

PD-ABI-888

1993 - 1993

**USAID/GUATEMALA**  
**PROJECT SEMI-ANNUAL REPORT**  
**April 1, 1993 - September 30, 1993**

USAID/GUATEMALA

**PROJECT SEMI-ANNUAL REPORT**

April 1, 1993 - September 30, 1993

Table of Contents

		<u>Page No.</u>
I.	MISSION DIRECTOR'S ASSESSMENT	
II.	PROJECT/PROGRAM STATUS REPORTS - Bilateral Projects	
	<u>Project title</u>	<u>Project No.</u>
1.	<u>Increased Private Investment and Trade</u>	
	Highlands Agricultural Development (Diversif. and Irrigated Ag. Support)	520-0274 1
	Farm-to-Market Access Roads	520-0332 4
	Private Enterprise Development	520-0341 7
	Small Farmer Coffee	520-0381 11
	Trade and Labor Relations Development	520-0403 15
2.	<u>Smaller Healthier Families</u>	
	Immunization and ORT for Child Survival	520-0339 18
	Family Health Services Project	520-0357 21
	Highlands Water and Sanitation	520-0399 28
	CARE Rural Water & Health	520-0408 31
3.	<u>Improved Basic Education</u>	
	Rural Primary Education Improvement	520-0282 34
	Private Sector Education Initiative	520-0364 37
	Basic Education Strengthening	520-0374 40
4.	<u>Sustainable Natural Resources Management</u>	
	Highlands Agricultural Development (Natural Resources Component)	520-0274 45
	Maya Biosphere Project	520-0395 49
	Community Natural Resources Management	520-0404 54

5. Sustained Exercise of Inalienable Rights

Public Ministry Strengthening	520-0000.40	56
Guatemala Peace Scholarships	520-0393	57
Democratic Institutions	520-0398	61
Judicial Sector Reform	520-0407	66
Street Children Support Project	520-0412	71

6. Other

Special Development Fund	520-0145	75
Cooperative Strengthening	520-0286	76
Altiplano Higher Education	520-0304	79
Pilot Commercial Land Markets II	520-0343	82
Rural Electrification III	520-0353.10	86
Productive Uses of Electricity Component	520-0353.20	89
Fiscal Administration	520-0371	92
Special Project Assistance Fund	520-0383	96
Development Training and Support	520-0384	97
Child in Need	520-0409	101
Regional Technical AID Center (RTAC II)	598-0791	103

7. Food Aid

PL 480 Title II (Catholic Relief Services)	106
PL 480 Title II (CARE)	110
PL 480 Title II (SHARE)	114
PL 480 Title II (Feed the Children)	118

III. **PROJECT/PROGRAM STATUS REPORTS**

**Regional Projects**

1. Open and Competitive Regional Economy

Export Agribusiness Dev. Promotion	596-0123	120
Economic Policy Research	596-0147	123
Private Sector Initiatives	596-0149	128
Export Industry Technology Support (EXITOS)	596-0165	131
Partnership for Democracy and Development	596-0177	135

2.	<u>Environmentally Sound and Efficient Practices in Natural Resources Management</u>		
	Regional Agricultural Higher Education	596-0129A	139
	Regional Environmental and Natural Resources Management	596-0150	143
3.	<u>More Effective and Democratic Local Governance</u>		
	Local Government Regional Outreach Strategy	596-0167	149
	The Municipal Infrastructure Finance Program (LOGROS)	596-HG-010	153
	Central American Shelter and Urban Dev.	596-HG-008	156
4.	<u>Other</u>		
	Technical Support for Food Assistance	596-0116	159
	Central American Peace Scholarships	596-0130	161
	Central American Rural Electrification Support	596-0146	164
	Regional Development Support	596-0162	169
	INCAP Institutional Strengthening	596-0169	173
	Central American Development Coordination Commission	596-0176	177

IV. CENTRALLY-FUNDED ACTIVITIES

V. EVALUATION PLAN

VI. TRAINING PLAN

**I. MISSION DIRECTOR'S ASSESSMENT**

## **MISSION DIRECTOR'S ASSESSMENT**

### **1. GENERAL PROCEDURAL COMMENTS**

These Semi-Annual Reports coincide with the first six-month operational period of the merged USAID/Guatemala-ROCAP Mission. While this merger has been an on-going process, project implementation and oversight is now unified under one system. This includes the functioning of cross-office Sectoral Implementation Committees, which (for both the Regional and Bilateral Portfolio's) are the Mission's primary project management mechanism. Reflecting the merger of the ROCAP and USAID/Guatemala Missions, SARs were reviewed as a single process, and one Report is being submitted. However, recognizing that program budgets have not been combined and that we have yet to make a final determination as to the extent that regional and bilateral strategic objectives can/should be merged, financial data and project reports are segregated, and this section includes comments on regional and bilateral issues. As a last point under this heading, we would like to recognize the utility of LAC participation in our end-of-FY SAR Reviews, both for the value of adding unique USAID/W insight to our Mission process as well as that of USAID/W's increased awareness of the Mission's portfolio and issues.

2. **CROSS-CUTTING ISSUES:** The following are cross-cutting issues that were identified in the draft USAID policy papers, and were to some extent treated in SAR Reviews.

#### **a) Poverty Alleviation**

Between 1987 and 1992, the Mission implemented and closed-out a successful Micro-enterprise Development Project. As a result of the Project, two programs were established to continue servicing this target population: FUNTEC/Genesis Empresarial in the north, south and eastern parts of Guatemala, and FUNDAP/PROSEM in the Western Highlands. In 1992, the Inter-American Development Bank initiated a \$10 million program to continue supporting micro-enterprises in Guatemala. While the Mission no longer finances a specific micro-enterprise project, many other activities have in the past and continue to impact poverty alleviation. Included in this category are the Cooperative Strengthening (520-0286), Small Farmer Coffee (420-0381), Rural Electrification (520-0353) and Pilot Commercial Land Markets (520-0343) Projects, as well as PVO activities financed through monetization of PL-480 Title II resources and USAID/W central funding. Methods used to address this issue have ranged from technical assistance, training and credit provision to institutional development and policy reform. The Mission will undertake a stocktaking of its poverty alleviation activities during the following SAR period to determine the areas of success, lessons learned, and opportunities for programming initiatives. The results will be shared with LAC.

b) Assistance to Non-Governmental Organizations

Approximately 40% of the total value of the Mission's bilateral portfolio is programmed through NGOs, local and U.S.-based. In addition, the Missions PL-480 Title II Program, implemented through CARE, the Catholic Relief Services, Feed the Children and SHARE, now represents roughly the same level of resources as the Mission's annual DA budget. CDIE is scheduled to review the Mission's experience with NGOs, focusing both on development impact and administrative implications, in January 1994. We believe this review will be useful for guiding future Agency initiatives in this area and for improving the Mission's understanding of the strengths and weaknesses of this implementation modality.

3. PORTFOLIO OVERVIEW

a) Bilateral:

During the reporting period, the Mission had 28 active projects, four of which reached their PACD by September 30, 1993. Another four projects will terminate by the end of CY 1993. Other than the proposed ESF-funded projects included in the Mission's Annual Budget Submission (Assistance to Communities at Risk and Strengthening Fiscal Management and Accountability), no other new starts are contemplated for FY 1994, though two projects (Community Natural Resources Management/520-0404 and Democratic Institutions/520-0398) may be amended to add new components and increase planned LOP funding. While the full impact of budget cuts has yet to be determined (e.g., possible early phase-out of the Basic Education Strategic Objective and scaling back in others), the Mission's current portfolio reflects efforts over the last several years to focus and concentrate USAID assistance in Guatemala. While these SARs include nine "other" projects, by the end of January 1994, five will have terminated, and by the end of FY 1994, only three "other" projects will remain active [the Rural Electrification Project and Development Training and Support Project, which combined have had their planned life-of-project funding cut by approximately \$2.5 million, and the on-going Special Development Fund which receives \$100,00-\$200,000 annually to finance community-level infrastructure projects]. It is worth noting that the Mission has obligated only \$6 million to "other projects" in the last two fiscal years, while deobligating nearly \$3 million. We also have no intent to fund any part of the \$2.5 million mortgages that remain in these projects. While these projects (which were initiated in the mid 1980's and represent only 10% of the Mission's active project pipeline) no longer fit within our strategic focus, we consider the approach of orderly phase-out which we have pursued over the last two years to be essential to the accomplishment of project objectives. Due to the facts cited above, this phase-out is not expected to place any unmanageable budget or staff burden on the Mission.

b) Regional

This submission includes SARs for 13 projects, of which 4 (including 2 "other" projects) terminated during the reporting period. Two additional projects are scheduled to end in FY 1994. However, the INCAP Institutional Strengthening Project (596-0169) may be extended in order to stretch out the use of the existing pipeline to support INCAP's revised sustainability plan. And the Export Agribusiness and Development Promotion/LAAD Project (596-0123) may be extended to permit the disbursement of loan funds in Nicaragua. Of the \$1.9 million obligated to "other" projects in FY 1993, \$1.5 million represented an earmark to NRECA, and no mortgage remains in the "other" portfolio. Furthermore, the bulk of the "other" pipeline (\$4.1 million out of \$4.8 million) exists in the earmarked INCAP and Central American Rural Electrification/CARES (596-0146) Projects. Through a series of strategy development and evaluation exercises scheduled for FY 1994, the Mission expects to further concentrate resources around its Strategic Objectives, and improve coordination and compatibility with the bilateral programs in Central America.

4. MORTGAGE

a) Bilateral

Due largely to the reduction of authorized levels that accompanied deobligation and reprogramming exercises during FY 1992/FY 1993 (totaling \$18.4 million), the Mission's current mortgage is \$42.8 million (down from \$83 million at the end of FY 1991, and \$53 million at the end of FY 1992). This amount includes more than \$16 million in projects that: 1) have or will shortly terminate; 2) have recently experienced deobligations; and/or 3) have been scaled-back from original plans. These mortgages will not be funded and, as feasible, project authorizations will be amended so that new LOP funding plans are reflected. While the Mission's real mortgage (approximately \$26 million) appears manageable based on projected FY 1994/FY 1995 planning levels, earmarks and special funding requirements may prove problematic. The Family Health Services Project has the Mission's largest mortgage (\$11.8 million), but is protected by the population earmark. This earmark may limit the Mission's flexibility to cut funding for this Project in order to shift resources under more drastic OYB scenarios. Most significantly, the Mission may not be able to fully fund the \$8.5 million mortgage for the Basic Education Strengthening (BEST) Project (which was recently redesigned, cutting planned LOP USAID contribution by more than \$4 million and significantly increasing counterpart commitment). This might require an earlier-than-planned phase-out of the BEST Project and the Basic Education Strategic Objective (currently planned for phase-out in 1997). These two projects represent 77% of the Mission's real bilateral mortgage. The \$1.1 million mortgage for the Democratic Institutions Project would fund administrative costs, a final Democratic Indicators Monitoring Survey, and new civic education activities. Some additional funding, above the current planned LOP level, might be added for the latter use. However, since only ESF has been obligated to this Project and no earmarks could appropriately be used, the Mission will rely on EHR reobligations, new ESF, or unrestricted DA resources to fund the mortgage. At least \$500,000 is needed in FY

1994. The remaining portfolio mortgage is found in natural resources projects, and it is expected that sufficient earmarks in these areas will allow them to be fully funded, though expansion plans will have to be analyzed closely based on final OYB determinations.

b) Regional

The mortgage of the Mission's regional portfolio is \$20.7 million, or 2-3 years of funding at current planning levels. Funding cuts may jeopardize Regional Economic Integration and Local Governance activities and compel significant cutbacks in the area of Regional Natural Resource Management. The Mission may not be able to fund several projects, such as the Non-traditional Export Promotion/EXITOS (596-0165), RENARM (596-0150), and Regional Development Support (596-0162) Projects, at previously planned levels. This situation would become even more untenable if all or part of the EARTH School (Costa Rica) mortgage (\$2.69 million) must be financed from the ROCAP budget.

5) PIPELINE

a) Bilateral

The Mission's bilateral pipeline is currently \$78.4 million. Despite having obligated nearly its entire FY 1993 OYB (\$32.5 million) during the reporting period, this represents a decrease of more than \$18 million from the last SARs. This can be attributed to deobligations over the past two years totaling \$18.4 million. These actions were based on continuous and self-critical review of project pipelines/implementation, as well as improved expenditure rates during the period (87% of planned). Only the Highlands Water and Sanitation and Maya Biosphere-GOG Component Projects (discussed in detail below) represent pipeline concerns. Other large pipelines are the result of intentional forward funding occasioned by one-time ESF availability (Judicial Sector Reform Support, Trade and Labor Relations Development) or earmarks (Family Health Services, Child Survival/ORT and Street Children Support). The BEST Project had previously been cited as a pipeline concern. However, given the current implementation pace, the pipeline represents less than a year's worth of expenditures and, as mentioned above, planned obligations have been reduced significantly and may be further impacted by budget cuts.

b) Regional

The pipeline of the Mission's active regional portfolio is \$23.7 million, a decrease of nearly \$10 million from the end of FY 1992. In part, this reduction can be attributed to improved expenditure rates (108% of planned during the reporting period) and approximately \$1.4 million in deobligations in FY 1993. Significant pipelines exist only in the Economic Policy Research Project (596-0147) which was redesigned during the period and is essentially fully funded through PACD (August 1995), the LAAD Project (596-0123) discussed below, and the PDD Project (596-0177) which was funded through PACD (June 1997) based on political imperative. While the RENARM (596-0150) and CARES (596-0146) have large pipelines

(\$11.5 million and \$2.2 million respectively), neither represents much more than a year's worth of funding at planned expenditure rates.

6. ACTIVITY HIGHLIGHTS

a) Bilateral

i) The Immunization/Child Survival Project (520-0339) was suspended from February 1990 to June 1991 due to questioned costs with Ministry of Health. Since these issues were resolved, the Mission has worked closely with the MOH and the Project's institutional contractor to improve the Ministry's information systems and expand coverage of services. While immunization for tetanus remains low (33% of pregnant women compared to a 60% LOP target), the Project is on pace to achieve all other major objectives. In addition, the Project was amended during the reporting period to increase LOP funding by \$3 million to allow completion of Phase II of the institutional strengthening activities, to reflect sustainability and service delivery priorities through PACD (August 1995), and to add an Acute Respiratory Infections Component. Based on this redesign, significant actions must be taken during the next several months, but it is expected that this Project will continue to play a critical role in reducing child mortality/morbidity rates (including the impact of cholera) in Guatemala during the next two years.

ii) Except for one transaction, the Highlands Agriculture Development (HAD) Project (520-0274) terminated on September 30, 1993. While this ten-year Project experienced problems along the way, upon completion nearly all project objectives had been met. During the reporting period, the suspension of disbursements to the Project Administration Unit within the Ministry of Agriculture was lifted. While this suspension lasted more than a year, the Ministry was very cooperative in resolving issues and financed project activities with counterpart (some of which was later reimbursed) throughout the suspension period. As with most long-duration projects, HAD underwent several significant modifications. At PACD, the activities related to private sector/Ministry of Agricultural extension services, watershed management through CARE, and promotion of non-traditional exports through the Guild of Non-traditional Exporters (GREMIAL) proved essential to the Mission's Trade and Natural Resources Management Strategic Objectives. Many of these successful activities have been or will be adapted and included in follow-on projects.

iii) Despite all the complexities of working in the Peten, coordinating with a notoriously weak GOG counterpart, and promoting the rational use of natural resources, the Maya Biosphere Project (520-0395) has made significant progress towards its objectives. This is especially true of NGO initiatives to encourage environmentally and economically sound use of the region's resources, and of the increased participation of local communities in the decision-making process. While the GOG agency charged with the management of the Reserve (CONAP) has not

received a clear mandate and firm support from the Office of the Presidency, the Mission has had greater success in working with the Embassy and other donors in bringing this situation to the attention of high-level GOG officials. It is hoped that a meeting will be held shortly between the Ambassador and the President to discuss CONAP/environmental issues. Also, strict conditions precedent to approval of CONAP's 1994 workplan will be established in the hope of accelerating the pace and improving the quality of the implementation of this Component of the Project.

iv) After an extensive evaluation and reprogramming exercise with active Ministry participation, the Mission completed the redesign of the **Basic Education Strengthening Project (520-0374)** during the reporting period. This reprogramming exercise permitted the Project to narrow its focus to a package of interventions that would ensure the achievement of the Mission's strategic- and project-level objectives, and to have an impact on national education indicators of quality, efficiency and equity. The linkage between project and policy objectives was formalized in the increased GOG counterpart commitment reflected in periodic CPs included in the Agreement Amendment with the Ministry of Education. Total USAID funding planned for this Project is now \$25.7 million (more than a \$4 million reduction), and the GOG has committed to provide \$59 million, including most recurrent costs. While the negotiations around the redesign, and specifically resource levels, proved somewhat problematic, a rational, high-impact design that would result in significant accomplishments in the Education Sector, while phasing-out USAID assistance in this strategic area by 1997, is now in place. However, due to proposed budget cuts and continuing high levels of population earmarks, the Mission may not be in a position to execute this plan. (Note: Since implementation of the re-designed Project is just beginning, close Mission management attention will be required over the next several months to ensure progress towards project objectives. Therefore, the Project continues to be rated a "C.")

v) In many ways, the reporting period represented a watershed for the Mission's **PL-480 Title II Program**. While the level of food aid provided has remained relatively constant over the last several years, the Mission's management methods have changed significantly, and this is reflected in the approaches taken by cooperating NGOs. For example, with the value of food aid approaching the level of DA resources, USAID/Guatemala has begun to treat the activities with the same rigor applied to projects. The new Mission Order on Food Aid requires technical backstopping, linkage to Strategic Objectives where appropriate, and impact measurement. As a result, cooperating sponsors are developing indicators and methods of collecting data, audit/financial systems issues have been resolved, and coordination between food aid activities and other Mission/NGO initiatives has increased. This process is reflected in the current SARs, and it is expected that these efforts will continue as both the Mission and cooperating sponsors work to maximize the benefits of food aid in Guatemala.

b) **Regional**

i) After four years of start-up/implementation, the **Regional Natural Resource Management Project (596-0150)** can point to many accomplishments as the Mission initiates a mid-term evaluation and Phase II design (to be completed between mid-FY 1994 and the beginning of FY 1995). The management of eight reserve areas in Central America, including marking of boundaries, establishment of fee structures, and environmental education/monitoring, has been supported by the Project. The Project has also been instrumental in the organization of a consortium of international NGOs working in environmental protection in Central America. Thousands of farmers, health professionals, and community leaders have received training in pest control, pesticide use, and watershed management. And, based largely on the Project's policy initiatives, the Central American Presidents signed a Regional Biodiversity Treaty and a Central American Council on Protected Areas was established. Mission staff look forward to the evaluation and redesign effort as an opportunity to focus future assistance in areas of greatest impact and to promote cooperation with and among bilateral missions.

ii) During the reporting period, funds were obligated to the International City Managers Association (ICMA), SIECA and FEDEPRICAP under the **Local Government Regional Outreach Strategy Project/LOGROS (596-0167)**. A new capital investment component was added to LOGROS through a \$20 million HG loan authorization to the Central American Bank for Economic Integration. As a second-tier lender, CABEI will establish an autonomous, citizen-involved, credit market for municipal infrastructure. Among other things, LOGROS activities during the period resulted in: 1) the establishment of a municipal association in Nicaragua and the refocusing of the Guatemalan and Costa Rican associations; 2) the endorsement of the municipal movement by the Vice Presidents of Honduras and El Salvador; 3) pilot activities to devolve water and sewage authority in Nicaragua and primary education authority in El Salvador to local government. In addition, the Mission through this regional initiative is supporting bilateral strategic objectives which often include efforts to decentralize some governmental authorities to the local level.

iii) The **NRECA Central American Rural Electrification Support (CARES) Project (596-0146)** completed its sixth year of operations. During this time, the Project has played and will continue to play a very active role in the promotion of autonomous, decentralized electrical systems in the Central American region. In the area of regulatory reform of the electric subsector, the Project has been instrumental in introducing new legislation overhauling the national regulatory system of Costa Rica making it more independent and effective. The Project has also been very successful in introducing new construction standards into the rural electrification field which has reduced costs substantially. In the area of operational efficiency, the Project has trained over 651 persons in management and technical matters. Throughout the life of CARES, another important activity has been the promotion of

productive uses of electricity to increase the economic benefits of the rural populations, especially women. In large measure, CARES has succeeded in institutionalizing productive use promotion and credit programs throughout the region. In September 1993, the Project was amended to include a supplementary \$1.0 million earmark for rural electrification development in the region. An additional \$500,000 was also included from a Development Assistance Appropriation specifically designated for renewable energy.

## 7 PROBLEMS AND DELAYS

### a) Bilateral

i) As cited in the last SAR, the GOG's inability to provide counterpart, delays in budget execution, and systemic problems relating to staffing/institutionalization are serious Mission concerns in general, which have led to implementation delays in several projects (cited below). While the GOG established and operationalized a rotating fund for USAID projects during the period, several actions to make this fund more responsive to implementing agency needs are still in process. Counterpart/budget execution issues were exacerbated by the political upheaval and fiscal crisis which followed the May 25, 1993 autogolpe by ex-President Serrano. The Mission has had frequent, high level contacts with the GOG on these issues, and several specific problems have been resolved. However, the systemic weaknesses remain to be addressed. As part of its Annual Budget Submission, USAID/Guatemala proposed to use a portion of FY 1994 ESF to initiate a Project to strengthen the GOG's fiscal administration, especially as it relates to budget planning, programming and execution. Recently, the World Bank began a preliminary analysis of the GOG's budget execution problems. Given the uncertainty of ESF availability and time required for World Bank program identification, the Mission will review the possibility of providing comprehensive support through other mechanisms (e.g., local currency, technical assistance from USAID staff).

ii) Several positive actions were taken under the Family Health Services Project (520-0357) during the period (resolution of IPROFASA's pre-award survey issues, thus allowing the Mission to enter into a new Cooperative Agreement; a study of systemic barriers to the provision of reproductive health services; further decentralization of APROFAM operations; contracting for operations research into techniques to access indigenous communities). However, significant problems have emerged that will require frequent attention of Mission management. Administrative and organization issues within the Ministry of Health's Reproductive Health Unit have led to a virtual suspension of this key project component. Important policy and research activities have not begun due to delays in the execution of USAID/W buy-ins. The 10-month delay in signing a new Cooperative Agreement with IPROFASA (social marketing of contraceptives) may affect the Project's overall Couple-Year-Protection targets. And many recommendations from pre-award surveys remain to be

addressed with all grantees.

iii) While steps have been taken by the GOG to meet CPs for disbursement and provide adequate counterpart for the **Highlands Water and Sanitation Project (520-0399)**, this remains the Mission's only major pipeline problem. Expenditures during the reporting period were only 45% of planned as procurements were delayed due to a lack of counterpart and delays in establishing positions in the project implementation unit. However, the last CP is expected to be met shortly, and sufficient funds for the Project are included in the GOG's 1994 budget. Construction of water systems is now well behind schedule, but if implementation accelerates during the next nine months as planned, all targets can be met and all funds expended prior to PACD. Since the PACD (12/96) will not be extended to compensate for time lost due to GOC delays, the Mission will analyze the status of the Project at the end of FY 1994 to determine if it is appropriate to deobligate resources from the Project.

iv) Following an internal financial review, the **Pilot Commercial Land Markets Project (520-0353)** was suspended in August 1992. Since then, several audits and technical evaluations have been conducted, and the Mission has authorized disbursements on a case-by-case basis pending receipt of the final RIG audit report. Steps have been taken by the Penny Foundation to address the most problematic anomalies which surfaced in the reviews, and the Mission has begun working with the Foundation to develop a workplan for the remainder of the Project (the PACD is 12/94; \$1.2 million remain in the pipeline). Steps taken to date or to be included in the workplan will focus on beneficiary needs. While this process per se will be difficult, the situation is accentuated by disputes between the Foundation and the union representing perhaps half of the beneficiaries in 9 of 27 project farms who are demanding complete forgiveness of their debt. While negotiations must take place between the Foundation and the union, the Mission has been drawn into the dispute. This and other problems relating to the individualization of loans, coffee mill operations, and production/marketing issues will have to be dealt with over the next several months.

v) Significant progress towards the Mission's Sustained Exercise of Inalienable Rights continues to be made through the **Democratic Institutions Project (520-0398)**. The Office of the Human Rights Ombudsman (OHRO) played an important role in the resolution of the crisis occasioned by the May autogolpe. Civilian-military dialogue through the Centro ESTNA seminar is back on track after a brief suspension of assistance due to efforts by the Board of Directors to unilaterally modify the curriculum. And the national survey which will be the basis for the Mission's Democratic Indicators Monitoring System was completed. However, serious implementation and policy issues have emerged. The Congressional Component remains frozen due to the continued chaos and political game-playing within that institution. The Mission is optimistic that some progress may accompany the movement towards reform of Guatemala's political system, but this is still very

uncertain. Even more troubling has been the emergence of institutional dysfunctions within the OHRO. While the OHRO has presented a plan of action relative to these administrative issues and thus avoided a suspension of assistance, it has committed itself to corrective actions that will require very close monitoring by the Mission over the next several months.

b) Regional

i) Significant delays were experienced in the Central American Development Coordination Commission (CADCC) Project (596-0176) pending submission by CADCC's Executive Director of a workplan of studies/research to be conducted under the Project. Based on this submission, the PACD of the SIECA Cooperative Agreement was extended to September 1994, with the possibility of another one-year extension through September 1995. Despite these positive steps, only \$50,635 of the nearly \$500,000 in total LOP funding was disbursed during the original planned LOP period (two years through September 1993). It is expected, however, that the corrective actions taken during the reporting period will lead to an increased execution rate.

ii) In 1990, the Export Agribusiness and Development Promotion/LAAD Project (596-0123) was amended to add \$4,751,000 in additional loan funds targeting Nicaragua and Panama. However, it is expected that approximately \$1.8 million programmed for loans in Nicaragua will remain unexpended at the PACD (March 1994). While the political and social problems in Nicaragua which have made it impossible to identify viable projects have been outside the influence of project management, the Mission must make a decision shortly as to the use of the funds which remain in the pipeline. The Mission's preference, which would be coordinated with USAID/Nicaragua, is to extend the PACD to allow the provision of credit in Nicaragua. If this proves impossible, authorization of the use of unexpended funds in other Central American countries may be considered. Once a decision is made, the Mission will advise LAC.

**II. PROJECT/PROGRAM STATUS REPORTS  
BILATERAL PROJECTS**

1965-1966

1967-1968

**FINANCIAL SUMMARY OF GUATEMALA PORTFOLIO**  
**APRIL 01, 1993 THROUGH SEPTEMBER 30, 1993**

31  
16

(\$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 INT. OBUG.	LAST REMISED PACD	% OF LOP ELAP.	% OBUG. EXPEN.	AUTH. LOP AMOUNT	CURRENT FY OBUG TO DATE	CUMUL. AMOUNT OBLIG.	MORT- GAGE	BEG. FY PIPELINE	PLANNED SEMESTER EXPEND.	ACCRUED SEMESTER EXPEND.	ACCRUED AS % OF PLANNED	CUM. ACCRUED EXPEND	ENDING PIPELINE	PLANNED EXPEND. (NEXT SEM)
<b>CTIVE PROJECTS</b>																	
200332.00	FARM-TO-MARKET AC(L)		03/20/85	03/19/95	85	85	23,500	(5,487)	22,369	1,131	11,275	1,480	1,490	100	19,033	3,336	1,163
200332.00	FARM-TO-MARKET AC(G)		03/20/85	03/19/95	85	87	2,100	(117)	1,983	117	722	46	287	580	1,729	255	50
200341.00	PRIVATE ENTERPRIS(G)		08/31/87	01/31/95	81	80	10,000	103	9,977	23	4,061	1,288	1,186	91	8,014	1,964	883
200381.00	SMALL FARMER COFF(G)		07/28/89	07/21/97	52	45	11,000	0	8,029	2,971	5,425	690	624	70	3,619	4,410	731
200403.00	TRADE & LABOR REL(G)		08/20/93	08/31/98	2	0	9,000	8,999	8,999	1	0	0	2	0	2	8,997	689
<b>UBTOTAL TRADE AND INVESTMENT</b>					61	63	55,900	3,498	51,357	4,243	21,483	3,684	3,548	98	32,397	18,962	3,498
200339.00	IMMUNZTN & ORAL R(G)		08/27/85	08/27/95	80	71	19,418	2,920	19,398	80	5,453	2,057	2,058	100	13,907	5,431	1,250
200357.00	FAMILY HEALTH SER(G)		09/01/92	08/31/96	28	28	28,884	6,599	15,080	11,804	6,481	2,480	2,589	104	4,313	10,787	3,081
200389.00	HIGHLANDS WATER A(G)		08/27/91	12/31/98	38	7	9,500	0	9,500	0	9,407	811	368	45	690	8,810	1,604
200406.00	CARE WATER AND SA(G)		09/28/91	10/31/93	95	96	500	0	500	0	330	100	58	58	482	18	0
<b>UBTOTAL SMALLER HEALTHIER FAMILIES</b>					80	51	58,302	11,519	44,418	11,884	21,871	5,448	5,081	93	19,392	25,028	5,945
200282.00	RURAL PRIMARY EDU(G)		12/27/84	08/31/93	100	100	3,300	0	2,745	555	0	0	0	0	2,745	0	0
200282.00	RURAL PRIMARY EDU(G)		12/27/84	08/31/93	100	100	10,204	(875)	7,343	2,861	1,177	0	288	0	7,343	0	0
200384.00	PRIVATE SECTOR ED(G)		07/30/87	05/31/93	100	82	1,500	0	1,500	0	308	0	10	0	1,241	259	0
200374.00	BASIC EDUCATION S(G)		07/07/89	12/31/97	49	88	25,700	2,410	17,188	8,514	9,567	3,363	2,747	81	11,447	5,739	3,665
<b>UBTOTAL BASIC EDUCATION</b>					87	87	40,704	1,535	28,774	11,930	11,050	3,363	3,023	90	22,778	5,998	3,665
200274.00	HIGHLANDS AGRICUL(L)		09/30/83	12/30/93	97	100	13,500	(1,632)	10,372	3,128	1,831	1,489	198	13	10,372	0	0
200274.00	HIGHLANDS AGRICUL(G)		09/30/83	12/30/93	97	90	18,600	(82)	18,224	378	6,663	4,515	2,815	62	16,458	1,786	0
200385.00	MAYA BIOSPHERE PR(G)		09/30/90	08/30/98	50	53	10,500	250	8,650	1,850	6,054	540	1,448	287	4,599	4,051	660
200404.00	COMMUNITY NATURAL(G)		08/27/93	12/31/97	2	0	4,200	2,048	2,048	2,152	0	0	0	0	0	2,048	772
<b>UBTOTAL NATURAL RESOURCE MANAGEMENT</b>					62	61	46,800	574	39,294	7,506	14,548	6,544	4,459	68	31,429	7,865	1,432
200000.40	PUBLIC MINISTRY (G)		01/23/92	09/30/93	100	31	140	0	140	0	138	136	31	23	43	97	0
200383.00	GUATEMALA PEACE S(G)		04/30/90	08/31/98	53	73	15,000	(4)	12,086	2,934	6,838	1,714	1,858	108	8,879	3,186	1,380
200388.00	DEMOCRATIC INSTTT(G)		09/30/90	09/30/97	42	34	6,000	0	4,942	1,058	3,953	607	419	69	1,693	3,249	315
200407.00	JUDICIAL SECTOR R(G)		07/18/93	12/31/97	4	0	3,500	3,500	3,500	0	0	0	11	0	11	3,489	142
200412.00	STREET CHILDREN S(G)		08/20/93	12/31/97	2	0	3,000	2,225	2,225	775	0	0	1	0	1	2,224	243
<b>UBTOTAL SUST. EXERCISE OF INALIENABLE RIGHTS</b>					40	28	27,640	5,721	22,873	4,787	10,927	2,457	2,320	94	10,627	12,245	2,060

BEST AVAILABLE COPY

**FINANCIAL SUMMARY OF GUATEMALA PORTFOLIO  
APRIL 01, 1993 THROUGH SEPTEMBER 30, 1993**

(\$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 INT. OBLIG.	LAST REVISED PACD	% OF LOP ELAP.	% OBLIG. EXPEN.	AUTH. LOP AMOUNT	CURRENT FY OBLIG TO DATE	CUMUL AMOUNT OBLIG.	MOI - GAGE	FY PIPELINE	BEG. PLANNED SEMESTER EXPEND.	ACCRUED SEMESTER EXPEND.	ACCRUED AS % OF PLANNED	CUM. ACCRUED EXPEND	ENDING PIPELINE	PLANNED EXPEND. (NEXT SEM)
5200145.00	SPECIAL DEVELOPME(G)		10/01/82	07/15/94	93	93	1,446	193	1,446	0	142	85	133	156	1,353	93	75
5200286.00	COOPERATIVE STREN(G)		08/18/86	08/31/94	88	84	15,450	(687)	14,763	687	4,247	883	868	98	12,485	2,278	660
5200304.00	ALTIPLANO HIGHER (G)		06/19/86	12/18/93	97	100	5,000	(6)	4,994	6	1,285	437	937	214	4,994	0	0
5200343.00	PILOT COMMERCIAL (G)		08/30/85	08/30/94	89	91	13,500	0	13,500	0	1,552	250	61	24	12,309	1,191	441
5200353.00	RURAL ELECTRIFICA(G)		05/30/89	08/25/95	69	69	10,000	0	8,500	1,500	3,770	711	723	101	5,871	2,629	2,135
5200371.00	FISCAL ADMININSTR(G)		07/31/89	12/31/93	94	90	12,400	0	12,400	0	3,160	1,625	1,169	71	11,277	1,123	896
5200383.00	SPECIAL PROJECT A(G)		01/04/88	01/31/94	94	84	280	(109)	171	109	209	50	5	10	145	26	25
5200384.00	DEVELOPMENT TRAIN(G)		08/12/88	01/30/95	79	84	5,890	(960)	5,890	0	2,223	263	200	76	4,955	925	101
*5200000.60	CHILD IN NEED COM(G)		09/30/91	09/30/93	100	100	69	0	69	0	36	0	0	0	69	0	0
*5200409.00	CHILD IN NEED (G)		09/30/91	09/29/93	100	89	369	0	300	69	245	165	127	76	269	31	0
<b>SUBTOTAL OTHER PROJECTS</b>					<b>90</b>	<b>88</b>	<b>64,404</b>	<b>(1,569)</b>	<b>62,033</b>	<b>2,371</b>	<b>16,869</b>	<b>4,469</b>	<b>4,223</b>	<b>94</b>	<b>53,737</b>	<b>8,296</b>	<b>4,333</b>

**TOTAL ACTIVE PROJECTS**

**67    63    291,450    21,278    248,749    42,701    96,548    25,965    22,654    87    170,358    78,392    20,931**

**TERMINATED PROJECTS**

5200288.00	EXPANSION FAMILY (G)		08/31/82	08/31/92	100	99	35,331	(1,951)	33,350	1,981	1,899	0	(240)	0	33,185	165	0
5200337.00	PRIVATE SECTOR DE(G)		03/27/85	03/27/90	100	98	1,700	(6)	1,694	6	24	0	0	0	1,676	18	0
5200362.00	CENT AMER PEACE S(G)		04/30/87	07/31/92	100	99	26,200	(451)	25,749	451	469	0	(186)	0	25,630	119	0
5200379.00	VOLCANIC HAZARDS (G)		08/01/87	01/31/91	100	99	338	0	338	0	110	0	(1)	0	337	1	0
5200380.00	ENTREPRENEURIAL D(G)		07/31/89	03/31/93	100	99	1,250	0	1,250	0	144	0	(1)	0	1,249	1	0
<b>SUBTOTAL TERMINATED PROJECTS</b>					<b>100</b>	<b>99</b>	<b>64,819</b>	<b>(2,408)</b>	<b>62,381</b>	<b>2,438</b>	<b>2,646</b>	<b>0</b>	<b>(428)</b>	<b>0</b>	<b>62,077</b>	<b>304</b>	<b>0</b>

BEST AVAILABLE COPY

17.2

FINANCIAL SUMMARY OF GUATEMALA PORTFOLIO  
 APRIL 01, 1993 THROUGH SEPTEMBER 30, 1993  
 (\$000)

21  
81

(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 INT. OBLIG.	LAST REVISED PACD	% OF LOP ELAP.	% OBLIG. EXPEN.	AUTH. LOP AMOUNT	CURRENT FY OBLIG TO DATE	CUMUL. OBLIG.	MORT-GAGE	BEG. FY PIPELINE	PLANNED SEMESTER EXPEND.	ACCRUED SEMESTER EXPEND.	ACCRUED AS % OF PLANNED	CUM. ACCRUED EXPEND.	ENDING PIPELINE	PLANNED EXPEND. (NEXT SEM)
SUBTOTAL ACTIVE PROJECTS					67	63	291,450	21,278	248,749	42,701	98,548	25,985	22,654	87	170,368	78,392	20,931
SUBTOTAL TERMINATED PROJECTS					100	99	64,819	(2,408)	62,381	2,438	2,646	0	(428)	0	62,077	304	0
FINAL TOTAL					63	81	356,269	18,870	311,130	45,139	99,194	25,985	22,226	86	232,435	78,696	20,931

1:\F080F08123\DATA\SA\AID96.WD

BEST AVAILABLE COPY

Report Option:

Pipeline Analysis  
 USAID Guatemala - 520  
 as of September 30, 1992  
 (#000)

(0 = Projects by Mission )

Project Number	Project Title	Cumulative Obligation	FY Obligations (4)									Pipeline 9/30/93	Pipeline (6)							
			1986	1987	1988	1989	1990	1991	1992	1993	(5)	1986	1987	1988	1989	1990	1991	1992	1993	
0145	SPECIAL DEVELOPMENT ACTIVIT G	1,446	398	100	100	99	96	200	253	199	93								93	
0274	HIGHLANDS AGRICULTURAL DEVE G	18,224	1,724		3,800	5,500	4,000	1,700	1,500		1,766			108	508	15	834	300		
0274	HIGHLANDS AGRICULTURAL DEVE L	10,372	10,372								0									
0286	COOPERATIVE STRENGTHENING G	14,763	10,313				1,000	2,600	850		2,278						1,505	773		
0288	EXPANSION FAMILY PLANNING S G	33,350	8,523	3,354	7,485	5,068	5,037	3,883			165			2	116	17	7	23		
0304	ALTIPLANO HIGHER EDUCATION G	4,994	4,994								0									
0332	FARM-TO-MARKET ACCESS ROADS G	1,983	1,083	630							270								252	
0332	FARM-TO-MARKET ACCESS ROADS L	22,369	10,030	4,958	7,001	379					3,336				2,956	379				
0337	PRIVATE SECTOR DEV. COORDIN G	1,694	1,500			194					18									
0339	IMMUNIZTN & ORAL REHYDRTN TH G	19,338	9,653	6,685						3,000	5,431			2,431					3,000	
0341	PRIVATE ENTERPRISE DEVELOPM G	9,977		6,670	1,779	877	194	348		110	1,964			1,093	424	322		60	65	
0343	PILOT COMMERCIAL LAND PHASE G	13,500	2,000	7,465	1,035			2,600	400		1,191			212			579	400		
0353	RURAL ELECTRIFICATION III G	8,500				3,300	2,000	2,000	1,200		2,629					256	454	720	1,199	
0357	FAMILY HEALTH SERVICES G	15,080								6,481	8,599								2,433	
0362	CENT AMER PEACE SCHOLAR AID G	25,749		18,929		6,819					119					119			8,333	
0363	AGRIC PROD & MKT SERV-AIFLO G	1,181		195	254	432			300		0									
0364	PRIVATE SECTOR EDUC INITIAT G	1,500		1,500							259			259						
0371	FISCAL ADMINISTRATION PROJ G	12,400				1,400	3,400	4,200	3,400		1,123							25	1,097	
0374	BASIC EDUCATION STRENGTHENI G	17,186				3,500	3,335	4,421	3,520	2,410	5,739					530	238	232	2,329	
0379	VOLCANIC HAZARDS PREPAREDNE G	338		338							1									
0380	ENTREPRENEURIAL DEV. OPG G	1,250				925	100	225			1				1					
0381	SMALL FARMER COFFEE IMPROVE G	8,029				2,617	2,032	585	2,795		4,410					993	438	435	2,544	
0383	SPECIAL PROJECT ASST FUND P G	171			69	2				100	26								26	
0384	DEVELOPMENT TRAINING G	5,890			3,014	1,337	1,539				925				335	127	462			
0393	GUATEMALA PEACE SCHOLARSHIP G	12,066						4,079	5,337	2,650	3,186							537	2,650	
0395	MAYA BIOSPHERE PROJ MAYARE G	8,650						1,310	5,291	1,799	250						373	1,629	1,799	
0398	DEMOCRATIC INSTITUTIONS G	4,942						590	1,495	2,858	3,249						105	637	2,507	
0399	HIGHLANDS WATER AND SANITAT G	9,500							4,559	4,941	8,810							3,868	4,941	
0403	TRADE & LABOR RELATIONS DEV G	8,999									8,999								8,997	
0404	COMMUNITY NATURAL RESOURCES G	2,048									2,048								2,048	
0407	JUDICIAL SECTOR REFORM SUPP G	3,500									3,500								3,489	
0408	CARE WATER AND SANITATION G	500							300	200	18								18	
0409	CHILD IN NEED G	300							300		31								31	
0412	STREET CHILDREN SUPPORT G	2,225									2,225								2,224	
Total by Mission:		302,014	60,590	50,824	24,537	32,449	31,312	38,144	32,547	31,610	78,599		0	4,001	3,939	3,270	2,671	10,936	22,616	31,161

BEST AVAILABLE COPY

19

102

**EXCEPTIONS MATRIX**  
**USAID/GUATEMALA PORTFOLIO**  
*April 1, 1993 - September 30, 1993*

Project No.	Project Name	Date of Init. Oblig.	Project Rating	Status of CP's	Size of Pipeline <sup>1</sup>	Age of Pipeline	Accrued Expend.	Uncomm Balance	EOPS A	EOPS B	Audit A	Audit B	Eval A	Eval B
520-0145	Special Development Fund (G)	10/01/92	B										✓	
520-0274	Highlands Agriculture (G/L)	09/30/83	A				✓							
520-0282	Rural Primary Education (G/L)	02/27/85	B											
520-0286	Cooperative Strengthening (G)	08/18/86	A										✓	
520-0304	Altiplano Higher (G)	06/19/86	B									✓		
520-0332	Farm-to-Market Roads (G/L)	03/20/85	B											
520-0339	Immunization & ORT (G)	08/25/85	B		✓									
520-0341	Private Enterprise (G)	08/31/87	B										✓	
520-0343	Pilot Commercial (G)	08/30/85	C				✓		✓				✓	
520-0353	Rural Electrification (G)	08/25/89	B											
520-0357	Family Health Service (G)	09/11/92	C		✓									
520-0364	Private Sector Ed. (G)	07/31/87	B											
520-0371	Fiscal Administration (G)	07/31/89	B											
520-0374	Basic Ed. Strengthening (G)	07/07/89	C								✓			

<sup>1</sup> Exception: Pipeline/average annual expenditures (over 3 years) > 2

BEST AVAILABLE COPY

Project No.	Project Name	Date of Init. Oblig.	Project Rating	Status of CP's	Size of Pipeline <sup>1</sup>	Age of Pipeline	Accrued Expend.	Uncomm Balance	EOPS A	EOPS B	Audit A	Audit B	Eval A	Eval B
520-0381	Small Farmer Coffee (G)	07/26/89	A		✓✓									
520-0383	Special Project Assist (G)	01/04/88	B				✓✓							
520-0384	Development Training (G)	08/12/88	B											
520-0393	Guatemala Peace Scholarship (G)	04/30/90	A										✓	
520-0395	Maya Biosphere Project (G)	09/30/90	B		✓✓						✓✓			
520-0398	Democratic Institutions (G)	09/30/90	C		✓✓		✓						✓	
520-0399	Highlands Water & Sanitation (G)	08/27/91	C	✓	✓✓		✓							
520-0403	Trade & Labor Relations (G)	09/02/93	B											
520-0404	Community Natural Res. Mgt. (G)	08/27/93	B											
520-0407	Judicial Sector (G)	07/16/93	B											
520-0408	Care Water and Sanitation (G)	09/26/93	B				✓							
520-0412	Street Children Support (G)	08/28/93	B											
520-0000.6	Child in Need (G/PD&S)	09/31/91	B											
N/A	PL-480 Title II	N/A	B	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
520-0000.4	Public Ministry Strenght. (PD&S)	01/23/92	B								N/A		N/A	N/A

(U) (PDS) (PUB) (DOCS) (MATEX) (SAR)

BEST AVAILABLE COPY

21

**INCREASED PRIVATE INVESTMENT AND TRADE**

**IA. BACKGROUND DATA**

Project Title: Highlands Agricultural Development (International Marketing and Export Promotion Component)  
Project Number: 520-0274.2  
Date of Authorization: original 7/27/83 amendment N/A  
Date of Obligation: <sup>1</sup> original 12/29/89 amendment 3/31/92  
PACD: original 9/30/83 amendment 12/30/93  
Implementing Agencies: Guild of Nontraditional Product Exporters (Gremial)  
Major Contractors: None  
AID Project Manager: Kim Delaney  
Status of CPs/Convenants: All CPs have been met  
Date of Last Evaluation: 9/93 Next Evaluation: N/A  
Planned Number of Non-Federal Audits during Fiscal Year: 1  
The Number of such Audits Contracted for/Completed: 1/1  
Date of Last Audit: 6/93 Next Audit: N/A

**IB. FINANCIAL DATA**

Amount Authorized:	DA/ESF Grant:	original	\$ 3,000,000
Amount Obligated:	DA/ESF Grant:	original	\$ 2,500,000 amended to \$ 2,880,000
Amount Committed:	Period:		\$ 0
	Cumulative:		\$ 2,880,000
Accrued Expenditures:	Period - Projected:		\$ 875,477
	Period - Actual:		\$ 645,135
	Cumulative:		\$ 2,342,165
	Period - Next:		\$ 537,837
Counterpart			
Contribution:	Planned:		\$ 750,000 <sup>2</sup>
	Actual:		\$ 889,741
% LOP Elapsed:		97%	
% of Total Auth. Oblig.		96%	
% of Total Oblig. Exp.		81%	
% of Total Auth. Exp.		78%	

---

**IIA. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES**

**Specific Linkage to Strategic Objectives:** Project support for the Gremial (institutional support, TA, training, research) directly contributes to expanding the production and marketing of nontraditional exports, a performance indicator under the Trade and Investment Strategic Objective.

**Percent of LOP Funds Relating to Strategic Objectives:** 100%

**IIB. PROJECT PURPOSE**

To provide for broad-based economic development through the development and promotion of non-traditional agricultural exports

**III. PROJECT DESCRIPTION**

This component provides core support to the Guild of Nontraditional Product Exporters to develop and promote nontraditional exports through the provision of market information, export and investment promotion activities, training, the promotion of applied nontraditional agricultural products research, and organization of the Guatemalan public and private sector to ensure non-traditional agricultural exports product compliance with international phytosanitary and pesticide regulatory requirements.

---

<sup>1</sup> Date of overall HADS Project Obligations: 09/30/83

<sup>2</sup> Quetzales 3.3 million at exchange rate of 4.4:1

23

**IV. PROJECT STATUS**

Planned EOPS

Progress To Date

1. Increased value-added in NTE sector attributable to USAID support

Baseline established in June 1993 for the value-added of 20 non-traditional exports encompassing agribusiness, manufacturing and handicrafts.

**B. Major Outputs**

	<u>Planned</u>				<u>Accomplished</u>		
	LOP	Period	Cum.	Next Period	Period	Cum.	% of LOP
1. Market Information Service	1	0	1	0	0	1	100%
2. Private sector based pesticide regulatory service	1	0	1	0	0	1	100%
3. Applied Agricultural Research Fund operating	1	0	1	0	0	1	100%
4. Participation in int'l export/investment events	25	8	25	0	4	26	104%
5. Workshops sponsored	28	4	28	0	5	66	236%
6. NTAE applied research activities	15	0	15	0	3	14 <sup>3</sup>	93%

**C. Other Accomplishments and Overall Status**

**1. Core Support**

Negotiations with the Mission were completed on an arrangement to finance fifty percent of the costs of a new office building for the Gremial. Under this arrangement, funds from the HAD project will be used to finance the total costs for purchase of the land. Additional funding will be provided from the PED project to partially finance building construction. The Gremial will finance the remainder of the building construction costs, as well as any taxes or fees related to the land or building purchase.

The PACD of this component of the HAD project was extended until December 30, 1993 to allow sufficient time to complete the land purchase. All other activities were completed on September 30, 1993.

The Gremial initiated its 9th year of their course series with the Technical Institute of Training and Productivity on how to become an exporter. Twenty-five small and medium enterprises are participating. An additional course for women on international trade was begun as well, with 30 participants.

---

<sup>3</sup> Of these 14 research activities, 9 have been completed and 5 are in the process of being completed with private sector funding. An additional 4 proposals are on hold, pending receiving private sector support. Two more proposals are in the process of being approved.

The Gremial organized a trade mission to Mexico and participation in the Dallas Gift Show, as well as promotional events related to Agritrade '93.

## 2. Agricultural Research Fund

The evaluation of the ARF program was completed during the reporting period. The evaluation showed that the program had been efficiently run, had met the demands of producers for applied agricultural research and had been effective in promoting the concept of matching funding. Some deficiencies were noted in the process used to approve proposals and in the lack of promotion of the program, and suggestions made for improvement.

As a result of the evaluation and its findings regarding the sustainability of ARF, two ARF board members traveled to Washington to meet with international donors and other organizations to discuss potential future funding for ARF. International donors expressed interest in working more closely with the private sector on agricultural issues, with the ARF program as a model for how it could be done.

The evaluation showed that the impact of the research projects funded under ARF has been substantial, especially for snow pea and broccoli production. For snow peas, the technology discovered under the ARF research project has resulted in a 25% reduction in the costs of production, due to a decreased need for fungicides or insecticides. For broccoli, technology developed under ARF related to pesticide use has resulted in a reduction in the rejection rate for broccoli from 25 to 6%, which translates into additional earnings for product sold of more than Q3.8 million.

Nine research activities had been completed by the end of the reporting period, covering commodities such as snow peas, broccoli, melons, garlic and tomatoes. Projects involving raspberries, shrimp, green soy beans and mini-cucumbers were still in process at the end of the reporting period, and will be completed with private sector funding.

### D. Problems and Delays

After four months of negotiation, the land which was going to be sold to the Gremial for the construction of their new offices was sold to another client. The Gremial is in the process of finding another suitable location for office construction. If another location is not found by the end of November, the funds remaining in the Gremial agreement will be deobligated, since there will not be sufficient time to finalize the land purchase.

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

The Mission will work with the Gremial to finalize the arrangements for the land purchase, once a new location is found.

The Project Assistance Completion Report for this component of the HAD project will be drafted to summarize project accomplishments and will be combined with the overall HAD Project Assistance Completion Report.

Project close-out will be completed during the next six months.

Prepare an evaluation summary of the evaluation of the ARF.

25  
25

**IA. BACKGROUND DATA**

Project Title: FARM-TO-MARKET ACCESS ROADS  
Project Number: 520-0332  
Date of Authorization: original 03/19/85 amendment 09/27/87  
Date of Obligation: original 03/20/85 amendment 07/31/89  
PACD: original 12/31/89 amendment 03/19/95  
Implementing Agency: Dirección General de Caminos, DGC  
Major Contractors:  
AID Project Manager: Ricardo Pérez  
Status of CPs/Convenants: Anual CPs pending. See Section C.1  
Date of Last Evaluation: 01/29/93 Next Evaluation: April, 1994  
Planned Number of Non-Federal Audits during Fiscal Year: 1  
The Number of such Audits Contracted for/Completed: Price Waterhouse  
Date of Last Audit: 01/29/93 Next Audit: On going

**IB. FINANCIAL DATA**

Amount Authorized:	DA Loan/Grant:	original \$10,000,000 amended to \$30,000,000
Amount Obligated:	DA/Loan/Grant:	original \$10,000,000 amended to \$24,351,740
Amount Committed:	Period:	\$ 2,009,979
	Cumulative:	\$21,645,351
Accrued Expenditures:	Period - Projected:	\$ 1,526,000
	Period - Actual:	\$ 1,757,095
	Cumulative:	\$20,761,590
	Period - Next:	\$ 1,213,000
Counterpart Contribution:	Planned:	\$34,332,000
	Actual:	\$25,557,927
% LOP Elapsed:		85.30 %
% of Total Auth. Oblig.		80.10 %
% of Total Oblig. Exp.		85.00 %
% of Total Auth. Exp.		68.20 %

---

**IIA. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES**

Specific Linkage to Strategic Objectives: Expansion and improvement of rural roads through this project increases access of farmers to local and regional markets. A significant portion of increased trade is in the form of exports and therefore relates to the Mission's Strategic Objectives of increased Private Investment and Trade.

Percent of LOP Funds Relating to Strategic Objectives: 100%

**IIB. PROJECT PURPOSE**

1. To expand the network of all-weather farm-to-market and tertiary roads in the target area to provide a better transportation system.
2. To institutionalize the national program to construct and maintain low-cost, labor intensive, rural farm-to-market access roads.

**III. PROJECT DESCRIPTION**

The Access Roads Component provides portions of the rural farming areas with access to services, markets and inputs necessary for agricultural production. Most of the roads are constructed near the alignments of existing roads or rural trails that are currently the only means of transportation in the project area. This component also includes rehabilitation activities to repair access roads previously constructed with AID financing which have now deteriorated. The access roads construction and rehabilitation activities are mainly performed using labor intensive techniques with heavy equipment playing only a supporting role.

The Tertiary Roads Component improves the link between the rural farming area opened by the access roads construction to markets and services required to improve the production system and quality of life of farmers. The work includes the upgrading or improvement of selected existing dirt routes to all-weather standards. The type of roads to be improved will generally be badly deteriorated gravel surfaced roads. Even though more extensive use

26  
24

of heavy equipment is required for this work, labor intensive techniques are emphasized.

The Access Roads Maintenance Component assures continuous road access to markets, agricultural inputs and health and extension services by rural highlanders. The works include the use of labor intensive methods which provide part-time employment opportunities for a portion of Guatemala's rural underemployed population.

**IV. PROJECT STATUS**

	<u>Planned EOPS</u>	<u>Progress To Date</u>
1.	Capacity built in DGC to construct and maintain access roads using labor intensive techniques	The DGC's capacity for implementing the Project has been strong in all regions including those being operated with GOG resources. For CY-1994 they plan to operate six regional offices with counterpart resources only.
2.	A computer Center at DGC to provide program management and effective selection of roads to be constructed	The computer process to select roads for construction established for the project is functioning, and will be further developed through financed TA.
3.	260 agricultural production areas opened to markets	With the construction and rehabilitation of about 1632 kms of access roads and their continuous maintenance, the DGC has been able to open about 272 new agricultural production areas to outside markets. Small farmers continue being the primary beneficiaries with these activities.

**B. Major Outputs**

	<u>Planned</u>				<u>Accomplished</u>			
	LOP	Period	Cum.	Next Period	Period	Cum.	% of LOP	
1. Access R. Const.	1773	90	1328	90	94	1536	87%	
2. Access R. Rehab.	150	0	87	5	8	96	64%	
3. Access R. Maint.	1703	1253	1703	750	1006	1779	104%	
4. Tertiary R.Ugrd.	180	10	57	10	12	58	32%	
5. Reg. Off. Const.	9	1	3	1	1	4	44%	

The cumulative figure for the access roads maintenance activity shows the accomplishments for the current fiscal year only. The LOP target for this activity is actually an annual target to be met during each year of implementation. Road construction, rehabilitation, maintenance and upgrading figures are kilometers.

**C. Other Accomplishments and Overall Status**

The access roads construction has enabled small farmers living in project areas to market their fruits and vegetable production that was previously restricted.

Due to the farm-to-market access roads construction and maintenance activities, the Mission's Special Development Fund has coordinated construction activities for one health post, two school buildings in the roads project area during the reporting period. Likewise, the Instituto Nacional de Electrificación, INDE, started construction of the scheduled electrical power for 18 villages located in agricultural areas opened by the Farm-to-Market Access Roads Project 520-0332. Truck transportation coming to the villages from other sites has strongly increased, thereby establishing a permanent transportation system with local regional market.

27  
27

The environmental promotion activity being performed by the DGC's social workers was successful in about 340 presentations where about 20,000 people at communities, 10,000 school children, 500 teachers and about 210 local committees have been environmentally educated during the reporting semester. The access roads maintenance promotion is also being carried out simultaneously with the environmental promotion, and 2,040 people from community committees have been trained on roads maintenance activities. It is relevant to mention that this activity is mostly performed by women (80% among 45 Rural Roads Program's social workers and assistance to social workers are women).

DGC's Work Plan for CY-1993 was approved in accordance with PIL No. 93 dated August 10, 1993.

Best and Final offer from a CPA (IQC) firm to provide DGC with TA on financial control systems was received during the reporting semester. Reviewing of offer and contract signing with the CPA will be made early next semester.

Deobligation of Project Loan funds was made in accordance with PIL No. 91 dated June 18, 1993. Due to the deobligation process of project funds and the temporary suspension of the project in May-June/1993, the computer short-term technical assistance was not contracted with Grant funds as scheduled. Loan funds were rescheduled to include a long-term TA for the same purpose. PIO/T was processed to contract these services.

Due to the monitoring of DGC's actions to close the Non-Federal Audit recommendations included in the final report No. 1-520-93-12-N issued by RIG on January 29, 1993, the following were considered closed or resolved by RIG: Recommendation No. 1 regarding questioned costs (\$24,590) was considered closed with the issuance of a Bill For Collection. This amount was already recovered with disallowance of funds in GOG request for Mission disbursement. Recommendation No. 2 (1) and (3) were considered closed at the provision of the evidence that DGC has established procedures to establish and maintain records to account counterpart contributions and USAID/ Guatemala direct Project purchases, and made a determination concerning responsibility and final disposition for the two stolen Project vehicles. Recommendation No. 2 (2) was considered resolved by RIG. Closure of this recommendation will be made at the signing of the contract with the above mentioned CPA.

The farm-to-market access roads and tertiary roads outputs, as well as for the planned vs actual expenditures surpass the planned outputs planned for the reporting semester. This is largely due to the support given by the Ministry of Communications, Transportation and Public Works to the Project during the reporting period.

#### D. Problems and Delays

Despite the efforts made by the Ministry of Communications, Transportation and Public Works and the Dirección General de Caminos to coordinate with the Ministry of Finance, the labor payroll payments for the Rural Roads Program are approximately sixty days overdue.

In accordance with the follow up given by the Project Manager to the GOG in meeting CPs (October 31, 1993) for earmarking and commitment of funds after December 31, 1993, the GOG will be able to partially meet with one out of the two annual CPs. To comply with the remaining CP, a deadline extension will be required. This extension will delay the earmarking and commitment of project funds after December 31, 1993.

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

1. Contract CPA technical services for DGC.
2. Request RIG to close pending Recommendation No. 2 (2).
3. Contract computer long-term TA for DGC.
4. Follow up and assist DGC on meeting pending CP.
5. Evaluate offers and award of contract regarding the procurement of heavy equipment and vehicles.
6. Approve CY-1994 CPs/Work Plan.
7. Complete M Account deobligations and determine source of funds for PASA Agreement.

*J.S.*  
24

**IA. BACKGROUND DATA**

Project Title: Private Enterprise Development  
Project Number: 520-0341  
Date of Authorization: original 08/28/87  
Date of Obligation: original 08/31/87 amendment 09/29/89  
PACD: original 08/27/92 amendment 01/31/95  
Implementing Agencies: CAEM, MOE, AGG and GEXPRONT  
Major Contractors: None  
AID Project Manager: Kim Delaney  
Status of CPs/Covenants: All CPs have been met  
Date of Last Evaluation: 04/90 Next Evaluation: N/A  
Planned Number of Non-Federal Audits during Fiscal Year: 3  
The Number of such Audits Contracted for/Completed: 3/3  
Date of Last Audit: 12/92 Next Audit: 12/93

**1B. FINANCIAL DATA**

Amount Authorized:	DA/ESF Grant: original	\$ 10,000,000	
Amount Obligated:	DA/ESF Grant: original	\$ 9,328,000	amended to \$ 9,977,548
Amount Committed:	Period:	\$ 316,810	
	Cumulative:	\$ 9,526,847	
Accrued Expenditures:	Period - Projected:	\$ 1,267,777	
	Period - Actual:	\$ 1,165,418	
	Cumulative:	\$ 8,013,563	
	Period - Next:	\$ 882,700	
Counterpart			
Contribution:	Planned:	\$ 2,191,481 <sup>1</sup>	
	Actual:	\$ 4,591,340	
% LOP Elapsed:		82%	
% of Total Auth. Oblig.		99.7%	
% of Total Oblig. Exp.		80%	
% of Total Auth. Exp.		80%	

---

**IIA. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES**

**Specific Linkage to Strategic Objectives:** Project support for the Gremial (institutional support, TA, training) directly contributes to expanding the production and marketing of non-traditional exports, a performance indicator under the Trade and Investment Strategic Objective. Technical assistance to the MOE and institutional support for CAEM contributes to an improved policy environment and a more efficient trade regime, which are other performance indicators under the strategic objective.

**Percent of LOP Funds Relating to Strategic Objectives:** 100%

**IIB. PROJECT PURPOSE**

To strengthen the economic and policy role of private enterprise in Guatemala.

**III. PROJECT DESCRIPTION**

The project provides assistance to the Guatemalan Entrepreneurial Chamber (CAEM), the Guild for Non-Traditional Product Exporters (the Gremial), the Center for Entrepreneurial Development (AGG-CEDE) and the Ministry of Economy to strengthen the economic and policy role of private enterprise in Guatemala, through the provision of training and technical support to small and medium enterprises (SMEs), expansion of non-traditional exports, and support for new private sector initiatives.

---

The exchange rate is Q2.7 : \$US1 for CAEM, AGG and the Gremial and Q2.58287 : \$US1 for the MOE

29  
20

**IV. PROJECT STATUS**

Planned EOPS

Progress To Date

**CAEM**

- |    |                                      |   |
|----|--------------------------------------|---|
| 1. | Strengthened financial market system | Completed assessment of financial market training needs |
|----|--------------------------------------|---|

**AGG-CEDE**

- |    |  |   |
|----|--|---|
| 2. | Establishment of market-driven training center for SMEs with 80% cost recovery | Center established with 63% cost recovery |
|----|--|---|

**GREMIAL**

- |    |   |  |
|----|---|--|
| 3. | Increased value-added in NTE sector attributable to USAID support (Quantifiable measures will be established during the next reporting period.) | Baseline established in June 1993 for the value-added of 20 NTEs |
|----|---|--|

**Ministry of Economy**

- |    |  |                               |
|----|--|-------------------------------|
| 4. | More efficient operations of MOE with greater responsiveness to private sector | MOE reorganization in process |
|----|--|-------------------------------|

**Guaranty Fund**

- |    |  |   |
|----|--|---|
| 5. | Increase in number of SMEs receiving business loans from public and private financial institutions | The Guaranty Fund for SMEs renewed operations in May 1993 (after a lapse of three years) under the management of the Bank of Guatemala; to date, 12 SMEs have received guaranties totalling more than Q2.4 million. |
|----|--|---|

**B. Major Outputs**

	<u>Planned</u>				<u>Accomplished</u>			
	LOP	Period	Cum.	Next Period	Period	Cum.	% of LOP	
<b><u>CAEM</u></b>								
1.	Privatization studies	5	0	5	0	2	14	280%
2.	Short-term training	40	0	40	0	2	183	458%
<b><u>AGG-CEDE</u></b>								
3.	SME graduates	1000	50	666	120	179	1,480	148%
	Male:					130	1,066	
	Female:					49	414	
<b><u>GREMIAL</u></b>								
4.	Export expansion in targeted products	18	0	18	0	0	12	67%
5.	Local TA/training recipients	400	20	400	0	1,087	11,181	2795%
	Male:					904	6,961	
	Female:					183	4,220	

30  
C

GUARANTY FUND:

6.	No. Loans to SMEs guaranteed	500	0	16	6	2	12	2.4%
7.	Credit guaranteed (Q000,000)	35	0	2.9	1.2	8	2.4	6.9%

C. Other Accomplishments and Overall Status

1. CAEM

CAEM's Board of Directors has established two committees to promote a stronger private sector stand on privatization and foreign and free trade agreements. The committee on privatization has met with the new President and his advisors to stress the importance of proceeding with privatization as soon as possible.

With assistance from Coopers & Lybrand, CAEM has been working with the Municipal Water Authority on a privatization plan. They have established five task forces to improve the administrative operations and efficiency of EMPAGUA to prepare for eventual privatization of portions of the water distribution system. Contacts have been made with international water distribution companies and with the World Bank, which have expressed interest in participating in the privatization.

CAEM sponsored a seminar on foreign trade negotiations in September, attracting 70 public and private sector participants. In addition, they participated in the official Guatemalan delegation to Mexico to begin free trade agreement negotiations and to renew the current agreement with Mexico which expires next June.

2. AGG-CEDE

Negotiations on the trust fund for AGG-CEDE were completed in August and the trust fund was established in a private bank. The terms of the trust fund ensure that CEDE will exist at least for an additional five years, once PED project funding is completed in December. CAEM, AGG, USAID and CEDE are on the committee managing the trust fund. Following establishment of the trust fund in August, project disbursements were resumed.

During the reporting period, training was provided for an additional 2,143 small and medium entrepreneurs, with 18% of the participants receiving courses outside of Guatemala City. Thirty-seven percent of the course participants were women and 63% were men.

3. Gremial

The Gremial established an environmental commission and a new logo to distinguish those exporters who use environmentally sound practices in the production and distribution of their non-traditional products.

A baseline survey of the value-added to 20 non-traditional products was completed in August. This survey included both Gremial and non-Gremial members and will be updated annually. The survey showed that the maquila sector has the lowest value-added (at approximately 12%), while the agricultural and handicraft sectors have value-added of 70 to 84%. The survey also showed that profit margins in the maquila sector of 5% were remarkably lower than those for agribusiness with an average profit margin of 31%. Another survey finding was that Gremial members representing the 20 products surveyed tended to be more established, larger firms than non-Gremial members. The consultant team will return in November to provide additional training to the Gremial on the use of the database and on the survey methodology.

The final version on the Gremial self-sufficiency plan was completed in July. The Gremial is currently revising the plan and outlining the steps required for its implementation.

4. Ministry of Economy

Computers for the Ministry of Economy have been purchased and are being stored in the supplier's warehouse until the Ministry has purchased the accompanying software. It is expected that the software procurement will be completed by November. Ministry personnel have already been trained in the use of the equipment.

21  
21

The Ministry began publication of a bimonthly bulletin on a pilot basis to inform the public and selected members of the private sector of the Ministry's functions and activities. The bulletin has been met with a positive response, and the Ministry is making arrangements to continue publication with funding received from advertisements.

Reprogramming of the remaining balance of \$370,00 in the agreement is in process. The reprogramming will redistribute funds to more closely match the needs of the new Minister of Economy's capacity to support increased commercial relationships, investment and entrepreneurial development in Guatemala and the reorganized Ministry.

#### 5. Guaranty Fund

The Guaranty Fund began operations in May, under the management of the Bank of Guatemala, following extended negotiations on the regulations governing the fund. Originally the Guaranty Fund had been managed by CAEM. Currently, four loans (2 new loans and 2 from the prior Guaranty Fund) are being covered by guaranties totalling Q836,295. Demand for guaranty coverage has been low, due to high interest rates in the private banking system which have inhibited loan demand, especially by smaller enterprises.

#### 6. General

The project PACD was extended to January 31, 1995 to allow additional time for the Ministry of Economy to reach project output levels and for the Gremial to make the transition between the PED project and assistance being provided under the Trade and Labor Relations Development Project.

#### D. Problems and Delays

Implementation of activities under the Ministry of Economy agreement was delayed by the May 25th political crisis and subsequent changes in Ministers. Agreement has been reached with the new Minister on the hiring of a full-time project manager to facilitate project follow-up and implementation.

The Ministry of Economy computer purchase was delayed because of a lack of counterpart funding to purchase the operating software.

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

The Mission will work with the Gremial over the next six months to develop a transition plan between the PED and TLRD projects. Because PED project funding will be expended almost a year sooner than anticipated, the Gremial will require Mission assistance to ensure a smooth transition between the two projects.

The Mission will also conduct a close out of the AGG-CEDE and CAEM agreements under the PED project, once funds are fully disbursed. It is expected that AGG-CEDE and CAEM will have expended all funding under these agreements by December/January.

The Ministry of Economy will work with the Ministry of Finance to receive at least enough funding to cover minimal operating software requirements. The Ministry is aware that the Mission will not deliver the computer equipment until the software is purchased.

U:\EAPRIPUB\DOCS\ISARPED

32-32

**IA. BACKGROUND DATA**

Project Title: Small Farmer Coffee  
Project Number: 520-0381  
Date of Authorization: original 7/27/89  
Date of Obligation: original 7/28/89  
PACD: original 7/27/94 amendment 07/21/97  
Implementing Agencies: Ministry of Finance, National Coffee Producers Association (ANACAFE)  
Major Contractors: AGRIDEC  
AID Project Manager: Edin Barrientos  
Status of CPs/Covenants: All met  
Date of Last Evaluation: October, 1993 Next Evaluation: March, 1997  
The Number of such Audits Contracted for/Completed: 1/1  
Planned FY 93 Audit Recipient: 1  
Date of Last Audit: October, 1992 Next Audit: October, 1993

**1B. FINANCIAL DATA**

Amount Authorized:	DA/Grant:	original	\$ 11,000,00 (First Phase \$8,704,000)
Amount Obligated:	DA/Grant:	original	\$ 2,600,000 amended to \$ 8,700,000
Amount Committed:	Period:		\$ 0.00
	Cumulative:		\$ 7,720,518
Accrued Expenditures:	Period - Projected:		\$ 889,985
	Period - Actual:		\$ 623,868
	Cumulative:		\$ 3,619,285
	Period - Next:		\$ 885,000
Counterpart (exchange rate Q 2.70 = \$1.00)			
Contribution: GOG:	Planned:		\$ 9,250,000
	Period actual:		0.00
	Actual:		\$ 4,444,444
ANACAFE:	Planned:		\$ 2,343,123
	Period Actual:		\$ 480,000
	Cumulative:		\$ 1,967,667

% LOP Elapsed:	52%
% of Total Auth. Oblig.	73%
% of Total Oblig. Exp.	45%
% of Total Auth. Exp.	33%

---

**II. PROJECT PURPOSE AND RELATIONSHIP TO MISSION STRATEGIC OBJECTIVE**

To carry out a program that combines extension services and credit for increasing the yields and incomes of small farm coffee growers.

**A. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES**

1. The Project contributes to two Mission strategic objectives: Increased trade and investment and improved natural resource management. By promoting exports of specialty coffee, the Project contributes to increased trade. By providing technical and financial assistance for soil conservation measures (terracing and reforestation) in critical/watershed areas the Project contributes to improved natural resource management. Furthermore, the Project uses an innovative financial mechanism which involves private banks providing financial services to small coffee growers. Because loans are provided at market rates of interest and repayment is ensured by an export crop with premium prices in the world market, the Project is moving towards a sustainable development mode. Soil conservation measures are financed by private banks and those measures ensure a sustainable agriculture in potentially fragile ecological areas.

2. Percentage of LOP Funds Relating to S.O.S.: 100%

**III. PROJECT DESCRIPTION**

The project combines the provision of (a) credit resources by the GOG with management by private banks, and (b) extension services by the private extension system of ANACAFE. Small farmers will be provided with 7 year loans to renovate a/o improve up to 8 manzanas (14 acres) of old coffee with yields expected to increase from less than 8 cwt. to over 30 cwt. per manzana.

**IV. PROJECT STATUS**

**A. Revised EOPS**

Progress to Date

1. An increased percentage of small farmer coffee will be marketed as a high quality, "gourmet" level product, preferably as dry parchment coffee rather than at the lower-value cherry stage.
2. An effective small coffee farmer assistance program will have been institutionalized within ANACAFE, and evidence will exist to show that the program is being expanded to additional small coffee producers.
3. Increase in the value-added portion of the small producer coffee exports in representative areas attributable to USAID/Guatemala support.

The coffee marketing and processing advisors are working closely with their counterparts in ANACAFE to rethink the processing strategy and are now beginning to implement a pilot program in San Juan y San Pedro la Laguna, Sololá.

The traditional extension system employed by ANACAFE was reviewed, and ANACAFE decided to implement the Project Management Unit to ensure direct dedicated support to small coffee producers.

ANACAFE is preparing the commercialization margin analysis and subsequently will measure value-added which will facilitate improving equity distribution.

**B. Major Outputs**

	<u>Planned</u>				<u>Accomplished</u>		
	<u>LOP</u>	<u>Period</u>	<u>Cum.</u>	<u>Next Period</u>	<u>Period</u>	<u>Cum.</u>	<u>% of IOP</u>
1. Number of Manzanas improved	8,100	1,100	2,100	1,100	1745	2853	35%
2. Number of loans:	2,800	1,100	2,540	260	301	1,151 <sup>1</sup>	41.1%
3. Number of coffee processing facilities/	25	12	13	4	6	16	64%
4. Number of participating Banks	3	0	3	0	0	3	100%
5. Long-term training (persons)	1	1	3	0	0	0	0%

<sup>1</sup>

MALE      FEMALE  
 1,097      54

34

	<u>Planned</u>				<u>Accomplished</u>		
	<u>LOP</u>	<u>Period</u>	<u>Cum.</u>	<u>Period</u>	<u>Period</u>	<u>Cum.</u>	<u>% of LOP</u>
6. Short-term training (person/months)							
(a) Technicians:							
(1) Participatory	50	2	18.5	2	2	10.5	21%
(2) In-country training	150	10	40	20	20	120	80%
(3) Farmers	2,000	10	816	100	256	1224	61%

**C. Other Accomplishments and Overall Status**

1. During this period changes in the outputs and EOPS of the project were approved and the extension of the PACD of the Cooperative Agreement with ANACAFE to 7-27-97 has been authorized. Also, new parameters for productions loans, eligibility criteria, interest rates and repayment time were authorized.
2. A new organization and strategy for the project was designed, the strategy consists in the delivery of the project integrated services, as well as production, processing and marketing. This strategy will be implemented in 3 pilot areas located in the Atitlán Lake river, Huehuetenango and Mataquescuintla, Jalapa.
3. The Government of Guatemala is in the process of modifying the main Trust Fund in the Bank of Guatemala up to Q 50 million.
4. A contract was approved to perform work on pesticide monitoring which will result in safer and more efficient pesticide use and pest control.
5. The second evaluation of the project has been contracted and it will be concluded during the second week of November, 1993.
6. The project information system has been partially designed, and ANACAFE hired a technician to carry out this task.
7. 600 women and 2300 men were trained during this period in coffee production, processing and marketing, pesticides management, and maintenance and management of pulp machines.
8. Legally women can and do own land and can obtain land mortgages in Guatemala. However, the present prevailing social and cultural custom is that land ownership is predominately male. Wherever possible the project encourages full participation by women and presently there are coffee farms in the project which are owned by women and project loans are made to women. Often this is the result of a widow or daughter taking over the farm from the deceased original owner. Although, the project will continue to press for greater female involvement, strong cultural tradition will likely limit female ownership to approximately 10%.

**D. Problems and Delays**

1. There is not a project information system in place, this affect the normal flow of the project information.
2. The merging of the small and large coffee farmer programs was ineffective and will be discontinued.

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

1. Establishment and consolidation of the Project management unit within ANACAFE with the required levels of staffing and financial resources.
2. Implementation of the project information system, including information related the criteria of value added of small producer coffee exports in representative areas which received project support.

**IA. BACKGROUND DATA**

Project Title: Trade and Labor Relations Development  
Project Number: 520-0403  
Date of Authorization: original 08/10/93 amendment  
Date of Obligation: original 09/02/93 amendment  
PACD: original 08/31/98 amendment  
Implementing Agencies: Ministry of Economy, Ministry of Labor, CAEM, GEXPRONT  
Major Contractors: None  
AID Project Manager: Kim Delaney  
Status of CPs/Covenants: No CPs/Covenants have been met  
Date of Last Evaluation: N/A Next Evaluation: 02/96  
Planned Number of Non-Federal Audits during Fiscal Year: 2  
The Number of such Audits Contracted for/Completed: 0/0  
Date of Last Audit: N/A Next Audit: N/A

**1B. FINANCIAL DATA**

Amount Authorized:	DA/ESF Grant: original	\$ 9,000,000
Amount Obligated:	DA/ESF Grant: original	\$ 8,999,446
Amount Committed:	Period:	\$ 7,943,446
	Cumulative:	\$ 7,943,446
Accrued Expenditures:	Period - Projected:	\$ 0
	Period - Actual:	\$ 2,060
	Cumulative:	\$ 2,060
	Period - Next:	\$ 669,000
Counterpart		
Contribution:	Planned:	\$ 6,944,000 <sup>1</sup>
	Actual:	\$ 0
% LOP Elapsed:		2%
% of Total Auth. Oblig.		99%
% of Total Oblig. Exp.		0%
% of Total Auth. Exp.		0%

---

**IIA. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES**

Specific Linkage to Strategic Objectives: This project is the flagship project under the Trade and Investment Strategic Objective. It will contribute to accomplishment of the strategic objective through the provision of technical assistance for policy reforms leading to a more open trade regime and sound investment environment, through technical assistance, training and research activities for non-traditional export development and marketing and through activities designed to improve labor-management relations.

**Percent of LOP Funds Relating to Strategic Objectives: 100%**

**IIB. PROJECT PURPOSE**

To promote the growth of the Guatemalan economy through increased two-way trade and to expand the participation of the labor force in the benefits of growth

**III. PROJECT DESCRIPTION**

The project is made up of \$3 million in non-project assistance and of \$6 million in project assistance. Disbursement of the \$3 million is conditioned upon reforms related to protection of intellectual property rights and improving the investor registration process. Project activities focus on technical assistance and training from the Ministry of Economy, the Guatemalan Enterprise Chamber (CAEM) and the Guild of Non-Traditional Exporters (the Gremial) to support trade policy reforms, assistance to the Gremial to support non-traditional export production and marketing and assistance to the Ministry of Labor, the Ministry of Economy, CAEM and the Gremial to support improved labor relations.

---

Exchange rate for the Gremial and CAEM is Q5.81 : \$1; for the GOG, the exchange rate is Q5.79 : \$1.

IV. PROJECT STATUS

Planned EOPS

Progress To Date

- |    |  |  |
|----|--|--|
| 1. | Compliance with terms of GATT agreement resulting in no rulings against Guatemala          | There have been no GATT rulings against Guatemala                    |
| 2. | Reduction in number of commodities subject to quantitative licensing or restrictions to 25 | 30 commodities are subject to licensing or quantitative restrictions |
| 3. | Reduction in processing time for foreign investments to 1 week                             | One-Stop Investment Window scheduled to open in November             |
| 4. | Presentation of internationally accepted IPR legislation                                   | In process of contracting lawyer to draft legislative proposal       |
| 5. | Increased value-added in NTE sector attributable to USAID support                          | Baseline established for 20 NTE products                             |
| 6. | Value of NTEs increased to \$887 million by 1998   | Value of NTEs was \$448 million in 1992                              |

B. Major Outputs

	<u>Planned</u>				<u>Accomplished</u>		
	LOP	Period	Cum.	Next Period <sup>2</sup>	Period	Cum.	% of LOP
1. Trade policy studies completed	14	0	0		0	0	0%
2. Number of firms receiving targeted technical assistance	150	0	0		0	0	0%
3. Number of exporters trained	5,000	0	0		0	0	0%
4. Percentage of NTEs exported outside of CA attributable to Gremial members	75	0	0		0	0	0%
5. Participants trained in international trade themes	20	0	0		0	0	0%
6. Studies on labor relations	10	0	0		0	0	0%
7. People trained in labor-management relations	500	0	0		0	0	0%

<sup>2</sup> To be established based upon the receipt of annual workplans

38  
M.

C. Other Accomplishments and Overall Status

A project coordination meeting was held with all project implementing institutions to discuss project indicators, the Trade and Investment Strategic objective, labor relations activities, policy reform activities and project administration. Based on this meeting, the Strategic Objective indicators will be revised and a first draft of indicators for the labor relations component will be completed.

The GOG expects to meet the policy conditionality related to disbursement of the \$3 million cash transfer by the end of December. For the conditionality related to intellectual property rights, the MOE is currently in the process of contracting a lawyer to draft the legislative proposal to bring Guatemala's legislation in line with world class intellectual property rights standards. This lawyer will also produce the documentation required for accession to the Paris and Berne conventions. On the policy conditionality related to the investment approval process, the GOG has indicated that the One-Stop Investor Registration Window will be open by the end of November. In addition, the GOG already has completed a compilation of laws related to investment that can be used by potential investors.

The first Project Management and Project Implementation Letters were sent to all project grantees, outlining the basic guidelines for project administration.

D. Problems and Delays

None

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

During the next six months, all four implementing institutions will submit the first annual workplan and annual performance indicators for the project for the review of the Mission as well as their first quarterly reports. These will be used as the basis for the first quarterly project meeting in January.

The Mission will work with the implementing institutions to establish indicators to measure progress under the labor relations component for the life of the project and for the first year of implementation.

P:\PUBLIC\DOCS\SARTLRD

**SMALLER, HEALTHIER FAMILIES**

**IA. BACKGROUND DATA**

Project Title: Immunization and ORT Services for Child Survival  
Project Number: 520-0339  
Date of Authorization: original 08/27/85 amendment 08/31/87  
Date of Obligation: original 08/27/85 amendment 06/09/93  
PACD: original 08/31/88 amendment 08/27/95  
Implementing Agencies: Ministry of Health (Directorate General of Health Services)  
Major Contractors: Clapp and Mayne and PATH  
AID Project Managers: Jorge Chang, Patricia O'Connor  
Status of CPs/Convenants: completed  
Date of Last Evaluation: 08/89 Next Evaluation: 06/15/95  
Planned Number of Non-Federal Audits during Fiscal Year: N/A (US firms)  
The Number of such Audits Contracted for/Completed: N/A  
Date of Last Audit: 08/30/91 Next Audit: --

**IB. FINANCIAL DATA**

Amount Authorized:	DA/ESF Grant: original	\$ 3,300,000	amended to \$ 19,418,000
Amount Obligated:	DA/ESF Grant: original	\$ 3,300,000	amended to \$ 19,418,000
Amount Committed:	Period:	\$ 472,299.24	
	Cumulative:	\$15,064,240.61	
Accrued Expenditures:	Period - Projected:	\$ 2,056,736.00	
	Period - Actual:	\$ 2,057,612.56	
	Cumulative:	\$13,906,596.00	
	Period - Next:	\$ 1,250,380.00	
Counterpart			
Contribution:	Planned:	\$11,616,857	
	Actual:	\$ 8,225,614	
% LOP Elapsed:		80.8%	
% of Total Auth. Oblig.		100%	
% of Total Oblig. Exp.		92%	
% of Total Auth. Exp.		85%	

---

**IIA. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES**

**Specific Linkage to Strategic Objectives:** The Child Survival Project is specifically linked to Smaller, Healthier Families and will have direct impact on reduced mortality and morbidity of children under five years.

**Percent of LOP Funds Relating to Strategic Objectives:** 100 %

**IIB. PROJECT PURPOSE**

Increase MOH capacity especially at the health area level, to manage and deliver child survival services (EPI, ORT, and ARI).

**III. PROJECT DESCRIPTION**

The goal of this project is to reduce morbidity and mortality throughout Guatemala caused by the common early childhood diseases preventable by immunization and due to or related to diarrheal diseases. In addition, the project will reinforce the management capacity of the Ministry of Health and establish a Health Information System.

**IV. PROJECT STATUS**

**Planned EOPS**

**Progress To Date**

- |    |   |  |
|----|---|--|
| 1. | Increase to 70% the immunization coverage of children under 5 years of age.             | The cumulative coverage has increased to 68% during this period.   |
| 2. | Increase to 60% the neonatal tetanus vaccination protection of pregnant women.          | Immunization coverage for tetanus toxoid continued to be low (33%) as of June 1992.  |
| 3. | Increase to 60% the oral rehydration therapy coverage of children under 5 years of age. | 45% of children with diarrheal diseases were treated with ORS. During next period MOH will increase interventions in ORT activities. |

**B. Major Outputs**

	<u>Planned</u>				<u>Accomplished</u>							
	LOP	Period	Cum.	Next Period	Period	Cum.	% of LOP					
1. Training Course**	1.2	0.02	1.10	0.02	0.03	1.11	92%					
2. Supervision**	21.2	0.10	12.0	0.10	0.07	12.0	57%					
3. Imm. coverage children under 5	9.2	0.03	6.7	0.08	0.03	6.6	71%					
4. Imm. coverage (TT) pregnant women*	1.1	0.09	1.58	0.09	0.03	0.32	32%					
5. Children treated with ORS under 5 years*	7.6	0.09	5.4	0.09	0.02	3.1	41%					
6. Repair cold chain equipment**	0.47	0	0	0.25	0	0	0					
7. Radio production**	0.17	0.17	0.06	0.06	0	0.13	76%					
8. TV production	2.9	1.3	0.42	0.42	0.07	1.1	39%					
9. Training (per)	M	F	M	F	M	F	M	F	M	F		
Long-term	4	1	0	0	4	1	0	0	3	0	75	0
Short-term	12	13	0	0	12	13	0	0	12	16	100	123

\*Millions (000,000)

\*\*Thousands

Immunization data available in 08/93. ORT data available in 06/93.

42  
57

C. Other Accomplishments and Overall Status

1. A Project Paper Supplement was signed approving an increase in LOP funding by \$3,000,000 to finance the Clapp and Mayne second phase contract.
2. Installation of 24 microcenters in 24 health areas to reinforce the Health Information System.
3. Any case of polio was reported in the country during the last two years.
4. Women in Development: This project will benefit maternal and child group, especially pregnant and women in fertile age countrywide through tetanus toxoid immunization to prevent neonatal tetanus.

D. Problems and Delays

Tetanus toxoid coverage rate is still low due to lack of promotion and cultural barriers that restrict vaccination.

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

1. Amendment 4 to the Clapp and Mayne contract will add \$565,000 to finance ARI component. This amendment is ready to be signed in November, 1993.
2. Distribution of 150 gas refrigerators to restore up to 90% functioning cold chain countrywide.
3. Workplan for 1994-1995 will be submitted by Clapp and Mayne to USAID/Guatemala for approval on the first week of November.
4. Replacement of Chief of Party of Clapp and Mayne will be completed in November, 1993.
5. PATH will complete LAPROMED remodelling in November, 1993.
6. Clapp and Mayne will provide training to health area staff in computer software.

**PROJECT STATUS REPORT**  
April 1, 1993 - September 30, 1993    A \_\_\_ B \_\_\_ C X

**SUMMARY SHEET****IA. BACKGROUND DATA**

Project Title: FAMILY HEALTH SERVICES  
 Project Number: 520-0357  
 Date of Authorization: original 09/01/92  
 Date of Obligation: original 09/11/92  
 PACD: original 08/31/96  
 Implementing Agencies: APROFAM, IPROFASA, MOH-RHU, IGSS  
 Major Contractors: Population Council, Association for Voluntary Surgical Contraception (AVSC) and Macro International  
 AID Project Manager: Patricia O'Connor  
 Status of CPs/Convenants: CP related to MOH/RHU positions has been extended thru 12/31/93.  
 Date of Last Evaluation: NA Next Evaluation: Postponed until 1995  
 Planned Number of Non-Federal Audits during Fiscal Year: 3  
 The Number of such Audits Contracted for/Completed: 1  
 Date of Last Audit: NA Next Audit: 2nd. qt. FY 94

**1B. FINANCIAL DATA**

Amount Authorized:	DA/ESF Grant:	\$ 29,500,000.00
Amount Obligated:	DA/ESF Grant:	\$ 15,080,000.00
Amount Committed:	Period:	\$ 8,582,509.67
	Cumulative:	\$ 14,216,486.34
Accrued Expenditures:	Period - Projected:	\$ 2,480,000.00
	Period - Actual:	\$ 2,598,754.32
	Cumulative:	\$ 4,313,266.40
	Period - Next:	\$ 3,091,000.00
Counterpart		
Contribution:	Planned:	\$ 9,652,384.00
	Actual:	\$ 2,516,903.20
% LOP Elapsed:		<u>26.90%</u>
% of Total Auth. Oblig.		<u>51.10%</u>
% of Total Oblig. Exp.		<u>28.60%</u>
% of Total Auth. Exp.		<u>14.62%</u>

**IIA. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES**

**Specific Linkage to Strategic Objectives:** The expanded access to reproductive health services and use of family planning methods will directly impact on the performance indicators for the Smaller, Healthier Families S.O. by lowering the total fertility rate, the infant mortality rate and the maternal mortality rate. The health sector will be strengthened due to increased training and supervision of personnel and the provision of high quality reproductive health services. Through policy development and analysis activities, increasing amounts of funds from the GOG and other donors will be made available for this sector. Through Operations Research the Project will find ways to reach indigenous couples who want to limit family size.

Percent of LOP Funds Relating to Strategic Objective: 100%

**IIB. PROJECT PURPOSE**

To improve the policy environment for Family Planning in Guatemala, to increase access to and use of Family Planning and related health services by Guatemalan families, and to reduce the incidence of high-risk births.

44  
44

**III. PROJECT DESCRIPTION**

The Project includes three major components: 1) Policy Development and Analysis, 2) Research and Development and 3) Expansion of Services. Throughout the LOP, A.I.D. will provide budget support, contraceptives and technical assistance to four Guatemalan family planning agencies: the Ministry of Health through the Reproductive Health Unit, the Guatemalan Social Security Institute (IGSS), the Guatemalan Family Welfare Association (APROFAM) and the Importadora de Productos Farmacéuticos (I PROFASA), to expand service delivery and strengthen institutional capabilities.

1. APROFAM: Is an affiliate of the International Planned Parenthood Federation (IPPF). APROFAM has been providing family planning services in Guatemala for 25 years. AID is supporting a network of 15 clinics in the capital city and various departmental urban centers. These clinics offer a wide range of FDA approved temporary family planning methods, voluntary permanent male and female methods and selected maternal-child health services such as pre and post-natal care, growth monitoring and ORT. APROFAM provides over 30% of couple-year-protection (CYP) in Guatemala.

2. I PROFASA: This for-profit, private sector company was created jointly by AID and the I PROFASA Board to serve as a vehicle for contraceptive social marketing. The company now markets five contraceptive products through more than 1,000 commercial outlets nationwide. The Mission supported I PROFASA under a fixed price contract from Sept. 1, 1992 to June 30, 1993, while organizational and administrative problems resulting from an audit were being resolved. The Grant Agreement started again on July 1, 1993 upon resolution of the issues.

3. MOH-RHU: This public sector program provides family planning training, supervision and supplies to the Ministry of Health's network of health posts and centers. Approximately 80% of all functional centers and posts offer some type of reproductive health services. The philosophy of the Ministry of Health for provision of family planning services is based upon reducing reproductive risks.

**IV. PROJECT STATUS**

**A. Planned EOPS**

**Progress to Date**

1. Appropriate GOG recognition of issues.

1. Discussions with MOH have formally started to incorporate the activities of the Reproductive Health Unit into the Maternal-Child Health Department. The Minister and his top staff are in favor of this integration.

2 a. Projected Contraceptive Prevalence Rate

2.a. Service statistics for 1992 indicate a CPR of 30%. This will be verified in the next DHS scheduled for 1994. EOPs will then be revised.

Year	CPR	CYPs (000)
1992	28.7	121,400
1993	29.5	466,138
1994	30.2	557,522
1995	31.0	646,948
1996	31.8	558,372

2.b. Change in KAP regarding family planning

2.b. No data available until DHS is published.

2.c. Reduction in high risk births (to women over 35, with more than four children or with children under two years old).

2.c. No data available until DHS is published.

2.d. Twenty year financial and institutional development plans

2.d. APROFAM has started strategic planning to become self-sustainable within

45  
4

adopted for each institution.

a twenty-year period. Buy-in to INITIATIVES will assist in this process.

2.e. IPROFASA 75% financially self-sufficient in operating costs.

2.e. IPROFASA developed a draft business plan to achieve sustainability in operating costs by the end of the Project. SOMARC started giving technical assistance through core funds until Mission buy-in is processed.

3. Project design for rural services completed

3. Mission buy-in to INOPAL/Population Council was processed in 9/93. Activities are scheduled to November 1993.

**B. Major Outputs    (SEE FOLLOWING IMPLEMENTING AGENCIES INDIVIDUAL REPORTS)**

**C. Other Accomplishments and Overall Status**

a. 1. Medical barriers to delivery of family planning services have been recognized by the Guatemalan Medical Community as an issue that has to be properly addressed to improve quantity and quality of services. This is a result of a project-funded study.

2. IGSS initiated provision of Family Planning services in local health clinics in Escuintla. Hospital Directors carried out observational travel to the Mexican Social Security Institute (IMSS). Some hospital directors that were opposed or not convinced are now willing to provide family planning services in their respective hospitals.

3. Based on preliminary studies APROFAM has developed a pilot Project in Quiché. Purpose of this Project is to design and test adequate strategies to serve the indigenous population. APROFAM is also carrying out a study on the use of injectable contraceptives within the indigenous population. Results of this study will be ready in a few months. APROFAM's training Unit has contacted indigenous leaders and organizations working in health in rural areas and is developing a process to involve them in family planning related issues.

4. APROFAM has continued with its decentralization process. Quetzaltenango and Zacapa Regional Offices have been established and are operating; in November, Escuintla's Regional Offices will be inaugurated.

5. IPROFASA has prepared a Scope of Work for contracting a publicity agency that will design and implement an integrated communication strategy for social marketing.

b. Status of major activities or corrective actions during the reporting semester:

1. Long term relation with social marketing company, IPROFASA, has been defined. Audit issues have been resolved and Cooperative Agreement has been re-initiated.

2. AVSC carried out a diagnosis of MOH/IGSS hospitals and type "A" centers that provide VSC services. Based on this, AVSC has drafted a workplan.

3. APROFAM's Chief of a Departmental Regional Office attended the seminar "Meeting the Challenge of Dialogue in a Multicultural Society" as part of the activities that APROFAM is carrying out to improve the involvement of Mayan people in the organization. A committee with Mayan personnel from APROFAM has been formed.

4. A draft set of indicators to measure progress in Policy Dialogue were developed and will be discussed with local organizations.

5. CARE will contribute with financial support to carry out DHS. World Bank and IDB might provide financial support if data can be adapted to their needs.

6. Close-out audits for previous project, 520-0288 "Expansion of Family Planning Services" are in process (IPROFASA, AGES, APROFAM).

1/6  
44

**D. Problems and Delays**

1. Several serious administrative and organizational issues have come to light in the Reproductive Health Unit as a result of the need to work through the revolving fund system. The Office of Health and Education conducted an assessment of this situation and determined the necessary actions to be taken by the RHU and by the Mission to resolve the issues. The lack of sound administrative conditions in the Unit interrupt the process of creating the positions required by the Grant Agreement as a Condition Precedent.
2. Close-out audit of Project 520-0288, Family Planning Unit of the Ministry of Health has been postponed due to 1) lack of supporting documentation, and 2) the DGSS was carrying out a document review of Project 520-0357 simultaneously. This close-out audit could suffer another delay due to the probability of Guatemalan General Comptroller's Office involvement. ^S
3. Delays by AID/Washington in executing buy-ins have affected the initiation of activities planned for the reported period. (e.g. DHS, INOPAL, AVSC)
4. As a result of the 10-month delay in signing the Cooperative Agreement with IPROFASA, goals for CYPs were affected.
5. CPSD and Upjohn have not reached an agreement in price of Depoprovera and this has caused delays in requested shipments to Guatemala.
6. OH&E is understaffed due to departure of USPSC and long leave of Health Officer.

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

1. Develop a plan to convert the MOH/RHU into a legal implementing agency. Hire qualified administrative personnel for the functioning of the RHU as an implementing unit.
2. Contract new USPSC Project Officer.
3. Initiate Population Council's activities (INOPAL) in Guatemala: opening and installation of local office and initiation of important operations research -- how to reach indigenous communities with family health services.
4. Review and approve AVSC workplan with MOH and IGSS.
5. Review and approve IPROFASA's business plan.
6. Execute buy-in with SOLARC to provide technical assistance to IPROFASA.
7. Reformulation of the whole population strategy for the Project, looking into integration of Maternal Child Health and Family Planning services with emphasis in rural Mayan populations.
8. Initiate activities with OPTIONS II Project, Mothercare II Project, INCAP Maternal/Neonatal Health Project and Initiatives.
9. Initiate Demographic and Health Survey.
10. Assignment of Michigan fellow to work on monitoring of DHS and INOPAL activities.
11. Resolve and close all outstanding audit recommendations (IPROFASA, APROFAM, RHU).

**ASOCIACION PRO BIENESTAR DE LA FAMILIA (APROFAM)**

**IA. BACKGROUND DATA**

(SEE SUMMARY SHEET)

**IB. FINANCIAL DATA**

Amount Authorized: DA/ESF Grant:	\$ 16,000,000.00
Amount Obligated: DA/ESF Grant:	\$ 10,105,213.00
Amount Committed: Period:	\$ 5,525,000.00
Cumulative:	\$ 10,105,213.00
Accrued Expenditures: Period - Projected:	\$ 2,000,000.00
Period - Actual:	\$ 2,262,523.20
Cumulative:	\$ 3,645,583.46
Period - Next:	\$ 2,400,000.00
Counterpart Contribution: Planned:	\$ 5,280,000.00
Actual:	\$ 2,228,990.20
% LOP Elapsed:	<u>26.90%</u>
% of Total Auth. Oblig.	<u>63.10%</u>
% of Total Oblig. Exp.	<u>36.00%</u>
% of Total Auth. Exp.	<u>22.70%</u>

II.A, II.B, III., IV.A, IV.C, IV.D AND IV.E: SEE SUMMARY SHEET

**IV.B. Major Outputs**

	<u>Planned</u>				<u>Accomplished</u>			
	LOP	Period	Cum.	Next Period	Period	Cum.	% of LOP	
1. <u>CBD (000s)</u>								
CYP	205	25.0	50.0	25.0	24	50.3	24.50%	
Active Posts	4.9	3.5	7.0	0	3.5	3.5	71.40%	
2. <u>Clinics</u>								
CYP	974.7	121	243	122	129.4	257.1	26.40%	
MCH Visits	236.4	50.0	79.5	29.5	63.8	117.9	49.90%	
Other Providers CYP	72.8	9.1	18.2	9.1	2.1	6.3	8.65%	
3. <u>Administration</u>								
No. Clinics Constructed	12	2	2	0	1	1	8.30%	
No. Regions Established	4	2	3	1	1	2	50.00%	
4. <u>Training</u>		M E	M E	M E	M E	M E		
4a. Local No. of participants	5260	329 329	658 658	329 329	389 617	905 915	34.60%	
4b. Short Term International: No. of Participants	250	10 10	20 20	16 16	4 21	16 32	19.20%	

48  
49

**IMPORTADORA DE PRODUCTOS FARMACEUTICOS S.A. (IPROPASA)**

**IA. BACKGROUND DATA**

(SEE SUMMARY SHEET)

**IB. FINANCIAL DATA (Includes Fixed Price Contract and Grant Agreement)**

Amount Authorized:	DA/ESF Grant:	\$ 2,897,402.00
Amount Obligated:	DA/ESF Grant:	\$ 1,309,142.00
Amount Committed:	Period:	\$ 1,157,142.00
	Cumulative:	\$ 1,309,142.00
Accrued Expenditures:	Period - Projected:	\$ 0
	Period - Actual:	\$ 260,669.10
	Cumulative:	\$ 412,669.10
	Period - Next:	\$ 500,000.00
Counterpart		
Contribution:	Planned:	\$ 1,727,765.00
	Actual:	\$ 70,413.00
% LOP Elapsed:		<u>26.90%</u>
% of Total Auth. Oblig.		<u>45.10%</u>
% of Total Oblig. Exp.		<u>31.50%</u>
% of Total Auth. Exp.		<u>14.20%</u>

**II.A, II.B, III, IV.A, IV.C, IV.D AND IV.E: SEE SUMMARY SHEET**

**IV.B. Major Outputs**

**FIXED PRICE CONTRACT**

		<u>Planned</u>				<u>Accomplished</u>		
	LOP	Period	Cum.	Next Period	Period	Cum.	% of LOP	
1. Product Sales (Q.000's)	231.9	116	231.9	0	490.8	1980.8	854%	
2. Couple-years protections (CYP) (in 000s)	32.6	16.3	32.6	0	8.4	33.9	104%	
<b>GRANT AGREEMENT (July-September 1993)</b>		<b>Planned</b>				<b>Accomp.</b>		
	LOP	Period	Cum.	Next Period	Period	Cum.	% of LOP	
a. Product Sales (000s)	Q2,062	162.8	162.8	325.6	600.4	600.4	29.12%	
b. CYP (000s)	228.9	18.1	18.1	36.2	7.2	7.2	3.15%	
Condoms	105.6	8.3	8.3	16.6	3.5	3.5	3.30%	
Pills	108.0	8.6	8.6	17.2	3.1	3.1	2.87%	
Vaginal Tablets	15.3	1.2	1.2	2.4	0.6	0.6	1.70%	

46  
48

**MINISTRY OF HEALTH - REPRODUCTIVE HEALTH UNIT**

**IA. BACKGROUND DATA**

(SEE SUMMARY SHEET)

**1B. FINANCIAL DATA**

Amount Authorized:	DA/ESF Grant:	original	\$ 6,800,010.00
Amount Obligated:	DA/ESF Grant:	original	\$ 1,500,000.00
Amount Committed:	Period:		\$ -16,278.33
	Cumulative:		\$ 636,485.48
Accrued Expenditures:	Period - Projected:		\$ 450,000.00
	Period - Actual:		\$ 15,700.74
	Cumulative:		\$ 148,837.74
	Period - Next:		\$ 135,000.00
Counterpart			
Contribution:	Planned:		\$ 2,644,619.00
	Actual:		\$ 217,500.00
% LOP Elapsed:			<u>26.90%</u>
% of Total Auth. Oblig.			<u>22.00%</u>
% of Total Oblig. Exp.			<u>9.90%</u>
% of Total Auth. Exp.			<u>2.10%</u>

II.A, II.B, III, IV.A, IV.C, IV.D AND IV.E: SEE SUMMARY SHEET.

**IV.B. Major Outputs**

	<u>Planned</u>				<u>Accomplished</u>			
	LOP	Period	Cum.	Next Period	Period	Cum.	% of LOP	
1. <u>MOH Hospitals, Centers and Posts in 000s</u>								
Voluntary Surgical Sterilizations	178	12	22	16	24.1	48.2	27.00%	
IUD	87	5	9.5	7.5	3.8	7.7	8.85%	
Oral Hormonals	109	10	19	11.25	6.6	13.3	12.20%	
Injectable Hormonals	65	0	0	0	0	0	0.00%	
Condoms	42.5	3.5	6.25	4.25	1.7	3.3	7.85%	
2. Training of MOH personnel in family planning (No. of courses)	3000	375	750	375	0	0	0	
3. Training								
3a. Short Term (000's)	M E	M E	M E	M E	M E	M E	M E	M E
	42 42	5.3 5.3	10.6 10.6	5.3 5.3	0 0	0 0	0 0	0 0

50  
05

**IA. BACKGROUND DATA**

Project Title: Highlands Water and Sanitation  
Project Number: 520-0399  
Date of Authorization: original 08/25/91 amendment  
Date of Obligation: original 08/27/91 amendment 09/30/92  
PACD: original 12/31/96 amendment  
Implementing Agencies: División de Saneamiento del Medio of the MOH  
Major Contractors: None  
AID Project Manager: Alfredo Szarata  
Status of CPs/Convenants: 1992 CPs met, CP related to creating positions has been extended through 12/31/93.  
Date of Last Evaluation: N/A Next Evaluation: TBD  
Planned Number of Non-Federal Audits during Fiscal Year: 1  
The Number of such Audits Contracted for/Completed: 1  
Date of Last Audit: 09/93 Next Audit: May 1994

**IB. FINANCIAL DATA**

Amount Authorized:	DA/ESF Grant:	original	\$ 9,500,000.00	amended to \$
Amount Obligated:	DA/ESF Grant:	original	\$ 3,945,000.00	amended to \$ 9,500,000
Amount Committed:	Period:		\$ 1,846,240.75	
	Cumulative:		\$ 2,955,331.62	
Accrued Expenditures:	Period - Projected:		\$ 811,000.00	
	Period - Actual:		\$ 367,668.87	
	Cumulative:		\$ 690,139.94	
	Period - Next:		\$ 1,604,000.00	
Counterpart				
Contribution:	Planned:		\$ 9,794,252.00	
	Actual:		\$ 1,821,552.00	
% LOP Elapsed:			<u>38.1%</u>	
% of Total Auth. Oblig.			<u>100%</u>	
% of Total Oblig. Exp.			<u>7.26%</u>	
% of Total Auth. Exp.			<u>7.26%</u>	

---

**IIA. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES**

Specific Linkage to Strategic Objectives: the provision of water supply systems and latrines, supported by health education will reduce child mortality and diarrheal diseases, impacting directly on the health of families.

Percent of LOP Funds Relating to Strategic Objectives: 100 %

**IIB. PROJECT PURPOSE**

Decrease the incidence of diarrheal diseases in the target communities, particularly among children under 5 years of age, by about 40% through the provision of potable water systems and latrines, supported by a health education program.

**III. PROJECT DESCRIPTION**

The project will be implemented in approximately 300 rural villages, with populations of approximately 200 to 1200 inhabitants in the six western highland departments of Solola, Totonicapan, Quiche, Quetzaltenango, Huehuetenango, and San Marcos, benefitting a population of 145,000. The communities will contribute labor and some materials, participate in health education activities and be responsible for the maintenance and operation of the systems as well as for partial cost recovery of the initial investment.

51  
51

**IV. PROJECT STATUS**

**Planned EOPS**

**Progress To Date**

- |    |  |  |
|----|--|--|
| 1. | 40% decrease in diarrheal diseases in communities after three years of project activity.   | Baseline study was performed.  |
| 2. | Tested methodology for maximizing health impact to water and sanitation systems of rural communities.  | The methodology of active community participation in the installing water systems and latrines and in changing hygiene behavior through health education is being applied. |
| 3. | Implementation Unit in MOH which can carry out national or externally financed programs in water and sanitation using the project methodology. | The Unit has been created and regular positions are filled.  |
| 4. | Full acceptance of the project approach by the MOH.  | Included in policy agenda.   |

**B. Major Outputs**

	<u>Planned</u>								<u>Accomplished</u>					
	LOP		Period		Cum.		Next Period		Period		Cum.		% of LOP	
1. Systems	200		8		19		23		8		16		8.0	
2. Latrines installed (000)	24.0		0.7		3.6		1.8		0.48		1.2		5	
3. Beneficiaries (000)	145.0		6.4		21.6		11.0		2.9		6.8		5	
4. Training (10xpe) (Health educators)	M	F	M	F	M	F	M	F	M	F	M	F	M	F
Short-term	10	10	3	0	9	0	2.3	1	4	1	10	1	100	10
(Volunteers) Short Term	40	20	2	7	14	17	4	2.3	7.8	-	9.8	5.6	24	28
(Maintenance) Short Term	100	0	4	0	18	0	8	0	8.4	0	16.9	0	17	-

\*Previous data was for partial training

**C. Other Accomplishments and Overall Status**

The Project Agreement was signed on August 27, 1991 and the Project was entirely obligated in September 1992. The first year of activities concentrated on meeting the CPs, starting limited construction activities in February 1992 (with materials left over from a previous project) and securing counterpart funding.

During this reporting period the Implementing Unit was expanded with the creation of the required additional positions and staffing most of them.

The Mission contracted the supervision consulting firm for construction.

The Mission continued with the procurement of the initial materials, equipment and vehicles (\$1.1 million). An additional \$200,000 procurement is in process. These materials and equipment will arrive in January-February 1994 for the 1994 construction plan. Meanwhile, due to delays in USAID contracting, a waiver to procure locally some \$200,000 of materials with grant funds was granted to the Implementing Unit.

These activities were performed in spite of the many problems encountered due to the lack of availability in counterpart funding. The lack of availability is caused by the general GOG budgetary limitations. The procurement orders presented to the MOF in August and October 1992 were slowly authorized between January and July 1993. The regular 1993 counterpart budget was also delayed, finally becoming available in August, 1993. Even the Grant funded procurement by the Implementing Unit was adversely affected by these budgetary problems. As a result, only Q2,000,000 will be expended this year, compared to a planned Q5,000,000.

Limited progress was made in construction of water systems through careful use of existing resources. Eight systems were completed. Significant progress in completing another 34 systems currently under construction has been made (the equivalent of 17 finished systems for a total of 33 systems this semester. With other 8 previously completed, a total of 33 systems have been "completed" compared to a planned total of 62 systems.

Despite the funding problems, priority was given to financing the health education activities. The Health Education Planning Workshop, the training of personnel for training volunteers, and the actual training of health education volunteers were completed. The Health Volunteer Manual developed under the project, was printed in sufficient quantity on time for the training. Currently all the communities where construction is in process or completed, have trained volunteers.

The baseline study contracted with the WASH Project was completed. A community-based monitoring system to assess changes in hygiene behavior will be designed in 1994.

INCAP has started the socio-economic study to develop a cost recovery system as part of the regional INCAP Institutional Strengthening Project (596-0169). It is expected that the cost recovery system for the project will be ready in December 1993 or early 1994.

The training of community operation and maintenance committees continued with four groups for a total of 84 persons trained from 12 water systems.

The Project Audit was contracted and is underway. At the same time the Implementing Unit is providing the required assistance to the Audit firm contracted by the Mission for the final audit of the previous project 520- 0251.

Women in Development: This project has as principal beneficiaries rural mothers who will have more time, better knowledge and facilities to take care of the home, and through reduction of effort for obtaining water, laundering, and child cleaning, will have time for other productive activities. A minimum of 30% of the health education activities will be performed by female workers or volunteers.

#### D. Problems and Delays

The lack of counterpart funding availability began slowing construction during the last quarter of 1992. The MOF has been delaying the 1992 procurements for months. The 1993 budget was entangled for seven months delaying procurement until August 1993. It is the general belief of PAYSA personnel, that the MOF was avoiding expenditures due to lack of funds. With the Implementing Unit expansion completed the future level of project activity will depend on the timely provision of counterpart funds by the GOG. If the Q12.2 Million requested for 1994 and similar amounts for the coming years are provided on time, it is possible to meet the targets by the PACD. If the same type of problems with counterpart continue as with this semester, it will take an additional four years to meet the targets.

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

1. Complete construction of 23 systems
2. Install 1,800 latrines
3. Train 23 institutional personnel in training volunteers
4. Train 63 volunteers
5. Train 84 members of the community committees
6. Receive \$930,000 in materials
7. Receive vehicles
8. Contract \$200,000 in equipment
9. Complete the cost recovery system design, based on the socio-economic study.
10. Design community-based monitoring system and train PAYSA staff and community volunteers to use the system.

**IA. BACKGROUND DATA**

Project Title: Rural Water and Health Project  
Project Number: 520-0408  
Date of Authorization: original 09/20/91 amendment  
Date of Obligation: original 09/26/91 amendment 07/15/92  
PACD: original 06/30/93 amendment  
Implementing Agencies: CARE  
Major Contractors: UNEPAR (Unidad Ejecutora del Programa de Acueductos Rurales of the MOH)  
AID Project Manager: Alfredo Szarata  
Status of CPs/Convenants: All met  
Date of Last Evaluation: 09/93 Next Evaluation: N/A  
Planned Number of Non-Federal Audits during Fiscal Year: N/A (USPVO)  
The Number of such Audits Contracted for/Completed: N/A  
Date of Last Audit: 06/92 Next Audit: 10/93

**1B. FINANCIAL DATA**

Amount Authorized:	DA/ESF Grant:	original	\$ 500,000	amended to \$
Amount Obligated:	DA/ESF Grant:	original	\$ 300,000	amended to \$ 500,000
Amount Committed:	Period:		\$ 000	
	Cumulative:		\$ 500,000	
Accrued Expenditures:	Period - Projected:		\$ 74,452	
	Period - Actual:		\$ 56,232	
	Cumulative:		\$ 481,780	
	Period - Next:		\$ 18,220	
Counterpart Contribution:	Planned:		\$ 401,187	
	Actual:		\$ 405,000	
% LOP Elapsed:			<u>95.9%</u>	
% of Total Auth. Oblig.			<u>100%</u>	
% of Total Oblig. Exp.			<u>96.3%</u>	
% of Total Auth. Exp.			<u>96.3%</u>	

---

**IIA. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES**

Specific Linkage to Strategic Objectives: The provision of water supply and latrines supported by health education will reduce child mortality and incidence of diarrheal diseases, impacting directly on the health of families.

Percent of LOP Funds Relating to Strategic Objectives: 100 %

**IIB. PROJECT PURPOSE**

Twenty-two rural communities in the Western region of Guatemala, with a combined population of 11,000 people will properly and independently utilize and maintain potable water systems, latrines and a health promotion program which positively impacts on their health status.

**III. PROJECT DESCRIPTION**

Under the \$0.9 million project that includes \$0.5 million AID Grant funds, CARE will improve the health status in 22 communities by reducing diarrheal diseases. To accomplish this, health education activities will be undertaken in 12 communities where water systems were built under the previous project 520-0336 and in 10 communities where water systems and latrines will be built under this project. Intensive community participation in all activities of construction, education, maintenance, and operation will be undertaken.

54  
14

**IV. PROJECT STATUS**

Planned EOPS

Progress To Date

- |    |   |   |
|----|---|---|
| 1. | 10 communities served by water systems and latrines   | The communities to be served have completed water systems and latrines  |
| 2. | 22 communities properly and independently utilize and maintain water systems and latrines and a health promotion program. | Field health educators were contracted and trained. Volunteers in these communities were identified and trained |

**B. Major Outputs**

	<u>Planned</u>								<u>Accomplished</u>					
	LOP		Period		Cum.		Next Period		Period		Cum.		% of LOP	
1. Communities served with water supply	10		10		0		0		10		10		100	
2. Latrines installed	800		320		800		0		557		957		120	
3. Communities with health education activities	22		0		22		0		0		22		100	
4. Training (pers) (Volunteers) Short-term	M	F	M	F	M	F	M	F	M	F	M	F	M	F
	22	44	0	0	22	44	0	0	0	0	0	92	0	209
5. (Maintenance) Short-term	44	0	0	0	44	0	0	0	28	0	44	0	100	-

**C. Other Accomplishments and Overall Status**

The grant for this Project was signed September 26, 1993 and had a final date of June 30, 1993. Due to some delays in the construction of the systems and the need to perform the final evaluation after all interventions had been completed, the final date was extended to October 31, 1993.

During the reported period, the construction of the 10 new water systems was completed. The number of families served exceeded the project target by 20%.

Additional training was given to community water committees in order to improve their knowledge of administration and to increase their environmental awareness related to water supply.

The Health Education activities continued as planned through August 1993, at which point field staff initiated the final evaluation.

USAID and CARE agreed that the final evaluation would concentrate on measuring health impact and behavioral change and on analyzing the community contribution and cost recovery system. The evaluation was led by a CARE Canada staff member and the final report will be ready in October 1993. The preliminary information shows a measurable impact on behavior and a satisfactory performance of the cost recovery system.

Women in Development: The focus of this project is to promote family health and this will be attained mainly through mothers who will have more knowledge and time for home care and health practices. The health education activities are oriented to the women. The health volunteers and volunteer trainers are women.

This Project will be used as a base for a similar water-sanitation-health education project to be developed by CARE with monetized PL-480 Title II funds.

D. Problems and Delays

Except for some delay in construction that required a no-cost extension, this project was satisfactorily completed and is pending only the final evaluation report.

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

1. Complete the final evaluation report (CARE).
2. Produce the Final Report (CARE).
3. Prepare a PACR (Project Manager).

56  
55

**IMPROVED BASIC EDUCATION**

**IA. BACKGROUND DATA**

Project Title: Rural Primary Education Improvement  
 Project Number: 520-0282  
 Date of Authorization: original 10/17/84 amendment 09/22/86  
 Date of Obligation: original 02/27/85 amendment 09/27/91  
 PACD: original 11/15/90 amendment (L) 08/31/93 (G) 11/17/91  
 Implementing Agencies: Ministry of Education (PRONEBI)  
 Major Contractors: Host Country: 3 Guatemalan consultants; AID Direct UNM  
 (Terminated 03/31/88)  
 AID Project Manager: Julio Díaz  
 Status of CPs/Convenants: All met  
 Date of Last Evaluation: 03/30/93 Next Evaluation:  
 Planned Number of Non-Federal Audits during Fiscal Year: 1  
 The Number of such Audits Contracted for/Completed: 1  
 Date of Last Audit: 07/30/93 Next Audit: -

**IB. FINANCIAL DATA**

Amount Authorized:	DA/LOAN Original	\$ 8,700,000	amended to \$10,204,000
	DA/ESF Grant: original	\$ 3,300,000 (G)	
Amount Obligated:	DA/ESF Grant: original	\$ 3,300,000 (G)	\$ 10,204,000 (L)
Amount Committed:	Period:	\$ - 0 - (G)	\$ - 0 - (L)
	Cumulative:	\$ - 0 - (G)	\$ 61,964 (L)
Accrued Expenditures:	Period - Projected:	\$ - 0 - (G)	\$ 266,000 (L)
	Period - Actual:	\$ - 0 - (G)	\$ 266,000 (L)
	Cumulative:	\$ 2,745,000 (G)	\$ 7,343,145 (L)
	Period - Next:	\$ - 0 - (G)	- 0 - (L)
Counterpart			
Contribution:	Planned:	\$ 24,963,000	
	Actual:	\$ 42,176,598	
% LOP Elapsed:		100 %	
% of Total Auth. Oblig.		100 %	
% of Total Oblig. Exp.		74.4 %	
% of Total Auth. Exp.		74.4 %	

**IIA. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES**

**Specific Linkage to Strategic Objectives:** The Project is directly linked to the S.O. of improved quality, efficiency, and equity of primary education services. Through the bilingual education methodology and materials, children will receive an equitable education, teachers will improve the teaching-learning process, and education in general will be more efficient.

**Percent of LOP Funds Relating to Strategic Objectives:** 100 %

**IIB. PROJECT PURPOSE**

To strengthen and expand the Guatemalan bilingual education program and to improve the relevance and efficiency of rural primary education services for indigenous children.

**III. PROJECT DESCRIPTION**

Under the project, the MOE (PRONEBI) has developed new bilingual textbooks; trained bilingual teachers, bilingual promoters, and technicians; and provided school furniture to bilingual schools. The project is designed to reduce repetition and drop-out rates and to increase completion and promotion rates among indigenous school children.

**IV. PROJECT STATUS**

	<u>Planned EOPS</u>	<u>Progress To Date</u>
1.	Improve promotion rate by 15%; decrease drop-out rate by 15%	8% improvement in promotion; 8% decrease in drop-out.

38  
5

- |    |   |  |
|----|---|--|
| 2. | A rural bilingual program functioning in 400 schools through 4th grade and in 400 schools in pre-primary. | 400 schools functioning up to third grade and 773 schools in pre-primary only. |
| 3. | Bilingual materials developed through 4th grade   | Bilingual materials developed and printed through 4th grade.                   |
| 4. | 2,400 MOE personnel trained   | 5,471 MOE personnel trained and 1750 teachers and school directors re-trained. |
| 5. | Local university BA programs in operation.  | URL and Mariano Gálvez now offering BA programs in field of interest.          |

**B. Major Outputs**

	Planned				Accomplished		
	LOP	Period	Cum.	Next Period	Period	Cum.	% of LOP
1.	In-service training of:						
	Bilingual teachers						
	1600	1600	6233	-	100	5471	342%
	Bilingual promoters						
	500	-	808	-	-	808	162%
	Academic degree technicians						
	100		97	-	-	97	97%
	School directors						
	400	400	1600	-	-	800	200%
2.	1.3	1.31	563	-	160	1.518	117%
	A new curriculum established and bilingual materials produced/distributed (textbooks)*						
5.	Training						
	M E	M E	M E	M E	M E	M E	M E
5a.	2 1	2 1	2 1	0 0	2 1	2 1	100 100
5b.	52 8	0 0	0 0	52 8	10 1	62 9	119 113

**C. Other Accomplishments and Overall Status**

1. The Project close-out audit was completed in July 1993. The findings were not discussed with PRONEBI administration due to a personnel strike, but OH&E will follow up on recommendations.
2. Printing of 160,000 bilingual books for third and fourth grades was completed; the books will be distributed before the beginning of the next school year.
3. The project close-out was successfully completed by the PACD of August 31, 1993.

**D. Problems and Delays**

1. A bill of collection was issued for two vehicles to the Ministry of Education (MOE) and the MOE has advised that it is processing the reimbursement.

59  
59

PROJECT STATUS REPORT  
April 1, 1993 - September 30, 1993

A  B  C

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

All PRONEBI activities have been assumed under the BEST Project.

U:\HEOPUB\DOCS\SARPRONE

60

**IA. BACKGROUND DATA**

Project Title: Private Sector Education Initiative  
Project Number: 520-0364  
Date of Authorization: original 07/31/87 amendment  
Date of Obligation: original 07/31/87 amendment  
PACD: original 07/31/91 amendment 05/30/93  
Implementing Agencies: Asociación de Amigos del País  
Major Contractors: None  
AID Project Manager: Miriam Castañeda  
Status of CPs/Convenants: All met  
Date of Last Evaluation: March 1991 Next Evaluation: N/A  
Planned Number of Non-Federal Audits during Fiscal Year:  
The Number of such Audits Contracted for/Completed: 1/0  
Date of Last Audit: 05/93 Next Audit: N/A

**IB. FINANCIAL DATA**

Amount Authorized:	DA/ESF Grant:	original	\$ 1,500,000
Amount Obligated:	DA/ESF Grant:	original	\$ 1,500,000
Amount Committed:	Period:		\$ -236,031
	Cumulative:		\$ 1,248,969
Accrued Expenditures:	Period - Projected:		\$
	Period - Actual:		\$ 10,007.34
	Cumulative:		\$ 1,241,064.72
	Period - Next:		\$ 2,250
Counterpart			
Contribution:	Planned:		\$ 1,736,210
	Actual:		\$ 1,861,338
% LOP Elapsed:		100%	
% of Total Auth. Oblig.		100%	
% of Total Oblig. Exp.		82.7%	
% of Total Auth. Exp.		82.7%	

---

**IIA. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES**

Specific Linkage to Strategic Objectives: N/A

Percent of LOP Funds Relating to Strategic Objectives: 0%

**IIB. PROJECT PURPOSE**

To complement the National Literacy Program (CONALFA) of the Ministry of Education by providing reading materials to adult readers and by assisting the "Asociación de Amigos del País" (AAP) to implement a non-formal education program in the private sector.

**III. PROJECT DESCRIPTION**

This project supports the "Asociación de Amigos del País" with its adult education program in the private sector which consists of the following elements: (1) a weekly newspaper with a circulation sufficient to reach 90,000 people per year; (2) training courses for rural teachers; (3) a collection of simple readers; and (4) educational campaigns to promote the activities of the project and to motivate adults to take action to improve their living conditions.

**IV. PROJECT STATUS**

	<u>Planned EOPS</u>	<u>Progress To Date</u>
1.	Program capacity to serve 90,000 families per year with reading material established.	At present 120,000 persons are served with newspapers and pamphlets.

61  
L.

- |    |   |   |
|----|---|---|
| 2. | Program capacity to annually support 5,000 CONALFA students with post-literacy services                               | 8,992 students in five different regions have received post-literacy study opportunities. |
| 3. | Implementing institution (AAP) functioning as service agency for PVOs working in non-formal/adult education programs. | 10 PVOs have incorporated AAP supplied literacy programs into their own projects.         |

**B. Major Outputs**

		<u>Planned</u>				<u>Accomplished</u>		
		LOP	Period	Cum.	Next Period	Period	Cum.	% of LOP
1.	Rural newspapers (editions)	70	6	54	-	6	61	87
2.	Total newspapers distributed (000)	2765	15	733	-	15	697	25
3.	Pamphlets produced	30	2	38	-	2	54	180
4.	Books produced	1	0	6	-	6	13	
5.	Training	M E	M E	M E	M E	M E	M E	M E
5a.	Long Term	0 0	0 0	0 0	0 0	0 0	0 0	0 0
5b.	Short Term	1 2	0 2	1 2	-	1 2	1 2	100 100
16.	Rural teachers trained	1000	250	1514	-	500	3912	342

**C. Other Accomplishments and Overall Status**

- The final draft of the close-out audit has been sent to RIG.
- The "Mujer en Desarrollo" educational package has been printed and is available to be used in the program's post-literacy phase.
- An evaluation was conducted of all materials produced for the newly literate.

**D. Problems and Delays**

- The RIG reported that due to personnel shortages, the final draft for the close-out audit will be delayed until November.

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

- Follow-up on the final report of the close-out audit sent to RIG in September 1993.
- Respond to the close-out audit recommendations by January 1994.
- To avoid having to amend the grant agreement in order to deobligate unexpended project funds, the Contracts officer recommended waiting until the Terminal Disbursement Date following the PACD and then proceeding with the deobligation process.

*62*  
*5/2*

PROJECT STATUS REPORT

April 1, 1993 - September 30, 1993

Page No. 39  
A  B  C

4. The PEBI presented and is awaiting the Ministry of Education's response to its request to grant third grade primary school certificates to PEBI program graduates.

63.

**IA. BACKGROUND DATA**

Project Title: Basic Education Strengthening Project  
Project Number: 520-0374  
Date of Authorization: original 07/07/89 amendment 09/93  
Date of Obligation: original 07/07/89 amendment  
PACD: original 07/01/95 amendment 12/30/97  
Implementing Agencies: Ministry of Education  
Major Contractors: Academy for Educational Development  
AID Project Manager: Susan Clay  
Status of CPs/Convenants: Original CPs met amended CPs not met  
Date of Last Evaluation: 07/92 Next Evaluation: 07/95  
Planned Number of Non-Federal Audits during Fiscal Year: 1  
The Number of such Audits Contracted for/Completed: %  
Date of Last Audit: None Next Audit: November 1993

**1B. FINANCIAL DATA**

Amount Authorized:	DA/ESF Grant:	original	\$	amended to \$ 25,700,000
Amount Obligated:	DA/ESF Grant:	original	\$	3,520,000 amended to \$17,186,471
Amount Committed:	Period:		\$	1,878,095
	Cumulative:		\$	14,436,202
Accrued Expenditures:	Period - Projected:		\$	3,363,000
	Period - Actual:		\$	2,747,117
	Cumulative:		\$	11,447,407
	Period - Next:		\$	3,664,876
Counterpart				
Contribution:	Planned:		\$	59,503,000
	Actual:		\$	25,165,290
% LOP Elapsed:		49.8 %		
% of Total Auth. Oblig.		66.6 %		
% of Total Oblig. Exp.		44.5 %		
% of Total Auth. Exp.		74.9 %		

---

**IIA. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES**

**Specific Linkage to Strategic Objectives:** Based on the midterm evaluation, the reprogramming analysis, and the S.O. performance indicator reanalyses, the project's policy objectives now fully support the S.O. of Improved quality, efficiency, and equity of primary education services. Each of the 10 refocused BEST Project activities is designed to contribute to specific improvements in the current S.O. performance indicators of increased academic achievement, sixth grade completion, number and percentage of girls enrolled, and number and percentage of Mayan students enrolled, and reductions in school repetition.  
**Percent of LOP Funds Relating to Strategic Objectives: 100%**

**IIB. PROJECT PURPOSE**

The revised PURPOSE of the BEST project is to institutionalize measures to improve the classroom environment, to improve efficiency in the allocation and use of resources, and to increase the equity of educational policies and practices.

**III. PROJECT DESCRIPTION**

The amended project includes three major components:

- **Educational Policy and Administration Initiatives:** to support educational policy analysis and decision-making within the Ministry of Education, explore alternative approaches to the delivery of primary education services, and improve efficiency in the allocation and use of resources.
- **Classroom Innovations and Support Services:** to develop and test low-cost, alternative methodologies to improve the efficiency of primary education, and to provide support services and materials to teachers and students to improve instructional quality; and
- **Equitable Educational Programs and Practices:** to integrate ethnic and gender

considerations and interventions into the primary school curriculum and teaching practices in order to increase equity in educational policies, practices, and programs as well as to improve instructional quality.

IV. PROJECT STATUS

Planned EOPS

Progress To Date

- |  |  |
|--|--|
| <ol style="list-style-type: none"> <li>1. Teachers effectively applying NEU, Bilingual Education, Radio, and Girls' Education methodologies in target schools.</li> <li>2. Increase student academic achievement in third grade from 1992 to 1997 in target areas (Bilingual Education: 53% to 66%; Radio Math: TBD; Radio Spanish: TBD; Girls' Education: 52% to 56%; and NEU: TBD).</li> <li>3. Increase teachers appropriately assigned from ___% in 1993 to ___% in 1997 (TBD).</li> <li>4. Reduce time to complete teacher appointments from 8 months in 1989 to 3 months in 1997.</li> <li>5. Decrease repetition rate from 1991 to 1997 in grades one through three in target areas (Bilingual Education: 18.3% to 14.3%; Radio Spanish: 2.9% to 20%; and Girls: 21.3% to 19.8%)</li> <li>6. Increase participation of girls and Mayan Students from # (%) and # (%) in 1994 to # (%) and # (%) in 1997 in target areas (Girls' Education, NEU, Bilingual Education) (TBD)</li> <li>7. Increase enrollment of girls in grades three and above from 38% in 1991 to 42.8 in 1997 in target areas (Girls' Education)</li> <li>8. Increase enrollment of Mayan students from 95,083 in 1989 to 129,395 in 1997 in target areas (Bilingual Education)</li> </ol> | <p>Revised indicators were established in August 1993.</p> <p>Progress will be reported on next SAR since annual data are not available until the end of each school year.</p> |
|--|--|

B. Major Outputs

	<u>Planned</u>				<u>Accomplished</u>		
	LOP	Period	Cum.	Next Period	Period	Cum.	% of LOP
1. Policy analysis capacity functioning	4	0	0	0	0	0	
2. Annual statistical summary produced	7	0	2	1	0	2	29
3. MIS system established and operational (# of subsystems)	4	0	0	0	0	0	30

65  
65

**PROJECT STATUS REPORT**  
**April 1, 1993 - September 30, 1993**

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

4.	Reliable tests developed and standardized	5	0	0	0	0	0	0
5.	Regional one-room school model validated (# of schools)	619	100	100	0	100	100	100
6.	Interactive radio math model validated (# of broadcasts)	465	30	445	30	28	451	97
7.	Radio Spanish model validated (# of broadcasts)	450	30	205	30	38	188	42
8.	Private sector provision of student materials	125,000	25,000	43,000	0	25,000	43,000	34
9.	Supervisory system strengthened (# of supervisors)	342	1	4	1	0	4	45
10.	Improved magazine information (# of issues)	210,000	30,000	120,000	30,000	30,000	120,000	57
11.	Bilingual school program consolidated (# of schools)	800	0	0	0	0	0	0
12.	Bilingual school program revised and expanded (# of schools)	600	0	0	0	0	0	0
13.	Gender considerations effectively incorporated into curriculum and programming (# of textbooks and guides)	87	2	2	5	2	2	2
14.	Girls' education interventions tested and validated (# of girls benefited)	5,000	0	0	1,000	0	0	0

**C. Other Accomplishments and Overall Status**

1. The reprogramming proposal was completed, the project paper amendment was approved, and the project agreement was signed in September 1993.
2. The project goal, purpose, and EOPS were revised and approved.
3. The project achieved access to the MINFIN rotating fund.

*6/6  
6/6*

4. The project monitoring and evaluation system was redesigned and established.
5. The procurement of MIS hardware and software for two regions was completed and installation was begun.
6. Benchmarks for the consolidation of PRONEBI were established.
7. Procurement and delivery of furniture and equipment for 342 district supervisors was completed.
8. Technical assistance was provided to FUNDAZUCAR to follow-up on the pre-award recommendations, and the non-federal audit was contracted.
9. The cooperative agreement to implement the *Eduque a la Niña* project was signed with FUNDAZUCAR.
10. Regular donor coordination meetings were held with the purpose of coordinating support for bilingual education programs and for discussing donor policies and terms of agreements with the MOE.
11. A second national meeting on Girls' Education, funded by private-sector agencies successfully attracted public and private-sector leaders.
12. The *Nueva Escuela Unitaria* program, which permits children to study at their own pace, promoted a number of children at mid-year.

D. Problems and Delays

1. Project implementation has been stalled due to obstacles in gaining regular access to funds in the project rotating fund.
2. The change of government in May has required a renegotiation of the terms of the project amendment and resulted in implementation delays in all project activities.
3. An outside evaluation of the Academic Achievement Tests activity found serious technical problems in the tests that had been developed and in the test data that were reported. Based on the findings, USAID requested that the testing director's technical assistance contract be terminated and that the Contractor form a new technical team. To date, the Contractor has not formed a new team.
4. Lack of coordination from the office of the Minister of Education has resulted in a duplication of efforts by international donors in providing bilingual education services.
5. Weak support from the Minister's office for providing funds and personnel positions for bilingual education activities nationwide has created considerable uncertainty among PRONEBI's Project trained staff.
6. Initiation of the *Eduque a la Niña* project was delayed by FUNDAZUCAR due to its weak institutional capacity. The Contracting Officer suggested that FUNDAZUCAR submit a proposal to USAID for an additional one-year of support for institutional strengthening.
7. Delays by the Contractor in procuring the MIS equipment have prevented full implementation of the first phase of the activity.

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

1. Ensure MOE compliance with the conditions precedent of the project amendment.
2. Hold the project Management Planning and Monitoring and Evaluation seminar for MOE, contractor, and USAID personnel.
3. Hold biweekly meetings with the Minister of Education to expedite decision-making regarding government funding and personnel appointments to project activities.

67  
67

4. Renegotiate the amended Scope of Work with the institutional contractor.
5. Ensure the delivery of MIS equipment by mid-November.
6. Monitor the evaluation workshops on *Nueva Escuela Unitaria* achievements and products.
7. Ensure the procurement of equipment and furniture for the first 100 one-room schools.
8. Monitor the contracting of all new technical assistance for the project.
9. Ensure the passage of a Ministerial decision (*Acuerdo*) to establish the permanent MOE testing center.
10. Monitor the audits in process (MOE implementing units and FUNDAZUCAR).
11. Initiate the implementation of the *Eduque a la Niña* project in 36 communities in six departments.

U:\HEOPUB\DOCS\SARBEST3

68  
ii

**SUSTAINABLE NATURAL RESOURCES MANAGEMENT**

Project Status Report  
April 1, 1993 - September 30, 1993

A X B    C   **IA. BACKGROUND DATA**

Project Title: Highlands Agricultural Development (Natural Resources Component)  
 Project Number: 520-0274  
 Date of Authorization: original 07/27/83 amendment N/A  
 Date of Obligation: original 09/30/83 amendment N/A  
 PACD: original 09/30/88 amended 12/30/93  
 Implementing Agencies: 1. Dirección General de Servicios Agrícolas (DIGESA)  
 2. Banco Nacional de Desarrollo Agrícola (BANDESA)  
 3. Instituto de Ciencia y Tecnología Agrícolas (ICTA)  
 4. Dirección General de Servicios Pecuarios (DIGESEPE)  
 5. Instituto Nacional de Comercialización Agrícola (INDECA)  
 6. Dirección General de Bosques y Vida Silvestre (DIGEBOS)  
 7. Gremial de Exportadores de Productores No tradicionales (GEXPRONT/PIPA/A)  
 Major Contractors: 1. Host Country: None  
 2. USAID/Guatemala Direct: Louis Berger  
 3. AID/W: None  
 AID Project Manager: 1. USAID: Edin Barrientos  
 2. Host Country: Fernando Vargas (Viceminister of Agriculture and Food)  
 Status of CPs/Convenants: All met  
 Date of Last Evaluation: August 1993 Next Evaluation: N/A  
 Planned Number of Non-Federal Audits during Fiscal Year: 1  
 The Number of such Audits Contracted for/Completed: 1/1  
 Date of Last Audit: November 1992 Next Audit: November 1993

**IB. FINANCIAL DATA**

Amount Authorized:	DA Grant:	original	\$ 4,982,500	amended to	\$ 22,805,500
Amount Obligated:	DA Grant:	original	\$ 465,000	amended to	\$ 14,684,500
	DA Loan:	original	\$ 2,500,000	amended to	\$ 8,121,000
Amount Committed:	Period:		\$ -230,446		
	Cumulative:		\$ 21,054,934		
Accrued Expenditures:	Period - Projected:		\$ 4,920,062		
	Period - Actual:		\$ 2,368,457		
	Cumulative:		\$ 20,253,895		
	Period/Next		\$ 350,000		
Counterpart					
Contribution:	Planned:		\$ 34,065,456		
	Actual:		\$ 36,551,400		
% LOP Elapsed:			98%		
% of Total Auth. Oblig.			100%		
% of Total Oblig. Exp.			89%		
% of Total Auth. Exp.			89%		

1. This data differs from the data presented in the Summary Financial Data since the Summary Table also includes information on the Roads and Trade component and Investment components. A separate report was prepared for Trade and Investment components. A separate report on Roads is not included in this package due to the fact that the PACD was 9/30/90. The totals authorized by components are: 1) Natural Resources \$22,805,500; 2) Roads \$6,130,546, and 3) Trade and Investment \$2,880,000. Total Project \$31,816,046.

**IIA. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES****Specific Linkage to Strategic Objectives:**

- The project contributes to two Mission strategic objectives: Increased trade and investment and improved natural resource management. Farmers produce non-traditional export crops in their small irrigation systems. Produce from these systems make up approximately 20-40% of the export volume of non-traditional fruits and vegetables from Guatemala. The Project promotes integrated watershed management, agroforestry, soil and water conservation and the safe use of pesticides.

70  
71

**Percent of LOP Funds Relating to Strategic Objectives:**

% of Total Auth. LOP for Trade & Investment                    %45  
% of Total Auth. LOP for Natural Resources Management %55

**IIB. PROJECT PURPOSE**

To increase rural agricultural productivity and profitability. This will be accomplished through the development of diversified commercial agriculture, expanded emphasis on irrigated farm systems, and the transfer of production technology and marketing services to small farmers.

**III. PROJECT DESCRIPTION**

The main focus of this Project is the small scale irrigated farms, where the farmers are producing non-traditional crops for export and local markets. For these producers the Project has provided required services to guarantee the success of their commercial enterprise and the sustainability of their level of production in quantity and quality.

**IV. PROJECT STATUS**

<u>Planned EOPS</u>	<u>Progress to Date</u>
1. Twenty small watersheds and 165 constituent irrigation systems adequately developed to produce profitable and marketable crops directly benefiting 7,967 rural households.	This End of Project status is completed for all practical purposes. In this period, an additional 180 beneficiaries were incorporated in the Project, bringing the total to 6,480 households.
2. Adoption and widespread application of new technologies in integrated pest management and watershed management by 4,000 families in the project areas.	This End of Project Status has been surpassed. To date 29,000 farmers have been trained in watershed management and IPM technologies. 27,000 were trained in watershed management technologies and 2,000 in IPM technologies. This includes the training of farmers as well as Sanidad Vegetal personnel in topics such as methodologies for improved plan quarantine procedures.
3. A minimum increase of 25 to 50% in agricultural production and producer incomes due to application of new technologies in production and integrated pest management.	According to <u>Case Studies of Small Irrigation Beneficiaries</u> prepared for the final impact evaluation, production and incomes have increased an estimated 50%, or more due to the new technologies and improved production management.
4. An additional 1,750 hectares reforested or under forest management during the life of the project.	This End of Project Status has been completed. Over 2,400 Hectares are under forest management. Almost 1000 hectares have been reforested during the life of this Project.
5. Effective delivery of the following public and private sector services resulting in an increase in productivity, incomes and exports:  a) Research and extension b) Credit c) Marketing information d) Technical assistance and training	a) Effective <u>research and extension</u> delivery services have been established and/or improved in the public and private sector which are providing farmers with technologies for increased productivity, incomes and exports. This has been accomplished through a mix of services provided by FEAT, DIGESA, DIGEBOS, DIGESEPE, ARF, ICTA and PIPAA. The successful pilot private sector extension

71  
71

service experience with FEAT is now being extended in the new AID Natural Resources Project. It has served as a model for other institutions. ANACAFE is considering the privatization of its extension services based on the FEAT model. The Ministry of Agriculture and World Bank are also seriously considering the privatization of the public extension services based on the FEAT model.

b) An effective credit delivery services has been established. The Project is working with BANDESA to consolidate all existing AID Trust Funds which will ensure credit services for the same Project purposes beyond the PACD.

**B. Major Outputs**

	<u>Planned</u>				<u>Accomplished</u>		
	LOP	Period	Cum.	Next Period	Period	Cum.	% of LOP
1. Soil conservation structures (Has.)	20,100	945	20,100	0	504	23648	117%
2. Small Irrigation systems (Has.)	2600	200	1343	0	90	1411	54%
3. Reforestation (Has.)	325	80	325	0	0	512	158%
4. Laboratories and Training Facilities Constructed/Rehabilitated	6	2	6		0	1	17%
5. Information Systems	4	0	4	0	1	3	75%
6. Watershed MGT							
Diagnostics	20	4	20	0	4	20	100%
Management Plans	20	0	0	20	19	20	100%
Plan Implementation	20	0	0	20	19	20	100%

**C. Other Accomplishments and Overall Status**

1. Other Accomplishments:

- a) The suspension was lifted.
- b) The GOG/USPADA has assigned personnel to take over the functions and responsibilities of the Project's Monitoring and Evaluation System (SISE).
- c) The GOG has decided to continue HAD Project activities after the PACD. To do so it has programmed GOG funds for these purposes for 1994 and beyond.

112-  
5

- d) The final impact evaluation was done on time, and demonstrated that the project effectively accomplished its stated objectives, especially in instituting beneficial changes in the GOG's ability to deliver essential services to campesinos.
- e) The introduction of irrigation systems with the consequent crop diversification intensified the participation of women in agriculture labor. Also the women have participated in the training program related with pest and pesticides management, integrated watershed management, plant production, processing and marketing.

**2. Overall Status**

The project has passed the PACD. The final evaluation has been completed pointing out that all EOPS were accomplished. The project is now completed and the close-out report will be written.

**D. Problems and Delays**

The last audit report has not been received from RIG.  
No other problems are anticipated in completing close-out activities.

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

- 1. Project activity completion.
- 2. Audit recommendations, if any, will be resolved. If there are questioned costs they will be deducted for pending voucher from MAGA.
- 3. Close out audit will be carried out on November 1993.
- 4. Deobligate undisbursed funds.

**IA. BACKGROUND DATA**

Project Title: MAYA BIOSPHERE PROJECT (MAYAREMA)  
 Project Number: 520-0395  
 Date of Authorization: original 08/27/90 amendment  
 Date of Obligation: original 08/30/90 amendment  
 PACD: original 08/30/96 amendment  
 Implementing Agencies: National Council for Protected Areas (CONAP)  
 Major Contractors: Conservation International (CI), CARE, The Nature Conservancy (TNC),  
 Rodale Institute, Peregrine Fund, others  
 AID Project Manager: Keith Kline  
 Status of CPs: All met  
 Date of Last Evaluation: 11/92\* Next Evaluation: 11/93\* and 3/94  
 (\*Participatory evaluation workshop involving all project collaborators)  
 Planned Number of Non-Federal Audits during Fiscal Year: 1  
 The Number of such Audits Contracted for/Completed: 1/0  
 Date of Last Audit: N/A Next Audit: In process

**IB. FINANCIAL DATA**

Amount Authorized: DA/ESF Grant:	original	\$ 10,500,000	amended to \$
Amount Obligated: DA/ESF Grant:	original	\$ 8,399,809	amended to \$
Amount Committed:	Period:	\$ 551,392	
	Cumulative:	\$ 6,986,253	
Accrued Expenditures:	Period-Projected:	\$ 540,000	Period-Actual: \$ 1,445,917
	Cumulative:	\$ 4,598,556	Period-Next: \$ 660,000
Counterpart			
Contribution (LOP):	Planned:	GOG \$ 7,500,000	Actual: GOG \$ 1,259,512
		NGOs \$ 4,145,205	NGOs \$ 1,909,791
		TOTAL \$ 11,645,205	TOTAL \$ 3,169,303

% LOP Elapsed: 51%  
 % of Total Auth. Oblig. 82%  
 % of Total Oblig. Exp. 53%  
 % of Total Auth. Exp. 44%

**IIA. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES**

**Specific Linkage to Strategic Objectives:** Through promotion of measurable improvements in the management of natural resources in the MBR--2.1 million hectares (5.2 million acres--equal in size to Republic of El Salvador), this project is the principal contributor to the Mission's "Improved Management of Natural Resources" SO. More rational land-use management for tourism, timber and non-timber products, as well as increased control over colonization, contribute directly to the Mission SO indicators: increased land area under improved management and decrease in deforestation trends.

**Percent of LOP Funds Relating to Strategic Objectives:** 100 %

**IIB. PROJECT PURPOSE**

To improve the management of renewable natural resources and the protection of biological diversity and tropical forests in the Maya Biosphere Reserve (MBR).

**III. PROJECT DESCRIPTION**

The project promotes the study and rational use of natural resources in the MBR through three primary components: Biosphere Administration (\$5.4m with CONAP, TNC, Peregrine Fund), Environmental Education and Awareness (\$1.7m with CARE/WCS), and Sustainable Resource Management for Income Generation (forest products, land-use systems, tourism and other small-scale enterprises; \$3.4m CI, CARE, Rodale). The project focusses on providing communities with economic alternatives which are more compatible with the natural resource base and Biosphere status. Training, technical assistance and commodities support the development of new products, markets and value-added enterprises, as well as supportive local constituencies and institutional capacity to monitor and administer the MBR.

174  
14

## III. PROJECT STATUS

### A. Planned EOPS/Progress to date

1. **Equipped, trained park guards:** Despite many obstacles (see D below), CONAP managed to maintain its staff of 200 MBR park employees in Peten. Additional equipment was delivered to support MBR monitoring and wildlife management. A comprehensive training plan for CONAP was prepared by TNC.

2. **Improved management of the Reserve:** CONAP presence in the MBR continued to serve a critical management role by stemming the tide of colonization and calling attention to illicit logging and other threats to MBR integrity. CONAP extension and demarcation efforts continue to inform the public about the existence, purpose and location of the MBR.

**Policy:** CONAP and local stakeholders (communities; labor unions; mayors; NGOs; exporters of xate, chicle, allspice, etc.) participated in defining policies and enforcement mechanisms to improve forest management for more sustainable production. Examples include: mayors established forest and tourism reserves on municipal lands; xate exporters agreed on voluntary controls to reduce the quantity of "reject" leaves harvested; and CONAP developed "best management practices" for timber concessions. Management issues also received public review and comment via a series of fora on the MBR "Master Plan" (management policy framework).

**Institutional coordination:** CONAP improved working relationships with other institutions and succeeded in receiving substantial support from the military in controlling illicit logging in the MBR--a critical achievement. CONAP also continued to work with the Attorney General (legal issues), CEAR (refugees) and INTA (land tenure issues). Increased coordination with DIGEBOS provided CONAP with control over timber cutting permits in the MBR buffer zone.

3. **Research enables improved resource management:** Research underway this period falls into four general categories: (a) Development of more sustainable economic alternatives; (b) EIAs; (c) Development and validation of more sustainable land-use systems for small farmers; (d) Legal, economic and administrative analyses to support institutional development, planning and implementation of concession systems; and (e) Impact monitoring. Progress this period includes: a Rapid Ecological Assessment (TNC); a land tenure cadastre of the MBR based on INTA/FYDEP records; ecological baseline monitoring and EIAs for timber and non-timber activities; validation of soil conservation/improvement practices with over 500 farmers; community census and participatory research with local university students; and market research for 12 new economic alternatives.

4. **Environmentally sound economic activities promoted and demonstrated:** Over twenty new products, local and export markets, and value-added enterprises, are under development: they now provide employment to over 250 families in the MBR. They include: an ecological language school and related tourism services; potpourri; biodegradable soap; natural dyes; gold leaf and other jewelry; corozo, allspice and jobocillo oils/extracts; and carving (bone, stone, wood). These income alternatives are targeted in traditional slash & burn agricultural communities and have had a direct effect in reducing deforestation while fomenting the growth of constituencies for MBR conservation.

Tourism is Guatemala's single, most important foreign exchange earner (est. \$250m in '93). It is also the most important economic activity in the MBR area today, and offers the highest potential for growth in the future without compromising the environment. The project (CI) continued to promote the development of ecologically sound tourism with greater local benefits: a community handicraft outlet was established in Flores; training was provided in business and technical aspects of eco-tourism services (hostels, guides, environmental guidelines) and handicrafts (painting, T-shirts, carving, embroidery, etc.).

In timber management, CONAP proposed a system for forest concessions and CI began to promote "green certification" for forest production and marketing.

5. **Increased awareness of ENR issues, reserve status and regulations:** Tremendous achievements continued this period as CONAP and NGOs contributed to making the MBR front-page news on a regular basis, increasing awareness of the threats to MBR integrity and the initiatives underway to address them. "Maya Biosphere Reserve"--a phrase completely unknown prior to the Project--has become widely recognized. The media coverage, complemented by specific awareness campaigns on forest fire prevention, Reserve demarcation, the Master Plan and wildlife issues, continued to build constituencies and public support for improved MBR management. Specific achievements this period include: over 120 teachers participated in

BEST AVAILABLE COPY

15  
75

environmental training activities along with over 1,000 students; six natural history interpretative trails were developed and are in use in different parts of the MBR; over 25 radio programs on the MBR aired and the Peten newspaper carried a monthly supplement on the MBR; and CNN again aired at least two favorable segments on the MBR and our debt swap with CI (related articles also appeared in international and US press).

6. **Local communities participate in reserve management activities:** Over 50 communities are now participating in the project. Mayors created an environmental issues council and in collaboration with CONAP, began to identify and control colonization problems. An "agroforestry strategy" was prepared for the buffer zone with active community participation. Over 600 small farmers have applied more sustainable agricultural practices (frijol abono, agroforestry, 120 on-farm nurseries, 40 demonstration units, etc). Forest management committees were organized in three communities and began to work with CONAP to define mechanisms to support sustainable management of concessions by communities.

<u>B. Major Outputs</u>	<u>Planned</u>				<u>Accomplished</u>		
	LOP	Period	Cum.	Next	Period	Cum.	%LOP
1. Field outposts	15	0	9	1	(2)	4 <sup>1</sup>	27%
2. Master Plan	2	0	2	0	0	1	50%
3. Km of boundary demarcated	1000	20	70	20	24 <sup>2</sup>	60	6%
4. Training Public (Male/Female)	1500/ 1500	120/80	560/ 340	120/80	1582/ 1150	2615/ 1931	174/129
- Project staff	500/50	60/4	330/78	60/4	95/29	573/77	114/106

C. Other Accomplishments and Overall Status

C.1 Overall Status: After 18 months of field implementation, achievements include many examples of improved management policies and practices--timber and non-timber extraction, tourism and colonization. Significant progress toward EOPs was led by NGOs which have proven their capacity to work effectively and responsively at the community level despite the logistic difficulties, endemic corruption and ongoing institutional instability in the region. Community involvement is critical since the fate of the MBR ultimately lies in the hands of those living in the area. Thousands of community members have benefitted from training in more sustainable alternatives for income generation. The NGOs have accelerated execution and amplified their geographic coverage in attempts to better respond to the urgent and growing land-use issues in MBR communities.

AID and counterpart expenditures increased sharply (nearly 50% since last period). A notable increase in political support from key sectors at both national (military, CONAMA) and local (mayors, DIGEBOS, INTA) levels, also contributed to progress and helped compensate for the GOG problems affecting CONAP this period. CONAP began to more effectively address some of the most critical legal and administrative issues affecting the MBR (tenure, timber licenses, concessions) with broad participation and collaboration from other GOG entities.

C.2 Status of major/corrective activities planned last period:

- Amendment to CARE Agreement:** Amendment was signed for two year extension (to 9/95) and incorporates expansion into ten additional communities and a new economic subcomponent.
- Meetings to address CONAP institutional issues:** Numerous meetings were held with the US Embassy, Ministry of Defense, other donors and presidential advisors.
- Evaluation:** Contract for monitoring and evaluation support was let. Formal external evaluation is planned for 3/94. Internal evaluation workshop will be held 11/93.
- Master Plan:** The existing plan received broad multi-sectoral revision; comments were incorporated into a new draft which is now under review in CONAP.
- Environmental Assessment:** The RFP for an EA was publicized but no responsive offers were received; it has been reissued.

<sup>1</sup> A reduction since last report because two control outposts were burned by lumber interests.

<sup>2</sup> Demarcation crew identified an error in Tikal corner reference point, requiring a re-demarcation of 20 km. this period.

76  
45

5. **Location for Centro Maya Research Station:** work is expected to focus in three zones: south-central cooperatives (Chal), San Jose, and Sumacinta cooperatives (Tecnica/Bethel).

C.3 Other Accomplishments this Period:

1. **WID:** Participation of women in the Maya Biosphere Project doubled during this period: 2000 women have participated in project activities ranging from community decision-making fora to micro-enterprise development (see previous SAR for details). In response to community interests, the CARE amendment signed this period includes a specific, new component to develop economic alternatives for women.
2. **Donor Coordination** received considerable attention this period: AID facilitated meetings with CONAP, ACNUR, CEAR and INTA to address issues of returning refugees in MBR; CI developed a proposal with ATI to tap IDB small enterprise development funds; monthly meetings were held with SEGEPLAN and German (KfW) Project staff to coordinate activities in Peten, especially concerning CONAP; meetings were also held with representatives of World Bank (sector loan/land tenure), IDB (sector loan for NRM in Peten) and EEC (program for sustainable development of "agricultural frontiers").
3. **US Embassy Support/Presidency:** A 3-day tour of project sites for the Ambassador (plus 7 EMB staff and the new USDH AID Natural Resource Officer) generated awareness, interest and formal letters expressing concerns to President de Leon (and Rodil/Supreme Court). The Presidency responded immediately and offered to meet with the Ambassador to discuss CONAP and the MBR (date pending). This is a critical step toward resolving CONAP's institutional sustainability issues (efforts to arrange such a meeting have been underway for 18 months).

D. Problems and Delays

1. **GOG Coup--AID Suspension:** In an apparent attempt to cover up high-level involvement in illicit logging in the MBR, CONAP's director was removed in April, paralyzing central office operations. Although a qualified replacement was identified, named and briefed (with project support), President Serrano's coup aborted the initiative. AID's subsequent project suspension further reduced morale of CONAP field staff and led to the departure of the TNC advisor from CONAP offices. These and related factors caused a sharp reduction in CONAP expenditures.
2. **CONAP Leadership and Professional Staff:** A new CONAP director was named in June and thereafter, nearly all professional staff of CONAP, including the Project Coordinator, changed again (the present Coordinator is the 6th since Project start). Justified concerns about contracts and unpaid salaries plagued field staff throughout the period (23 out of 200 remain unpaid since Jan/93).
3. **Peten: Anarchy, Violence, Lies:** In the final days of May (during the GOG coup), two CONAP district offices were attacked, looted and burned by illicit logging interests. This temporarily reduced CONAP's presence and control over MBR access points. Loggers also initiated a well-funded campaign of misinformation, accusing CONAP, NGOs and (lightly veiled) AID of both (1) allowing the timber of the MBR to be stolen by the Mexicans and (2) trying to bankrupt the local lumber industry so that the forest can later be sold to foreign (US) interests.
4. **Project Design/Evaluation:** Initial measures have been taken to address some key obstacles to project success which were identified in the 11/92 evaluation (political support; tenure issues; systematic corruption; lack of coordination among GOG institutions), but these continue to be major problems which were not contemplated in the original project design. The external evaluation which should provide the basis for an improved design was postponed to 3/94 because key evaluators were not available sooner (the importance of a qualified evaluation team cannot be overestimated).
5. **GOG Political Priorities--CONAP dependency on Presidency:** The new GOG administration is too preoccupied by other crises to give adequate attention to CONAP, its dependency. CONAP and the project were ignored in the President's 180-day Plan, and the MOF has cut CONAP's counterpart budget for 1994 by 50%.
6. **NAFTA:** Concern exists about the environmental impact of NAFTA on the Reserve, given the corruption and lack of capacity to effectively control Guatemala's northern border with Mexico, 40% of which abuts the MBR.

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

1. Ambassadorial meeting with the President to address CONAP institutional sustainability issues.
2. Donor coordination will continue, especially with Germans who are about to begin a major project similar to MBP in southern Peten.
3. An evaluation workshop will provide guidance for 1994 work plans, which will be subsequently approved by CONAP and AID.
4. An external evaluation will begin in March.
5. The external audit of CONAP will be completed.
6. Phase I of the Centro Maya (Rodale) activity will be assessed and Phase II initiated.
7. AID will establish stricter conditions related to decentralization of project activities and an institutional strategy for sustainability, prior to approving CONAP's 1994 work plan.

BEST AVAILABLE COPY

14  
79

**IA. BACKGROUND DATA**

Project Title: Community Natural Resources Management  
Project Number: 520-0404  
Date of Authorization: original 8/19/93  
Date of Obligation: original 8/25/93  
PACD: original 12/31/97  
Implementing Agencies: CARE  
Major Contractors: M.S.I.  
AID Project Manager: Edin Barrientos  
Status of CPs/Covenants: N/A  
Date of Last Evaluation: N/A Next Evaluation: March, 1995  
Planned FY 94 Audit Recipient: 1  
The Number of such Audits Contracted for/Completed: 1  
Date of Last Audit: N/A Next Audit: June, 1994

**1B. FINANCIAL DATA**

Amount Authorized:	DA/Grant:	original	\$ 4,200,000
Amount Obligated:	DA/Grant:	original	\$ 2,047,858
Amount Committed:	Period:		\$ 2,047,858
	Cumulative:		\$ 2,047,858
Accrued Expenditures:	Period - Projected:		\$ 0.00
	Period - Actual:		\$ 0.00
	Cumulative:		\$ 0.00
	Period - Next:		\$ 772,230
Counterpart			
Contribution:	CARE;	Planned:	\$ 1,627,600
		Actual:	\$ 0.00
% LOP El -sed:			2.1%
% of Total Auth. Oblig.			48.7%
% of Total Oblig. Exp.			0%
% of Total Auth. Exp.			0%

---

**II. PROJECT PURPOSE AND RELATIONSHIP TO MISSION STRATEGIC OBJECTIVE**

To develop and replicate sustainable, community-based natural resources management models in upland watersheds, and achieve sound policy improvements.

**A. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES**

1. The Project contributes directly to the strategic objective of Improved Natural Resources Management through Community strengthening, training and extension; watershed planning and environmental monitoring, environmental education, sustainable agriculture, social forestry and rural economic program.
2. Percentage of LOP Funds Relating to S.O.: 100 %

**III. PROJECT DESCRIPTION**

The project will develop and replicate effective technologies and organizational models for educating, training and mobilizing local communities to plan and carry out sustainable watershed management. It also will establish and apply methods for tracking natural resources management and environmental impacts and for refining and improving NRM technical and policy interventions. DIGEBOS, DIGESA, Peace Corp, selected NGOs, and communities will collaborate in developing and implementing watershed management plans.

IV. PROJECT STATUS

A. ROPS

Progress to Date

1. Achieve sound policy improvement that promote sustainable management and use of natural resources.
2. Develop and replicate sustainable, community-based natural resources management models in upland watersheds.

B. Major Outputs

Planned

Accomplished

The Monitoring and evaluation system is being designed.

C. Other Accomplishments and Overall Status

1. During this period staff were hired to support the manage of the project.
2. A Cooperative Agreement with CARE was obligated by the Mission.
3. CARE hired the staff to implement the special fund for private technical assistance.
4. The Government of Guatemala approved the use of a building as the project office.
5. MSI has been contracted to design the monitoring and evaluation system of the project.

D. Problems and Delays

1. CARE has not signed the cooperative agreement yet.

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

1. Memorandum of understanding between CARE-DIGEBOS-DIGESA-PEACE CORP.
2. Initiate design and/or make decision relative to the policy and monitoring and evaluation components.

10  
20

**SUSTAINED EXERCISE OF INALIENABLE RIGHTS**

**Project Name:** Public Ministry Strengthening  
**Project Number:** Limited Scope Grant Project Agreement  
(LSGA) 520-0000-92-001  
**Funding Level:** US\$140,000 (PD&S)  
**Expenditures:** US\$46,400 (Estimated, as some  
reimbursements under the project are  
still pending)  
**PACD:** 09/30/93

**Purpose:**

To assist in the institutional development of the Public Ministry, with emphasis on its Public Prosecutors' Section.

**Project Status:**

- Training activities with the Public Ministry began in November 1992 and were carried out through the project's two extensions, until project completion at the end of September 1993. Training during the reporting period has focused primarily on preparing Ministry prosecutors and investigators for implementation of the new Criminal Procedures Code.
- Technical assistance was provided under the agreement by Price Waterhouse to improve the Public Ministry's financial and accounting procedures, resulting in the production of a set of user's manuals for personnel in the financial and accounting functions.
- The Public Ministry Training Unit has prepared a final report of activities under the LSGPA, specifying courses provided, number of participants who benefitted, and a gender breakdown of participants.

**Activities for the Next Semester:**

No further activities will be undertaken under this project, which was completed September 30, 1993, with one possible exception:

- The Public Ministry issued a verbal request during the Price Waterhouse exit conference for a follow-up financial review by USAID to insure proper implementation of the manuals prepared for the Public Ministry. USAID/Guatemala's Financial Analyst Section could provide this assistance during March or April 1994.

**IA. BACKGROUND DATA**

Project Title: Guatemala Peace Scholarship Project  
Project Number: 520-0393  
Date of Authorization: original 04/05/90 amendment 00/00/00  
Date of Obligation: original 07/31/90 amendment 09/30/90  
PACD: original 04/15/97 amendment 04/15/96  
Implementing Agencies: N/A  
Major Contractors: META, Inc., Development Associates, Inc.  
AID Project Manager: Elizabeth A. Hogan, Nelly de León  
Status of CPs/Covenants: N/A  
Date of Last Evaluation: 00/00/00 Next Evaluation: 12/95  
Planned Number of Non-Federal Audits during Fiscal Year: N/A  
The Number of such Audits Contracted for/Completed: N/A  
Date of Last Audit: 00/00/00 Next Audit: 00/00/00

**IB. FINANCIAL DATA**

Amount Authorized: DA/ESF Grant:	original	\$ 37,000,000	amended to \$ 15,000,000
Amount Obligated: DA/ESF Grant:	original	\$ 4,083,074	amended to \$ 12,069,554
Amount Committed:	Period:	\$ -x-	
	Cumulative:	\$ 12,065,916	
Accrued Expenditures:	Period - Projected:	\$ 1,713,612	
	Period - Actual:	\$ 1,857,984	
	Cumulative:	\$ 8,879,436	
	Period - Next:	\$ 1,360,000	
Counterpart			
Contribution:	Planned:	N/A	
	Actual:	N/A	
% LOP Elapsed:		<u>53.9%</u>	
% of Total Auth. Oblig.		<u>80.4%</u>	
% of Total Oblig. Exp.		<u>73.5%</u>	
% of Total Auth. Exp.		<u>59.1%</u>	

**IIA. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES**

**Specific Linkage to Strategic Objectives:** Training of local leaders in democratic practices and values contributes directly to achievement of the strategic objective "Sustained Exercise of Inalienable Rights". Both the US-based and in-country training under GPS have utilized the US experience in democracy as a point of reference for development of democracy Guatemala.

**Percent of LOP Funds Relating to Strategic Objectives:** 100 %

**IIB. PROJECT PURPOSE**

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

**III. PROJECT DESCRIPTION**

CLASP II/GPS training reinforces the Mission's strategic objectives through working in close coordination with the Mission's technical offices in the design of U.S.-based training programs and in-country follow-on activities in priority areas. All GPS training provides the basic skills and attitudes necessary to participate effectively in a democratic system and the technical skills needed for economic development.

18  
72

IV. PROJECT STATUS

<u>Planned EOPS</u>	<u>Progress To Date</u>
1. Returnees use participatory methods for decision-making.	GPS follow-on trainees receive workshop/seminar training experiences which both model and present participatory methodology and techniques. Participants are encouraged to apply personally as well as train others in new knowledge/skills acquired through training via community level operational plans which provide for a multiplier effect. Through field visits and open communications with participants GPSP technical staff are increasingly able to confirm such training transference.
2. Returnees involved in community organizations and community action.	Anecdotal participant feedback, seminar-workshop participant reporting and GPSP technical staff field visits continue to document ongoing efforts by participants in maintaining or increasing their level of activity.
3. Returnees involve communities in study, within 1 year of return.	23 of 29 short-term training groups have completed at least one year of having participated in the six-week US training site activity. Even those participants having reported changing employment entities continue to communicate interests and efforts in projecting their leadership through community activities both through new employment functions as well as in activities as involved community members.
4. Returnees exercising community leadership, within 5 years of return.	GPS efforts to promote local networking and exercise of leadership capabilities is being demonstrated by returnees across all technical subgroups. Staff field visits and seminar debriefing activities confirm that trainees are exhibiting leadership roles through elected positions as Mayors and municipal council members and as non-elected community activists in support of diverse projects and activities. Development and implementation of participant multiplier effect plans (GPSP) are designed to encourage returnees to be engaged in and to exercise various leadership roles in their communities.
5. Returnees exhibit commitment to principles of democracy/free enterprise.	Follow-on training content as well as GPSP communication efforts (Bulletin) increasingly stress principles underlying democratic leadership (participation, pluralism, etc.). Participants are increasingly including such critical themes within their own multiplier-effect training efforts.
6. Returnees maintain U.S. linkages.	Participants are being encouraged through GPSP Bulletin information and discussions during workshops to continue on-going citizen to citizen contacts. Numerous participants report mail correspondences and U.S. family vacation visits to trainees in Guatemala.

BEST AVAILABLE COPY

24

**B. Major Outputs**

	Planned								Accomplished					
	LOP		Period		Cum.		Next Period		Period		Cum.		% of LOP	
1. Newsletters	14		3		5		2		2		4		29	
2. F-O trg. sem.	45		12		26		14		16		30		67	
3. HBCU placement	100		10		10		48		23		245		245	
4. Training (pers.)	M	F	M	F	M	F	M	F	M	F	M	F	M	F
4a. Long-Term Acad.	11	18	0	0	11	18	0	0	0	0	9	17	82	94
4b. Long-Term Tech.	96	64	20	0	0	0	20	0	0	0	37	23	39	36
4c. Short-term	487	353	12	36	330	366	58	38	12	34	342	345	70	98

**C. Other Accomplishments and Overall Status**

1. 687 Guatemalan leaders have been the recipients of U.S.-based short-term technical training emphasizing leadership in seven subject areas: Natural resource Management (Park Guards and Caminos Rurales) Integrated Pest Management, Advanced Extensionism, Educational Administration, Community/Municipal Leadership Development, Small Business/Artisan Training.
2. Long-term training programs:
  - a) 26 Academic participants in International Business, Food Sciences and Agricultural Production, were enrolled in coursework and practical field experiences in their areas of specialization. Two students were granted extensions to complete Masters degree programs in Food Science.
  - b) 56 Technical participants in three nine-month technical training programs have completed U.S. study and the majority have returned to positions in their respective agencies. Technicians in a Vegetable Production, young professionals in Manufacturing Technology fields and public sector nurses in supervisory maternal/child health positions have all completed their U.S. training.
3. HBCU targets under GPS continue to be exceeded. Participant months of training at Historically Black Colleges and Universities placed primarily in short-term programs; total 245 participant months.
4. Female participation in the GPS Project has been a principal objective in recruitment selection activities. Target of 40% female participation has been achieved and exceeded. Actual female participation is 50%.
5. In-country training activity which includes predeparture orientation, re-entry debriefing and follow-on training seminars totaled 56 participant months during the current reporting period.
6. GPS strategy for program improvement through use of external consultancies was designed during period. Three expert consultancies were undertaken as part of in-house process evaluation activity. The purpose of the mid-term assessment was to: 1) Review/redesign strategies for follow-on activities; 2) Develop improved measurements for follow-on evaluation; and, 3) Improve and expand technical assistance provided by local and international experts.
7. Comprehensive rebudgeting exercise was undertaken and submitted in order to bring the level of project effort in line with actual obligated funds through end of project. Follow-on strengthening through redistribution of resources was achieved through this process.

85  
81

8. Comprehensive follow-on program plan was completed and submitted which established contractors implementation model and plan of action to support and strengthen the follow-on program through end of contract.

D. Problems and Delays

Due to the political instability during the reporting period the four Civic Education groups scheduled for U.S. training were delayed. None of these groups departed during the reporting period. As a result, the four groups will be rescheduled to depart during the next reporting period October 1, 1993 - March 31, 1994.

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

1. Short-term program new starts in Civic Education will be initiated. Four programs for 96 participants are scheduled during the next reporting period. GPSP counterpart Supreme Electoral Tribunal is actively involved in program support.
2. Schedule established for both U.S. and in-country follow-on training activity will be implemented with date changes or other modifications as necessary. Planning for first Guatemalan Regional Participant Conference to be held in Chichicastenango will begin during next reporting period.
3. External consultancies will be planned as part of project on-going process evaluation strategy. Analysis of project design elements, training program quality control and improvement measures and impact analysis of selected GPSP subgroups, Education and Rural Roads groups, improvement of information feedback networking system will be implemented during next reporting period.
4. Counterpart relationship strengthening actions will be implemented during next period. DIGESA strengthening will be achieved through the establishment of a formal counterpart coordinating team designated to interact/support GPSP activities. Relationship with INAP will be reviewed in order to strengthen/improve cooperative activity. Follow-on program curriculum planning/design group will be established within the SET for Civic Education programs.

BEST AVAILABLE COPY

86

**IA. BACKGROUND DATA**

Project Title: Democratic Institutions  
Project Number: 520-0398  
Date of Authorization: original 09/28/90 amendment 06/23/91;08/20/91;09/05/92  
Date of Obligation: original 09/28/90 amendment 06/23/91;09/06/91;09/29/92  
PACD: original 09/30/94 amendment 09/30/97  
Implementing Agencies: Office of the Human Rights Ombudsman, Fundación DIG, National Congress  
Major Contractors: Consortium for Legislative Dev., Dev. Associates  
AID Project Manager: Todd D. Sloan  
Status of CPs/Covenants: No CPs, No covenant problems under original auth.  
Date of Last Evaluation: 00/00/00 Next Evaluation: 06/15/94  
Planned Number of Non-Federal Audits during Fiscal Year: 2  
The Number of such Audits Contracted for/Completed: 2/2  
Date of Last Audit: 09/30/93 Next Audit: 06/15/94

**IB. FINANCIAL DATA**

Amount Authorized: DA/ESF Grant: original	\$ 600,000	amended to \$ 6,000,000
Amount Obligated: DA/ESF Grant: original	\$ 600,000	amended to \$ 4,942,000
Amount Committed: Period:	\$ 518,461.99	
	Cumulative:	\$3,110,677.14
Accrued Expenditures: Period - Projected:	\$ 606,600.00	
	Period - Actual:	\$ 419,192.05
	Cumulative:	\$1,693,073.33
	Period - Next:	\$ 315,000.00
Counterpart Contribution: Planned:	\$ 7,238,000.00	
	Actual:	\$ 1,057,945.58 *
% LOP Elapsed:	<u>42.80%</u>	
% of Total Auth. Oblig.	<u>82.30%</u>	
% of Total Oblig. Exp.	<u>34.20%</u>	
% of Total Auth. Exp.	<u>28.20%</u>	

---

**IIA. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES**

**Specific Linkage to Strategic Objectives:** The increased awareness of the citizenry of its rights and responsibilities through the civic education activities of Centro ESTNA (civic-military dialogue) and the OHRO (grass roots courses, publicity/investigation of abuses, expanded presence) will directly impact on the performance indicators for the Sustained Exercise of Inalienable Rights S.O. Likewise, representative government will be strengthened due to increased efficiency of the Congress' Committee System.

**Percent of LOP Funds Relating to Strategic Objectives: 100 %**

**IIB. PROJECT PURPOSE**

To institutionalize specific democratic processes in Guatemala by strengthening key institutions and by supporting programs oriented to improving public knowledge and attitudes about democracy.

**III. PROJECT DESCRIPTION**

The Project will support activities which help promote public education programs on human rights and democratic values and practices, enhance the ability of the Office of the Human Rights Ombudsman (OHRO) to track and publicize human rights abuses, monitor indicators of democratic development in Guatemala, and strengthen the legislative capacity of the Guatemalan Congress.

87 81

IV. PROJECT STATUS

Planned EOPS

Progress To Date

1. Congress:
  - Strengthened role and functions of deputies
  - Better staff support services
  - Increased access to technical information
  
2. OHRO:
  - Improved oversight of investigations
  - Development of core/decentralized institutional systems
  - Foster non-formal education programs in human rights
  
3. ESTNA:
  - Increased awareness of opinion leaders on public policy issues and peaceful conflict resolution in a democratic system.

Progress on this agreement has been stymied by the current inoperability of the Guatemalan Congress. A referendum to determine whether the Congress should be replaced has been requested by the President.

117 human rights courses were carried out for public sector employees, community leaders, school teachers, municipal authorities, etc. The pace of these courses has slowed greatly due to the interruption of the OHRO's activities during the "autogolpe" and the replacement of the Ombudsman. Printed materials for these courses continued to be provided by AID through local firms. Books and equipment were acquired toward the establishment of regional Human Rights Libraries and AID finished procurement of equipment for the OHRO educational radio booth.

The first phase of the Management Information/Case Tracking System was completed to follow up on the information management system evaluation conducted during last period. The second phase was initiated. AID has contracted a local firm to implement the revamped information management system, including the case tracking system.

The Mission continued to support intensive Mayan language classes for the OHRO staff in order to enable them to better communicate with the groups most affected by human rights violations.

The 1993 ESTNA course scheduled to begin in May was postponed until October due to the "autogolpe" and problems with the board of directors. The course was successfully inaugurated on October 1 after the roundtable was conducted with participation of a wide cross-section of Guatemalan society, including union leaders, university representatives, private business groups, political parties, military officers, Mayan leaders, the Catholic and Protestant churches, social science researchers and others. To date more than 250 participants have graduated from their courses in national stability and tolerance.

BEST AVAILABLE COPY

*JK*  
*CS*

4. Democratic Indicators Monitoring: Development Associates in collaboration with ASIES completed the first nationwide public opinion poll on democratic values (Democratic Indicators Monitoring System, DIMS). A sample of 1,200 was used and the poll was conducted in Spanish and four Mayan languages. The draft report has been delivered to AID.
- Fully functioning system for monitoring democratic development.

**B. Major Outputs**

	Planned				Accomplished		
	LOP	Period	Cum.	Next Period	Period	Cum.	% of LOP
1. CONGRESS:							
- Strengthened Committee System	6	0	0	2	0	0	0
- Form Congressional Liaison Committee	1	0	1	0	0	1	100
- Information management systems developed	3	0	1	1	0	1	33
2. OHRO:							
- Case tracking system	1	1	1	1	1	1	1
- Non-formal education activities	600	250	850	250	117	817	136
- Departmental offices equipped	21	30	21	0	0	21	100
- Staff training	100	30	50	20	40	60	60
3. ESTNA:							
- Conduct annual seminars on national stability	6	5	3.0	.5	.5	3.0	50
- Develop pilot activities for Departments	2	0	0	0	0	0	0
4. Democratic indicators Monitoring System	2	5	1	0	.5	1	50
5. Related Studies:							
- Administration of Justice Project design	1	1	1	0	1	1	100
- Other related studies	TDB	-	-	-	-	-	-

19  
80.

C. Other Accomplishments and Overall Status

- The Office of the Human Rights Ombudsman (OHRO) conducted approximately 117 seminars for private and public sector employees, local authorities, school teachers and others. AID equipped the OHRO radio booth in their central offices during this period that will produce programs broadcast over the country that will reach out to a very wide range of listeners. The OHRO continued to set up a regional human rights library in each of the 21 departmental offices, approximately 50% of the books and equipment for these libraries have been procured through AID. A private firm finished the first phase of a revamping of the OHRO MIS/case tracking systems. An audit was completed at the end of this period, report and results are pending from RIG.
- A spot check of commodities in several departmental office in May showed good distribution and accountability of commodities.
- \* The amount of \$1,057,945.58, from Counterpart Contribution, is based on ESTNA counterpart final reports and estimates of OHRO contribution, as they have not turned in reports in a timely manner. The rate of contribution is lower than planned; this will be brought to the attention of counterparts.
- Centro ESTNA inaugurated its 4th annual course with full participation from diverse sectors of society, including the military, private business, politicians, indigenous leaders, university leaders, union leaders, the church, etc. ESTNA demonstrated good financial and commodity controls in two checks conducted on their counterpart funding and commodities.
- The first public opinion survey of the Democratic Indicators Monitoring System (DIMS) was successfully carried out, covering a sample of more than 1,200 people from all over the country. It was conducted in urban and rural areas, covering both indigenous and ladino populations and people from all sectors of society. The draft report has been submitted to AID for review.
- Women continue to play an important role in the Office of the Human Rights Ombudsman, with 10 of the 22 departmental offices headed by women and several women in key positions in the central office. They also continue to participate actively in the educational activities offered by the OHRO.
- Centro ESTNA still has a relatively low rate of participation of women in its annual course. The Mission continues to push ESTNA to include a more representative proportion of women. The 1993 course includes only 6 women (9%). ESTNA continues to insist with the participating institutions that they nominate qualified women candidates for the annual course.

D. Problems and Delays

- The current disarray of the Guatemalan Congress prevents any sort of productive activity. The Congress is currently facing accusations of corruption, is politically divided and awaiting a court decision on the legality of a referendum that would allow people to vote on a recommendation that they all resign. Public sentiment is overwhelmingly negative towards this discredited institution and the President has called for their ouster. Until this difficult situation is satisfactorily resolved AID will not provide assistance to the Congress. AID hopes to be able to make a decision regarding the feasibility of working with the Congress in six months.

BEST AVAILABLE COPY

70  
10

- The "autogolpe" of May 25th set back the implementation of two important projects: 1. Centro ESTNA, 2. Office of the Human Rights Ombudsman. The Centro ESTNA agreement had been suspended shortly before the "autogolpe" due to unilateral changes by the President of the Board in the course curriculum, these were not contemplated nor allowed in the agreement. The suspension continued after the "autogolpe" as it took several weeks for the Board of Directors to replace two members that were associated with the former President. Only recently, after replacing the board members, establishing a commitment to the spirit of the agreement with AID and re-scheduling of the course was AID assistance renewed. The course began more than 4 months late. The attendance at the annual agenda setting exercise, or "roundtable", was low and did not reflect the high level participation of previous years. This may be due to the current political crisis, conflicts with other important events and the fact that it is no longer novel, now that four such agenda events have taken place. The OHRO was also affected by the "autogolpe". They suspended operations for several weeks, setting back implementation of all activities. The HRO was then named President by Congress and left the institution without leadership or direction for several weeks. The new HRO has taken considerable time to familiarize himself with operations. In addition the leadership and direction previously exercised by the HRO are absent: there is not a strong public role for the HRO, many key personnel left with the previous HRO, these personnel have largely not been replaced, project implementation has slowed down radically, few personnel committed to the project do not have the time or the ability to manage the project (i.e. in a recent audit, accounting personnel did not respond in a timely or adequate manner to preliminary findings - most of which could have been easily remedied- therefore leaving an opening for more serious audit recommendations and casting doubt on their willingness to cooperate).

This Project has been downgraded from an A to a C Project. Two of its five components are having serious implementation difficulties and require AID management attention; the Congress and the OHRO. The ESTNA Agreement is currently operating satisfactorily. The DIMS has done exceptionally well and the prospects for the Civic Education Component are positive.

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

- As a result of the recent political events (the "autogolpe") it became clear that there is a real need for civic education at all levels of society. The Mission will enter into a cooperative agreement with a U.S. based NGO(s) to implement a series of innovative, pilot civic education projects that will elicit participation from all sectors of society in the political and civic life of the country in addition to providing basic information about the Constitution and civic responsibilities. The estimated date for this agreement to begin is February 1994.

- The Mission will make a decision regarding continuing support to the Guatemalan Congress depending on how the current crisis is resolved. The Mission expects to consult with the Democracy Working Group in 6 months.

- The Mission will closely follow events at the OHRO. Project Officer is currently undertaking a stocktaking exercise to identify the problem areas and how they may be resolved. Implementation of the OHRO agreement must improve over the next period if the Mission is to continue to support the OHRO. The AID Director and Embassy will weigh in as necessary to communicate corrective actions that need to be taken to the HRO. In the meantime, the Mission is reviewing this Project to determine whether or not a suspension is appropriate until the issues with the OHRO are resolved. The Mission will contract an evaluation of the education activities in order to recommend corrective actions.

- Continue to monitor end-use of commodities provided under the OHRO and the Centro ESTNA agreements.

- Analyze and develop dissemination plan for the recently completed first Democratic Indicators Monitoring System (DIMS) survey.

- Interview ESTNA participants using the DIMS Survey to assess their pre and post course attitudes towards democracy.

BEST AVAILABLE COPY

91  
911

**IA. BACKGROUND DATA**

Project Title: Judicial Sector Reform Support  
Project Number: 520-0407  
Date of Authorization: original 07/14/93 amendment  
Date of Obligation: original 08/30/93 amendment  
PACD: original 12/31/97 amendment  
Implementing Agencies: Judicial Branch, San Carlos University Law Faculty  
Major Contractors:  
AID Project Manager: Brian Leo Treacy  
Status of CPs/Covenants: CPs pending for Court and USAC  
Date of Last Evaluation: 00/00/00 Next Evaluation: 12/95  
Planned Number of Non-Federal Audits during Fiscal Year: 0  
The Number of such Audits Contracted for/Completed: N/A  
Date of Last Audit: 00/00/00 Next Audit: 09/94 (estimated)

**IB. FINANCIAL DATA**

Amount Authorized:	ESF Grant:	original	\$5,000,000.00	amended to \$
Amount Obligated:	ESF Grant:	original	\$3,500,000.00	amended to \$
Amount Committed:	Period:		\$ 190,000.00	
	Cumulative:		\$ 190,000.00	
Accrued Expenditures:	Period - Projected:		\$	
	Period - Actual:		\$ 11,199.56	
	Cumulative:		\$ 11,199.56	
	Period - Next:		\$ 142,000.00	
Counterpart				
Contribution:	Planned:		\$1,795,992.00	
	Actual:		\$ N/A	

  

% LOP Elapsed:	<u>4.60%</u>
% of Total Auth. Oblig.	<u>70.00%</u>
% of Total Oblig. Exp.	<u>0.32%</u>
% of Total Auth. Exp.	<u>0.22%</u>

**IIA. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES**

**Specific Linkage to Strategic Objectives:** The "Sustained Exercise of Inalienable Rights" includes: due process under the law; individual free expression and participation; and, public confidence in governing officials and institutions. Guatemalans will participate in the judicial process only when they are confident of its ability to render justice. A transparent system open to public scrutiny, with competent prosecutors and public defenders arguing in an open forum, are critical elements of due process under the law, and are the objectives of this project.

**Percent of LOP Funds Relating to Strategic Objectives:** 100 %

**IIB. PROJECT PURPOSE**

The Project Purpose is to support the reform of the Guatemalan Criminal Justice system through the implementation of the new Criminal Procedures Code and corollary legislation, including the new Narcotics Law.

**III. PROJECT DESCRIPTION**

Main project components are:

- Support the Judicial Branch in the implementation of oral trial proceedings and the creation of the Public Defenders Program.
- Support the Public Ministry (conditionally) in the decentralization of Ministry functions; and, through US Department of Justice programs, support improved investigative/prosecutorial capacity.
- Support San Carlos University in the revision of law school curricula and training methods to the demands of oral trial proceedings.
- Support private sector initiatives aimed at fostering a more equitable justice system.

IV. PROJECT STATUS

Planned EOPS

Progress To Date

- |   |   |
|---|---|
| <p>1. Judicial Branch</p> <ul style="list-style-type: none"> <li>- Regulations necessary for implementation of new Criminal Procedures Code in effect.</li> <li>- Oral trial proceedings in effect throughout Guatemala.</li> <li>- Public Defenders Program functioning nationwide.</li> <li>- Judicial Branch personnel trained in all areas necessary to assure full implementation of Criminal Procedures Code.</li> <li>- Judicial Branch personnel trained in all areas necessary to assure full implementation of new Narcotics Law.</li> </ul> <p>2. University of San Carlos</p> <ul style="list-style-type: none"> <li>- Law School curriculum revised to reflect new Criminal Procedures Code, and new Narcotics Law, and related materials developed.</li> <li>- Law professors retrained in new procedures.</li> <li>- University of San Carlos Moot Court fully functioning, and library updated to take into account materials related to new Criminal Procedures Code and new Narcotics Law.</li> <li>- Law School Legal Aid Clinics established and linked to Public Defenders Program.</li> <li>- Activities centered at San Carlos University are shared with other Law Schools in Guatemala.</li> </ul> | <p>- Project currently in start-up phase. Progress at this point, with both the Judicial Branch as well as the University of San Carlos, should be defined in terms of preparations, development of RFP, satisfaction of Conditions Precedent, etc.</p> |
|---|---|

B. Major Outputs

	<u>Planned</u>				<u>Accomplished</u>		
	<u>LOP</u>	<u>Period</u>	<u>Cum.</u>	<u>Next Period</u>	<u>Period</u>	<u>Cum.</u>	<u>% of LOP</u>
1. - Implementing Regulations drafted and in effect.	TBD	00	00	TBD	N/A		
- Judges and Magistrates trained in oral practice and procedures.	380	00	00	TBD	N/A		

BEST AVAILABLE COPY

92  
92

- Court administrators trained for their role in oral trial proceedings	330	00	00	TBD	N/A
- Court clerks trained for their role in oral trial proceedings	1,800	00	00	TBD	N/A
- Public Defenders program in place and operational	TBD	00	00	TBD	N/A
- Public Defenders trained	700	00	00	TBD	N/A
- Post training monitoring system designed and in-place	TBD	00	00	00	N/A
- Judges, clerks and Court Administrators with narcotics training	1,440	00	00	TBD	N/A
- Narcotics training plan developed and in place	TBD	00	00	TBD	N/A
2. USAC					
- University Law professors trained and acting as multipliers at USAC and other four Law Schools	60	00	00	00	N/A
- USAC moot court established and serving as model for other four Law Schools	1	00	00	00	N/A
- University Law School legal aid clinics assisting legal defenders program	4	00	00	00	N/A

- Services provided by the Juridical and Social Science Research Institute and the Juridical Data Center to all relevant justice sector institutions and to the four Law Schools of the country's Universities

TBD      00      00      00      N/A

C. Other Accomplishments and Overall Status

- Agreements were concluded with the Judicial Branch and the University of San Carlos in August 1993.
- The Mission hosted a consultant at the end of the reporting period, Mr. Robert Page, to advise the Judicial Branch on issues of administrative reorganization. His conclusions have been incorporated into the Court's implementation plans, especially his recommendation of a phased approach to reorganization of functions and personnel which must occur to give life to the new Criminal Procedures Code.
- The Judicial Sector Reform Support Project is in its start-up phase, and work is underway to identify and contract a company who will administer the project.

D. Problems and Delays

- Both the Judicial Branch and the University of San Carlos are relative newcomers to working with USAID. Thus, there are predictable delays in the satisfying of Conditions Precedent to disbursement, and more massaging will be required in this regard than would be necessary with an institution already well familiar with USAID procedures and requirements.
- Apart from technical delays in implementation of the project, fallout from the current political climate cannot be overlooked. Significant delays are possible as a consequence of the political transition Guatemala is currently experiencing, to wit:
  - \* It is not unlikely that entry into effect of the Criminal Procedures Code will be postponed legislatively. A postponement would provide some breathing room as preparations for the Code's entry into effect advance. Nonetheless, the Court has devised an emergency implementation plan should the Congress permit the December 1993 date for entry into effect to stand.
  - \* There have been press reports of some "padding" of the payroll of the "Justice Transformation and Planning Unit," the entity within the Judicial Branch charged with spearheading implementation of reforms, with phantom consultants over which the Unit has no control - some who are members of Congress. There is a consequent risk that the Unit's work may be undermined by these reports, and the reform process itself by extension. Suffice it to say that there does not exist universal acceptance of the Unit, nor the reforms - which many accurately perceive as a threat to the status quo. However, the Unit, its key personnel, and its unquestioned integrity, are critical to the successful outcome of this project - and the reform process in general.

95  
96

- \* This risk that the reform process could be undermined may grow as calls for a whole-scale cleansing of the Supreme Court, and the National Congress, become more strident, as a potential consequence of a National Referendum on a purge of both branches of government scheduled for late November.
- \* At the same time, the political turf battle underway among the three branches of government may result in increased politicization and partisanism of any or all branches - and a potential for any of them to co-opt the reform process for partisan purposes.

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

- Major activities include the establishment of a Project Implementation Unit (with an institutional contractor); the formalizing of a Liaison Committee (to include the Institutional Contractor, USAID, and each counterpart institution); the development of an integrated plan of action; and, initiation of project activities.
- The possibility of including the Public Ministry (prosecutorial and investigative functions) as the third counterpart to the project will be explored during the next six months. Efforts will be made to secure the lifting of a Congressional Hold imposed on working with the Public Ministry, and the Mission is collaborating closely with the Embassy to assure a combined front vis-a-vis Washington and the Hill.

*Handwritten initials*

**IA. BACKGROUND DATA**

Project Title: Street Children Support Project  
Project Number: 520-0412  
Date of Authorization: original 06/22/93 amendment / /  
Date of Obligation: original 08/28/93 (OHRO); 08/31/93 (AID); 08/31/93 (CA); 09/29/93 (PAMI)  
PACD: original 12/31/97 amendment / /  
Implementing Agencies: Office of the Human Rights Ombudsman, Asociación Casa Alianza Guatemala and Proyecto de Apoyo para la Salud Materno Infantil (PAMI)  
Major Contractors:  
AID Project Manager: Elizabeth A. Hogan and Todd Sloan  
Status of CPs/Covenants: PAMI's CPs met; OHRO's and Casa Alianza's pending.  
Date of Last Evaluation: 00/00/00 Next Evaluation: 06/95  
Planned Number of Non-Federal Audits during Fiscal Year: N/A  
The Number of such Audits Contracted for/Completed: N/A  
Date of Last Audit: N/A Next Audit: 09/94

**IB. FINANCIAL DATA**

Amount Authorized:	DA Grant: original	\$3,000,000.00	amended to \$
Amount Obligated:	DA Grant: original	\$1,636,998.34	amended to \$
Amount Committed:	Period:	\$1,636,998.34	
	Cumulative:	\$1,636,998.34	
Accrued Expenditures:	Period - Projected:	\$ N/A	
	Period - Actual:	\$ 721.23	
	Cumulative:	\$ 721.23	
	Period - Next:	\$ Amount will be provided by next week	
Counterpart			
Contribution:	Planned:	\$ 1,000,000	
	Actual:	\$ N/A	
% LOP Elapsed:		<u>2.50%</u>	
% of Total Auth. Oblig.		<u>74.10%</u>	
% of Total Oblig. Exp.		<u>1.00%</u>	
% of Total Auth. Exp.		<u>0.00%</u>	

**IIA. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES**

**Specific Linkage to Strategic Objectives:**

The Mission has identified the Street Children Support Project as a "Target of Opportunity" under the strategic objective for the Sustained Exercise of Inalienable Rights. Implementation of the International Convention on the Rights of Children will result in an improved policy framework for and an increased public awareness of the protection of children's rights. In addition to contributing to this strategic objective, the Project will also indirectly contribute to two other Mission strategic objectives: Smaller, Healthier Families and Basic Education, by providing health care and educational services to children living on the streets, children working on the streets and children who have been abused by expanding PVO capacity to deliver such services. Because the focus of the project is more on institutional strengthening than on direct service provision, the project will only have an indirect impact on these other two strategic objectives.

Percent of LOP Funds Relating to Strategic Objectives: 100 %

**IIB. PROJECT PURPOSE**

To assist the Government of Guatemala to implement the terms of the International Convention on the Rights of Children and to expand PVO capacity to design and deliver services to children in need.

### III. PROJECT DESCRIPTION

The Project is designed to enhance and promote the basic human rights of children through increasing overall public awareness of and improving the policy environment for children's rights and through improving the capacity of private voluntary organizations (PVOs) to design and deliver services to children in need. Target groups for the delivery of services under the project include children living on the street, children working on the street and children who have been abused. Project design is based on the lessons learned from the Mission's previous experience gained in working with street children through a project with World Share which terminated in September 1993.

### IV. PROJECT STATUS

#### Planned EOPS

#### Progress To Date

This Project is in a start up phase, focus has been on meeting CPs and preparing for first Project Management Workshop scheduled for November.

1. OHRO:

- Increased public awareness, understanding and respect for children's rights.
- Implementation of a national legal framework to protect children's rights.
- Enhanced institutional capacity of the OHRO in the area of child advocacy and protection.
- Education on children's rights incorporated into OHRO's ongoing human rights seminars.

2. PAMI:

- Improved and expanded services available to street children living in Guatemala City.
- Improved and expanded information base on problems, needs, statistics, and successful interventions related to street children.
- Improved and expanded capacity of local institutions to address the needs of street children beyond LOP.

3. CASA ALIANZA:

- Family Reintegration Program designed and operational.
- Improved technical capacity of Casa Alianza's professional staff.

98  
9-1

**B. Major Outputs**

	<u>Planned</u>				<u>Accomplished</u>		
	LOP	Period	Cum.	Next Period	Period	Cum.	% of LOP
<b>1. OHRO</b>							
- Nationwide public awareness campaign designed and delivered through mass media.	3	-	-	TBD	-	-	-
- Courses for OHRO staff carried out on issues concerning children's rights, (including but not limited to street children) and the advocacy and protection of those rights.	21	-	-	TBD	-	-	-
- Training seminars designed and delivered to OHRO educators.	3	-	-	TBD	-	-	-
- New Code for the Protection of Children approved and enacted.	1	-	-	TBD	-	-	-
- System to monitor new legislation in place.	1	-	-	TBD	-	-	-
- Seminars for public and private sector on implications and implementation of the Children's Code.	26	-	-	TBD	-	-	-
- Improved case tracking/referral system in place at the OHRO.	1	-	-	TBD	-	-	-
- Departmental commissions established to monitor/follow-up on the protection of children's rights.	21	-	-	TBD	-	-	-
<b>2. PAMI</b>							
- Innovative services grants implemented by local institutions.	16	-	-	TBD	-	-	-
- Research study grants completed and disseminated locally.	15	-	-	TBD	-	-	-
- Training workshops/technical seminars offered to local NGOs.	32	-	-	TBD	-	-	-
- Service providers receive international training.	4	-	-	TBD	-	-	-

BEST AVAILABLE COPY

99  
27

3. CASA ALIANZA

- Street children reintegrated into family/community life.	150	-	-	TBD	-	-	-
- Training unit established and fully functioning.	1	-	-	TBD	-	-	-
- Training courses for professional staff designed and delivered.	9	-	-	TBD	-	-	-

C. Other Accomplishments and Overall Status

- Agreements were concluded with PAMI, Casa Alianza and the OHRO in September 1993.
- PAMI has since met its CPs and has begun full implementation of Project activities.
- OHRO and Casa Alianza are still addressing their respective CPs, which they hope to resolve by the end of October.

D. Problems and Delays

- We have experienced delay in Project start up on the OHRO Component due to other organizational and administrative problems they are experiencing, (see Democratic Institutions SAR for more details). We have been assured by our OHRO counterpart that this delay will be redressed in the coming weeks. However, we are concerned that the current weaknesses in the OHRO could jeopardize the success of this Project, unless they are resolved in the very near term. Planned expenditures for the next reporting period will be available as soon as we can initiate discussions with the OHRO.
- On a matter indirectly related to this project, employees of Casa Alianza have met on two occasions with USG Labor Attache to complain about senior management attempts to block their efforts to unionize. Project manager and Labor Attache will meet with Casa Alianza leadership to report this concern and learn of Casa Alianza's management position on this matter.

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

- The first Project Management/Team Building Workshop.
- Development of integrated annual work plan.
- Hiring of key Project staff.
- Initial start up of Project activities.
- The first meeting of the Technical Advisory Group (TAG).

**OTHER**

101  
-891

PROJECT STATUS REPORT  
APRIL 1, 1993 - SEPTEMBER 30, 1993

**Project Name:** Special Development Fund (SDF)

**Project Number:** 520-0145

**Purpose:** The purpose of the project is to provide financial assistance to community groups to carry out small self-help community development programs throughout the country.

**Amount:** Annual funding allocated for this purpose amounts to approximately \$200,000.

**Implementing Agency:** Rural Community Groups

**Description:** Through this program approximately 30-40 small community improvement projects (i.e. bridges, roads, school buildings, community centers, market places, laundry facilities, etc.) are completed annually, benefiting between 80 to 100 thousand rural poor. As much as 60-70% of the project cost is contributed by the communities and other donors including municipal governments, PVOs, etc. Promotion of this successful activity has encouraged its replication by other donors in Guatemala (i.e. Canada, PVOs, GOG).

In fiscal year '93 the Mission obligated \$200,000 for 40 projects. Of this amount, \$100,000 were obligated for 18 projects in Peten, and \$100,000 for 22 projects in other areas of the country. Representatives of different Mission offices participated in the approval process of all 40 projects.

The total costs of the 40 projects amount to \$502,828, of which \$200,000 equivalent to 37% was contributed by USAID, and the remaining \$302,828 or 63% was contributed by local governments, communities, and by other donors.

During the reporting period 22 SDF projects have been completed and inaugurated.

As part of the SDF evaluation mechanism, a site visit project form was designed to request the cooperation of project officers from all the technical offices in checking on SDF projects to verify that projects are being carried out, the infrastructure properly used, and signal any obvious problems.

FY 93 Final Activities Report (FAR) is completed.

The constant increases in the cost of construction materials continue to affect the project.

BEST AVAILABLE COPY

**IA. BACKGROUND DATA**

Project Title: Cooperative Strengthening  
Project Number: 520-0286  
Date of Authorization: original 7/18/86 amendment 8/31/90  
Date of Obligation: original 7/31/86 amendment 8/28/90  
PACD: original 7/28/90 amendment 8/30/94  
Implementing Agencies: National Federation of Savings and Loan Cooperatives (FENACOAC)  
Major Contractors: The World Council of Credit Unions (WOCCU)  
AID Project Manager: Kim Delaney, AID - Barry Lennon, USDA/PASA  
Status of CPs/Convenants: All CPs have been met  
Date of Last Evaluation: 11/89 Next Evaluation: 6/94  
Planned Number of Non-Federal Audits during Fiscal Year: 1  
The Number of such Audits Contracted for/Completed: 1/1  
Date of Last Audit: 12/92 Next Audit: 12/93

**IB. FINANCIAL DATA**

Amount Authorized: DA/ESF Grant: original	\$ 11,000,000	amended to \$ 15,450,000
Amount Obligated: DA/ESF Grant: original	\$ 11,000,000	amended to \$ 14,762,989
Amount Committed: Period:	\$ -675,854	
	Cumulative:	\$ 14,762,989
Accrued Expenditures: Period - Projected:	\$ 883,162	
	Period - Actual:	\$ 868,206
	Cumulative:	\$ 12,485,081
	Period - Next:	\$ 659,800
Counterpart Contribution: Planned:	\$ 7,648,000	
	Actual:	\$ 35,936,932
% LOP Elapsed:	88.5%	
% of Total Auth. Oblig.	95.5%	
% of Total Oblig. Exp.	84.5%	
% of Total Auth. Exp.	80.8%	

---

**IIA. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES**

Specific Linkage to Strategic Objectives: None. This project falls into the "Other" category.

**IIB. PROJECT PURPOSE**

To develop viable and effective Guatemalan cooperatives by working with selected organizations to enhance managerial and service delivery capabilities and their performance as profitable enterprises.

**III. PROJECT DESCRIPTION**

This project is an institutional development program which uses technical and financial assistance to promote changes in operational policies, management and administration in cooperative federations and primary cooperatives. The goal is to improve cooperative capabilities to provide services to their members while generating the income needed to ensure the long-term sustainability of cooperative operations.

**IV. PROJECT STATUS**

Planned EOPS

Progress To Date

- |    |   |   |
|----|---|---|
| 1. | Five business-oriented federations and 36 cooperatives with the policies, membership base, and capitalization required to ensure long-term viability in providing services to their members | Four federations (FENACOAC, ARTEXCO and FENACOAG) have made significant progress and will be able to meet project EOPS. 34 primary cooperatives are also expected to meet EOPS. |
|----|---|---|

**B. Major Outputs**

	<u>Planned</u>				<u>Accomplished</u> <sup>2</sup>		
	LOP	Period	Cum.	Next Period	Period	Cum.	% of LOP
1. Cooperative membership to increase by 5% per year <sup>3</sup>	30,000	2,200	25,76	2,112	9,229	28,051	93%
2. Cooperative staff, leaders, and members trained	2,500	200	2,500	200	1,377	11,295	452%
<u>Millions of Quetzales</u>							
3. 15% annual growth of cooperative capital during LOP	36.132	1.930	28.378	3.877	8.600	48.297	134%
4. 15% annual growth of cooperative assets over the LOP	77.375	3.010	35.971	5.700	17.443	114.079	147%
5. 20% annual credit union deposit growth over LOP	18.283	2.000	17.309	.439	13.066	61.582	337%

**C. Other Accomplishments and Overall Status**

- The Artisans Coop Federation (ARTEXCO) has continued to show strong international sales (approximately Q1.7 million in September) and the total for the year will exceed that for 1992 by approximately Q200,000. Four coop managers have been hired and are in training; the federation's computerized accounting is running well; and 14 women weavers have been selected for intensive training in weaving techniques. Plans for 1994 include steps to semi-industrialize the dye facility and the establishment of clothing finishing centers in four of the cooperative affiliates to de-centralize the finishing now being completed by ARTEXCO in its headquarters in Quetzaltenango.
- The Federation of Coffee Cooperatives in Alta & Baja Verapaz (FEDECOVERA) has completed its internal reorganization and the long-outstanding debt owed to the GOG's Agricultural Development Bank (BANDESA) was repaid in September. The elimination of the Q1.8 million

<sup>2</sup> Through December, 1992

<sup>3</sup> It is estimated that 40% of credit union members are women, resulting in 11,220 women members to date.

104  
5

BANDESA obligation has reduced interest costs, greatly improved the financial situation of the federation, and helped to recapitalize all of the cooperative affiliates. The agricultural extension program was restructured; training in shade management, pruning and processing was provided to 220 farmers; and technical and financial assistance was provided in the remodeling of five coffee processing facilities (wet mills).

3. The Jalapa Regional now includes six primary cooperatives, all of whom are using the regional's accounting services. Project assistance focussed on agricultural training and 571 farmers participated in events included shade management, pruning, fertilization and pesticide use. Diversification trials were introduced for soy beans, potatoes, and cucumbers in 3 cooperatives and 104 soil samples were collected and are being analyzed. Finally, one new cooperative was analyzed to assess its potential to become a member of the Regional.
4. The "Renacimiento 59" coffee cooperative completed improvements to the wet mill and a new well was dug using Q160,000 in project financing and a cooperative counterpart of Q105,000. The well will eliminate the historical water problems at the wet mill and projections for the 1993/94 harvest target a minimum of 10,000 "quintales" of processed bean. Two hundred and twenty-eight (228) farmers participated in technical training programs for coffee. The cooperative successfully sidelined a group of dissident members upset over the strict debt collection procedures at the September Annual Assembly, and member support for the relatively new operational policies was indicated by the re-election of the entire Board of Directors.
5. The credit development program with FENACOAC and 20 affiliated community credit unions continues to move forward very well. All key indicators are growing at 30+% annually, delinquency remains at low levels, and market share is increasing. The Central Fund is operating and plans are underway to launch a Deposit Guarantee Facility in early 1994. This guarantee program will be the first to exist in Guatemala's financial markets. The launch of the new financial system ("Sistema Financiero Cooperativo" - SIFFE) has been postponed until 1994 while new, written by-laws and procedures are developed and approved by the 11 credit unions currently qualified to participate. Training during the semester was directed at upgrading the skills of credit union staff and creating "executive teams." Courses included marketing and customer service techniques, loan analysis, accounting and ratio analysis. 30 credit union staff participated in these programs. Finally, two reports from the University of Wisconsin on the impact of the community credit unions were completed and the third, final report is expected in November. These reports clearly demonstrate that the credit unions working with the project have become the single most important financial institutions in the communities where they operate. An executive summary of the findings will be submitted to AID/Guatemala in November.
6. Women are important savers and borrowers in the twenty credit unions being supported by the Project. In September 1993, membership totaled 86,849 -- approximately 40% are women (34,739). Average loan size for women is smaller than that for men due to lower incomes and a lessened ability to provide the collateral required for the larger loans. This problem has been reduced by permitting a spouse or family member to combine assets and income in support of larger loan requests.

D. Problems and Delays

None

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

1. Submission of 1994 Development Plans and Budgets for all participating organizations.
2. Submission of the final proposal for the distribution at the PACD of approximately Q20 million in project financial assets.
3. Initial capitalization of the Deposit Guarantee Facility for the credit unions.
4. Contracting of an evaluation of the performance of the agricultural cooperatives.

**IA. BACKGROUND DATA**

Project Title: Altiplano Higher Education Development (PRODIPMA)  
Project Number: 520-0304  
Date of Authorization: original 01/13/86 amendment 03/28/89  
Date of Obligation: original 06/19/86 amendment  
PACD: original 06/18/91 amendment 12/18/93  
Implementing Agencies: Universidad Rafael Landivar  
Major Contractors: Chemonics International (PSA)  
AID Project Manager: Julio Díaz  
Status of CPs/Convenants: All met  
Date of Last Evaluation: 06/93 Next Evaluation:  
Planned Number of Non-Federal Audits during Fiscal Year:  
The Number of such Audits Contracted for/Completed:  
Date of Last Audit: 08/93 Next Audit: 10/01/94 PD&S

**1B. FINANCIAL DATA**

Amount Authorized: DA/ESF Grant: original	\$ 5,000,000	amended to \$
Amount Obligated: DA/ESF Grant: original	\$ 5,000,000	amended to \$
Amount Committed: Period:	\$ -5,963	
	Cumulative:	\$ 4,994,037
Accrued Expenditures: Period - Projected:	\$ 436,911	
	Period - Actual:	\$ 936,738
	Cumulative:	\$ 4,994,037
	Period - Next:	\$ ---
Counterpart Contribution: Planned:	\$ 1,655,702	
	Actual:	\$ 6,909,100
% LOP Elapsed:	<u>97.8%</u>	
% of Total Auth. Oblig.	<u>99.8%</u>	
% of Total Oblig. Exp.	<u>100 %</u>	
% of Total Auth. Exp.	<u>99.8%</u>	

---

**IIA. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES**

Specific Linkage to Strategic Objectives: Not directly related

Percent of LOP Funds Relating to Strategic Objectives: 0 %

**IIB. PROJECT PURPOSE**

To strengthen the Universidad Rafael Landivar's highlands campus in order to develop a higher education program focused on Mayan-speaking students.

**III. PROJECT DESCRIPTION**

The project will enable at least 415 needy Mayan-speaking students to obtain the academic degrees and training needed to move into leadership positions in various development programs and institutions in the highlands. The project consists of: (1) an outreach system to recruit Mayan-speaking students; (2) a student development program to support and advise students; (3) a curriculum enhancement program to sensitize Mayan and non-Mayan students to the special development needs of the Mayan people; (4) 23 career programs; and (5) applied research to generate more knowledge and information on the development needs and possibilities in the highlands.

**IV. PROJECT STATUS**

Planned EOPS

Progress To Date

1/6/6  
=

- |    |  |   |
|----|--|---|
| 1. | 40% increase in the proportion of indigenous students at the Quetzaltenango campus.  | 42% increase achieved   |
| 2. | Student Development Program established, including: a. rural community outreach mechanisms; b. program promotion; c. indigenous/disadvantaged student recruitment mechanisms; d. counseling/guidance services; academic support and tutoring services; f. job placement/follow-up. | The student development center has been receiving advisory assistance from the Central Campus to help indigenous students prepare theses and complete 1993 graduation requirements. |
| 3. | The Quetzaltenango campus program, staff, laboratories, and library strengthened.  | Working steadily.   |
| 4. | A student financial aid program established at the Quetzaltenango Campus.  | The fundraising office has been working on obtaining scholarships for students enrolled in 1994.  |
| 5. | Applied research and dissemination program established.  | The results of studies carried out on Mayan cultures and gender issues are being disseminated to the appropriate institutions working in bilingual education.                       |

**B. Major Outputs**

	Planned				Accomplished			
	LOP	Period	Cum.	Next Period	Period	Cum.	% of LOP	
1. Graduates with Bachelor degrees	115	2	21	109	-	6	6	
2. Graduates with associate degrees	300	30	170	81	-	219	73	
3. Skills upgrading and cultural awareness seminars for development technicians in the highlands	35	-	34	4	-	36	103	
4. New courses developed and offered (social research, highlands economic systems, rural sociology, Mayan anthropology, Mayan languages)	20	-	20	-	-	20	100	
5. Training	M F	M F	M F	M F	M F	M F	M F	
5a. Long Term	368	125						
5b. Short Term		290				531	236	
							145 1.89	

107/106

C. Other Accomplishments and Overall Status

1. A successful graduation ceremony for 180 graduates took place at the Quetzaltenango Campus, attended by the Vice Minister of Education and AID officials. The remaining students will graduate at the end of 1993.
2. A final project evaluation was completed. Findings and recommendations will be monitored for compliance.

D. Problems and Delays

1. A fundraising program is about 80% established and should have coordination with the URL Central Campus fund raising office to implement a global program.
2. A small number of students did not complete August graduation requirements. These students are completing their theses with the help of tutors and will graduate in December 1993.

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

1. Monitor the graduation of the remaining students by the end of 1993.
2. Complete PACR.

U:\HEOPUB\DOCS\SARPRODI

108  
10/1

**IA. BACKGROUND DATA**

Project Title: Pilot Commercial Land Markets Phase II  
Project Number: 520-0343.00 (G)  
Date of Authorization: original 08/30/85 amendment 08/29/90  
Date of Obligation: original 08/30/85 amendment 08/30/90  
PACD: original 08/30/88 amended to 08/30/94  
Implementing Agencies: Penny Foundation (Fundación del Centavo)  
Major Contractors: Land Tenure Center (Ron Strohlic)  
AID Project Manager: Edin Barrientos  
Status of CPs/Convenants: All met  
Date of Last Evaluation: 04/26/90 Next Evaluation: 03/94  
Planned Number of Non-Federal Audits during Fiscal Year: 1  
The Number of such Audits Contracted for/Completed: 1/0  
Date of Last Audit: 05/93 Next Audit: 12/93

**IB. FINANCIAL DATA**

Amount Authorized:	DA/ESF Grant:	original	\$ 1,000,000.00	amended to \$ 13,500,000
Amount Obligated:	DA/ESF Grant:	original	\$ 1,000,000.00	amended to \$ 13,500,000
Amount Committed:	Period:		\$ 70,979.00	
	Cumulative:		\$13,241,987.00	
Accrued Expenditures:	Period - Projected:		\$ 250,000.00	
	Period - Actual:		\$ 61,067.00	
	Cumulative:		\$12,309,348.57	
	Period - Next:		\$ 440,600.00	
Counterpart				
Contribution:	Planned:		Q 12,185,000	
	Actual:		Q 19,247,887	
% LOP Elapsed:		90.8		
% of Total Auth. Oblig.		100.00%		
% of Total Oblig. Exp.		91.10%		
% of Total Auth. Exp.		91.10%		

---

**IIA. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES**

**Specific Linkage to Strategic Objectives:**

**A. Relationship to Mission Strategic Objective**

1. While the project is classified as an "other" project it contributes to the strategic objective of improved natural resource management because natural resource conservation is intrinsically related to land-tenure patterns, and this project's major objective is to address unequal access to land.
2. Percentage of LOP funds related to S.O.: TBD

**IIB. PROJECT PURPOSE**

To establish and expand the Penny Foundation voluntary land purchase/sale program as a self-supporting activity capable to identify and promote additional instruments to increase production and reduce pressure on agricultural land.

**III. PROJECT DESCRIPTION**

Under the grant, \$11.6 million is to be used by the Foundation to purchase farms for re-sale to the beneficiaries, and also provide them with production credit and technical assistance to enable them to productively cultivate their land on a sustainable basis. An additional \$1.9 million is reserved by AID for research, technical assistance, and monitoring of the Penny Foundation component of the project. Research activities include identifying alternative mechanisms to provide access to land, and means to improve the efficiency of the land transfer process.

**IV. PROJECT STATUS**

Planned Eops

Progress to Date

- |   |   |
|---|---|
| <p>1. Sustained procurement and distribution of land after PACD.</p> <p>2. Spontaneous land redistribution as result of program.</p> <p>3. Voluntary non-violent improvements in access to land by disadvantaged campesinos.</p> <p>4. Improvement of Guatemala's land registry capabilities.</p> | <p>To date the project has effectively purchased, distributed, and settled significant quantities of land. However, higher than anticipated land development costs, longer than planned time required to reach profitability and lower than expected product prices have reduced present and future cash flows which will severely limit future land purchases.</p> <p>The project has proven that large inefficient farms can be effectively subdivided into viable small units, but at a unsustainable high price. Spontaneous land redistribution will depend on improvements in effectiveness of Guatemala's financial markets and reliability of the judicial system to enforce contractual sales agreements.</p> <p>The project has experimented with various types of group organizations required to facilitate the redistribution process. Experience to date suggests a more concerted effort should be made at onset of activity to form compatible yet aggressive groups who are willing to cooperate for the long-term efforts required to develop viable farming operations. In addition, future activities should link these groups with external organizations which can provide support services, rather than relying exclusively on the Foundation.</p> <p>Guatemala is in process of significantly improving its land registry system directly as a result of studies and other activities conducted by the project. These structures are being used as bases for current Land Registry activities being funded by World Bank.</p> |
|---|---|

**B. Major Outputs**

	<u>Penny Foundation</u>	LOP	Period	<u>Planned</u>			<u>Accomplished</u>	
				Cum.	Next Period	Period	Cum.	% of LOP
<b>A. Farm Extension Services</b>								
1. No. Extension Services	48	N/A	40	0	0	4	6%	
2. No. Agronomists	12	N/A	10	0	0	2	17%	
2. Credit -(\$000's)	7580	N/A	6832	0	0	6227	82%	
3. Land hectares purchased	9000	N/A	7578	0	0	6184	69%	
4. # of titles transferred to farmers	3000	N/A	2686	157	386	880	25%	

BEST AVAILABLE COPY

110  
107

	<u>Penny Foundation</u>	LOP	Period	Cum.	Next Period	Period	Cum	% of LOP
5.	Penny Foundation Study-no.	1	N/A	1	0	0	2	200%
6.	Land Registry-no.	1	N/A	1	0	0	2	400%
7.	External Financing Study-no.	1	N/A	1	0	0	1	100%
8.	Alternative Study-no.	1	N/A	1	0	0	1	100%

**C. Other Accomplishments and Overall Status**

1. Approximately 1350 beneficiaries have been settled on 27 farms with individual parcels averaging 4 to 5 acres, depending on quality of land and production potential. When in full production, these farms are expected to provide an acceptable standard of living for the beneficiaries.
2. The long-standing Argueta issue involving a conflict of interest of a former Foundation officer has been resolved and the Foundation has received a repayment of the funds diverted. Still pending is payment of the interest accumulated while case was in negotiation.
3. There has been a significant increase in delivery of titles in the last 6 months. 267 additional titles have been issued for a total of 880. Remaining title issuance will be linked to negotiating process associated to individualization of the loans. Once an individual loan is agreed upon in amount and repayment schedule, the title can be issued. Titles on farms with syndicate problems will be delayed pending resolution of disagreements between the respective parties.
4. During this period the General Registry of Property started implementation of the recommendations developed in the study: "Comisión de la Reforma Registral"; which was created by Government of Guatemala based upon studies developed under the project.
5. WID 34 Women have received their land titles and 400 have received training in home economics, family care, and small animal production.

**D. Problems and Delays**

1. **Syndicate Problems:** During the last year there have been accelerating problems with the syndicate (union) organizing farmers on 9 of the 27 project farms. The genesis of the problem is inordinately high loan levels with many of the beneficiaries, especially coffee producers. Due to the four year development time required for profitable production coupled with unexpected low international coffee prices, many of the farmers have loan levels far beyond their current ability to pay. The original Grant Agreement prevented the Foundation from reducing, delaying, or forgiving the interest debt. In this environment the syndicate encouraged many of the farmers to stop all payments to the Foundation thus severely reducing their cash flow. In September 1993, AID modified the Agreement to allow the Foundation to reduce the loans on hardship cases. With this newly acquired authority to negotiate fair and realistic debt levels, the Foundation appears to be reducing beneficiary discontent and acquiring syndicate support in reaching agreed upon payback amounts and schedules. On some farms the situation remains tense, although it is anticipated the problem will be mitigated in the coming quarter
2. **Individualized loans:** The original project envisioned and approved group purchases and lending as a viable technique for managing the project. However during implementation it was determined that the non-homogeneous characteristic of the beneficiaries did not adapt well to group lending. Subsequently the Foundation has been individualizing the portfolio and negotiation all loans on an farmer-by-farmer basis. AID recently authorized the Foundation to contract for assistance in personalizing the portfolio. The difficulty of analyzing the viability of the group loans resulted in the recent draft audit classifying the group loans as "questionable", which was the major audit finding. This difficulty should be resolved when the Foundation completes the individualization and negotiation process in the next six months.
3. **Coffee Mills:** In August 1991 AID authorized the Foundation to construct six coffee

|||

processing mills on an experimental basis. Subsequently the mills have been purchased/constructed at a total cost of US\$ 250,000. To date, the Foundation has not been successful in integrating the management of the complex processing operations with the beneficiaries who are still trying to master the basic techniques of farming. Equipment inventory and maintenance are major problems, as well as the commercial and marketing aspects of the mill operations. AID expects to soon approve funds for short-term local technical assistance to assist the Foundation in managing the processing plants. One of the mills has proven inappropriate for the project and AID has approved its sale. The remaining mills are expected to eventually be operational, although in retrospect it would have been more appropriate to leave the milling function to the private sector

4. **Remote/Diffused Farm Location:** The original project design recommended the farms purchased by the project be diffused throughout Guatemala with the objective of lowering the AID profile and to experiment with lower value undeveloped land which would allow settling more beneficiaries for a given amount of funds. In retrospect, this experimental concept has proved expensive and beyond the effective management capacity of the Foundation. Remote locations equate to inadequate and expensive access, making delivery of inputs and marketing of produce difficult or at times impossible. As a partial solution, AID has authorized the sale of the most inappropriately located farm, and is encouraging the Rural Roads Project to improve access where possible. For the most part the diffused and remote locations of the farms will have to be accommodated, but slower than desirable implementation will continue until the end of the project.

5. **Delayed Audit:** In August 1992 funding for the project was suspended and an audit of the project called for. Approximately ten months later in June 1993, a draft audit was completed and forwarded to RIG. Now some 14 months after the original suspension the final audit has not been received. It is assumed that the audit will eventually contain recommendations similar to the draft. If so, most (if not all) recommendations should be rapidly resolved and the project can be reactivated so it can wrap-up the final ten months of implementation as effectively as possible.

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

1. The final audit will be received and recommendations cleared.
2. A Plan will be developed and implemented for the final 10 months of the project. The plan will be based on the following principles:
  - a. At PACD the Foundation will be left with ownership of the AID provided approx. \$7 million portfolio. Therefore what can/should be done to strengthen the Foundation's capacity to collect, manage, and reuse the funds for the next decade and beyond.
  - b. Approximately 1350 farmers have been provided land and other assistance from the project. It is estimated that these farmers represent some 8 to 10,000 people who have cooperated with the project and have invested an average of 5 years of their lives and large amounts of hard work with hopes of a better life for themselves and their families. Many are clearly better off due to the program, but some are still struggling to survive and without additional help will not be able to salvage their investments of time, labor, and capital -- their cooperation with the project will leave them in a poorer condition than when they started. The final work plan will address the question of what can be done, if anything, with the remaining time and funds to leave the latter group in as good of a position as possible.
3. Design and implement a final evaluation. Special efforts will be made to capture the lessons learned of the innovative experimental project.

112  
///

**IA. BACKGROUND DATA**

Project Title: Rural Electrification III  
Project Number: 520-0353.10  
Date of Authorization: original 07/17/89 amendment 03/14/90  
Date of Obligation: original 08/25/89 amendment 08/31/92  
PACD: original 08/25/95 amendment  
Implementing Agencies: National Electrification Institute (INDE)  
Major Contractors: None  
AID Project Manager: Mario Funes  
Status of CPs/Covenants: All met  
Date of Last Evaluation: N/A Next Evaluation: 11/93 (CARES)  
Planned Number of Non-Federal Audits during Fiscal Year: One  
The Number of such Audits Contracted for/Completed: One  
Date of Last Audit: 12/92 Next Audit: 09/93

**1B. FINANCIAL DATA**

Amount Authorized: DA/ESF Grant: original	\$ 9,100,000.00	amended to \$
Amount Obligated: DA/ESF Grant: original	\$ 2,400,000.00	amended to \$ 7,600,000
Amount Committed: Period:	\$ 169,737.54	
	Cumulative:	\$ 5,437,641.40
Accrued Expenditures: Period - Projected:	\$ 626,000.00	
	Period - Actual:	\$ 621,437.59
	Cumulative:	\$ 5,214,032.94
	Period - Next:	\$ 2,039,600.00
Counterpart Contribution: Planned:	\$ 15,500,000.00	
	Actual:	\$ 6,020,199.00
% LOP Elapsed:	<u>89.8%</u>	
% of Total Auth. Oblig.	<u>83.5%</u>	
% of Total Oblig. Exp.	<u>68.6%</u>	
% of Total Auth. Exp.	<u>57.2%</u>	

---

**IIA. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES**

**Specific Linkage to Strategic Objectives:** The Project is not directly related to achievement of any of the five SOs, however, it indirectly contributes to several of

**Percent of LOP Funds Relating to Strategic Objectives:** N/A.

**IIB. PROJECT PURPOSE**

To expand electrification in rural areas of Guatemala where the introduction of electricity will complement and maximize the productive potential of existing infrastructure resources.

**III. PROJECT DESCRIPTION**

The Project purpose will be accomplished through the construction of sub-transmission and distribution lines and household connections in rural villages, the up-grading of transmission and transformation capacities at three selected substations in the Western Highlands, and the pilot provision of credit, training, and technical assistance to promote productive uses of electricity in the Western Highlands of Guatemala. The main aim is to connect electricity to around 65,000 new households in rural areas.

BEST AVAILABLE COPY

113

**IV. PROJECT STATUS**

	<u>Planned EOPS</u>	<u>Progress To Date</u>
1.	40,000 new consumers in over 400 rural communities selected for their high potential for productive uses development, and 25,000 new consumers in existing distribution networks of rural villages provided with the electrical service.	10,000 new consumers connected in new communities and 2,500 connected in existing distribution networks. Additional 1,830 users in existing networks selected and financial contributions collected pending connection.
2.	Institutionalization within INDE of appropriate construction standards and community evaluation and selection for rural electrification purposes.	RE construction standards demonstrated and adopted at INDE. Demand Assessment Model (DAM) adopted by INDE as principal community selection criteria.
4.	Policy and legal framework in place that allows increased private participation in the electric subsector	Private generation of electricity is already under development; INDE is buying part of the energy generated by sugar mills and other industries. Final Report on Restructuration of the Electric Subsector (which includes mechanisms for demonopolization and incorporation of private capital) presented to energy sector authorities.

**B. Major Outputs**

	LOP	<u>Planned</u>				<u>Accomplished</u>		
		Period	Cum.	Next Period	Period	Cum.	% of LOP	
1. Communities Selected	400	75	275	31	25	166	42	
2. Subtransmission lines (kms)	32	10	10	20	0	0	0	
3. Substations improved	3	0	0	1	0	0	0	
4. Primary distribution lines (kms)	310	25	40	18	17.7	40	13	
5. Distribution network	1200	185	435	150	202	477	40	
6. Households wired, connected and meter installed (000)	65	11.5	17.6	4.5	5.5	12.3	19	
7. Training	<b>M E</b>	<b>M E</b>	<b>M E</b>	<b>M E</b>	<b>M E</b>	<b>M E</b>		
Long term	0 0	0 0	0 0	0 0	0 0	0 0	0	
Short term	40	0 0	3 0	8 0	2 7	5 7	30	

BEST AVAILABLE COPY

114  
113

C. Other Accomplishments and Overall Status

During the period, the pace of project activities was sustained. The targets for the period related to construction of the distribution network were exceeded in 10% due to heightened activity developed to recover from the initial year delays, even though a strike in the Construction Department of INDE lasted for 32 working days.

The planned target of 75 new communities selected and approved was not met. As several selected communities failed to collect the necessary contribution, they will be cancelled and substituted with communities in portfolio that have funds to cover the requested downpayments.

Commodities for \$678,923 were received during the period: \$14,693 in equipment and \$664,230 in construction materials.

The residual materials from PER II were duly transferred to PER III. Based on this, the Mission requested to the RIG closure of Recommendation No. 4.2 of the Audit Report No. 1-520-93-005.

The trend towards demonopolization is being delayed due to political circumstances, but will probably continue when this situation improves.

Women have been highly benefitted by the introduction of electricity. Their income in newly electrified communities has been increasing. One reason is the possibility of continuing weaving at night in their own homes.

Following the recommendation of the RIG, the Mission has contracted an annual audit and commodities evaluation. Price Waterhouse was selected and has started to carry out both tasks.

D. Problems and Delays

The promotion of new services resulted in 1,830 users that paid the cost of electric connection, but due to a construction crews strike nobody has been connected yet. The strike lasted from July 19 to September 6 and it delayed construction and internal installations works during 32 working days.

Of 22 communities surveyed in feeder 2209, only 9 met requirements mainly because house dispersion and lack of access roads. Six of them were finally selected. Other 84 communities have been studied in feeders 2405, 2502, and 4802, but some information is still missing to apply the DAM.

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

1. Construct 20 kms. of primary distribution lines.
2. Select 31 new communities for electric service connection.
3. Connect 4,500 new households.
4. Carry out direct purchase of materials for \$1,679,642.
5. Elaborate regulatory framework for the electric subsector.
6. Sign amendment to the Grant Agreement decreasing LOP funding by \$1.6 million due to the Mission's budgetary limitations with targets adjusted.

BEST AVAILABLE COPY

115  
114

**IA. BACKGROUND DATA**

Project Title: PRODUCTIVE USES OF ELECTRICITY  
Project Number: 520-0353.20  
Date of Authorization: original 07/17/89 amendment  
Date of Obligation: original 08/31/89 amendment  
PACD: original 08/25/95 amendment  
Implementing Agencies: ACCION Internacional/FUNDAP  
Major Contractors: None  
AID Project Manager: Mario Funes  
Status of CPs/Covenants: All met  
Date of Last Evaluation: 01/92 Next Evaluation: 11/93 (CARES)  
Planned Number of Non-Federal Audits during Fiscal Year: N/A (U.S. PVO)  
The Number of such Audits Contracted for/Completed: 1  
Date of Last Audit: 02/93 Next Audit: 04/94

**1B. FINANCIAL DATA**

Amount Authorized:	DA/ESF Grant:	original	\$ 900,000.00	amended to \$
Amount Obligated:	DA/ESF Grant:	original	\$ 900,000.00	amended to \$
Amount Committed:	Period:		\$ 0	
	Cumulative:		\$ 847,591.00	
Accrued Expenditures:	Period - Projected:		\$ 85,000.00	
	Period - Actual:		\$ 101,555.93	
	Cumulative:		\$ 656,783.44	
	Period - Next:		\$ 95,209.00	
Counterpart				
Contribution:	Planned:		\$ 225,000.00	
	Actual:		\$ 273,062.00	
% LOP Elapsed:			<u>89.8%</u>	
% of Total Auth. Oblig.			<u>100.0%</u>	
% of Total Oblig. Exp.			<u>72.9%</u>	
% of Total Auth. Exp.			<u>72.9%</u>	

---

**IIA. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES**

**Specific Linkage to Strategic Objectives:** This is a Project that indirectly influences Mission's SOs by increasing private investment and trade through the productive use of electricity which improves the standard of living in the rural areas.

**Percent of LOP Funds Relating to Strategic Objectives:** N/A.

**IIB. PROJECT PURPOSE** To expand electrification in rural areas of Guatemala where the introduction of electricity will complement and maximize the productive potential of existing infrastructure and resources.

**III. PROJECT DESCRIPTION**

This component of the Rural Electrification Project (520-0353), promotes the pilot provision of credit, training and technical assistance for the productive uses of electricity in the Western Highlands of Guatemala. These activities will be promoted among small and microenterprises in the Project's target area and will be institutionalized within FUNDAP.

**IV. PROJECT STATUS**

Planned EOPS

Progress To Date

- |   |   |
|---|---|
| 1. Increase to 1500 the number of rural users of electricity for productive purposes. | 3,427 users (2,311 men and 1,116 women) have begun using electricity for productive purposes. |
|---|---|

PROJECT STATUS REPORT  
April 1, 1993 - September 30, 1993

A X    B        C    

- |    |  |   |
|----|--|---|
| 2. | 25% increase in productivity of beneficiary enterprises due to use of electrical equipment and 35% increase in beneficiary earnings. | A previous impact evaluation shows that 85% of persons interviewed said that their productivity and earnings have increased. Monthly earnings have augmented by as much as 80%. |
| 3. | Institutionalization of a credit system within FUNDAP to promote productive uses of electricity.                                     | Activity has been fully institutionalized in FUNDAP.  |

**B. Major Outputs**

	LOP	Planned				Accomplished		
		Period	Cum.	Next Period	Period	Cum.	% of LOP	
1. Community training seminars	80	8	53	7	8	55 1/2	69	
2. TA events for borrowers 2/	1,634	350	1,150	60	356	1,484	91	
3. Fixed assets loans	1,450	160	2,135	175	396	1,377	95	
4. Working capital loans	50	7	170	77	3	56	112	

- 1/ Total number of participants: 7,211 (5,112 men and 2,099 women).  
 Total number of participants this period: 1,327 (849 men and 478 women).  
 2/ Includes training in the use of electrical equipment and management training.

**C. Other Accomplishments and Overall Status**

Overall status of this activity continues to be very good. Following are the most important activities that have taken place during the reporting period.

The Community training component was carried out in 8 new communities with a total of 24 promotional activities. In addition, FUNDAP provided 80 management events for 588 project beneficiaries, and 356 training events on the selection, use, and maintenance of electric equipment for 869 users.

During this reporting period 399 credits were provided to 70 women and 239 men, for a cumulative total of 1,433 credits.

The demonstrative mobil unit (DMU) has been transferred by NRECA to FUNDAP to continue community training activities. NRECA and FUNDAP have continued to meet regularly to coordinate utilization of the unit.

FUNDAP contracted the services of a new project accountant with Mission concurrence.

FUNDAP is in the final process of negotiating a \$620,000 loan/grant from the Interamerican Development Bank (IDB). \$500,000 will be loaned for credits and \$120,000 will be granted for TA.

The Interamerican Foundation (IAF) approved an extension of the grant agreement with FUNDAP to continue user training activities.

117  
116

A grant for credit assistance requested to ASINDES is in the process of negotiation.

The delinquency rate has been maintained at approximately 2.5%.

New geographic areas are being covered by the project in the Department of El Quiche.

On May 6, 1993, Mission management approved the revised EOPS for this Project, which are reflected under item IV of this report.

D. Problems and Delays

The problem of insufficient funds for credits persisted throughout this reporting period.

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

- Complete conditions precedent to meet the IDB loan/grant requirements.
- Continue to provide follow-up to the financial request presented to ASINDES.
- Continue to increase the Project's active portfolio with funds from other sources.
- Continue the provision of training for Project personnel.
- Reduce the current delinquency rate.

U:\SPRIEPUB\DOCS\SAR353.20

118  
117

**IA. BACKGROUND DATA**

Project Title: Fiscal Administration Project  
Project Number: 520-0371  
Date of Authorization: original 07/17/89 amendment 06/01/92  
Date of Obligation: original 07/28/89 amendment 07/01/92  
PACD: original 07/01/92 amendment 12/31/93  
Implementing Agencies: Ministry of Finance (MOF)  
Major Contractors: Peat Marwick Technical Group  
AID Project Manager: Ana Vilma Pocasangre  
Status of CPs/Convenants: CP to Project extension- all met  
Date of Last Evaluation: 07/92 Next Evaluation: 10/93  
Planned Number of Non-Federal Audits during Fiscal Year: N/A (U.S. Contractor)  
The Number of such Audits Contracted for/Completed: N/A  
Date of Last Audit: Next Audit: N/A

**IB. FINANCIAL DATA**

Amount Authorized: DA/ESF Grant: Original \$ 9,000,000 Amended to \$ 12,400,000  
Amount Obligated: DA/ESF Grant: Original \$ 9,000,000 Amended to \$ 12,400,000  
Amount Committed: Period: \$ 1,590,500  
Cumulative: \$ 12,265,028  
Accrued Expenditures: Period - Projected: \$ 1,624,564  
Period - Actual: \$ 1,168,609  
Cumulative: \$ 11,277,155  
Period - Next: \$ 896,000  
Counterpart  
Contribution: Planned: \$ 6,000,000  
Actual: \$ 8,100,000  
% LOP Elapsed: 94%  
% of Total Auth. Oblig. 100%  
% of Total Oblig. Exp. 90%  
% of Total Auth. Exp. 90%

---

**IIA. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES**

**Specific Linkage to Strategic Objectives:** This project addresses macro-level issues relating to the Mission's support for the achievement of broad-based, sustainable economic growth but does not contribute exclusively to a Specific Objective.

**Percent of LOP Funds Relating to Strategic Objectives:** N/A

**IIB. PROJECT PURPOSE**

To assist the GOG in a comprehensive modernization of its system of Fiscal Administration. The project has four specific objectives: 1) Improvement in the allocation of resources; 2) greater fairness in the distribution of tax burdens and expenditure benefits; 3) modernization of resources to cover the cost of public services; and 4) improved government ability to plan and monitor its fiscal decisions.

**III. PROJECT DESCRIPTION**

USAID will continue to assist the Ministry of Finance to improve the administration of the fiscal system under the recently amended project. Contracted technical assistance is charged with developing the components and activities of the project, including (a) establishment of the Fiscal Analysis Unit; (b) implementation to increase tax collection and conduct tax audits; (c) plan, develop and carry out training for personnel; and (d) develop management information systems for MOF.

119  
11/2

**IV. PROJECT STATUS**

<u>Planned EOPS</u>	<u>Progress To Date</u>
1. Efficient, equitable tax system	- Fiscal Modernization Program implemented in the MOF to change fiscal structure and administration.
2. Capacity to perform policy analysis	- Fiscal Analysis Unit established, completely staffed and being trained, analytical models installed and being updated.
3. Effective collections and enforcement	- Creation of administrative and computerized systems and fiscal delinquency law being implemented in the newly created criminal tax court.
4. Training program for MOF personnel	- Training plans develop and on the job, training programs in models.
5. Modern personnel system in Ministry	- New salary scale for Internal Revenue staff
6. Effective audit plans and collections	- Pilot audit program for VAT and income tax, fiscal credit returns and the implementation of the criminal tax court.

**B. Major Outputs**

	<u>Planned</u>				<u>Accomplished</u>		
	LOP	Period	Cum.	Next Period	Period	Cum.	% of LOP
1. Specific fiscal analyses performed	10	1	10	0	0	10	100%
2. Analytical Models developed & applied	6	1	6	0	0	6	100%
3. Fiscal Policy Analysis Unit institutionalized in MOF	1	0	1	0	0	1	100%
4. New, modern fiscal legislative framework:							
- Income Tax	1	0	1	0	0	1	100%
- Value Added Tax	1	0	1	0	0	1	100%
- Customs	1	0	1	0	0	1	100%
- Budget planning execution	1	0	1	0	0	1	100%

**C. Other Accomplishments and Overall Status**

During the reporting period, the project has turned its focus to two principal actions:  
 1) complete the objectives established for the project under the terms of the agreement with AID and the MOF, and 2) turn over completed projects for operation by Guatemalan counterparts,

126  
119

and supervise their operational effectiveness in anticipation that, by the end of the project, all programs and systems can be fully operated and maintained without the need for external technical assistance.

Dr. Daniel Wisecarver, former chief of party of the FAP, made a presentation on the Tax Modernization Program in May 1993. The idea of the Seminar came from the Minister and the purpose was to present to high level persons from the private and public sector the real situation and achievements of the Fiscal Policy comparing the situation before the approval of tax package and after. One hundred and five persons attended the Seminar.

One of the last activities to be implemented between the FAP and the MOF is the installation of a internal network within the MOF building. The CABLETRON's report (for hardware and software) base for Ministry-wide networking, including communications with Custom's buildings, was received by the Vice Minister. On several occasions the Vice Minister had commented that the MOF wants to use the remaining part of the local currency to purchase this equipment. USAID/Guatemala approved the use of Q 11.6 millions for activities in the MOF that will help the institutionalization of the project.

A Taxpayer Registry (RTU) operations manual has been published and appears to be solving a number of problems which existed due to lack of standardization of procedures in the Internal Revenue Department.

On September 27, 1993, one day seminar on computerized applications available to MOF staff to assist this staff in making the administration of the revenues under their responsibility more effective and efficient was held. The seminar was attended by all Department Chiefs and the Deputy Directors of the Internal Revenue office. The importance of this seminar is that the presentations were made exclusively by the Guatemalan technicians who are responsible for system operations.

The Consultant for the Value Added Tax has been working to standardize procedures for the assessment of various penalties. Numerous meetings have been held with the Director, the Deputy Directors and the Legal Advisor trying to arrive at interpretations to the Tax Code which would facilitate a faster process of penalty notification and more rapid collection.

The Computer Department has contracted 8 new programmer trainees. They received training in UNIX advanced training, specifically "AWK" programming language.

The course "Audit Techniques Training" was given to MOF staff (141 participants). The purpose of this course was to provide assistance in audit planning and execution. Forty-four percent of the audience were women.

A proposal for formalizing the Customs Computer Center was drafted and submitted to the Minister. A total of 6 programmers, analysts and data entry operators were contracted.

A project funded Mission Economist has been working very closely with the Central Bank/MOF staff on the coordination and updating of the figures that are going to be used in the negotiations with IMF.

#### D. Problems and Delays

One problem in project implementation has been the lack of coordination with the MOF counterpart, Vice-Minister Méndez-Herbruger. The front office requested a meeting with him and the FAP project officer several times, but the meeting were always canceled. The impact of these cancellations were duplicity of activities and deficiency in the implementation of actions.

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

- A Project close-out evaluation will be done by IMCC who will initiate the activity in late October.
- Reports which provide information about the data available and how they should be used in improving the administration of revenues, internal as well as customs, are going to be ready before the end of the project.

PROJECT STATUS REPORT  
April 1, 1993 - September 30, 1993

Page No. 95

A  B  C

- The draft of the final reports of the FAP prepared by the long term Consultants will be ready for its presentation in December 1993.
- FAP's Close-out evaluation report by IMCC will be presented to USAID/Guatemala, by the end of December.
  
- Final Project close-out activities will be completed.

(P:\PUBLIC\DOCS\SA\FAP)

121

PROJECT STATUS REPORT  
APRIL 1, 1993- SEPTEMBER 30, 1993

**Project Name:** Special Projects Assistance Fund (SPAF)  
Peace Corps/CARE

**Project Number:** 520-0383

**Purpose:** The purpose of this program is to finance small village level activities identified by Peace Corps (PC) volunteers and selected by the PC Principal Country Representative in Guatemala. Most of the project activities financed under this program are small income generating, training and/or infrastructure projects. The program is designed to encourage and support self-help efforts by local communities.

**Implementing Agency:** Peace Corps/CARE

**Description:** The program is designed to stimulate and support self-help community initiatives identified and developed by local communities with the assistance of Peace Corps volunteers. The program is administered by CARE. The funds are channeled to community groups which are responsible from the beginning to manage and account for funding. Once a proposal is approved by the Selection Committee an agreement is signed by the community representative and the Directors of the Peace Corps and CARE Guatemala. Subsequently, CARE prepares a check for the full amount of the grant to be presented to the community representative.

During the reporting period the Selection Committee approved 9 community projects for a total of Q49,350 or approximately \$8,364.\* These projects will directly benefit approximately 1,630 (14,272 people indirectly) of 9 communities located in different regions of the country. Projects approved included: corn mill installations, chicken raising, and management trainings.

(US\$1.00 X Q5.90)

123  
60

**IA. BACKGROUND DATA**

Project Title: Development Training and Support  
Project Number: 520-0384  
Date of Authorization: original 08/12/88 amendment 03/14/90  
Date of Obligation: original 08/12/88 amendment 09/30/90; 04/27/92  
PACD: original 09/30/93 amended to 01/30/95  
Implementing Agencies: USAID/G and SEGEPLAN  
Major Contractors: U.S. Dept. of Labor; US Bureau of Census; META, Inc.  
AID Project Manager: Nelly de León  
Status of CPs/Covenants: All met  
Date of Last Evaluation: 02/11/91 Next Evaluation: January 1995  
Planned Number of Non-Federal Audits during Fiscal Year: 2  
The Number of such Audits Contracted for/Completed: 2/2  
Date of Last Audit: 12/31/92 Next Audit: 12/31/93

**IB. FINANCIAL DATA**

Amount Authorized: DA/ESP Grant: original	\$ 5,890,000
Amount Obligated: DA/ESP Grant: original	\$ 4,850,000 amended to \$5,890,000
Amount Committed: Period:	\$ ( 26,832)
	Cumulative: \$ 5,569,720
Accrued Expenditures: Period - Projected:	\$ 263,200
	Period - Actual: \$ 200,465
	Cumulative: \$ 4,965,149
	Period - Next: \$ 101,000
Counterpart Contribution: Planned:	\$ 2,500,000
	Actual: \$ 2,500,000
% LOP Elapsed:	<u>79.3%</u>
% of Total Auth. Oblig.	<u>100.0%</u>
% of Total Oblig. Exp.	<u>84.2%</u>
% of Total Auth. Exp.	<u>84.2%</u>

---

**IIA. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES**

Specific Linkage to Strategic Objectives: This is an "Other Project" that generally supports the mission's objectives.

Percent of LOP Funds Relating to Strategic Objectives: N/A

**IIB. PROJECT PURPOSE**

Through training, to develop a cadre of Guatemalan public and private sector representatives at all socio-economic levels with enhanced skills in policy making and social and economic development.

**III. PROJECT DESCRIPTION**

The goal of the project is to strengthen the economic, social and political development of Guatemala. The Project consists of the following four components: 1) Strengthen Private Sector Participation in the Social/Economic Development Process; 2) Improve Public Sector Policy and Program Analysis; 3) Education Sector Support and Improvement; and 4) Training Outreach and Support.

124  
2

**B. Major Outputs**

	<u>Planned</u>								<u>Accomplished</u>							
	LOP		Period		Cum.		Next Period		Period		Cum.		% of LOP			
1. In-Country MBT	1900		100		900		200		100		3115		164			
2. US/3rd Country	300		0		263		0		0		198		66			
3. Merit/Zamorano	200		0		148		0		0		145		73			
4. Trg. Outreach	1000		0		1100		0		0		1710		171			
5. Training Persons	M	F	M	F	M	F	M	F	M	F	M	F	M	F		
5a. Long-Term	163	41	0	0	277	71	0	0	0	0	138	39	85	95		
5b. Short-term	1382	346	70	30	877	470	70	30	70	30	2019	1306	146	377		

**C. Other Accomplishments and Overall Status**

1. Grant Agreement with Partners of the Americas was amended to end December 31, 1993.
2. Contract with META, Ind. was extended for additional six months at NO-COST, therefore it will finish December 31, 1993.
3. External Audit of the Merit Scholarship Program/Universidad del Valle was completed by KPMG Peat Marwick to cover the University's fiscal calendar year ending December 31, 1992, and no findings nor recommendations were made.
4. An Amendment to the Contract for the Project's Secretary was done to increase funds and pay for office space rental during FY 1993.
5. Purchase Order with Youth for Guatemala was closed, since the organization was encountering internal difficulties with mailing their Guatemala Information Bulletins to University students studying in the U.S. and Guatemala
6. Two Merit Scholars resigned from the program during this reporting period due to personal problems.
7. Two M.A. recipients (university professors) (out of 25 that will participate during the LOP), have obtained their degrees and returned to Guatemala during the reporting period.
8. The traditional Cultural Afternoon was held by the Merit Scholars which was highly successful.
9. Approximately 100 primary and secondary school teachers residing in the Peten were recipients of environmental/natural resources management educational material.
10. The project has complied with the 40% target of women participants required by AID/W. In addition, two women received long-term training in the area of Women in Development through a practical hands-on program organized and executed by the United Nations, the Organization of American States and the Interamerican Development Bank. This training emphasized how to sensitize the public and private sectors to the need for equality of opportunity in the workplace and the important role women play in all levels of society and in all professions.

125  
124

IV. PROJECT STATUS

Planned EOPS

Progress To Date\*

1. Public and Private sectors are responsive to the developmental needs of disadvantaged groups in Guatemala. The INE and the U.S. Bureau of the Census have trained 19 leaders to produce and utilize data for decision making purposes for national planning. These individuals will in turn train an additional 1,325 throughout 1991-1995 for the same purpose.
2. Social and economically disadvantaged groups have improved health, nutrition, education, and housing status. 95 economically disadvantaged Guatemalan youths are in their final year of university study. 45 participants have completed their agricultural study program at Zamorano.
3. The democratic process is consolidated by both ladino and indigenous groups in Guatemala. The program has established contact with 1300 Guatemalans studying in the U.S. in order to assist them in staying in touch with developments at home and to assist their reintegration into the Guatemalan economy and society upon return.
4. Trained leaders utilizing newly acquired skills in public/private sectors. Participants are training others in the same skill areas. To date, 25 Guatemalans have been the recipients of MA/PhD in the U.S., Puerto Rico, Costa Rica and Mexico and will return to their university professorships, will improve core curriculum and will pass on their knowledge to other university students.
5. Improved labor-management relations. Follow-on training continues to be provided by the DoL for the Ministry of labor mediators and newly hired Inspectors.
6. Closer individual and institutional linkages between Guatemala and the U.S. at the university and other levels of the society. USAC & Partners of the Americas continue to implement environmental education programs for community leaders & technicians living in the Peten. 25 University professors continue studies at the MA/PhD levels in Mexico, Puerto Rico and the U.S. Youth for Guatemala Organization (YGO) maintained contact with other U.S. universities through information packets provided by YGO to Guatemalan students.

---

\* In the next period, further analysis of progress towards EOPs will be reflected in this section.

D. Problems and Delays

1. Contract with a Guatemalan institution for the provision of training assistance to the Guatemalan Construction Industry was cancelled due to lack of interest by both the institution and the offeror.
2. Due to the coup, INE has not initiated the National Census; therefore, all activities on the MET have also been delayed.
3. Because of the coup, Partners of the Americas cancelled the five-day seminar on "POLITICAS AMBIENTALES" in Peten, which was going to have participation of ONGs, Environmental Organizations, Ministries, Congressmen, Human Rights Ombudsman, Peten community leaders, Mayors and the Governor.

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

1. Three M.A. recipients (university professors) out of five currently active will finish their degrees and return to Guatemala on December 31, 1993.
2. External Audit of the Merit Scholarship Program/Universidad del Valle will be completed to cover the University's fiscal calendar year ending December 31, 1993.
3. Partners of the Americas will have its last activity funded by this project, providing educational and training materials to primary and secondary school teachers, technicians, housekeepers and community leaders residing in the Peten.
4. We will explore the possibility of using remaining DT&S resources for a "Buy-In" to the GPS Project in order to provide U.S. based training to groups of judges, which in turn will support the Mission's AOJ Program.
5. As of 09-30-94 only one component of this project will remain active:  
This Training Component consists of Education Sector Support and Improvement through the Merit Program and University Faculty Improvement

127  
126

**IA. BACKGROUND DATA**

Project Title: Child in Need  
Project Number: 520-0409  
Date of Authorization: original 09/30/91 amendment  
Date of Obligation: original 09/30/91 amendment  
PACD: original 09/30/93 amendment  
Implementing Agencies: SHARE  
Major Contractors: SHARE  
AID Project Manager: Patricia O'Connor, Gary Cook  
Status of CPs/Convenants: None  
Date of Last Evaluation: Internal Evaluation 09/93 Next Evaluation: N/A (US PVO)  
Planned Number of Non-Federal Audits during Fiscal Year: 1 (US/PVO)  
The Number of such Audits Contracted for/Completed: Completed  
Date of Last Audit: N/A Next Audit: N/A

**IB. FINANCIAL DATA**

Amount Authorized: DA/ESF Grant: original	\$ 475,000.00	amended to \$
Amount Obligated: DA/ESF Grant: original	\$ 368,712.00	amended to \$
Amount Committed: Period:	\$ .00	
	Cumulative:	\$ 300,000.00
Accrued Expenditures: Period - Projected:	\$ 164,667.00	
	Period - Actual:	\$ 126,758.51
	Cumulative:	\$ 268,586.20
	Period - Next:	\$ .00
Counterpart		
Contribution: Planned:	\$ 46,299.00	+ \$99,000 PVO In-kind
	Actual:	\$ 145,299.00
% LOP Elapsed:	100%	
% of Total Auth. Oblig.	81.30%	
% of Total Oblig. Exp.	89.50%	
% of Total Auth. Exp.	72.80%	

---

**IIA. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES**

Specific Linkage to Strategic Objectives: None

Percent of LOP Funds Relating to Strategic Objectives: 0%

**IIB. PROJECT PURPOSE**

This project provides a vehicle for SHARE/Guatemala to 1) decrease the number of children entering the population of orphans and displaced children, 2) improve the quality and extend the range of community and institutionally based services for these children and 3) increase the coverage of the necessary main services for a higher number of beneficiaries.

**III. PROJECT DESCRIPTION**

This project has two main components: 1) a fund that finances sub-projects submitted by Guatemalan PVOs to improve service quality and expand coverage, and 2) SHARE provides technical assistance, training and coordination services to local PVOs.

**IV. PROJECT STATUS**

The SHARE project has awarded eleven sub-projects to Guatemalan PVOs. In addition, in 1993, SHARE conducted 31 training workshops and in 1992, 20, for service providers on health educational methods, children's rights and project development and administration.

The Mission plans no further obligations for this project and designed a new project, which began in FY93, with a stronger urban focus.

128

**ASOCIACION SHARE DE GUATEMALA  
CHILD IN NEED PROJECT**

Name of NGO Sub-Grantees	Amount Approved	Amount Disbursed	Counterpart Funding (1)	# Children Reached	Geographic Region	Type of Project
Asociacion Casa Alianza	80,000.00	80,000.00	75,555.00	14	20 Avenida 13-32, Zona 7, Kaminal Juyu II Guatemala City (urban)	Social Services for street children
Asociacion de Coop. Desarrollo Rural de Occidente	39,248.64	39,248.64	35,630.00	201	6a. Avenida 6-15, Zona 4 Totonicapán, (Rural)	Microenterprises development with orphans
Asociacion de Desarrollo Todos Juntos	122,299.00	85,254.37	52,305.00	10	Parajes La Calera y Canton Rancho de Teja, Totonicapán (Rural)	Handicrafts training for children displaced by civil violence
Asociacion Misioneros del Camino	100,000.00	95,071.69	77,300.00	39	12 Calle 32-26, Zona 7, Tikal III Guatemala (Urban)	Social services for abandoned and abused children
Centro Vivamos Mejor	75,794.98	73,763.40	51,000.00	202	Rio Dulce, Livingston, Izabal (rural)	Microenterprises Dev. for children displaced by civil violence
Cooperativa Agricola Integral Parracana, R.L.	49,916.00	49,916.00		81	Canton Chucheric, Sta. Lucia Utatlan Solola (rural)	Handicrafts. Training for orphans/ children displaced by civil violence.
Guarderia San Jose El Rancho	76,300.00	53,845.84		97	El Rancho, El Progreso (urban)	Daycare/overnight care for abandoned children and children of single mothers
Hogar Nuevos Horizontes	66,585.36	40,632.57	199,819.00	16	6a. Calle 5-37, Zona 1 Quetzakenango (rural)	Social services for orphans and children of single mothers
Mision Cristiana Geste mani	80,175.00	57,000.00	42,830.00	171	4a. Calle 19-47, Zona 3 Quetzakenango (rural)	Social services for street children
Plan Latinoamericano Niño a Niño	117,900.00	77,035.44		160	6a. Avenida 4-71, Esquipulas (urban)	Training children (14-16 yrs) as educ. and health promoters
Proyectos Educativos Regionales de Auto-Ayuda	38,000.00	38,000.00	30,017.26	429	6a. Avenida 8-25, Zona 2 Guatemala (urban)	Basic Education and life skills for working children (girls)
<b>TOTALES</b>	<b>846,218.98</b>	<b>689,767.95</b>	<b>564,456.26</b>	<b>1420</b>		

Guatemala, Octubre, 1993

BEST AVAILABLE COPY

**IA. BACKGROUND DATA**

Project Title: Regional Technical AID Center (RTAC-II)  
Project Number: 598-0791  
Date of Authorization: original 08/22/86 amendment 04/17/91  
Date of Obligation: original 09/25/86 amendment 09/30/92  
PACD: original Extended 5 years to 08/22/96 (MOU negotiation)  
Implementing Agencies: Instituto Guatemalteco Americano (IGA)  
Major Contractors: Aguirre International  
AID Project Manager: Carlos Andrino (Coordinator, RTAC-II Guatemala)  
Status of CPs/Convenants: Convenants for RTAC-II/Guatemala met  
Date of Last Evaluation: 09/89 Next Evaluation: 10/93  
Planned Number of Non-Federal Audits during Fiscal Year: N/A  
The Number of such Audits Contracted for/Completed: N/A  
Date of Last Audit: February 1991 Next Audit:

**IB. FINANCIAL DATA**

Amount Authorized:	DA/ESF Grant:	original	\$	amended to \$
Amount Obligated:	DA/ESF Grant:	original	\$	amended to \$
Amount Committed:	Period:		\$	
	Cumulative:		\$	
Accrued Expenditures:	Period - Projected:		\$	This is a regional program for Central
	Period - Actual:		\$	America, funded by AID/W. Disburse-
	Cumulative:		\$	ments are made by RTAC-II/Mexico. The
	Period - Next:		\$	amount of \$3,695,300 represents the
Counterpart			\$	dollar value of books purchased by
Contribution:	Planned:		\$	Guatemala to date.
	Actual:		\$	
% LOP Elapsed:		%		
% of Total Auth. Oblig.		%		
% of Total Oblig. Exp.		%		
% of Total Auth. Exp.		%		

**IIA. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES**

Specific Linkage to Strategic Objectives: Not related.

Percent of LOP Funds Relating to Strategic Objectives: 0

**IIB. PROJECT PURPOSE**

To increase U.S. access, presence, and influence in Central American institutions and to provide them with access to U.S. technical information.

**III. PROJECT DESCRIPTION**

The Regional Technical Aid Center (RTAC-II) was designed primarily to provide reduced-cost textbooks in technical fields to university students in five Central American countries: Costa Rica, Honduras, El Salvador, Guatemala, and Panamá. Now Ecuador, Perú, Venezuela, and Uruguay have been included. The intent of RTAC-II is to reduce the price of Spanish translations of U.S. textbooks and to encourage Mexican publishers to increase promotion of U.S. origin textbooks in the region. The project has been implemented through distribution centers in each country. University professors select the titles they want for their courses based on information provided to them by the publishing houses located in Mexico. These textbook requests are consolidated in each country and forwarded to the project office in Mexico where purchases are negotiated with publishers. The purchased textbooks are then sent to university bookstores and/or selected distribution centers.

**IV. PROJECT STATUS\***

	<u>Planned KOPS</u>	<u>Progress To Date</u>
1.	A 30% increase in the use of U.S. materials in selected universities by end of project.	University book adoption increased 500%.
2.	A 10% increase in orders of U.S. books by bookstores in the distribution system over the life of project.	Publishers estimate 1000% increase in orders of RTAC books and up to 100% of other texts.
3.	10% increase in university book displays.	100% increased in displays in university bookstores.
4.	50% increase in sales volume in stores.	Estimated at 100%.
5.	Increase in books available at a ratio of 1.3 books per student.	A ratio of 1.3 books per student which means that all students have access to books.

\*Source: RTAC-II mid term evaluation.

**B. Major Outputs(Guatemala Only)**

	<u>Planned</u>				<u>Accomplished</u>		
	LOP	Period	Cum.	Next Period	Period	Cum.	% of LOP
1. Books ordered							
a) Value (\$000)	1500	---	3123	---	232.7	3695.3	246%
b) No. of books (000)	250	32	493	15	21.3	470.7	188%
2. No. of private bookstores participating							
- cities	17	0	21	6	0	30	164%
- departments	10	0	14	2	0	14	140%
3. Number of universities participating	5	0	5	0	0	5	100%
4. Training							
4a. Long Term							
4b. Short Term							

(There is no participant training in this project)

**C. Other Accomplishments and Overall Status**

During the second semester of CY 1993, 21,291 books were received in 20 technical areas at an estimated \$232,730.54. During the first semester of 1994, an additional 32,000 books will be

131  
123

ordered. As shown in Section B, the Project has exceeded its targets.

1. Project Implementation Letter (PIL) No. 3 was issued to confirm the mutual agreement between USAID/Guatemala and IGA on a price increase of 15% to 20%, to be retained by IGA and the bookstores to cover their administrative costs.
2. On June 7-9, 1993, the IGA's Marketing and Sales Director (now IGA Director General) attended a meeting with publishers in Mexico to negotiate inclusion of textbooks for secondary schools in the project. Costs to cover her attendance were paid for by IGA. As a result, 19,246 books at an estimated \$72,671.90 were included in the first shipment received on September 23, 1993. Costs and transportation for these books were paid for by IGA.
3. On September 19-23, 1993, AID/W and RTAC/Mexico carried out a meeting in Miami for Coordinators and Distribution Center Directors. The project's status after financial support to the project ends next year was discussed in this meeting. Licenciada Eunice de Chacón, IGA Director General, and Licenciado Héctor Arriaga, IGA Marketing and Sales Director for RTAC-II books, attended this meeting. RTAC-II paid lodging for all participants; IGA paid per diem and transportation for Mrs. Chacón and Mr. Arriaga.
4. IGA attended the following conventions to promote book sales:
  - a. Marketing, May 5-7;
  - b. Human Resources, June 2-4;
  - c. Management Information Resources, August 2-8;
  - d. Ultrasound Technology, October 14-16.
5. As requested by OH&E, RTAC/Mexico agreed to donate 250 books to Guatemala's National Library. These books will be shipped during the first semester of 1994 and should arrive in Guatemala City in November/December 1993.
6. On August 9, 1993, Mr. Ricardo Aguilar was contracted as the new MIS technician.

**D. Problems and Delays**

1. Due the reduction of Operating Expenses, it was not possible for the USAID/Guatemala RTAC-II Coordinator to attend the September 19-23 meeting in Miami.
2. The Mission was not able to obligate \$200,000 from deobligated funds to support the RTAC/Mexico Central Office.
3. The ceremony to donate of books to the Student Engineers Association has been delayed, due to planning needs.

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

1. IGA will place an order for approximately 15,000 textbooks (to be available for university students in July 1994).
2. IGA will attend the following conventions to promote book sales:
  - a. Marketing, May;
  - b. Human Resources, June;
  - c. Management Information Resources (Informatic), August;
  - d. National Congress of Medicine, January/February;
  - e. Seminar on Interamerican Editorial Books
3. IGA will hold a ceremony to donate books to the Student Engineers Association of the University of San Carlos.
4. IGA will hold a ceremony to donate 250 books to the National Library of Guatemala.

**FOOD AID**



children who are at greatest risk are the target population of this program.

The food for work program involves mobilizing community interest in productive enterprises utilizing food as an incentive.

**MYOP MCH EOPS**

1. Through Primary Health Care activities, stimulate community organization and participation in the identification and meeting of basic health needs.
2. Improve the overall health, nutrition and economic welfare of poor women and their families through income and employment generated through their participation in self-managed credit and savings village banks.

**PROGRESS TO DATE**

1. The program is in its developmental stage with two dioceses (Puerto Barrios and Rabinal) providing leadership in operational aspects of the primary health care package.
2. CRS sponsored a series of workshops in food programming and planning with the participation of diocesan counterparts. The banks (12) have been formed in response to requests from beneficiaries for programs that might assist them in increasing their incomes from self-generated productive activities.

**MYOP FFW EOPS**

1. Through the network of local FFW committees, provide the financial, technical, and organizational skills necessary to improve the production and livelihood of small, rural producers, their families and their communities.

**PROGRESS TO DATE**

1. The food for work activities in the dioceses of San Marcos strongly promotes practices of soil conservation as a counterbalance to the dramatic process of erosion experienced by many subsistence farmers. 79 communities are receiving technical assistance other than the food ration.

**ACCOMPLISHED**

<b><u>MYOP MCH OUTPUTS</u></b>	<b><u>Planned FY</u></b>			
	<b><u>93</u></b>	<b><u>1st Semester</u></b>	<b><u>2nd Semester</u></b>	<b><u>Actual FY 93</u></b>
1. Train and make available to MCH center communities 245 health promoters capable of providing education and referral services to the beneficiary population.	80	0	17	17
2. Consolidate and strengthen 513 local health committees linked to PL-480 MCH centers.	80	0	0	0
3. Create an early warning system useful in detecting anomalies in the growth rate of children 0-5 yrs. Coverage will reach at least 80% of target population.	80%	0	10	10
4. Prevent the contraction of preventable diseases through the vaccination of up to 80% of children within MCH program.	80%	0	0	0
5. Establish system of early detection and referral of chronic diarrhea and subsequent dehydration among 80% of target population.	80%	0	0	0

135  
17.

**PROJECT STATUS REPORT**  
April 1, 1993 - September 30, 1993

6. Provide consistent and periodic control of pregnancies among 80% of target population.	80%	0	0	0
7. Provide on-going technical assistance and supervision to MCH centers and promoter through the recruitment and training of 8 Area Supervisors.	8	0	0	0

**ACCOMPLISHED**

<u>MYOP FFW OUTPUTS</u>	<u>Planned FY 93</u>	<u>1st Semester</u>	<u>2nd Semester</u>	<u>Actual FY 93</u>
1. Increase basic grain production in 150 communities in 4 Dioceses benefiting 3,300 small producers.	1,100 Producers	836 Producers	880 Producers	1716 Producers
2. Establish tool/seed banks in each Dioceses providing the necessary tools to 150 projects over a 3 year period.	50 Projects	38 Projects	5 Projects	43 Projects
3. Through FFW rations stimulate the execution of 200 basic infrastructure and services projects in areas of bridge and road construction, basic sanitation and water services, and informal education.	67 Projects	29 infra. 5 Educ/Cap.	48 infra. 15 educ/cap	77 infra. 20 Educ/Cap.

**C Other Accomplishments and Overall Status**

Catholic Relief Services, in cooperation with its CARITAS counterpart, is strengthening the MCH, and FFW activities through the utilization of food as a resource in development. Efficiency and effectiveness of food assistance has increase as CRS moves from simple distribution to promoting development opportunities for individuals living in poverty, with a shift in approach the Mission will be working closely with CRS to develop meaningful and appropriate EOPS and output indicators.

- Installation of a computerized Food Logistics System to track commodities. Training of all food aid staff within CRS.
- The FFW Project in the Dioceses of San Marcos - 79 communities are receiving Technical Assistance plus the food ration; 38 communities receiving technical assistance, food ration and credit.

**D. Problems and Delays**

- Preliminary ground work has been completed for Maternal Child Health program to be funded with monetization proceeds. Project activities did not begin during the 1st semester due to delays in approval of the monetization proposal revolving around management certification and village bank issues. This delay has been for one calendar year.
- Due to tardiness of the monetization, all MCH activities planned for this period have been delayed. These activities will begin Nov 2, 1993 in two dioceses.
- CRS management and financial systems have not been certified. CRS is in the process of addressing and implementing the recommendation from the A-133 audit report which should be competely resolved in November 1993.

136

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

- The results of the baseline study, done in 80 communities, to determine the agriculture production and the economical situation of the communities, will be presented to Mission staff.
- An internal evaluation of activities proposed will be conducted in January 1994, the results will be presented to Mission staff.
- Financial and management systems should be certified early in the semester.

137

**IA. BACKGROUND DATA**

Project Title: CARE  
Project Number: PL 480 Title II  
Date of Authorization: October 30, 1992 (STATE 354674)  
End of MYOP: September 30, 1994  
Implementing Agencies: Ministry of Health, Municipalities of San Marcos, Quetzaltenango, Sta Cruz del Quiche, Villa Nueva, Chimaltenango y Cotepeque  
Major Contractors: N/A  
AID Project Manager: Julia M.A. Husna  
Date of Last Evaluation: 1990 Next Evaluation: 1994  
Date of Last Audit: Internal Audit 1992 Next Audit: June 1994

**1B. FINANCIAL DATA (STATE 354674 line 17)**

A. Commodity Amount: \$3,859,000  
B. Ocean Freight: \$1,611,200  
C. Total Title II Regular Input: \$5,470,200

**COMMODITY DATA IN METRIC TONS (FY 93)**

• Opening Balance this FY 10/01/92:	378	MT
• Approved Total Line 17 AER:	13,002	MT
• Called Forward to Date:	12,350	MT
• Monetized to Date:	0	MT
• Total Called Forward to Date:**	12,350	MT
• Balance not Used to Date:	652	MT
• Percent not Called Forward:	5%	
• Distributed FY 93:	12,136	MT
• Inventory Balance 9/30/93:	1,244	MT

**MONETIZATION L/C ONLY\***

• Total Budget Programmed:	\$1,770,000
• Total Amount of Sales Proceeds:	\$1,342,476
• Total Disbursed:	\$69,8918

\* Monetization of 10,000 MT/Corn in FY 92  
\*\* Including last distribution of CY 93

**IIA. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES**

Specific Linkage to Strategic Objectives: CARE PL 480 Title II health and nutritional activities implemented in 607 health centers/posts contribute indirectly to the performance indicators of the Smaller Healthier Families Strategic Objective.

The Urban Food for Work project responds to a complex set of problems, linked to a very poor economic base and low family income, inadequate skills for urban employment and a poor sanitation environment. The activities performed in this program contribute indirectly to Sustained Exercise of Inalienable Rights Strategic Objective by supporting solutions to these problems through the participation of municipal governments.

**IIB. PROJECT PURPOSE**

The purpose of the MCH component is to increase the effectiveness of the supplemental feeding in reducing the effects of malnutrition among children under age three, and pregnant or lactating women in Guatemala.

Food for Work under the Urban Environmental Sanitation component supports the construction of basic community infrastructure, strengthening democratic relationships between municipal governments and beneficiary communities.

**III. PROJECT DESCRIPTION**

The two components of this project, Mother Child Health (MCH) and Urban Environmental

138  
131

Sanitation are self-contained activities.

MCH is a national level program that works through the MOH, in 607 Health Centers/Posts. It provides a planned monthly ration of 4.53 kgs. of soy fortified bulgur, corn soy blend, milled rice and vegetable oil to increase caloric and nutritional intake of the participants.

The Urban Food for Work Project constructs basic infrastructure in five municipalities. Drainage systems, potable water, trash collection, and food control projects utilize PL 480 commodities as the incentive for community labor.

**IV. PROJECT STATUS**

MYOP MCH EOPS

Progress To Date

- |  |   |
|--|---|
| 1. MOH staff at 70% of the health posts implement an appropriate participant selection process.  | 78% (383) health centers/posts are implementing the participant selection criteria.   |
| 2. 20% of MOH staff of health centers/posts appropriately monitor growth of children under three and provide follow-up on MCH participants. (*)  | 110% (130) health centers/posts maintain adequate growth monitoring record.   |
| 3. In 40% of the health posts MOH staff ensure that the target population receives and learns how to use PL 480 commodities with local foods.  | 47% (200) limited success has been achieved. MCH project has not yet begun to concentrate on this goal.   |
| 4. 40% of MOH staff train mothers participating in the MCH project in healthy nutrition and sanitation practices, and in the prevention and control of diarrhea and infectious diseases. | 47% (200) health education is considered a fundamental component. The MCH project health education efforts concentrate on a number of basic themes; breast feeding, importance of immunization, and others. |
| 5. 70% of MOH personnel properly manage logistics and control of PL480 commodities.  | 420 (86%) frequent supervisory visits by CARE/MCH staff are required at the health posts/centers to ensure that registers are kept up to date and complete.   |

\* Note \* This objective will be substituted for a pilot project on weaning practices in 20 health centers/posts in Chimaltenango.

MYOP FTW EOPS

PROGRESS TO DATE

- |  |  |
|--|--|
| 1. Develop an environmental sanitation infrastructure program, consisting primarily of sewage and drainage systems using food for work in all five regional (30 communities) growth centers.                                   | Six sewage systems installed. Four of the sewage systems required the installation of treatment facilities. Currently serving 450 families.  |
| 2. Increase the technical management and leadership skills level of 30 community committees so that they are capable of maintaining sanitation systems and sustaining community development activities after CARE's departure. | The required training in 12 urban communities was completed. This training focused on assisting the leaders to learn basic management skills.  |
| 3. Develop the technical and community liaison capabilities of Municipal govt. to undertake similar community infrastructure initiatives successfully without the support of CARE.   | Through two workshops the municipalities have been assisted to become responsive to people's needs and to incorporate the people in the planning and the implementation of the activities. |

131

4. Increase the awareness of project participants and influence healthier community sanitation practices in 30 marginal communities. The purpose of this is to encourage the participants to use the water and sewage systems. CARE includes in its strategy extensive community participation that strongly emphasize the purpose of the systems and how to repair them when required.

	<u>MYOP MCH OUTPUTS</u>	<u>ACCOMPLISHED</u>			<u>Actual FY 93</u>
		<u>Planned FY 93</u>	<u>1<sup>st</sup> Semester</u>	<u>2<sup>nd</sup> Semester</u>	
1.	Food commodities distributed to 600 MOH health centers during FY 93. (MT)	13,002.6	1,989	10,147	12,136
2.	Food commodities received by 230,000 recipients in all 22 departments.	230,000	224,000	205,000	205,000
3.	The beneficiaries correctly diagnosed as being in need of supplemental feeding.	40%	70%	60%	70%
4.	MOH CS/PS will select participants and administer MCH services.	600 CS/PS	604 CS/PS	548 CS/PS	548 CS/PS
5.	Communities, not normally in the health post coverage area, managing project activities independently.	20	24	15	39
6.	150 health C/P have committees actively participating in the MCH project according to performance criteria.	150	118	213	331
7.	Personnel representing 600 health centers/posts participate in a minimum of two workshops.	600	45	510	555
8.	20% of all health sites will be randomly monitored by CARE to verify activities being implemented by MOH personnel.	20%	20%	20%	20%

	<u>MYOP OUTPUTS FFW</u>	<u>ACCOMPLISHED</u>			<u>Actual FY 93</u>
		<u>Planned FY 93</u>	<u>1<sup>st</sup> Semester</u>	<u>2<sup>nd</sup> Semester</u>	
1.	Community socio-economic diagnostic conducted in all marginal communities of the project.	15	16	9	25
2.	Infrastructure activities completed in the marginal communities.	10	7	6	13
3.	Committees established and functioning as project management.	30	18	4	22
4.	Community environmental committees formed and functioning to manage on going community sanitation activities.	30	24	6	30

BEST AVAILABLE COPY

140  
175

ACCOMPLISHED

- |    |   |   |   |   |   |
|----|---|---|---|---|---|
| 5. | Workshops completed with municipal officials of each of the municipalities. | 8 | 1 | 1 | 2 |
|----|---|---|---|---|---|

C. Other Accomplishments and Overall Status

The PL 480 Title II program of CARE continues to work toward delivering the services to the participants of the program. CARE has undertaken an analysis of the program and has made the decision to reduce its geographic scope, from 22 to 12 departments. The twelve departments chosen by CARE coincide with those identified by the MOH as the departments with the highest incidence of poverty and malnutrition.

The following activities are implemented by CARE in the food aid program. These activities are funded with farm bill monies.

- MCH Family Planning Services; Innovation Grant funded. Activities started in August 1993. In coordination with the MOH this program will compare the effectiveness of two approaches to delivering family planning services.
- MCH Impact Operational Research - Innovation Grant funded, will start Oct. 1993 (18 months duration). This activity will provide CARE with concrete information on nutritional and benefits to the participants of the MCH program.

D. Problems and Delays

- In FY 92 CARE monetized 10,000 MT of corn, valued at approximately \$1,342,476. Progress in implementing the activities under the warehouse/infrastructure has been delayed partly because CARE has had a difficult time in obtaining land for the construction of the warehouses. Also because the geographical focusing of the program is just beginning, some logistical decisions must be held in suspense.
- The Ministry of Finance has informed the PROSANA staff (FFW) that there will be budget reductions for CY 94. Depending on the reduction, CARE will need to evaluate the number of the activities planned.

E. MAJOR ACTIVITIES AND CORRECTIVE ACTIONS DURING THE NEXT SIX MONTHS:

- At the same time that the focusing of the food aid program is going, on a double ration Pilot project will also start. This project will provide to the participants a larger food ration which will provide a higher nutritional content, thus improving the nutritional status of the recipients.
- The geographical focusing of the program will be presented to the MOH and begin to take place.

BEST AVAILABLE COPY

141

**IA. BACKGROUND DATA**

Project Title: Asociación SHARE de Guatemala  
Project Number: PL 480 Título II  
Date of Authorization: October 22, 1992 (STATE 345506)  
End of MYOP: September 30, 1995  
Implementing Agencies: Ministry of Finance  
40 Guatemalan NGO's  
Major Contractors: N/A  
AID Project Manager: Julia Husa  
Date of Last Evaluation: N/A  
Date of Last Audit: Junio 1993 (external audit)

**IB. FINANCIAL DATA (STATE 345506 - Line 17)**

A. Commodity Amount:	\$2,121,049
B. Ocean Freight:	\$ 777,625
C. Total Title II Input:	\$2,898,674
D. Commodity Amount/Monetization:	\$ 266,800
E. Ocean Freight:	\$ 217,500
G. Total Monetization	\$ 484,300
H. Total Title II Program	\$3,382,974

**COMMODITY DATA IN METRIC TONS**

• Opening Balance this FY 10/01/92	3156 MT
• Approved Total Line 17 AER:	6909 MT
• Called Forward to Date:	6173 MT
• Monetized to Date:	2900 MT
• Total Called Forward to Date:	9073 MT
• Balance not Used to Date:	736 MT
• Percent not Called Forward:	11 %
• Distributed FY 93:	4573 MT
• Inventory Balance 9/30/93:	2310 MT

**MONETIZATION L/C ONLY**

• Total Budget Programmed:	\$446,600
• Total Amount of Sales Proceeds:	Q1,788,463
• Total Disbursed:	N/A
• Rollover Monies from FY 92 Monetization	Q762,000

**IIA. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES**

Specific Linkage to Strategic Objectives: All SHARE programs are designed to indirectly support the Smaller Healthier Families, Sustained Exercise of Inalienable Rights, and Natural Resource Management, Mission strategic objectives and to support Guatemalan NGOs to become more effective development and service oriented institutions.

**IIB. PROJECT PURPOSE**

The Mother Child Health (MCH), program of SHARE aims to lower child mortality rates; reduce the incidence of preventable diseases in infancy and childhood, and lower rates of child malnutrition through educational activities, complemented by the distribution of food rations.

The Food for Work/Rural Infrastructure Program (FFW/RIP) supports the development of rural communities suffering from extreme poverty through the implementation of infrastructure projects which meet basic community needs, and strengthens community organization.

**III. PROJECT DESCRIPTION**

Four basic programs are included in SHARE/Guatemala PL 480 Title II. The MCH/CS program designed to educate mothers in health and nutrition and to help mitigate the negative impacts poverty has on malnutrition, infant mortality and morbidity.

The Natural Resources and Conservation (NRC) program focuses on assisting poor farmers to

142  
141

improve their productivity by means of technical assistance and training in agroforestry and soil management.

The SHARE Food For Work program which will answer in part the infrastructure needs of selected communities by providing technical assistance and materials for the construction of schools, roads and bridges, potable water systems and latrines.

The communal banks program provides poor women in the MCH/CS program with accessible credit to allow them to generate increased resources for their families.

**IV. PROJECT STATUS**

**MYOP MCH EOPS**

**Progress To Date**

1. To improve health and nutrition conditions in the poorest communities through a series of health and nutrition education interventions and the provision of limited health services.
2. To support and strengthen SHARE counterparts in the implementation of the MCH/CS program and in the management of Title II food resources.

Growth monitoring and education of the mother are the major components of the MCH/CS program and are implemented through local PVOs. All centers are using an innovative system to monitor weight for age. SHARE has experienced consistent project growth working with additional PVO's for a current total of 40. An evaluation and feedback system has been implemented, so that it can provided SHARE with the appropriate tool to strengthen the MCH program and measure the impact in the communities.

**MYOP NRC EOPS**

**PROGRESS TO DATE**

1. To improve the living conditions of small Guatemalan farmers by means of technical assistance.
2. To enhance the capabilities of counterpart PVOs in the implementation of natural resource conservation.

Counterpart training and promotion of natural resources conservation techniques will continue to be the cornerstone of the NRC project. SHARE has improved the technical capacity of small farmers. The training given to SHARE's counterparts covers agroforestry, soil management and community development.

**MYOP FFW EOPS**

**PROGRESS TO DATE**

1. To improve the standard of living through the implementation of rural infrastructure projects which result in the improvement of community access to educational opportunities and basic environmental sanitation services.
2. To enhance the managerial skills and technical capabilities of local PVO counterparts and community based groups to obtain needed resources for the implementation of additional community projects.

10 infrastructure projects including latrines, school and potable water systems have been completed by SHARE's counterparts. SHARE is presently developing a system so that impact can be measured. SHARE's counterparts have demonstrated the ability to obtain the needed resources for the implementation of other projects without the presence of SHARE.

BEST AVAILABLE COPY

	<u>Planned FY</u> <u>93</u>	<u>ACCOMPLISHED</u>		<u>Actual FY</u> <u>93</u>
		<u>1st</u> <u>Semester</u>	<u>2nd</u> <u>Semester</u>	
1. Ensure that 80% of the mothers after 12 months of program participation will understand the nutritional status of their child through a grading system.	80%	* Info not available until analysis of baseline data is completed.*		
2. Maintain 80% participation in MCH/CS activities.	80%	79%	88%	81.2%
3. Provide Vitamin A doses to 80% of participants.	80%	*	*	*
4. Vaccination of 100% of the children participating in the MCH/CS program.	100%	*	*	*
5. Increase the number of PVOs/Organizations operating mother child centers.	6	1	4	5
6. Increase the number of children and mothers participating in the program.	80,000	60,921	62,871	62,871

	<u>Planned FY</u> <u>93</u>	<u>ACCOMPLISHED</u>		<u>Actual FY</u> <u>93</u>
		<u>1st</u> <u>Semester</u>	<u>2nd</u> <u>Semester</u>	
1. Total production of 1,000,000 tree seedlings by participants in communal or family nurseries.	250,000	57,744	392,400	450,144
2. 100% of the farmers will obtain one or more of the following from their trees: firewood, mulch, forage, construction lumber.	110 farmers	0	150	150
3. Participation of women in 30% of NRC projects.	10 projects	3	11	14
4. Construction and utilization of 8,000 cubic meters of compost piles.	2,500 mts.	533 (22%)	1,867 mts.	2400 mts
5. Use of green (organic) fertilizers on 400 hectares of agricultural land.	100	0	150	150
6. Participation of 3,000 MCH mothers in the construction and use of fuel efficient stoves.	800	11	195	206
7. Eight courses per year provided to counterparts.	8	2	7	9

BEST AVAILABLE COPY

144  
147

**ACCOMPLISHED**

	<b>Planned FY</b>	<b>1st</b>	<b>2nd</b>	<b>Actual FY</b>
	<b>93</b>	<b>Semester</b>	<b>Semester</b>	<b>93</b>
1. To build and/or improve 8 communal roads and 4 bridges per year.	8/4	4/2	6/4	10/6
2. To build and/or expand 8 rural primary schools per year.	8	3	12	15
3. To construct and/or improve 4 latrines and or drainage system.	4	0	4	4
4. To approve 4 potable water projects per year.	4	2	21	23
5. To train 4 counterparts each year to design, implement and evaluate infrastructure project plans.	4	0	0	0
6. Approve and implement at least 31 infrastructure projects per year.	31	0	60	60

**C. Other Accomplishments and Overall Status**

The PL 480 Title II food aid program of SHARE through its four integrated components aims to bring the greatest impact with limited resources to the poorest rural areas of Guatemala. Each component has objectives directed at improving the socioeconomic conditions of poor rural communities and at improving the organizational capabilities of SHARE's counterparts. SHARE has collaborated closely with the Mission, not only in the development of benchmarks for its program, but also by participating in activities designed to improve Title II program effectiveness in Guatemala.

- Analysis and results of a Baseline Study on MCH are being processed and will be presented shortly.
- Implementation of financial and management manuals.

**D. Problems and Delays**

- The delay of three GOG payment/funds has caused significant delay in SHARE not paying its providers.
- SHARE financial and management system have not been certified. They had been given a conditional certification which expired October 31, 1993. SHARE appears to have taken the steps required for unconditional certification and is presently awaiting the revision of the financial and management systems by the Mission so that the systems can be certified.

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

- Complete hiring for the approved staffing pattern to assure SHARE has adequate capable staff to carry out approved MYOP.
- SHARE will continue to provide training to its staff in the AID rules and regulations related to the Food Aid programs.

**IA. BACKGROUND DATA**

Project Title: Feed the Children (FTC)  
Project Number: PL 480 Title II  
Date of Authorization: December 11, 1992 (STATE 399412)  
End of MYOP: September 30, 1995  
Implementing Agencies: Ministry of Finance  
Major Contractors: N/A  
AID Project Manager: Julia Husa  
Date of Last Evaluation: N/A Next Evaluation: N/A  
Date of Last Audit: N/A Next Audit: N/A

**IB. FINANCIAL DATA (STATE 399412 - Line 17)**

A. Commodity Amount: \$297,005  
B. Ocean Freight: \$ 98,125  
C. Total Title II Input: \$395,130

**COMMODITY DATA IN METRIC TONS**

• Opening Balance this FY 10/01/92: 43.3 MT  
• Approved Total Line 17 AER: 785 MT  
• Called Forward to Date: 785 MT  
• Monetized to Date: 0 MT  
• Total Called Forward to Date: 785 MT  
• Balance not Used to Date: 0 MT  
• Percent not Called Forward: 0%  
• Distributed FY 93: 500 MT  
• Inventory Balance 9/30/93: 206 MT

**IIA. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES**

No specific linkage: Other Child Feeding (OCF)

**IIB. PROJECT PURPOSE**

The purpose of the Other Child Feeding program managed by Feed the Children is to provide food commodities and relief services to at-risk children of pre-school and primary school age.

**III. PROJECT DESCRIPTION**

During FY 93 FTC established the program with 17,000 beneficiaries. The target population for this program are children of pre-school and primary school age but will also include children up to the age of 14 who: reside outside of the family setting, participate in child day care programs specifically designed to provide services to the needy families/communities, have little or no family support and/or reside in temporary shelters.

**IV. PROJECT STATUS**

**MYOP OCF ROPS**

**Progress To Date**

- |   |   |
|---|---|
| 1. Develop an organized system that will better address the nutritional needs of high risk Guatemalan children that fall within the OCF category. | A system has been established through which staff members of the organizations have been trained in how to measure and weigh a participant (Navarro chart). |
| 2. Assist the OCF recipient agencies to develop long term strategies to reduce reliance upon U.S. supplied commodities.                           | FTC is developing a strategy that will provide appropriate support to the recipient agencies so that they can become self supporting.                       |

<u>MYOP OCF OUTPUTS</u>	<u>ACCOMPLISHED</u>			
	<u>Planned FY 93</u>	<u>1st Semester</u>	<u>2nd Semester</u>	<u>Actual FY 93</u>
1. FTC will develop eligibility criteria and a statement of local regulatory requirements for the OCF program.	June 93	No progress	Criteria developed	Criteria used in selection of 98% sites
2. The application of interim criteria to administer the program in selected sites currently being administered by other PVOs and recruitment of additional appropriate recipient agencies.	June 93	No progress	Criteria in sites 98%	Criteria used in 98% of sites

**C. Other Accomplishments and Overall Status**

In March 1993 Feed the Children received its first call forward which allowed it to begin its first complete transfer of commodities from the port to the Recipient Agencies in charge of the OCF program. During FY 93 program resources have been used to establish administrative control and ensure compliance with USAID regulations.

- Management Information Systems (perpetual inventory) in place to improve the management of Pl 480 Title II commodities.
- The GOG signed the FFP agreement for a one year period. This agreement gives FTC the ability to have access to GOG funds through the Ministry of Finance. However, a separate Letter of Agreement must be signed by the MIN FIN reserving a specific amount for calendar year 1994.

**D. Problems and Delays**

- Resolution of the duty free import permit through the Ministry of Finance so that FTC can import the commodities without paying the IVA.
- Inability of INDECA to provide a rapid resolution to the import permits for grain.

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

- Regional workshops for supervisors of the centers and training for the warehouse staff.
- Publications of Newsletter of activities.
- Meetings with MINFIN staff will continue to assure that a 1994 Letter of Agreement will be signed so that FTC will be assured of GOG funds in amount of Q700,378.

BEST AVAILABLE COPY

149

**III. PROJECT STATUS REPORTS  
REGIONAL PROJECTS**

FINANCIAL SUMMARY OF ROCAP PORTFOLIO  
APRIL 01, 1993 THROUGH SEPTEMBER 30, 1993  
(\$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 INT OBLIG.	LAST REVISED PACD	% OF LOP ELAP.	% OBLIG. EXPEN.	AUTH. LOP AMOUNT	CURRENT FY OBLIG TO DATE	CUMUL. AMOUNT OBLIG.	MORT-GAGE PIPELINE	BEG. FY SEMESTER EXPEND.	PLANNED SEMESTER EXPEND.	ACCRUED SEMESTER EXPEND.	ACCRUED AS % OF PLANNED	CUM. ACCRUED EXPEND.	ENDING PIPELINE	PLANNED EXPEND. (NEXT SEM)
<b>ACTIVE PROJECTS</b>																	
5960123.00	EXPRT AGRBSNSS & (L)		09/30/86	03/31/84	93	86	20,751	0	20,751	0	3,254	960	658	69	17,977	2,774	1,753
5960147.00	ECONOMIC POLICY & (G)		08/30/86	08/28/86	72	98	4,300	617	4,122	258	1,049	380	99	26	2,662	1,280	419
5960149.00	PRIVATE SECTOR IN (G)		02/27/86	06/30/83	100	99	3,732	(5)	3,720	12	607	310	253	81	3,703	17	0
5960165.00	NON-TRADITIONAL E (G)		08/28/91	09/30/86	51	79	8,500	2,019	6,567	1,933	2,503	925	1,755	189	5,234	1,333	1,295
5960177.00	SUPPORT FOR PARTN (G)		08/25/92	08/24/87	22	20	1,235	788	1,235	0	448	220	202	91	258	877	449
<b>SUBTOTAL AN OPEN AND COMPETITIVE REGIONAL ECONOMY</b>					88	71	38,586	3,417	36,395	2,203	8,082	2,785	2,967	107	30,034	6,361	3,916
5960129.00	REG AGRICULTURAL (G)		08/10/86	12/31/83 (G) 08/30/86 (CF)	97	99	8,300	0	8,254	46	508	0	70	0	8,179	75	0
5960150.00	NATURAL RESOURCES (G)		08/15/89	08/30/86	86	70	50,200	7,049	39,264	10,936	13,589	5,300	5,138	96	27,739	11,525	4,504
<b>SUBTOTAL ENVIRONMENTALLY SOUND AND EFFICIENT PRACTICES IN NATURAL RESOURCE MANAGEMENT</b>					81	85	58,500	7,049	47,518	10,982	14,095	5,300	5,206	96	35,918	11,000	4,504
5960167.00	LOCAL GOVT. REG. OU (G)		08/22/92	06/30/99	15	48	6,000	729	693	5,107	159	690	422	61	433	460	905
<b>SUBTOTAL MORE EFFECTIVE AND DEMOCRATIC LOCAL GOVERNANCE</b>					15	48	6,000	729	693	5,107	159	690	422	61	433	460	905
5960162.00	REGIONAL DEVELOPM (G)		08/28/90	09/30/86	54	85	5,000	360	2,712	2,288	1,329	497	798	160	2,315	367	237
<b>SUBTOTAL IN SUPPORT OF ALL THREE OBJECTIVES</b>					54	85	5,000	360	2,712	2,288	1,329	497	798	160	2,315	367	237
5960116.00	TECH SUPPORT FOR (G)		03/28/86	05/31/83	100	99	6,100	(10)	6,090	10	467	0	63	0	6,090	1	0
5960130.00	CEN. AMER. PEACE S (G)		02/28/87	09/30/83	100	96	8,992	(5)	8,905	87	362	25	(4)	0	8,564	241	0
5960146.00	RURAL ELECTRIFICA (G)		05/05/87	03/31/86	81	60	11,500	1,500	11,500	0	3,892	1,150	1,692	147	9,285	2,235	1,188
5960169.00	INCAP INSTL STREN (G)		06/28/91	08/30/84	75	59	4,600	399	4,600	0	3,685	1,131	1,530	135	2,718	1,862	654
5960176.00	CENTRAL AMERICN DE (G)		09/30/91	09/30/86	50	7	498	0	498	0	498	160	(2)	0	37	461	105
<b>SUBTOTAL OTHER PROJECTS</b>					81	68	29,590	1,873	29,493	97	8,904	2,466	3,279	133	24,674	4,820	1,947
<b>TOTAL ACTIVE PROJECTS</b>					80	71	137,688	13,448	117,011	20,677	32,548	11,738	12,674	108	83,374	23,638	11,508

BEST AVAILABLE COPY

150  
151

**FINANCIAL SUMMARY OF ROCAP PORTFOLIO  
APRIL 01, 1983 THROUGH SEPTEMBER 30, 1983  
(\$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 INT. OBLIG.	LAST REVISED PACD	% OF LOP ELAP.	% OBLIG. EXPEN.	AUTH. LOP AMOUNT	CURRENT FY OBLIG TO DATE	CUMUL AMOUNT OBLIG.	MORT- GAGE	BEG. FY PIPELINE	PLANNED SEMESTER EXPEND.	ACCRUED SEMESTER EXPEND.	ACCRUED AS % OF PLANNED	CUM. ACCRUED EXPEND.	ENDING PIPELINE	PLANNED EXPEND. (NEXT SEM)
<b>TERMINATED PROJECTS</b>																	
5880115.00	ORT GROWTH MONIT(G)		12/14/84	06/31/82	100	99	9,650	(173)	9,477		290	0	2	0	9,473	4	0
5880143.00	CA SHELTER AND UR(G)		08/24/87	08/30/82	100	99	4,000	(244)	2,140		254	0	3	0	2,138	4	0
<b>SUBTOTAL TERMINATED PROJECTS</b>					<b>100</b>	<b>99</b>	<b>13,650</b>	<b>(417)</b>	<b>11,617</b>	<b>0</b>	<b>504</b>	<b>0</b>	<b>5</b>	<b>0</b>	<b>11,809</b>	<b>8</b>	<b>0</b>
<b>FINAL TOTAL</b>					<b>80</b>	<b>85</b>	<b>151,338</b>	<b>13,831</b>	<b>128,828</b>	<b>20,677</b>	<b>33,053</b>	<b>11,738</b>	<b>12,879</b>	<b>108</b>	<b>104,583</b>	<b>23,648</b>	<b>11,509</b>

U:\PDS\FUB\123\DATA\ROCAP

BEST AVAILABLE COPY

Report Option:

Pipeline Analysis  
 R O C A P - 596  
 as of September 30, 1992  
 (\$000)

) = Projects by Mission )

Project Number (1)	Project Title (2)	Cumulative Obligation (3)	FY Obligations (4)										Pipeline 9/30/93 (5)	Pipeline (6)											
			1986	1987	1988	1989	1990	1991	1992	1993	1986	1987	1988	1989	1990	1991	1992	1993							
0108	NON-TRADITIONAL AG. EXP. SU G	8,732	1,999	1,999	3,745	192	752	46					0												
0115	ORT GROWTH MONITORING & EDU G	9,477	8,000	743	733								4		4										
0116	TECH SUPPORT FOR FOOD ASSIS G	6,090	5,990	262	239								1		1										
0123	EXPT AGRIBUSN & DULPHNT PR L	20,751	6,600	6,149	2,251	1,000	4,751						2,774									2,774			
0127	REGIONAL AG RESOURCES NET G	2,500		500	1,000	1,000							0												
0129	REG AGRICULTURAL HIGHER ED G	8,550	4,450	1,000	1,000	800			1,300				76		20	19	11					17			
0130	CEN. AMER. PEACE SCHOLAR. NOC G	4,338		799	1,469	2,064			6				241		51	56	133								
0143	CA SHELTER AND URBAN DEV G	2,140		2,140									4		4										
0146	RURAL ELECTRIFICATION SUPPO G	11,500		5,000				5,000			1,500		2,235		107						628		1,500		
0147	ECONOMIC POLICY AND RESEARC G	3,484			730	699	804	705	547				694			1	12	108			232	340			
0149	PRIVATE SECTOR INITIATIVES G	3,720				880	1,368	729	744				17								16				
0150	NATURAL RESOURCES MGMT. G	32,937				8,375	11,110	7,287	5,059	1,106			5,198								1,337	3,289	1,009	1,401	-1,918
0162	REGIONAL DEVELOPMENT SUPPOR G	2,281						455	749	1,077			658								5	33	630		
0165	NON-TRADITIONAL EXPORT SUPP G	6,048							3,148	1,400	1,500		1,824									324		1,500	
0167	LOCAL GOVT. REG. OUTREACH STR G	278								163	115		194										81	113	
0169	INCAP INSTL STRENGTHENING G	4,600							1,796	2,415	389		1,882									668	826	389	
0176	CENTRAL AMERIC DEV COORD CO G	498							498				461									461			
0177	SUPPORT FOR PARTNER DEMOC. & G	1,235								448	787		977										190	787	
Total by Mission:		129,159	26,639	18,592	11,166	15,010	24,240	16,264	11,853	5,397			17,250	0	190	81	1,493	6,804	2,760	3,548	2,371				

BEST AVAILABLE COPY

151

155

**EXCEPTIONS MATRIX**  
**USAID/ROCAP PORTFOLIO**  
 April 1, 1993 - September 30, 1993

Project No.	Project Name	Date of Init. Oblig.	Project Rating	Status of CP's	Size of Pipeline	Age of Pipeline	Accrued Expend.	Uncomm Balance	EOPS A	EOPS B	Audit A	Audit B	Eval A	Eval B
596-0116	Tech. Support for Food Asst. (G)	03/28/85	B							✓			✓	
596-0123	Exp. Agrib. & Dev. Prom. (L)	09/30/86	B		✓✓		✓			✓	✓✓		✓	
596-0129	Reg. Ag. Higher Education (G)	08/10/85	A				✓			✓		✓✓		
596-0130	C.A. Peace Scholarship Program (G)	08/06/85	A									✓	✓✓	
596-0146	Rural Electrification Support (G)	05/05/87	A		✓✓					✓				
596-0147	Economic Policy Research	08/30/88	B		✓✓		✓			✓		✓		
596-0149	Private Sector Initiatives	02/27/89	A								✓			
596-0150	Reg. Env. & Nat. Resources Mgt. (G)	09/15/89	B									✓✓	✓	
596-0162	Regional Development Support (G)	02/28/90	B											
596-0165	Export Industry Technology Supp. (G)	08/29/91	B											✓
596-0167	Local Govmt Reg. Out. Strategy (G)	09/22/92	B				✓							
596-0169	INCAP Institutional Streng. (G)	06/28/91	B		✓				✓✓					
596-0176	C.A. Dev. Coord. Commission (G)	09/30/91	B		✓✓		✓	✓	✓		✓✓			
596-0177	Partnership for Democracy and Development (G)	08/25/92	B		✓✓		✓				✓✓			

(U:\PDR\OFU\DOC\MATRIX.XLS)

BEST AVAILABLE COPY

**OPEN AND COMPETITIVE REGIONAL ECONOMY**

**IA. BACKGROUND DATA**

Project Title: Export Agribusiness and Development Promotion  
Project Number: 596-0123  
Date of Authorization: original 09/16/86                      amendment 09/13/90  
Date of Obligation: original 09/30/86                      amendment 09/13/90  
PACD: original 09/30/89                                      amendment 03/31/94  
Implementing Agencies: Latin American Agribusiness Development Corporation  
Major Contractors:  
AID Project Manager: Ray Waldron  
Status of CPs/Covenants: Initial CPs Met 12/16/86  
Date of Last Evaluation: 6/89                      Next Evaluation: N/A  
Planned Number of Non-Federal Audits during Fiscal Year: One  
The Number of such Audits Contracted for/Completed: 0/0  
Date of Last Audit: N/A                      Next Audit: N/A

**1B. FINANCIAL DATA**

Amount Authorized:	DA/ESF Loan: original	\$15,000,000	amended to \$20,751,000
Amount Obligated:	DA/ESF Loan: original	\$ 6,600,000	amended to \$20,751,000
Amount Committed:	Period:	\$ 0	
	Cumulative:	\$20,751,000	
Accrued Expenditures:	Period - Projected:	\$ 950,000	
	Period - Actual:	\$ 657,500	
	Cumulative:	\$17,976,562	
	Period - Next:	\$ 1,004,500	
Counterpart Contribution:	Planned:	\$ 2,600,000*	
	Actual:	\$ 2,248,438*	
% LOP Elapsed:		93.30%	
% of Total Auth. Oblig.		100%	
% of Total Oblig. Exp.		86.80%	
% of Total Auth. Exp.		86.80%	

\* Reported but not legally required under agreement

---

**IIA. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES**

Specific Linkage to Strategic Objectives: The project contributes to a more open regional economy through the financing of business ventures in the non-traditional export agriculture sector.

Percent of LOP Funds Relating to Strategic Objectives: 100%

**IIB. PROJECT PURPOSE**

To expand non-traditional agricultural exports from Central America and increase levels of income in the economies of these countries.

**III. PROJECT DESCRIPTION**

ROCAP, through an amendment to the LAAD project, continues to finance business projects specifically for Panama and Nicaragua directed towards non-traditional export agriculture, which contributes to the growth of exports. Key areas of lending have been fruits and vegetables (both fresh and frozen/processed), beef processing, seafood cultivation and processing, cut flowers and ornamental plants. LAAD's lending has the following characteristics: (1) all loans are made and repaid in dollars; (2) loans are made to new enterprises, expansions, or firms that are diversifying into new areas of production or market; (3) loan requests are processed rapidly; (4) loan decisions are based on entrepreneurial skills and management ability; and, (5) collateral requirements are realistic

154  
10

in terms of subproject capacity and generally lower than demanded by other sources of lending.

**IV. PROJECT STATUS**

Planned EOPS

Progress To Date

- |   |  |
|---|--|
| <ol style="list-style-type: none"> <li>1. Foreign exchange generated from non-traditional export sales equals 1.5 times total project funding or approximately \$27 million over 3 year life of project.</li> <li>2. 3,600 new jobs created based on formula of one job for every \$5,000 of project loan funds and total project funding of \$18 million.</li> <li>3. Income increased of: (a) agribusiness sub-borrowers, (b) employees of agribusiness sub-borrowers, (c) small and medium producers supplying raw materials to sub-borrowers, (d) firms involved in indirect processing, transport, post-harvest packing and storage, and marketing.</li> </ol> | <p>For the 20 projects financed under this amendment (with a combination of ROCAP and LAAD funds) it is estimated that current foreign exchange income is \$24.5 million.</p> <p>For the 20 projects financed under this amendment, current employees are over 1,280, including those workers in field crops such as sesame and melons.</p> <p>Data to confirm these outputs will be presented in the end of project document.</p> |
|---|--|

**B. Major Outputs**

	<u>Planned</u>				<u>Accomplished</u>		
	LOP	Period	Cum.	Next Period	Period	Cum.	% of LOP
1. Loans provided (at an average of \$400,000 per loan)	50	7	82	3	3	95	190%

**C. Other Accomplishments and Overall Status**

Loans for two new melon projects were approved for Panama (\$500,000) and additional funding (160,500) provided for a shrimp operation in Panama.

**WID Statement**

Although LAAD does not currently have projects where the principal owner is a women, in the majority of their projects e.g. cut flowers, onions, women are used almost exclusively in packing operations and to a large degree in harvesting. In the flower and ornamental plant industry the majority of the work force are women.

**D. Problems and Delays**

The difficult situation in Nicaragua, resulting from the continued instability and consequent land titling problems and burdensome banking procedures continue. Nevertheless, two projects were booked during this period: a sesame seed processing plant and for sweet onions and the sesame plant was also approved. The constantly changing political scene makes it difficult to develop projects.

This situation has resulted in terminations of two earlier loans-Cafe Soluble (\$400,000) and El Eden (\$400,000), and delayed disbursements of others. More relevant to the present, it affects the thinking of potential clients such as the Gurdian family, now hesitant to go forward with new projects.

155

LAAD still maintains an aggressive posture in trying to find and do business in Nicaragua, and though we anticipate being able to draw down 100% of the AID funds for the Nicaraguan program, the country situation probably will result in a delay of one to two years in completing that draw down.

The situation in Panama is different and the funds planned for Panama will be disbursed by PACD. Counterpart funding will also have been disbursed in Panama by PACD. In fact, the LAAD Panama office has become very successful and will have disbursed more than double their original counterpart.

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

In Panama two new projects in cut flowers and ornamental plants will be approved and additional funding provided for established projects.

In Nicaragua new projects being considered include La Campa, a shrimp processing plant; Manprosa, a sweet onion project; the Gurdian family, melons, shrimp and other crops; and, others.

The LAAD Nicaragua representative, USAID/Nicaragua staff and the LAAD project officer will meet in Nicaragua in November to examine all potential projects and reasons for not being able to develop them by PACD. At least three alternatives exist for the funds that will remain in the project at PACD ( $\pm$  \$1,800,000): 1. deobligate the funds 2. use the funds for other LAAD projects in Central America; 3. a no cost extension to the existing project so that funds destined for Nicaragua can be disbursed.

156  
-  
153

**IA. BACKGROUND DATA**

Project Title: Economic Policy Research  
 Project Number: 596-0147  
 Date of Authorization: original 08/29/88 amendment 07/18/90  
 Date of Obligation: original 08/30/88 amendment 09/30/92  
 PACD: original 02/28/91 amendment 08/31/95  
 Implementing Agencies:  
 - The Permanent Secretariat of the General Treaty of Central American Economic Integration (SIECA)  
 - Central American Institute of Business Administration (INCAE)  
 - The Institute of Economic and Social Research of the Caribbean Basin (IESCARIBE) <sup>2</sup>  
 - Federation of Private Sector Entities of Central America and Panama (FEDEPRICAP)  
 AID Project Manager: Ana Vilma Pocasangre  
 Status of CPs/Covenants: All met  
 Date of Last Evaluation: 04/08/91 Next Evaluation: SIECA: 11/93  
 Planned Number of Non-Federal Audits during Fiscal Year: 1  
 The Number of such Audits Contracted for/Completed:  
 Date of Last Audit: INCAE: 06/93 Next Audit: INCAE: --  
 SIECA: 03/92 SIECA: 03/94  
 FEDEPRICAP: -- FEDEPRICAP: 07/94

**IB. FINANCIAL DATA**

Amount Authorized:	DA/ESF Grant: original	\$ 1,700,000	amended to	\$ 4,380,000
Amount Obligated:	DA/ESF Grant: original	\$ 1,486,000	amended to	\$ 4,121,966
Amount Committed:	Period:	\$ 318,325		
	Cumulative:	\$ 3,456,692		
Accrued Expenditures:	Period - Projected:	\$ 380,000		
	Period - Actual:	\$ 99,358		
	Cumulative:	\$ 2,862,458		
	Period - Next:	\$ 419,000		
Counterpart Contribution:	Planned: (SIECA)	\$ 959,000		
	Actual:	\$ 550,000		
	Planned: (FEDEPRICAP)	\$ 63,333		
	Actual:	\$ 18,536		
% LOP Elapsed:	SIECA	72%		
	INCAE	100%		
	FEDEPRICAP	25%		
% of Total Auth. Oblig.	SIECA	100%		
	INCAE	100%		
	FEDEPRICAP	100%		
% of Total Oblig. Exp.	SIECA	55%		
	INCAE	99%		
	FEDEPRICAP	38%		
% of Total Auth. Exp.	SIECA	55%		
	INCAE	99%		
	FEDEPRICAP	38%		

INCAE Cooperative Agreement's PACD: 6/30/93  
 SIECA Grant Agreement PACD and Project Authorization's PACD is 08/31/95  
 FEDEPRICAP Grant Agreement PACD is: 07/01/94

The Cooperative Agreement with IESCARIBE was terminated on 12/31/90

157  
156

**IIA. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES**

**Specific Linkage to Strategic Objectives:** The Project supports an open and competitive regional economy. It supports activities (research, dialogue, training) that help the Central American countries promote and harmonize policy reform and economic modernization which in turn promotes efficient production and trade, as well as strengthens their capacity to conduct joint trade negotiations outside the region.

**Percent of LOP Funds Relating to Strategic Objectives:** 100%

**IIB. PROJECT PURPOSE**

To increase the quantity and quality of economic research and analysis by economic research centers and universities in Central America on critical economic policy issues, and to raise the level of public understanding and dialogue on those issues.

**III. PROJECT DESCRIPTION**

The Project has three main components, each intended to alleviate the problem of inadequate policy analysis and decision-making. These are (1) quality policy studies by selected investigators or institutions; (2) dissemination and discussion of studies meeting established standards; and (3) strengthening the capacities of Central American institutions to do policy studies.

Funds have been distributed among four entities as follows: a Grant Agreement with the Permanent Secretariat of the Central American General Treaty Organization for Economic Integration (SIECA), a Cooperative Agreement with the Central American Institute of Business Administration (INCAE), a Grant to the Institute of Economic and Social Research of the Caribbean Basin (IESCARIBE), and a Cooperative Agreement with Federation of Private Sector Entities of Central America and Panama (FEDEPRICAP). Agreements are currently active only with SIECA and FEDEPRICAP.

**IV. PROJECT STATUS**

	<u>Planned EOPS</u>	<u>Progress To Date</u>
1.	Senior Policy Studies (SIECA & INCAE)	37 studies on External Trade Policy Tariffs, Fiscal Policy, etc., completed
2.	Published Studies (SIECA & INCAE)	21 studies published
3.	Policy Dialogue Seminars	6 high level seminars held successfully
4.	Research Seminars (INCAE)	5 seminars held
5.	Technical Training (INCAE)	9 seminars to train junior investigators held
6.	Institutional Strengthening (SIECA)	5 support activities (training, software, reorganizational structure, information system equipment, etc.) provided to SIECA.
7.	Research Studies (FEDEPRICAP)	2 studies being developed (Infrastructure and Competitiveness and Technology)

158  
15

**B. Major Outputs <sup>3</sup>**

	<u>Planned</u>				<u>Accomplished</u>		
	LOP	Period	Cum.	Next Period	Period	Cum.	% of LOP
1. Economic Policy Research	28	4	34	4	4	37	132
2. Strengthening Institutions	4-6	1	5	0	1	6	100
3. Published studies	20	0	21	1	0	21	105
4. Policy Dialogue Seminars	6	0	6	0	0	6	100
5. Training	8	0	9	0	0	9	113
5a. Short Term	126	39	109	0	0	<u>M</u> <u>F</u> 74 35	86
6. Research Seminars	4	1	5	0	1	5	125

**C. Other Accomplishments and Overall Status**

**1. SIECA**

Because of the merger of the two Missions (ROCAP/USAID Guatemala) into one, a new project officer was designated for the project in July 1993. This designation coincided with the signature of the extension of the project until August 28, 1995.

The amendment of this project will continue to support SIECA's activities as called for by the C.A. Economic Cabinets, on the basis of their First Action Program approved in March 1992. A new workplan from September 1993 to August 1994 is being prepared by SIECA. The SIECA activities under this amendment will include: 1. continuation of the analysis of fiscal policies related to the promotion of trade and investment in C.A. and the design of a viable program of harmonization and coordination of such policies; 2. preparation of seminars and workshops to present findings of this research and discuss their policy implications with the participation of officers of the Ministries of Finances and representatives of the region's private sector; 3. procurement of technical assistance under a personal services contract to articulate a regional policy agenda in accordance with the C.A. trade and investment strategy.

A major action completed includes the preparation by two consultants, both former ministers of economy, of a protocol to amend the General Treaty of C.A. Economic Integration. The basis of this program is to adopt changes required for the modernization and opening of the C.A. economies, as decided at the Presidential Summits (Plan de Acción Económico para Centroamérica (PAECA) June 1990) and as implemented by the C.A. Cabinets. The proposal was discussed by the Economic Cabinets April 23-24 and with the C.A. private sector, prior to presentation for approval at the next Presidential Summit in October, 1993.

The three studies/reports in the fiscal area that were completed in March '93 (1) a Comparative Report on the Main Fiscal Laws in Central America; 2) Status of Fiscal Systems in C.A. Countries; and 3) Specific Consumption Taxes and the Fiscal Harmonization Processes in Central America) are the basis for the current research that is under preparation by SIECA on other topics which are considered relevant by the Regional Group of Tax Administration (GRAT) (i.e. methodologies to analyze the impact of fiscal harmonization; technical proposals directed at addressing how to absorb the negative financial impacts of harmonization, etc.).

---

Based upon last workplan. These outputs are going to change with new workplan.

159  
158

A study on macro-economic policies and a proposal on harmonization of such policies has been completed, and two case studies on the application of the anti-dumping code in a Central American import-export context were presented and discussed with interested private sector representatives at seminars held by SIECA in each C.A. country.

During this reporting period, a Seminar on Free Trade Negotiations with Mexico, Venezuela and Colombia was held; this activity was designed for selected negotiators of C.A. countries. The Seminar was held in Antigua-Guatemala, and was co-sponsored by AID and UNCTAD. Experts from the UN Center for Applied Studies on International Negotiations (CASIN) led the Seminar

A new UNDP/AID Coordinating Meeting has been created. The idea is to coordinate projects and activities that SIECA is going to implement with both institutions in order to avoid problems and duplicity of activities.

## 2. INCAE

This component of the project ended on June 30, 1993. The last audit prepared by Arthur & Andersen was presented in June 1993. INCAE has been requested to prepare a project final report. AID approved INCAE's publication of the study on Cost Adjustment.

## 3. FEDEPRICAP

On July 1, 1993, a one year Cooperative Agreement was signed with FEDEPRICAP. The purpose of this Agreement is to provide funding to FEDEPRICAP to continue to work in two specific activities keyed to enhance the ability of regional businesses to compete effectively in overseas markets: 1. the promotion of competitive industry within the region and the creation of an attractive environment for the application of new technologies, and 2. strengthening the role of telecommunication, and energy systems (Infrastructure).

## 4. AID

In July 1993, technical assistance for the CA Monetary Council (CAMC) started. The purpose of this technical assistance was to evaluate the situation of the capital markets in CA, and the feasibility of its possible integration. The technical assistance was provided by Nathan Associates, and final report will be ready by the end of November 1993.

The scope of work for technical assistance to work on regional policy has been prepared.

## D. Problems and Delays

SIECA is late in the presentation of their Work Plan for September 1993/August 1994 to AID. Because this Plan will establish the guidelines of the activities that SIECA is going to develop in this period, pressure is being put on SIECA in order to get this Plan as soon as possible.

Donor coordination committee must be established (IDB, UNDP, WB, IMF and AID), in order to coordinate activities, actions and project that are being developed in the region funded under those institutions.

Initial difficulties with FEDEPRICAP related to the transition to a new type of agreement (including overhead and direct project costs rather than covering all operating expenses) delayed project implementation. These difficulties have been resolved, but issues remain about FEDEPRICAP financial sustainability once AID funding is completed.

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

Given the accelerated pace of activities supported by this project, we will continue supporting SIECA and other selected institutions (i.e. the C.A. Monetary Council) to respond effectively to mandates from the C.A. Economic Cabinets, Meeting of Ministers of Finance, and other regional fora, to provide them with the required, high-quality research on which to base their decisions.

160  
61  
15

We will discuss with SIECA the scope of work for the project's evaluation. The evaluation will combine the project impact assessment and SIECA's performance evaluation.

INCAE's final report will be prepared and presented in order to close the activity.

In the component "Competitiveness and Technology" of FEDEPRICAP's project, a series of seminars will be held in order to develop the necessary climate to harmonize legislation and promote micro-economic (firm-level) changes within the region.

In November 1993, USAID will receive the final report of the evaluation of the situation of the Capital Markets in C.A.

The Mission is reformulating its regional economic strategy and will thus be adjusting both program and project level indicators to better reflect impact in this area.

(P:PUBLICDOCS:5AR-147)

161  
163

**IA. BACKGROUND DATA**

Project Title: Private Sector Initiatives Project  
Project Number: 596-0149  
Date of Authorization: original 02/27/89 amendment 09/29/92  
Date of Obligation: original 02/27/89 amendment 09/29/92  
PACD: original 02/15/92 amendment 06/30/93  
Implementing Agencies: Federation of Private Sector Entities of Central America and Panama (FEDEPRICAP)  
AID Project Manager: Albert L. Zucca, AVPocasangre  
Status of CPs/Covenants: N/A  
Date of Last Evaluation: 07/93 Next Evaluation: N/A  
Planned Number of Non-Federal Audits during Fiscal Year: 1  
The Number of such Audits Contracted for/Completed: 1  
Date of Last Audit: 03/93 Next Audit: N/A

**IB. FINANCIAL DATA**

Amount Authorized:	DA/ESF Grant: original	\$1,900,000	amended to \$3,732,000
Amount Obligated:	DA/ESF Grant: original	\$ 600,000	amended to \$3,719,905
Amount Committed:	Period:	\$ (1,682) <sup>1</sup>	
	Cumulative:	\$3,719,905	
Accrued Expenditures:	Period - Projected:	\$ 310,169	
	Period - Actual:	\$ 253,182	
	Cumulative:	\$3,703,232	
	Period - Next:	\$ 0	
Counterpart Contribution:	Planned:	\$ 291,757	
	Actual:	\$ 279,423	
% LOP Elapsed:		<u>100%</u>	
% of Total Auth. Oblig.		<u>100%</u>	
% of Total Oblig. Exp.		<u>99%</u>	
% of Total Auth. Exp.		<u>99%</u>	

---

**IIA. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES**

Specific Linkage to Strategic Objectives: This project supports the regional private sector's efforts to develop and defend the free enterprise system, promote economic development, strengthen regional efforts and social reforms, and foster public-private sector dialogue at a regional level in support of the principles of private enterprise in a more open regional economy.

Percent of LOP Funds Relating to Strategic Objectives: 100%

**IIB. PROJECT PURPOSE**

This Project strengthens the Central American private sector's capacity to influence the direction of socioeconomic development in the region, and to increase the knowledge and participation of the private sector in fostering a more open regional economy and economic development.

**III. PROJECT DESCRIPTION**

In order to assist in regional private sector development, FEDEPRICAP is focusing on the following components: (a) mounting efforts to regain and improve upon past initiatives at regional trade and economic integration and cooperation; (b) designing solutions to transport bottlenecks; (c) developing financial instruments to mobilize capital; and (d) installing a comprehensive information and communication system for its affiliates.

---

This period amount is negative due to a 1311 review.

162  
161

**IV. PROJECT STATUS**

	<u>Planned EOPS</u>	<u>Progress To Date</u>
1.	Developed strategic and business plan fully operational.	Annual strategic plans developed and operational; entity fully staffed.
2.	Comprehensive information referral system established for transport trade and finance.	Electronic mail system in place; database prepared.
3.	Promoted negotiated settlements among regional countries.	Assumed regional private sector representation in formulating CA integration approaches.
4.	Monitored relevant legislation in the region and elsewhere.	Active in CBI II, Enterprise for the Americas and industry conversion initiatives; also regional capital and transport legislation.

**B. Major Outputs**

	<u>Planned</u>				<u>Accomplished</u>		
	LOP	Period	Cum.	Next Period	Period	Cum.	% of LOP
1. Policy Analysis Studies	60	6	42	0	7	51	85
2. Training Workshops	141	15	130	0	20	130	92
3. Mechanisms for more effective capital mobilization	20	3	19	0	0	20	100
4. Information and Referral Network established	11	2	11	0	2	12	109
5. TA Interventions in Institutional, Technical and Administration Capacity	105	15	87	0	15	102	97
6. Short Term Training (Persons)							
Male	2,665	240	1,955	0	30	1,985	91
Female	1,142	160	725	0	20	680	60

**C. Other Accomplishments and Overall Status**

A final evaluation of the project was completed by Price Waterhouse. The main conclusions were: 1. Both outside and inside the region, FEDEPRICAP is considered a critical factor for the entrance of the region into international markets (because of its knowledge of the region and its contacts). The entity is mostly recognized at an international level; 2. The internal recognition (by member organizations) of the impact attained by current management is rather low. No synergy has been reached nor has a membership feeling been developed within the system; and 3. FEDEPRICAP should focus more on: i. Assistance to the private sector for it to improve its relevance (including training and exchange of related information) and ii. Consensus gathering within the private sector at a regional level and implementation of a short, medium and long term planning system which allows for the allocation of priorities, the establishment of attainable goals and concrete commitments.

16  
1.7

An audit of FEDEPRICAP was done by Ceciliano and Co. (Coopers and Lybrand). The period covered was April/1/92 to March/31/93. There were no major findings in the Audit.

Before the June 1993 PACD of the project, FEDEPRICAP paid the taxes that were pending.

In August 1993, Mission staff visited FEDEPRICAP to review pending issues (financial and technical) related with the close-out of the project. An outline of actions to be taken and due dates to close-out the project was negotiated with FEDEPRICAP.

From June 9-11, the Semi-Annual Assembly of FEDEPRICAP was held in San Pedro Sula, Honduras.

The purpose of this Assembly was to discuss issues related with their associates and new guidelines for FEDEPRICAP related with regional integration.

D. Problems and Delays

No major delays were experienced during the period.

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

- The Project Assistance Completion Report will be prepared, base upon a final report from FEDEPRICAP.
- The project will be closed-out and pending financial issues resolved.
- An evaluation summary of the final evaluation will be prepared and sent to Washington.

164  
163

**IA. BACKGROUND DATA**

Project Title: Export Industry Technology Support (EXITOS)  
Project Number: 596-0165  
Date of Authorization: original 08/29/92  
Date of Obligation: original 09/29/91 amendment 09/30/93  
PACD: original 09/30/95  
Implementing Agencies: Chemonics International Consulting Division  
Major Contractors: Chemonics International Consulting Division; National Agricultural Export Association  
AID Project Officer: Ray Waldron, ONARM  
AID Project Manager: Richard L. Clark, ONARM  
Status of CPs/Covenants: N/A  
Date of Last Evaluation: N/A Next Evaluation: 09/94  
Planned Number of Non-Federal Audits during Fiscal Year: N/A  
The Number of such Audits Contracted for/Completed: N/A  
Date of Last Audit: N/A Next Audit: N/A

**1B. FINANCIAL DATA**

Amount Authorized:	DA/ESF Grant:	original	\$8,500,000	
Amount Obligated:	DA/ESF Grant:	original	\$3,148,203	amended to \$7,219,996
Amount Committed:	Period:		\$ 518,765	
	Cumulative:		\$6,566,968	
Accrued Expenditures:	Period - Projected:		\$ 925,000	
	Period - Actual:		\$1,755,297.66	
	Cumulative:		\$5,233,690	
	Period - Next:		\$1,295,000	
Counterpart Contribution:	Planned:		N/A	
	Actual:		N/A	
% LOP Elapsed:			51%	
% of Total Auth. Oblig.			77%	
% of Total Oblig. Exp.			79%	
% of Total Auth. Exp.			61%	

Buy-ins:

\$103,983 (USAID/GU)  
\$159,990 (USAID/CR)  
\$ 49,982.75 (USAID/N)

**IIA. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES**

**Specific Linkage to Strategic Objectives:** EXITOS contributes to a more open regional economy by providing technical assistance to the produce industry to promote sales of non-traditional agricultural commodities.

**Percent of LOP Funds Relating to Strategic Objectives:** 100% of the funds contribute to a more open regional economy.

**IIB. PROJECT PURPOSE**

To increase the Sales and/or Volumes of Central American Non-traditional Exports.

**III. PROJECT DESCRIPTION**

EXITOS is a four year follow-on activity to the successful PROEXAG project and will continue to contribute to broad-based, sustainable economic growth in Central America by increasing the sales of non-traditional agricultural exports. Assistance will cover a wide range of commodities and themes in all stages of the export produce industry: production, post

harvest, packaging, processing, marketing, information management, library systems, and sustainability of the counterpart organizations.

**IV. PROJECT STATUS**

Planned EOPS

Progress To Date

- |  |   |
|--|---|
| <p>1. C.i.f POE (all costs paid, port of entry) export sales of EXITOS client NTAE businesses increases by 15% per year over LOP</p> <p>2. NTAE export sales for CA increase by US \$60 million by EOP</p> <p>3. POE NTAE export volumes increase by 40% by EOP excluding bananas, pineapples, and citrus products</p> | <p>Projected sales for berries, melons, asparagus and onions for '93-94 season are \$225,000,000, up \$85,000,000 from the '92-93 season.</p> <p>Projected volume increases for the '93-94 season are: 60% for melons, 161% for berries, 65% for asparagus and 300% for onions.</p> |
|--|---|

**B. Major Outputs**

		<u>Planned</u>				<u>Accomplished</u>		
		LOP	Period	Cum.	Next Period	Period	Cum.	% of LOP
1.	20 new crop associations established and still in operation by EOP.	20	1	4	5	5	11	55%
2.	250 NTAE businesses receive assistance	250	40	135	50	161	355	142%

<sup>1</sup>When the EXITOS institutional component was originally designed, increased membership was thought to be a good measurement of institutional strength. After working closely with all eleven federations, only five have a stated policy of recruiting new members: GEXPRONT, APENN, FPX, BCCI and GREXPAN. APENN, FPX and GREXPAN have already increased membership since 1991. The other organizations either have a policy of not actively expanding their membership or have saturated their potential market.

Since EXITOS began, the USAID presence and funding level for Central America have changed tremendously. Decreased funding for all of the Export Federations has caused them to review their basic strategies and self sufficiency plans. Many services are being deleted as the sustainability efforts are instituted. Sustainability will probably be achieved, but through decreased services rather than increased revenues. For this reason comparison of revenue generation through export services is not a reliable indicator.

1166  
1165

**PROJECT STATUS REPORT**  
October 1, 1992 - March 31, 1993

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

3.	200 new export market opportunities convey to NTAE businesses	200	20	75	30	47	128	64%
4.	60 deals made over the LOP	60	10	45	10	15	67	111.6%
5.	50 adoptions of key production/marketing technologies by NTAE businesses	50	10	30	10	8	65	130%
<u>Commodity</u>								
6.	20 new NTAE crops and/or crops product-country combinations exported for more than one season over LOP	20	0	2	15	4	7	35%
<u>Training</u>								
7.	7500 NTAE businessmen from 500 companies trained	7500	500	2000	500	3053	6729	89.7%

	M	F	M	F	M	F	M	F	M	F	M	F	M	F
Training (persons)	6375	1125	425	75	1700	300	425	75	2627	426	5626	1103	88.2	98%

**C. Other Accomplishments and Overall Status**

Dr. José Mondofredo retired, but will continue as a short term consultant. Dr. Dale Krigsvold assumed the responsibility for the project's marketing efforts following the resignation of Ricardo Frohmader. Dale also continues to supervise the post-harvest component of the project.

The project held a regional meeting at E.A.R.T.H. in Costa Rica. Coordination was accomplished among the federations of the region, the Central American Parliament, and CORECA (council of ministers of agriculture of the region) regarding a strategy for advancing the number of commodities the region can export to the United States including an appropriate plan for advising APHIS of the priority crops and initial plans of how needed research might be done.

An agreement was reached with USDA to receive their daily reports in database format. The data are automatically passed from USDA to the Chemonics Office in Washington, D.C. The project is the only organization, outside of USDA, which has access to these data in database format. The project generated reports on the FOB prices in England were sent to the USDA Fruit and Vegetable Market News Service.

Commercially accepted tropical fruit varieties were introduced into the region. The transplanting and graftings were monitored throughout this period including 270 grafts of Carambola and Atemoya distributed among Guatemala, El Salvador, Nicaragua and Belize and an independent shipment of litchi, longan, carambola, atemoya and durian to Panama.

The project continues a major effort to introduce and monitor onion, artichoke, and raspberries throughout the region. The introduction of artichokes continues. Areas of the region are at the pilot or initial commercial planting stage, others are approaching trial exports, which should

167  
13

be accomplished in the next reporting period. Major efforts were carried out with the Costa Rican, Guatemalan and Honduran melon certification programs, including coordinating with other consultants, industry businesses, Plant Protection, APHIS, and growers/shippers.

Results were also presented which showed that during the same time frame as the project life, a subset of project activities could be shown to have returned \$4.10 to the economies of Central America for every \$1.00 spent on the project. Furthermore, for every \$1.00 spent on the project, \$9.93 had been returned to the economy of the United States.

The Nicaragua USAID mission executed a buy-in to the project to assist with its institutional development objectives for that country.

#### WID Statement

The project has assisted 14 women-owned companies both in Central America and the United States, as well as many family owned business in which the wife is an active participant. These companies represent producers, shippers, importers and distributors. The most notable is the only certified organic vegetable farm in Central America. Projected sale volume directly related to firms receiving project assistance for 1993-94 will be well over 4 million dollars. Over 400 women participated in training courses, most of them public sector extension agents. Women form the majority of the work force in many NTAE projects in harvest and packing lines.

#### D. Problems and Delays

A major event, the "Onion Summit," scheduled for Nicaragua in September, had to be canceled, due to political unrest in that country. It will probably not be possible to re-schedule this event due to the pressure of the planting season. Even though it was not held, the intense interest from all countries demonstrated the potential to begin considering organizing grower interest on a regional, rather than on a country by country, basis.

A full-time replacement for the vacated long-term marketing slot held by Ricardo Frohmader was not hired. Contract officer approval was received to use re-occurring, extended time, short term consultants to deliver this level of effort in the postharvest areas of the project. There is not sufficient time left on the project to attract the caliber of a full-time team member required.

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

- CADEXCO as well as industry representatives to establish an ornamental, cut flower trade show in Costa Rica in July 1995.
- Conduct the first artichoke trial shipments.
- Get the first trial shipments of raspberries out of Honduras.
- Report the results of the vernonia trials.
- Collect edamame (immature soybeans for Japanese market) production data with FHIA.
- Establish commercial raspberry plantings in El Salvador.
- Follow-up on the enterabilities momentum generated at the last regional meeting.
- Continue with melon certification programs.
- Complete the buy-in from Nicaragua.

168  
167

PROJECT STATUS REPORT  
April 1, 1993 - September 30, 1993

A    B X C   **IA. BACKGROUND DATA**

Project Title: Support for Partnership for Democracy and Development  
 Project Number: 596-0177  
 Date of Authorization: original 06/24/92 Amendment: 04/14/93  
 Date of Obligation: original 08/25/92 Amendment: 05/27/93  
 PACD: original 06/24/97  
 Implementing Agencies: SIECA  
 Main contacts:

SIECA: Rafael Rodríguez Loucel, Secretary General  
 GON: María Isabel Zúñiga, PDD Coordinator, Ministry of Economy, Nicaragua  
 GOH: Carlos Chahín, Minister of Economy, Honduras

Major contractors: A.G. International Consulting Corp.  
 AID Project Manager: Gustavo Ruiz  
 Status of CPs/Covenants: N/A  
 Date of Last Evaluation: N/A Next Evaluation: N/A  
 Planned Number of Non-Federal Audits during Fiscal Year: 1  
 The Number of such Audits Contracted for/Completed: 0  
 Date of Last Audit: 00/00/00 Next Audit: 03/94  
 Date of Last Site Visit: 03/12/93

**IB. FINANCIAL DATA**

Amount Authorized:	ESF Grant: original	\$ 450,000	amended to: \$ 1,235,000 *
Amount Obligated:	ESF Grant: original	\$ 447,691	amended to: \$ 1,234,871
Amount Committed:	Period:	\$ 152,800	
	Cumulative:	\$ 375,981	
Accrued Expenditures:	Period - Projected:	\$ 220,000	
	Period - Actual:	\$ 201,580	
	Cumulative:	\$ 257,761	
	Period - Next:	\$ 370,000	
Outstanding project			
Advances:	\$58,694		
Counterpart			
Contribution:	Planned:	\$ 100,000	
	Actual:	\$ 220,000 + <sup>1</sup>	
% LOP Elapsed:		23%	
% of Total Auth. Oblig.		100%	
% of Total Oblig. Exp.		21%	
% of Total Auth. Exp.		21%	

\* ROCAP is implementing the "Development" component of PDD. Total authorization for PDD is \$3,000,000 and includes "democracy" activities (USAID/CR) and demining (OAS).

**IIA. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES**

Specific Linkage to Strategic Objectives: PDD funds programmed by ROCAP supports the strategic objective of an open and competitive regional economy. The Partnership for Democracy and Development in Central America (PDD) will bring together OECD countries, Mexico, Venezuela, Colombia and various international organizations for the purpose of increasing multi-donor collaboration and assistance to Central America in two critical sectors -- development and democratic strengthening. A major emphasis is on open economies.

Percent of LOP Funds Relating to Strategic Objectives: 100%.

**IIB. PROJECT PURPOSE**

To stimulate a multilateral effort to assist Central America to promote economic development.

<sup>1</sup> Estimated counterparts to CITCA (CABE) \$100,000, C.A. Governments \$100,000 and Information Systems (\$20,000)

169  
167

**PROJECT STATUS REPORT**  
**April 1, 1993 - September 30, 1993**

A    B X C   **III. PROJECT DESCRIPTION**

The project has the following major components:

- Establishment of an Information System in Trade and Investment for Central America.
- Support the development of a conference on Trade and Investment for Central America.
- Support the Third Plenary Session of the PDD.
- Follow-up on the various activities being undertaken under PDD development areas to fulfill the mandates as articulated in its several working groups.

**IV. PROJECT STATUS**Planned EOPSProgress To Date

- |    |   |   |
|----|---|---|
| 1. | An established information system on T&I at SIECA and FEDEPRICAP. | One of Two studies to serve as basis for the Info System is under preparation. For the second, proposals have been requested. <sup>2</sup>  |
| 2. | A Conference on T&I carried out                                   | Completed.  |
| 3. | Three Plenary meetings of the PDD carried out.                    | Completed one (the third).  |
| 4. | Mandates from PDD's several fora fulfilled.                       | 1) Creation of the C.A. Trade and Investment Information Group.<br>2) Preparation of portfolio of project profiles in the tourism, mining and infrastructure (transport, energy, telecommunications) sectors for CITCA.<br>3) Preparation of Report on Investment Environment in C.A., for foreign investors.<br>4) Preparation of Report on Infrastructure Development in C.A. |

**B. Major Outputs**

	Planned				Accomplished		
	LOP	Period	Cum.	Next Period	Period	Cum.	% of LOP
1. Information Systems on T&I <sup>2</sup>	1	0	0	1	0	0	0
2. Meeting of the Central American T&I Information Group	4	0	1	2	0	1	25
3. Conference on T&I	1	1	1	0	1	1	100
4. Plenaries	3	0	1	1	0	1	33
5. Mandates	4	4	4	0	4	4	
6. Training	0	0	0	0	0	0	

<sup>2</sup> Equipment for the T&I Info System has been installed at SIECA funded under Project 596-0147, Economic Policy Research.

170  
169

C. Other Accomplishments and Overall Status

1. Information System on Trade and Investment.

- SOWs for two basic studies ("An Assessment of Demand for Information Services for Trade and Investment in C.A." and "Compilation of an Inventory of Trade and Investment Services in C.A.") were prepared. RFP's for both were sent by RCO to U.S. firms and a proposal was received for the first study from AG International Consulting Corp.; a Review Committee approved the proposal and the contract was awarded 09/29/93. For the second study no proposals from U.S. firms were presented; therefore RFP's were sent to Central American consultant firms in October. Contract is expected to be awarded November/December 1993.

2. Conference on Investment and Trade for Central America (CITCA'93).

- CITCA was held on June 28-July 1, 1993 in San Pedro Sula, Honduras. The Conference was attended by investors from Central America and abroad, by high level business and government representatives from U.S., Japan, Taiwan and Mexico and by Central American Ministers of Economy and Public Works.
- An evaluation of the conference made by the CITCA Executive Committee concluded that, notwithstanding some organizational problems, the Conference was a successful endeavor in terms of promotion of a new Central America that is working as an integrated region to increase its participation in the international markets, via modernization of their economies and become a reliable region for investors. The opportunity of discussing, for the first time, the participation of private investors in the infrastructure sector (roads, telecommunications, energy, etc.) that are key to accelerated economic development in the C.A. region, was also judged very positive, as was the participation of high level business, government and international organization officers. A special note was the presence at CITCA of Governors of three U.S. Southern States (Virginia, Mississippi and Louisiana) who were so impressed by the Conference that they offered to support another similar conference exclusively for investors in those states.
- Given the success of CITCA, its institutionalization as an annual event is expected to be proposed by the C.A. Ministers of Economy to the C.A. Presidents and to PDD member countries.
- The following documents were prepared and distributed at CITCA:
  - a. FEDEPRICAP: Infrastructure Development in Central America - Opportunities for Private Investment.
  - b. CABEI: Over 95 project profiles in infrastructure, tourism and mining.
  - c. ROCAP: Investing in Central America - general background information.

3. Women in Development.

- Main project purpose is to stimulate participation of donor countries in assisting the C.A. countries to promote economic and democratic development. Benefits from this macro purpose will be equally shared by women and men.

D. Problems and Delays

- Delay in contracting one of the studies for the T&I Information System, due to lack of response to RFP by U.S. consultant firms. New proposals are being requested from Central American firms.
- The meeting of the Central American Trade and Investment Information Group (CATIIG) planned to be held in June in Belize, was postponed for November 4-5, 1993. Main reason to postpone it was the delay in contracting the basic studies for the system.

171  
103

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

- Hold the meeting of CATIIG in Belize, November 4-5, with participation of representatives of regional institutions (private and public), Central banks, National Custom Offices, investment and trade promotion entities and statistical bureaus. Representatives of the contracted firm to prepare the study "An Assessment of Demand for Information Services for Trade and Investment in C.A." will also participate. Invitations to participate as observers were sent to the Japan and Canada aid agencies.
- Another meeting of CATIIG is planned to be held in Guatemala in February 1994.
- Contracting of the second and third studies for the T&I Info System (the third will design the System.)

(P:\PUBLIC\DOCS\SAR-177)

112  
171

**ENVIRONMENTALLY SOUND AND EFFICIENT PRACTICES IN  
NATURAL RESOURCE MANAGEMENT**

PROJECT STATUS REPORT  
April 1, 1993 - September 30, 1993

**IA. BACKGROUND DATA**

Project Title: Regional Agricultural Higher Education (RAHE)  
 Project Number: 596-0129A  
 Date of Authorization: original: 08/09/85 amendment: 06/27/91  
 Date of Obligation: original: 08/19/85 amendment: 06/27/91  
 PACD: original: 08/31/91 amendment: 12/31/93  
 Implementing Agencies: Tropical Agricultural Research and Training Center (CATIE)  
 Major Contractors: None  
 AID Project Manager: Raymond W. Waldron  
 Status of CPs/Convenants: Dr. Ramón Lastra  
 Date of Last Evaluation: Oct.-Nov. 1992 Next Evaluation: None  
 Planned Number of Non-Federal Audits during Fiscal Year: 1  
 The Number of such Audits Contracted for/Completed: 1  
 Date of Last Audit: December 1992 Next Audit: February 1993 (1992 Audit)

**1B. FINANCIAL DATA**

Amount Authorized: DA/ESF Grant: original	\$ 7,000,000	amended to \$ 8,300,000
Amount Obligated: DA/ESF Grant: original	\$ 200,000	amended to \$ 8,254,425
Amount Committed: Period:	(\$ 17,892)	
	Cumulative:	\$ 8,178,640
Accrued Expenditures: Period - Projected:	\$ 50,000	
	Period - Actual:	\$ 69,566 *1
	Cumulative:	\$ 8,178,607 *2
	Period - Next:	\$ 22,671
Counterpart Contribution: Planned:	\$ 8,643,000	1/
	Actual:	\$ 8,915,806

% LOP Elapsed:	97%
% of Total Auth. Oblig.	99.45%
% of Total Oblig. Exp.	99.70%
% of Total Auth. Exp.	99.17%

\*1 The correct amount is \$122,713. Accruals were not included in this figure (\$69,566).  
 \*2 The correct amount is \$8,231,754. Accruals were not included in this figure.

" \$15,134,000 is the total planned counterpart contribution, including \$6,5 millions from the AID/FEDECOOP Special Trust Fund. This figure does not include the trust fund part.  
 " Total actual counterpart contribution: \$16,849,266, including \$7,933,460 from CATIE/COFISA Trust Fund.

**I IA. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES**

Specific Linkage to Strategic Objectives: The RAHE Project helps Central America develop a cadre of agricultural professionals trained in the concepts, tools and techniques of sustainable natural resources management. The project contributes to the Strategic Objective "Environmentally Sound and Efficient practices in Resource Management" because by definition, CATIE's "sustainable production" curriculum takes into account long term environmental, as well as economic efficiency, factors.

Percent of LOP Funds Relating to Strategic Objectives: 100%

**I IB. PROJECT PURPOSE**

To produce a professional human resource base with practical and educational experience needed to address the agricultural production problems of the Central America and Panama region.

**III. PROJECT DESCRIPTION**

Project resources are used to develop the staff, curriculum and instruction, and the expansion in physical plant necessary for CATIE to become a fully functional, quality post graduate training institution.

114  
173

**PROJECT STATUS REPORT**  
**April 1, 1993 - September 30, 1993**

IV. PROJECT STATUSA. Planned EOPSProgress To Date

1. 30 new and additional graduates per annum at CATIE 143% 43 students\*  
 2. Up to 3,300 other professionals trained by CATIE 189% 6257 students

B. Major Outputs

	LOP	Planned			Accomplished			% of LOP
		Period	Cum.	Next Period	Period	Cum.		
1a. Graduate Program strengthened in 11 subject areas:								
1 Teaching Faculty	19	0	11	0	0	10**	52	
2. Curriculum for Ms degree progress developed /revised	100	0	100	0	0	100	100	
3. Administration of M.S. programs strengthen	100	0	100	0	0	100	100	
4. Ref. material scientific periodical collection expanded	100	0	100	0	0	110	110	
5. Additional M.S. degree granted	200***	42	262	31	12	250	125	
1b. Non-degree train prog. strengthened								
1. In-service train completed	211	8	242	10	0	225	107	
2. Capacity at CATIE to train graduate students and professionals expanded	3500	299	6013	473	108	6257	178	
2a. Development Office established and operation								
1. Fund raising activities****	100	0	45	0	0	45	45	
2. Promotional activities carried out	100****	0	45	0	0	45	45	
3. Outreach to alumni increased	100****	0	45	0	0	45	45	

\* Revised figures April 1993 - March 1994, progress measured in one year period.

\*\* All the professors financed by RAHE finished their contracts by Dec. 31. Actually 5 of those professors were hired by core budget funds, the rest of the courses are being taught by professors from other projects.

\*\*\* Figures in accordance with Amendment No. 5.

\*\*\*\* PIL No. 65 stopped this activity because of legal restrictions.

175  
100

**PROJECT STATUS REPORT**  
**April 1, 1993 - September 30, 1993**

3a.	Linkage CATIE & Int. Res. & Train. Inst. (New coop & exchange agreement)	100	0	100	0	0	100	100
-----	--	-----	---	-----	---	---	-----	-----

Sex Desegregated

1.	Degree Granted	M/F 156/44	M/F 36/6	M/F 200/62	M/F 27/4	M/F 9/3	M/F 192/58	M/F 123/131
2.	In service	M/F N/A	M/F 6/2	M/F N/A	M/F 10/0	M/F 0/0	M/F N/A	M/F N/A

COLONES COMPONENT

	LOP	Period	CUM.	Next Period	Period	CUM.	%	Cost Colones
1. Master plan for facilities expa. developed	1	0	1	0	0	1	100	3,312,756
2. Construction/renov completed	40	0	40	0	0	40	100	
a. 40 room dormitory built								
b. Dormitories renov.	4	0	4	0	0	4	100	1,729,000
c. Houses renov.	0	0	33	0	1	27	n/a	27,300,000
d. Staff housing built	12	0	12	0	0	12	100	50,567,500
e. Married Student (w/o child.) housing	20	0	20	0	0	20	100	55,154,000*
f. Married student (w/child.) housing	32	0	32	0	0	32	100	74,693,135
g. Classroom / office building	1	0	1	0	0	1	100	22,554,100
h. Computer center	1	0	1	0	0	1	100	26,749,000
i. Primary school expanded	1	0	1	0	0	1	100	4,753,653
j. Building at La Lola rehabilitated/Water and elec. systems at La Lola upgraded								
k. Water and elec. systems upgraded at CATIE	1	0	1	0	0	1	100	34,993,989
l. CATIE	1	0	1	0	0	1	100	14,730,436
3. a. Cafeteria	1	0	100	0	0	100	100	90,827,600
b. Audio Vis. Cen	1	0	11	0	0	10	10	
c. Facilities & Landscape renovation	100	25	n/a	0	6	93	93	50,019,215

C. Other Accomplishments and Overall Status

Following the recommendations of the final evaluation of the Higher Education Project, CATIE is implementing some changes:

\* Includes a & e.

PROJECT STATUS REPORT  
April 1, 1993 - September 30, 1993

Budget preparation: The budget for 1994 was prepared in consultation with the Program Directors and was discussed with them prior to approval by the Board of Directors of CATIE.

Overhead Cost Allocation: Peat Marwick was contracted by CATIE to prepare a methodology and detailed account of indirect costs for the year 1992. They also will calculate the overhead percentage for the years 1989 to 1991. The results of this study will be presented to ROCAP by the end of the month.

Physical Maintenance and Repair: The physical maintenance of the institute was substantially improved. Starting 1994 the majority of the funds originating from CATIE's Foundation, FUNDATROPICOS, will be dedicated to these activities.

Postgraduate Programs: To comply with the recommendations CATIE is starting this year a course on management and decision making process. Furthermore, several courses in the area of economics and social sciences are being implemented.

Networking: The REDCA General Assembly was held in CATIE during October 6-10. Representatives from all member countries were present at the meeting. The most important results were the approval of new bylaws and a document stating the strategies of the network for the future. With these new instruments REDCA became more independent of CATIE.

FUNDATROPICS: The Foundation for Education and Research in the Development and Conservation of Natural Resources in Tropical America (FUNDATROPICS) was constituted on June 29, 1993.

This is a Foundation established by CATIE to solicit and manage endowment funds that will support activities in the Institution. These activities include maintenance of the physical infrastructure of the Institution as well as research, teaching and training. FUNDATROPICS was created under the laws and regulations of Costa Rica under which this type of association is regulated.

The initial funds of the Foundation are constituted by the income from a trust fund in local Costa Rican currency from which AID Costa Rica as trustee of the fund had supported CATIE during the last eight years. Future income from the fund will maintain the physical plant of the center and the scholarship fund for graduate students of CATIE.

Other actions

The graduate school of CATIE is actively promoting the implementation of a joint Ph. D. program. A preliminary document was presented to the technical and academic council of the Board of Directors. After discussing the issue at length, they recommended to proceed with further negotiations with interested institutions and present a new document in the next meeting. Negotiations are in place with Cornell University that is seriously considering associating with CATIE in this matter. A final version of this document will be presented for approval at the meeting of October 5-7.

The graduate school of CATIE is involved in an internal review of the curricula of the Master Program to adapt the programs to the new policies of the Institution. Furthermore, efforts are underway to offer a MS. degree in the area of Economic Conservation and Production in Natural Resources.

D. Problems and Delays

None.

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

1. Review and approval of a work plan for the remainder of LOP.
2. Final audit.
3. Preparation of PACR.

177  
176

**IA. BACKGROUND DATA**

Project Title: REGIONAL ENVIRONMENTAL & NATURAL RESOURCES MANAGEMENT  
 Project Number: 596-0150  
 Date of Authorization: original 09/11/89 amendment 09/04/92  
 Date of Obligation: original 09/15/89 amendment 09/30/93  
 PACD: original 09/30/95 amendment 00/00/00  
 Implementing Agencies: CATIE, EAP, CCAD, CARE/TNC, WCI/CCC, Associated C.A. NGOs, Peace Corps, INCAP, EPA, FDA, USDA, WRI  
 Major Contracts: MGE, Masters in Environmental Education  
 Major Contractors: MSI, Univ. of Idaho  
 AID Project Manager: William F. Sugrue  
 Status of CPs/Convenants: Initial CP met 09/20/89 other CPs: N/A  
 Date of Last Evaluation: None Next Evaluation: 01/94  
 Planned Number of Non-Federal Audits during Fiscal Year: 4  
 The Number of such Audits Contracted for/Completed: 4/3  
 Date of Last Audit: CATIE 01/14/93 (91 audit) Next Audit: CATIE & EAP 02/94 (93 audit)  
 EAP None  
 INCAP None INCAP o/a 02/94 (91-93 audit)  
 CCAD 01/08/93 (1992 audit) CCAD 02/94 (1993 audit)

**IB. FINANCIAL DATA**

Amount Authorized: DA/ESF Grant: original	\$ 40,000.000	amended to \$50,200.000
Amount Obligated: DA/ESF Grant: original	\$ 8,549.000	amended to \$38,030.967*
Amount Committed:	Period: \$ 4,553,734*	
	Cumulative: \$ 37,474,033*	
Accrued Expenditures:	Period - Projected: \$ 5,300,000	Buy-In Status: Auth. \$6.3M, amended to \$10.9M
	Period - Actual: \$ 5,138,457	<u>Other Missions</u>
	Cumulative: \$ 27,739,347	Oblig. \$1,712,724
	Period - Next: \$ 5,000,000	Commitm. \$1,712,724
Outstanding Project Advances:	\$ 1,275,405	Acc. Exp. \$ 653,616
Counterpart		<u>MAYAFOR</u>
Contribution:	Planned: \$ 9,895,200	Oblig. \$1,233,257
	Actual: \$ 5,369,513	Commitm. \$1,233,257
% LOP Elapsed:	67%	Acc. Exp. \$ 0
% of Total Auth. Oblig.	76%	
% of Total Oblig. Exp.	73%	%Auth. Oblig. 27%
% of Total Auth. Exp.	55%	%Oblig. Exp. 22%

\* These figures do not include the MAYAFOR obligations and commitments. They are reported under the buy-ins section.

**IIA. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES**

Specific Linkage to Strategic Objectives: The RENARM project supports ROCAP's Strategic Objective "Environmentally sound and efficient practices in Natural Resources Management". The RENARM Project Purpose (see below) is more complex, and encompasses technologies, institutions, as well as natural resource practices. Foci are: 8 protected areas, 8 buffer zones, 10 watersheds, 15 natural forests, 25 multi-use distribution nodes, and widespread rational chemical use in agriculture.  
 Percent of LOP Funds Relating to Strategic Objectives: 100 %

**IIB. PROJECT PURPOSE**

To create the conditions for public and private institutions to generate, transfer, and apply the information and technology essential for the sustained use of natural resources in Central America.

**III. PROJECT DESCRIPTION**

RENARM is a regional project which focuses the coordinated efforts of Central American and U.S. based environmental NGOs, public sector regional and national institutions, as well as private sector entities, on understanding and acting to reverse the already serious deterioration of the natural resource base of C.A. RENARM activities are divided into three components: 1) Policy Initiatives and Technical Support; 2) Environmental Education and Awareness and Biodiversity Conservation; 3) Sustainable Agriculture and Forestry. A common thread uniting all RENARM activities is the introduction of economically attractive activities that require wise use of natural resources, such as ecotourism, sustainable agriculture and forestry.

115  
74

IV. PROJECT STATUS

	<u>Planned EOPS</u>	<u>Progress To Date</u>
1.	<b>NATURAL RESOURCE PRACTICES</b> Reforestation on farms  Reduce misuse of agricultural chemicals  Effective management plans in national parks and nature reserves	-Multi-use trees incorporated on thousands of farms  -1000s of farmers respecting toxicity colors on pesticide containers -1000s of farm homemakers storing pesticides outside house (study taking place to determine exact numbers).  -Citizen patrol corps Tempisque, Costa Rica -Nuclear/buffer zone mechanisms in 3 areas (Belize, Hond, CR)
2.	<b>ENVIRONMENTAL KNOWLEDGE, ATTITUDES</b>  Heightened public awareness of environmental concerns	<u>Regional campaigns for:</u> 1) Rio Platano Reserve, Honduras 2) bio-control of pests  <u>Rural multi-media campaigns:</u> -Cusco/Merendon Honduras -Toledo, Belize -Tempisque, Costa Rica -Sierra de Las Minas, Guatemala  International press campaign on C.A. biodiversity, eco-tourism
3.	<b>NATURAL RESOURCE POLICY</b> Changed public policy conducive to sustainable natural resource use	-2 new reserves declared in Belize -Biodiversity treaty signed by Presidents -"Green Book" policy tool applications in Nicaragua, Guatemala, El Salvador
4.	<b>STRENGTHENED NATURAL RESOURCE ORGANIZATIONS</b> Strengthened national and regional institutions for environmental training, research and organization	-More extension-oriented, proactive CATIE -Environmentally oriented BS, MS programs at CATIE, Zamorano -CCAD capable of orchestrating international fora and agreements -Indigenous concerns incorporated at TNC -Nat. Eco-tourism Councils established, approved in countries

B. Major Outputs

**Abbreviations for Major Outputs**

ID = Information and data collection, analysis, publication; SI = System installation, including infrastructure, software, etc.; OS = Organizations strengthened: technical, managerial, financial; Ed = Environmental Education via the media and schools; Ex = Field extension; Po = Policy dialogue campaigns; Ps = Practices adopted.

111  
3

**PROJECT STATUS REPORT**  
April 1, 1993 - September 30, 1993

A  B  C B. Major Outputs

	<u>Planned</u>				<u>Accomplished</u>		
	LOP	Period	Cum.	Next Period	Period	Cum.	% of LOP
<b>POLICY INITIATIVES</b>							
ID Policy matrix diagnosis tool	1	0.25	0.75	0	0.25	1	100
ID Inventory methodologies	2	1	1	0.25	0.5	1	50
ID Environmental policy baseline	5	1	2	1	1	2	40
Ex USAID Missions	7	3	3	2	3	3	43
Ex CA orgs.	7	0	0	3	0	0	0
<b>SUSTAINABLE AG. AND FORESTRY WSM (CATIE)</b>							
ID Ext. packages prepared	4	1	4	1	1	3	75
OS Country GIS operating	6	2	6	2	1	5	83
Ps WSM work plans implem.	10	2	8	2	1	7	70
Ps Watersheds managed by nat organizations	6	4	4	1	1	4	80
<b>MULTI-USE TREES (CATIE)</b>							
ID Socio-eco. units monitored	222	40	152	40	36	146	65
ID Silv. Exp. plots monitored	338	100	181	100	98	267	78
OS Orgs with data/bib. bases	24	8	16	5	10	31	129
Ex Seed plots operating	97	10	80	8	9	47	48
<b>PROD. FROM NAT. FOREST (CATIE)</b>							
SI Demo sites established	93	10	93	20	25	93	100
SI Forestry Research	20	1	4	3	1	4	25
Ps Plots under management	15	2	5	4	1	3	20
Ps Hectares under management	10K	900	950	400	30	280	3
<b>IPM (CATIE)</b>							
ID Validation of IPM packages	30	16	36	10	20	25	83
Ex Diagnostic services for extensionists	1000	100	700	250	263	1459	146
Ex On farm plot demos conducted	50	25	50	25	34	52	104

PROJECT STATUS REPORT  
April 1, 1993 - September 30, 1993

A \_\_\_ B X C \_\_\_IPM ZAMORANO1 YEAR

ID packages validated	3	3	3	3	3	100
ID Nat. pest enemies studied	6	10	10	10	10	140
ID Agroecol. inventories	6	6	6	6	6	100
Ex Diagnostic services		500		500		

PESTICIDE MGT.

SI improved Comm./Dissem. Sys. estab.	7	0	0	0	7	7	100
Os improved lab testing Capab.	15	0	0	0	16	16	107
Os Lab meet EPA/FDA standards	4	0	0	0	0	0	0
Ed Posters published/dist.	20000	0	20000	0	0	30000	150

ENV. AWARENESSED. AND BIODIV.CONSERVATIONPACA

OS Park Mngmt. strengthened	5	2	2	1	2	2	40
OS Env. Ed. NGOs strengthened	5	2	2	2	2	2	40
Ed Env. Ed. Campaigns	5	3	3	2	3	3	60
Ps Sustainable buffer zone activities	5	1	1	2	1	1	20

PASEO PANTERA

OS Eco-tourism councils estab.	5	0	3	2	0	3	60
Ed Env. Ed. campaigns	2	0.5	2	0	0.5	2	100
Po Reserves declared	3	0	2	1	0	2	75
Po Biotic corridor policy/program	1	0	0.5	0.25	0	0.5	50

MONITORING ANDEVALUATION

ID Indicators developed	20	6	16	4	6	16	80
ID Program reviews	12	3	7	2	7	7	60
ID Studies, evaluations	11	4	4	5	4	4	36
Ex Orgs trained in M&E	13	4	10	2	2	7	54

	M/F	M/F	M/F	M/F	M/F	M/F	M/F
<b>1. <u>Training Long-term</u></b>							
TNC Fellowships	4/6	14 Fellows currently in training					
B.S. grads	30/10	6/1	29/10	0/0	6/1	41/6	137/100
M.S. grads	98/29	16/3	65/15	17/4	18/3	101/21	103/72
PhD/IPM	4/1	0/0	2/1	0/0	0/0	3/1	75/100
<b>2. <u>Training Short-term</u></b>							
PACA Trainers	LOP: 1385	Accomplished Period: 105		Accomplished to-date: 774			
PACA End-users	LOP: 2090	Accomplished Period: 767		Accomplished to-date: 1904			
<b><u>Sustainable Ag./Forestry</u></b>							
Extensionists	4953/1378	980/408	2985/896	1847/581	4819/1248	9946/2478	200/180
End-users	1509/501	177/60	985/311	184/61	1682/870	2252/1042	149/208
Drs./Health Profess.	6500/500	3800/400	3800/400	2000/200	0/0	0/0	0/0
<b><u>Monitoring and Evaluation</u></b>							
Persons trained	100/50	13/12	50/50	25/25	11/6	79/24	79/48

**C. Other Accomplishments and Overall Status**

**I. POLICY INITIATIVES AND TECHNICAL SUPPORT**

A. Agreements signed with Abt Associates to complete the Green Book participatory analytic package and with WRI to disseminate and use it as the basis for institutional strengthening of CCAD and the CONAMAS. Significant progress made toward integrating regional and bilateral activities under the ROCAP-USAID/Guatemala merger.

B. **CCAD.** Signed agreement with Univ. of Florida to coordinate/share GIS information. Supporting the Regional Water Resource Committee's climate change project. CCAD's Selva Maya McArthur project has met with local interest groups and will coordinate info. with RENARM's MAYAFOR activity. Mexico, Colombia and Venezuela have officially assumed observer status at quarterly meetings. Nordic donors approved support for CCAD and CONAMAS.

**C. TA BY ROCAP/RENARM FORESTERS**

Evaluation of forestry activities in the FORESTA Project, Costa Rica. Developed scope of work for technical cooperation in forest management and wood utilization for the Belizean Forestry Department and NARMAP/USAID. Continue providing TA to MAYAREMA Project and CATIE/OLAFO Project in Petén, Guatemala in forest management. Continue assisting CATIE with wood preservation research and utilization of lesser known species.

D. **TA by ROCAP/RENARM NGO Advisor.** Assistance to USAID/ES in govt. strengthening opportunities, PACA Guatemala and Honduras in counterpart strengthening, USAID/Mic in Nat. Resource Mgt. Project, various local NGOs in env. issues and institutional strengthening.

**II. ENVIRONMENTAL AWARENESS, EDUCATION AND BIODIVERSITY CONSERVATION**

A. **PACA.** Has established partnerships with 19 local NGOs in Guate, CR, Belize and Honduras, developing effective institutional strengthening and field programs. Main Honduran NGO counterpart legalized. Nearly 900 trainers and end-users trained in wildlands/buffer zone management and env. ed. Major rural radio and primary school programs underway. CDCs strengthened in Costa Rica and Guatemala. CARE/HQ has contributed approx. \$2 million in unrestricted funds in order to alleviate the PACA financial crisis reported in last SAR.

B. **Paseo Pantera.** Supported 3rd Regional Buffer Zone training course. Held two mgmt. planning workshops in Panama with 102 participants. Bay Islands guidebook sales profits used by BICA to support local env. activities. With CCAD supporting next C.A. Council on Protected Areas. Two C.A. landbridge books are in progress. Ecotourism Manual in final editing stage. Biotic Corridor Mapping Project accumulated and analyzed databases, started mapping linkages. Supporting MesoAmerican Legal Project.

C. **The Nature Conservancy Fellowships.** Training and T.A. provided to 10 C.A. conservation fellows. PACD extended to Sept. '95. Four new fellows to receive INCAE Master's Program.

D. **MS Environmental Education.** 12 students began program at Univ. of Idaho. Search still on for candidates from El Salv. and Nic.

E. **Small Grants Program.** 25 new proposals were submitted and evaluated. Training and funds provided to C.A. scientists.

F. **MesoAmerican Biodiversity Legal Project.** LAC-funded activity implemented by Univ of Florida and CEDARENA. C.A. and Mexico attorneys will create a model legal framework for the C.A. Corridor. Regional policy conference financed by PACA. Attorneys assisted Honduran govt. in protected area regulations, and CCAD in guidelines for Council on Protected Areas.

113

G. **MAYAFOR**. Designed in response to Forests for the Future Initiative. In Sept. was incorporated into RENARM through buy-ins to Paseo Pantera, PACA and MSI; will address cross-border/trinational issues affecting Selva Maya area of Mexico, Belize and Guatemala.

### III. SUSTAINABLE AGRICULTURE AND FORESTRY

A. **Production from Natural Forests (CATIE)**. In 4 countries: 3 commercial scale pilot areas with total 280 ha in operation (sustained harvest begun on 2 areas); and owners committed to follow management plans; 13 silvicultural demonstration areas installed and used. Of the 67 participating institutions, training and TA was provided to half during period, partly through 6 events. Academic training provided to 3 M.S., 4 B.S. Two technical studies, 4 publications plus extension materials.

B. **Tree Crop Dissemination (CATIE)**. Total extensionists and farmers trained during period = 1728, cumulative to date = 2935. Extension network with 31 active institutions. Prepared 32 extension publications, distributed 35,500 extension materials, gave 16 courses + 10 workshops + 59 field days/in-service training. M.S. theses supported = 17. Agreement reached with FINNIDA/PROCAFOR for tech/financial joint venture with RENARM. Computerized data base for silvicultural, socio-economic, extension information in 31 institutions. Network of bibliographic reference service in 6 countries.

C. **Watershed Management (CATIE)**. Training and TA provided to four watershed field projects in ELS, HON, COS, PAN, including 60 demo plots. Training and TA in use of Geographic Info System (GIS) has resulted in operation of systems in CEL in ELS, FUNDECOR in COS, and various institutions in NIC. M.S. program continues to operate with 5 graduate courses this period, 7 students completing 1991-93 cycle, with 3 having presented theses. Four short courses.

D. **INTEGRATED PEST MANAGEMENT (CATIE/ZAMORANO)**. CATIE's novel, producer-guided IPM project in Guatemala elucidated key pest problems and issued practical IPM recommendations for broccoli, snowpeas, and tomatoes. CATIE initiated a coffee IPM program in Nicaragua, and its ODA-funded bio-control facilities became operational. Over 1,000 farmers were trained through Zamorano's new and promising, natural control-oriented Hillside IPM pilot program.

#### E. PESTICIDE MANAGEMENT.

1. **EPA** - TA on pesticide issues related to U.S. NTAEs, including TA for C.A. residue labs; assessments and TA for storage/disposal methods; promotes efforts between other international donor agencies; oversees newly established pesticide info. center at CATIE.

2. **Zamorano** - Over 3,000 teachers trained resulting in 100,000 end-users trained in safe pesticide management techniques. 30,000 posters distributed.

3. **Peace Corps** - Over 1,500 volunteers, homemakers, children, community leaders, and counterparts trained. Programs to begin in El Salvador, Nicaragua and Panama in 1994.

4. **INCAP** - 4,200 physicians enrolled in diagnosis, treatment, and prevention of pesticide poisoning course. Graduation in Nov. 1993.

**MONITORING AND EVALUATION (MSI)**. Has begun the impact studies stage of its work: 1) Data collection - 4 studies completed; 2) Data collection - 4 studies underway; 3) Literature search and planning - 4 studies underway.

#### D. Problems and Delays

1. A projected 25% cut in the FY'94 OYB will adversely affect implementation of several major incrementally-funded activities.

2. The RENARM external evaluation was postponed until FY'94 due to an unsatisfactory response to the original RFP.

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

1. The RENARM External Evaluation will be re-advertised for bids by the Contracts Office. Contract expected to be signed by Jan. '94 and implementation to start before March.

2. The Policy Advisor will disseminate Green Book thru PACA and WRI, and participate in USAID/Guatemala NRMP policy component.

3. Nordic donors to coordinate w/RENARM in support to CONAMAS, meeting w/RENARM, WRI and CCAD week of Nov. 8th.

4. Paseo Pantera is seeking to expand its program with Univ. of Fla. in order to complete the C.A. Biotic Corridor mapping project.

5. In October the four CATIE activities will determine their funding requirements until the end of project and request revised LOP budgets accordingly.

6. The third phase of CATIE IPM program will commence with IICA in Guatemala.

7. M&E impact studies indicating progress towards achievement of Strategic Objective should be completed.

**MORE EFFECTIVE AND DEMOCRATIC LOCAL GOVERNANCE**

PROJECT STATUS REPORT  
April 1, 1993 - September 30, 1993

A \_\_\_ B X C \_\_\_**IA. BACKGROUND DATA**

Project Title: Local Government Regional Outreach Strategy  
 Project Number: 596-0167  
 Date of Authorization: original 08/21/92 amendment 08/20/93  
 Date of Obligation: original 09/18/92 amendment 09/29/93  
 PACD: original 09/30/99 amendment 09/30/99  
 Implementing Agencies: FEMICA, CABEI  
 Major Contractors: ICMA, Harry Jager, John Fisher  
 AID Project Manager: Ronald Carlson, Acting Director, RHUDO/CA  
 Status of CPs/Covenants: N/A  
 Date of Last Evaluation: N/A Next Evaluation: 08/21/95  
 Planned Number of Non-Federal Audits during Fiscal Year: 2  
 The Number of such Audits Contracted for/Completed: None  
 Date of Last Audit: None Next Audit: SIECA IN 3/94; FEDEPRICAP IN 7/94

**1B FINANCIAL DATA**

Amount Authorized: DA Grant: original \$ 6,000,000 amended to \$ 8,000,000  
 Amount Obligated: DA Grant: original \$ 4,995 amended to \$ 893,334  
 Amount Committed: Period: \$ 539,074  
 Cumulative: \$ 817,334  
 Accrued Expenditures: Period - Projected: \$ 690,000  
 Period - Actual: \$ 422,136  
 Cumulative: \$ 433,309  
 Period - Next: \$ 904,500  
 Counterpart  
 Contribution: Planned: TBD  
 Actual: \$ N/A  
 Outstanding Project  
 Advances: \$ N/A  
 † LOP Elapsed: 15†  
 † of Total Auth. Oblig. 11†  
 † of Total Oblig. Exp. 48†  
 † of Total Auth. Exp. 5†

**IIA. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES**

**Specific Linkage to Strategic Objectives:** LOGROS contributes to the More Effective and Democratic Local Governance Strategic Objective through technical support and promotion of policy reform for increased municipal autonomy.

**Percent of LOP Funds Relating to Strategic Objectives:** 100†.

**IIB. PROJECT PURPOSE:** To contribute to the transfer of authority and control over financial and human resources from central to local governments while helping to improve local governments' response to citizen demands for improved services and political enfranchisement.

**III. PROJECT DESCRIPTION:**

LOGROS has three components: The Consensus-Building Component will establish a Network for purposes of generating a regional consensus on priority decentralization issues, processes, policies, priorities and problems; the Technical Component will address constraints to decentralization and local government autonomy through problem-solving activities and promote replicable solutions throughout the region. The Capital Component, with Housing Guaranty resources, will strengthen municipal financial autonomy and independence, and improve the financial capability of municipalities to borrow. Training will support all three components.

185  
183

IV. PROJECT STATUS

Planned EOPS

Progress To Date

- |  |  |
|--|--|
| 1. Agreement of Regional Network on policy agenda for greater municipal autonomy.            | Core membership has been defined; FEMICA is calling a network meeting in December 93 where it will present a regional policy statement for discussion and approval.  |
| 2. Implementation of specific agenda items in participating countries.                       | Honduras is holding first elections with separate municipal slates; Nicaragua has formed a national municipal association and a national decentralization strategy has been prepared for acceptance by the President; El Salvador has formed a national commission on decentralization and is about to approve its strategy; Costa Rica has held a seminar on decentralization sponsored by senior members of both political parties; the national municipal association of Guatemala has met with the President and is working on a plan for playing a broader role in the national development plan of 180 days. |
| 3. Improved financial management practices in selected municipalities.                       | A Housing Guaranty component (HG), to be implemented through CABEI was authorized. It will promote a municipal finance system for local infrastructure investment. This new element is meant to create pressures for upgrading municipal financial performance and autonomy.   |
| 4. Greater citizen participation in municipal government affairs in selected municipalities. | FEMICA is planning a workshop with FEDEPRICAP to explore ways of involving the private sector in the decentralization process; the two on-going Problem Solving exercises involve community individuals and groups; the new HG capital component of LOGROS requires citizen participation for project financing.   |
| 5. Improvements to be defined in selected municipalities in Central America.                 | Two problem-solving exercises to devolve to local governments primary education and water management have been initiated in Nicaragua and El Salvador respectively.  |

156  
F4

**B. Major Outputs**

	LOP	<u>Planned</u>			<u>Accomplished</u>			% of LOP
		Period	Cum.	Next Period	Period	Cum.		
1. Regional Network (activities)	7	1	1	1	1	2	29	
2. Regional policy framework	1			1				
3. Resolution of decentralization constraints	10	1	1	1	1	2	20	
4. Regional Training Capability (Assessment)	1							
5. Training	M F	M F	M F	M F	M F	M F	M F	
5a. Long Term	0 0	0 0	0 0	0 0	0 0	0 0	0 0	
5b. Short Term	240/120	47/23	49/25	150/75	47/17	49/19	20/16	

**C. Other Accomplishments and Overall Status**

LOGROS Project activities during the reporting period have contributed to: 1) raising the political visibility of the decentralization process; 2) strengthening the municipal support systems; and, 3) initiating Problem-Solving activities, in the form of pilot projects, as examples in the devolution of authorities.

During the reporting period, buy-ins with ICMA (International City Managers Association) and grants with various Central American organizations (SIECA and FEDEPRICAP) and contracts with individuals contributed to the above mentioned areas of impact. Activities that impacted on the political visibility of the decentralization process included:

- a political conclave in Honduras, staged by FEMICA (Central American Municipal Federation), to elicit a high level consensus on decentralization and democracy where participants included mayors, senior central government officials, congressmen, representatives of political parties and multilateral donors;
- The 3rd Annual Congress of FEMICA which resulted in an endorsement of the municipal movement by the Vice Presidents of Honduras and El Salvador, and the recently created Central American Integration System (SICA);
- a consensus group in Costa Rica has planned and scheduled a policy seminar for political party leaders and the press to discuss the impact of decentralization on local governments for the purpose of raising the issue to the national level.

An observation trip to Washington D.C. and Phoenix, Arizona was organized for principal officials of the region's national municipal associations. The trip resulted in the formation of a new municipal association in Nicaragua, the refocussing of those in Guatemala and Costa Rica, and a decision to promote greater horizontal cooperation among the region's national municipal associations.

Two problem solving exercises contributing to the devolution of authority got underway: a pilot project in El Salvador to devolve the water and sewage authority from central government control to local governments; and in Nicaragua, the devolution of primary and secondary education to the municipal level. Also, at the request of USAID/Nicaragua, technical assistance was also provided to the Municipality of Managua on urgent solid waste problems affecting the capital city. Technical assistance was provided to FEMICA for the purposes of eventual certification as an AID grantee and in the formulation of working relationships and strategies to initiate a program of horizontal cooperation with the region's national municipal associations.

157  
145

During the period, LOGROS, as the principal project in the portfolio under this Strategic Objective, was amended to incorporate a capital resource component. A project paper supplement authorized \$20 million through a Housing Guaranty loan (596-HG-010) to CABEI and an additional \$2 million in DA grant resources to support this component. It is expected that the capital component will impact directly on the financial independence of municipalities and greatly increase their capacity to offer basic infrastructure services to their citizenry. Projects at the municipal level will be selected with citizen participation. In addition, approximately \$11 million remaining in the on-going \$25 million Central American Shelter and Urban Development Housing Guaranty Program (596-HG-008) with CABEI are now being redirected in support of municipal infrastructure development in Honduras and Guatemala to support the Strategic Objective. These two HGs will be reported under separate SARs.

D. Problems and Delays

A delay in the certification of FEMICA as an AID grantee has slowed down Project implementation.

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

**REGIONAL**

- 1 The certification of FEMICA and CABEI as AID grantees
- 2 The signing of grant agreements with FEMICA and CABEI
- 3 A regional network meeting organized by FEMICA
- 4 The preparation and publication of a comparative municipal tax study
- 5 The establishment of a computerized indicator tracking system for LOGROS
- 6 Development of indicators for the municipal infrastructure finance component
- 7 Redefinition of project outputs to reflect program outputs and indicators that we plan to monitor
- 8 The planning for a municipal development policy seminar in the Washington, D.C. Area for Central American mayors and their U.S. Counterparts
- 9 A private sector workshop between FEMICA and FEDEPRICAP
- 10 An observation trip to Brazil or Colombia for key network members

**BILATERAL**

- 1 Conduct decentralization policy seminar in Costa Rica and publish results
- 2 TA to the Guatemalan, Costa rican, and Honduran municipal associations
- 3 Begin TA to El Salvador on property tax legislation
- 4 Begin horizontal cooperation among municipal associations
- 5 The identification of a new problem solving exercise in Honduras or Guatemala
- 6 Workshop in El Salvador on the devolution of water and sewage control to local government
- 7 Evaluation of the activities of the Honduran municipal association

**CORRECTIVE ACTIONS:** None.

(P:\PUBLIC\DOCS\LOGSARS2)

158  
156

**IA. BACKGROUND DATA**

Project Title: The Municipal Infrastructure Finance Program (LOGROS)  
Project Number: 596-HG-010  
Date of HG Authorization: original 8/22/93 amendment  
Date of HG Borrowing: original TBD amendment N/A  
HG LOP: original 8/21/99 amendment N/A  
Implementing Agencies: Central American Bank for Economic Integration (CABEI)  
Major Contractors: N/A  
AID Project Manager: Ronald Carlson, RHUDO/CA  
Status of CPs/Covenants:  
Date of Last Evaluation: N/A Next Evaluation: None scheduled  
Planned Number of Non-Federal Audits during Fiscal Year: 0  
The Number of such Audits Contracted for/Completed: 0  
Date of Last Audit: None scheduled Next Audit: None scheduled

**IB. FINANCIAL DATA**

Amount Authorized: HG: original \$ 20,000,000  
Amount Borrowed: HG: original \$ TBD  
Amount Committed: Period: \$ 0  
Cumulative: \$ 0  
Accrued Disbursements: Period - Projected: \$ 0  
Period - Actual: \$ 0  
Cumulative: \$ 0  
Period - Next: \$ 0  
Outstanding Project Advances  
Counterpart  
Contribution: Planned: \$ 6,000,000  
Actual: \$ 0  
‡ LOP Elapsed: 0‡  
‡ of Total Auth. Oblig. 0‡  
‡ of Total Oblig. Exp. 0‡  
‡ of Total Auth. Exp. 0‡

---

**IIA. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES:** This HG component to the Local Government Regional Outreach Strategy (LOGROS) contributes to the Mission's regional S.O. of More Effective and Democratic Local Governance by supporting and promoting the financial independence of local governments. The HG resources will improve local governments' response to citizen demands for basic urban services.

**Percent of LOP Funds Relating to Strategic Objectives: 100‡**

**IIB. PROJECT PURPOSE:** To contribute to the transfer of authority and control over financial and human resources from central to local governments while helping to improve local governments' response to citizen demands for improved services and political enfranchisement.

**III. PROJECT DESCRIPTION**

As the third component of the LOGROS project, CABEI will establish a \$26 million (\$20 million HG and \$6 million in CABEI counterpart funds) municipal infrastructure lending program to make investments available to municipalities of the region to finance infrastructure for the urban poor in Costa Rica, Guatemala and Honduras.

This HG component will:

- (a) encourage increased investment by public and private financial institutions in municipal projects;
- (b) increase citizen participation in project development at the municipal level assuring that projects financed are both desirable and suitable to the target population; and
- (c) increase the availability of basic services to low income Central American families and to strengthen the existing capacity of municipalities to provide these services.

189  
17



PROJECT STATUS REPORT  
April 1 - September 30, 1993

Page No. 155

A\_\_ Bxx C\_\_

Program.

- The indicators for this new LOGROS HG component will be identified.

(u:\rhudopub\docs\lhgsar10)

111  
189

**IA. BACKGROUND DATA**

Project Title: Central American Shelter and Urban Development  
Project Number: 596-HG-008  
Date of HG Authorization: original 9/30/86 amendment 7/20/88  
Date of HG Borrowing: original 6/15/88  
HG LOP: original 9/30/91 amendment 12/31/94  
Implementing Agencies: Central American Bank for Economic Integration (CABEI)  
Major Contractors: National Mortgage Bank of Costa Rica; Central Bank of Honduras;  
and BANEX/FUNDAZUCAR of Guatemala  
AID Project Manager: Ronald Carlson, RHUDO/CA  
Status of Cps/Covenants: All Cps/Covenants met  
Date of Last Evaluation: 10/89 Next Evaluation: None scheduled  
Planned Number of Non-Federal Audits during Fiscal Year: 0  
The Number of such Audits Contracted for/Completed: 0  
Date of Last Audit: None scheduled Next Audit: None scheduled

**1B. FINANCIAL DATA**

Amount Authorized: HG: original \$ 45,000,000 amended to \$ 25,000,000  
Amount Borrowed: HG: original \$ 25,000,000  
Amount Committed: Period: \$ -0-  
Cumulative: \$19,323,000  
Period - Next \$ 3,600,000  
Accrued Disbursements: Period - Projected: \$ 2,000,000  
Period - Actual: \$ -0-  
Cumulative: \$ 11,592,902  
Period - Next: \$ 3,500,000  
Outstanding Project Advances  
Counterpart  
Contribution: Planned: \$ 25,000,000  
Actual: \$ 2,284,425  
% LOP Elapsed: 85%  
% of Total Auth. Oblig. 77%  
% of Total Oblig. Exp. 60%  
% of Total Auth. Exp. 46%

---

**IIA. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES**

**Specific Linkage to Strategic Objectives:** The current CABEI HG has been redirected to contribute to the More Effective and Democratic Local Governance Strategic Objective and supports the Local Governance Regional Outreach Strategy (LOGROS) project. The redirected HG resources will improve local governments' response to citizen demands for basic urban services.

**Percent of LOP Funds Relating to Strategic Objectives: 44%**

**IIB. PROJECT PURPOSE**

To increase the availability of shelter and basic services to low income Central American families and to strengthen the existing capacity of CABEI and national and local public and private sector agencies to provide these services.

**III. PROJECT DESCRIPTION**

Under this \$85 million (\$45 million HG, \$15 million DA, and \$25 million in CABEI counterpart funds) investments are made available to the region to finance low cost housing solutions and basic infrastructure for the urban poor in Costa Rica, Guatemala and Honduras.

\*\$15 million from this authorization were shifted to the Municipal Infrastructure Finance Program (596-HG-010) on 8/24/93 along with a new HG authorization of \$5 million. The remaining authorization of 5 million under 596-HG-008 was deauthorized on 10/7/93.

\*\*The \$15 million DA loan was deauthorized on 6/5/90.

112  
160

IV. PROJECT STATUS

- | A. | <u>Planned EOPS</u>   | <u>Progress To Date</u>  |
|----|---|--|
| 1. | Shelter production increases by 10,000 shelter units  | 5,199 shelter units have been produced.  |
| 2. | Basic urban services extended to or improved for 145,000 families   | An urban upgrading sub-program for \$10 million has been negotiated by CABEI in Honduras and another for \$5 million is being considered in Guatemala.   |
| 3. | Private sector participation in 100% of shelter construction contracts and at least 75% of infrastructure construction contracts. | 100% of shelter construction contracts have been awarded to private sector developers. In the negotiations on the urban upgrading sub-programs, CABEI is including infrastructure construction contracts with the private sector as a conditionality.                                |
| 4. | Management and financial status of CABEI and participating institutions has been improved as a result of the project.             | Significant improvement has been realized by CABEI. These include: the incorporation of new extra-regional members; new capital contributions; loan repayment agreements with existing members; and approval of major recommendations for internal restructuring and reorganization. |

B. Major Outputs

	LOP	<u>Planned</u>				<u>Accomplished</u>		
		Period	Cum.	Next Period	Period	Cum.	% of LOP	
1. New shelter units constructed	10,000	600	4,503	850	1,296	5,199	52	
2. Improve access to water and sanitation	145,000	-0-	-0-	-0-	-0-	-0-	-0-	
3. Person days of employment generated*	5 million	78,000	585,390	110,500	168,480	675,870	14	

\* Based on a 130 person days per shelter unit.

C. Other Accomplishments and Overall Status

- \$5 million from the existing HG authorization were deauthorized and \$15 million were shifted to the new \$20 million LOGROS HG.
- \$10 million sub-program agreement for urban upgrading was signed by CABEI and the Central Bank of Honduras.
- Construction of the FUNDAZUCAR housing projects were completed under the Guatemala Shelter Sub-Program and the 597 units in Escuintla were inaugurated.
- CABEI sent notification to RHUDO stating that they decommitted Q 21.6 million from BANEX/FUNDAZUCAR because of marketing problems. CABEI indicated that they will redirect Q 2.9 million to FENACOVU for shelter construction and Q 18.7 millions to Guatemalan urban upgrading sub-program (negotiation in progress) along with the remaining unprogrammed amount of \$1.9 million.
- CABEI disbursed \$4.4 million to BANEX for the FUNDAZUCAR shelter projects in Guatemala. Once mortgages have been recorded, CABEI will be requesting reimbursement from the HG escrow account.
- The HG life of project extension was postponed until the Guatemalan urban upgrading sub-program is defined and negotiated.

193  
15.

D. Problems and Delays

- Under the Guatemalan Shelter Sub-Program, BANEX/FUNDAZUCAR encountered marketing and mortgage registration delays so CABEI was not able to submit disbursement requests to AID for the projected amount of \$200,000.
- On the projected \$1.775 million for the Honduras shelter sub-program, which constitutes the 4th and final disbursement to FOVI, the Hondurans have only been able to package \$1.9 million of the \$2.5 million needed in eligible expenditures to process this final disbursement.

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

- Approve Guatemala urban upgrading sub-program.
- Process a first disbursement for the Honduras Urban Upgrading Program.
- Consolidate and merge the operational procedures and criteria of the CA Shelter and Urban Development HG (596-HG-008) with the Municipal Infrastructure Finance HG (596-HG-010).
- Close out the Guatemalan and Honduran shelter sub-programs by processing final disbursements for approximately \$3.5 million.
- In light of the shift in HG authorization of \$15 million to the LOGROS HG (596-HG-010) and eventual deauthorization of the other \$5 million follow up documentation will need to be prepared to reflect these change in the 596-0143/596-HG-008 project paper.
- Amend agreement to reflect new Counterpart contribution.

(U:\rhudopub\docs\lhgsar8)

194  
112

**OTHER**

195  
197

**PROJECT STATUS REPORT**  
**April 1, 1993 - September 30, 1993**

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

**IA. BACKGROUND DATA**

Project Title: Technical Support for Food Assistance Programs  
 Project Number: 596-0116  
 Date of Authorization: original 03/28/85 amendment 09/24/87  
 Date of Obligation: original 03/28/85 amendment 09/24/87  
 PACD: original 03/31/90 amendment 05/31/93  
 Implementing Agencies: Institute of Nutrition for Central America and Panama (INCAP)  
 Main Contacts: Dr. Hernán Delgado, INCAP Director  
 Dr. Arnulfo Noguera, Project Coordinator  
 Major Contractors: Planning Assistance  
 AID Project Manager: Gary Cook  
 Status of CPs/Covenants: All met.  
 Date of Last Evaluation: 06/89 Next Evaluation: None scheduled  
 Planned Number of Non-Federal Audits during Fiscal Year: 1  
 The Number of such Audits Contracted for/Completed: 1  
 Date of Last Audit: 09-11/93 Next Audit: None Planned  
 Date of Last Site Visit: September 1993. Proj. Manager Assistant in continuous contact with INCAP.

**1B. FINANCIAL DATA**

Amount Authorized: DA/ESF Grant: original	\$ 5,600,000	amended to \$ 6,100,000
Amount Obligated: DA/ESF Grant: original	\$ 3,250,000	amended to \$ 6,100,000
Amount Committed: Period:	\$ (5,883)	
	Cumulative:	\$ 6,089,790
Accrued Expenditures: Period - Projected:	\$ 466,861	
	Period - Actual:	\$ 63,041
	Cumulative:	\$ 6,089,787
	Period - Next:	\$ - 0 -
Outstanding Project Advances:	\$ 17,327	(Planning Assistance)
Counterpart Contribution: Planned:	\$ 1,733,000	
	Actual:	\$ 2,148,000
% LOP Elapsed:	100 %	
% of Total Auth. Oblig.	99.8%	
% of Total Oblig. Exp.	99.9%	
% of Total Auth. Exp.	99.8%	

**IIA. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES**

Specific Linkage to Strategic Objectives: Outside the Mission Strategic Objectives  
 Percent of LOP Funds Relating to Strategic Objectives: N/A %

**IIIB. PROJECT PURPOSE**

To improve the effectiveness of food assistance (FA) activities in the Central America/Panama region by helping to establish effective national coordination mechanisms and strengthening the technical, managerial and evaluation capabilities of INCAP and national public and private agencies in the region.

**III. PROJECT DESCRIPTION**

This project provides T.A., through INCAP, to public and private food programs and implementing agencies and ministries so as to strengthen their food aid planning, targeting, management, evaluation and community outreach capabilities. Through this assistance, INCAP promotes the use of food aid as a resource for improving the health, nutrition and food security of Central Americans.

196  
K14

PROJECT STATUS REPORT  
April 1, 1993 - September 30, 1993

A    BX    C   IV. PROJECT STATUSPlanned EOPSProgress To Date

All planned EOPS had been met before PACD.

B. Major Outputs

\_\_\_\_\_ Planned \_\_\_\_\_

\_\_\_\_\_ Accomplished \_\_\_\_\_

No changes from previous SAR.

C. Other Accomplishments and Overall Status

Commodities procured, received and installed by PACD.

Final Financial Management Review contracted for this Project and 596-0115. Arthur Andersen initiated work at INCAP in September, 1993 and will finish by November 15, 1993.

D. Problems and Delays

None.

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

1. Approval of Project Assistance Completion Report.
2. Deobligation of excess funds.
3. Analysis of Final Financial Management Review report.
4. Review of outstanding audit recommendations and closure based on results of Final Financial Management Review.

**IA. BACKGROUND DATA**

Project Title:	Central American Peace Scholarship		
Project Number:	596-0130		
Date of Authorization:	original 02/14/85	amendment	05/04/89
Date of Obligation:	original 09/10/85	amendment	07/07/89 (Zamorano)
	original 08/06/85	amendment	09/18/89 (INCAE)
PACD: original	09/30/93		
Implementing Agencies:	INCAE and ZAMORANO		
Major Contractors:	None		
AID Project Manager:	Nelly de León		
Status of CPs/Covenants:	Completed		
Date of Last Evaluation:	04/05/90	Next Evaluation:	None
Planned Number of Non-Federal Audits during Fiscal Year:	2		
The Number of such Audits Contracted for/Completed:	3/3 *		
Date of Last Audit:	08/92	Next Audit:	08/93 (INCAE)
	08/90	Next Audit:	None (ZAMORANO)

\* Includes one financial review for each one of the institutions

**IB. FINANCIAL DATA**

Amount Authorized:	DA/ESF Grant: original	\$ 6,892,000
Amount Obligated:	DA/ESF Grant: original	\$ 800,000 amended to \$ 6,804,572
Amount Committed:	Period:	\$( 59)
	Cumulative:	\$ 4,337,980
Accrued Expenditures:	Period - Projected:	\$ 25,000
	Period - Actual:	\$( 4,497)
	Cumulative:	\$ 4,097,316
	Period - Next:	\$ -x-
Counterpart		
Contributions:	Planned:	N/A
	Actual:	N/A
% LOP Elapsed:		<u>100.00%</u>
% of Total Auth. Oblig.		<u>98.60%</u>
% of Total Oblig. Exp.		<u>94.40%</u>
% of Total Auth. Exp.		<u>93.10%</u>

---

**IIA. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES**

Specific Linkage to Strategic Objectives: This is an "Other" project that has been terminated.

Percent of LOP Funds Relating to Strategic Objectives: 0 %

**IIB. PROJECT PURPOSE**

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

**III. PROJECT DESCRIPTION**

The ROCAP CAPS project has focused on providing both long and short term development training opportunities for Central Americans. The training has supported the overall development goals of the countries and served to enhance friendly relations with the United States.

198  
151

**IV. PROJECT STATUS**

Planned EOPS

Progress To Date

- |    |   |  |
|----|---|--|
| 1. | 113 Long-term and 585 short-term scholarships provided to Central Americans.  | A total of 104 Central American have received long-term and 614 short-term training.   |
| 2. | Governmental institutions or the private sector providing various development related services because of the contribution of better trained staff. | PYME-COOPS groups have formed their association to increase non-traditional exports; CA Public Auditors working for the Controller General's Office have formed their association in order to solve common problems; Agricultural Teachers have formed their association to improve teaching techniques at agricultural schools. |
| 3. | Closer business and friendship ties between LAC countries and the US because of relationships formed during training.                               | Productive relations with US business have been established.   |

**B. Major Outputs**

	LOP	<u>Planned</u>								<u>Accomplished</u>							
		Period		Cum.		Next Period		Period		Cum.		% of LOP					
1. Tech. Training Cooper. Mang.	90	0	90	0	0	0	0	0	90	100							
2. Tech. Training Agric. Teachers	341	0	341	0	0	0	0	372	110								
3. Tech. Training Small Business	50	0	50	0	0	0	47	94									
4. Tech. Training Public Auditors	160	0	160	0	0	0	159	99									
5. Tech. Training Zamorano Staff	10	0	10	0	0	0	10	100									
6. Acad. Training INCAE Staff	5	0	5	0	0	0	5	100									
7. Acad. Training Zamorano Gradts.	42	0	42	0	0	0	35	83									
8. Training (pers.)	M	F	M	F	M	F	M	F	M	F	M	F	M	F			
8a. Long-Term	68	45	0	0	68	45	0	0	0	0	74	30	109	67			
8b. Short-Term	315	234	0	0	351	234	0	0	0	0	440	174	125	74			

199  
199

C. Other Accomplishments and Overall Status

1. None. Project completed.

D. Problems and Delays

Due to the coup in May 1993, follow-up activities planned for May/June 1993, were cancelled as well as the PYME-COOP Regional Meeting planned for June to be held in Guatemala and training for public auditors.

There are \$94,715 of remaining questioned costs related to INCAE's overhead rate. An audit for FY 92 has been done by Arthur Andersen and a report has been submitted to the Controller's Office. The Contracting Officer informed INCAE that the Mission is unable to accept costs incurred under Agreements 597-001-G-6003-00 and 596-0130-A-9573-00 if the costs are not supported by valid documentation. We cannot close out this project until INCAE responds to our Office of Contracts and we can settle this matter.

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

1. Based on the last audit of INCAE done by Arthur Andersen, overhead rate should be renegotiated by the Contracts Office by October 31, 1993.
2. Project Manager will initiate project close-out proceedings.

Doc  
199

**IA. BACKGROUND DATA**

Project Title: Central American Rural Electrification Support Program (CARES)  
Project Number: 596-0146  
Date of Authorization: original 05/05/87 amendment 08/07/90  
Date of Obligation: original 05/05/87 amendment 08/07/90  
PACD: original 09/30/92 amendment 03/31/95  
Implementing Agencies: NRECA  
Major Contractors: None  
AID Project Manager: Mario Funes  
Status of CPs/Covenants: Completed  
Date of Last Evaluation: 05/15/90 Next Evaluation: 11/15/93  
Planned Number of Non-Federal Audits during Fiscal Year: None  
The Number of such Audits Contracted for/Completed: n/a  
Date of Last Audit: None Next Audit: N/A (U.S. PVO)

**IB. FINANCIAL DATA**

Amount Authorized:	DA/ESF Grant: original	\$ 5,000,000	amended to \$ 11,500,000
Amount Obligated:	DA/ESF Grant: original	\$ 4,610,000	amended to \$ 11,035,800
Amount Committed:	\$1,400,000	Period:	\$ 1,400,000
	Cumulative:	\$ 11,399,857.00	
Accrued Expenditures:	Period - Projected:	\$ 1,149,914.80	
	Period - Actual:	\$ 1,692,094.27	
	Cumulative:	\$ 9,264,912.36	
	Period - Next:	\$ 1,187,600.00	
Counterpart			
Contribution:	Planned:	\$ n/a	
	Actual:	\$	
% LOP Elapsed:		81%	
% of Total Auth. Oblig.		99.9%	
% of Total Oblig. Exp.		80.5%	
% of Total Auth. Exp.		80.5%	

---

**IIA. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES**

**Specific Linkage to Strategic Objectives:** CARES helps to organize decentralize and privatize utilities and fosters microenterprises through productive uses of electricity; and in general, it lowers investment costs and risks through tariff and regulatory reform, sound project analysis, region-wide standards, and managerial and technical training. While in these ways CARES supports a "More open Regional Economy", the Action Plan listed it as an "Other" project. A final determination will be made based on the redefinition of the Mission's Regional Economic Strategy.

**Percent of LOP Funds Relating to Strategic Objectives: 0 %**

**IIB. PROJECT PURPOSE**

To strengthen the institutional and technical base for improved electrification programs in order to increase rural access to electricity in Central America and Panama.

**III. PROJECT DESCRIPTION The Project has the following major components:**

- Dialogue on Policy and Institutional Reform, to support the adoption of policies and institutional reforms to strengthen the organizational and financial basis for rural electrification.
- Enhancement of Operational Efficiency, to raise and maintain levels of technical and managerial skills aimed at reducing technical and administrative losses and operating costs.
- Least-Cost Rural Electric Systems, to promote the widespread adoption of standardized, appropriate designs and specifications for electric systems.
- Productive Uses of Electricity, to provide technical assistance and training to national programs of productive use promotion.

201  
1014

In the last amendment two of these components remain, namely: Dialogue on Policy and Institutional Reform, and Enhancement of Operational Efficiency. A new Project component was added, Renewable Energy for Rural Electrification (RE), because of the importance and high potential of these new technologies in the energy sector for isolated uses and environmental purposes.

IV. PROJECT STATUS

Planned EOPS

Progress To Date

1. Dialogue on Policy and Institutional Reform

National utility RE in CA countries.

Decentralized RE in four countries.

At least two locally managed systems.

Over 150 villages selected by DAM for RE in two countries.

Regional seminar on DAM with follow-up in three countries.

Feasibility study completed to create RE financing.

Cost of service and rate study completed for RECO.

Prospectus for the creation of a private utility in Ometepe, Nicaragua completed.

Feasibility study underway for private utility in Choluteca, Honduras.

Private electric company legally established and operating in Honduras. Electric cooperative organized and operating in El Salvador. Revitalization of six municipal electric companies underway in Guatemala.

2. Enhancement of Operational Efficiency

Effective training programs for up to 300 people to improve management and operation in RE.

Training presented at all levels to over 651 persons.

3. Least-Cost Rural Electric Systems

RE standards adopted and demonstrated in a minimum of four countries.

Minimum of two workshops in least cost design with minimum of four countries participating.

RE standards adopted and demonstrated in Costa Rica, El Salvador and Guatemala.

Least cost RE computer aided design package (IDEAS) ready for field testing and workshops. Package demonstrated to CA utilities. Three workshops on renewable energy technology design for RE completed.

Regional seminar on RE standards held with over 100 participants from 7 countries.

Joint CARES/EEGSA solar energy project inaugurated.

Solar workshops held in three countries.

202  
200

**4. Productive Uses of Electricity Program**

Establishment of productive uses of electricity programs in a minimum of four countries.

PU programs established in four countries and underway in Nicaragua.

Credit programs established and used.

Four credit programs operational in three countries.

**5. Major Outputs**

	<u>Planned</u>			<u>Accomplished</u>			% of LOP
	LOP	Period	Cum.	Next Period	Period	Cum.	
1. DAM	1	0	1	0	0	1	100
2. DAM Applications	5	1	13	0	1	9	100
3. Feasibility Studies	2	0	15	0	1	10	100
4. Isolated Systems	18	0	18	10	3	13	73
5. Hydro-plant Rehabilitation	2	0	4	0	0	4	100
<u>Least-Cost</u>							
1. RE Standards	3	0	3	0	0	3	100
2. Surplus Equipment	500,000	0	600,000	0	100,000	833,000	100
<u>Enhancement Operation Ef.</u>							
1. PU Program	5	0	8	0	0	7	100
2. Rate Initiative	3	0	5	1	1	3	100
3. Training Short Term	300						100
Male		35	557	150	560	1,298	
Female		10	116	50	91	230	

**C. Other Accomplishments and Overall Status**

**1. Dialogue on Policy and Institutional Reform**

**Demand Assessment and Site Selection Methodology (DAM).** DAM adopted in the utility master plan under development by ENEE in Honduras and RE funding secured from German development sources on the basis of DAM analysis. EEGSA implements DAM in Guatemala.

**Guatemala.** Proposal made for creating decentralized municipal electric utilities (MEUs) in Huehuetenango, Quetzaltenango, and Retalhuleu. Study on legal origins, problems, and opportunities for MEUs completed. Assistance on financial and technical reporting (performance evaluation) for MEUs completed.

**Honduras.** RECO officially inaugurated on April 25, 1993. Over 50 new customers connected per month. Energy losses decreased from 16.2% to 8.1% during the semester. A long-term development plan prepared for RECO. The phase 1 study of a private power company for Choluteca provides methodology for privatizing distribution of electricity throughout the country.

**El Salvador.** Contributed to the development of a electricity distribution privatization plan.

**Rate Initiatives.** A unified tariff methodology (TUCA) for CA was developed and presented to CEAC. Methodology was adopted by all CA utilities. Study included reorganization of CEAC.

263  
261

Information Systems. Continued publication of informational material including a manual and questionnaire for Peace Corps volunteers on renewable energy technologies and village electrification.

## 2. Enhancement of Operational Efficiency

Training. Twenty nine training courses held with over 651 trainees. Three solar energy workshops, lineman training, and accounting courses for non-accountants completed.

Energy Efficiency. Major electricity metering program initiated at INDE and EEGSA to calculate losses and prepare loss reduction program. Baseline study on planning and operation issues of IRHE completed.

## 3. Cost Rural Electric System Design

Distribution Standards. Regional seminar on standards held with over 100 participants from 7 countries (CA, Bolivia and Uruguay).

IDEAS. A new computerized program for design and implementation of line construction prepared by NRECA with partial funding from CARES presented to CA utilities.

Renewable Energy. Continued collection and analysis of wind resource data in the region. Prospects for wind generated electricity look very promising. Joint EEGSA/NRECA solar energy project terminated with partial funding from CARES (San Buenaventura). Project provides electricity to 41 houses in the village.

## 4. Productive Uses of Electricity

Promotion and Demonstration. EEGSA and CARES designed and constructed a PU mobile unit for PUE promotion. Study of funding sources for PU credit completed. PDOs have presented 8 proposals for additional credit.

Women in Development. Completed first draft of gender differentiated impact analysis of FUNDAP s PUE program in ten highland villages in Guatemala. Completed manual for the development of women-owned and/or managed microenterprises which use PUE. Initiated a study of employment impacts of productivity-enhancing embroidery machinery in Cantel, Quetzaltenango.

## 5. Monitoring and Evaluation

Completed CARES' PUE impact evaluation in 10 villages in Guatemala. Collected impact indicators for activities implemented in El Salvador, Honduras, and Costa Rica. Developed a training evaluation methodology. In coordination with ORNL and ROCAP finalized CARES' impact indicators framework.

## D. Problems and Delays

The political developments in Guatemala affected the operation and management at INDE and delayed ongoing CARES activities in the electric subsector. The creation of MEUs in San Pedro and Huehuetenango were delayed due to political problems in their city councils. Four accidents at RECO dramatically indicate the need for a safety program.

Delays in ORNL funding postponed the initiation of several evaluation studies. However, most data has been gathered and prepared. ORNL team will arrive in November.

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

### 1. Dialogue on Policy and Institutional Reform

Decentralized Initiatives. The legal and operational functions of the new private utility in Ometepe, Nicaragua will be implemented. Based on the Phase I study for the creation of a private electric distribution company in Choluteca, Honduras, CARES will survey and identify other potential projects for decentralization in the country. Support for RECO will terminate at the end of October 1993.

104  
207

Rate Initiatives. Based on RE finance study completed, an effort to establish a rural electric financing mechanism will be made in Guatemala.

## 2. Enhancement of Operational Efficiency

Energy Efficiency. The energy losses study of INDE and EEGSA will be completed and a loss reduction program initiated. A demand-side management program will be completed with the electric cooperatives in Costa Rica. A study for the interconnection of a new private power plant to IRHE in Panama will be completed. IRHE staff will be trained on the analysis of private power interconnections. Assistance will also be given to IRHE on a loss reduction program.

Training. Training programs will be conducted to terminate CARES PUE program in the region. Training will also continue at MEUs in Guatemala and at SNE in Costa Rica. An existing modular, self-paced job safety and training program will be translated into the Spanish language for use in the region.

Productive Uses of Electricity. Manuals on PU demonstration, promotion, training, and utilization of the PU demonstration vehicles will be prepared.

## 3. Renewable Energy for Rural Electrification

Information Collection and Dissemination. The wind and solar energy data collection program will continue in the region. An information center on renewable energy technologies will be created. NRECA staff will present papers at conferences on CA renewable projects.

Training. Hands-on workshops for PDO and utilities will be held to train trainers. At least three workshops will be implemented for end-users in targeted communities and national parks. A RET regional seminar will be held.

Pilot Projects. Prefeasibility and feasibility studies will be prepared for 10 renewable energy projects throughout the region. A RET based PU program will be developed and tested as part of each project developed. At least one wind project, one solar project in a national park, and one utility-based renewables project will be implemented in the region during the year. The foundations for these field projects will be completed during the first semester of the year.

## 4. Monitoring and Evaluation

Seven evaluation studies and cases will be undertaken including evaluation of DAM, PU, MEU assistance, privatization, energy efficiency, institutional development and training.

### List of Acronyms

CA	Central America
CARES	Central American Rural Electrification Support Program
CEAC	Electric Commission for Central America
DAM	Demand Assessment Model
EEGSA	Empresa Eléctrica de Guatemala, S.A.
ENEE	Empresa Nacional de Energía Eléctrica-Honduras
FUNDAP	Fundación Nacional para el Desarrollo y la Productividad
ICE	Instituto Costarricense de Electricidad
INE	Instituto Nicaraguense de Electricidad
INDE	Instituto Nacional de Electrificación-Guatemala
IRHE	Instituto de Recursos Hidráulicos y Electricidad-Panama
MEU	Municipal Electric Utility
NRECA	National Rural Electric Cooperative Association
PDO	Private Development Organizations
PU	Productive Uses
RE	Rural Electrification
RECO	Roatán Electric Company
SNE	Servicio Nacional de Electricidad
TUCA	Unified Electric Tariff for Central America

205  
213

**IA. BACKGROUND DATA**

Project Title: Regional Development Support  
Project Number: 596-0162  
Date of Authorization: original 09/04/90 amendment 08/03/92  
Date of Obligation: original 09/28/90 amendment 09/30/93  
PACD: original 07/31/95 amendment 09/30/96  
Implementing Agencies: ICAITI, INCAP, ACADEMY FOR EDUCATIONAL DEVELOPMENT,  
Major Contractors: AED, Sandy Callier (PASA:Health/Nutrition Adv.) Enrique Duarte  
(INCAP Proj. Mgr.) Mario Funes (Reg. Energy Adv.), ICMA  
(Institutional support to FEMICA), AED (Reg. Info. Clearinghouse)  
AID Project Manager: Anthony Vollbrecht  
Status of CPs/Covenants: N/A  
Date of Last Evaluation: 11/30/92 Next Evaluation: N/A  
Planned Number of Non-Federal Audits during Fiscal Year: 0  
The Number of such Audits Contracted for/Completed: 0  
Date of Last Audit: ICAITI (12/92), FEDEPRICAP (4/93), INCAP (8/93) Next Audit: N/A

**IB. FINANCIAL DATA**

Amount Authorized: DA/ESF Grant: original	\$ 2,500,000	amended to \$ 5,000,000
Amount Obligated: DA/ESF Grant: original	\$ 68,000	amended to \$ 2,682,917.76
Amount Committed: Period:	\$ 364,056	
	Cumulative:	\$ 2,682,917
Accrued Expenditures: Period - Projected:	\$ 496,704	
	Period - Actual:	\$ 797,617
	Cumulative:	\$ 2,314,778
	Period - Next:	\$ 237,426
Counterpart Contribution: Planned:	\$ N/A	
	Actual:	\$ N/A
% LOP Elapsed:	50%	
% of Total Auth. Oblig.	54%	
% of Total Oblig. Exp.	85%	
% of Total Auth. Exp.	46%	

---

**IIA. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES**

**Specific Linkage to Strategic Objectives:** This project supports all three of the Regional Program Strategic Objectives and promotes regional cooperation through a provision of technical assistance, a regional information clearinghouse and a regional support fund. The RDS project has funded long term and short term TA to assist start up activities of the LOGROS project ("More Effective and Democratic Local Governance") as well as some initial training. The Regional Information Clearinghouse provides information regionwide on all three regional strategic objectives.

**Percent of LOP Funds Relating to Strategic Objectives:** 30% Open Reg. Economy  
30% Democratic Initiatives  
20% Environment/Nat. Res.  
20% Outside S.O.s (H/N)

**IIB. PROJECT PURPOSE**

- 1) To improve regional initiatives in trade and investment (including energy development), environment and natural resource conservation, democratic initiatives, and health and nutrition.
- 2) To improve the access of regional institutions, fora participants, donors and USG development organizations in Central America to current and relevant information.

206  
207

III. PROJECT DESCRIPTION

The project (as amended) is designed to promote regional cooperation in the regional strategic areas of focus. A regional information clearinghouse and regional support fund will help the Mission achieve its program goal, viz., to promote an open, competitive Central American economy in a stable democratic environment.

IV. PROJECT STATUS

	<u>Planned EOPS</u>	<u>Progress To Date</u>
1.	Trade and Investment/Energy	
	a) Regional electrification programs strengthened	a) Activities on-going. The CARES project has been strengthened through provision of services of a Regional Energy Advisor through April 1994.
	b) Private sector linkages strengthened	b) Activities completed. Private sector linkages strengthened through support to AUPRICA and FEDEPRICAP to improve private university networking in C.A.
	c) Women's participation in business strengthened	c) Activities completed. Women's participation in business strengthened through support to women's business associations and FEDEPRICAP in the provision of computer equipment and training.
2.	Environment activities designed/implemented	Activities completed. Project development/support provided to design follow-up activities in the Regional Agric. Dev. Office (RADO).
3.	Democratic Initiatives: Regional Municipal development programs strengthened	Buy-ins with International City Managers Assoc. (ICMA) provided TA to carry out FEMICA's Second Annual Congress and in-country workshops attended by 74 municipal reps. Urban environmental conference on management of solid waste assisted several Central American cities with solid waste problems and provided training to their personnel. Studies on improved participation by women in democratic processes completed.
4.	Health/Nutrition: INCAP institutionally strengthened	TA to INCAP is on-going.

207  
208

- |    |  |   |
|----|--|---|
| 5. | <p><b>Regional Information Clearinghouse:</b> Three state of the region reports, (SORRs) issued; thirty regional information bulletins (RIBs) issued; fifteen tailored information packages (TIPs) prepared; one hundred ad-hoc information requests filled; and SORRs RIBs and TIPs distributed to target user groups</p> | <p>RIC team arrived at post in February 1993 and operational in Plaza Uno offices. RIBs and TIPs produced and distributed to target groups.</p>   |
| 6. | <p><b>Regional Support Fund,</b> coordinating and networking activities accomplished (demand driven)</p>   | <p>UNIAPRAVI: A request to finance (in part) a Regional Housing Finance Conference supported. Political Leadership Training: Activity identified at DI officers conference; training of 20 leaders completed July 1993.</p> |

**B. Major Outputs**

	Planned				Accomplished			
	LOP	Period	Cum.	Next Period	Period	Cum.	% of LOP	
1. Long Term TA in TI/Energy, democratic initiatives, health/nutrition (P/Ms)	102	12	85	12	14	87	85	
2. Policy for workshops, seminars, studies, observation trips	38	0	37	0	0	37	97	
3. Short term TA (project design, and in strategic areas) (TDYs)	9	2	11	2	2	11	12	
4. Regional Information Clearinghouse:								
SORR	3	0	0	0	0	0		
RIBs	30	3	3	4	2	2	7	
TIPs	15	0	0	3	8	8	53	
AD-hoc Requests	100	0	0	15	2	2	2	
5. Training	M F * *	M F * *	M F * *	M F * *	M F 15 5	M F 202 244	M F * *	
6. Regional Support Fund (demand driven)	dd	0	2	2	0	1	3	

208  
206

C. Other Accomplishments and Overall Status

Regional Information Clearinghouse: The RIC contract team became fully operational during the reporting period, initially setting up offices in Edificio Plaza Maritima and in late August, moved into Plaza Uno following the consolidation of the ROCAP and bilateral Missions. The COP and the Information Analyst visited four of the seven C.A. USAIDs to brief them on the role of the RIC and to assess their regional information needs. During these visits, they made contact with 23 organizations, most of which have as their primary objective, activities on a regional scale in Central America. The RIC team also attended the FENARM Coordination meeting in San Jose, the Conference on Investment and Trade in Central America (CITCA '93) in San Pedro Sula, the Central American Seminar for Information Specialists at the University of Francisco Marroquin, and the Conference on Finance in Central America. These conferences provided the RIC with much information and many useful contacts for RIC activities.

Two Regional Information Bulletins (RIBs) were prepared and distributed during the reporting period. The first RIB described the purpose of the RIC and A.I.D. information sources while the second RIB dealt with regional economic integration and trade and investment. The RIC prepared eight Tailored Information Packets (TIPs) in response to focused information requests from Mission personnel on area ranging from environment, trade, economic integration municipal development and tax reform, etc.

With the departure of the RDS project funded Regional Health/Nutrition Adviser to INCAP (Sandy Callier/PASA), the RDS project is picking up fifty percent funding of a PSC in the bilateral Office of Health and Education half-time to work with INCAP on the regional institutional strengthening project.

The RDS project has directly incorporated women in development activities through support to women's business associations.

The Political Party Leadership Training seminar, RDS funded and conducted under contract with INCAE, trained 20 C.A. political leaders from Guatemala, Nicaragua, and Panama in July as part of a group of 79 participants from all over Latin America. The seminar covered a full spectrum of areas from government policy formulation in economics, environment, natural resource utilization relating it to political party organization and the role of political parties in democracies.

The two short term technical assistance contracts for design/evaluation activities under the project have ended and will not be renewed.

D. Problems and Delays

The project is experiencing no major delays. A major concern is the future of the RDS project as available A.I.D. budget resources decline.

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

- Regional Information Clearinghouse: ◀Prepare four RIBs.  
Fill fifteen ad-hoc info requests.  
Prepare three TIPs.  
RIC team visit to Nicaragua.  
Draft the State of the Region Report (SORR).
- Revise budget, and PP as required, in line with anticipated OYB reductions.

**IA. BACKGROUND DATA**

Project Title: INCAP Institutional Strengthening  
 Project Number: 596-0169  
 Date of Authorization: original 06/01/91 amendment 00/00/00  
 Date of Obligation: original 06/28/91 amendment  
 PACD: original 06/30/94 amendment 00/00/00  
 Implementing Agencies: Nutrition Institute for Central America and Panama (INCAP)  
 Main Contacts: Dr. Hernán Delgado, INCAP Director  
 Major Contractors: N/A  
 AID Project Manager: Gary W. Cook  
 Status of CPs/Covenants: All CPs met on 9/07/92  
 Date of Last Evaluation: 06/01/93 Next Evaluation: 06/30/94  
 Planned Number of Non-Federal Audits during Fiscal Year: 1  
 The Number of such Audits Contracted for/Completed: 0  
 Date of Last Audit: 00/00/00 Next Audit: 01/05/94  
 Date of Last Site Visit: Project Manager visits INCAP twice a week.

**1B. FINANCIAL DATA**

Amount Authorized: DA/ESF Grant: original	\$ 4,400,000	amended to \$	
Amount Obligated: DA/ESF Grant: original	\$ 1,398,000	amended to \$	4,400,000.
Amount Committed:	Period:	\$ (331,048)	
	Cumulative:	\$ 3,063,613	
Accrued Expenditures:	Period - Projected:	\$ 1,130,572	<u>ADD ONS</u> Authorized \$2,000,000
	Period - Actual:	\$ 1,529,913	<u>OTHER SOURCES</u> Obligated \$ 200,000
	Cumulative:	\$ 2,717,780	Expenditures - 0 -
	Period - Next:	\$ 1,650,595	* <u>ROCAP</u> Obligated \$ 388,961
Outstanding Project Advances:		\$ - 0 -	
Counterpart Contribution:	Planned:	\$ 2,134,000	
	Actual:	\$	
% LOP Elapsed:		75%	
% of Total Auth. Oblig.		100%	
% of Total Oblig. Exp.		62%	
% of Total Autn. Exp.		62%	

\* Included in Controller's financial data

**IIA. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES**

Specific Linkage to Strategic Objectives: Outside of Mission S.O.  
 Percent of LOP Funds Relating to Strategic Objectives: Outside of Mission S.O.

**IIB. PROJECT PURPOSE**

To strengthen INCAP so that it may be sustainable without further A.I.D. core financial support. (Notes: "sustainability" defined in terms of organizational effectiveness, viability (including financial), and resource.)

**III. PROJECT DESCRIPTION**

The INCAP Institutional Strengthening Project (IISP) is a three year, US\$8.534 million activity (US contribution: \$4.4 million plus US\$2.0 million in add-ons) designed to strengthen the Institute of Nutrition of Central America and Panama (INCAP) so that it can sustain itself as a relevant, effective and viable institution without A.I.D. core financial support through at least the Year 2000.

210  
208

sustain itself as a relevant, effective and viable institution without A.I.D. core financial support through at least the Year 2000.

IV. PROJECT STATUS

A. Planned EOPs

Progress to Date

Financial, technical and managerial resources, adequate for institutional sustainability through at least the year 2000 reasonably assured.

B. Major Outputs

Planned

Accomplished

1. Strategic Planning & Management system designed, institutionalized and implemented, including annual operating plans and monitoring and evaluation system.

INCAP reorganized to operate strategically. SPM unit as support to Director and program areas.

2. IMS meeting scientific/technical as well as management and financial needs for organizing accessing, analyzing and communicating information.

IMS manager hired. Pilot LAN installed.

3. First class technical capabilities in five technical areas.

Strengthening plans in five key areas approved and be implemented.

4. Trained and proficient staff in methods of technology transfer; all country teams trained in technology transfer by 1994.

Technology Transfer unit organized to link program areas with country teams.

5. Staff upgraded in market/demand analysis and client-oriented needs assessments; promotion, communications and marketing; project development and negotiation; and fund raising and communications.

Market Analysis in food technology services and distance education underway. New communication portion established.

6. Endowment fund completed and endowment fund strategies developed.

Establishment of fund completed and signed at August 31, 1993.

C. Other Accomplishments and Overall Status

INCAP developed and ROCAP approved a comprehensive program plan covering the remaining LOP as well as a specific plan and budget for 1993. A mid term external evaluation was made in May-June, 1993.

Strategic Planning and Management: INCAP continues to follow the strategic directions outlined in its 1990 Strategic Plan. As of January, 1993, a revised organizational structure was established. By design it is non-hierarchical and intended to encourage communications and collaboration across disciplines, program areas and organizational boundaries. A Strategic Planning and Management unit was created, combining functions in institutional planning, promotion, financial resource development and project development and monitoring.

In financial management, systems and procedures are being modified to deal more efficiently with nontraditional income sources such as sales of services to private food industries and royalties. Other important financial management challenges are just beginning

211  
200

to be addressed, including overhead policy and regulations; this work is being undertaken in partnership with INCAP's administrative Division and PAHO.

Wiring for INCAP's local area network (LAN) is completed and equipment for the pilot LAN operation purchased and installed. A survey of information system needs and priorities has been completed and a workshop to formalize an institutional information management plan will take place during the next reporting period.

Technical Strengthening and Technology Transfer: INCAP's professional and technical staff have been reorganized into multidisciplinary program teams corresponding to programmatic priorities determined in accord with INCAP's strategic objectives. Each group developed midterm (3-4 year) objectives and strategies as well as 12-18 month action plans, all of which include initiatives to secure future financing. IISP is supporting technical strengthening activities in four of these areas: (1) integrated local initiatives to improve the nutrition and health status of the most vulnerable groups; (2) prevention and control of micronutrient deficiencies; (3) food quality and safety and consumer education; (4) nutrition and diet-related chronic diseases.

The Vitamin A earmark funded strengthening plan was reviewed at the midpoint of its two year life with assistance from the central VITAL Project. The VITAL consultant gave high marks in terms of accomplishments to date especially in Honduras, Panama and Guatemala as well as INCAP's plans to integrate Vitamin A activities into a broader micronutrient focus and expand efforts especially in El Salvador and Nicaragua.

INCAP's revised Master's curriculum received formal approval from San Carlos University and will be initiated in Winter, 1994. IISP provided modest but critical support to the development of the revised curriculum which is both innovative and practical.

Headquarters activities to improve technology transfer are focussed on strengthening INCAP's capabilities in operations research and communications. Again, IISP's support is a modest but important complement to other resources. INCAP recently established a new position for a communications specialist as planned under IISP and has submitted a communications project for funding from R&D/H's Expanded Promotion of Breastfeeding initiative. INCAP's country teams or GTBs (grupos técnicos básicos) continue to be the focal point for INCAP's technology transfer activities within member countries.

Financial Resource Development: The idea of an endowment has catalyzed a strategic approach to resource development by INCAP, an achievement that has importance apart from any success in endowment fundraising. INCAP's resource development strategy now encompasses a range of initiatives, including the marketing and sale of services, exploration of various "Friends of INCAP" programs, plans for an INCAP donors' group and more systematic approaches to proposal and project development.

INCAP has initiated, albeit at a small scale, the provision of laboratory and technical services on a fee basis to food industries in Guatemala. Market and cost analyses now underway will provide a basis for more systematic outreach; an improved pilot plant facility will provide the basis for specialized assistance and training in product formulation and food technology. While integrated within the financial resource development strategy, this activity clearly also contributes to strengthening INCAP's capabilities in food science and technology.

The Central American Bank for Economic Integration and INCAP signed the endowment fund agreement with the expectation that CABEI would manage INCAP's endowment fund as well as collaborate with INCAP in other ventures that support regional development objectives.

Funds from AID/W and other Projects were included in the Project by the Add on mechanism, as follow:

Amendment No. 6	from MotherCare	\$200,000
Amendment No. 7	from PAYSА	\$ 47,178
Amendment No. 8	from AID/W (Micronutrients)	\$200,000

#### D. Problems and Delays

A meeting of the external advisory group identified in the Project Paper was projected for early in 1993. However, the concept behind such a group is being reexamined. While an INCAP advisory group could provide useful oversight of overall institutional directions,

712  
710

input and review, from both within and outside of Central America, as part of their action plans. In addition INCAP plans to convene an institutional level advisory group review in conjunction with or sometime after its annual anniversary commemoration in September.

While considerable efforts have been made and progress achieved on outstanding financial management issues related to previous A.I.D. projects, there has been a cost to IISP, especially in terms of progress toward expected improvements in financial management systems and practices. Also, the recipient contracted audit for IISP was delayed while INCAP was inundated with other audits. Similarly, progress toward establishing auditable records of counterpart contributions have been slowed although INCAP is instituting a new system to record personnel time by project or funding source, the major component of expected counterpart contributions for IISP.

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

1. Analyzes of the INCAP s proposal for PACD extension from June 30, 1994 to June 30, 1996.
2. Conduct of delayed recipient contracted audit and presentation of counterpart contribution report.
3. Develop of the INCAF s Annual Work Plan/94.
4. INCAP's endowment fund monitoring.
5. Monitoring activities funded by Add ons.

**IA. BACKGROUND DATA**

**Project Title:** Establishment of the Central American Development Coordination Commission (CADCC)  
**Project Number:** 596-0176  
**Date of Authorization:** original 09/30/91  
**Date of Obligation:** original 09/30/91  
**PACD:** original 09/30/93      **Amendment:** 9/30/95  
**Implementing Agencies:** 1) The Permanent Secretariat of the General Treaty of Central American Economic Integration (SIECA)  
2) CADCC Executive Directorate  
**Main Contacts:** Lic. Rafael Rodríguez Loucel, SIECA's Secretary General  
Dr. Francisco Mayorga, CADCC Executive Director  
**Major Contractors:** N/A  
**AID Project Manager:** Gustavo Ruiz  
**Status of CPs/Covenants:** N/A  
**Date of Last Evaluation:** N/A      **Next Evaluation:** 06/94  
**Planned Number of Non-Federal Audits during Fiscal Year:** 1  
**The Number of such Audits Contracted for/Completed:** 0  
**Date of Last Audit:** N/A      **Next Audit:** 03/94  
**Date of Last Site Visit:** 03/03/93

**IB. FINANCIAL DATA**

<b>Amount Authorized:</b>	DA Grant:	original	\$ 497,850
<b>Amount Obligated:</b>	DA Grant:	original	\$ 497,850
<b>Amount Committed:</b>	Period:		\$ 210,968
	Cumulative:		\$ 260,065
<b>Accrued Expenditures:</b>	Period - Projected:		\$ 160,000
	Period - Actual:		\$ 13,700 *
	Cumulative:		\$ 50,635
	Period - Next:		\$ 105,000
<b>Outstanding project Advances:</b>			\$ 59,635
<b>Counterpart Contribution:</b>	Planned:		\$ 0
	Actual:		\$ 0
<b>% LOP Elapsed:</b>			50%
<b>% of Total Auth. Oblig.</b>			100%
<b>% of Total Oblig. Exp.</b>			8%
<b>% of Total Auth. Exp.</b>			8%

\* Represents accrued salary (June-Sept.) for Executive Director and his assistant.

---

**IIA. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES**

**Specific Linkage to Strategic Objectives:** Through specific economic and socio-political research and policy dialogue this project will support S.O. No. 1, An Open and Competitive Regional Economy. However, given the broad mandate of project concerns as regards the establishment of the Coordination Commission (other than related to the S.O.) the project is treated as outside of the S.O.

**Percent of LOP Funds Relating to Strategic Objectives:** N/A.

**IIB. PROJECT PURPOSE**

The project purpose is twofold. The Intraregional purpose is to support the creation of a Central American Development Coordination Commission as a forum for dialogue and consensus building on key regional issues and objectives among the public, private, labor, academic, cooperative, non-governmental and other sectors in Central America in economic, social and political matters. The Extraregional purpose is to create a coordinating mechanism for (1) development of regional positions on key issues and objectives and (2) channeling of those positions to the C.A. governments, to C.A. Associations represented in the Commission and to Central American representatives to multilateral fora.

214  
212

**III. PROJECT DESCRIPTION**

The project will be implemented in two phases. Phase I supported the formal establishment of the CADCC focusing on the Commission's mandate, roles and responsibilities; administrative and legal structures; internal functioning; immediate goals and membership and representation. Phase II will put into operation the CADCC consultative mechanism. Specific mandates of CADCC will be to: 1) solicit ideas and perspectives on key issues of regional importance; 2) serve as a catalyst for forging consensus on those issues among key sectors; and 3) recommend and tender positions to representatives to key multilateral fora (e.g. PDD, PEC, CIREFCA, IDB's Regional Consultative Group, the World Bank C.A. Consultative Groups, the EEC/C.A. mixed Commission, etc.)

**IV. PROJECT STATUS**

	<u>Planned EOPS</u>	<u>Progress To Date</u>
1.	Establishment of a forum to foster regional cooperation.	Completed.
2.	Greater multisectoral participation in formulating policy and building consensus on regional strategies and positions.	This process started during the II Plenary (March 4-5, 1993) with the discussion of two studies on "Central America towards Year 2000. The Major Economic Challenges" and "The New U.S. External Policy." New studies on C.A. labor legislation and on implications of economic opening with Mexico will continue this activity.
3.	Improved intraregional communication and coordination.	Multisectoral representation in the CADCC II Plenary in which all representatives of the sectors involved participated. Visits to Commissioners in each C.A. country searching consensus on topics for studies and other actions under the project.
4.	Greater consensus on a more harmonized approach to issues and objectives of regional concern.	Consensus will develop in the near future as the Commission strengthens its activities.

**B. Major Outputs**

	<u>Planned</u>				<u>Accomplished</u>		
	LOP	Period	Cum.	Next Period	Period	Cum.	% of LOP
1. CADCC Commission established	1	0	1	0	0	1	100
2. Plenary Meetings	4	1	2	1	0	1	25
3. Preparation of Studies & Paper Works	20	0	2	4	0	2	10
4. Executive Committee Meetings	4	1	1	2	0	1	25

**C. Other Accomplishments and Overall Status**

- Based on an AID/ROCAP decision taken during the last SAR review (June 1993), the CADCC's

215  
200

Executive Director fulfilled the condition of submitting to ROCAP, jointly with the work plan, the terms of reference of the studies and research planned to be carried out during year one, as a condition to extending the Project Assistance Completion Date (PACD). An Action Memorandum was signed on 9/13/93 by the Acting Mission Director extending the PACD for two additional years through September 30, 1995, and the LSGA with SIECA was extended for one year through 9/30/94. An additional one-year extension to the LSGA with SIECA will be approved upon submission to ROCAP during the next period, of the work plan and the list and terms of reference of all the studies and research planned to be carried out under this project.

In order to initiate formally the activities of the Commission, SIECA contracted the services of the Executive Director (Mr. Francisco Mayorga, Nicaraguan) and his assistant. Also a SIECA representative visited the CADCC offices in Managua to explain in detail the administrative procedures given the fact that, since the CADCC is not yet a legal entity, SIECA is the responsible regional entity to implement the project.

- Women in Development. As a high level multisectoral forum, the CADCC will facilitate consensus building on a wide range of economic/social problems affecting the C.A. region. Expected products will benefit equally women and men.

#### D. Problems and Delays

- To fulfill the above mentioned condition to extend the PACD, the CADCC Executive Director had to make consultations with the Commissioners in each C.A. country to decide on the themes and terms of reference of the proposed studies for the first year; the list was received by ROCAP late July. Consultations were also made by ROCAP with SIECA and FEDEPRICAP to obtain their comments and avoid duplication in preparation of studies.
- After completing the internal action necessary to initiate CADCC activities (Action Memorandum to authorize PACD extension, LSGA amendment and PIL) the first advance of funds was authorized by mid-September. Project is now prepared to implement its work plan.

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

- Four studies will be prepared for discussion at the CADCC Third Plenary planned to be held early 1994. Studies include topics such as "Labor Legislation in C.A.: Basic Differences and Possibility of Harmonization"; "Implications of Trade Opening with Mexico in Agriculture and Cattle Sectors", "The C.A. Industry and International Competitiveness", etc. The content of these studies will be the basis to start building consensus and harmonized approaches on issues of regional concern.
- Submission to ROCAP by the Executive Director of the list of studies with their corresponding terms of reference planned for the life of project. This list has to be approved by the Commission.
- A meeting of the CADCC Executive Director with top officers of SIECA, SICA, FEDEPRICAP and CACI will be hosted by AID/ROCAP in November to coordinate areas of interest to be covered by research under this project. This will allow coverage of relevant themes, maximize the use of resources and foster interinstitutional cooperation.
- The Third CADCC Plenary to be held February/March 1994. Main purpose of the meeting will be to discuss and approve the CADCC strategy, approve the CADCC by-laws and discuss the studies and other working papers which will allow the Commission to start its role as a consultative mechanism to forge consensus among key sectors.
- Initiate contacts with other potential donors and discuss ways of cooperation with other important C.A. regional organizations (i.e. SIECA, FEDEPRICAP, SICA, CACI, etc.)

11/6  
2196

**IV. CENTRALLY-FUNDED ACTIVITIES**

## USAID/GUATEMALA CENTRALLY/REGIONALLY-FUNDED ACTIVITIES

### A. SUPPORT STRATEGIC OBJECTIVE AND CAN BE MANAGED BY MISSION

PROJECT TITLE/ NUMBER	FUNDING LEVEL/ SOURCE	PACD	PURPOSE	NATURE OF MISSION MANAGEMENT (Mission-AID/W Contacts)	RATING
Environmental Support/598-0780	\$60,000/ LAC/DR/E	12/93	Elaborate technical studies to establish Biosphere Reserve around Lake Atitlan	Initial technical support and periodic monitoring thereafter (ANakatsuma, EPineda-JHester)	B
Parks in Peril/ 598-0782	\$150,000/ LAC/DR/E	08/93	Support initial management efforts of Defensores de la Natureleza in Sierra de las Minas Biosphere Reserve	Periodic monitoring and field inspections (ANakatsuma-JHester)	A
Improving Educ Quality/936-5836	\$300,000/ R&D/ED	01/01	Explore aspects of teaching and learning that impact on academic achievement in Guatemalan schools	Periodic monitoring and field inspections (SCLay, FMethod)	A
Technical Spt for Policy, Financing and Management/	\$55,000/ LAC/DR/HPN	05/93	Strengthen and sustain MOH staff in areas of cost analysis, financial mgmnt, and decision making	Periodic monitoring and field inspections (JChang, EDuarte)	B
Free Market Devel Advisors/ N/A	\$50,000/ PRE/EM	06/93	Link U.S. MBA students with a small/medium business to encourage technolgy transfer and increase linkages between U.S. and developing countries	Matching students to local firms, conduct orientation, periodic monitoring (KDelaney-LAnderson)	B
Market & Tech Access/936-4053	\$940,204/ Mission buy-ins	07/93	Assist GREMIAL in identifying U.S. buyers for exports; improve linkages between Guat manufacturers & U.S. markets/technolgy	Performance oversight (KDelaney-Ed Wise, PRE/IBD)	B
Private Enterprise Devel/ 940-2028	\$1,035,515/ Mission buy-ins	09/93	Assist GREMIAL to develop linkages with U.S. market; develop an export plan for the Ministry of Econmy; provide financial market TA	Performance oversight (KDelaney-Pat Lee, PRE/EM)	B

B	Performance oversight (KdeJaney- robin Brinkley, LAC/PI)	To assist Mission in the development of its regional trade strategy through the development an inventory of related USAID/donor activities	09/95	No direct funding to Guatemala	Trade and Investment Development Project (598-0797)
B	Performance oversight (Blopex-Rose Robinson)	To reduce infant mortality and morbidity in children and mothers	08/94	\$112,070 FHA/PVC	Project HOPR-CHILD Survival
B	Performance oversight (Blopex-Rose Robinson)	To reduce mortality/morbidity related to Vitamin A deficiencies in children under 6 years of age	08/96	939,979 FHA/PVC	Project HOPR- Vitamin A
B	Performance oversight (Blopex-Rose Robinson)	To reduce morbidity/mortality in children under 5 and mothers 15-45	08/94	\$605,135 FHA/PVC	Project Concern International
B	Performance Oversight	To reduce maternal and child mortality in 72 communities	08/93	\$550,000	CAR-Community Health Outreach
B	Performance Oversight (Blopex-Rose Robinson)	To reduce morbidity and mortality of children under 3 years of age and women of reproductive age in 100 communities in the Atitlano	09/96	\$834,143	CAR-Child Survival and Maternal Health
B	Performance oversight (Blopex-Rose Robinson)	To improve maternal and child health	07/93	\$95,926	Foster Parents Plan- Child Survival
B	Performance oversight (Blopex-Rose Robinson)	To improve infant and child survival by increasing the level of Vitamin A intake	06/96	\$615,566	International Eye Foundation-Vitamin A for Child Survival
C	Performance oversight (Blopex-Rose Robinson)	To establish a sustainable community based program in Suchitepequez	09/94	\$420,202	Distribution of Insectin to control onchocerciasis
C	Performance Oversight (Blopex-Rose Robinson)	To evaluate the immunity response/develop a vaccine through Del Valle University	12/93	\$200,000	Leishmaniasis Project (936-5552)
B	Performance oversight (Carlson)	To provide TA and training in support of municipal systems	12/93	\$236,502 \$612,735	ICMA Buy-ins

11  
21/1

**B. SUPPORT STRATEGIC OBJECTIVE AND IS BEYOND MISSION'S CAPACITY TO MANAGE**

PROJECT TITLE: Regional Administration of Justice  
PROJECT NUMBER: 597-0000  
FUNDING/SOURCE: \$60,000 (LAC/DI)

PROJECT TITLE: Caribbean Project development Facility  
PROJECT NUMBER: 598-0779  
FUNDING/SOURCE: \$850,000 (LAC/DR)

PROJECT TITLE: ICITAP  
PROJECT NUMBER: 598-0644  
FUNDING/SOURCE: N/A (USAID/W)

PROJECT TITLE: Coop Assn of States for Scholarships  
PROJECT NUMBER: 598-0601  
FUNDING/SOURCE: \$55,000 (USAID/W)

PROJECT TITLE: Israel Cooperative Development  
PROJECT NUMBER: N/A  
FUNDING/SOURCE: \$1 million (USAID/W)

PROJECT TITLE: North/South Development/KATALYSIS  
Project Number: N/A  
FUNDING/SOURCE: \$579, 172 (FY91-FY93) (USAID/W)

**C. DO NOT SUPPORT MISSION'S STRATEGIC OBJECTIVE**

PROJECT TITLE: Appropriate Technology International  
PROJECT NUMBER: 986-0015  
FUNDING/SOURCE: \$387,069 (approx)/USAID/W

PROJECT TITLE: RTAC II  
PROJECT NUMBER: 598-0791  
FUNDING/SOURCE: \$1,095,669 (LAC)

U:\PDSOPUB\DOCS\SARCENP

2/8

**V. EVALUATION PLAN**

221  
219

USAID/Guatemala  
**Evaluation Status Report**  
 AS OF NOVEMBER 12, 1993

Project Numbers & Titles	Last Evaluation	Next Evaluation	Purpose/Issues
<b>Project Evaluations</b>			
<b>INCREASED TRADE AND IMPROVED LABOR RELATIONS</b>			
520-0332 Farm to Market Access Roads	1/93	4/94	Impact Evaluation to obtain data for Strategic Objective. SOW to be prepared.
520-0381 Small Farmer Coffee	9/90	11/93	Midterm Evaluation & Baseline update to analyze the results of the first phase of the project with ANACAFE.
<b>SMALLER HEALTHIER FAMILIES</b>			
520-0399 Highlands Water and Sanitation	N/A	/95	Midterm Evaluation to assess progress of the project.
520-0408 CARE Rural Water and Health	N/A	9/93	Final evaluation to assess success and accomplishments of the project. CARE is performing the evaluation. First draft ready.
520-0357 Family Health Services	N/A	/95	Mid-term Evaluation to measure integration of family planning services into maternal-child health service delivery and progress towards self-sustainability.
520-0339 Immunization Child Survival	8/89	6/95	Final Evaluation focussing on the information system and administrative component.
<b>IMPROVED BASIC EDUCATION</b>			
520-0282 Rural Primary Educational Improvement	N/A	6/93	Final Evaluation to assess the impact of the project.

222  
200

<b>Project Numbers &amp; Titles</b>	<b>Last Evaluation</b>	<b>Next Evaluation</b>	<b>Purpose/Issues</b>
520-0374 Basic Education Strengthening Project	7/92	7/95	External evaluation to measure the extent to which project interventions are institutionalized within the operations of the Ministry of Education and private sector implementing institutions.
<b><u>SUSTAINED NATURAL RESOURCE DEVELOPMENT</u></b>			
520-0395 Maya Biosphere Project	N/A	3/94	Institutional Assessment/Mid-term evaluation to lead to possible FY 95 redesign.
520-404 Community Natural Resources Management	N/A	3/95	Mid-term.
<b><u>SUSTAINED EXERCISE OF INALIENABLE RIGHTS</u></b>			
520-0398 Democratic Institutions	N/A	4/94	Mid-term Evaluation of the Office of Human Rights Ombudsman (OHRO) education activities.
520-0412 Street Children Support Project	N/A	6/95	Mid-term Evaluation
<b><u>OTHER</u></b>			
520-0353 Rural Electrification III	N/A	1/94	Oak Ridge National Laboratory to perform evaluation through NRECA/CARES Project. Impact assessment specially addressing productive uses promoted through the Project.
520-0286 Cooperative Strengthening	11/89	6/94	External Final Project Evaluation that will focus on the artisan coop. and ag. coop.
520-0343 Pilot Commercial Land Markets II	4/90	4/94	Final Evaluation to assess the impact of the project. SOW to be prepared.
520-0371 Fiscal Administration Project	7/92	12/93	Final Evaluation to assess the impact of the project. IMCC contracted.

**ROCAP/Guatemala**  
**Evaluation Status Report**

AS OF NOVEMBER 12, 1993

<b>Project Numbers &amp; Titles</b>	<b>Last Evaluation</b>	<b>Next Evaluation</b>	<b>Purpose/ Issues</b>
<b><u>Project Evaluations</u></b>			
<b><u>AN OPEN AND COMPETITIVE REGIONAL ECONOMY</u></b>			
596-0147 Economic Policy Research	4/91	1/94 (SIECA)	Project impact assessment & SIECA's performance evaluation. SOW being drafted.
596-0165 Export Industry Support Project	N/A	9/94	Impact Evaluation
596-0177 Support for Partnership for Democracy and Development	N/A	6/94	Mid-term evaluation.
<b><u>ENVIRONMENTALLY SOUND AND EFFICIENT PRACTICES IN NATURAL RESOURCE MANAGEMENT</u></b>			
596-0150 Regional Environmental and Natural Resources Management	N/A	4/94	Mid-term evaluation to review implementation mechanisms/ intervention packages. Will feed into FY '95 redesign. RENARM external evaluation was postponed until FY 94 due to an unsatisfactory response to the original RFP.
<b><u>MORE EFFECTIVE AND DEMOCRATIC LOCAL GOVERNANCE</u></b>			
596-0167 Local Government Regional Outreach	N/A	8/95	Mid-term evaluation to assess the impact of the project.
<b><u>IN SUPPORT OF ALL THREE OBJECTIVES</u></b>			
596-0162 Regional Development Support	11/92	11/94	Mid-term evaluation to evaluate RIC and other project activities.

204  
202

<b>Project Numbers &amp; Titles</b>	<b>Last Evaluation</b>	<b>Next Evaluation</b>	<b>Purpose/ Issues</b>
<b>OTHER PROJECTS</b>			
596-0146 C.A. Rural Electrification Support	5/90	1/94	Oak Ridge National Lab. performs continuous project monitoring under a PASA. Oak Ridge will evaluate NRECA/CARES and PER III in Jan. 1994.

U:\PDSOPUB\DOCS\PDYS\REBES.SAR

225  
723

**VI. TRAINING PLAN**

hce  
/ /  
/ /

Training Plan for Each Sector or Strategic Objective  
 FY 1994 Country Training Plan  
 Number of New Starts

<u>STRATEGIC OBJECTIVES SECTOR</u>	<u>FY 1994</u>	<u>% WOMEN</u>	<u>PRIMARY FIELD OF STUDY</u>
<b>INCREASED PRIVATE INVESTMENT AND TRADE</b>			Women in Business. Non-traditional Exp. Financial Market
- Technical	2,610	58	
- Academic	-----	--	
<b>SMALLER, HEALTHIER FAMILIES</b>			Health, Water and Sanitation Oral Rehydration
- Technical	21,429	52	
- Academic	-----	--	
<b>IMPROVED PRIMARY EDUCATION SERVICES</b>			Education MIS, Text Education Linguistics
- Technical	2,307	55	
- Academic	-----	--	
<b>IMPROVED MANAGEMENT OF NATURAL RESOURCES</b>			Highlands Agriculture, Environment, Natural Resources
- Technical	4,962	35	
- Academic	-----	--	
<b>SUSTAINED EXERCISE OF INALIENABLE RIGHTS</b>			Civic Education, Human Rights, Education, Civil-Military Dialogue, Judicial Training
- Technical	22,121	45	
- Academic	20	40	
<b>LOGROS</b>			
- Technical	270	40	
- Academic	-----	--	
<b>CENTRAL AMERICAN RURAL ELECTRIC SUPPORT (CARES)</b>			
- Technical	228	30	
- Academic	-----	--	
<b>REGIONAL NATURAL RESOURCES MANAGEMENT (RENARM)</b>			
- Technical	9,680	30	
- Academic	30	30	

237  
225