1. Legal Aid Offices functioning Indicators:

Number of offices

Number of consultations

31 offices functioning
20,000 per year, average

Progress to date:

<u>Planned</u>			<u>Accomplished</u>		
<u>LOP</u>	<u>Period</u>	<u>Next Period</u>	<u>Period</u>	<u>Qm.</u>	<u>% of LOP</u>
30	0	0	0	31	103
60,000	7,500	0	10,000	83,000	138

2. Enhanced legal library operational

Indicators:

Number of users

Number of volumes

Equipment has been purchased recently and the library is being implemented.

LOP	Planned		Accomplished		
	Period	Next Period	Period	Qum.	% of LOP

Public Ministry

1. Improved coordination with Judicial Branch and Police under Accusatorial System

Indicator:

Development and use of procedural manual

Combined courses have been given for judges, prosecutors and police officials through the ICITAP program.

.....5

2. Human rights program is operational

Indicators:

National Registry of Detainees

Visit of three consultants from Costa Rica to begin with the design in conjunction with GOP authorities.

.....10

Cases resolved by Special Prosecutor's Offices

Approval of proposal for communication equipment in the "Emergencies Zones," database for "disappeared persons", and a special course for prosecutors.

.....25

3. Academy Training capacity improved

Indicator:

Number of students

Approximately 800 prosecutors of a total of 900, have participated in 32 courses.

900 80 240 120 800 85

Number of courses Curriculum and Faculty developed

No progress to report.

30 4 8 4 32 106

Academy Library created

No progress to report.

4. Case tracking system is operational

Indicator:

Case tracking designed

Completed.

Percentage of prosecutors offices where implemented

The first stage, standardized register, was implemented in 60 percent of the prosecutors offices.

Planned			Accomplished		
LOP	Period	Next Period	Period	Qm.	% of LOP

.....60

Judicial Branch

1. Improved coordination with Public Ministry and Police under Accusatorial System

Indicator:

Development and use of procedural manual

Combined courses have been given for judges, prosecutors and police officials through the ICITAP program.

.....5

2. Academy training improved

Indicator:

Number of students

Approximately 240 judges of a total of 1200, have participated in 8 courses.

1,200 40 80 40 240 20

Number of courses

40 2 3 2 8 20

Curriculum and Faculty developed

No progress to report.

Academy Library created

No progress to report.

3. Case tracking system is operational

Indicator:

Case tracking designed

Completed.

Number of courts implemented

The first stage, standardized register, was implemented in 10 courts.

.....10

4. Improved administrative capacity

Indicator:

Financial and personnel systems designed and implemented

Payment and personnel system has been designed, and is being implemented.

National Police

1. Improved coordination with Public Ministry and Judicial Branch under Accusatorial System

Indicator:

Development and use of procedural manual.

Combined courses have been given for judges, prosecutors and police officials through the ICTTAP program.

2. Human rights program is operational

Indicator:

National Registry of Detainees

Visit of three consultants from Costa Rica to begin with the design in conjunction with GOP authorities.

New entity in ADJ sector

1. Sector-wide meeting to build consensus

Indicator:

Number of meetings, results and agreements

A series of initial meetings were concluded with public and private sector representatives during a two week period.

E. Major inputs, activities and corrective actions

Status

1. PACD Extension

Based on USAID/Washington's authorization, USAID/Peru's Director approved the Project Data Sheet on September 27, 1991 extending the PACD to 12/31/92.

Planned			Accomplished	
LOP	Period	Next Period	Period	Um. % of LOP
		30	
		5	
		10	
		10	

- | | |
|---|--|
| 2. Technical assistance for the new project | Fay Armstrong and Carrie Thompson visited Lima to assist in the design of the new project and to initiate the drafting of the PID. |
| 3. Sector Assessment | Completed and presented to GOP authorities. |

F. Major inputs, activities and corrective actions for the next six months

1. Elaboration of Project Identification Document for the new project.
2. Technical Assistance for the creation of the new AQJ sector entity.
3. Technical Assistance for the creation of the National Registry of Detainees.
4. ICITAP assistance agreement for Accusatorial System Implementation.

G. Significant Problems and Delays

The principal problems of project implementation continue to be the following:

1. Lack of administrative capacity within the implementing agencies.
2. Lack of inter-institutional coordination as a result of the isolated management of each of the entities.
3. Lack of labor stability due to strikes and reductions in force (layoffs).
4. Lack of continuity due to annual change of key personnel in GOP implementing agencies.

H. Overall Project Status

In spite of the problems mentioned above, Judicial Power and Public Ministry officials are making significant efforts for improving project implementation. Priority attention is being given to the areas of administrative support, standardized registers, training for the Accusatorial System and Human Rights advocacy.

I. Mission Director's Comments

The AQJ Project is now more keyed to fundamental United States interests in Peru. It faces the challenge of establishing the National Registry of Detainees while also moving forward on existing activities, such as the development of a case-tracking system and a legal data base, aimed at medium- and long-term judicial reform. In this regard, the Project faces an inherent challenge in balancing longer term institutional changes and short term political exigencies.

Although it may be a long-term process, the new Judicial Reform Institute should be established as quickly as possible. In this regard, the Sector Assessment recently completed by Catholic University and ESAN should be distributed as quickly as possible in order to develop enthusiasm within the judicial community for the Institute and, in general, to assist in the design of a new Project. Washington needs to look at Section 534 (b) to enable the AQJ Project to be responsive to its new role in coordinating the ICITAP program in Peru and with regard to police involvement in the Detainee Registry. The grade "C" rating for this project is a result of its involvement in a sensitive policy area, creating a requirement for intensive, high-level management input, and of long-standing problems in levels of implementation.

Administration of Justice
Project Number: 527-0303

STRATEGIC OBJECTIVE

Encourage strong democratic institutions that reinforce social equality and economic freedom

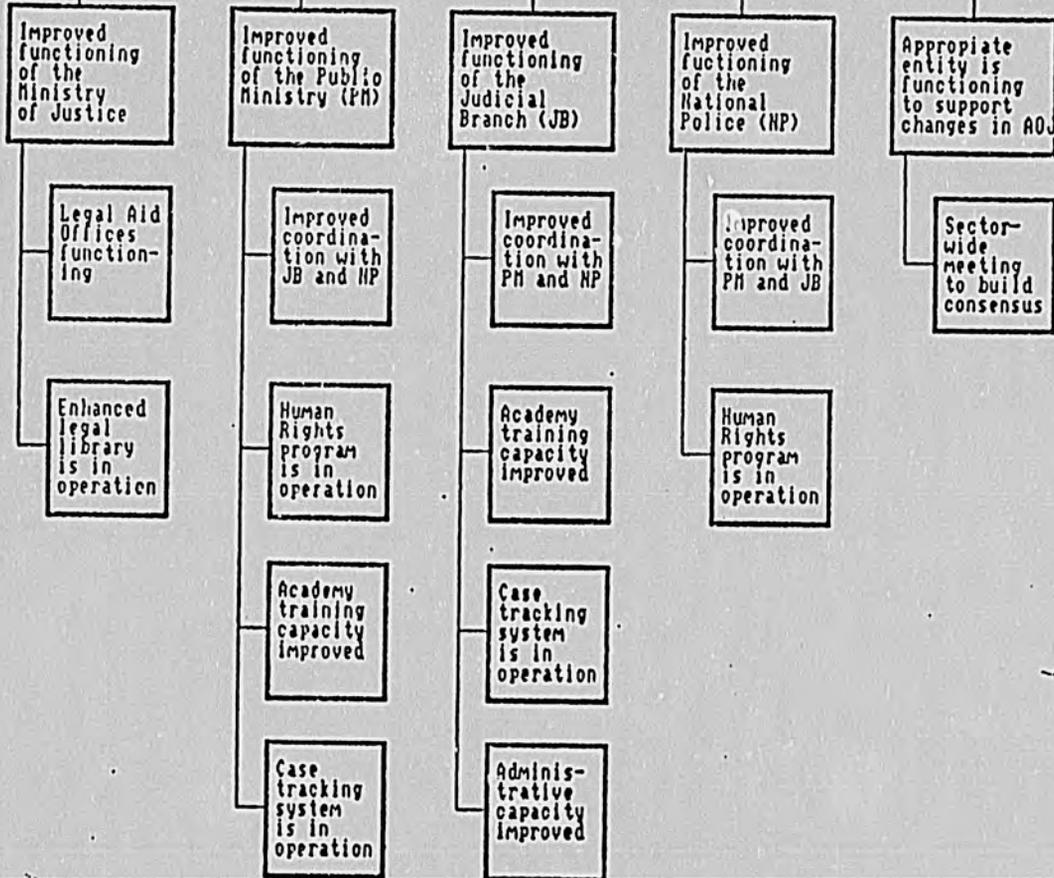
- Indicators:
- Peruvians have confidence in the judicial system
 - Accessibility to the judicial system by lower socio-economic groups
 - Improved human rights record

PROJECT PURPOSE

Improve the administration operation and accessibility of the judicial system

- Indicators:
- Reduced percentage of persons in penitentiary awaiting trial
 - Reduced average time to complete a criminal court proceeding
 - Increase ratio of number of trials initiated/number of trials pending

PROJECT OUTPUTS



Indicators:

- .N of Legal Aid Offices
- .N of Legal Aid Consultations
- .N of library volumes
- .N of library users

Indicators:

- .Development and design of the Procedural Manual
- .National Registry of Detainees
- .N of cases resolved by Special Prosecutor's Offices
- .N of students in Academy
- .N of courses
- .Curriculum and Faculty developed
- .Academy Library created
- .Case tracking system designed
- .N of Prosecutors offices implemented

Indicators:

- .Development and design of the Procedural Manual
- .N of students in Academy
- .N of courses
- .Curriculum and Faculty developed
- .Academy Library created
- .Case tracking system designed
- .N of courts implemented
- .Financial and personnel systems designed and implemented

Indicators:

- .Development and design of the Procedural Manual
- .National Registry of Detainees

Indicators:

- .Number of meetings, results and agreements

60

Major Contractors: 1. Development Associates (DA) and Partners of the Americas (NAPA) U.S. Contractors
 2. Hyatt, Boggio and Asociados (HYBOSA) Local contractor
 3. Aguirre International/Cecchi

A.I.D. Project Manager: Verónica de Ferrero
 Status of CPs/Covenants: None
 Date of Last Evaluation: None
 Next Evaluation: November 4-22, 1991
 Aguirre International

Date of Last Audit: None
 Next Audit: To be determined

II. PROJECT PURPOSE

The objective of APSP is to contribute to the formation of more effective manpower resources, thereby ensuring the leadership and technical skills needed for the progressive balanced and pluralistic development of selected South American countries and to strengthen mutual understanding between the United States and its Latin neighbors. By addressing this dual goal, the APSP objective is to increase the number of trained individuals from the socially and economically disadvantaged groups. All participants must be leaders or potential leaders.

B. Major Outputs

	FY 88 ACTUAL	FY 89 ACTUAL	FY 90 ACTUAL	FY 91 ACTUAL	TOTAL ACTUAL	<u>PLANNED</u>
S/T training total	76	78	36	131	321	or 80%
Men	27	36	6	65		
Women	49	42	30	66		
L/T training total	8	18	53	—	79	or 20%
Men	6	10	27	—		
Women	2	8	26	—		
TOTAL	84	96	89	131	400	

56% women or 223 participants (187 short-term and 36 long-term)
 14% or 57 participants received training at an HBCU (57 short-term)
 0.5% or 2 participants are non-returnees (2 long-term)

III. PROJECT DESCRIPTION

The planned major outputs and activities are:

(1) To implement training activities in the U.S. geared to provide Peruvian leader participants with an opportunity to receive specialized training and practical experience in a diversity of technical areas and to provide them with an exposure to the values and mechanisms of democratic pluralism through Experience America activities.

TOTAL LOP

	S/T	L/T
Women	187 or 58%	36 or 46%
HBCU *	57 or 18%	0 or 0%
Non-returnees	0 or 0%	2 or 2%

(*) Measured by individual placement. New mandate to measure HBCU placement by participants-month was received in Mission when most of the APSP/Peru placement activities had been accomplished.

(2) A total of 400 participants will have been trained under the APSP Peru program by the end of September 1991. Training in the U.S. will range from academic and technical studies at Community Colleges and Universities to observation trips, meetings with officials and technicians, visits to active local community organizations, workshops and hands-on technical training.

(3) A minimum of 70% of the APSP total participants will be socially and/or economically disadvantaged; 40% of total participants will be women.

(4) At least 20% of the participants will attend long-term training programs (more than 9 months) and a minimum of 10% will attend programs at Historically Black College and Universities (HBCUs).

(5) To strengthen a national network of communication with APSP trainees through follow-on activities to be implemented in key geographical areas.

IV. PROJECT STATUS

A. Planned EDPS

By the end of September 1991 USAID/Peru would have sponsored 400 APSP scholars for training in the U.S.

70% of trainees should be economically disadvantaged.

40% of trainees should be women.

20% of trainees should attend long-term training programs.

Progress to Date

As of September 30, 400 participants (100% of the total planned) have completed training under the APSP program. 0.5% or 2 participants have been classified as non-returnees.

90% of trainees are economically disadvantaged as defined by USAID/Peru.

58% of short-term training participants and 46% of long-term are female.

20% of participants have been placed to long-term academic and non-degree programs.

Develop strategy to achieve
Historically Black Colleges and
Universities (HBCUs) 10% target.

142% of CLASP mandate was accomplished
by sending 20 short-term participants to
receive training at Roxbury Community
College, Boston M.A., 16 at Lincoln
University Jefferson City, MO and 21 at
Florida A&M University, Tallahassee, FL.
Program achievements for HBCU placements
were measured by individual placements.

C. Other Accomplishments and Overall Status

1. Major Highlights During the Reporting Period

The overall project implementation during the reporting period was steady and planned activities of the APSP program for this period were accomplished.

NAPA's Director of Partnership Development and the Director of Peruvian Training Program for NAPA, visited Lima from June 9-13 and met with APSP staff, the USAID Project Officer, other USAID Officials and HYBOSA staff to discuss current functioning and remaining life of project activities for the APSP.

On August 28th 1991, Mission and the National Association of the Partners of the Americas (NAPA) agreed to extend the Cooperative Agreement with NAPA for two additional months, using the same staffing pattern in place as of the end of FY 91. Additional US\$23,000 were obligated to defray these costs. New total budget for NAPA's activities amount to US\$1,113,495. PAOD for the APSP/Peru program will be November 30, 1991. Activities to be accomplished include all close-out pending reporting, debriefings, follow-on activities and the APSP General Assembly and Award Ceremony.

Aguirre International requested Mission concurrence to perform the APSP/Peru Evaluation during the period November 4-22, 1991.

D. Problems and Delays

1. Given the multiplier effect of follow-on activities, additional financial resources should be programmed for these initiatives. As part of the follow-on program, APSP staff visited former participants and received proposals for a diversity of small projects. Through the new CLASP II Project Mission will be able to target more money for follow-on activities.

2. As of June 6, 1991 sub-contractor HYBOSA requested NAPA to discuss the termination of HYBOSA's sub-contract as of June 30, 1991. Nevertheless, the activities of the NAPA/HYBOSA Agreement were terminated as originally established by September 30, 1991. The current HYBOSA staff was picked-up by NAPA to complete all the APSP pending activities.

E. Major Activities or Corrective Actions During Next Reporting Period

1. As of October 11, 1991 U.S. contractor Development Associates reported to Mission that a review of APSP participant costs had been completed. Based on this review DA has identified an estimated additional surplus from Peru short-term and long-term programs in the amount of \$106,628. This is in addition to the \$158,140 surplus already identified by Mission in previous SAR and acknowledged by DA on May 1991. Total amount to be deobligated amounts to \$264,768. It should be noticed that this amount corresponds to the \$333,000 allotted directly by A.I.D./W and obligated in the DA contract.

2. As of October 24, 1991, NAPA reported to Mission that it estimates a surplus of approximately \$23,000 by the end of Project. Coordination will continue to define mechanisms for the corresponding Deob/Reob process.

3. Monitoring activities will continue to assure that all required close-out information is provided by U.S. contractors NAPA, Development Associates and local APSP staff.

Training Activities During the Reporting Period

a. Short-Term Training

65 participants received training in the U.S. as follows:

22 female participants traveled to Amherst, Mass. to attend an 8 week program on Development Skills Training offered by the Institute for Training and Development (ITD).

18 male/female participants travelled to Colorado to attend an 8 week program in Agricultural Management at the International Center for Agricultural and Resource Development (ICARD) at Colorado State University.

25 male/female participants travelled to El Paso Texas to attend a 7 week training program on Small Industry Management at El Paso Community College.

A one-week pre-departure orientation program was carried out for all these groups.

21 participants returned to Peru on April 6, 1991 after attending an 8 week training program on Youth Education for Leaders at Tampa and Florida A&M University, Tallahassee, Florida. Debriefing activities were carried out accordingly, for this group and for the above mentioned 65 participants.

b. Long-Term Students

A total of 20 academic/long-term participants returned to Peru during the reporting period. Training programs pursued in the U.S. include among others, ESL, Regional Planning, TV Broadcasting, Journalism, Educational Administration, Survey Research, Economics and Aquaculture. Individual debriefing sessions for all returned participants were carried out by APSP staff.

c. Follow-On Activities

During the period covered by this report APSP staff has been involved in several follow-on projects submitted and carried out by former participants either individually or through the Alumni Associations. USAID has provided

4. The first evaluation of the APSP/Peru program will be carried out during the period November 4-22nd, 1991. Back-up support is being provided by Mission to ensure that all planned field interviewing activities be accomplished in a timely manner.

5. As of August 1, 1991 a PIO/T, and Scope of Work was forwarded to the RCO for the USAID/Peru CLASP II-RFP process. The corresponding CLASP II announcement was published in the September 19, 1991 issue of the Commerce Business Daily. Mission was informed that the RFP will be issued by early November.

financial support only for materials and supplies due to very limited budget for follow-on activities. Workshops/Seminars have been executed with great success in several cities, availing of the great talent source that can be provided by former participants of different training programs.

As part of the Follow-On program, APSP staff visited former participants and evaluated their community projects and programs. Alumni associations have now been constituted in Tacna and Piura, increasing the number to five nationwide.

The project completion date was September 30, 1991 and the target of 400 participants has been accomplished according to Mission's plans and directives. Taking this into consideration and to promote additional linkage between Mission and APSP participants, a First National Conference and Award Ceremony is being planned for November 7th to take place in Lima at the USAID Auditorium. Participants from Lima and the provinces will be invited to attend. Ambassador Quainton and Mission Director will take part in the Award Ceremony, immediately followed by a reception at the Ambassador's residence.

During the month of September APSP staff held several meetings with Lima participants from different training programs in an attempt to: a) promote linkage of participants with Mission/Alumni Association; b) to agree on agenda/program for First National Conference and Award Ceremony to be held on November 7th.; c) to have participants complete specially designed "Post-Training Evaluation Form" which is two-fold. One part will be used by staff to update participants directory with current addresses and telephone numbers, and the other part will be used to evaluate impact of training after years/months of return to Peru.

A total of 120 participants attended the two/three hour sessions convened at the Mission by field of training. It seems adequate to mention that as a

result of these meetings, important follow-on commitments have been made. An example: the Prosecutors, from the APSP Administration of Justice are providing important inputs to the design of the new project which will support in the Peruvian judicial system.

f. Other Activities

Ms. Leslie Anderson, LAC/DR/ER, APSP Project Director visited Lima and held working sessions with APSP staff and USAID Project Officer.

CLASP Information Service (CIS) Data has been updated to include all participants trained up to September 30, 1991. Diskette will be mailed to Aguirre International.

Aguirre International representative Lorenzo de Coste spent three days working with APSP staff on the CIS program. New guidelines were given and a few corrections/modifications were included on the program.

F. Mission Director's Comments

This Project is having a major impact, and it is heartening to see the number of participants who have already applied their training skills for the benefit of their communities. Initiatives supported by USAID, through relatively small amounts of seed money, has had a significant pay off in both, coastal and rural areas. The APSP/Peru program has created a critical mass of trained leaders who have had multiplier effect in their communities and who share our common approaches to economic problems and maintenance of democracy. The APSP/Peru program has also facilitated the achievement of other USAID activities, for example, a group of APSP trained legal prosecutors suggested areas for human rights work to be included in the design of the new Mission Administration of Justice project. Also, a group of small business owners have been involved in the promotion of initiatives in the area of Small Business Development. This is the last Semi-Annual Report for the APSP/Peru Project. This has been an extremely successful project which has already had major impact. The success can be attributed to the outstanding local management and dedicated and creative identified course selection, managed candidate selection, organized extensive orientation and briefing sessions, and carried out excellent debriefing and follow-up sessions. Recognition should also be given the U.S. contractors, Development Associates and the National Association of the Partners of the Americas (NAPA); NAPA was able to carry on this activity when we were under sanctions. The overall transition was done effectively and without causing any disruption in project implementation and to the overall accomplishments of the APSP/Peru project objectives.

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

I. BACKGROUND DATA

Project Title: PRISMA OPG: Integrated Food, Nutrition and Child Survival
Project Number: 527-0323
Date of Authorization: original 09/30/88
Date of Obligation: original 09/30/88 amendment 07/26/89 amendment 03/29/90
PACD: original 12/31/92
Implementing Agencies:
 1. Ministry of Health (MOH): National Food and Nutrition Institute (INAN); 26 Departmental Health Units (UDES).
 2. Ministry of Education (MOE): School Nutritional Rehabilitation Component.
 3. ADRA/OFASA: School Nutritional Rehabilitation Component.
 4. Nutrition Research Institute (IIN): Special study on dietary intake and nutritional status of children in poor peri-urban areas of Lima.
Major Contractors: N/A
AID Project Managers: Alfredo Gutiérrez
Status of CPs/Covenants: None
Date of Last Evaluation: 11/30/90 **Final Evaluation :** 09/92
Date of Last Audit: 00/00/00 **Internal Review :** 10/91 **Audit :** 03/92

FINANCIAL DATA

Amount Authorized:	OPG Grant: Original	\$ 750,000
Amounts Obligated:	OPG Grant: 09-30-88	\$ 388,200
	07-26-89	\$ 150,000
	03-29-90	\$ 211,800
Amount Committed:	Period:	NONE
	Cumulative:	\$ 750,000
Accrued Expenditures:	Period - Projected:	\$ 85,000
	Period - Actual:	\$ 38,892
	Cumulative:	\$ 577,092
	Period - Next	\$ 80,000
Counterpart Contribution:	Planned:	\$ 286,800
	Actual	\$ 212,100
LOP Elapsed:		70.58 %
% of Total Auth. Oblig.		100.00 %
% of Total Oblig. Exp.		76.94 %
% of Total Auth. Exp.		76.94 %

II. PROJECT PURPOSE

To improve the nutritional status of mothers and children (0 - 59 months) of families identified as being at high risk of child malnutrition or death.

- To integrate the supplementary feeding program of the Ministry of Health with maternal and child health care activities at operational levels.

- To strengthen and increase the effectiveness of the targeting, distribution and supervision of the Title II Program within the Ministry of Health.

III. PROJECT DESCRIPTION

The project has three components:

1. Distribution of PL 480 Title II food commodities. This component, to be effective, is integrated with other child survival activities, uses a high risk targeting methodology, and assures a minimum of 6 months coverage for each family.

2. The training component, to strengthen and increase the efficiency of the program, includes training of 1,800 key health

B. Major Outputs

	Planned			Next	Accomplished		
	LOP	Period	Cum.	Period	Period	Cum.	% of LOP
1. Identify high-risk mothers and children. (Families)	335500	46000	261700	5000	33000	346500	103%
2. Identify pre-school children from high-altitude, rural, isolated jungle and peri-urban slum areas. (Children)	937800	250000	429000	250000	32000	520000	55%
3. Organize and implement Nutrition workshops. (Workshops)	11	2	9	1	2	10	91%
4. Design, install and implement a Nutritional Surveillance	9	1.5	6.5	1.5	1.5	5.5	61%

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

personnel from all MOH levels, and covers all areas of project development and operation.

3. The monitoring and evaluation components, are designed to assure timely implementation of activities and to provide bases for future planning.

IV. PROJECT STATUS

A. Planned EOPS

1. A minimum of 1800 key health personnel will be trained in 28 UDES in the most relevant aspects of child survival project implementation and evaluation.

2. A food assistance targeting strategy will be fully implemented in all 28 UDES at all health care levels.

3. A standardized, simplified information system will be implemented and operational for program supervision and evaluation at all MOH levels.

4. 90% of the organizations operating food distribution programs in Peru, will have improved nutritional surveillance and project evaluation capacity.

5. A nutritional surveillance system will be institutionalized as part of routine UDES operations nationwide.

Progress to Date

1. Three seminars were held: on Family Planning & Pre-Natal Care and Evaluation and Programming, for 1920 health workers from 28 UDES.

2. According to external & internal evaluation, 89% -100% are using the risk evaluation card.

3. All UDES have a supply of forms. Twenty UDES are sending information to the central level. Out of 123 UDES, an average of 74 (60%) inform regularly.

4. Seminars were conducted in Arequipa and Lima with the participation of PVO (including CARITAS and ADRA/OFASA, UDES, UDES, health establishments, ONAA & Municipal representatives.

5. Arequipa, Pampas de San Juan and Lima have NS systems installed. Huancavelica and Piura are at the planning stage. Pampas de San Juan is being used as a pilot center for longitudinal data registration of nutritional status. Risk factors for child death and malnutrition are also being analyzed.

Methodology System in each Peruvian region to be used as a planning and evaluation tool.

(Regions)

5. Conduct food logis 112 27 88 20 23 91 81%
tics supervisory field
visit. (No.)

6. Training field 1800 800 1839 600 640 2608 145%
health workers.(No.)

PROJECT STATUS REPORT

April 1, 1991 - September 30, 1991

C. Other Accomplishments and Overall Status

1. During the reporting period the following training events were conducted:

a) The training seminar on Programming and Evaluation was presented in April in 4 sites with 141 participants convering all UDES and UTES but no health establishments.

b) The seminar series on Home Nutritional Rehabilitation of the Malnourished Child has been were completed on October 2, 1991; in total 640 health personnel participated.

2. Results of the Internal Evaluation of the PANFAR Program conducted by supervisors, indicate that 89% of the distribution centers are selecting beneficiaries using the risk score, they distribute the complete ration (86%), monthly (90%), and most of them control weight and height for the children of high risk families. Almost half the centers supervised have integrated actions with the vaccination program, 30% with family planning, 56% with Growth and Development, 52% with ante natal care, 37% with EDA and IRA. On the average, 75% of workers interviewed answered correctly a questionnaire on nutrition and health.

3. The Nutritional Surveillance in its first round in Lima has ended, and the data is being entered at the moment. Risk factors for child and infant death and malnutrition, and the relative importance of these factors in the Arequipa and Lima Surveillance is being analyzed and results will be available during FY 1992.

4. Longitudinal Surveillance in Pampas de San Juan continues on the second round. More health promoters are being trained in nutritional surveillance methodology in preparation for implementing sentinel sites in other areas.

5. The 9th & 10th Health, Nutrition & Food Informed Bulletin (BIANS) were published.

6. Supervisory visits were carried out in 23 UDES, 51 UTES, 131 health establishments & at 118 beneficiary homes.

D. Issues, Problems and Delays

1. The security situation continues to affect partially the supervision, monitoring and food distribution in the Departments of Puno, Ancash, Huancavelica, Apurimac, and Junin.

2. PRISMA has not yet sent to USAID/Peru a final report on Section 416 milk and butteroil balances which were integrated with the Title II commodities at the start of the PANFAR Program as designed and recommended by PRISMA and INAN.

3. The UDES continue to lack resources to replicate the training workshops for other health personnel because of the difficulties at the central level to receive "Tesoro Público" funds budgeted for these activities.

4. Even though all UDES are selecting beneficiaries using the risk score, many are not applying the methodology properly or the selection is done among health center users only.

5. While improvements have been made there is still inadequate reporting by UTES and UDES to the Central level. Out of 123 UTES only 74 (60%) of these have sent information to the central level.

6. During the supervisory visit to the north by FFD, evidence was detected of unauthorized use of commodities, e.g. the food distribution to the Health Workers in UDES Lambayeque. Also until a more thorough inspection is conducted of program activities in Sullana, food programmed for UTES Sullana has been suspended.

7. The new government's initiative to reduce public workers has had a transitory negative effect on the program, since some of the best PANFAR personnel elected to take advantage of GOP incentives to resign. These losses must be offset by the intensive training of newly assigned personnel. Additionally some union workers have demanded donated food as compensation from the Government, but these requests have been refused.

8. The regionalization process has also affected the workings of the program in the areas already consolidated as regions. The new authorities have small budgets and have suddenly realized the availability of donated food and the power it provides especially because of the economic crisis. PRISMA started talks with some regional authorities in order to clarify program objectives and achieved clear commitments from the authorities to respect the proper use of resources.

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

Mission Director's Comments

OFA/FFD should analyze the magnitude of the problem involving the unauthorized use of Title II food and have a report completed by December 10. Regarding difficulties experienced by MOH/INAN in processing and receiving Public Treasury funds in support of the PANFAR program, FFD should check to verify what funds were actually requested and received over the most recent 12-month period with a view to detecting what and where problems actually exist.

Special Note

In addition to specific comments related to the different Title II programs, the Mission Director also underscored the following:

1. There is a need for OFA/FFD to more clearly define the criteria to be applied when making decisions regarding the use of different funding sources (OPGs, Title II Monetization, Section 416, Farm Bill, etc.) in support of the PL 480 Title II Programs.
2. The Mission must reach an understanding with the GOP regarding the monetization of donated commodities.
3. The Mission Food Aid Strategy should address the process of identifying beneficiaries, as well as beneficiary characteristics, levels and location.
4. There is a need to better assess the impact of food assistance on program beneficiaries.

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

1. Continue to provide clear guidance to all MOH officials in all UDES regarding the action to be taken in the case of threatened unauthorized use of Title II commodities. PRISMA must intensify the diffusion of the activities, goals and objectives of the PANFAR Program, and to review USAID Regulations 11 with health authorities, workers and beneficiaries.
2. Negotiate an agreement with the Ministry of Agricultural for the use of some of ECASA's regional warehouse space.
3. Continue with the programed technical and supervisory visits to the UDES.
4. The Nutritional Surveillance Seminar for the Arequipa Region (second) and Lima (first) will be conducted in January and March, respectively.
5. Supervision will concentrate on the northern region because of the difficulties encountered there with the regional authorities.
6. The Nutritional Surveillance is being planned for Huancavelica, Ayacucho and Piura.
7. PRISMA is planning to present a seminar on Information Systems in order to teach health workers how they can use the information forms that they send to the Central level, as feedback for their own planning and evaluation.
8. PRISMA will conduct a seminar on Education Methodologies in order to provide the appropriate tools for health workers to replicate what they learn in the PANFAR seminar to their colleagues and beneficiaries.
9. PRISMA will begin the implementation of a plan to build up a core of trainers in each region who will support other health worker efforts to educate both communities and beneficiaries on health and nutrition issues.
10. PRISMA will implement computerized systems in its regional offices to monitor information received during supervisory field visits.

TITLE II PROGRAM
PROJECT STATUS REPORT
April 1, 1991 - September 30, 1991

A B X C

I. BACKGROUND AND FINANCIAL DATA

A. Background Data

Project Title: PRISMA Title II: Feeding and Nutrition Program
for High Risk Families (PANFAR).

Project Manager: Alfredo Gutiérrez

Implementing Agencies:

1. Ministry of Health (MOH): National Food and Nutrition Institute (INAN); 26 Departmental Health Units (UDES)
2. Ministry of Education (MOE): School Nutritional Rehabilitation Component
3. ADRA/OFASA: School Nutritional Rehabilitation Component
4. Nutrition Research Institute (IIN): Special study on dietary intake and nutritional status of children in poor peri-urban areas of Lima.

Program Amounts: Commodities approved (Line 17 of FY 1991 AER)

<u>Commodity</u>	<u>MT</u>	<u>FOB Value (\$000)</u>	<u>Ocean Freight (\$000)</u>	<u>Total Cost (\$000)</u>
Bulgur	7.782	1.245	523	1.768
C.S.B.	4.385	1.425	598	2.023
Lentils	1.219	536	225	761
Red Beans	913	502	211	713
Vegoil	<u>1.599</u>	<u>1.241</u>	<u>521</u>	<u>1.762</u>
TOTAL	15.898	4.949	2.078	7.027

B. Financial Data

Tonnage Authorized for FY 1991: 15.898 MT

Amounts and Dates of Call Forwards:

	<u>MT</u>	<u>Date C/F</u>
First C/F (1st Qtr)	4.217	07/25/90
Second C/F (2nd Qtr)	5.000	10/16/90
Third C/F (3rd & 4th Qtr)	<u>6.681</u>	02/27/91
Total:	15.898	

Arrived to date: 15.898 MT
Balance: MT

Title II Monetization:

	<u>US\$</u>	<u>%</u>
FY 91 Budget Approved by USAID	2.452.967	100%
FY 91 Total Transfers	2.104.940	86%
FY 91 Total Expenditures	1.984.279	81%

II. PROJECT PURPOSE

To improve the nutritional status of mothers and children (0 - 59 months) of families identified as being at high risk of child malnutrition or death.

- To integrate the supplementary feeding program of the Ministry of Health with maternal and child health care activities at operational levels.

- To strengthen and increase the effectiveness of the targeting, distribution and supervision of the Title II Program within the Ministry of Health.

TITLE II PROGRAM
PROJECT STATUS REPORT
April 1, 1991 - September 30, 1991

A ___ B X C ___

III. PROJECT DESCRIPTION

1. The distribution of PL 480 Title II food commodities is integrated with other child survival activities, uses a high risk targeting methodology, and assures a minimum of 6 months coverage for each family.

2. Food logistics monitoring and evaluation components, are designed to improve commodity distribution and to provide bases for future planning.

IV. PROJECT STATUS

A. Project Progress and Achievements compared to Objectives and Benchmarks:

1. During the reporting period, 6,642 MT of PL 480 Title II food commodities were distributed to the UDES, and 2,483 MT of this total were distributed to beneficiaries.

2. Supervisory visits of food logistics personnel were made to 23 UDES, 51 UTES, 131 health centers and health posts.

3. The work with High Risk Families has shown marked improvement, especially in the south and central region, where personnel kept working in spite of the strike.

B. Issues, Problems and Delays:

1. MOH/INAN has continued to experience difficulties in processing and receiving Public Treasury budget allotments to cover transport costs from the UDES to health establishments, resulting in delayed distribution of food to project beneficiaries.

2. An analysis of outstanding cases of unauthorized use of Title II commodities must be conducted and necessary action (s) recommended.

3. The Ministry of Education and Ministry of Health's strikes have lasted almost five months each. There has been some distribution of food since then for pre-schoolers but, because of the strike, and the extended school year, food distribution is expected to continue through March.

C. Major Activities and Corrective Action for the Next Six Months:

1. Continue with the programmed logistical and technical visits to the UDES. The objectives of the visits will be to check the adequate distribution and use of food, the use of official forms, and the collection of beneficiary selection data.

2. PRISMA will work closely with INAN to prevent cases of improper use of PANFAR commodities through direct contact with MOH authorities at all program levels, and through on-going supervision and training of responsible PANFAR personnel.

3. Training workshops will be conducted for regional offices personnel on food logistics.

4. Field visits will be conducted to 26 UDES with the objective of evaluating the information collection and processing system.

Mission Director's Comments

See PRISMA OPG 527-0323 Project Status Report.

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

A X B C

I. BACKGROUND DATA

Project Title: Private Commercial Family Planning
 Project: Project
 Project Number: 527-0326
 Date of Authorization: 08/29/91
 Date of Obligation: 08/30/91
 PACD: 08/30/96
 Implementing Agencies: Apoyo a Programas de Poblacion (APROPO)
 Major Contractors: The Futures Group/SOMARC and JHU/PCS (Buy-ins)
 AID Project Managers: Edgar Necochea, Project Manager
 Maria Angelica Borneck, Project Coordinator
 Status of CPs/Covenants: Annual Workplan
 Date of Last Evaluation: Next Evaluation: July 1993
 Date of Last Audit: Next Audit: Oct. 1992

FINANCIAL DATA

Amount Authorized:	Grant: original	\$5'000,000
Amount Obligated:	Grant: original	\$ 604,115
Amount Committed:	Period:	\$
	Cumulative:	\$
Accrued Expenditures:	Period - Projected:	\$
	Period - Actual:	\$
	Cumulative:	\$
	Period - Next	\$ 500,000
Counterpart		
Contribution:	Planned:	\$ 943,000
	Actual	\$ - 0 -
% LOP Elapsed:		3%
% of Total Auth. Oblig.		12%
% of Total Oblig. Exp.		-%
% of Total Auth. Exp.		-%

II. PROJECT PURPOSE

To increase the provision of modern contraceptive methods through commercial sector channels.

III. PROJECT DESCRIPTION

The CFP Project consists of three components: Contraceptive Social Marketing (CSM), Commercial Services Delivery (CSD) and National Family Planning Communication (NFPC).

The objective of the CSM component is to increase the availability of accessibly-priced contraceptives to the project's target group through commercial retail outlets. APROPO will pursue the following strategy to achieve these objectives: refine the definition of the target group, select CSM brand for promotion, assess optimal CSM prices based on maximum affordability to the target group and minimally-acceptable profit margins for producers, distributors and APROPO, carry out a national communication campaign, and analyze and propose reforms for policies that negatively affect project actions and contraceptive prevalence. A substantial amount of technical

B. Major Outputs:

	Planned	
	LOP	Next Period
1. Self supporting brand of Oral Contraceptive	X	X
2. Addition of other Oral Contraceptive Brands	X	-
3. Self supporting brand of condoms	X	-
4. Other products pilot-tested on a commercial basis	X	X
5. Increase of number of employers and health insurance companies offering family planning services	X	-
6. National Communication Strategy	X	X
7. Strong implementing agency	X	-

- Accomplishment to date of major outputs are not herein provided due to the short period of project implementation.

Quantitative indicators will be developed during the next period as stated in

assistance from the centrally-funded SQMARC Project, through a buy-in, will be required to assist APROFO in carrying out these activities.

the project paper.

The objective of the CSD component is to increase the participation of the private sector in financing family planning services. This will require that private health plans expand their coverage, currently limited to curative care, to include preventive health services and family planning. The CSD component strategy will be to demonstrate to employers and insurers the positive returns of include family planning in their employees' health plans and health insurance policies. Once firms are convinced, APROFO will assist them to implement family planning services. APROFO will cover their administrative costs of this component by collecting fees for brokerage services to put companies together with service providers and/or technical assistance, depending on the delivery modality selected. Technical assistance from specialists in private provision of family planning services and employed-based family planning programs will be required to assist APROFO in carrying out these activities.

The objective of the National Family Planning Communication Component is to better inform peruvians about modern contraceptive methods. A lack of information and misinformation about the health effects and use of family planning methods prevents the achievement of a higher contraceptive prevalence rate in Peru. APROFO with the assistance of PRISMA (527-0335 project) and the National Population Council, will coordinate the communication programs of all organizations working in family planning in Peru, in order to make a greater impact on the peruvian populace. Main activities to be carried out will be: a communications needs assessment study, a national communication workshop, and a national family planning communications campaign.

IV. PROJECT STATUS

A. Progress to Date

During the first project month, APROFO submitted to A.I.D. the first year workplan and monthly budget. These documents have been, according to the Mission established procedures, requirements to issue the first implementation letter to commit the project funds obligated by the Cooperative Agreement. After issuing this letter, the accounting office will be able to approve the first advance of funds. The implementation letter is still in the process of

clearances within the Mission. For this reason, APROFO has requested an account overdraft from their bank to operate until the A.I.D. funds arrive.

APROFO has already selected and contracted the key project personnel, starting October first, with our concurrence: The CSM Manager, the CSD Manager and Promoter, and the IEC Specialist.

During September, APROFO received the visit of technical advisors from SOMARC and Population Communication Services. They came, in response to our request, on their own funds, to discuss with APROFO the first year workplan, to start the design of a five-year strategy, to determine the information requirements for completion of strategies and to evaluate the CSM Manager and IEC Specialist selected by APROFO.

The results of these visits have been extremely successful. SOMARC and PCS representatives were completely satisfied about the professional quality of the persons selected to manage the CSM and IEC components.

Social Marketing Component:

SOMARC started to make the initial contacts with national contraceptive producers and commercial distributors to detect their willingness to participate in the project. All managers interviewed were very interested in participating in the Social Marketing program, as soon as possible.

Given the favorable environment for the CSM program, SOMARC considers it highly possible to make negotiations with local producers in November-December, to have in January 1992, at least one oral contraceptive available for the CSM program, and start the publicity campaign in March 1992.

During October, SOMARC is going to provide the CSM Manager training in contraceptive social marketing in PROFAMILIA/Colombia, and discuss the major points of negotiation with local contraceptive producers.

Communication Component:

The PCS advisor worked with the IEC Specialist in designing the basic guidelines for the National Communication Strategy. They have been making a preliminary evaluation of the local advertising agencies, to prepare and send requests for proposals for the advertising campaign

once the product to be offered by the CSM program is defined.

Technical Assistance:

PIO/Ts for buy-ins with SOMARC and Johns Hopkins University/FCS and a contract with the CSD Advisor are in the process of clearances within the Mission.

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

C. Other Accomplishments

In September APROFO was nominated by ADV Peru to compete for the prize Top of Marketing, due to their CSM campaign (for Microgynon and Lorophyn) in the former project, which was completed in February 1990. The prize has been awarded to APROFO and will be given in the closing ceremony of the Third National Marketing Congress on October 31, 1991.

APROFO signed an agreement with the Peruvian Navy through which APROFO will assist them in organizing a comprehensive family planning program in all their hospitals. The Navy will pay APROFO a fee for their service.

D. Problems and Delays

Due to the initial delay in the process of approval of the first advance of funds, APROFO has requested an account overdraft from the bank. This is an additional cost for APROFO to be covered by their own resources.

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

The Project Director and General Manager of APROFO has requested the Mission to accelerate the process of disbursements of funds. APROFO will be dealing with commercial companies, mainly advertising and research firms. In negotiating with these companies it is an advantage to be able to pay in advance for the whole contract because significant discounts can be obtained.

For the period October 91 - March 92, the following major actions are expected:

a. By the implementing agency:

CSM Component:

- Survey on income of target population (to determine prices).
- Negotiation with local contraceptive producers and distributors and signature of agreements with APROFO, including a percentage on sales as a fee for APROFO.
- Launch at least one oral contraceptive product in the CSM program.
- Start the advertising campaign for the oral contraceptive.
- First training course for pharmacists and drugstore clerks.
- Buy-in with SOMARC.
- Second visit of Technical Advisors.

CSD Component:

- Contract technical advisor.
- First visit (November) of technical advisor in marketing of commercial family planning services, to review the component strategy and first year workplan prepared by the CSD Manager.
- Training of the CSD Promoter in sales techniques.

2. Sales Proceeds

Loan Funds

- a. PL-480, Title I, 8/11/86
Rice: Good compliance with agreement, ECASA deposited I/.177,047,118 in special account, or 80% above the minimum FOB value. Final liquidation submitted to the GOP Treasury.

Wheat: Poor compliance with agreement. ENCI initially deposited in the special account I/.176,708,076, approximately 2% above the minimum FOB value. I/.150,727,559 not deposited in the special account until August 8, 1988 (over a year later) for a total of I/.327,435,635. Final liquidation submitted to the GOP Treasury.
- b. PL-480, Title I, 7/10/87
Wheat and Corn: Poor compliance in terms of timely deposits. ENCI initially deposited only I/.219,542,599 in the special account. Eleven months later ENCI deposited an additional I/.630,778,547 in the special account for a total of I/.850,321,146. Final liquidations submitted to the GOP Treasury.
- c. PL-480, Title I, 6/28/88
Wheat and Corn: Poor compliance by ENCI in terms of levels and timeliness of deposits. I/.632,607,914 was deposited by ENCI from the sale of wheat and corn (Purchase Authorizations of around \$15,000,000). Final liquidation submitted to the GOP Treasury.

Rice: Good compliance by ECASA with respect to the level of deposits. A total of I/.7,973,988,048 was deposited from the sale of rice (Purchase Authorizations of approximately \$5,000,000). Final liquidation submitted to the GOP Treasury.
- d. PL-480, Title I, 5/3/89
Wheat: Poor compliance by ENCI in terms of the level of deposits. I/.20,250,116,477 was deposited from the sale of the wheat. A shortfall of approximately I/.10,188,605,440 (US\$ 3,300,808) was contributed by the GOP Treasury under the Counterpart Budget of 1990, to satisfy the minimum deposit requirement equivalent to the FOB value of the commodity.
- e. PL 480, Title I, 8/31/90
Wheat: ENCI sold in dollars and effected a total deposit in the Special Account amounting to US \$19,870,950. ENCI has prepared the final liquidation and submitted it to the Treasury for review and approval.

Grant Funds

- f. Section 416, 8/11/86
Sales proceeds of I/.69,739,679 initially deposited by ENCI in the special account, in accordance with the the terms of the agreement. Later in April 1989, ENCI's legal office established that ENCI should adhere to a "total sales less total costs" formula, thereby authorizing two new deposits amounting to I/.41,893,926; for a total of I/.111,633,605 .
- g. Section 416, 11/18/87
Sales proceeds of I/.137,677,418 initially deposited by ENCI in the special account, in accordance with the the terms of the agreement. Later in April 1989, ENCI's legal office determined that ENCI should adhere to a "total sales less total costs" formula, thereby authorizing a new deposit amounting to I/.122,668,464; for a total of I/.260,345,883.

3. Uses of Sales Proceeds for Development Projects

- a. PL-480, Title I and Section 416 Agreements of 8/11/86
(1987 GOP Budget)

A total of I/.363,368,000 was disbursed for projects under the counterpart budget. This final figure was approved in writing by the USAID.

- b. PL-480, Title I, 7/10/87, and Section 416, 11/18/87
(1988 GOP Budget)

A total of I/.1,216,605,293.20 was disbursed for the projects under the counterpart budget. This final figure was approved in writing by the USAID.

- c. PL-480, Title I, 6/28/88
(1989 GOP Budget)

A total of I/.20,003,182,874.68 was disbursed for the projects under the counterpart budget. This final figure was approved in writing by the USAID.

d. PL-480, Title I, 5/03/89
(1990 GOP Budget)

The initial counterpart budget approved, in terms of December 1989 prices, amounted to I/.141,647,000,000. Additional funds were committed under the Supplementary Credits amounting to I/.728,990,800,000 for a total 1990 Counterpart Budget of I/.870,637,800,000.

Carry-overs from PL 480 Title I and Section 416 Agreements signed until May 3, 1989 were exhausted during the last quarter of 1990. The GOP made contributions of funds from other sources in the amount of I/.350,000,000,000 that, in principle, will have to be refunded from generations under the PL 480 Title I Agreement of August 31, 1990.

e. PL 480 Title I, 08/31/1990
(1991 GOP Budget)

The initial counterpart budget approved for 1991 amounted to I/m.7,196,384 (approximately US \$13.8 million). Due to the creeping inflation affecting the peruvian economy the USAID requested additional resources up to I/m.3,214,769 for a total 1991 Counterpart Budget of I/m.10,411,153. Due to the devaluation of the domestic currency the USAID expects that in dollar terms the initial value of the Counterpart Budget will not be exceeded.

D. Follow-up Actions from the Previous Reporting Period

1. USAID/PDP sent a letter to MEF's General Directorate of the Public Treasury providing a closing figure for the 1990 Counterpart Budget. The letter indicated that the net amount disbursed by the Treasury on behalf of the projects amounted to I/m.597,228.58. The latter figure was obtained by the Project Manager in visits to the Treasury Offices of each individual Project. The whole universe of bank statements issued by the Bank of the Nation were cross-checked with the Disbursement Authorizations issued by the Treasury and the accounting reports of the Projects.

2. For the signing of the August 31, 1990 Agreement the USAID and the GOP agreed to the payment of the arrearages according to the following schedule: US\$ 5 million by the end of September 1990, US\$ 3 million by the end of October 1990, and the remaining balance by the end of January 1991. The GOP complied with all the payments except the last one (remaining balance). Instead, the GOP communicated to the USAID that it will start with a monthly payment of US \$ 2 million per month.

3. The Treasury continued to disburse funds to the Projects from sources other than PL 480 Title I. It continued to use the "Bridge Account" of the Treasury, which is not the Treasury's Central account, but a parallel account instead, to avoid sequestration of funds by the Bank of the Nation, for outstanding debts of the Treasury.

4. ENCI and ECASA have submitted final liquidations for 1986, 1987, 1988, 1989 and 1990 to the GOP Treasury for final approval. The Treasury is still reviewing the liquidations.

5. USAID approved the purchase of three pc computers for the General Directorate of Public Credit to be used by the debt analysts that will be working on the reports for the Paris Club.

E. Implementation Status and Accomplishments

1. Major Highlights During the Reporting Period

a. A PL 480 Title III Grant Agreement for US \$ 30 million signed on August 31, 1991 substituted the FY-1991 PL-480 Title I Agreement for \$15 million.

b. The agreement between the GOP and Argentina for US \$45 million dollars for the importation of 562,000 metric tons of wheat was abruptly terminated due to an increase in the price requested by the Argentinean wheat authorities. Only 25% of the agreed upon tonnage was imported by ENCI. The last shipments under the latter agreement to be received during the last quarter of 1991 for 40,000 MT is scheduled to be sold in Chile to avoid a potential problem with the wheat under the Title III Program.

c. The USAID agreed to the request of the Minister of Economy and Finance to extend until July 20, 1990 the repayment of the US \$20,000,000 generated under the August 31, 1990 PL 480 Title I Agreement. The due date has already elapsed and the repayment has not materialized in spite of the permanent conversations between USAID and GOP top officials.

d. The initial 1991 counterpart budget approved, in terms of December 1989 prices, amounted to I/m.7,196,384. Additional funds have been requested for the various projects in the amount of I/m.3,214,769.

e. Arrearages. Since May 1991 the GOP started to pay US \$2 million per month. Basic agreement was obtained by the GOP to refinance the debt in the Paris Club meetings. Negotiations with the various international creditors will start by the last quarter of 1991.

f. Self-Help Measures. The General Directorate of Public Credit submitted a report on the Self-Help Measures on June 11, 1990, as required by the May 3, 1989 Agreement. The report was transferred to the Office of Food and Agriculture for evaluation.

New Self-Help Measures were incorporated in the August 31, 1990 Agreement. The measures are being implemented by the Ministry of Agriculture under the PADI project. USAID's OFA is in charge of monitoring the implementation of these measures and the final report will be provided by PADI during the last quarter of 1991.

g. The USAID continued to receive the Commitment Calendars extended to the Projects by the General Directorate of the Public Budget, the Disbursement Authorizations issued by the General Directorate of the Public Treasury and the bank statements for the "Bridge Account".

2. Problems and Delays

a. Delay in the refund of the US \$20 million loaned to the Agrarian Bank of Peru for the 1990 '91 agricultural campaign.

b. Self-help measures: Delay in providing to Washington a report on Self-help measures as stipulated in the PL 480 Title I Agreements of 1989 and 1990.

F. Planned Activities During the Next Reporting Period

a. Ensure that the bilateral debt negotiation actions to take place under the auspices of the Club of Paris Agreement include the PL 480 Title I debt.

b. Follow-up the refund of sales proceeds from the FY-1990 Agreement and seek Treasury funds to meet the minimum requirements in the special account, if necessary. Oversee opening of maintenance of value accounts. Monitor all accounts and correct problems. Review status of disbursements to AID projects to determine if reprogramming adjustments or additional allocations are required.

c. Mission should ensure that the GOP submits the final reports on Self-Help measures. Receive OFA's evaluation of the report submitted by the General Directorate of Public Credit on the Self-Help measures, stipulated in the May 3, 1989 Agreement. Receive the GOP's report on the new measures included in the August 31, 1990 Agreement.

d. Encourage the GOP Treasury to accelerate the review of the liquidations submitted by ENCI and ECASA under the PL 480 Title I Agreements of 1986, 1987, 1988, 1989 and 1990.

- e. Reconcile with the Treasury all the transfers made to the projects under the 1990 and 1991 counterpart budgets.
- f. Encourage the General Directorates of the Treasury and Budget to continue with the timely submission of the reports.
- g. Cooperate with the GOP entities involved in the management of the PL 480 Title I Program, the satisfaction of the responsibilities called for by the agreements.

III. MISSION DIRECTOR'S ASSESSMENT

Grade (A). Considerable progress has been achieved by the Mission in the management and institutionalization of the PL 480 Title I and Section 416 monetization programs. Slow but very important improvements have been achieved in securing timely disbursements to projects. A permanent dialogue is being attained among the Central Government, the Executing Agencies and the USAID, on the various aspects of the Monetization Program.

Mission has made significant progress in programming local currency jointly with the GOP, taking into account USAID priorities. PDP has systematized the collection of budgetary requests from the various USAID Technical Offices for the approval of the initial budget allocations and for securing additional resources via the supplementary credits. Excellent working relations have been developed with MEF which respond to USAID priorities.

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 TITLE II PROGRAM
 PROJECT STATUS REPORT
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IV. PROJECT STATUS

A. Project Progress and Achievements:

1. During the reporting period the food was distributed as follows:

Analysis of commodities by programs:

<u>Program</u>	Distribution Levels	MI
	<u>MT Total</u>	<u>This Period</u>
Maternal Child	5,632.7	2,791.3
Pre School Feeding	1,755.0	870.5
Other Child Feeding	16,076.5	7,974.0
Other Child	2,370.8	1,176.3
Food for Work	<u>17,980.4</u>	<u>8,958.7</u>
TOTAL	43,815.9	21,044.6

Analysis of beneficiaries

<u>Program</u>	<u>FY 1991</u>	<u>This Period</u>
Maternal Child	122,451	130,000
Pre School Feeding	30,000	35,000
Other Child Feeding	206,109	210,000
Other Child	30,395	40,000
Food for Work	<u>468,245</u>	<u>480,000</u>
TOTAL	857,200	895,000

2. Expenditures under the PL 480 Title II Monetization Program for FY 1991 totaled US\$3,127,332.34, approximately 67% of the budget approved by USAID.

3. An institutional audit of Caritas del Peru, which includes the auditing of CARITAS 1990 financial statements, is in process. This audit, which will also serve to comply with an important annual USAID requirement for PVOs to maintain certification, is being conducted by the Price Waterhouse affiliate in Peru, Moreno y Patiño. The audit is expected to be completed and a financial report submitted by the end of October, 1991.

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4. Coordination between the Mission and RIG/Tegucigalpa resulted in the contracting of Price Waterhouse on September 6, 1991, to conduct a management audit of CARITAS del Peru. The conclusions and final report of the audit are to be submitted by January 8, 1992.

5. The FFD Project Manager completed a special visit to Bolivia from September 25 to October 3, 1991 to assess the implementation of specific aspects of the USAID/Bolivia assisted Title II food program, particularly, the Commodity Tracking System and the CARITAS/Bolivia initiative to generate community-level contributions for the Title II Program. The trip report, including on-site observations and recommendations, is being prepared.

6. Under the Farm Bill, USAID/W approved a grant to CARITAS del Peru for the amount of US\$161,664 for the period of January 1, 1991 to March 31, 1992. The purpose of the grant is to provide support for CARITAS del Peru to meet specific administrative, management, personnel and internal transportation and distribution costs to carry out its Title II program. The proposal was cleared and supported by FFD.

B. Issues, Problems and Delays:

1. CARITAS believes that the Title II food used for its direct distribution program should be packaged with limited or no markings in order to reduce the potential risk to field staff of food marked with the A.I.D. emblem and acknowledgement to the U.S. people and government for the donation.

2. The security situation has placed restrictions in varying degrees on field site visits and project activities in the Departments of Puno, Ayacucho, Cuzco, Huancavelica, Junin, Ancash and Cajamarca. These restrictions continue to affect supervision on the part of CARITAS Personnel as well as of FFD Staff and, in some cases, the distribution of Title II food to project beneficiaries.

3. The FY 92 Operational Plan and Title II commodity levels have been approved only in part by USAID/W. By the end of the reporting period only the FY 1992 first quarter call forward approval was granted.

4. A uniform reporting system is not yet in place to effectively measure the impact of different CARITAS program activities.

5. From the internal control system currently used, it is not clear whether USAID is paying some overhead costs of other funders or a disproportionate amount of staff salaries.

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TITLE II PROGRAM
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C. Major Activities and Corrective Actions for the next six months:

1. OFA/FFD should consult with the Embassy RSO and Political Section regarding the perceived level of threat due to marked food containers, with A.I.D./W regarding the cost implications of having limited markings for the CARITAS program food, and with all the PVO cooperating sponsors to determine the advisable level of special markings for the Title II Program in Peru. The implications of limited markings on potential loss and misuse of food should also be analyzed. (Deadline: December 1, 1991.)

2. Continue meetings regarding security issues, on a periodic basis and with all PVO cooperating sponsors.

3. Obtain definitive approval of the CARITAS Operational Plan and Title II commodities level for FY 1992. Also, and at USAID/W's request, a justification will be submitted to proceed normally with the remaining FY 92 Call Forwards until the results and recommendations of the Management Audit are available in January, 1992.

4. Check with A.I.D./W to determine if other countries have uniform reporting systems in place; and proceed with training of PVO central and field staff to implement system designed for the USAID/Peru food aid program.

5. Corrective actions will be identified to ensure CARITAS compliance with the recommendations resulting from the Management/Pre-Award Audit.

6. Approve the PL 480 Title II Monetization Budget for FY 1992.

7. Review the design of the new multi-year strategy and operational plan to be implemented by CARITAS del Peru.

8. Hold a meeting with the USAID Director, other Mission staff and the CARITAS Board of Directors for the purpose of reviewing the activities and accomplishments of the FY 1991 Food Aid Program.

Mission Director's Comments

The Mission should define as soon as possible its position on the CARITAS request for special markings on its Title II Program food. The Management Audit must clarify what internal control systems need to be improved or established to ensure the proper use of USG funds and to fulfill A.I.D./W requirements for PVO registration.

SEMI-ANNUAL REVIEW
PERIOD: APRIL 1, 1991 - SEPTEMBER 30, 1991

I. BACKGROUND DATA

- 1.1 PROGRAM TITLE: PL 480 TITLE III
- 1.2 AID PROJECT MANAGER: Cesar Espino Salazar
- 1.3 DATE OF OBLIGATION: FY-91, Signed July 23, 1991
- 1.4 AMOUNT: US \$ 30,000,000
- 1.5 IMPLEMENTING AGENCY: GOP (MEF, INP, ENCI)

II. PROGRAM STATUS:

2.1 A total of 156,816 metric tons of wheat were purchased at an average price of US \$ 136.33 per metric ton, for a total of US \$ 21,378,725. Total freight costs amounted to US \$ 8,621,275.

2.2 The following is the schedule of shipments:

<u>SHIP</u>	<u>SHIPMENT DATE</u>	<u>TONNAGE</u>	<u>ARRIVAL</u>
Star of Texas	October 21-31/91	32,000 MT	Nov. 10
Transfortune	November 11-21	30,266	Nov. 30
Thoroughbred	November 21-30	32,550	Dec. 10
Star of Texas	December 01-10	32,000	Dec. 20
Maku Pahu	December 12-22	30,000	Jan. 02
	TOTAL	156,816 MT	

2.3 On August 9, 1991 the USAID submitted a letter to the Minister of Economy and Finance formalizing the 1992 counterpart budgetary allocations for the GOP/USAID projects, for a total amount of US \$ 19,000,000, as the initial budget. The distribution is as follows:

ATT: INIAA	US \$ 5.0 million
FUNDEAGRO	4.4
UNA	0.5
ONA	0.3
Tropical Soils	0.9
APODESA	0.3
AOJ	0.9
Child Survival	4.0
Upper Huallaga	2.7
TOTAL	19.0

2.4 At the request of the GOP PIL No. 1 was issued approving some changes in Annex A of the Agreement, making explicit that:

(i) Local currency generations can be used to defray allowable marketing costs for the sale of the wheat.

(ii) Disbursements on behalf of the Projects will follow the Treasury's system.

(iii) Conformation of the Management Unit and the provision of funds to defray supervision costs.

2.5 The Minister of Economy and Finance solicited to modify the selling terms of the wheat stipulated in Annex A. The Minister requested that the marketing agent should collect from each purchaser, upon signature of the sales agreement, 100% of the price, which will be expressed in a bonded title with a maturity period of up to 180 days, with interest accruing from the date of issuance until the date in which is due and payment is made. The USAID approved the request in PIL No. 2.

III. PROBLEMS AND DELAYS

3.1 On August 10, 1991 the GOP published Supreme Decree No.036 (later renumbered as No.128) dictating measures to regulate the marketing of agricultural commodities from international donations granted to the GOP. Some measures established by the decree impacted negatively on the PL 480 Title III Program, for example:

(i) ENCI must be the marketing agency on behalf of the GOP.

(ii) ENCI must deposit the SPECIFIC SURTAX on wheat imports in the banking account No.184667-MEF established for the Agrarian Development Fund.

(iii) The supreme decree granted itself retroactive application.

On September 14, 1991 the GOP published Legislative Decree No.668 which eliminates and prohibits all types of exclusiveness, limitations or monopolistic practices in the production and marketing for all goods and services in Peru, including those goods and services being produced or marketed by public entities. Eliminates some exonerations except those stipulated in international agreements signed by the GOP. But, keeps the payment of the SPECIFIC SURTAX on selected agricultural commodity imports and remains silent on the destination of the surtax.

Later the GOP published Supreme Decree No.157 to partially modify and amplify the Supreme Decree No.128, including inter alia the following:

- (i) The Agrarian Development Fund should receive the IMPORT DUTY, the SPECIFIC SURTAX, and the SALES TAX.
- (ii) Penalties for the late deposit of the above taxes.

Finally, by Supreme Resolution issued by the Ministry of Agriculture, a Committee has been established to coordinate and supervise food MONETIZATION PROGRAMS granted to the GOP. The scenery is further confused by the inclusion of the "real prices" parameter in the resolution.

3.2 Given the legal confusion created by the above decrees, MEF is delaying the issuance of the Ministerial Resolution accepting the donation.

3.3 Given the legal confusion created by the above decrees, the signing of the marketing contract between MEF and ENCI is being delayed.

3.4 The CIF value of the Argentinean wheat approximates US \$ 130 per metric ton while the US wheat CIF value approximates US 192 per metric ton. Obviously, the highest price that a domestic buyer will be willing to pay will be that comparable to the Argentinean wheat.

IV. PLANNED ACTIVITIES DURING THE NEXT REPORTING PERIOD

- 4.1 Follow-up the issuance of the Ministerial Resolution accepting the donation.
- 4.2 Follow-up the signing of the marketing contract between MEF and ENCI.
- 4.3 Follow-up the creation of the PROGRAM UNIT to manage the Title III and ESF donations.
- 4.4 Follow-up the arrival of the wheat and its sale.
- 4.5 Amend Annex B of the Agreement to reflect the actual shipping dates. USDA, OMB and USAID signed an Agency Agreement that permitted the shipment of Title III commodities until December 1991.
- 4.6 Presentation to Washington of FY-92 Title III Proposal.

V. MISSION DIRECTOR'S ASSESSMENT.

This new Program has been approved in the midst of the GOP's economic stabilization plan. Transcendental economic policy changes have taken place bearing a heavy impact on various economic sectors of Peru. This Program is contributing to both: (1) satisfying the demand for a critical food and (2) saving scarce foreign exchange. There is still a lack of communication between the multifarious institutions dictating policy changes which many times result in policy contradictions. These contradictions are not insuperable given the vocation of the present Administration for order and improvement.

The GOP position of considering the specific surtax as a net government revenue shows a lack of understanding about the manner the monetization programs have been implemented. The claim of the rice millers for justifying the specific surtax is founded on false facts.

Mission should ensure that the price of Title III commodities does not disrupt commercial practices but the terms of the agreement should be adhered to.

PRICE COMPUTATION FOR THE ARGENTINEAN WHEAT

1. FOB VALUE	106.00 \$/MT
2. FREIGHT	24.00
3. INSURANCE	0.26
CIF VALUE	130.26
4. TARIFF	19.54 (15% of CIF value)
5. SPECIFIC SURTAX	78.00 (lump sum on fob reference price)
6. UNLOADING	5.66
7. SANITARY INSPECTION	0.51
8. CUSTOM CHARGES	1.18
9. DEMURRAGE	1.00
10. BANKING COSTS	6.04
11. ENCI COMMISSION	2.94 (1.2% of selling price ex-custom)
PRICE EX-CUSTOM	245.13
12. SALES TAX	39.22 (16% of selling price ex-custom)
SALE PRICE	284.35 (CASH)

(Net for Special Account \$ 267.02/mt totalling \$ 41.9 million)

PRICE COMPUTATION FOR THE US WHEAT

1. FOB VALUE	136.00 \$/MT
2. FREIGHT	56.00
3. INSURANCE	0.00
CIF VALUE	192.00
4. TARIFF	28.80 (15% of CIF value)
5. SPECIFIC SURTAX	73.00 (lump sum on fob reference price)
6. UNLOADING	5.66
7. SANITARY INSPECTION	0.51
8. CUSTOM CHARGES	1.18
9. DEMURRAGE	
10. BANKING COSTS	
11. ENCI COMMISSION	3.61 (1.2% of selling price ex-custom)
PRICE EX-CUSTOM	304.76
12. SALES TAX	48.76 (16% of selling price ex-custom)
SALE PRICE	353.53 (CASH)

- Identify potential private health and family planning private providers that could cooperate with APROFO in service delivery.

Communications Components:

- Buy-in with JHU/PCS.
- Assist in the CSM advertising campaign.
- Psychographic study with T.A. of PCS to design messages for the institutional and national communication campaign.
- Completion of the institutional and national communication strategy.
- Preparation of National Communication Workshop to be conducted in April.

b. By A.I.D.

Additional new obligation of funds will be made to cover project expenditures for the rest of the year.

F. Mission Director Comments

The period covered by this report is only for the first 45 days of project implementation. However, it is showing very good progress. The immediate response of the cooperating agencies, The Futures Group and Johns Hopkins, which have sent their technical advisors to start working with APROFO in identifying project technical assistance needs has been very important.

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

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I. BACKGROUND DATA

Project Title: ADRA/OFASA OPG: Nutrition and Food-for-Work
 Project Number: 527-0328
 Date of Authorization: September 30, 1988
 Date of Obligation: September 30, 1988

PACD: December 31, 1992
 Implementing Agency: ADRA/OFASA, (A/O)

Cooperating Agencies:

1. Regional Governments
2. National Food Distribution Agency (CNAAN).
3. Nutrition Research Institute (IIN).
4. PRISMA, the Ministry of Health's (MOH) National Food and Nutrition Institute (INAN), and local health centers and posts.

Major Contractors: N/A

AID Project Manager: Alfredo Gutiérrez

Status of CPs/Covenants: None

Date of Last Evaluation: 00/00/00 Mid-term Evaluation: 08/91

Date of Last Audit: 00/00/00 Audit : 09/91

FINANCIAL DATA

Amount Authorized:	Grant: original	\$ 1,250,000
Amount Obligated:	Grant: 09-30-88	\$ 347,976
	: 07-26-89	\$ 240,000
	: 03-30-90	\$ 662,024
Amount Committed:	Period:	\$ NONE
	Cumulative:	\$ 1,250,000
Accrued Expenditures:	Period - Projected:	\$ 143,500
	Period - Actual:	\$ 68,108
	Cumulative:	\$ 1,003,940
	Period - Next	\$ 120,500
Counterpart		
Contribution:	Planned:	\$ 311,800
	Actual	\$ 187,100
% LOP Elapsed:		70.58 %
% of Total Auth. Oblig.:		100.00 %
% of Total Oblig. Exp.		80.31 %
% of Total Auth. Exp.		80.31 %

II. PROJECT PURPOSE

To provide support to ADRA/OFASA's institution-building and program development process aimed to improve and expand its maternal and child health programs, and to develop its food-for-work activities in the priority areas of agricultural production, productive community infrastructure, and micro-enterprise development.

III. PROJECT DESCRIPTION

The project has a number of activities, related to the project purpose:

1. To carry out a series of health and nutrition interventions among pregnant and lactating women and children under 6 years of age in order to reduce malnutrition, improve health, and enhance child survival.
2. To provide agricultural credit, tools, and other inputs to farmers with below average yields, in order to increase incomes and food availability.
3. To increase family incomes through the establishment of group-operated micro-enterprises.
4. To fund selected infrastructure, especially that which supports agricultural and other productive activities, in order to increase incomes and enable essential services to be provided to the communities.

B. Major Outputs

	Planned				Accomplished		
	LOP	Period	Cum.	Next Period	Period	Cum.	% of LOP
1. Child Growth Monitoring (No)	21000	21000	21000	21000	20800	20800	75%
2. Fam/Com.Gardens (No)	380	12	316	30	21	325	86%
3. Agricultural Development (Has)	2060	100	1870	178	112	1882	91%
4. Irrig. Canals (Km)	1090	50	968	80	255	1173	108%
5. Well Construct.(No)	1270	378	877	120	234	733	58%
6. Terrace Const.(Has)	465	30	325	50	350	645	139%
7. Road Construction/Rehabilit. (Km)	1285	83	1016	97	255	1188	92%
8. Instal. of potable water (Km)	108	7.6	77.7	12.0	11.5	81.6	76%
9. Land Leveling (Has)	100	16.3	73.5	9.0	3.5	60.7	61%
10. Latrine Construc.	7890	1788	6405	565	2708	7325	93%
11. Silo/Warehouses Construction (No.)	96	16	65	6	41	90	94%
12. Micro-enterprise Training (Proj.)	280	265	291	291	291	291	104%

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

IV. PROJECT STATUS

A. Planned EOPS

Progress to Date

1. Maternal/Child Health:

a. Among those expectant mothers who enroll in the project by the ninth week of pregnancy, at least 50% will initiate pre-natal control during the first trimester of pregnancy; of these women, at least 70% will continue to attend a minimum of one control per trimester during the final two trimesters of pregnancy, as evidenced by their control cards.

b. Among all child beneficiaries, a minimum of 70% will exhibit an adequate growth curve (weight-for-age).

c. Among all child beneficiaries, and those expectant mothers who enroll in the project by the fifth month of pregnancy, a minimum of 70% will be up-to-date in their immunization schedules.

2. Agricultural Development:

70% of field-crop projects will demonstrate a minimum per hectare increase in yield of 30% above the regional average.

3. Basic Productive Infrastructure:

Works which contribute to increased productivity within the community and to improve health and social infrastructure, will be given priority.

4. Micro-enterprise Development:

a. 280 groups trained, with 118 completing stage three, being formally established as a small business.

1. a. 79% of MCH project participant mothers (230) during their pregnancy are receiving prenatal care.

b. 74% of project participant children (15,320) from 0 to 6 years of age are demonstrating a positive growth curve.

c. 86% of project participants, both prenatal and children, are up to date in their immunization schedules (10,040 children). 65% of the pregnant mothers (613) were vaccinated against tetanus.

2. The average per hectare increase in yield is 36% above the regional average (for specific crops: potatoes 71%, barley 66%, corn 24%, wheat 23%, beans 21%).

3. ADRA/OFASA has implemented or is currently supporting the construction or rehabilitation of irrigation channels, animal dips for disease control, water, reservoirs, the repair of secondary roads, the installation of potable water and sewage systems, and the promotion of soil conservation activities. Statistical data reflecting progress in these priority areas is provided in Section IV.B.

4. a. A total of 291 groups involving 8,060 participants have been trained in stages 1 to 3, ie. in basic job skills and accounting procedures.

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Fifty-two businesses in their third and final stage of micro-enterprise development, with a total of 343 participants, have been established with ADRA/OFASA support.

b. An average 20% increase in the income of all participants.

b. While participants earn incomes higher than the legal minimum wage, statistics are not yet available to determine the average percentage increase.

C. Other Accomplishments and Overall Status

1. During the reporting period the following training events were conducted:

a. A national training workshop on "Evaluation of Information Systems" was held from June 18 to July 3, in Cusco. There were 31 participants: 3 national administrators, 8 regional directors and treasurers, 4 national coordinators and 16 supervisors. There were 3 ADRA International advisors.

b. A workshop on "Evaluation of Project Implementation" for 6 days, from July 10 to 16.

c. A workshop on "Reinforcement of the Concept of Micro-Enterprises and their Control Systems" took place in Pachacamac from April 15 to April 19, with 15 supervisors attending.

d. A training workshop on "Microenterprise Project Formulation at the Community Level" was held in Urubamba-Cusco, from June 27 to July 4. There were 15 supervisors as participants.

e. A training workshop on various matters (including work organization, implementation of small businesses, cost control, administration of micro-enterprises) was held during the month of August. Participants included 50 implementation project personnel, 6 promoters, and one supervisor. It was conducted by SENATI.

f. A workshop on "Evaluation of Project Progress and Activity Planning for the next 6 months" was held in Naña the second week of July. Administrators, national coordinators, regional directors and Treasurers attended this event.

2. A/O continued the development of its Nutrition and Growth Monitoring System at the national level.

3. A/O implemented 1,148 projects in 1,120 communities for 215,843 recipients.

D. Problems and Delays

1. It is unclear how many different communities actually participate in the ADRA/OFASA food-assisted programs, and to what extent various project activities are integrated and implemented in the same community. The apparent diffusion may not accurately reflect a level of integration already achieved.

2. Security problems continue to partially affect the supervision, monitoring and implementation of project activities in the Departments of Junin, Puno, Cajamarca and Ancash.

3. Transportation costs have increased due to the higher prices of fuel and spare parts.

4. 62% of beneficiaries (134,467) currently reached thru program activities live in marginal urban areas and 38% of program beneficiaries (81,376) live in rural areas. A/O intends to reorient the priority focus of program activities toward rural areas where it considers the potential beneficiaries a more neglected population.

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

1. National program staff will continue visiting each regional office on a quarterly basis to provide technical assistance and program supervision.

2. Quarterly meetings will be conducted with A/O Regional Directors and Project Coordinators to review project progress, implementation issues and resource requirements.

3. The Project Financial Audit will be carried out with Price Waterhouse starting in October 1991.

4. The mid-term evaluation will be completed and submitted to USAID in November 1991.

5. The SOW for the Internal Review of the A/O PL 480 Title II Program will be submitted to USAID in December and the review conducted in January 1992.

6. Follow-up actions will be taken to ensure A/O compliance with the recommendations resulting from the audit and internal review.

7. A/O will begin the construction of a warehouse building in Callao with Farm Bill funds. The warehouse will be used to store food for distribution to Lima and the Departments of the central part of the country.

8. A/O administrator and treasurer will attend an international workshop ("II Seminario de Coordinación en Administración"), from October 14 to October 25, organized and conducted by ADRA Internacional in Chile.

PROJECT STATUS REPORT

April 1, 1991 - September 30, 1991

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4. The OPG mid-term evaluation got underway in August, and the final report will be submitted to USAID in November. This evaluation will allow to analyze the following issues:

- . clarify & identify the number of projects executed by A/O,
- . possible consolidation of projects in zones, and
- . number of communities benefited.

A/O has a big number of projects in process; apparently, in the same number of communities. This matter must be clarified in the new A/O plan proposal.

5. A/O presented to the Mission its FY 92 Farm Bill Funding Proposal to improve its Title II food-aid program activities.

6. 1,242 beneficiaries at the second level of micro-enterprise development were trained in order to increase their production and keep production registers, as well as keeping records of costs and incomes.

7. 52 micro-enterprises have been established, generating 152 jobs.

8. 675 families from 15 communities benefited from the implementation of green house gardens in the Puno Zone. They used the "Fito-toldos" system (sun tents).

9. 1872 families from 20 communities constructed 41 warehouses to store improved seeds from the Community Bank. The warehouse model was designed by the CIP (Centro Internacional de la Papa).

10. 2708 families from 45 communities have benefited from the construction of latrines in their homes. Each family has been trained to properly use and maintain of them.

11. 21 infrastructure promoters have been trained on the proper installation of tubing and sewage systems. This training was conducted by SENCICO.

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

10. Due to the cholera outbreak, A/O will give priority to the construction of latrines and the improvement/installation of potable water systems.

Mission Director's Comments

The clear progress indicatives which ADRA/OFASA uses to report on project activities are an excellent means to determine program progress and should be recommended to all the PVO Title II programs. At the same time, ADRA/OFASA supports a large multiplicity of projects and need to better focus on priority areas of community needs, support larger projects as well as to integrate activities of different sectors within the same community. As ADRA/OFASA moves ahead on constructing a central warehouse facility, the Ministry of Agriculture should be approached to explore possible use of ECASA warehouse space.

TITLE II PROGRAM
PROJECT STATUS REPORT
April 1, 1991 - September 30, 1991

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I. BACKGROUND AND FINANCIAL DATA

A. Background Data:

Project Title: ADRA/OFASA, Title II Food Program
 Project Manager: Alfredo Gutiérrez
 Implementing Agency: ADRA/OFASA, (A/O)
 Cooperating Agencies:
 1. Regional Governments
 2. National Food Distribution Agency (ONAA)
 3. Nutrition Research Institute (IIN)
 4. PRISMA and the Ministry of Health (MOH) National Food and Nutrition Institute (INAN), and local health centers and posts.

B. Financial Data:

Tonnage Authorized for FY 1991: 17,069 MT
 Amounts and dates of Call Forwards:

	MT	Date C/F
First C/F	4,487	06/19/90
Second C/F	5,610	09/14/90
Third C/F	4,488	11/14/90
Fourth C/F	2,484	04/04/91
TOTAL	17,069	

Program Amounts: Commodities approved (Line 17 of FY 1991 AER)

	MT	FOB Value (\$000)	Ocean Freight (\$000)	Total Cost (\$000)
Wheat Flour	6,827	1,263	530	1,793
ICSMF	7,498	2,062	866	2,928
Lentils	1,146	504	212	716
Red Beans	806	443	186	629
Vegoil	792	615	258	873
TOTAL	17,069	4,887	2,052	6,939

Arrived to date:
Balance:

17,069 MT
--- MT

Title II Monetization:

		US\$	%
FY 91	Budget Approved by USAID	1,541,569	100%
FY 91	Total Transfers	1,490,649	97%
FY 91	Total Expenditures	1,315,400	85%

II. PROJECT PURPOSE

To consolidate its development program aimed to improve and expand its maternal and child health programs, and to develop its food-for-work-activities in the priority areas of agricultural production, productive community infrastructure, and micro-enterprise development.

The project will provide food-assistance to 399,900 beneficiaries under the implementation of a variety of food-assisted development activities during FY 91.

III. PROJECT DESCRIPTION

1. The project expects to provide direct food assistance to 399,900 persons annually, to 142,100 project participants in addition to another 257,800 beneficiary family members who will share in a food-for-work ration.

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 TITLE II PROGRAM
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2. Some 28,700 people will participate in the maternal/child health program: pregnant women (7%), nursing mothers (18%), and children 0-6 suffering from, or at risk of, malnutrition (75%).

3. Approximately 13,800 nutritionally at risk children over age 6 will also receive direct food aid.

IV. PROJECT STATUS

A. Project Progress and Achievements compared to Objectives and Benchmarks:

1. During the reporting period, 9,936 MT of PL 480 Title II food commodities were distributed to 396,510 beneficiaries, as follows:

P R O G R A M S:	COMMODITIES (MT)		BENEFICIARIES (No)	
	Distribution	This	Program-	This
	Levels FY 91	Period	ed FY 91	Period
Maternal Child Health	3,788	1,804	28,700	27,920
Other Child Feeding	994	473	13,800	15,300
Food for Work:	<u>12,287</u>	<u>7,659</u>	<u>357,400</u>	<u>353,290</u>
. Agricultural Develop.	2,488	1,423	47,590	41,090
. Basic Community Infra.	6,368	4,519	267,760	271,150
. Micro-enterprise	3,431	1,717	42,050	41,050
	=====	=====	=====	=====
T o t a l :	17,069	9,936	399,900	396,510

2. The FY 1992 Operational Plan, and Title II commodity levels were approved. The Title II Program Budget will be approved.

3. The FY 92 Monetization Program Budget was prepared by A/O and reviewed jointly by USAID.

4. Expenditures under the FY 91 PL 480 Title II Monetization Program totalled US\$1,315,400 approximately 85% of the Monetization Budget approved by USAID.

B. Issues, Problems and Delays:

1. Effects of inflation and dollar exchange rates on transportation costs continued to cause problems with budget management and food distribution to beneficiaries.

2. The security situation placed restrictions in varying degrees on field site visits and project activities in the Departments of Puno, Junin, Ancash and Cajamarca, affecting, in some cases, the distribution of Title II food to project beneficiaries.

3. In Matarani A/O sold 940 sacks of deteriorated wheat flour not suitable for human or animal consumption. The buyer did not comply with the condition of sale stipulated by A/O, that is, for industrial use only. As a result, Peruvian authorities began an investigation into the matter and it has yet to be concluded. In the meantime, the sacks of wheat flour are still being held in the Port of Matarani.

C. Major Activities and Corrective Actions for the Next Six Months:

1. The next meeting of A/O Regional Directors and Project Coordinators will be scheduled to review project progress, issues, resources requirements and to implement the project progress tracking and reporting system.

2. The Internal Review of the PL 480 Title II Program commodities has been scheduled for January 1992.

3. A/O will implement, starting FY 92, the revised ration for its MC and OCF Programs, to improve the nutritional status of mothers and children.

4. With funds that are expected to be approved from FY 92 Farm Bill, A/O will complete the new warehouse facilities which will serve Lima and other departments of the central part of the country, and will implement a Commodity Tracking and Control System.

5. To fulfill the USAID annual requirement to maintain certification of A/O, the Mission, in coordination with RIG/Tegucigalpa, is carrying out an Audit of the Monetization Program and A.I.D Project 527-0328 activities. This audit is being conducted by Price Waterhouse, and is expected to be completed by the end of January 1992.

Mission Director's Comments:

See ADRA/OFASA OPG 527-0328 Project Status Report.

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

A x B C

I. BACKGROUND DATA

Project Title: CARE OPG Food-Assisted Integrated Development Project (PRODIA)
 Project Number: 527-0330
 Date of Authorization: 09/27/88
 Date of Obligations: 09/27/88
 09/30/88
 07/26/89
 09/29/89
 03/29/90
 12/31/92

PACD:
 Implementing Agencies:
 1. CARE
 2. The National Food Distribution Agency (ONAA).
 3. The Ministry of Health (MOH) for the Lima Callao area and for the city of Piura.
 4. The following Regional Government sites: (a) "Nor-Oriental del Marañon" (Department of Cajamarca), (b) "Chavin" (city of Chimbote), (c) "Victor Raul Haya de la Torre" (city of Trujillo), and (d) "Jose Carlos Mariategui" (Department of Puno).
 5. The Central Cooperative Credit (CCC) Bank of Peru and the "Banco Popular del Peru".

Major Contractors: N/A
 AID Project Manager: Mario Quiroga
 Status of CP's/Covenants: N/A
 Mid-Term Evaluation: 06/30/91
 Audit: Annual A-110
 Internal Review PL 480: December 1991

FINANCIAL DATA

Amount Authorized: \$728,000 Grant (ARDN, HE, CS)
 Amount Obligated: \$728,000
 Amount Committed: Period: NONE
 Cumulative: \$728,000
 Accrued Expenditures: Period - Projected: \$ 75,000
 Period - Actual: \$ 67,947
 Cumulative: \$642,375
 Period - Next: \$ 18,000
 Outstanding Advances: \$ 62.986
 Counterpart
 Contribution: Planned: \$134,400
 Actual: \$119,800

% LOP Elapsed: 71.15%
 % of Total Auth. Oblig. 100.00%
 % of Total Oblig. Exp. 88.23%
 % Total Auth. Exp. 88.23%

II. PROJECT PURPOSE

To promote community development in the depressed urban and peri-urban areas of Lima, Trujillo, Cajamarca, Chimbote, Piura and Puno, through active community participation of the targeted population, in a manner which strengthens community organizations, and increases family incomes of the poor residents of these areas.

III. PROJECT DESCRIPTION

1. Support for community feeding centers (comedores) to assist groups of marginal-urban women in their efforts to organize comedores, which relieve economic pressure through the provision of low-cost meals,

B. Major Outputs

	Planned			Accomplished			% MYOP
	MYOP	Period	Cum.	Next Period	Period	Cum.	
1. Food-Assist.support to comedores (No.)							
- Regular Program	2450	2500	2500	2450	2493	2493	100
- Special Groups	--	--	--	100	140	240	--
- Benefic.(No)	241350	350000		250000	243059		
- Women	181000	262500		187500	182294		
- Men	60350	87500		62500	60765		
- Food Dist.(MT)a/	17213	9250	17213	16050	6416	15149	88

PROJECT STATUS REPORT
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and improve community nutrition levels. In addition CARE is providing food-assistance to "Special Groups" (homes for abandoned or mentally retarded children, and for the indigent elderly).

2. Credit to small businesses in the informal urban economic sector.

3. Women's credit for the development of small-scale enterprises and other income-producing activities.

4. Food-for-Work support to communities which have independently planned and secured materials to undertake community improvements.

5. In addition to food-assistance to comedores, CARE has been providing, on a case-by-case basis, resources to improve the comedor installations and equipment (kitchen utensils and construction materials)

2. Training to women comedor leaders(No.)	5760	1500	3821	2200	2136	4457	77
3. Women's credit(No.)	224	127	231	88	130	234	104
4. Loans w/CARE guarantee (No.) <u>a/</u>	--	400	1133	400	451	1184	105
5. FFW community sponsored initiatives	18375	9000	35795	4000	15194	41989	228
-Women	16538	8100	32215	3600	13675	37790	
-Men	1837	900	3580	400	1519	4199	
-Food Dist. (MT)	599	400	730	350	399	730	122
6. Implem.& infra. improv./comedores							
- (No) <u>b/</u>	1225	625	1016	718	712	1103	90
- \$ amount <u>b/</u>	428751	228751	428751	251300	259705	361744	84
8. Food Dist.(MT)	17812	6270	16162	8180	6815	15879	89

a/ This activity was not originally programmed.

b/ FY 1991 Monetization PL 480 Title II Budget.

IV. PROJECT STATUS

A. Planned (MYOP FY 1991)

1. Food and technical assistance to groups of marginal-urban women in 2,450 organized comedores. 102%

2. 224 loans to groups of women members of the comedores, for small scale enterprises. 104%.

3. FFW support to 700 community sponsored projects. Although the Project supported only 297 communities, the total number of participants in the FFW activities was more than double (228%) of those planned. 89%

4. Distribution of 17,812 MT. during FY 1991. 89%

C. Other Accomplishments and Overall Status

1. CARE's participation in the anti-cholera campaign during the second quarter of FY 1991, helped to improve relations with the Ministry of Health. In spite of the four month strike of MOH personnel, Project activities continued in Piura and in a great part of Lima and Callao.

D. Issues, Problems and Delays

1. Because monetization funds, which finance over 75% of Project costs, were restricted during the months of June and July, CARE had to utilize OPG funds to meet program requirements. As a result two components of the OPG Project Budget are close to exceeding the 20% line-item limit allowed under the OPG Agreement.

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2. A survey on food storage concluded that there exists a need for five (5) warehouse facilities in Lima to enable the Project, through decentralized distribution, to improve its performance, providing a more efficient and timely service to the feeding centers. Funds to construct and implement these storage facilities have been approved under the FY 1991 Farm Bill.

3. 1032 Feeding centers were assisted with funds to improve their kitchen utensils and/or their infrastructure (roof, doors, floor) enabling them to provide better service.

4. The Mid-Term Evaluation was performed during the months of July and August. The document is under review and will be forwarded to USAID by the end of October 1991.

5. A "Producers Directory" for the District of San Juan de Lurigancho, Department of Lima, was published with information and photographs of 213 small enterprises. The Directory is designed to improve the marketing potential of the small business sector in that District.

6. According to an independent study contracted by CARE, related to Project beneficiaries, and conducted during July 1991; three (3%) of the small businesses increased their profits by 20%, nine (9%) increased their earnings by up to 10%, and twenty six (26%) increased theirs by an average of 17%. The remaining 62% maintained their status.

7. In order to consolidate the women's knitting skills, a high-level design training course was performed during the reporting period. There are now 36 well trained women in Lima who can produce export quality Alpaca sweaters, and who are currently producing for four (4) local exporters.

8. Mission received and approved the MYOP up-date and the FY 1992 AER. CARE under the PRODIA Project will distribute 31,158 MT of commodities during FY 1992, which represents an increase of over 65%, in relation to FY 1991.

Mission Director's Comments

Mission should review ONAA's role and performance in providing food logistics support to CARE. After this analysis the Mission together with CARE should determine the feasibility of renewing an operational agreement with ONAA in the future.

2. The CCC Bank of Peru and the Banco Popular are the two counterpart institutions which provide loans to small business Project beneficiaries with the support of the CARE loan guarantee fund. Both had to restrict their loans, due to a lack of liquidity in the Peruvian banking system.

3. Due to Peru's economic recession many of the Project's micro-enterprise participants face serious marketing problems.

4. The CARE/ONAA Agreement terminated on March 31, 1991. Since that date CARE has been trying to negotiate a new Agreement but has not succeeded. The main reason is related to ONAA's insistence on centralizing the disbursements of operating funds to its Regional Offices.

E. Major Activities or Corrective Actions during the Next Six Months:

1. The Mid-Term Evaluation will be submitted to USAID in October.

2. The SOW for the Internal Review of the PRODIA PL 480 Title II Program will be submitted to USAID in November, and the review conducted in December.

3. CARE will start the construction of the zonal warehouses, centrally funded under the FY 1991 Farm Bill.

4. A "Producers Directory" for small enterprises of Lima and Trujillo, will be published.

5. During the month of October the Mission will complete the review and approval of the FY 1992 PL 480 Title II Monetization Program Budget.

6. The OPG Project Budget will be revised and Amendment No. 5 will be issued to reflect the change.

7. A new CARE/ONAA Agreement will be signed.

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TITLE II PROGRAM
PROJECT STATUS REPORT
April 1, 1991 - September 30, 1991

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I. BACKGROUND AND FINANCIAL DATA

A. Background Data

Project Title: CARE Food-Assisted Integrated Development Project (PRODIA)
Project Manager: Mario Quiroga
Implementing Agencies:
1. CARE
2. The National Food Distribution Agency (ONAA)
3. The Ministry of Health (MOH) for the Lima/Callao area and for the city of Piura.
4. The following Regional Government sites: (a) "Nor-Oriental del Marañon" (Department of Cajamarca), (b) "Chavin" (city of Chimbote), (c) "Victor Raul Haya de la Torre" (city of Trujillo), and (d) "Jose Carlos Mariategui" (Department of Puno).
5. The Central Cooperative Credit (CCC) Bank of Peru and the "Banco Popular del Peru".

Program Amounts: Commodities approved (Line 17 of FY 1991 AER)

COMMODITY	MT	COST MT	FOB VALUE	OCEAN	
				FREIGHT COST	TOTAL COST
RICE	9.375	340	3,187.500	1,338.750	4,526.250
VEGOIL	1.149	707	812.343	341.184	1,153.527
CORNMEAL	3.052	207	631.764	265.341	897.105
PEAS	3.052	305	930.860	390.961	1,321.821
BEANS	<u>1.625</u>	550	<u>893.750</u>	<u>375.375</u>	<u>1,269.125</u>
TOTAL	18.253		6,456.217	2,711.611	9,167.828

B. Financial Data

Tonnage Authorized for FY 1991: 18.253 MT

Amounts and Dates of Call Forwards:

	ARRIVALS (in MT)		DATES OF	
	Request.	Arrived	C/F	Arrivals
- First C/F	4.704	4.713	07/12/91	11/28 - 12/06/90
- Second C/F	4.704	4.688	10/09/90	02/09 - 03/29/91
- Third C/F	4.598	4.591	11/30/90	05/12 - 05/25/91
- Fourth C/F	<u>4.247</u>	<u>4.092</u>	03/28/91	09/04 - 09/18/91
- TOTAL	18.253	18.084		

Arrived to date: MT 18.084

Balance: MT 169 (VEGOIL. Scheduled to arrive w/FY 92 1st.C/F)

Title II Monetization:

	US\$
FY 91 Approved Budgeted	2,356,647.00
FY 91 Total Transfers	2,300,785.00
FY 91 Total Expenditures	2,310,563.00

II. PROJECT PURPOSE

To promote community development in the depressed urban and peri-urban areas of Lima, Trujillo, Cajamarca, Chimbote, Piura and Puno, through active community participation of the targeted population, in a manner which strengthens community organizations and increases family incomes of the poor residents of these areas.

III. PROJECT DESCRIPTION

1. Food and technical assistance to groups of marginal-urban women in their efforts to organize 2,450 community feeding centers

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(comedores) to benefit 241,350 people through the provision of low cost meals, thus improving community nutrition levels. In addition CARE is providing food-assistance to 140 "Special Groups" (homes for abandoned or mentally retarded children, and for the indigent elderly without family).

2. FFW support to communities which have independently planned and secured materials to undertake small infrastructure projects.

IV. PROJECT STATUS

A Project Progress and achievements:

1. During FY 91, commodities were distributed as follows:

Analysis of commodities by programs: (in MT)

<u>Program</u>	<u>Distribution levels</u>	<u>This period</u>	<u>Total FY 1991</u>
- Communal Kitchens	16,614	6,125	14,383
- Special Groups	599	291	766
- Works by Community Initiatives	599	399	730
TOTAL	17,812	6,815	15,879

Analysis of beneficiaries:

<u>Program</u>	<u>FY 1991</u>	<u>This period</u>	<u>Total FY 91</u>
- Communal Kitchens	303,050	226,210	611,128
- Special Groups	39,215	16,849	42,528
- Works by Community Initiatives	40,540	15,194	41,989
TOTAL	382,805	258,253	695,645

2. The Internal Review of the PL 480 Title II Program has been rescheduled for December 1991.

3. The FY 1992 Operational Plan and Title II commodity levels were approved in June and the FY 1992 1st Quarter Call Forward was transmitted to AID/W on July 15, 1991, for distribution during the quarter October/December 1991.

4. Funds for the construction and implementation of five (5) warehouses for food storage have been approved under the FY 1991 Farm Bill.

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5. A workshop to analyze, discuss and improve the storage, handling, and distribution of project food, and the processing of information was held in Lima in August, with the participation of ONAA's personnel from Lima and the Regions.

B Issues, Problems and Delays:

1. Storage, food handling and timely food distribution has continued to be an area inadequately managed by ONAA personnel.
2. The GOP's National Food Distribution Agency (ONAA), as the PRODIA counterpart is not only in charge of food handling, storage and distribution, but should provide timely information to CARE for the preparation of the "Commodity Status Report". The fact is that the delivery of information from ONAA is six months behind schedule, the most recent report received on August 8, 1991, corresponding to the period January/March 1991.

C Major Activities and Corrective Actions for the Next Six Months:

1. The internal Review of the PRODIA PL 480 Title II Program will be conducted in December 1991.
2. CARE will begin construction of the warehouse facilities funded under the FY 91 Farm Bill.
3. A workshop is scheduled to take place in January, 1992, to improve the managerial capability of ONAA's personnel.

Mission Director's Comments

See CARE PRODIA Project Status Report.

TITLE II PROGRAM
PROJECT STATUS REPORT
April 1, 1991 - September 30, 1991

I. BACKGROUND AND FINANCIAL DATA

A. Background Data

Project Title: CARE Agroforestry Food-for-Work (ARCA)
Project Manager: Mario Quiroga
Implementing Agencies:
1. CARE
2. The National Office for Food Assistance (ONAA)
3. The Ministry of Agriculture (MOA) through the General Directorate of Forestry and Wild Life (DGFF)
4. The following Regional Government sites: "Nor-Oriental del Marañón" (Department of Cajamarca), (b) "Chavin" (Callejón de Huaylas area), (c) "José Carlos Mariátegui" (Department of Puno), "Inca" (Department of Cusco).
5. The local NGOs: SEPAR ("Servicios Educativos, Promoción y Ayuda Rural") and "Vecinos Perú".
Final OPG Evaluation: July 1991
Internal Review PL 480: August 1991

Program Amounts: Commodities approved (Line 17 of FY 1991 AER)

Commodity	MT	Cost MT	FOB Value	Ocean	
				Freight Cost	Total Cost
RICE	636	340	216,240	90,821	307,061
VEGOIL	76	707	53,732	22,567	76,299
CORNMEAL	314	207	64,998	27,299	92,297
PEAS	314	305	95,770	40,223	135,993
LENTILS	151	440	66,440	27,905	94,345
BEANS	163	550	89,650	37,653	127,303
TOTAL	1,654		586,830	246,468	833,298

II. PROJECT PURPOSE

To implement an agroforestry food-for-work program in priority rural sierra communities in up to eight Departments in Peru in conjunction with the DGFF (Dirección General de Forestal y Fauna), the Regional Governments, ONAA (Oficina Nacional de Apoyo Alimentario), and

B. Financial Data

Amount authorized:	OPG Grant	\$ 230,000
Amount obligated:		230,000
Amount committed:	Period	26-
	Cummulative	229,974
Accrued expenditures:	Period-Projected	-
	Period Actual	26-
	Cummulative	229,974
	Period Next	-
Outstanding advances:		-
Counterpart		-
Contribution:	Planned	\$ 47,400
	Actual	64,171
% LOP elapsed		100.00%
% of Total Auth. Oblig		99.98%
% of Total Oblig. Exp.		100.00%
% of Total Auth. Exp.		99.98%

Tonnage Authorized for FY 1991: 1,654 MT
Amounts and Dates of Call Forwards:

	ARRIVALS (in MT)		DATES OF	
	Requested	Arrived	C/F	Arrival
- First C/F	781	771	7/12/90	11/28-12/06/90
- Second C/F	-	-	-	-
- Third C/F	856	868	12/07/90	05/12-06/16/91
- Fourth C/F	17	8	04/18/90	09/08/91
- TOTAL	1,654	1,647		

	US\$
PL 480 Title II Monetization	
FY 1991 Approved Budget	641,712
FY 1991 Total Transfers	630,558
FY 1991 Total Expenditures	547,056

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 TITLE II PROGRAM
 PROJECT STATUS REPORT
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NGOs, motivating the rural communities to install and maintain communal nurseries in order to preserve natural resources, and to implement soil conservation practices to increase agricultural production, utilizing food-aid to alleviate malnutrition.

III. PROJECT DESCRIPTION

Through a food-for-work modality this CARE Agroforestry activity provides family rations and nutritional orientation to needy "campesino" families living in the rural highlands of Peru.

IV. PROJECT STATUS

A. Major Outputs:

	<u>Planned</u>	<u>Accomplished</u>
1. Installation of community nurseries (No.)	120	133
2. Tree seedlings produced (No. in 000)	2,000	2,260
3. Soil conservation practices (Has)	150	180
4. Forestry committees organized (No)	120	137
5. Training to farmers (No. of classes)	250	336
6. Training to participants (No)	7,000	6,938
7. Participants (No. of families)	15,000	15,600
8. Food distribution (MT)	850	675

B. Other Accomplishments and Overall Status

1. The Mission received from CARE a copy of ARCA II (Agroforestry for Resource Conservation and Alternatives) Proposal, in July 1991. The OFA Ad-hoc Committee met in August, but prior to the technical review of the proposal, the members of the Committee expressed their interest in obtaining the results of the OPG Final Evaluation.
2. The Final Evaluation of the ARCA OPG Project was conducted during the month of July, 1991, by a group of three independent technicians contracted by CARE, and was transmitted to USAID on September 20, 1991.
3. To assist the DGFF and ONAA to manage the resources and to monitor the implementation of project activities in the emergency zones, CARE has signed agreements with the NGOs, SEPAR ("Servicios Educativos y Promoción y Ayuda Rural") for the Department of Junín, and with "Vecinos Perú" for the Departments of Ayacucho and Huancavelica.
4. A workshop was held from May 13 to May 17 with the participation of CARE, the NGOs and counterpart personnel to discuss and examine the goals, activities and strategies for the continuation of ARCA I.

C. Issues, Problems and Delays:

1. Timely food distribution to the participant communities continues to be an area inadequately managed by ONAA personnel, due mainly to the lack of trained personnel in food management and distribution. Part of the problem is the voluntary resignations encouraged by the government via financial incentives. In many cases the most capable technicians have taken advantage of these incentives, thus increasing the workload of overburdened staff, who have to assume other administrative functions. Another problem is the limited availability of vehicles, often in bad operational conditions, for food transportation.
2. The generation and timely provision of food information from ONAA, and the hygienic maintenance and fumigation in the warehouses are also operations which need to be improved. To correct these problems, CARE is conducting workshops with ONAA's personnel, as stated in point No. 7 above under "B".
3. This CARE agroforestry activity is in a transitional period. OPG support of the pilot project terminated the end of March, 1991. Both the cost effectiveness of the project, and the appropriateness and/or feasibility of food assistance within the project are in question. An evaluation of the project was just recently concluded, and the results are being analyzed.

D. Major Activities and Corrective Actions for the Next Six Months:

1. The PACD of the OPG was March 31, 1991; nonetheless, the Mission has agreed to support certain activities through FY92 until it can be determined if this activity will be included in our new PVO Umbrella project. Therefore, US\$641,712 from the monetization of Title II commodities were approved for FY 1991. Likewise, under the same funding source, CARE is requesting for FY 92, US\$1,049,422.
2. Mission has received and approved the Operational Plan and the AER for FY 1992. CARE under the ARCA Project will distribute 2,647 MT of commodities during FY 1992, which represents an increase of 19.6% in relation to FY 1991.
3. As of March 31, 1991, the PACD of the OPG, the Project had an unused balance of \$26.00, which was deobligated by the Mission on September 17, 1991.
4. The Mission review of actual OPG expenses showed that the following line budget items had variations of more than 20%: technical staff exceeded the limit by 5.3%, while travel and lodging was minus 5.3% and vehicle operations was minus 27.3%. CARE will request the Mission's approval and if the budget modification is justified, an Amendment will be issued.

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TITLE II PROGRAM
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7. The ARCA II proposal was completed in August and transmitted to USAID in late September for USAID's technical review and comments.
 8. The Project published the technical guide "The Propagation of Forestry Species by Air-Layering", which has been distributed among the Project Extensionists in order to promote the application of this technology within the participating communities.
 10. A workshop to analyze, discuss and improve both the storage, handling, and distribution of project food, and the processing of information was held in Lima in August, with the participation of ONAA's personnel from Lima and the regions.
 11. The internal review of the PL 480 Title II Program commodities was conducted by an independent consultant during the month of August 1991.
 12. An audit of the CARE/ARCA OPG was requested to RIG/Honduras. However, we have been advised by the USAID/CONT's Office that local audits are not required with US PVOs, if their office Headquarters comply with performing an Annual A-110 Audit.
5. The OFA Ad-hoc Committee will review the OPG Final Evaluation and the technical aspects of the ARCA II proposal, providing comments and recommendations.
 6. The final version of the Internal Review of the ARCA PL 480 Title II commodities will be forwarded to USAID.
 7. CARE is in the process of selecting an NGO to manage the resources and to monitor the implementation of Project activities in the Department of Apurimac. It is expected that an agreement will be signed before November 1991.

Mission Director's Comment

Any support for a new CARE Agro-Forestry Project will be considered within the context of the Mission Food Aid Strategy and in light of the results of the recently concluded project evaluation. Title II resources are currently committed through FY 92, but continued support from FY 93 onwards, either under the PVO Support Project or with Title II resources, will depend upon the project's compatibility and level of priority within the Mission's CDSS.

IV. PROJECT STATUS

A. Planned EOPS

1. Decreased HIV incidence among defined cohorts.
2. Established and increased use of confidential HIV antibody testing and counseling service.
3. Establishment and increased use of an AIDS hotline service.
4. Cadre of trained and experienced professionals and volunteers created and engaged in AIDS prevention and central activities.

Adjustments were made to the EOPS in a Cooperative Agreement amendment, to better reflect technical consensus on what was doable during LOP. In a number of cases this led to substantially increased indicators.

B. Progress to Date

PECOS continues to show slower than desirable progress, mainly due to replacements on the investigation team and some personality clashes among professionals. Nonetheless, the Pecos director has taken a competent approach to project management during this period.

With an average attendance of 5-6 patients per day in the Confidential Diagnosis and Counseling Center, San Marcos (PRODICEV) remains community oriented through training workshops directed to health personnel and/or workers in AIDS prevention.

JHOL supports all three reported activities (SID' Ayuda Hotline, Promoters Program and Safer Sex Workshops), growing in increasing demand, and drawing praise in comparison with HIV/AIDS prevention activities in other Latin countries.

4. Research studies conducted on male/female attitudes/behavior.	3	1	3	2	1	1	33%
5. Research findings published. (Copies)	3000	0	0	1000	0	0	0%
6. Workshops conducted for AIDS prevention workers.	10	2	6	2	2	6	60%
7. AIDS prevention pamphlets distributed via peer education groups.	950000	150000	164500	150000	196400	318320	34%
8. Confidential HIV antibody testing center/laboratory established-tests administered.	3000	300	1800	600	292	1150	38%
9. AIDS hotline operational and receiving calls.	6600	500	5400	500	571	2011	30%
10. High-risk men trained by peer educators.	240	40	180	40	20	100	42%
11. High-risk men trained in safer sex workshop.	600	60	256	100	130	408	68%

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C. Other Accomplishments and Overall Status

1. Monthly coordination meetings with all project components provided positive feedback with MHOL and San Marcos.
2. The MHOL Street Promoters Program has impressive demand for the pamphlet and condom material they distribute. This guided us into a re-evaluation of the program and permitted the targeting of concrete distribution goals for 1991.
3. San Marcos conducted follow-up with Callao prostitutes and has prepared a report of the serum findings.
4. PRISMA has developed a local technical assistance plan and request for additional tasks to be carried out under the AIDSOM buy-in. In addition, PRISMA provided revised EOPS indicators that reflect the tremendous success in distributing pamphlets and educational materials to women and high-risk groups.
5. PEOOS has developed a higher profile for AIDS prevention and control efforts despite the obstacles raised in public health education by the cholera epidemic and consequent media attention.

D. Problems and Delays

1. PEOOS is still maintaining a delay related to the accomplishment in all activities performed from the new schedule prepared with Kathryn Carovano during her last visit to Lima.
2. As medical and indeed Ministerial attention to AIDS has been reduced due to the problems associated with the Cholera Epidemic, a greater effort in public awareness is required.

E. Major Activities During Next Six Months

1. Refine project evaluation strategies.
2. Develop a projection of possible future project activities following the PACD.

PEOOS

1. Apply and finish the workshop design for the adolescent population.
2. Carry out 20 workshops through youth organizations and schools.
3. Organize outreach activities for World AIDS Day (December 1).

SAN MARCOS (Institute of Tropical Medicine)

1. Continue counselling and testing at the Confidential Counselling and Testing Center.
2. Develop an evaluation seminar of center's HIV experience.
3. Continue with the training workshops directed to health promoters and/or workers related to AIDS prevention.

MHOL

1. Continue an effective promotion campaign in all services provided by MHOL through a strategy prepared with AIDSOM.

2. Continue with all "Pasa la Voz" Program activities according to schedule determined after the re-evaluation of the same Program.
3. Proceed with the safer sex workshops with general and high risk groups.
4. Develop a strategy for outreach in Trujillo with PRODICEV and CESO.

F. Mission Director's Comments

This small project, funded under a Cooperative Agreement with the local PVO PRISMA, has made progress during the reporting period. While the project has had to deal with some problems inherent to the public sector in one of the three sub-grantees, overall the leadership of PRISMA during the past six months has improved.

Particularly worthy of special mention are the efforts of PRODICEV, the Tropical Medicine Institute Lab. of the public San Marcos University, and MHOL, a non-governmental advocacy group among the higher-risk population of Lima. In spite of an atmosphere of student unrest, the highly motivated staff has been able to expand contacts among high-risk populations in Lima as well as in the provinces, perform ELISA tests and a unique HIV counseling service, as well as an important epidemiological service.

In the case of MHOL, during this period a highly successful series of safer sex workshops previously geared to the high-risk homosexual, bisexual, and prostitute population of Lima was adapted for the purposes of high schools and family planning promoters. A manual for workshop facilitators, and other highly effective educational materials have been developed and distributed. The operation of the AIDS telephone hotline has served an increasingly broad public audience, which compares favorably with other Latin America efforts. While at times the MOH has expressed an interest in taking over the hotline, the management of the hotline by MHOL has been a modestly successful example of a favorable public-private partnership.

While AIDS activities are not included as high priority Mission strategic objectives, nonetheless this small cooperative agreement has proved effective and important to overall efforts to organize some excellent efforts against AIDS in Peru.

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

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I. BACKGROUND DATA

Project Title: Private Voluntary Family Planning
 Service Expansion (PVFP)
 Project Number: 527-0335
 Date of Authorization: original 09/22/89 amendment 08/31/90
 Date of Obligation: original 09/22/89 amendment 09/28/90
 PACD: original 09/21/90 amended to 09/30/93
 Implementing Agencies: Asociacion Benefica FRISMA
 Major Contractors: N/A
 AID Project Managers: Edgar Necochea, Project Manager
 Gloria Nichtawitz, Project Coordinator
 Status of CPs/Covenants: N/A
 Date of Last Evaluation: June 1990 Next Evaluation: 10/01/93
 Date of Last Audit: 05/30/91 Next Audit: 05/30/92

FINANCIAL DATA

Amount Authorized:	Grant: original	\$ 2,217,302 amended to 11,800,000
Amount Obligated:	Grant: original	\$ 2,217,302 amended to 8,737,798
Amount Committed:	Period:	\$ 173,695
	Cumulative:	\$ 3,611,289
Accrued Expenditures:	Period - Projected:	\$ 1,650,000
	Period - Actual:	\$ 1,072,811
	Cumulative:	\$ 3,319,831
	Period - Next:	\$ 1,500,000
Counterpart		
Contribution:	Planned:	\$ - 0 -
	Actual:	\$ - 0 -
% LOP Elapsed:		51.02%
% of Total Auth. Oblig.		74.00% *
% of Total Oblig. Exp.		37.99%
% of Total Auth. Exp.		28.13%

* This does not include the OYB transfer to SI/POP/CPSD executed May 8, 1991, obligated for the purchase of contraceptives.

II. PROJECT PURPOSE

To maximize the availability of family planning services to women and men who wish to use them by strengthening the capacity and improving the performance of the private voluntary sector to deliver efficient and quality services, focusing on long-lasting contraceptive methods, and maintaining support for temporary supply methods and natural family planning methods.

III. PROJECT DESCRIPTION

This four-year project provides technical and financial resources to assist six FVOs to increase their capacity to provide quality family planning services. The over all objectives of the project are: 1) to increase the capacity of selected FVOs to deliver family planning services (institution building); 2) to improve the availability of long-lasting contraceptive methods; 3) to maintain support for temporary supply methods and natural family planning; and 4) to

B. Major Outputs

	Planned				Accomplished		
	LOP	Period	Cum	Next Period	Period	Cum.	% of LOP
1. Private sector agencies provide family planning services.	6	6	0	0	6	6	100% *
2. Computerized accounting systems and procedures implemented in 6 FVOs.	6	6	0	0	6	6	100% *
3. Contraceptive inventory carried out and contraceptive order	5	1	3	0	1	3	60%

enhance rural family planning coverage through PVO/public sector collaboration.

During the year just completed (PY 2), the project continued institution building activities initiated during PY 1 such as refinement of MIS, preparation of manuals, TA on strategic planning, etc. The main emphasize of this second project year, however, has been programmatic, focusing on PVO capacity to deliver long lasting methods, quality of care issues, IEC activities, and promotion of family planning.

IV. PROJECT STATUS

A. Planned EOPS

Progress to Date

1. Improved administration systems
 - PRISMA continues to provide TA on the MIS to achieve the same degree of advancement and progress in all PVO's.
 - TA was provided to assist and train PVOs in strategic planning.
 - Service statistics manuals were prepared and training provided to service delivery personnel to improve the quality of service statistics.
2. Improved cost effectiveness of services delivery
 - Lima PVO's received TA on use of cost determination methodology. Some PVOs are now basing prices on actual costs.
 - Lima PVO's have also initiated a fee-sharing pilot program with doctors to reduce costs to project and to increase number of clients served.
 - A committee of PVO "administrators" has been formed to discuss and share cost information, advances and management issues.
3. Enhanced financial self-sufficiency
 - Income generation and self suf - ficiency continues to be difficult due to economic crisis. PVO's have been exploring schemes other than sale of services to generate income, i.e., installation of labs and initiation of the so-called "Mercadeo Comunitario" to cover budgetary cuts in CBD programs required by the project design. The

placed.

4. Management information system designed.	1	1	1	0	1	1	100%
5. MIS implemented in 6 PVOs.	6	6	0	6	4	4	80% *
6. Financial reviews of PVOs completed.	3	1	1	0	1	1	33%
7. Audit of PRISMA completed.	3	1	1	0	1	1	33%
8. Two technical studies carried out.	2	0	0	2	2	2	100%
9. Evaluation of project completed.	3	1	2	1	1	1	33%
10. DHS completed.	1	0	0	1	0	0	0%
11. Provide logistics management for Public Sector.	1	0	0	1	0	0	20%

* The high percentage indicates participation/presence/use by all participating PVOs. It does not represent full achievements of the output. Progress is still required and TA will continue to reduce variations of achievement and quality among PVOs.

"Mercadeo Comunitario" (Community Marketing of Contraceptives), however, has required Mission intervention to stop commercial sale of "public sector" (non-commercial) supplies provided for in-country programs.

4. Improve the availability of long-lasting contraceptive methods

- The evaluation of PVO capability to deliver long lasting methods (LIM) included an inventory of equipment and materials, human resources, and systems (in this case lack of -- referrals).

- A workshop was held, attended by 30 PVO representatives to learn of the benefits of LIM's, discuss referral systems, use of risk rationale, and development of protocol for IUD use.

- Some PVO's have begun to offer CBD promoters cash incentives for LIM referrals.

5. Maintain support for temporary supply methods and NFP

- PRISMA assumed responsibility for all USAID provided supplies for public and private sectors. Distribution to public sector was initiated in April following the settlement of the long and violent MOH strike.

- A National Contraceptive Inventory to determine location and quantity of in-country supplies was initiated.

- ATLF continues to receive TA and financial assistance. They have established a general medical services clinic to generate income.

- CENPROF and Planifam/Guzco continue to offer services in rural areas.

- Ever closer collaboration between public and private sector is occurring. Examples include: National Contraceptive Inventory, use of Peru pavilion (solicited by MOH) at Feria del Hogar with active participation by all sectors.

6. Enhance rural family planning coverage thru PVO/Public Sector collaboration

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

C. Other Accomplishments and Overall Status

Action highlights:

- a. The Mission hosted a "Population and Family Planning Workshop" for AID/W, Central Agencies and International Donors. Forty representatives from 22 organizations attended the information-filled, fast-paced event. The workshop provided a great information sharing opportunity between donors and policy and service providers from public and private sectors about activities and programs in population and family planning in Peru.
- b. The III Peruvian Family Planning Congress (attended by more than 700 people) followed the USAID/Peru workshop. President Fujimori was awarded the 1990 IPPF prize for efforts in family planning. His acceptance speech provided a very strong reaffirmation of his commitment to family planning. The award ceremony and the President's speech were afforded prominent and wide press coverage.
- c. Various IE&C activities took place:
 - "Sex, Health and Family Planning" - Feria del Hogar. Under APROPO's coordination, 25 agencies from the public and private sector participated to offer family planning, AIDS, health and nutrition information, counseling and services to approximately 12,000 visitors.
 - "Health and Family Planning" - Feria Popular - was held in University Park in downtown Lima. The interest in and success of this event was impressive and resulted in a plan to hold two similar events in the northern and southern cones of Lima in November and December.
 - A committee made up of IE&C specialists from PVO's developed a poster commemorating the Congress and declaring the 90's as the "Decade of Family Planning".
 - They also designed, tested and produced two pamphlets, one on "Myths and Rumors" addressing health fears about family planning methods often cited as a reason for not contracepting.
 - A meeting of the IE&C committee and the Johns Hopkins/Population Services Communication (JHU/PSC) specialist was held to begin to plan coordinated IE&C activities by the PVO's that will compliment and benefit

D. Problems and Delays

1. There has been a delay in delivery of the two vehicles purchased by PRISMA. PRISMA has sent a notarized letter of inquiry and has been asked to review contract for penalty clauses to cover transportation cost incurred as a result of delays.
2. A leakage of contraceptive (mostly condoms) supplies has been detected. This leakage has occurred just after Quimica Suiza reported that the informal market of condoms appeared to be drying up. PRISMA has been instructed to withhold condom supplies to CENPROF and request an accounting from the Executive Director.
3. After a slow start and some difficulties in coordination due to the modus operandi described in Section IV, C, 1, d, the DHS/ENDES is only one month behind schedule. Preliminary results will begin to appear as field work in major areas is completed. Reportedly, 70% of the field work will be done by December 1991. The complete preliminary report will be ready in March 1992 with the final report due June 1992, as scheduled.

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

1. With the completion of the National Contraceptive Inventory, more accurate estimates of supply requirements can be established by the CPT exercise to be done in November. Meanwhile supply distribution will be carried out with ever greater attention/control to prevent further leakages into informal markets.

Also, an assessment is underway to determine the requirements for "other" family planning supplies, i.e., catgut, gloves, surgical kits, etc. After CPT's are completed and contraceptives ordered, an assessment will be done to establish a possible balance of unused funds. Arrangement will be made with ST/POP/CPD to obtain the "other" supplies needed to provide family planning services.

2. USAID/Peru and PRISMA will negotiate with the MOH to extend the Agreement for PRISMA to continue to provide logistics management and distribution of all Mission provided contraceptives to public and private sectors.
3. APROFO has been asked to cooperate with FVOs to seek a viable source for commercial contraceptive supplies which could be sold to generate income.
4. At the Mission request Population Council is reassessing the Lima zonation and itinerant model of service delivery. They will also look into zonation in other areas of the country where more than one agencies works in order to avoid competition and duplication of services.
5. DHS field work will be terminated and preliminary partial results will be available beginning in December 1991. A complete preliminary draft will be ready by March 1992.

F. Mission Director's Comments

PRISMA continues to perform well in implementing the project. Certain aspects of the project such as CBD budget cuts, income generation/self-sufficiency and commodity leaks will require careful assessment and possible reorientation or remedial action.

During the next period we will need to evaluate the progress that the participating FVOs are making in cost effectiveness, changing more for services, increasing overall contraceptive coverage, and movement toward greater self-sufficiency.

IV. PROJECT STATUS

A. Planned EOPS

1. Improved economic policy climate.

Progress to Date

Major successes: Tariff reforms which reduced levels and dispersion of nominal and effective rates of protection. Further details will be provided upon evaluation of impact of studies done to date on economic policy.

2. An improved economic policy analytical capability in selected GOP organizations.

No training undertaken to date. Awaiting I.C.

3. Economic policy dialogue between the GOP and the private sector in developing sound policy decisions.

CONFIEP was asked to produce draft laws affecting private investment, debt for equity.

4. Improve economic policy guidance to the Peruvian Parliament.

No activities begun. Awaiting I.C.

5. Salary structure that attracts and retains highly qualified individuals in the area of economic policy.

SUNAD: Complete revision of salary and labor codes.

2. A cadre of high and middle level GOP/prv. sector management trained in formulation, analysis and implementation of sound economic policies.

3. Analytic studies and technical assistance that will enhance the quality of the information base for GOP economic policy advisors, IFI and other representatives.

4. Economic policy support for private sector

5. Economic policy program that merits policy-based as well as project-based assistance flows to Peru.

LOP	Planned		Accomplished			
	Period	Qm.	Next Period	Period	Qm.	% of LOP
CONFIEP Training (Number of Participants)						
4320	0	0	300	0	0	0
<u>Long-term Training</u>						
4	0	0	0	0	0	0
<u>Short-term Training</u>						
US 28	0	0	2	0	0	0
TC 37	0	0	5	0	0	0
<u>In-country</u>						
	575	0	0	0	0	0
Measured in Person/Months						
311	42	0	50	40	40	13%

Subject areas of technical assistance/studies: foreign debt, tariff policy, financial systems, public enterprise policy, energy policy, foreign trade legal framework, resinsertion into the international financial system, public sector administration legal framework, mining sector and direct foreign investment.

Base policy score for 1990.

Commitments/Disbursements from IFIs this period: \$331 million in loans; IDB began disbursement in September. \$125 million in loans; IDB committed to be disbursed in October. \$130 million commitment by IDB for March 1992. \$150 million commitment by IDB for September 1992. Future SARs will attempt to show enhanced levels of private direct investment.

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

C. Other Accomplishments and Overall Status

Substantial purpose-level accomplishment in the quality of the economic policies being implemented by the GOP and the studies undertaken to date will likely have a positive impact on future policy decisions. Pre-implementation studies and technical assistance by experts financed by the Project resulted in the following initial successes: Rescheduling of the exterior debt by the GOP at the Paris Club meetings and formation of the Donor Support Group is a direct result of technical assistance provided by the PAPI Project. Enactment of two new laws governing public enterprises policy and initial privatization of public enterprises has been undertaken based on research under PAPI. A new law governing financial institutions was passed and project undertaken to merge state-owned banks into one bank to increase efficiency as a result of a PAPI-funded study. In the trade sector, laws have been passed which were designed and implemented through PAPI-funded technical assistance, resulting in nearly total liberalization of the legal framework governing foreign trade.

Operational accomplishments include the following: Final CPs were met. Counterpart support in the form of equipped office space for the Technical Unit has been provided. Two additional professionals were hired for Technical Unit. AID Project Coordinator hired. (All three new employees of the Project are women, or three of four total employees.) RFP advertised and selection procedure started for institutional contractor.

D. Problems and Delays

As indicated in previous SAR, I.C. will be on board some 7 months later than foreseen (ETA Jan. 1992). Internal Mission clearance procedures have been a continuing source of delays in providing timely services in pre-implementation activities. Exacerbating this problem are the long delays in obtaining signatures on implementation documents of the Project's implementing partner, the Secretary General of the Presidency.

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

1. Institutional Contractor will be selected/contracted.
2. Complete pre-implementation economic studies according to MEF plan.
3. Complete Mission procurement of logistical support items for Institutional Contractor.
4. Revise Implementation Schedule to reflect later start-up of Institutional Contractor.
5. Contract for studies requested by CONFIEP to research and write two laws on private investment for GOP.
6. Mission will send GOP Privatization Team to U.S. short-term training to meet urgent need through pre-implementation budget element, if apparent future changes in GOP Ministries permits nominations of a team likely to be permanent. Two GOP employees of Vice-Ministry of Industry to attend U.S. training in restructuring industrial enterprises, in Spanish. ECON and BCRP will identify 4 Masters Degree level candidates for August 1992 long-term academic training prior to I.C. start-up.
7. Assist selected I.C. with pre-arrival information and settling-in arrangements.
8. Assist selected I.C. in designing implementation schedule and first year's plan for the Project.

F. MISSION DIRECTOR'S COMMENTS

The PAPI Project already has had a dramatic impact in a short time on Peru's economic policies. We were there with the only source of funds available to help the GOP in the design and implementation of its economic reform program, including its acceptance by the IMF for a Rights Accumulation Program. The PAPI Project was equally instrumental in providing the GOP with the expertise necessary for a successful Paris Club renegotiation of Peru's external debt. The impact to date has more than justified resources set aside by AID for policy assistance to help the new government.

Issues to which the Mission should be attentive are:

1. How can the project assist in the development of efficient economic policies at the sectoral level?
2. Insure that the Institutional Contractor gets on board in order to reduce the Mission and GOP paperwork burden.
3. Potential activities of the Congress offer opportunities to support our democratic initiatives. Analyze economic progress on fact, not dogma.
4. Pay attention to political sensitivities that could be raised by AID-funded advisors being so intimately involved with GOP policies.
5. Facilitate donor coordination directly and through the Donor Coordination Unit to be created by the PAPI project.

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programmed to finance high priority activities in the local currency program.

Note: The ESRP was subscribed on September 30, 1991; at present, no disbursements have been made, nor the program been started in any possible way. Thus, there are no program outputs, no problems, and no delays; as a result, consistent and reliable projections cannot be made.

IV. PROJECT STATUS

A. Planned EOPS

Progress to Date

None.

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

C. Other Accomplishments and Overall Status

None.

D. Problems and Delays

Disbursements, which should have started in August, 1991, have been delayed owing to Washington's delay on deciding Narcotics conditionality. There were concerns on the GOP side about the real fiscal relief of the ESRP and rest of ESF projects. These led to an agreement with USAID/Peru about accepting claim notes in local currency, which would allow the availability of local currency when needed.

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

- (i) Sign the Trust Fund Agreement, which will amount to \$4.5 million to finance the Mission's related administrative costs.
- (ii) The GOP meeting and A.L.D.'s approval of conditions precedent to dollar disbursements.
- (iii) Establishment of procedures for local currency and dollar disbursements and tracking.
- (iv) Set up of technical unit at the Ministry of Economy and Finance (MEF).
- (v) Highlight that the Mission accommodated "fiscal relief" of the ESF program facilitating availability of local currency to the Treasury's needs.

Note: The attached Table I shows the local currency financing of GOP budget items through local currency generations from this balance of payments transfer.

F. Listing of Local Currency Projects with FY91 Funds

	(US\$000)
527-0349 Investment and Export Promotion	0
527-0350 Small Business and Employment Expansion	0
527-0354 Selva Coastal Road Rehabilitation	0
Trust Fund	4,500
Audits/Evaluations of Local Currency Program	0
TOTAL ESF EXPENDITURES	4,500

G. MISSION DIRECTOR'S COMMENTS

The ability to negotiate this agreement at the last minute with no definition of conditions demonstrates the close relationship of trust that exists between the Mission and the GOP, especially MEF highest ranking officials. In this context, it is of critical importance to disburse this calendar year.

The Technical Unit to be set up in the MEF will help facilitate programming of local currency, including PL480 Title III issue. It represents the GOP's will to share important budgetary information, and will promote dialogue in budget issues.

The Mission must make sure to complete a management and institutional review that will enable a quick disbursement of resources and ensure the efficient implementation of the local currency program.

The conclusion and signing of this Agreement on the last day of FY91 brought great public recognition in Peru of US efforts and the role it is playing in supporting the GOP stabilization, structural reform and reinsertion efforts. Positive expectations were created on this manifestation of US support to the GOP's economic program.

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

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ATTACHMENT C

I. BACKGROUND DATA

Project Title: Investment & Export Promotion Project
 Project Number: 527-0349
 Date of Authorization: original 09/30/91 amendment 00/00/00
 Date of Obligation: original 09/30/91 amendment 00/00/00
 PACD: original 03/31/97 amended to 00/00/00
 Implementing Agencies: 1) Association Exporters (ADEX)
 2) International Executive Service Corps (IESC)
 Major Contractors: To be determined
 AID Project Manager: Michael Kaiser
 Status of CPs/Covenants: Still to be met
 Date of Last Evaluation: Next Evaluation: March 1994
 Date of Last Audit: Next Audit: June 1993

FINANCIAL DATA

Amount Authorized:		\$19,500,000
Amount Obligated:		\$ 4,500,000
Amount Committed:		\$ 200,000
	Cumulative:	\$ 200,000
Accrued Expenditures:		\$
	Period - Actual:	\$
	Cumulative:	\$
	Period - Next:	\$ 500,000
Counterpart Contribution:	Planned:	\$ 3,105,000
	Actual:	\$
% LOP Elapsed:		%
% of Total Auth./Oblig.		%
% of Total Oblig./Accr.Exp.		%
% of Total Auth./Accr.Exp.		%

II. PROJECT PURPOSE

Generate employment and increase Peru's non-traditional exports and investment in export activities.

III. PROJECT DESCRIPTION

Strengthen Peru's non-traditional export sector by providing TA and credit to non-traditional exporters in agriculture and industry and by enhancing the export promotion services capability by ADEX and other export promotion organizations to provide sustained export services after the Project ends.

IV. PROJECT STATUS

A. <u>Planned EOPS:</u>	<u>Progress to Date</u>
1. \$215 million annual increase in non-traditional earnings.	NA

B. Major Outputs

	<u>Planned</u>		<u>Accomplished</u>		
	<u>LOP</u>	<u>Next Period</u>	<u>Period</u>	<u>Cum.</u>	<u>% of LOP</u>
1. Identification and selection of promising directly export enterprises.	165 firms assisted				0%
2. Strengthened local export promotion services capability.	5 export related organizations supported				
3. Greater information sharing and education within the export sector on critical export issues.					
4. Strengthened capability within the export sector to identify and prioritize needed policy and regulatory reforms and present alternative policy proposals to the GOP for adoption.					

2. 21,000 workers newly employed.
3. 3 non-traditional products being exported from coca growing areas.

B. Major Outputs

	<u>Planned</u>			<u>Accomplished</u>		
	<u>LOP</u>	<u>Period</u>	<u>Next</u>	<u>Period</u>	<u>Cum.</u>	<u>% of LOP</u>
			<u>Period</u>			
5. Increased production-management and marketing capabilities of export firms.						
6. Improved consistency (volume, quality and timely delivery) of export firms.						
7. Working capital and medium term financing provided to exporters.						\$50 M

Project Status Category:

- A) The project was just authorized and initial funding obligated on September 30, 1991.

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

C. Other Accomplishments and Overall Status

D. Problems and Delays

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

1. Plan to contract the services of an institutional contractor and PSC to manage TA provisions and overall coordination of Project.
2. Review and approve ADEX Operational Plan and Budget and the designation of an administrator for the Project.
3. Establish credit transfer mechanism with GOP and Peruvian commercial banking sector for \$50 million export credit line.
4. Establishment of Export Sector Panel among export oriented organizations.
5. Establishment of regional offices for Project activities (in regional Chambers of Commerce).

F. Mission Director's Comments

Authorization for this Project was delayed for approximately six months while the Mission was awaiting the INCA determination. The Mission feels very strongly that NSD-18 should provide exemptions for development related counternarcotics activities, so that their implementation is not held up while other aspects of NSD-18 programs are being negotiated and ironed out.

This Project has great potential for expanding the number of jobs in the export sector. We will need to give particular emphasis to products that provide viable alternatives in the coca producing areas.

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Andean Alternative Development Program
 Investment and Export Promotion
 Project Number: 527-0349

STRATEGIC OBJECTIVE

Transform the Peruvian Economy to increase employment, income and foreign exchange in non-coca activities.

INDICATORS:

- Foreign exchange earnings
- Employment
- Income (Value-added to labor)

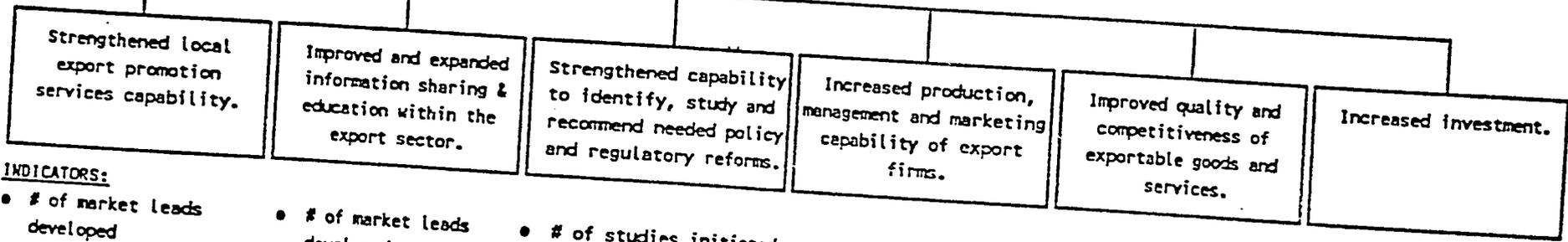
PROJECT PURPOSE

Increased non-traditional exports and employment in assisted sectors.

INDICATORS:

- Value of Non-traditional exports
- Number of export markets
- Employment (Male/Female)

PROJECT OUTPUTS



INDICATORS:

- | | | | | | |
|-------------------------------|-------------------------------|-----------------------------|-----------------------|--------------------|-------------------------|
| • # of market leads developed | • # of market leads developed | • # of studies initiated | • Volume produced | • Exportable yield | • Value of investments |
| | | • # of constraints resolved | • Volume exported | • % rejected | • # of new jobs created |
| | | | • # of export markets | • Value of exports | |

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

I. BACKGROUND DATA

Project Title: Private Sector Institutional Reform
 Project Number: 598-0772
 Date of Authorization: Original 03/01/89 Amendment: 06/22/90
 Date of Obligation: Original 03/02/89 Amendment 04/10/90;
 09/29/90; 03/20/91; 06/12/91; 08/27/91
 PAOD: Original 02/28/94 Amended: 02/28/95
 Implementing Agencies: Institute for Liberty and Democracy
 Major Contractors: None
 AID Project Manager: Edilberto Alarcon
 AID Project Coordinator: Cesar Fonseca
 Status of CPs/Covenants: CPs to First Disbursement : All met
 CPs to Disbursement in CY 2: All met
 CPs to Disbursement in CY 3: All met
 Covenants : All met
 Date of Last Evaluation: 02/15/91 Next Evaluation: 02/92
 (Annual Review)
 Date of Last Audit: 06/15/91 Next Audit: 06/15/92

II. PROJECT PURPOSE

To support IID on the continuation of its research program on public policy institutional reform in Peru and on expanding this program through training and the establishment of an international network, to other countries in the LAC region and in other regions if interest is demonstrated and resources made available.

III. PROJECT DESCRIPTION

The Project will attain its objectives of economic and institutional reform and IID institutional strengthening through:

- implementation and dissemination of a major research program on reform for increased economic competition and the promotion of free markets, including the study of the informal sector,
- development of an outreach program that will assist IID to expand its international linkages,
- a regional training program, and
- an International Coordinator.

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FINANCIAL DATA

Amount Authorized:	DA Grant: original	\$10,000,000
	amended	\$11,288,543
Amount Obligated:	DA Grant: original	\$ 1,800,000 amended to
		\$ 6,425,543 *
Amount Committed:	Period:	\$ 1,812,719
	Cumulative:	\$ 5,813,462
Accrued Expenditures:	Period - Projected:	\$ 1,430,000
	Period - Actual:	\$ 694,459
	Cumulative:	\$ 4,303,152
	Period - Next	\$ 1,358,000
Counterpart Contribution:	Planned:	\$ 8,830,000
	Actual	\$ 1,589,897
% IOP Elapsed:		42.46%
% of Total Auth. Oblig.		56.92%
% of Total Oblig. Exp.		66.96%
% of Total Auth. Exp.		38.11%

B. Major Outputs

IID research and implementation activities have been concentrated in 5 major areas:

- Democratization of Government Decisions (DDG)

Since March 1991, after the controversial decree of Popular Participation for the creation of norms, the Executive Branch has republished 20 norms for public opinion. The current Anti-Narcotics Agreement refers to access to public information and citizens participation as key ingredients for the structural adjustment of the marginal cocallero zones. Several Congress Committees are implementing DDG procedures before the drafting and passing of new laws. Several agreements are also being negotiated with five regional governments.

(*) PPC/WID \$50,000 included

IV. PROJECT STATUS

A. Planned EOPS

Progress to Date

1. Policy changes and reforms proposed/introduced in Peru especially in those sectors where the informal sector plays a large role.
Research has continued in 4 major areas. Reform advocacy has been extended to newly created regions. 9 of 11 regions are finalizing agreements which will directly benefit informal and other marginal sectors in the nation.
2. Research findings and proposed policy changes will be widely known in Peru to engender broad public support for the structural reforms.
Major national promotion campaigns have encouraged broad public support for ILD's schemes of public participation. ILD has also played an important role in advocating deregulation on key sectors of the economy.
3. Institutional reform proposals will also be disseminated throughout Latin American and the Caribbean and worldwide if interest is demonstrated and resources permit.
ILD's programs have been disseminated in Latin America through newsletters, its Annual International Conference, government contacts and international attention to the Institute's leading role on the application of structural reforms in Peru. Honduras and Nicaragua are currently negotiating technical agreements with the ILD.
4. ILD will be institutionally strengthened and will attain sustainability.
ILD has complied with revenue diversification goals. Targets for the first two years have been met. International fund raiser has been hired with outside resources, to reach Year 3 counterpart contribution targets. Management has made great efforts to reorganize the Institute with the application of better accounting and financial systems.

- Property Rights

An operational manual has been established for the registry of "urbanizaciones populares". A digital mapping system has been developed and will be implemented to expedite registry in both urban and rural areas. 20,000 lots from a Special Housing Government Project and 5000 new lots from the human settlement Villa María de Triunfo have also been registered. Technical agreements are being negotiated with 9 regional governments in Peru. International technical agreements are also being negotiated with the Governments of Honduras and Nicaragua.

- Administrative Simplification

ILD's complaint system is still the most important mechanism for the resolution of public complaints in Peru. Most of the deregulatory legislation enacted by the Peruvian Government is based on the principles of the Administrative Simplification Law. The proposal for relaunching the Administrative Tribunal is still waiting for approval of the President of Peru. The Unified Business Registry has been extended to other regions. An Administrative Simplification decree at a municipal level is also being implemented in 7 of the 45 Municipal Provinces in Peru. ILD has signed an agreement with INFOM, a state agency dependent of the Prime Ministry in charge of municipal affairs, to train its staff on administrative simplification rules and its applications at the municipal level. International Assistance to the Government of El Salvador has been postponed to 1992. New agreements are being negotiated with Honduras and Nicaragua.

- Comercialization of Agricultural Products (COMAGRO)

Through initial ILD's studies on export alternatives for crop substitution, the Institute has considered of utmost importance to give prior attention to the regulatory system of the export sector. Therefore, current and future studies on the areas of deregulation will be included under the Administrative Simplification Program.

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

C. Other Accomplishments and Overall Status

Mr. de Soto's role as Special Advisor to the President of Peru has continued to be very beneficial for Peru's adoption of structural reforms. Successful negotiations with the International Financial Community, the Anti-Narcotics Agreement and the current economic program have been positively influenced by ILD's major reform findings on the modernization of the economic and political system of Peru.

At ILD's request, USAID/Peru approved an extension on the Democratic Initiatives Program to facilitate implementation of DDG reforms in the newly created regions and to influence the passing of laws regarding arbitration.

Amendment N° 5 to Cooperative Agreement was signed on June 12, 1991 to obligate \$1,800,000 for Year 3. Amendment No. 6 was signed on August 27, 1991 to obligate \$587,000 for Year 4.

After a lengthy process of negotiations USAID/Peru finally approved ILD's Personnel Policy

The Government of El Salvador has extended for 12 months the technical agreement with the ILD for the implementation of the Property Rights Program

On August 1991, ILD initiated a six-month program to incorporate gender considerations into programs of Democratization of Government Decisions and Property Rights.

ILD, through a contribution of the Echoing Green Foundation, has hired the services of an expert on fund raising activities to explore ways to reach counterpart contribution targets as set forth in the Cooperative Agreement.

ILD has implemented a systematized Center for Documentation and Information which will automatically register books, newsletters, and documents from different libraries and institutions.

- Parallel Systems of Justice

Draft legislation for popular and private arbitration has been finished. A time extension has been approved to allow for a solid presentation to the public opinion and obtain necessary support for Congress approval. Implementation phase will be based on the creation of pilot institutions of arbitration with an emphasis on the informal sector.

D. Problems and Delays

Annual Audit Report for 1990 is delayed but will be completed by December 1991.

Efforts are being made in fund raising activities since Year 3 counterpart targets might be difficult to achieve.

At the request of ILD, the subprogram of Anticorruption was suspended mainly because GOP has not yet appointed Anticorruption Committee. Besides it is planned that structural reforms in this area will be undertaken under other ILD agreement with the Government of Peru.

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

1. As set forth in the Cooperative Agreement, ILD's Threshold Evaluation will take place during the month of February 1992. Dependent on the evaluation outcome and upon availability of funds, A.I.D. will determine whether to proceed with the remaining three years of the Cooperative Agreement. Threshold Evaluation will also analyze the subprograms of Democratic Initiatives and Gender Disaggregation Analysis, both ending in March 1992.

2. ILD has started a study to include gender considerations into its programs of Democratization of Government Decisions and Property Rights. Since rules issued by the government and the degree of security of Property Rights affect creation and redistribution of wealth, it is mandatory to ensure women's access to information and their active participation in both projects.

3. Amendment No. 7 to the Cooperative Agreement will be signed by December 1991 to approve transfer among budget lines which reflect actual expenditures during year 3 of the Cooperative Agreement.

4. ILD's Technical Agreement with USAID/El Salvador will be extended for the Property Rights Program for 12 months. ILD is also finalizing technical agreements with Consejo Hondureño de la Empresa Privada (COHEP) and with the Government of Nicaragua.

5. ILD will submit the 1990 Annual Audit Report by December 1991.

6. ILD's Second Annual International Review Conference will take place in April, 1992.

F. Director's Comments

ILD continues to greatly influence President Fujimori's interest in the areas of Democratization of Government Decisions, Administrative Simplification, Land Titling and Counternarcotics policies. However, ILD activities in this last area create an internal issue with respect to the independence of the institution. They also have a negative impact on staff, mobilization of resources from abroad and on the security of the institute, in addition to moving ILD priorities away from the original research agenda contemplated in the grant. But ILD's efforts have helped advance priority U.S. foreign policy interests and concerns that we share with the GOP.

ILD still faces a fundamental issue related to the definition of its role, either as a generator of ideas or as an implementor of programs.

Finally, it is important to highlight ILD's efforts to mobilize other external sources of funding which are providing total contributions in excess of the established targets. However, these grants are generally restrictive since they do not fund the Institute's overhead costs. We need to ensure that other resources are used to cover ILD overhead expenses in addition to program costs.

The "B" rating given to the project responds to the substantial amount of management attention that it requires, given the importance of its activities in high priority areas of common interest both for the GOP and the USG.

S E C T I O N 2

HUMAN RESOURCES OFFICE/HEALTH, POPULATION AND NUTRITION DIVISION
(In US\$ 1000s)
SMALL PROJECTS

Project No.	Project Title	Start Date PACD	Funding Source	Total Authorizations	Total Obligations as of 9/30/91*	Obligations This Period*	Expenditures This Period*	Pipeline as of 9/30/91*	Implementing Agency
<u>Population</u>									
1.	CBD Rural	<u>01.01.91</u> <u>02.28.92</u>	Pathfinder	95					Profamilia/ Lima
2.	F.P. Trujillo	<u>01.01.91</u> <u>02.28.92</u>	Pathfinder	62					CENPROF/ Trujillo
3.	Human Development	<u>01.01.92</u> <u>12.31.92</u>	Pathfinder	69					Marcelino/ Chiclayo
4.	VSC Services	<u>07.01.91</u> <u>06.30.92</u>	Pathfinder	45					INPPARES
5.	F.P. Services 33 Local Governments	<u>07.01.91</u> <u>06.30.92</u>	Pathfinder	47					INPPARES
6.	CBD F.P. Services	<u>07.01.91</u> <u>06.30.92</u>	Pathfinder	66					SMISA
7.	F.P. Services in Huacho and Barranca	<u>08.01.91</u> <u>06.30.92</u>	Pathfinder	44					APROSAMI
8.	Hospital Based Young Adult Program	<u>01.01.90</u> <u>08.31.91</u>	Pathfinder	<u>39</u>					Hospital Ma. Auxiliadora
	Sub-Total:			467					
9.	Post-Partum F.P. Services	<u>09.01.91</u> <u>02.28.93</u>	P. Council	10					MEDICSA
10.	Improve Quality of Care	<u>11.15.90</u> <u>11.15.92</u>	P. Council D. Associates	112					APROSAMI- CENPROF

(*) These projects are administered by AID/W. Info. being requested by fax to AID/W-R&D/POP.

(In US\$ 1000s)

Project No.	Project Title	Start Date PACD	Funding Source	Total Authorization	Total Obligations as of 9/30/91*	Obligations This Period*	Expenditures This Period*	Pipeline as of 9/30/91*	Implementing Agency
11.	F.P. Services Rural Areas	09.01.91 06.30.93	P. Council	191					INANDEP
12.	Post-Partum F.P. Services	07.01.90 06.30.92	P. Council JHU/AVSC/Pathf.	126					IPSS
13.	Improve F.P. Services in Iquitos	04.01.90 02.28.92	P. Council	<u>69</u>					Vecinos-Peru
	Sub-Total:			508					
14.	Female VSC Cusco	07.01.88 06.30.91	AVSC	32					Profamilia/ Cusco
15.	Pilot Female VSC	01.01.89 09.30.91	AVSC	51					Inst. Marce- lino/Lima
16.	Post-Partum VSC	06.01.89 09.30.91	AVSC	<u>57</u>					Maternidad de Lima
	Sub-Total:			140					
17.	Expansion F.P. Services	10.15.88 10.14.91	CEDPA	51					Planifam/ Cusco
18.	Matching Grant	01.01.91 08.30.92	IPPF/WBR	439					INPPARES
	TOTAL: (Population)			1,605					

(*) These projects are administered by AID/W. Info. being requested by fax to AID/W-R&D/POP.

(In US\$000)

Project No.	Project Title	Start Date PACD *	Funding Source	Total		Expenditures This Period*	Pipeline as of 9/30/91*	Implementing Agency
				Total Authorization*	Obligations This Period*			
<u>Health</u>								
19. ADDR-002	Epidemiology of Prolonged Diarrhea in Lima, Peru	_____	AID/W					IIN
20. ADDR-003a	Development and Field Testing of a Soup-based Oral Rehydration Solution in Lima, Peru	_____	AID/W					UPCH
21. ADDR-003b	Development and Field Testing of a Soup-based Oral Rehydration Solution in Lima, Peru	_____	AID/W					IIN
22. ADDR-004	Physicians' Practices Related to the Treatment of Childhood Diarrhea in Two Areas of Peru, with Special Emphasis on the Nutritional Aspects of Therapy	_____	AID/W					IIN
23. ADDR-023	Evaluation of an In-service Training Program on Clinical Management of Diarrhea in Children	_____	AID/W					UPCH
24. ADDR-024	Data Analysis of Fecal Contamination of Toddler-aged Children from Domestic Chicken in Peri-urban Slum Areas of Lima	_____	AID/W					UPCH

(* These projects are administered by AID/W. Info. being requested by Fax to AID/W-581/H/AR.

(In US\$000)

Project No.	Project Title	Start Date FACD *	Funding Source	Total Authorization*	Total		Expenditures This Period*	Pipeline as of 9/30/91*	Implementing Agency
					Obligations as of 9/30/91*	Obligations This Period*			
25. ADDR-031	Clinical and Nutritional Effects of Legumes Added to a Mixed Diet for the Early Nutritional Therapy of Acute Childhood Diarrhea	_____	AID/W						IIN
26. ADDR-068	Efficacy of a Diet Made of Widely Available, Inexpensive Ingredients Versus a Lactose-Free Formula for the Management of Severely Malnourished Children with Diarrhea	_____	AID/W						IIN
27. ADDR-082	Design of Neighborhood Dispensary for the Treatment of Diarrhea and Other Illnesses	_____	AID/W						PRISMA
28. ADDR-088	Training Mothers in the Dietetic Management of Children's Diarrhea and Weaning Foods	_____	AID/W						IIN
29. ADDR-089	Family Water and Soap Usage in a Water-Scarce Shanty Town in Lima, Peru Before and After the Introduction of In-House Water Systems	_____	AID/W						PRISMA
30. ADDR-090	Diarrheal Disease Under Economic Stress	_____	AID/W						PRISMA

(*) These projects are administered by AID/W. Info. being requested by fax to AID/W-S&T/H/AR.

REPORTING PERIOD: 04/01/91 - 09/30/91

(In US\$000)

Project No.	Project Title	Start Date PACD	Funding Source	Total Authorization	Total Obligations as of 9/30/91	Obligations This Period	Expenditures This Period	Pipeline as of 9/30/91	Implementing Agency
31. ADDR-096	The Role of Dietary Fiber on the Manage- ment of Acute Diarrhea	*	AID/W	*	*	*	*	*	IIN
32. ADDR-104	Study of the Deter- minants of Inappro- priate Prescribing for Childhood Diarrhea among Doctors in Lima, Peru	*	AID/W	*	*	*	*	*	IIN
33. 936-5542 8.068	Characterization of the Active Principles, Mechanism of Action and Possible Mutagenic Activity of Wound Healing Plants	05/12/89 12/31/91	USAID/Peru PSTC <u>a/</u>	145,976	145,976	114,113	33,607	31,863	UPCH
34. 936-5542 8.312	Cellular Immunity in Patients with Leish- maniasis in Peru	05/12/89 12/31/91	USAID/Peru PSTC	149,646	149,646	122,982	10,210	26,664	UPCH
	Total:		(AID/W/SCI)	295,622	295,622	237,095	43,817	58,527	
	GRAND TOTAL (in US\$1000s)			1,901	296	237	44	59	

(*) These projects are administered by AID/W. Info. being requested by fax to AID/W-S&T/E/AR.

a/ Program in Science and Technology Cooperation.

SECTION 3

SEMI-ANNUAL REVIEW

Period: 04/01/91-09/30/91

I. BACKGROUND DATA

- * Project Title: PL-480, Title I;
Section 416 Sugar Quota Offset

- * AID Project Manager: César Espino S.

- * Dates of Obligation and Amounts:
 - 1. PL-480, Title I
 - 8/11/86 - \$20,000,000 Loan
 - 7/10/87 - \$20,000,000 Loan
 - 6/28/88 - \$10,000,000 Loan
 - 8/12/88 - \$10,000,000 Loan Amendment
 - 5/03/89 - \$10,000,000 Loan
 - 8/31/90 - \$20,000,000 Loan

 - 2. Section 416 Sugar Quota Offset
 - 8/11/86 40,756 MT of wheat
Donation (F.O.B.) (\$5.5 million)
 - 11/18/87 70,588 MT of wheat
Donation (C.I.F.) (\$10.8 million)

- * Food Program Local Currency Generations:
 - 1. PL-480, Title I
 - 8/11/86 - I/. 504,482,753
 - 7/10/87 - I/. 850,321,147
 - 6/28/88 - I/.8,606,595,962
 - 5/03/89 - I/.20,250,116,477
 - 8/31/90 - I/.m.18,000,000(Est.)

 - 2. Section 416 Sugar Quota Offset
 - 8/11/86 - I/.111,633,605
 - 11/18/87 - I/.260,345,883

- * Implementing Agency: GOP (MEF, MOA, ENCI, ECASA, INP)

B. Project Purposes

Provide basic food commodities to Peru to help provide adequate food supplies and nutrition, and to ease balance of payments pressures.

Generate sales proceeds to finance AID and other GOP priority development projects.

Forward the agricultural policy dialogue through self-help measures taken by the GOP.

C. Status of Major Outputs

1. Commodities

Loan Funds

- a. PL-480, Title I, 8/11/86
Wheat - \$12,463,279; Rice - \$6,999,927
All commodities received by end of 1986. No losses.
- b. PL-480, Title I, 7/10/87
Wheat - \$12,648,823; Corn - \$6,868,688
All commodities received by end of 1987. Minor loss (15 tons.) covered by insurance.
- c. PL-480, Title I, 6/28/88
Wheat - \$9,929,840; Corn - \$4,974,942; Rice - \$4,999,574.
Wheat and corn shipped in September/arrival in October 1988, rice shipped in October/arrival in November 1988. No losses reported.
- d. PL-480, Title I, 5/03/89
Wheat - \$9,933,963.14 (59,977 MT) shipped in July/arrival in August 1989. No losses reported.
- e. PL-480, Title I, 8/31/90
Wheat - \$19,739,317 (171,686 MT) shipped in late September and early October 1990/arrival in October and early November 1990.

Grant Funds

- f. Section 416, 8/11/86
Amount received was about 2% over agreement amount.
- g. Section 416, 11/18/87
Bills of Lading were for about 1,552.25 MT less than agreement amount. ENCI Arrival Report showed net arrivals of 1,600 MT (2.29%) less than the agreement amount. No claims submitted.

SECTION 4

FINANCIAL SUMMARY OF USAID/PERU PORTFOLIO
(APRIL 1, 1991 THROUGH SEPTEMBER 30, 1991)
(\$000)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
PROJECT NO.	PROGRAM/PROJECT TITLE	CATE- GORY	DATE OF INIT. OBLIG.	LAST REVISED PACO	% OF LOP ELAPSED	% OBLIG. EXPEND.	AUTH. LOP AMOUNT	CURRENT FY DELIS. TO DATE	CUMUL. 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.)
ACTIVE PROJECTS																	
120 PROGRAM ECONOMICS (ECON)																	
5270343.00	6 POLICY ANALYSIS, PLNG, IMPLNT.	B	29-Sep-90	30-Mar-95	22.22%	6.55%	7,150	2,460	3,646	3,504	1,185	290	238	82.12%	239	3,407	1,144
5270344.00	6 ECON. STABILIZATION & RECOVERY	A	30-Sep-91	30-Sep-92	0.00%	0.00%	50,000	50,000	50,000	0	0	0	0	0.00%	0	50,000	20,000
700 FOOD & AGRICULTURE (OFA)																	
5270341.00	6 E. N. R. S. - TNC	-	30-Sep-91	30-Sep-95	0.00%	0.00%	3,600	2,125	2,125	1,475	0	0	0	0.00%	0	2,125	---
720 AGR/AGRICULTURE																	
5270238.00	5 AGRIC. PLANNING INSTIT. DEVELOP.	-	25-Aug-83	31-Dec-91	97.00%	98.97%	6,650	0	6,650	0	432	200	364	181.90%	6,582	58	---
5270239.00	5 AGRIC. PLANNING INSTIT. DEVELOP.	B	25-Aug-83	31-Dec-91	97.00%	89.60%	11,000	0	11,000	0	1,590	750	446	59.47%	9,856	1,144	34
5270252.00	5 AGRIC. TECHNOLOG. TRANSFORMATION	C	25-Sep-87	31-Aug-93	67.60%	83.42%	25,000	0	23,199	1,801	6,417	2,800	2,571	91.82%	19,353	3,846	2,800
730 FOOD FOR DEVELOPMENT (FFD)																	
5270223.00	5 HIGH SUPPORT FEEDING PROG. - OPS	A	30-Sep-88	31-Dec-92	70.58%	76.94%	750	0	750	0	212	85	39	45.75%	577	173	80
5270325.00	6 CFS ADRA/OFASA-NUTRIT&FOOD F/W	B	30-Sep-88	31-Dec-92	70.58%	80.31%	1,250	0	1,250	0	314	144	68	47.46%	1,004	246	121
5270330.00	6 FOOD ASSISTED INTEGRATED DEV.	A	27-Sep-88	31-Dec-92	70.58%	88.23%	728	0	728	0	154	75	58	90.59%	642	86	18
800 OFFICE OF HUMAN RESOURCES (HR)																	
5270319.00	6 STRENGTHENING HEALTH INSTITUT.	-	30-Sep-91	31-Dec-96	0.00%	0.00%	18,000	3,025	3,025	14,975	0	0	0	0.00%	0	3,025	---
830 TRAINING/SOCIAL DEVLPT. (TSD)																	
5270061.00	6 SPECIAL PROJECT ACTIVITIES	-	01-Jun-83	31-Dec-99	77.44%	94.91%	2,164	100	2,164	0	46	0	36	0.00%	2,054	110	---
5270313.00	6 ANDEAN PEACE SCHOLARSHIP	A	24-Sep-87	30-Nov-91	96.00%	96.44%	6,358	28	5,596	762	1,778	1,164	1,507	138.08%	5,397	199	199
950 PRIV. SECTOR/DEMO. INITIATIVES																	
5270272.00	6 PRIVATE SECTOR MANAG. IMPROV.	A	30-Sep-85	15-Sep-92	85.71%	94.38%	7,000	1,175	6,683	317	758	700	890	127.16%	5,639	1,044	850
5270278.00	6 PVT. SECTOR POL. PLAN - ILD	A	01-Apr-85	31-Aug-92	87.64%	97.00%	7,650	0	6,363	1,287	347	64	156	243.65%	6,172	191	55
5270303.00	6 ADMINISTRATION OF JUSTICE	C	25-Jun-86	31-Dec-91	95.45%	64.82%	2,850	0	2,850	0	1,106	245	103	42.07%	1,648	1,002	260
5980772.16	6 PRIVATE SCTR. INSTITUTIONAL REFORM	B	02-Mar-89	28-Feb-95	43.05%	66.45%	11,289	2,387	6,476	4,813	480	1,430	694	48.56%	4,303	2,173	1,358
960 HEALTH, POP. & NUTRITION (HPN)																	
5270237.00	6 PRIVATE SECTOR FAMILY PLANNING	-	15-Aug-85	26-May-92	89.70%	100.00%	13,600	(70)	4,838	8,162	72	0	2	0.00%	4,838	0	---
5270255.00	6 CHILD SURVIVAL ACTION PROJECT	B	27-Sep-87	31-Dec-92	76.19%	71.97%	19,000	0	10,983	8,017	5,191	2,000	2,113	105.66%	7,905	3,078	2,000
5270323.00	6 CONTRACEPTIVE SOC. MARKETING II	A	30-Aug-91	30-Aug-96	1.66%	0.00%	5,000	604	604	4,396	0	0	0	0.00%	0	604	500
5270333.00	6 AIDS PREVENTION PROJECT	A	29-Sep-89	30-Sep-92	66.66%	71.20%	500	68	368	132	182	68	125	183.08%	262	106	70
5270335.00	6 FAMILY PLANNING SERV EXPANSION	A	22-Sep-89	30-Sep-93	50.00%	37.99%	11,800	0	8,738	3,062	6,491	1,650	1,073	65.01%	3,320	5,418	1,500
9365542.02	6 PERU RESEARCH GRANT PROPOSALS	-	12-May-89	31-Dec-91	90.62%	98.81%	296	0	296	0	102	0	99	0.00%	292	4	---
900 ECONOMIC RECOVERY (OER)																	
5270345.00	6 INVESTMENT & EXPORT PROMOTION	A	30-Sep-91	31-Mar-97	0.00%	0.00%	19,500	4,500	4,500	15,000	0	0	0	0.00%	0	4,500	500

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FINANCIAL SUMMARY OF USAID/PERU PORTFOLIO
(APRIL 1, 1991 THROUGH SEPTEMBER 30, 1991)
(\$000)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	
PROJECT NO.	PROGRAM/PROJECT TITLE	DATE-CATEGORY	DATE OF INIT. OBLIS.	LAST REVISED FACD	% OF LOP ELAPSED	% OF OBLIG. EXPEND.	AUTH. LOP AMOUNT	CURRENT FY OBLIG. TO DATE	CUMUL. 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.)	
910 SPECIAL PROJECTS (SP)																		
5270244.00	S UPPER HUALLAGA AREA DEVELOP.	C	15-Sep-81	31-Dec-92	88.88%	75.19%	12,900	1,200	12,900	0	3,789	1,158	1,789	154.51%	9,701	3,199	1,272	
5270244.00	L UPPER HUALLAGA AREA DEVELOP.	-	15-Sep-81	31-Dec-92	88.88%	94.99%	15,000	0	15,000	0	751	0	0	0.00%	14,249	751	176	
5270282.00	R DRUG EDUC & PUBLIC AWARENESS	A	24-Sep-85	30-Sep-92	85.71%	76.27%	6,000	1,107	5,610	390	764	450	540	120.00%	4,279	1,331	550	
SUBTOTAL ACTIVE PROJECTS							264,435	68,709	196,342	68,093	32,141	13,273	13,021		108,512	87,830	33,487	
TERMINATED PROJECTS																		
730 FOOD FOR DEVELOPMENT (FFD)																		
5270329.00	S STRENGTHENING OF CARITAS PERU		26-Jul-89	30-Apr-91	100.00%	98.23%	497	(115)	382	0	149	0	27	0.00%	375	7		
850 PRIV. SECTOR/DEMO. INITIATIVES																		
5270319.00	B DISASTER RELIEF/REPREPAREDNESS		30-Sep-87	31-Dec-90	100.00%	100.00%	274	(45)	184	0	30	0	(15)	0.00%	184	0		
9070205.00	B REG. DISASTER/DISASTR PREPARONS		22-Feb-90	31-Dec-91	76.00%	100.00%	141	0	141	0	0	0	0	0.00%	141	0		
9071311.00	B INTERNAT. DISASTER ASSIST-GRANT		07-Feb-91	30-Nov-91	72.72%	100.00%	156	(30)	113	0	116	0	86	0.00%	113	0		
860 HEALTH, POP. & NUTRITION (HPN)																		
5270221.00	B RURAL WATER SYST. & ENVIR. SAN.		25-Sep-80	30-Jun-89	100.00%	100.00%	1,000	0	693	0	0	0	0	0.00%	693	0		
5270221.00	L RURAL WATER SYST. & ENVIR. SAN.		25-Sep-80	30-Jun-89	100.00%	99.85%	10,000	0	6,255	0	10	0	0	0.00%	6,245	10		
5270230.00	B INTEGRATED HEALTH FAMILY PLAN.		01-Sep-81	28-Feb-90	100.00%	100.00%	8,900	(20)	7,516	0	20	0	0	0.00%	7,516	0		
5270230.00	L INTEGRATED HEALTH FAMILY PLAN.		01-Sep-81	30-Sep-88	100.00%	100.00%	4,000	0	3,979	0	0	0	0	0.00%	3,979	0		
5270308.00	B IM-PRIV. SEC. NUTS-CHILD SURV.		26-Jun-85	31-Dec-90	100.00%	100.00%	914	0	914	0	0	0	0	0.00%	914	0		
5270331.00	B DECENTRALIZED POP/DEV. POLICIES		01-Oct-88	30-Nov-90	100.00%	100.00%	200	0	200	0	0	0	0	0.00%	200	0		
SUBTOTAL TERMINATED PROJECTS							26,082	(210)	20,877	0	325	0	98		20,860	17	0	
ACTIVE PROGRAM																		
SUBTOTAL ACTIVE PROGRAM																		
TOTALS							290,517	68,499	217,219	68,093	32,466	13,273	13,119		129,372	87,847	33,487	

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FINANCIAL SUMMARY OF USAID/PERU PORTFOLIO
(APRIL 1, 1991 THROUGH SEPTEMBER 30, 1991)
(\$000)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
PROJECT NO.	PROGRAM/PROJECT TITLE	DATE OF INIT. GCR	LAST REVISED DATE	% OF LOP ELAPSED	% OF OBLIG. EXPEND.	AUTH. LOP AMOUNT	CURRENT FY OBLIG. TO DATE	CUMUL. AMOUNT OBLIG.	BEGINNING FY PIPELINE	PLANNED SEMESTER EXPEND.	ACCRUED SEMESTER EXPEND.	ACCRUED AS % OF PLANNED	CUMULATIVE ACCRUED EXPEND.	ENDING PIPELINE	PLANNED EXPEND. (NEXT SEM.)		
ACTIVE PROJECTS																	
120 PROGRAM ECONOMICS (ECON)																	
5270343.00	6 POLICY ANALYSIS, PLNS, IMPLMNT.	B	29-Sep-90	30-Mar-95	22.22%	6.55%	7,150	2,460	3,646	3,504	1,185	290	238	82.12%	239	3,407	1,144
5270344.00	6 ECON. STABILIZATION & RECOVERY	A	30-Sep-91	30-Sep-92	0.00%	0.00%	50,000	50,000	50,000	0	0	0	0	0.00%	0	50,000	20,000
700 FOOD & AGRICULTURE (SFA)																	
5270341.00	6 E. N. R. S. - TNC	-	30-Sep-91	30-Sep-95	0.00%	0.00%	3,600	2,125	2,125	1,475	0	0	0	0.00%	0	2,125	---
720 AGR/AGRICULTURE																	
5270238.00	6 AGRIC. PLANNING INSTIT. DEVELOP.	-	25-Aug-83	31-Dec-91	97.00%	98.97%	6,650	0	6,650	0	432	200	364	181.90%	6,582	68	---
5270239.00	1 AGRIC. PLANNING INSTIT. DEVELOP.	E	25-Aug-83	31-Dec-91	97.00%	89.60%	11,000	0	11,000	0	1,590	750	446	59.47%	9,856	1,144	34
5270282.00	6 AGRIC. TECHNOLOG. TRANSFORMATION	C	25-Sep-87	31-Aug-93	67.60%	83.42%	25,000	0	23,199	1,801	6,417	2,800	2,571	91.82%	19,353	3,846	2,800
730 FOOD FOR DEVELOPMENT (FFD)																	
5270323.00	6 MGH SUPPORT FEEDING PROG. - CPB	A	30-Sep-88	31-Dec-92	70.58%	76.94%	750	0	750	0	212	85	39	45.75%	577	173	80
5270328.00	6 OPS ADRA/OFASA: NUTRIT/FOOD F/W	B	30-Sep-88	31-Dec-92	70.58%	80.31%	1,250	0	1,250	0	314	144	68	47.46%	1,004	246	121
5270330.00	6 FOOD ASSISTED INTEGRATED DEV.	A	27-Sep-88	31-Dec-92	70.58%	88.23%	728	0	728	0	154	75	68	90.59%	642	86	18
800 OFFICE OF HUMAN RESOURCES (HR)																	
5270319.00	6 STRENGTHENING HEALTH INSTITUT.	-	30-Sep-91	31-Dec-96	0.00%	0.00%	18,000	3,025	3,025	14,975	0	0	0	0.00%	0	3,025	---
830 TRAINING/SOCIAL DEVLPMNT. (TSD)																	
5270081.00	6 SPECIAL PROJECT ACTIVITIES	-	01-Jun-63	31-Dec-99	77.44%	94.91%	2,164	100	2,164	0	46	0	36	0.00%	2,054	110	---
5270313.00	6 ANDEAN PEACE SCHOLARSHIP	A	24-Sep-87	30-Nov-91	96.00%	96.44%	6,358	28	5,596	762	1,778	1,164	1,607	138.08%	5,397	199	199
850 PRIV. SECTOR/DEMO. INITIATIVES																	
5270272.00	6 PRIVATE SECTOR MANAG. IMPROV.	A	30-Sep-85	15-Sep-92	65.71%	84.38%	7,000	1,175	6,683	317	758	700	890	127.16%	5,639	1,044	650
5270298.00	6 PVT. SECTOR POL. PLAN - ILO	A	01-Apr-85	31-Aug-92	87.64%	97.00%	7,650	0	6,363	1,287	347	64	156	243.65%	6,172	191	55
5272909.00	6 ADMINISTRATION OF JUSTICE	C	25-Jun-86	31-Dec-91	95.45%	64.82%	2,850	0	2,850	0	1,106	245	103	42.07%	1,648	1,002	260
5980772.16	6 PRIVATE SCTR. INSTITUTNL. REFORM	B	02-Mar-89	28-Feb-95	43.05%	66.45%	11,289	2,387	6,476	4,813	480	1,430	694	48.56%	4,303	2,173	1,358
860 HEALTH, POP. & NUTRITION (HPN)																	
5270267.00	6 PRIVATE SECTOR FAMILY PLANNING	-	15-Apr-86	28-May-92	89.70%	100.00%	13,000	(79)	4,838	8,162	72	0	2	0.00%	4,838	0	---
5270235.00	6 CHILD SURVIVAL ACTION PROJECT	B	29-Sep-87	31-Dec-92	76.19%	71.97%	19,000	0	10,983	8,017	5,191	2,000	2,113	105.66%	7,905	3,078	2,000
5270326.00	6 CONTRACEPTIVE... II	A	30-Aug-91	30-Aug-96	1.66%	0.00%	5,000	604	604	4,396	0	0	0	0.00%	0	604	500
5270333.00	6 AIDS PREVENTION PROJECT	A	29-Sep-89	30-Sep-92	66.66%	71.20%	500	68	368	132	182	68	125	183.08%	262	106	70
5270335.00	6 FAMILY PLANNING SERV EXPANSION	A	22-Sep-89	30-Sep-93	50.00%	37.99%	11,800	0	8,738	3,062	6,491	1,650	1,073	65.01%	3,320	5,418	1,500
9365542.92	6 PERU RESEARCH GRANT PROPOSALS	-	12-May-89	31-Dec-91	90.62%	98.81%	296	0	296	0	102	0	99	0.00%	292	4	---
900 ECONOMIC RECOVERY (OER)																	
5270349.00	6 INVESTMENT & EXPORT PROMOTION	A	30-Sep-91	31-Mar-97	0.00%	0.00%	19,500	4,500	4,500	15,000	0	0	0	0.00%	0	4,500	500

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USAID/PERU PIPELINE AS OF SEPTEMBER 30/91 (\$ 000)

