

PD-ARTS-096
89453

USAID/EL SALVADOR

SEMI-ANNUAL PROJECT STATUS REPORT

OCTOBER 1, 1993 - MARCH 31, 1994

TABLE OF CONTENTS

I.	Mission Director's Overview	
	A. Summary of SOT Achievements the SAR Semester	1
	B. Overall Portfolio Management Problems/Highlights	4
	1. Pipeline Expenditure	4
	2. Pipelines Over \$5 Million	5
	3. Pipelines Over Three Years Old	6
	4. Planned PACD Extensions	6
	5. Counterpart Contributions	7
	6. Sustainability	8
	7. Women In Development	8
II.	Financial Summary Tables	
	A. Project Counterpart Contribution in US\$ (03/31/94)	9
	B. Obligations By Fiscal Year	10
	C. Bureau Exceptions Matrix	11
	D. Financial Summary By Strategic Objective	12
III.	Semi-Annual Reports and Grades By Mission Strategic Objective:	

<u>PROJECT NUMBER & TITLE</u>	<u>DIRECTOR'S ASSESSMENT 03/31/94</u>	<u>PAGE NUMBER</u>
<u>Strategic Objective 1: Assist El Salvador to Make the Transition from War to Peace.</u>		14
519-0320, Public Services Improvement	B	15
519-0323, Industrial Reconstruction (FUSADES & GOES)	B	20
519-0346, Strengthening Rehabilitation Services	B	22
519-0387, Small Enterprise Support	A	25
519-0394, Peace and National Recovery	B	27
519-0399, Reconciliation-Credit & Income Generation	B	33
<u>Strategic Objective 2: Broad-Based Economic Growth Increased.</u>		35
519-0287, Industrial Stabilization and Recovery	B	36
519-0315, Training for Productivity & Competitiveness	A	39
519-0318, Microenterprise Development	A	42
519-0327, Agribusiness Development	B	44
519-0349, Technical Support, Policy Analysis & Training	B	46
519-035E, Rural Electrification	A	58
519-0362, Coffee Technology Transfer	A	60
519-0382, Rural Enterprise Development II	A	62

<u>PROJECT NUMBER & TITLE</u>	<u>DIRECTOR'S ASSESSMENT 03/31/94</u>	<u>PAGE NUMBER</u>
<u>Strategic Objective 2: Broad-Based Economic Growth Increased.</u>		
519-0392, (NTAE) Production and Marketing	A	64
519-0395, I.E.S.C. Technical Assistance to Business	B	66
519-0094, Special Development Activities	A	68
<u>Strategic Objective 3: Enduring Democratic Institutions with Broad-based Participation in El Salvador.</u>		
519-0376, Judicial Reform II	C	71
0000-098, FOES	C	74
519-0375, Strengthening Democratic Processes	A	76
519-0368, American Institute/Free Labor Development	B	79
519-0360, Legislative Assembly Strengthening	A	82
519-0391, Democratic and Electoral Processes	A	85
519-0373, Federation of Bar Associations	B	88
519-0411, Centro DEMOS	B	91
519-0361, CLASP II	A	94
519-0388, Municipal Development	B	97
LC, Municipalities In Action	A	99
<u>Strategic Objective 4: Improved Quality with Equity in Health and Education.</u>		101
519-0308, Health Systems Support	B	102
519-0363, Family Health Services	B	105
519-0367, Maternal Health/Child Survival	A	108
519-0357, SABE	B	111
598-0791, Regional Technical AID Center	B	114
519-0364, Com. Based Int. Rural Development	A	116
519-0377, Drug Aware. and Abuse Prevention	A	119
519-0410, Displaced Children	B	121
<u>Strategic Objective 5: Improve Environmental and Natural Resource Management.</u>		123
519-0400, Salvador Environmental NGO Strengthening	A	124
519-0385, Environmental Protection	B	126

USAID/EL SALVADOR PORTFOLIO REVIEW
October 1, 1993 - March 31, 1994

I. MISSION DIRECTOR'S OVERVIEW

USAID/EI Salvador has continued the use of Strategic Objective Teams as part of our management approach to the implementation of foreign assistance policy and funding. This method has allowed us to set measurable goals for policy reform and project outcomes. During this Semi-Annual Review, Mission staff presented their programs to colleagues for evaluation of progress against the indicators established in the Mission's Action Plan. Overall, there is a continued reintegration of ex-combatants into civil society through our coordinated efforts with the National Reconstruction Program; economic growth has been impressive; citizen participation in governance is increasing, as witnessed by this Spring's free and fair elections; basic education and health services are being revised in order to be more equitably attainable for both men and women, and also for the most remote areas of the country; and environmental issues continue to have attained a high profile in the public consciousness.

Descriptions stated in Section A of this Overview note the important strides that have been made during this Semi-Annual Review period. Section B of this Overview provides the requested information with respect to the Mission's financial Portfolio. Section II of this Report provide the Financial Summary Tables, and Section III of this Report provide each Strategic Objective Team Report, which is accompanied by the appropriate Semi-Annual Report.

A. Summary of SOT Achievements this SAR Semester:

Strategic Objective 1: "Assist EI Salvador to Make the Transition from War to Peace."

The Program Outputs supporting this S.O. are as follows:

- P.O. #1 Reactivate Factors of Production
- P.O. #2 Reestablish Access to Basic Services
- P.O. #3 Build Local Level Democratic Institutions
 and Increase Civic Participation
- P.O. #4 Reintegrate Ex-combatants into Civil Society

Since its inception with the signing of the Peace Accords in January 1992, USAID support for the National Reconstruction Program (NRP) has led to the approval of over \$300 million in project activities. USAID is filling the most significant funding gaps which restrain economic recovery, delivery of social services, and free and open democratic participation in 115 NRP municipalities. With respect to reactivating factors of production, 23,200 persons have received some form of vocational training; the Land Bank and GOES agencies have provided 9,718 persons with legal title to a small farm. In terms of reestablishing access to basic services activities under MEA and Public Services Improvement have improved 1,622 km of farm-to-market roads, benefiting 375,000 persons. In addition to the Program Outcome measure on roads, activities under Public Services Improvement have provided potable water to 15,000 persons. In terms of building local level democratic institutions and increasing civic participation, open town meetings are held in every municipality, with most municipalities holding such meetings four times a year. 547 (69%) of the 793 cantons which comprise the municipalities participated in the town meetings during the last semester. Finally, with respect to the issue of reintegration of ex-combatants into civil society, 11,500 ESAF and 11,700 FMLN ex-combatants have received or are taking some form of vocational training, and 2,370 FMLN war-wounded and 600 ESAF war-wounded received assistance to supplement their professional rehabilitation.

Strategic Objective 2: "Broad-Based Economic Growth Increased."

The Program Outputs supporting the S.O. are as follows:

- P.O. #1: Appropriate Economic Growth and Social Policy Framework Created and Maintained
- P.O. #2: Increased Private Investment
- P.O. #3: Increased Exports
- P.O. #4: Increased Employment

Assistance focuses on helping El Salvador combat poverty by creating and maintaining appropriate social and economic policies and increasing private investment, exports and employment. To effectively combat poverty, our programs concentrate public investment on the poor and contribute to the growth of human capital. The focal point for USAID/El Salvador sustainability is found in broad-based economic growth, where sound economic policies and performance are creating an environment with better incentives and support for lower-income people to become more productive and thereby improving both their incomes and quality of life. Major achievements to date toward these goals within this Strategic Objective are, as a result of PRIDEX's efforts in supporting local export projects in promotion of foreign investment in El Salvador, PRIDEX has generated to date over 42,408 jobs, \$239 million in foreign exchange earnings, and \$77.8 million in new investment in export enterprises. The PRIDEX activities have been supported by FIDEX. FEPADE has trained 50,328 individuals in vocational training courses and 10,534 individuals under management training seminars. Creation of a Salvadoran Institution for Microenterprise supported and disbursed \$4.5 million in loans, which benefited a total of 35,094 borrowers. PROCAFE is now working at full capacity and the renting of old ISIC facilities has been completed. The IRI technical assistance team has been completed and incorporated into PROCAFE's structure. Finally, during this semester, the IESC has provided technical assistance to seven companies in the metal mechanic and food industries. This assistance will allow these companies to expand operations, increase export capacity, increase productivity and product quality improvements.

Strategic Objective 3: "Enduring Democratic Institutions with Broad-based Participation in El Salvador."

The Program Outcomes supporting this Objective are as follows:

- P.O. #1 Improved citizen participation in the public-policy/decision-making process.
- P.O. #2 Improved legal and institutional framework for effective protection of human and citizen rights.
- P.O. #3 Improved mechanisms to ensure public sector accountability and oversight.
- P.O. #4 Increased devolution of power to local level.

Activities supported by the Mission strengthen citizen participation in the decision-making process (including provision of major support for the 1994 elections), improve the legal and institutional framework for effective protection of human and citizen rights, improve mechanisms to ensure public sector accountability and oversight, and increase the devolution of power to the local level. Even though a great deal is taking place in this field, world attention has been focussed on the national Salvadoran elections that took place in March and April, 1994. Over 1.3 million Salvadorans went to the polls, increasing by over 30% in absolute terms voter turnout from the 1989 presidential elections. ONUSAL and international observers determined that the elections were carried out peacefully, free of intimidation, and voters exercised their franchise freely and fairly. The United States Government, other donors, and dozens of NGOs have been active in implementing civic education programs, assisting in voter registration, and sponsoring international election observers.

Another area of major current interest under this Strategic Objective is decentralization. The concept of empowerment of local governments and other organizations is winning large numbers of converts as a means of broadening participation of those most involved in and affected by particular development activities in a given locale, as well as increasing efficiency and sustainability of public services. Improvements in the judicial system include: a new family code expanding rights of women and children will go into effect in October, 1994 along with an accompanying procedural law (now in Assembly). Four institutions affected by the Code are now coordinating implementation. Two key partial reforms (derogation of compulsory review of first instances decisions and separation of investigative and trial judges) passed. Judicial School Program, pilot courts and case purging activities have begun. In public sector accountability and finance, the President of the Court of Accounts completed a nationwide consensus building conference on the modernization of the Court of Accounts and the related constitutional reform. Currently, the reform of the Constitution is being presented to the Legislature for approval.

Two Projects within this Strategic Objective were rated a "C". The FOES Project (0000-098) was rated as a "C" Project because FOES has not adequately implemented their Labor-Management Cooperation Plan. They have also yet to substantially implement their self-sufficiency strategy. During the next six-month period, however, FOES will carry out more activities which improve Labor-Management relations, such as workshops, seminars, and development of Labor-Management cooperation models at the plant level. They will also put more emphasis on activities aimed at becoming self sufficient.

The Judicial Reform Project II Project (519-0376) received a "C" rating because of critical unmet CPs - specifically the salary level for the *Fiscalia*, *Procuraduria* and the *Ley de Carrera*. These CPs jeopardize sustainability of measures being implemented. The salary leveling issue will likely be met by ratification of constitutional reform by the Assembly. However, over the short run, the Mission will take this issue up to the new Administration in June.

Strategic Objective 4: "Improved Quality with Equity in Health and Education."

The Program Outputs supporting this S.O. are as follows:

- P.O. #1: Increased equity and quality of the K-6 educational system.
- P.O. #2: Increased contraceptive prevalence rate with greater reliance on modern, temporary methods.
- P.O. #3: Increased primary health care and child survival coverage.

The major achievements to date under the Strategic Objective are 36 Salvadoran PVOs (537 health promoters) are providing MCH services to an estimated population of 440,000 nationwide; a total of 76 Malaria voluntary collaborators have been trained and are working in ex-conflictive areas; 1,843 MOH health promoters and 1,722 nurses have been trained, as part of APSISA; 430 health promoters and contraceptive distributors are working in 95 ex-conflictive municipalities which brings a total of 877 health promoters and 420 contraceptive distributors working throughout the country, as part of SDA; educational materials have been delivered to 1,450 schools including all official ex-conflictive zone schools and 60 of the 120 Escuelas Populares, as part of SABE; curriculum guides for grades K thru 4th and workbooks for K/1 have been developed, validated and delivered, and new textbooks for grades 1st, 2nd and 3rd have been developed and delivered nationwide and existing textbooks for 4th, 5th and 6th grades have been delivered to all ex-conflictive zone schools, also as part of SABE; 274,000 RTAC-II textbooks have been made available for purchase to university students; drug and alcohol abuse/awareness training provided in 74 schools, 52 private businesses and 81 marginal communities as part of FUNDASALVA; and 112 new water wells drilled, 36 hand-dug wells constructed and 301 hand-dug wells restored in rural communities as part of the Public Services Improvement Project.

Strategic Objective 5: "Improve Environmental and Natural Resource Management."

The Program Outcomes supporting this objective are:

- P.O. #1: Create and implement a natural resource use policy/legal framework.
- P.O. #2: Increase public awareness of environmental problems in target areas and nationwide.
- P.O. #3: Improve productive activities which are consistent with better natural resources management.

During this semester, the conditions precedent to disbursement for technical assistance under PROMESA were met, except one related to institutional home for SEMA. The environmental education contractor arrived in country in February and is working in conjunction with NGOs and the Ministry of Education. The main technical assistance contract for PROMESA was selected and will mobilize in June. The national environmental and natural resources strategy was approved by CONAMA in January, laying the foundation for the natural resource use policy/legal framework.

The EAI fund within FOCAM now has its directors; administrative procedures have been drafted and sent to the EAI board in Washington DC for review. The EAI fund is expected to be ready to make grants in environment and child survival in October 1994. Our NGO strengthening project has six NGOs executing activities under subgrants and nine collaborating NGOs receiving technical assistance. These NGOs will be ready to participate in PRCMESA as planned in early 1995. Taken together, the education component of PROMESA and the NGO activities are now in a position to openly and strongly develop the public awareness levels sought in Program Outcome No. 2.

Improved productive practices related to agriculture have been put into place for NTAE crops and coffee through projects ascribed to Strategic Objective No. 2. A stronger relationship is yet to develop between environmental causes of poor water quality (SO 5) and water supply and health activities (SO 4). Further, small farmer productive activities under the National Reconstruction Program (SO 1) appear to contribute to environmental degradation.

B. Overall Portfolio Management Problems/Highlights

1. Pipeline Expenditure

The Mission pipeline, as a whole moved \$68.0 million over the semester against a planned \$77.3 million, or 88% of our target. This expenditure is significantly lower than last semester; \$81 million in projected funds is planned to be disbursed during the next semester. Projects whose expenditures during the last semester fell significantly short (85%) of the projection in the last SAR:

Project No. and Name	Actual Expenditures	Projected Expenditures
SO1		
519-0323 Ind Reconstruction (F)	(48)	51
519-0346 Strength. Rehab Services	532	700
519-0387 Small Enterprise Support	430	1,250
SO2		
519-0287 Industrial Stabilization	1,844	2,500
519-0315 Trng for Prod. & Comp.	1,266	1,620
519-0318 Microenterprise Development	1,336	2,640

519-0327	Agribusiness Development	1,833	2,700
519-0349	Tech Sup, Pol Anal & Trng	3,041	4,000
519-0362	Coffee Technology Transfer	2,391	3,100
519-0382	Rural Enterprise Development	266	678
SO3			
0000-980	FOES	(e)4,513	(e)5,800
519-0360	Legislative Ass.	157	250
519-0375	CENITEC	210	330
519-0368	AIFLD	239	1,340
LC	MEA	3,891	8,730
SO4			
519-0364	Save the Children	517	1,235
519-0363	Fam. Health Svcs	1,239	2,750
519-0410	Salesians	66	160

2. Pipelines Over \$5 Million

SO1

519-0320 **Pub Svc Improvement: \$27,587,000**
\$18 million are projected to expend in the next semester.

519-0323 **Industrial Reconstruction: \$9,824,000**
The funds (\$7 million of which are FY 89 and prior) will be used during the three year extension.

519-0394 **Peace and National Recovery: \$84,571,000**
Pipeline reflects the priority obligations made to the Project. If the Project maintains its present average expenditure of ESF/DTF, it will be completely expended by the PACD.

SO2

519-0287 **Industrial Stabilization: \$5,650,000**
All funds are projected to be expended by the September 1994 PACD.

519-0349 **Tech Assist, Pol Anal and Trng: \$7,463,000**
Funds are expected to be fully disbursed by the July 1995 PACD, an there is an amendment coming.

SO3

519-0361 **CLASP II: \$12,224,000**
At the present average rate of expenditure, all funds will be expended by the July 1997 PACD.

SO4

519-0308 **Health Systems Support: \$10,642,000**
A two-year amendment is planned, which is expected to fully disburse the remaining funds.

519-0363 **Family Health Services: \$6,575,000**
Not all funds are expected to move by the July 1995 PACD, but we plan a follow-on activity which could use the excess funds together with the new obligation.

5

519-0367 **Maternal Child Health: \$10,666,000**
 At the present average rate of expenditure, all funds will be expended by the July 1997 PACD.

519-0357 **SABE: \$14,351,000**
 The pipeline reflects substantial obligations made to help cover the Bureau education earmark. The amount obligated represents 30 months implementation at the present rate.

SO5
 519-0385 **PROMESA: \$6,221,000**
 The pipeline reflects the substantial obligations made to help cover the Bureau environmental earmark. At projected rate of expenditure, the Project has funds for three year implementation.

3. Pipelines Over Three Years Old

		(\$000)
SO1		
519-0320	Pub. Svc. Improvement	FY 89 - \$79
519-0323	Ind. Reconstruction (FUSADES)	FY 89 - \$336
519-0323	Ind. Reconstruction (GOES)	FY 88 - \$755
		FY 89 - \$5,925
519-0346	Strength. Rehab. Services	FY 88 - \$100
		FY 89 - \$246
SO2		
519-0315	Tmg for Prod and Comp.	FY 89 - \$7
519-0327	Agribusiness Development	FY 88 - \$1,158
		FY 89 - \$667
519-0349	Tech Sup, Pol Anal, Tmg	FY 88 - \$223
		FY 89 - \$1,668
519-0358	Rural Electrification	FY 88 - \$183
		FY 89 - \$1,208
SO4		
519-0308	APSISA	FY 89 - \$357
519-0364	Save the Children	FY 89 - \$7
		<u>Total Pipeline FY 89 and prior: \$13,473</u>

4. Planned PACD Extensions

The following Projects have planned extensions of the PACD:

- SO1**
- 519-0320 **Public Services Improvement: 9/30/94**
 Two years (9/96) for grants to NGOs for potable water systems; possible 90 day extension (12/94) for non-water activities.
- 519-0346 **Strengthening Rehabilitation Services: 6/30/94**
 18 months (12/95) to continue activities and complete building construction.

519-0399 **Reconstruction and Income: 7/31/94**
One year extension (7/95) to continue activities and complete institutional strengthening.

519-0323 **Industrial Reconstruction: 4/30/94**
Three year extension (3/97) to construct industrial parks.

SO2

519-0382 **Technoserve: 5/31/94**
11-month extension (4/95) to complete activities

519-0395 **Tech Assistance to Business: 6/30/94**
One year extension (6/95) to complete activities.

SO3

519-0375 **CENITEC: 6/30/94**
One year extension (6/95) to complete activities.

519-0411 **Centro Demos: 9/30/94**
One year extension (9/95) in order to move to full implementation.

SO4

519-0308 **APSISA: 9/30/94**
18 month extension (3/96) to restructure the project in support of the Social Sectors Activity.

519-0364 **Comm.-Based Integ Rural Development: 8/31/94**
Four month extension (12/95) to complete activities.

SO5

519-0400 **Environmental NGO Strengthening: 2/28/95**
Five month extension (7/95) to complete activities (RLA, CONT, PRJ to review the MOM for counterpart).

5. Counterpart Contributions

A number of Projects with low counterpart contributions have been removed from the list due to planned extensions of their PACD. The remaining Projects which have difficulty meeting their Planned Counterpart Contributions are:

		Total (\$000)	Contributed (\$000)
SO2			
519-0318	Microenterprise Development	4,919	1,387
519-0327	Agribusiness Development	11,000	7,408
519-0349	Tech Sup, Pol Anal, Trng	10,200	6,599
SO3			
0000-980	FOES	27,000	1,582
SO4			
519-0363	SDA	13,826	5,487
519-0367	PROSAMI	8,333	2,096
519-0364	SAVE THE CHILDREN	4,746	3,404

519-0400	Salesians	1,824	137
SO5			
519-0400	PADF	1,188	310

6. Sustainability

Status of Projects where USAID seeks complete financial and administrative sustainability at the PACD:

- 519-0346 **Strengthening Rehabilitation Services:** FUNTER was to develop a financial sustainability plan by September 1993, but is still in the process of doing so. The construction of its building will take place over the next semester.
- 519-0363 **Salvadoran Demographic Association:** SDA is drafting a short term sustainability strategy and implementing a marketing plan to increase its revenues through higher product and service prices. The SDA's sustainability plan is comprehensive and includes actions such as the full utilization of its newly acquired hospital for inpatient services. However, the plan has not been finalized and the Mission is waiting for its submission since September 1993.
- 519-0400 **Strengthening Environmental NGOs:** Under the Project, six to eight NGOs will achieve administrative and financial sustainability by February 1995. The collaborating NGOs have a built-in requirement to achieve financial self-sufficiency as part of the subgrant process.
- 519-0318 **Microenterprise Development:** The Centro de Apoyo a la Microempresa (CAM) will be fully self-sufficient by September 1, 1994, with a clear legal and structural vision of itself as a participatory, member-controlled institution that is geographically representative of the over 34,000 clients it serves.
- 519-0315 **Training for Productivity and Competitiveness:** FEPADE has prepared a Strategic Plan which divides the organization into profit making centers and has established with USAID an endowment which will support FEPADE's central administration costs after the PACD.
- 519-0327 **Agribusiness Development Project, Industrial Reconstruction and Industrial Stabilization:**
519-0287 The FUSADES quality control laboratory is fully operational and carrying out an aggressive
519-0323 promotion. FUSADES' farm, La Colina, will start to produce and export pineapple by June
1994, which will contribute to DIVAGRO's self-sufficiency.

7. Women in Development

Most of the SARs provided good gender statistical reporting, although, as addressed in Issue 2 of this Memorandum, measuring impact, as it relates to women in development, within the Mission's Projects needs to be further refined. Measuring impact was one of the many key topics discussed in the recent WID Workshop. This WID workshop for the Mission took place in May 1994 and encompassed numerous discussions on the Mission's impact, specifically women in the social sectors. The recommendations resulting from the workshop will be incorporated into project implementation plans for those projects with PACDs beyond January 1995. A Mission committee, The Gender Analysis and Impact Committee, has been formed and will monitor the progress of the implementation of these recommendations. For instance, a substantial baseline study of gender roles will be carried out by the PROMESA contractor as a means of identifying social constraints and benefits which will accrue to the Project. The design anticipates that, as a result of improved natural resource practices, women will be the principal beneficiaries due to decreased time spent in gathering fuelwood and carrying water.

II. FINANCIAL SUMMARY TABLES

USAID/EL SALVADOR
PROJECT COUNTERPART CONTRIBUTION IN US\$ (AS OF 3/31/94)

PROJECT TITLE	LOP AUTHORIZED (1)	TOTAL ESTIMATED COUNTERPART (2)	% TOTAL ESTIMATED COUNTERPART (3)	COUNTERPART CONTRIBUTED AS OF 03/31/94 (4)	% TOTAL COUNTERPART CONTRIBUTED (5)	DATE AUTHORIZED (6)	PACD (7)	% LOP ELAPSED (8)	COUNTERPART NEEDS REVISION (a) (9)	COUNTERPART REPORTING PROBLEMS (10)
A. HB 3 (GOES)										
519-0308 Health Systems Supp.	77,000,000	50,538,000	40	40,000,000	79	08/28/86	09/30/94	94		
519-0320 Public Services Rehab.	75,000,000	60,000,000	44	31,125,290	52	08/24/89	09/30/94	90		
519-0323 Industrial Reconstruction	21,000,000	12,732,000	38	6,779,991	53	08/30/88	12/31/93	99		X
519-0349 Tech. Support Policy An.	32,000,000	10,200,000	24	6,599,030	65	09/23/88	07/31/95	78	X	X
519-0357 Educ. Quality Enhance.	33,000,000	26,000,000	44	1,000,000	4	09/21/90	08/31/98	44		X
519-0360 Legislative Assembly (b)	1,850,000	485,200	21	413,000	85	08/29/90	10/31/94	86		
519-0361 CI.ASP II	28,500,000	Waived	Waived	Waived	Waived	07/2/90	07/15/97	52		
519-0376 Judicial Reform II	20,500,000	7,800,000	28	1,170,000	15	09/25/92	09/30/97	20		
519-0391 Democratic Elect. (c)	6,500,000	1,625,000	20	2,300,000	142	09/28/92	09/30/95	50		
519-0394 National Reconstruction	300,000,000	Waived	Waived	Waived	Waived	01/17/92	04/30/97			
519-0385 Environmental Protection	20,000,000	7,000,000	26	60,000	1	04/1/93	03/31/99	17		
519-0388 Municipal Development	4,000,000	1,630,000	29	0	0	09/30/93	12/31/95	22		
B. HB 13 (PYOs)										
519-0287 Industrial Stab. & Rec.	47,900,000	8,107,400	14	13,560,227	167	09/17/84	09/30/94	90	X	
519-0315 Training /Productivity	19,000,000	9,680,000	34	7,842,000	81	08/31/87	08/31/97	66		X
519-0318 Microenterprise Devl.	10,000,000	4,919,000	33	1,387,465	28	08/31/90	08/30/97	65		X
519-0323 Ind. Reconst. (FUSADES)	5,000,000	707,000	12	65,689	9	08/30/88	09/30/94	92	X	X
519-0327 Agribusiness Dev.	33,000,000	11,000,000	25	7,408,527	67	09/27/87	09/30/94	93		X
519-0346 Teiethon Foundation	6,350,000	3,063,000	33	2,539,578	83	08/31/87	06/30/94	96		X
519-0358 CA Rural Electrification (d)	10,000,000	10,277,841	51	5,493,685	53	08/12/88	09/12/95	79		X
519-0362 Coffee Tech. Transfer	12,000,000	11,250,000	48	4,265,949	38	09/15/92	03/31/97	16		X
519-0363 Family Health Serv.	22,000,000	13,826,000	39	5,487,401	40	06/22/90	06/30/95	73		X
519-0364 Community Based Int.	8,540,000	4,746,559	36	3,404,320	72	05/30/89	08/31/94	92		X
519-0367 Maternal Health/Child	25,043,335	8,333,333	25	2,096,298	25	07/27/90	07/31/97	52		X
519-0368 Democratic Labor Dev.	17,800,000	Waived	Waived	Waived	Waived	05/31/90	03/31/96	66		X
519-0373 Federation of Bar Assoc.	500,000	Waived	Waived	Waived	Waived	09/26/90	09/30/94	90		X
519-0375 Strength. Democ.	2,500,000	1,148,507	31	956,757	83	03/29/90	06/30/94	94		
519-0377 FUNIDASA/VA	2,000,000	797,044	28	1,158,000	145	09/27/90	09/30/94	88		
519-0382 Rural Enterprise Dev.	6,500,000	2,167,000	25	3,224,572	149	06/28/90	05/31/94	78		
519-0387 Small Ent. Support	5,000,000	1,250,000	20	432,529	35	09/30/93	09/30/96	17	X	
519-0392 NT Ag. Exp. Prod. Mkt.	9,000,000	2,260,375	20	1,029,860	46	06/28/91	06/30/96	52	X	
519-0395 IFSC II	500,000	562,800	53	243,684	43	07/7/92	06/30/94	87		X
519-0399 CRS	1,000,000	313,123	24	146,000	47	07/16/92	07/31/94	88	X	X
519-0400 PADE	2,000,000	1,188,000	37	301,500	25	08/20/92	02/28/95	43		
519-0411 CENTRO DEMOS	1,000,000	Waived	Waived	Waived	Waived	09/30/93	9/30/94	50		
519-0410 Assis. to Orphan & Dp Child.	505,000	1,824,984	78	137,562	8	06/6/93	06/30/96	25		
C. OTHER TRUST FUND (Colones)										
519-0000-980-B2 FOIS	80,000,000	27,000,000	25	1,582,082	6	02/4/92	01/31/97	43		X

(a) Less than 25%

(b) Plus C1.5 mill=\$187,500 provided but not included as Project counterpart. Giving a total of \$672,700=27% counterpart contribution

(c) This counterpart is 28% of the \$4.0 million provided under the Grant Agreement with the Supreme Electoral Tribunal. Other grants have their counterpart waived

(d) US \$1 = ¢8.71

20 MAY 1994

10

USAID/EL SALVADOR
BUREAU EXCEPTIONS MATRIX
REPORT AS OF MARCH 31, 1994

20 May 94

PROJECT NAME AND NUMBER (1)	DATE OF INITIAL OBLIGATION (2)	PROJECT DESIGNATION (3)	STATUS OF CP'S (4)	SIZE OF PIPELINE (5)	AGE OF PIPELINE (6)	ACCRUED EXPENDITURES (7)	UNCOMMITTED BALANCE (8)	EOPS ONE (9)	EOPS TWO (10)	AUDIT ONE (11)	AUDIT TWO (12)	EVALUATION ONE (13)	EVALUATION TWO (14)
990 00 Strength Labor Org for Dev Prj	01/31/82	C		X				X					
519-0094 Special Development Activities	06/11/83	A											
519-0287 Industrial Subj (FUSADES)	09/25/84	B							XX	N/A			
519-0308 Health Systems Support	08/29/86	B					X		X			X	
519-0315 Training Productivity	08/31/87	A											X
519-0318 Microenterprise Dev.	08/31/90	A							XX			X	
519-0320 Public S. Improvement	08/30/89	B		X					X			X	
519-0323 Industrial Reconst (GOES)	08/31/88	B			X							X	
519-0323 Industrial Reconst (FUSADES)	08/31/88	B					X			X		X	
519-0327 Agribusiness Development	09/27/87	B			X							X	
519-0346 Telefon (FUNTER)	08/31/87	B										X	
519-0349 Tech. Support, Pol. Anal.	08/30/88	B										X	
519-0357 SABE	09/21/90	B		X					XX	N/A		X	
519-0358 NRECA - Rural Electrification	08/12/88	A										X	
519-0360 Legislative Assembly	08/29/90	A							XX			X	
519-0361 CLASP II	09/27/90	A		X					X	N/A		X	
519-0362 Coffee Technology Transfer	07/30/92	A											
519-0363 Family Health Services	07/31/90	B				X						X	
519-0364 Community Based Int.	05/30/89	A				X						X	
519-0367 Maternal Health/Child	07/27/90	A											
519-0368 AIFLD	05/31/90	B				X			X			X	
519-0373 Fed. of Bar Associations	09/28/90	B											
519-0375 Strengthen. Democratic Pr.	03/30/90	A											
519-0376 Judicial Reform II	09/29/92	C	X				X						
519-0377 FUNDASALVA	09/27/90	A											
519-0382 Rural Enterprise Dev.	08/28/90	A								X		X	
519-0385 Environmental Protection	04/01/93	B		X					X			X	
519-0387 Small Enterprise Support	09/30/93	A											
519-0388 Municipal Development	09/26/93	B							X				
519-0391 Democratic and Electoral Process	09/29/92	A											
519-0392 Non-Trad. Ag. Exp.	08/30/91	A							X				
519-0394 Peace and National Recovery	05/08/92	B							XX	N/A		X	
519-0395 Technical Assistance to Business	07/07/92	B							X	X			
519-0399 Catholic Relief Services	07/31/92	B										X	
519-0400 Salv. Env. NGO Strengthening	08/20/92	A											
519-0410 Displaced Children (Salesians)	06/30/93	B		X				X					
519-0411 Centro Demos	09/30/93	B						X					

123 matrix

20 MAY 1994

FINANCIAL SUMMARY OF USAID/EL SALVADOR OCTOBER 1, 1983 THROUGH MARCH 31, 1984 BY STRATEGIC OBJECTIVE

PROJECT NO	PROGRAM PROJECT TITLE	CAT	DATE OF INITIAL OBLIGATION	LAST REVISED PACD	% OF LOP ELAPSED	% OBLIG EXPEND	AUTHORIZED LOP AMOUNT	CURRENT FY OBLIG TO DATE	CUMULATIVE AMOUNT OBLIG	MORTGAGE	BEGINNING FY PIPELINE	PLANNED SEMESTER EXPEND	ACCRIED SEMESTER EXPEND	ACCRIED AS OF % PLANNED	AS OF MAR 31/84		
															CUMULATIVE ACCRUED EXPEND	ENDING PIPELINE	PLANNED EXPEND (NEXT SEM)
ACTIVE PROJECTS																	
STRATEGIC OBJECTIVE NO 4 HEALTHIER AND BETTER EDUCATED SALVADORANS																	
818-0308	Health Systems Support	B	08/28/88	08/30/84	84%	86%	77,000,000		70,658,000	6,342,000	15,209,853	5,000,000	4,567,823	91%	60,015,870	10,842,130	3,000,000
818-0383	Family Health Services	B	07/31/80	07/30/86	73%	85%	22,000,000		18,580,327	3,419,673	7,814,833	2,750,000	1,239,526	45%	12,006,022	6,575,305	2,110,000
818-0384	Community Based Int.	A	05/30/88	08/31/84	82%	92%	8,540,000		8,540,000	0	1,235,873	1,235,873	517,700	42%	7,822,036	717,864	717,864
818-0887	Micronut Health/Child	A	07/27/80	07/31/87	82%	81%	26,043,366	2,000,000	21,898,000	3,344,366	12,398,139	2,200,000	3,731,564	170%	11,032,425	10,888,575	2,500,000
818-0877	FUNDABALVA	A	08/27/80	08/30/84	88%	100%	2,000,000		2,000,000	0	112,881	50,000	108,012	218%	1,985,031	4,989	4,989
818-0410	Displaced Children (OPG)	B	07/07/88	08/30/88	25%	13%	806,000		806,000	0	506,000	180,000	88,133	41%	68,133	438,867	175,800
818-0887	SABE	B	08/21/80	08/31/88	64%	41%	33,000,000		24,260,000	8,740,000	18,354,027	4,000,000	4,002,404	100%	9,908,377	14,351,823	3,000,000
TOTAL					ERR	70%	188,888,366	2,000,000	148,242,327	21,848,026	56,830,608	15,395,873	14,233,173		102,844,894	43,307,433	11,508,733
STRATEGIC OBJECTIVE NO 5 IMPROVED ENVIRONMENTAL AND NATURAL RESOURCE MANAGEMENT																	
818-0400	ENVIRONM NGO STRENGTHENING	A	08/30/82	02/28/85	84%	48%	2,000,000		2,000,000	0	1,393,788	600,000	345,894	58%	952,108	1,047,894	600,000
818-0388	Environmental Protection	B	04/01/83	03/31/88	17%	3%	20,000,000		6,400,000	13,600,000	6,397,441	1,100,000	175,658	16%	178,417	8,221,563	800,000
TOTAL						40%	22,000,000	0	8,400,000	13,600,000	7,791,229	1,700,000	521,552		1,130,525	7,299,477	1,200,000
OTHER																	
818-0408	POLICY REFORM SUPPORT	N/A	08/30/83	08/30/84	80%	0%	66,000,000	0	66,000,000	0	55,000,000	0	0		0	55,000,000	55,000,000
TOTAL						80%	66,000,000	0	66,000,000	0	55,000,000	0	0		0	55,000,000	55,000,000
TOTAL ACTIVE PROJECTS, ALL STRATEGIC OBJECTIVES					ERR	57%	808,888,366	6,100,000	680,045,864	148,842,461	345,924,322	77,298,293	68,037,326		373,816,081	288,229,783	138,080,499

PROJECT No	PROGRAM ACTIVE PROGRAM LOCAL CURRENCY	CAT	DATE OF INITIAL OBLIGATION	LAST REVISED PACD	% OF LOP ELAPSED	% OBLIG EXPEND	AUTHORIZED LOP AMOUNT	CURRENT FY OBLIG TO DATE	CUMULATIVE AMOUNT OBLIG	MORTGAGE	BEGINNING FY PIPELINE	PLANNED SEMESTER EXPEND	ACCRIED SEMESTER EXPEND	ACCRIED AS OF % PLANNED	CUMULATIVE ACCRUED EXPEND	ENDING PIPELINE	PLANNED EXPEND (NEXT SEM)
000-0880	Labor organizations strengthening	C	01/31/82	01/31/87	43%	32%	80,000,000	0	45,000,000	36,000,000	12,786,033	5,800,000	4,391,266	76%	14,477,143	30,522,857	8,500,000

13 MAY 1984

FINANCIAL SUMMARY OF USAID/EL SALVADOR OCTOBER 1, 1983 THROUGH MARCH 31, 1984 BY STRATEGIC OBJECTIVE

PROJECT NO	PROGRAM PROJECT TITLE	CAT	DATE OF INITIAL OBLIGATION	LAST REVISED PACED	% OF LOP ELAPSED	% OBLIG EXPEND	AUTHORIZED LOP AMOUNT	CURRENT FY OBLIG TO DATE	CUMULATIVE AMOUNT OBLIG	MORTGAGE	BEGINNING FY PIPELINE	PLANNED BEMEBTER EXPEND	ACCRUED SEMESTER EXPEND	ACCRUE(AS OF % PLANNED)	CUMULATIVE ACCRUED EXPEND	AS OF MAR 31/84	
																FINDING PIPELINE	PLANNED EXPEND (NE X 1 SEM)
STRATEGIC OBJECTIVE NO 1: ASSIST THE TRANSITION FROM WAR TO PEACE																	
519-0248	Telecom (FUNTER)	B	08/31/87	08/30/84	89%	89%	8,360,000		8,360,000	0	2,513,238	700,000	532,084	78%	4,308,848	1,081,152	341,000
519-0294	Peace and National Recovery	B	08/08/82	04/30/87	37%	37%	181,000,000		134,852,000	56,148,000	100,348,080	18,522,000	15,778,808	85%	50,280,808	84,571,191	25,000,000
519-0288	C R B	B	07/31/82	07/31/84	83%	83%	1,000,000		800,000	200,000	803,860	302,053	268,327	86%	482,477	337,523	800,000
519-0223	Industrial Recon (FUSADES)	B	08/31/88	08/30/84	82%	37%	5,000,000		8,000,000	0	3,084,803	51,000	(48,859)	98%	1,886,338	3,133,862	40,000
519-0283	Industrial Recon (GOES)	B	08/31/88	04/30/84	88%	57%	21,000,000		18,846,000	5,468,000	8,797,461	0	116,383		8,863,932	6,881,088	12,000
519-0287	Small Enterprise Support	A	08/30/83	08/30/83	17%	14%	5,000,000	2,800,000	3,000,000	2,000,000	500,000	1,250,000	430,000	34%	430,000	2,570,000	1,898,236
519-0220	Public B Improvement	B	08/30/88	08/30/84	80%	58%	75,000,000		67,824,000	7,078,000	42,038,584	17,000,000	14,421,754	85%	40,338,170	27,587,830	18,400,000
TOTAL					71%	48%	304,360,000	2,800,000	233,471,000	70,878,000	155,857,013	37,825,053	31,484,587		108,808,574	128,882,428	46,291,235
STRATEGIC OBJECTIVE NO 2: INCREASE EQUITABLE ECONOMIC GROWTH																	
519-0287	Industrial Sub (FUSADES)	B	08/28/84	08/30/84	86%	87%	43,000,000		43,000,000	0	7,484,270	2,500,000	1,844,132	74%	37,348,182	5,850,838	5,800,000
519-0218	Training Productivity	A	08/31/87	08/31/87	88%	80%	18,000,000		18,300,001	3,889,888	2,813,408	1,820,000	1,288,888	78%	13,753,580	1,548,421	929,870
519-0219	Microenterprise Dev	A	08/31/80	08/31/87	81%	82%	10,000,000		8,000,000	1,000,000	2,086,851	2,840,445	1,338,811	51%	8,242,880	757,040	757,040
519-0227	Agribusiness Development	B	08/27/87	08/30/84	80%	88%	33,000,000		33,000,000	0	6,563,413	2,700,000	1,633,183	86%	26,269,750	4,730,250	3,147,330
519-0249	Tech Support, Pol Anal	B	08/30/88	07/31/85	81%	74%	32,000,000		26,000,000	3,000,000	10,504,901	4,000,000	3,041,568	78%	21,538,856	7,483,345	4,000,000
519-0286	INRECA-Rural Electrification	A	08/12/88	08/30/85	79%	88%	10,000,000		10,000,000	0	2,128,319	300,000	735,085	245%	8,808,748	1,391,254	400,000
519-0289	Coffee Technology Transfer	A	04/30/82	08/30/87	38%	84%	12,000,000		6,707,000	5,283,000	5,480,843	3,100,000	2,381,812	77%	3,637,898	3,069,031	1,800,000
519-0288	Technoserve	A	08/28/80	08/31/84	88%	72%	8,800,000		6,500,000	0	2,071,085	878,822	268,881	35%	4,685,788	1,804,214	650,000
519-0282	Non-Tread Ag Exp	A	08/30/81	08/30/88	88%	73%	8,000,000		5,500,000	3,500,000	2,254,287	800,000	752,368	94%	3,988,089	1,501,911	800,000
519-0285	TEBC	B	08/30/82	08/30/84	88%	87%	800,000		800,000	0	392,089	88,800	177,108	183%	285,020	214,980	0
TOTAL					74%	82%	175,000,000	0	168,507,001	18,492,888	41,777,056	18,435,887	13,647,773		130,377,717	48,129,264	18,084,240
STRATEGIC OBJECTIVE NO 3: ENDURING DEMOCRATIC INSTITUTIONS AND PRACTICES																	
519-0280	Legislative Assembly	A	08/28/80	10/31/84	88%	83%	1,850,000		1,850,000	0	1,024,348	250,000	157,480	83%	883,131	888,888	400,000
519-0281	CLASP II	A	08/27/80	07/18/87	82%	43%	28,500,000	2,000,000	21,489,478	7,030,521	11,988,448	1,248,700	1,771,581	142%	9,244,822	12,224,857	1,870,787
519-0289	AIFLD	B	08/31/80	03/31/88	88%	84%	17,800,000		18,400,000	1,400,000	2,838,822	1,340,000	238,385	18%	13,803,463	2,588,537	1,071,270
519-0273	Bar Associations	B	08/28/80	08/30/84	88%	80%	800,000		800,000	0	170,273	100,000	135,551	136%	485,278	34,722	34,722
519-0275	Strengthen Democratic Pr	A	03/30/80	08/30/84	84%	88%	2,800,000		2,500,000	0	981,836	300,000	210,718	70%	1,718,881	781,119	200,000
519-0278	Judicial Reform II	C	08/28/82	08/30/84	30%	43%	20,100,000		8,800,000	13,800,000	5,488,320	700,000	1,808,180	258%	2,819,880	3,881,140	700,000
519-0281	Democratic & Elect Process	A	08/28/82	08/30/85	80%	88%	8,300,000	800,000	6,800,000	400,000	4,858,214	0	3,351,690		2,448,310	1,000,000	
519-0288	Municipal Development	B	08/28/80	12/31/83	23%	0%	4,000,000	1,000,000	2,408,057	1,583,943	1,408,057	0	0	0%	0	2,408,057	200,000
519-0411	S.C.A.B	B	08/30/83	08/30/84	80%	47%	1,000,000	0	1,000,000	0	1,000,000	0	487,448	0%	487,448	532,552	200,000
TOTAL					80%	86%	82,460,000	3,800,000	68,426,538	24,024,464	28,888,418	3,838,700	8,140,041		32,854,373	25,571,183	8,019,291

84 MAY 1984

14

III. SEMI-ANNUAL REPORTS AND GRADES BY MISSION STRATEGIC OBJECTIVE

Strategic Objective 1: Assist El Salvador to Make the Transition from War to Peace.

PROJECT STATUS REPORT
1 October 1993 - 31 March 1994

MISSION DIRECTOR BGDMD: A ___ B ___ C ___

I BACKGROUND DATA

Project Title: Public Services Improvement Project
Project Number: 519-0020
Date of Authorizations: original 08/24/89 amendment N/A
Date of Obligations: original 08/30/89 last amendment 08/31/93
FAcDs: original 09/30/94 awarded to 09/30/94

Implementing Agencies:
 Lempa River Executive Hydroelectric Commission (CEL),
 Ministry of Planning (MOPLAN),
 Ministry of Public Works (MOP),
 Ministry of Health and Social Welfare (MINSAL),
 National Administration for Water and Sewage Systems (ANSA),
 Antioqueño Executive Ports Commission (CEPA)

Major Contractors: Louis Berger International, Creative Associates International, Inc. (CAIDA), Cooperative for Assistance and Relief Everywhere, Inc. (CAFRE); and others to be determined.

AID Project Manager: James W. Ehlman, Sr.
Status of CFA/Comments:
 CFA to First Disbursement - All Met: 01/17/90
 Comments: Satisfied as scheduled in FTL No. 3

Date of Last Evaluation: N/A - Next evaluation: 08/94
Planned Number of Recipient Contracted Audits during Fiscal Year: 1
The Number of Non-Federal Audits Contracted for/Completed: 1
Date of Last Audit: 04/23/92 - Next audit: 06/94

FINANCIAL DATA

Amount Authorized:	DA/ESF Grants: orig.	\$75,000,000
Amount Obligated:	DA/ESF Grants: orig	\$ 8,000,000 awarded to \$67,924,000
Amount Committed:	Period:	\$ 6,365,062
	Cumulative:	\$62,038,465
Accrued Expens.:	Period - Projected	\$17,000,000 (*)
	Period - Actual	\$14,421,754
	Cumulative:	\$40,336,170
	Projected Hart Sem.	\$18,400,000
Countrypart Contrib. Planned:		\$60,000,000
	Actual:	\$34,713,529
% LOP elapsed:		% 90.2
% of Total Auth. Oblig.		% 90.6
% of Total Oblig. Expended		% 59.4
% of Total Auth. Exp.		% 53.8

* The targeted accrued expenditures for the period were basically met. Calculation of \$17 million was based on projected disbursements plus projected accruals for the period. It included \$2.477 million of accruals as of 30 Sep. 93

II RELATIONSHIP TO MISSION STRATEGIC OBJECTIVE

A. Specific Linkage to Strategic Objectives

The Project impacts directly on the Mission's Strategic Objective No. 4 "Improved Quality with Equity in Health and Education" through its activities which increase the number of rural households with access to potable water and latrines and to Strategic Objective No. 1, "Assisting El Salvador Make the Transition from War to Peace," through activities which re-establish access to basic services such as rural roads, water supply and sanitation, and electricity in the formerly conflictive areas.

B. Percent of LOP Funds Relating to Strategic Objectives:

75% to strategic objective No. 1 listed in A above, and 25% to strategic objective No. 4.

III PROJECT PURPOSE AND DESCRIPTION

A. Project Purpose:

- To restore and preserve vital public services provided by the infrastructure agencies.
- To improve and maintain the access of rural populations to markets.
- To increase access of the rural populations to potable water and to increase the proper use of

sanitation systems in beneficiary families.

To support GOES efforts under the National Reconstruction Plan by intensifying maintenance and repair programs on public physical infrastructure, and increasing access to services.

B. Achievements to Date:

The Project sustained the GOES capacity to restore and preserve basic services in numerous locations in the country during and immediately after the war. The reorientation of Project resources and implementation modalities carried out during the report period will facilitate efforts to rehabilitate and increase access to basic infrastructure services.

C. Project Descriptions:

The Project is assisting the GOES in repairing and reconstructing public infrastructure damaged by the guerrillas while improving and expanding the delivery of rural water and assisting in the maintenance of secondary, tertiary, and lower class roads. Also, technical assistance is being provided to various GOES agencies to improve their delivery of these services. The Project has now been awarded to consist of five components: Component I: Public Services Restoration; Component II: Rural Roads Deferred Maintenance and Repairs; Component III: Water Supply, Sanitation, and Health; Component IV: Institutional Strengthening, Project Support, Monitoring and Evaluation; and Component V: Post War Maintenance, Repair, and Reconstruction.

IV PROJECT STATUS

A. Planned MOP

	<u>Progress to Date</u>
1) 90% of the highways/road systems, 100% of the the electrical transmission and distribution system, and 85% of the ANEA water systems are operational (30% as of March 31, 1991).	60%
2) The financial and administrative capability to restore the major public services above is maintained (as of March 31, 1991 was estimated at 70%).	80%
3) A 10% increase (2% per year) in the level of traffic (ADT) on roads in the program is achieved.	90%
4) A reduction of 5% (1% per year) in the real unit transportation cost of cargo is achieved.	100%
5) The capacity of the MOP to plan and implement repair and maintenance of secondary, tertiary and rural roads is improved.	85%
6) 1,600 Km of secondary, tertiary and rural roads given maintenance.	42%
7) 600,000 people served by new or repaired and functioning water systems and sanitary facilities, raising access from 13.5% to 30%.	14%
8) 90% of families in target communities know and practice correct use of water.	17%
9) 90% of schools in the target areas have adequate and clean latrines.	31%
10) Health and sanitation promoters have active contact with users of 95% of rural potable water and sanitation points installed under this project.	53%
11) 900 water point systems constructed in 300 communities, 120 communities will have their water systems improved, etc.	50%

B. Major Outputs

Component I:	This Sem.		Next Sem.		This Cum.		% of LOP
	LOP	Sam.	Sam.	Sam.	Sam.	Cum.	
1. Restoration of ANEA water systems outside San Salvador.	N/A	N/A	N/A	N/A	0	0	N/A
2. Restoration of electric distribution and transmission systems.	N/A	N/A	N/A	N/A	99	1,255	N/A
3. Restoration of damaged railway facilities.	N/A	N/A	N/A	N/A	79	244	N/A
4. Restoration of damaged airport facilities.	N/A	N/A	N/A	N/A	0	2	N/A
5. Restoration of damaged ocean port facilities.	N/A	N/A	N/A	1	0	0	N/A
6. Restoration of bridges.	N/A	N/A	N/A	N/A	0	0	N/A
<u>Component II:</u>							
1. Repair and maintenance of secondary, tertiary, Rural "A" and Rural "B" roads, 1,000 Km.	1,000	49	875	182	17	603	60
2. Maintenance, control, and operation of construction equipment and vehicles.	297	240	240	210	178	178	60
NOTE: Total units have been reduced from 310 as result of disposal actions.							
<u>Component III:</u>							
1. 120 communities served by small water systems repaired.							
- Number of systems	38	0	28	1	0	0	
2. 900 new small water and sanitation systems installed:							
- Latrines	16,000	2,000	14,000	648	695	3,881	24
- Drilled Wells	600	64	212	66	43	112	19
- Small Systems	30	4	19	24	0	2	7
- Hand-dug Wells	100	36	57	46	20	36	36
- Hand-dug Well Restoration	250	74	204	128	128	301	120
3. Water committees formed for each new system.	350	90	578	50	44	474	135
<u>Component IV:</u>							
1. Management systems installed in Casinos MU (%)	100	0	100	0	0	100	100
2. Casinos Management Unit established (%)	100	0	100	0	0	100	100
3. ANEA Management Unit expanded and fully staffed, and management systems installed (%)	100	0	100	0	0	100	100

Major Outputs	Planned			Accomplished				
	LOP	Sum.	Com. Sum.	Sum.	Com.	% of LOP		
Component V: (MOP)								
1. Repair of existing water systems (ea.)	•		17	0	2	N/A		
2. Construction of new water systems (ea.)	•		24	0	0	N/A		
3. Construction/Improvement of wells with hand pumps (drilled & hand dug)(ea.)	•		19	0	0	N/A		
4. Construction of latrines	•		392	387	387	N/A		
5. Repair/Reconstruction of electric distribution lines (kms)		270	30	0	270	0	0	
6. Repair/Reconstruction of electric transmission lines (kms)		125	0	0	93	32	32	26
7. Reconstruction of elec. distribution substation (ea.)		7	0	0	6	1	1	15
8. Repair/Reconstruction of railway lines (kms)		78	65	65	13	65	65	83
railway bridges (ea)		10	10	10	0	10	10	100
9. Reconstruction of roads (kms)		600	241	541	151	186	265	44

• Surveys not yet complete for the 2-year extension of the water/sanitation component.

C.1. Other Accomplishment and Overall Status

Of the \$16.4 million in contracts issued for the procurement of commodities during the previous report period, shipments of goods totalling \$14.5 million were recorded for the Project as of the end of the current period.

The performance regarding achievement of Major Activities planned for the period was very good. Of the nine activities listed, only one was not accomplished. With the closure by the RIG/A/S.J. of the last recommendations from the Arthur Anderson Report, there are no current outstanding audit issues for the Project.

Specific Accomplishments - Regular (3320): 1) With the exception of the Billing System for the CEL metering program, all procurement of commodities for all agencies under Component I was completed. CEL installed more than 40,000 residential meters under the metering program. 2) Under Component II, only 17 kms of roads were rehabilitated against a target for the period of 49 kms. This was due to the time required to complete the necessary procurement actions under Host Country Contracting Procedures as a result of the need to switch to grant funds instead of implementing roads with FOCLC as originally planned. By the end of the period, however, 14 contracts for 158 kms of roadwork had been awarded. 3) Under Component III, ANDA activities resulted in the completion of 43 new drilled wells, 20 new hand dug wells, and the restoration of 128 hand dug wells - all supplied with handpumps - thus providing improved access to potable water for 24,800 beneficiaries. ANDA also awarded four contracts to private sector firms for the drilling of 52 new wells. CREA constructed 695 latrines and awarded 2 contracts to local well drilling firms for the drilling of 2 wells which will serve as the water source for two separate water distribution systems.

Specific Accomplishments - Support to the MOP: 1) Contractors under contract to the MOP completed 186 kms of road rehabilitation. 2) MOP also awarded 6 contracts for the rehabilitation of 105 kms. 3) ANDA awarded a contract for the rehabilitation of 1 municipal water supply system. 4) CREA constructed 587 latrines. 5) Of the \$2.5 million in contracts issued by CEL for the commodities required for the rehabilitation of the electrical distribution system in the MOP areas, goods totalling \$1.5 have been received. 6) CEL completed the reconstruction of one of the 7 required subdistribution stations.

Status of each of the Project Components is as follows: Component I - Public Services Restoration: CEL - The award of the contract for the computerized billing system for the CEL metering program will most likely take place prior to the end of April. The receipt of the final 75,000 meters is expected by July. CEPA - Although all the required commodities for the Rehabilitation of Pier "B," Acapulco, arrived on schedule, construction did not begin during the period as planned for reasons noted below in Part IV.D. Component II - Rural Roads Maintenance and Repair: Work is underway on 120 kms. of roads under 11 of the contracts recently awarded by MOP. Notices to Proceed for 4 more contracts for 46 kms of road are scheduled to be issued very early in the next period. Contract Awards and start of work on the final 16 kms. of roadwork under the current Action Plan should occur within the next 60 days. Component III - Water Supply, Sanitation, and Health: As noted in Part IV.D. of this Report a two-year extension for the continued and expanded implementation only of Water Supply and Sanitation Activities by NGOs and Municipalities was approved late in the period by the Mission Director. The adjustments resulting in new LOP targets will be reflected in the next SAR. The information listed hereunder for water supply and sanitation activities for Component III and Component V is that which reflects existing activities to be completed within the original PACD. (Drilled Wells) The drilling of 55 wells is underway by private sector firms under contracts with ANDA and by the ANDA Well Drilling Department. Even though the ANDA Well Drilling Department finally achieved the target of 40 wells under its Agreement with ANDA-AID, it is continuing to drill wells to the limit of the funding originally allocated. (Hand dug Well Construction and Hand dug Well Restoration) ANDA - Currently work is underway and progressing well on 30 new wells and 80 wells respectively. (Small Water Distribution Systems) NGOs - Work is underway by CREA on systems for 24 communities utilizing community labor. (Latrines) NGOs - In like fashion, CREA is currently constructing 229 latrines. Component IV - Institutional Strengthening, Project Support, Monitoring, and Evaluation: The phase down of T.A. Contract Staff is proceeding on schedule in accordance with Amendment 4. The premature departure of the Road Maintenance Management Specialist did have a moderating effect on the MOP plans to commence the pilot project for road maintenance by private sector contractors. While this has begun, it is not moving at the most desirable pace. Short-term consultancies under the T.A. Contract are on-going in the areas of management and organization for specific operations after the PACD in ANDA, CEL, and CEPA. S-T well drilling specialists are providing related assistance to ANDA, private sector drilling companies under contracts with ANDA, and to NGOs. Component V - Post War Maintenance, Repair, and Reconstructions: (Roads) 151 kms. of road rehabilitation are programmed for completion next period. This represents the final work to be done under the Project. The EOP total will be approximately 416 kms. vis-a-vis the LOP target of 600 kms. There are no more funds available for roadwork under the Project. An

19

amendment to the T.A. Contract was executed late in the period to finance S-T Consultant services to carry out an inventory including mapping of Camino Vecinales (municipal roads) and stream crossing in the MSP zones. Funding for the implementation of follow-on activities will come from other USAID Projects. (Water Supply and Sanitation) CNEA is constructing small water supply systems for 9 communities along with 92 latrines. CNEA is rehabilitating 4 municipal water supply systems and introducing 300 new latrines. Another 13 water supply systems are being rehabilitated by Municipalities and 15 new water systems are being constructed. The arrival of \$1.5 million in commodities has permitted CHEL to initiate the rehabilitation of the electrical distribution system in the MSP areas. The scheduled receipt of the remaining \$1.0 million in materials early in the next period will enable CHEL to fully meet the planned targets within the PACD.

C.2. WED Issues

The Project continues to successfully involve women in health and sanitation activities in all target areas. Women health promoters of the MCH and their male counterparts have completed training specifically designed to achieve effective community involvement in the actual construction and operation of rural water and sanitation facilities. The two NGOs participating in the Project have also focused on the inclusion of women both as an integral part of their direct workforces as well as water committees in the target communities. Women comprise 28% of the water committees in the 30 communities where CNEA is working. 40% of the engineers and 34% of the promoters on CNEA's staff are women. In the four municipalities where CNEA is working, women comprise 35% of the water committee membership. One third of CNEA's professional staff are women.

D. Problems and Delays

1. UPDATE ON PROBLEMS/ISSUES from previous SAR.

Problems: The limited response to IFBs for well drilling by private firms due to a lack of sufficient drilling equipment. **Status:** No longer an issue. A recent survey by the well drilling specialist under the LBII T.A. Contract has pointed out that the present capacity of the local private sector is sufficient to meet the requirements of the Project. In addition, firms from neighboring countries are now participating in tenders issued by the NGOs of record. **Problems:** Because of the lack of L.C. the necessity to convert to Host Country Contracting Procedures for road rehabilitation projects precluded the completion of procurement actions required for initiating activities at the start of the current reporting period under Components II and V. **Status:** Means were found to accelerate the procurement of construction services under Host Country Contracting Procedures so that contracts equalling the total funding available have been awarded and work commenced prior to the end of the current reporting period. **Problems:** The failure of the ANDA to submit a Regionalization/Reorganization Plan which USAID could have approved in accordance with the original schedule has seriously impeded the requisite level of performance and physical progress of all activities relating to water supply, sanitation, and health. **Status:** No longer an issue. ANDA has formally accepted to focus more on regulatory and normative functions and thereby assume the responsibility for setting standards and assuring compliance rather than continue being the primary executing institution for water and sanitation systems in rural areas under
... .. initiate new sub-projects but will

continue the implementation of those activities already underway and which can be completed within the PACD. This action by ANDA makes possible the broader involvement of the PVOs/NGOs and Municipalities in the provision of water and sanitation services, and is in keeping with decisions reached by USAID as a result of the last SAR review. **Problems:** In addition to the current funding short fall, there does not appear to be either sufficient time remaining within the PACD or sufficient capacity within the private sector to complete the LOP road rehabilitation target of 1600 Km. **Status:** All the contracts equalling the amount of funds available for road rehabilitation have been let. As a consequence, the Project will complete 1200 Km or 75% of the original road rehabilitation target by the PACD. Since there are no funds to finance new road sub-projects, there is no need to consider an extension of the PACD so as to meet original Project Goals. **Problems:** In addition to the current funding shortfall, there is neither sufficient time remaining within the PACD nor the capacity within the for-profit private sector, PVOs/NGOs, or ANDA-MCH to complete the LOP targets for water supply and sanitation activities. While not yet discretely quantified, the gaps are presently foreseen to be in the rehabilitation of municipal water systems, drilled wells, and latrines. **Status:** As a result of decisions reached in the last SAR review, a two-year extension to 30 September 1996, was approved by the Mission Director for the continuation of water supply and sanitation activities only. The extension provides for implementation of such activities by PVOs/NGOs and Municipalities. Execution by these entities will take place by means of amendments to existing Agreements and new Agreements with additional entities to the extent of fund availability. The funds to cover the costs of this extension will come from a reprogramming of funds originally programmed for use by ANDA as well as those obligated under Amendment No. 6. The activities to be implemented under the extension will include new wells with hand pumps (both drilled and hand dug), well improvements, new small water distribution systems and latrines.

THIS PERIOD

Delays: 1) An unusually long rainy season characterized by higher-than-average rainfall was one of the factors which resulted in the achievement of very low progress on road rehabilitation in regions of the country covered under Component II. 2) Another factor which impeded progress under Component II and water supply activities by ANDA under Component III was the month-long strike by the GOES Court of Accounts. During this period none of the 16 contracts for road rehabilitation (Component II) or the 4 contracts for well drilling (Component III) could be ratified so that Notices to Proceed could be issued by the escrowing agencies of record, MCF/DOC and ANDA. 3) Since no responsive offers were received it was necessary to rebid the procurement of services for the rehabilitation of Pier B, Acapulco. A further delay resulted from the unusually slow time it took for the ultimate approval of the award by the CEPA Board of Directors. Originally scheduled to begin in February, it is most likely that construction will not begin until May.

Problems: 1) The sluggishness of the Court of Accounts when in session, coupled with the total lack of activity during its month-long strike in late January, has greatly reduced the probabilities of that the GOES Agencies will accomplish goals currently programmed within the original PACD. 2) The MOU between USAID and the GOES still has not been signed so there are no additional HOCLC funds available for any Project activities. If there are no residual funds under any of the LC Actions Plans for administrative costs the capacity to meet unforeseen requirements over the next six months will be very problematic.

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

- Establish new LOP targets and execute agreements both to expand the scopes of NGOs already on board and bring on new NGOs and Municipalities to implement water supply, sanitation, and health activities under the two-year extension for such activities for Component III and Component V.
- Close out all other activities of Project 0320 by 30 September 1994.
- Conclude the final evaluation of the project for all activities not included in the two-year extension by 31 August 1994.
- Conclude the transfer to NGOs and Municipalities of all commodities procured for ANDA for water supply activities which could not be utilized by ANDA for Project Activities within the original PACD.

3431

26 April 94

PROJECT STATUS REPORT
October 1, 1993 - March 31, 1994

MISSION DIRECTOR RATING.

Private Sector Component A - - B X C - -
Public Sector Component A - - B X C - -

I. BACKGROUND DATA

Project Title: Industrial Reconstruction
Project Number: 519-0323
Date of Authorization: Original 06/30/88 Amendment: N/A
Date of Obligation: Original 08/31/88 Last Amend: N/A
PACD: Original 09/01/93 Amended to: 09/10/94 (FUSADES Comp.)
Amended to: 04/30/94 (GOES Comp.)
Implementing Agencies: Private Sector Public Sector
FUSADES Central Reserve Bank
Ministry of Economy
Major Contractors: None
AID Project Manager: Roxana Blanco, PRE
Status of CPs/Covenants: CPs to First Disbursement-All Met: 01/12/89
CPs to Subsequent Disburse-All Met: 06/15/90
Planned Number of Non-Federal Audits during Fiscal Year: One
The Number of such Audits Contracted for/Completed: Pending
Date of last evaluation: None Next evaluation: 10/96
Date of last audit: 9/93 (*) Next audit: /94

(*) Audit conducted only in FUSADES Component. Period covered 4/91-12/92.

FINANCIAL DATA

		<u>Private Sector</u>	<u>Public Sector</u>
Amount Authorized:	DA/ESP Grant	\$5,000,000	\$21,000,000
Amount Obligated:		\$5,000,000	\$15,545,000
Amount Committed:	Period:	\$ 725	(\$ 6,076,477)
	Cumulative:	\$4,102,860	\$ 8,861,932
Accrued Expend.:	Period Proj:	\$ 51,000	\$ -0-
	Period Actual	(\$ 48,859)	\$ 116,183
	Cumulative	\$1,866,118	\$ 8,861,932
	Proj next sem	\$ 40,000	\$ 12,000
Counterpart	Planned:	\$ 707,000	\$12,732,000
Contributions:	Actual	\$ 65,889 (1)	\$ 6,476,855 (2)
% LOP Elapsed:		92%	99%
% of Total Auth. Obligated:		100%	74%
% of Total Oblig. Expended:		37%	57%
% of Total Auth. Expended:		37%	42%

- (1) Corrected based on real contribution registered by FUSADES, and on Agreement's requirements
(2) Corrected amount due to the application of real exchange rates to Action Plans approved for infrastructure (it also includes sub-borrowers' contributions).

II. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES

A. Specific Linkage to Strategic Objectives

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

B. Percent of LOP Funds Relating to Strategic Objectives

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

III. PROJECT PURPOSE AND DESCRIPTION

A. Project Purpose

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

B. Achievements to Date

Before the passage of Section 599 of the Foreign Assistance Appropriation Act of 1993, the Project supported the development of three private free zones, which to December 1993, reports the following achievements and outputs: 10,200 new

jobs, \$22.6 million in new exports (data collected from El Progreso and El Pedregal Free Zones only); 35,000 square meters rented; and 14 export firms operating. In addition, the Project provided financial assistance to El Pedregal and El Progreso Free Zones for construction and trained free zone managers in free zone administration and operation, and Government officials in credit analysis of projects and in how to better support export activities. external infrastructure for three zones was put in place; and FUSADES/PRIDEX provided technical assistance and carried out free zone promotion.

C. Project Description

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

22

IV. PROJECT STATUS

A. Planned EOPS

Progress to Dec. 31/93

- | | |
|-------------------------------------|------------------|
| 1. 7,000 new jobs generated | 10,200 (1) |
| 2. \$49,000,000 in new exports | \$22,629,577 (2) |
| 3. \$ 8,890,000 in foreign exchange | \$ 8,599,239 (3) |
| 4. \$18,000,000 in new investment | \$29,664,800 (3) |

- (1) Approximately 8,670 (85%) jobs have benefitted the female population.
 (2) Includes only El Pedregal and El Progreso Free Zones.
 (3) Estimated data.

1. PRIVATE SECTOR COMPONENT

B. Major LOP Outputs

	<u>Planned</u>	<u>Accomplished</u>		<u>% LOP</u>
	<u>LOP</u>	<u>M</u>	<u>F</u>	
a) Export firms operating	35	14		40%
b) FZone managers trained	2-3	3	2	166%
c) FZones designed (feasibility studies)	2-3	5		166%

2. PUBLIC SECTOR COMPONENT

B. Major LOP Outputs

	<u>Planned</u>	<u>Accomplished</u>	
	<u>LOP</u>	<u>M</u>	<u>% LOP</u>
-Number of sites pre-qualified for FZone construction (*)	8	15	188%
-Number of FZones authorized (*)	2-3	3	100%
-Number of loans approved (*)	2-3	2	100%
-Construction of under roof space (sq.mts.)	70,000	52,900	76%
-Public Infrastructure for project-financed free zones in place	2-3	3	100%
-Customs facilities located in each project financed free zone	2-3	3	100%
-Privatize SBPZ (*)	1	0	0

(*) Revised Logframe LOP output.

C. Other Accomplishments and Overall Status

- Effective September 1, 1993, all activity under the Project was terminated.
- The PACD for the GOES component was extended to April 30, 1994, to permit time to redesign the Project within the limits permissible under Section 599 of the Foreign Assistance Appropriation Act.
- During the last six months the technical offices have been in the process of amending the Free Zone Development Project in order to achieve Project's overall objective, the creation of productive employment. This

being a major concern after the signing of the Peace Accords, the Project has been amended to address the limited infrastructure available in the ex-conflictive zones to support industrial development, and the consequent absence of formal sector employment available to residents of these areas.

With the amended Project, which will have a length of three years, it is expected the following will be achieved: public infrastructure for 3 industrial parks in the ex-conflictive zones; 100,000 sq. mts. of industrial space built; \$18.0 million in new business investment; and 14,300 new permanent jobs at minimum wage or better.

D. Issues

None

E. Major Activities/Actions during the next 6 months

- Signature of the two amended Agreements with the GOES and FUSADES will take place before April 30, 1994.
- A Project Coordination Unit will be created within the Ministry of Economy.
- FUSADES/PRIDEX will contract a new manager for the implementation of the Project and will start promotion activities.
- Revision of El Salvador's trade legislation will be finished and draft of new export law will be presented to the new National Assembly.

RB.SAR

PROJECT STATUS REPORT
October 1, 1993 - March 31, 1994

MISSION DIRECTOR RATING: A ___ B X C ___

I. BACKGROUND DATA

Project Title : Strengthening Rehabilitation Services OPG
 Project Number : 519-0346
 Date of Authorization : Original 08/31/87 amendment 06/28/91
 Date of Obligation : Original 08/31/87 last amendment 07/14/92
 PACD : Original 09/30/90 amended to 06/30/94
 Implementing Agencies : Telethon Foundation Pro-Rehabilitation
 Major Contractor : Baja Orthotics/Prosthetics SVCS (thru 10/90)
 AID Project Manager : Héctor R. Casanova/RM de Lobo
 Status of CPs/Coverants : CPs to First disbursement -All Met: 11/17/87
 Amendment : CPs to amendment. All met: 03/31/92
 Planned number of Non-Federal Audits during Fiscal Year: 1
 The number of such Audits Contracted for/Completed: 1

Date of Last Evaluation: 09/11/90 Next evaluation: 04/95
 Date of Last Audit : 06/93 Next Audit: 05/94

FINANCIAL DATA

Amount Authorized: DA/ESF Grant: orig \$2,450,000 amended to \$6,350,000
 Amount Obligated : DA/ESF Grant: orig \$1,450,000 amended to \$6,350,000
 Amount Committed : Period : \$ (76,665)
 Cumulative : \$5,644,409
 Accrued Expend : Period - Projected: \$ 700,000*
 Period - Actual : \$ 532,087
 Cumulative : \$4,368,851
 Projected Next Sem. \$ 341,000
 Counterpart : Planned (LOP) : \$3,063,000
 Contributions : Actual : \$2,539,578

% LOP Elapsed 96%
 % of Total Auth. Oblig. 100%
 % of Total Oblig. Expended 69% *revised amount
 % of Total Auth. Expended 69% \$442,851.00

II. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVE

A. Specific Linkage to Strategic Objectives

FUNIER is supporting the Mission's Strategic Objective No. 1, to assist El Salvador to make the transition from war to peace through the reactivation of the key factor of production labor. Specifically, the project is facilitating the medical and social reintegration of disabled Salvadorans into the society via the provision of prosthetics/orthotics devices and other complementary functional rehabilitation services.

B. Percent of LOP Funds Relating to Strategic Objective

War to Peace transition (SO 1) 100%

III. PROJECT PURPOSE AND DESCRIPTION

A. Project Purpose: To increase FUNIER's capacity to establish and support private-public rehabilitation services in El Salvador.

B. Achievements to Date

This project has accomplished its overall objective through the provision of prosthetic/orthotic devices and other physical rehabilitation services to the majority of civilian population affected by the war, facilitating their re-integration into the society. During the semester, the prosthetic production has averaged 51 devices per month, the orthotic has averaged 30 per month and FUNIER has registered a total of 2,734 amputees to date (1,181 amputees are conflict related). Under the National Reconstruction Component, a total of 2,654 patients have been attended either by FUNIER directly or by services supported by FUNIER under the project (civilians and ex-combatants).

As of March 30, 1994, FUNIER in coordination with the MOH/AMED Project treated a total of 490 FMLN disabled ex-combatants; from these, 381 were referred by AMED (236 amputees referred for prosthetic treatment and 45 for orthotics).

C. Project Description

The project has six components: Integrated Patient Care which is the central focus of the Project; Information, Education and Communication: which improves integrated rehabilitation services; Administration: to support the management of the Project; Infrastructure: contributing to the construction of those sections of a building to house the components supported by the Project; Orthotics: under this component FUNIER is expanding its production to offer the public a wider range of services; National Reconstruction: through which FUNIER is strengthening their outreach and decentralization program within former conflictive areas of the country.

IV. PROJECT STATUS

A. Planned EOPS

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

Progress to Date

Average 51 devices/month, but has reached 74/month depending on demand. Production capacity could be increased to 100 per month if needed
 2,734 amputee registered
 18,342 beneficiaries

27

B. Major Outputs	Planned				Accomplished		
	LOP	This Sem.	Cum.	Next Sem.	This Sem.	Cum.	% of LOP
- Number of Prostheses (1)	2500	255	2640	127	345	2950	118%
- Number of Orthotics devices (3)	252	112	214	107	180	388	154%
- People Trained/Informed (1)	17500	1240	17189	620	2490	18342	105%
- Printed Material Dist. (1) (000)	100	6.0	97	3.0	3.6	76	76%
- Reconstructions: (2)							
(a) - New Patients	1440	480	1538	240	809	2654	184%
(b) - New centers	16	3	12	3	3	13	81%
- Fundraising activities: (In Colones x 1000) (4)							
In cash	9,305	575	4,775	287	965	7,532	81%
In kind	7,860	915	6,293	457	575	6,596	84%
Total Income	17,165	1,490	11068	745	1,540	14128	82%

- (1) Goals revised as per Amendment No.5
(2) Goals revised as per preliminary result of the EEC census, this information is also reported in the 519-0394 SAR (S01)
(3) Orthotics activities approved by USAID in the 1993/94 Action Plan.
(4) Programmed by FUNIER as per Amendment No. 5

C. Other Accomplishments and Overall Status

- Castellanos Campos (CC), a local auditing firm affiliated with Coopers & Lybrand, has been providing financial monitoring and managerial assistance to FUNIER since June 1993.
- On November 5, 1993, Castellanos Campos (CC) submitted a report illustrating/supporting the reconciliation prepared by FUNIER of the USAID-FUNIER's accounting records from the November 1987 thru June 1993 period.
- On November 1993 FUNIER received a \$150,000 donation from the French Embassy to finance the prosthetic treatment of 50 war-wounded children.
- On January 10, 1994, FUNIER's President of the Board requested a no-cost 18 month extension of the Project (current PACD is June 30, 1994).

5. On January 25, 1994, by means of PIL No. 4 USAID approved the selection process and the contracting of the firm Management Systems International (MSI) for an amount not to exceed US\$54,928 to assist FUNIER in the development of a sustainability plan.

6. On January 31, 1994, CC submitted a comprehensive financial report documenting the findings of FUNIER's external audits and financial monitoring corresponding to the 1987 through 1992 period; furthermore on March 14, 1994, CC submitted an analysis of the overall questionable costs that lacked support documentation/justification. FUNIER has agreed to reimburse USAID approximately \$25,000 resulting from the analysis of the questionable costs performed by CC and revised by HPN.

7. On March 18, 1994, USAID approved PIL No. 41 for the prequalification of the construction firms process and the Invitation for the Bid (IFB) document to be distributed to the prequalified/interested construction firms.

8. On December 24, 1993, the Berdeck Toryusya Foundation from Japan, donated 50 adult-sized wheelchairs valued at US\$15,000 and a check for \$10,000 dollars to FUNIER.

9. A total of five technicians were sent to the U.S. and third countries to be trained in areas related to functional rehabilitation.

D. Issues

1. Previous SAR (update):

a. Counterpart Contribution and Reconciliation of Accounting Records. The computerized accounting system to register all project transactions has been developed by FUNIER with the assistance of a local firm, nevertheless the system only reflects the information up to December 1993. As a result of this, CC in their financial monitoring monthly reports state that the system is still in the implementing stage. This problem impacts the registration of counterpart contributions to the project.

b. Conflict of Interest. At a meeting between HPN, RLA and CONT it was decided to request CC to review the situation. On February 16, 1994, the Contracting Officer sent a letter to FUNIER requesting the reimbursement of 5% (approx. \$16,000) of the total amount awarded under the Contract (group insurance). FUNIER has submitted several letters requesting USAID's reconsideration. CC considers that the information presented is too subjective to make a decision and to justify the involvement of a Board Member.

c. Building. The Contract is scheduled to be awarded on June 6, 1994, and the construction of the building finished by January 15, 1995.

2. This period:

a. 1993 Recipient Audit. The contracting of the 1993 recipient audit was delayed due to the following reasons: a) new computerized accounting system; (b) 1992 audit ended on August 1993; (c) FUNIER had to incorporate all recommendations made by previous audits; and (d) absence of FUNIER General Manager. All affected the development of the Scope of Work needed for the contracting 1993 audit.

b. CC has reported on several occasions that FUNIER does not have an adequate inventory control for project commodities, specifically in FUNIER's Prosthetic Workshop.

E. Women in Development Issues:

FUNIER has detected and treated a total of 41 new disabled women during this period and the functional rehabilitation services offered by FUNIER will facilitate their socio-economical reintegration process. This makes a total of 653 (24% of the total) amputee women registered in the National Registry.

WEPHN No.392

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

1. The 1993 recipient audit firm contract will be awarded in April 1994.
2. CC will assist Funter to correct deficiencies regarding the inventory, control and storage of Project commodities. CC current SW requests the provision of T.A. to correct deficiencies found during the performance of their work.
3. The new computerized accounting system will be fully functional. It is expected that the new system will reflect the up to-date accounting reports, once 1993 audit authorizes the financial closing.
4. Final determination regarding FUNTER's allegation of Conflict of Interest will be made in April 1994.
5. FUNIER's request for an eighteen month no-cost project extension is scheduled to be reviewed by the Mission in April 1994. Extension must be approved no later than mid June 1994.

PROJECT STATUS REPORT
October 1, 1993 - March 31, 1994

MISSION DIRECTOR RATING:

I. BACKGROUND DATA

Project Title: Small Enterprise Support Project
 Project Number: 519-0387
 Date of Authorization: Original 09/30/93 Amendment: N/A
 Date of Obligation: Original 09/30/93 Last Amend: 03/22/94
 PACD: Original 09/30/96
 Implementing Agencies: FUSADES - PROPEMI
 Major Contractors: None
 AID Project Manager: Rosa María de Guirola, PRE
 Status of CPs/Covenants: All met
 Planned Number of Non-Federal Audits during Fiscal Year: 1 annually
 The Number of such Audits Contracted for/Completed:
 Date of last evaluation: None Next evaluation:
 Date of last audit: Next audit: 9/94

FINANCIAL DATA

Amount Authorized: DA/ESF Grant \$5,000,000
 Amount Obligated: \$3,000,000
 Amount Committed: 2,870,000
 Accrued Expend.: Period: \$2,870,000
 Cumulative: \$430,000
 Period Proj: \$430,000
 Period Actual: \$430,000
 Cumulative: \$1,698,235
 Proj next sem. Planned: \$1,250,000.
 Actual: \$432,529.
 Counterpart Contributions:
 % LOP Elapsed: 17%
 % of Total Auth. Obligated: 60%
 % of Total Oblig. Expended: 14%
 % of Total Auth. Expended: 8.6%

II. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES

- A. Specific Linkage to Strategic Objectives**
 The Small Enterprise Support Project relates to the Increase Equitable Economic Growth and Transition from War to Peace strategic objectives, since its main objective is to increase employment and income opportunities for Salvadorans from lower socio-economic groups especially in NRP (National Reconstruction Plan) areas.
- B. Percent of LOP Funds Relating to Strategic Objectives**
 While the majority of Credit Line in this Project is related to NRP, 100% of this Project is related to Strategic Objective II, Increase Economic Growth.

III. PROJECT PURPOSE AND DESCRIPTION

- A. Project Purpose**
 Is to promote the development of small enterprises in El Salvador especially enterprises located within National Reconstruction Plan zones through the provision of credit, training and technical assistance.
- B. Achievements to Date**
 Of the \$3,000,000 obligated a total of \$429,080. has been disbursed thru 117 loans for the NRP zones, benefitiating 114 entrepreneurs. From the 117 loans 591 jobs are being created. Finally, 150 persons have received training. (\$2,500,000 was only obligated in late March/94.)
- C. Project Description**
 The proposed Small Enterprise Support Project is a \$5.Million, three year Handbook 13 Grant designed to assist small businesses to increase their incomes and employment and thereby further the Mission's second strategic objective, Increase Equitable Economic Growth. The project will increase access by small enterprises to credit, training and technical assistance and will assist them to expand their operations and create jobs for unemployed and underemployed Salvadorans, including ex-combatants.

IV. PROJECT STATUS

- A. Planned EOPs**
- | | | |
|----|-----------------------------------------------------------------------------|-------------------------|
| | | <u>Progress to Date</u> |
| 1. | 1,500. No. of credits | 117 credits |
| 2. | 1,000. No. of beneficiaries | 114 beneficiaries |
| 3. | 7,000. jobs created | 591 jobs created |
| 4. | 14,000 small entrepreneurs will have recvd. training | 150 recvd. Trng. |
| 5. | Over half of the beneficiaries will be from the Ex-Conflictive Zones (510). | 114 beneficiaries |
- B. Major Outputs**
- | | Planned | | | | Accomplished | | |
|-----------------------------------|---------|------------|-----|------------|--------------|-----|----------|
| | LOP | This Semeg | Cum | Next Semeg | This Semeg | Cum | % of LOP |
| 1. Loans | 1,500 | 113 | 113 | 291 | 117 | 117 | 8% |
| 2. Beneficiaries | 1,000 | 76 | 76 | 203 | 114 | 114 | 12% |
| 3. Jobs Created | 7,000 | 542 | 542 | 1,201 | 591 | 591 | 9% |
| 4. Entrepreneurs Train | 14,000 | 75 | 75 | 2,400 | 150 | 150 | 1% |
| 5. Ex-Conflictive Zones Benefics. | 51 % | 76 | 76 | 203 | 114 | 114 | 23% |
- C. Other Accomplishments and Overall Status**
 PROPEMI has promoted its services (Credits and T.A.) in the ex-conflictive zones thru meetings and door to door visits. Cities where meetings took place: Jiquilisco, La Palma, Apopa, Texistepeque, Metapan (Sta Rosa Guachipilin, Masahuat). They also designed an information pamphlet. To date, credit demand in the ex-conflictive areas has been heavy, and loan delinquency has been less than 1%.
- C.1 MID Issues**
 39% of the 114 beneficiaries are women, with an allocated amount of \$159,195.

- D. Issues
What level of effort should AID make to convert PROPEMI to a Financial Institution (Financiera.)?
- E. Major Activities/Actions during the next 6 months
291 Credits will be allocated
203 beneficiaries will be benefited
1,201 new jobs will be generated
2,400 small entrepreneurs will have received training.
120 beneficiaries will be from the ex-conflictive zones.

387.SAR

PROJECT STATUS REPORT

1 October 1993 - 31 March 1994

MISSION DIRECTOR'S RATING: A ___ B ___ C ___

I. BACKGROUND DATA

Project Title & No.: Peace and National Recovery Project
Project Number: No. 519-0394 **Project Manager:** Lynn C. Sheldon

Supporting Projects & Project Managers:
 519-0281: (closed) 519-0308: Jack R. Dale
 519-0315: Mike Cavallaro 519-0320: James W. Habron
 519-0346: Hector Rodriguez 519-0357: Bill Harwood
 519-0358: Raul González 519-0287: Ana de Aguilar
 519-0361: Jaleh de Torres MEA: Tom Hawk

Date of Authorization: Original: 01/17/92 Last amendment: n/a
Date of Obligation: Original: 05/06/92 Last amendment: 09/30/92
PACD: Original: 04/30/97 Amended to: n/a
Status of Cps: Met: 07/29/92

Implementing Agencies: A total of 115 NGOs and FVOs have worked, or are working with the Peace and National Recovery Project. At the end of the period, the NRP had funded 58 Action Plans, implemented by 14 governmental and 33 non-governmental organizations (some organizations are implementing more than one Action Plan.) Three "umbrella" organizations, included in the 33 NGOs above, work with and through 47 other small local NGOs (15 additional NGOs under the umbrellas are also working outside of the groups). In addition to the Action Plans, the NRP is working with nine "existing" projects, which are implemented by 35 more NGOs and four governmental agencies.

Major Contractors: Currently Active: Price Waterhouse, CREA

Date of Last Evaluation: November 1993
Date of Next Evaluation: January 1996

Planned number of non-Federal Audits during Fiscal Year: 1
The number of such Audits Contracted for/Completed: 0

Date of Last Audit: Pre-Award Surveys (SRN & CRS) May 1993
Date of Next Audit: July 1994

FINANCIAL DATA (Additional information in Annex I)

	ESP/DTF	OECS CONTRIBUTION	EXISTING PROJECTS **	TOTAL
Amount Authorized:	\$191,000,000	\$48,000,000	\$61,000,000 ^{1/}	\$300,000,000
Amount Obligated:	\$135,352,000	\$39,742,244	\$49,220,859	\$224,315,103
Amount Committed:				
Period-Actual	\$ 12,725,052	\$ 1,242,260	\$24,045,199	\$ 38,012,511
Cumulative	\$112,645,820	\$39,742,244	\$40,196,405	\$192,584,469
Accrued Expenditures:				
Period-Projected	\$ 18,522,000	\$ 7,041,219	\$10,245,474	\$ 35,808,693
Period-Actual	\$ 15,776,894	\$11,780,346	\$19,466,054	\$ 47,023,294
Cumulative	\$ 50,780,809	\$37,471,324	\$24,446,389	\$112,698,522
Projected No: Semester	\$ 25,000,000	\$ 1,500,000	\$ 8,000,000	\$ 34,500,000

II. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES

- A. Specific Linkages to Strategic Objectives**
 Strategic Objective No. 1 is focused on National Reconstruction which this project (519-0394) fully supports.
- B. Percent of LOP funds relating to S.O.: 100%**

III. PROJECT PURPOSE AND DESCRIPTION

- A. Project Purpose:** To assist the GOES to support its National Reconstruction Plan and the process of national reconciliation and economic stabilization by restoring basic humanitarian, social and health services, rebuilding basic infrastructure, reactivating the economy in areas torn by the war, and by reintegrating individuals and families affected by the conflict.
- B. Achievements to Date:**
- Credit** - Approximately 36,242 small farmers have taken advantage of agricultural credit, and 9,451 people have benefited from other forms of credit.
 - Land** - The Land Bank has conveyed legal titles for more than 29,054 manzanas (49,972 acres) of the 44,000 manzanas (almost 76,000 acres) identified for transfer. Almost 5,900 FMLN and more than 1,500 ESAF have taken advantage of this program.
 - Health** - (APSISA Project) In recent monitoring of levels of pharmaceuticals in the health facilities in the NRP zones, it was found that all 122 facilities enjoyed an 82% minimum stock level of needed drugs and medical supplies.

III. PROJECT PURPOSE AND DESCRIPTION (Continued)

- Micro-Enterprise** - In the micro-enterprise program for approximately 600 FMLN leaders, four credit applications have been received. Micro-enterprise activities include: raising iguanas for export; and raising cattle for milk and beef production.
 - Documentation** - Approximately 200,730 birth certificates and more than 260,000 new personal identification cards (*cedulas*) have been issued.
 - Education/Training** - 11,500 ESAP and 11,700 FMLN ex-combatants have received or are receiving some form of training assistance.
 - MEA** - The MEA program has implemented more than 2,000 basic infrastructure projects.
- C. Project Description:** The Project is providing a full range of assistance, including technical assistance, commodities, credit, reconstruction of infrastructure, training and employment, basic health and other services for Salvadorans most affected in the ex-conflictive zones and those needing to be reintegrated into the social and economic life of the country.

^{1/} "Existing Project" financial data, including accruals and projections, are based on Controller's MACs reports for those with established NRP line items, and on Technical Office data for those with no NRP amendments.

^{2/} Includes \$14 million of new funding from BSP for APSISA and SABB

Handwritten initials

V. PROJECT STATUS

A. Planned EOPS²⁰

1. Increase voter registration in the ex-conflictive zones.
2. Decrease percentage of people living in poverty in the ex-conflictive zones.
3. Decrease percentage of people living in extreme poverty in the ex-conflictive zones.
4. Increase employment in NRP areas.
5. Increase income of project beneficiaries.
6. Reintegrate ex-combatants into civilian life.

B. Major Outputs

COMPONENT I: Immediate Conflictive Zones Relief	PLANNED				ACCOMPLISHED		
	LOP.	THIS	NEXT	SEM.	THIS	CUM.	% OF
		SEM.					
Number of new personal ID cards (cédulas) issued	70,000	17,500	52,500	n/a	192,500	260,000	371%

Increase in registered voters^{20 w} *Numbers not available at time of SAR due to second round of presidential election.*

COMPONENT II: Assistance to Ex-Combatants	PLANNED				ACCOMPLISHED		
	LOP.	THIS	NEXT	SEM.	THIS	CUM.	% OF
		SEM.					
Number receiving demobilization packages	22,400	0	20,200	2,000	4,354	16,461	74%
a) FMLN	11,200	0	11,200	0	0	10,747	96%
b) ESAF	11,200	0	9,000	1,300	4,354	5,714	51%
c) PN	700	0	0	700	0	0	0%
Number of FMLN disabled receiving medical/surgical attention ^{20 w}	2,600	800	2,600	0	970	2,370	91%
Number of disabled receiving functional rehabilitation assistance ^{20 w}	5,000	1,050	1,050	950	630	630	12%
a) FMLN	4,400	700	700	700	490	490	11%
b) ESAF	600	350	350	250	140	140	23%
Number of ex-combatants receiving training ^{20 w}							
1) 2-5 yr. academic schol.	1,500	850	900	600	1246	1,246	83%
a) FMLN	450	450	0	0	715	715	159%
b) ESAF	450	450	0	0	521	521	116%
c) PN	600	0	0	600	0	0	0%
2) 6-month voc./ag. trng.	19,500	2,500	13,300	3,000	2,267	16,030	82%
a) FMLN	9,000	500	8,600	400	385	9,300	103%
b) ESAF	6,500	2,000	4,700	1,800	1,882	6,730	104%
c) PN	4,000	0	0	800	0	0	0%
Number receiving shelter materials (FMLN only)	3,000	3,000	0	0	0	0	0%

COMPONENT II (Continued): Assistance to Ex-Combatants	PLANNED				ACCOMPLISHED		
	LOP.	THIS	NEXT	SEM.	THIS	CUM.	% OF
		SEM.					
Number of ex-combatants receiving credit ^{20 w}	16,379	3,397	14,879	3,397	•	•	•

* This new indicator reflects SO #1 progress; accomplishments will be reported next SAR.

Number of ex-combatants and tenedores receiving land (See Component IV)

Number receiving reintegration counseling	LOP.	PLANNED		ACCOMPLISHED			
		THIS	NEXT	THIS	CUM.	% OF	
a) FMLN ²⁰	7,500	0	7,500	0	0	0%	
b) ESAF	28,500	0	28,500	0	3,750	7,400	26%
c) PN	6,500	960	1,440	960	835	835	13%

COMPONENT III: Social and Economic Reactivation ²⁰	PLANNED				ACCOMPLISHED		
	LOP.	THIS	NEXT	SEM.	THIS	CUM.	% OF
		SEM.					
Number of official schools built or physically rehabilitated ^{20 w}	n/a	n/a	n/a	n/a	113	271	%
Number of people trained ²⁰	54,115	9,415	28,465	9,415	3,513	17,276	31%
a) men	43,392	7,756	23,556	7,756			%
b) women	10,723	1,659	4,909	1,659			%
Number of credit beneficiaries ^{20 w}							
a) agriculture	25,000	4,800	4,900	15,000	4,250	36,242	145%
b) micro enterprise	5,300	1,500	300	1,000	718	1,084	20%
c) village banks	22,000	1,200	2,000	5,000	5,115	8,367	38%
Number of NGOs participating in reconstruction activities (cum.) ^{20 20}		5	40	9	12	115	144%
Number of civilian war-wounded receiving physical rehabilitation assistance ²⁰	2,500	300	900	300	81	691	28%
Number of disabled civilians receiving physical rehabilitation assistance in NRP facilities ²⁰	3,000	480	1,610	480	809	2,654	88%

20 Strategic Indicator

21 EOPs were changed this reporting period to reflect new Strategic Objectives

22 This is a new indicator to reflect Strategic Objective #1 progress

23 The FMLN declined commenting on behalf of their members after LOP goal was set, PN LOP established this period

24 Training provided for ex-conflictive zone teachers has been deleted as a major output (because SABB provides training to all MOE teachers) monitored by OJET under the SABB project.

25 Based on results of the European Economic Community/COPAZ war-wounded census

26 Planned numbers not established because program is demand driven through MEA

27 New Action Plans disaggregate by gender; gender figures will be reported next semester

COMPONENT III (Continued): Social and Economic Reactivation	PLANNED				ACCOMPLISHED		
	LOP.	THIS	CUM.	NEXT	THIS	CUM.	% OF
		SEM.		SEM.			
Number of physical rehabilitation facilities opened in NRP areas ¹⁶		3	13	0	3	13	81%
Primary health facilities with adequate water and sanitation	73	15	61	10	16	40	55%
Number of MEA basic infrastructure projects ¹⁷	4,700	875	2,720	875	255	2,004	42%
a) roads	n/a	n/a	n/a	n/a	145	497	n/a
b) school rooms	n/a	n/a	n/a	n/a	86	201	n/a
c) community buildings	n/a	n/a	n/a	n/a	47	148	n/a
d) electric projects	n/a	n/a	n/a	n/a	27	119	n/a
e) health posts	n/a	n/a	n/a	n/a	12	37	n/a
f) potable water projects	n/a	n/a	n/a	n/a	12	47	n/a
Percentage of cantons participating in MEA open town meetings ^{10, 11}	100%	80%	80%	80%	68.7%	n/a	68.7%
Number of open town meetings held ^{10, 11, 12}	230	230	230	230	224	n/a	97%

The ongoing MEA program was the first to begin implementing activities in the ex-conflictive zones after the Peace Accords went into effect. The program provides temporary employment and is rapidly helping the local municipalities to rebuild.

COMPONENT IV: Legally Transferred Land	PLANNED				ACCOMPLISHED		
	LOP.	THIS	CUM.	NEXT	THIS	CUM.	% OF
		SEM.		SEM.			
Number of ex-combatants and <i>tesoreros</i> receiving land ^{10, 11, 12}	20,635	4,000	6,900	4,000	6,089	9,453	45%
Number of acres transferred ¹⁴ 700,000	27,000	27,000	20,000		18,091	38,447	38%
Percent of Land Bank clients with land in production ^{10, 11}	75%	n/a	n/a	50%	n/a	25%	n/a

A major cause of the war, land, or the lack of it, continues to be a politically sensitive subject. The GOES has carried out a campaign requesting eligible ex-combatants and *tesoreros* (squatters) to register for participation in the Land Transfer Program. Deadline for this registration was October 18, 1993. It is anticipated that the new list will serve as the universe of eligible beneficiaries.

10/ Strategic Indicator

11/ This is a new indicator to reflect Strategic Objective #1 progress.

12/ Due to space limitations, a completed health indicator has been dropped from SAR, and a current indicator substituted.

13/ Because MEA-funded activities are demand-driven by the communities, planned outputs under this category cannot be calculated at the sub-component level. Planning is based on average number of projects which can be accomplished with a given amount of funding. Activities funded by SABB and led by MEA are included in the "Accomplished" column.

14/ Number of meetings held per semester based on a total of four meetings held in each of the 115 municipalities per year.

COMPONENT V: Infrastructure	PLANNED				ACCOMPLISHED		
	LOP.	THIS	CUM.	NEXT	THIS	CUM.	% OF
		SEM.		SEM.			
Number of:							
a) km./roads rehabilitated	3,600	241	742	158	469	757	21%
b) km./railways rehabilitated	78	78	78	13.5	64.5	64.5	83%
c) km./distribution lines rehabilitated	596	15	15	395	62	62	10%
d) additional beneficiaries w/ access to potable water	34,500	10,000	10,000	10,000	14,500	14,500	42%
Cumulative percent of NRP population benefiting from rural road improvement expansion activities ^{10, 11, 12}	89%	n/a	n/a	n/a	n/a	n/a	n/a

One water system has been completed, and two are underway in the NRP municipalities with dollars from Project 519-0320, Amendment V. Construction of four more will begin during the coming semester.

C.1. Other Accomplishments and Overall Status

Since the NRP began two years ago (40% of the LOP period), more than \$223 million has been approved for almost 70 project activities, which represents approximately 74% of the \$300 million LOP funding. The majority of the Action Plans approved during the semester have been in the Social and Economic Reactivation Component; the trend should continue through the remainder of 1994, with considerable activity expected in the Infrastructure Component as soon as the rainy season ends toward the end of CY 1994. During the first months of the semester, the final Action Plans directed solely to ex-combatants were approved; no new activities are envisaged for this component in 1994 or thereafter, except for support for demobilizing or demobilized National Police – a process which will continue until 1995.

With reference to Major Outputs, accomplishments for this period were good. Agricultural and micro-enterprise credits – a problem area during previous reporting periods – are moving well now through a number of NGO providers (e.g., TechnoServe, CARE, CRS, PROMIPE), however, the Agrarian Development Bank (Banco de Fomento Agropecuario - BFA) – the principal public sector agricultural credit institution – continues to move slowly in providing credit to small farmer clients under the NRP. The Land Transfer activity through the Land Bank continues to encounter delays and temporary setbacks. The Infrastructure Component, which had been slow to begin, now has more than ten projects in the design phase – roads, bridges, levees, rural electrification, and an intermodal transportation study. Implementation of most of these projects will begin after the rainy season ends in late 1994.

Specific Accomplishments - Regular 0394:

Program Activities: 1) 260,000 new personal ID cards (*cedulas*) have now been issued to ex-combatants and civilians in the 115 target municipalities, far exceeding the LOP goal of 70,000. Documentation assisted in obtaining a larger number of registered voters, and a greater number of voters in the 20 March 1994 national, municipal, and local elections than in previous elections. 2) Training and provision of benefit packages for the National Police began during the semester. An estimated US\$ 10.0 million will be provided to 6,000 demobilized National Police during the LOP.

11/ 1,790 ESAF ex-combatants, 2,201 FMLN ex-combatants, and 5,462 FMLN *tesoreros* equals cumulative total of 9,453

12/ The cumulative number planned was inadvertently omitted last semester. The new planning numbers are now current.

C.1. Other Accomplishments and Overall Status (Continued)

Specific Accomplishments - Regular 0394:

Program Activities:

3) 33 NGOs and the BFA are implementing agricultural and micro-enterprise credit activities for ex-combatants and civilians. 4) The number of NGOs which have received NRP support has now reached 115 (equal to the number of NRP municipalities); about 40% of committed funds have been programmed through NGOs. 5) The Municipalities in Action (MEA) activity added 255 basic infrastructure interventions during the semester, for a cumulative total of 2,004 activities. 6) The Land Bank conveyed legal titles for 8,689 acres during the reporting period.

Program Management: 1) A CY 1994 Annual Plan was approved by USAID and the SRN during the semester. The Plan, and related quarterly program plans and progress reports, provide the program planning and policy framework by which the NRP will be managed in 1994. 2) A mid-course formative evaluation of the NRP was conducted by Development Associates. This evaluation has provided recommendations for corrections in the design and implementation mechanisms which will improve the project's efficiency and effectiveness. 3) Management Systems International initiated a Management Assessment of the National Reconstruction Secretariat during the semester. This assessment will provide the SRN with useful recommendations to streamline and downsize its organizational structure and improve its management systems. 4) The formation of the Mission Strategic Objective teams has resulted in the design and development of a Monitoring and Evaluation Plan which will improve the measurement of program impact for S.O.#1. Impact indicators reported on in the FY 1994 Action Plan are now included in the SAR. Three surveys/studies to measure NRP impact in different program components/sub-components (Ex-Combatants, Land Transfer, and Agriculture) are planned for the upcoming semester. 5) A Global Financial Monitoring contract, which consolidates several smaller and disparate monitoring contracts, was signed with Price Waterhouse. With it, overall and project-specific financial monitoring of the NRP will be improved.

Project Status by Component

Component A - Immediate Assistance: The only activity in this Component which continued through the reporting period was "documentation/certification" of ex-combatants, which was resumed until the end of March. At the close of the project, 200,730 birth certificates and nearly 260,000 personal identification cards had been issued, far exceeding the LOP goal of 70,000 cards. An extension of this activity to 30 June 1994 may be required to track results of the second round of the presidential election. No new activities are planned for this Component.

Component B - Ex-Combatant Assistance: This semester marked a transition from a focus on ex-combatant activities to longer-term development activities under Component C. New ex-combatant activities begun during the semester included assistance to demobilized National Police; provision of temporary shelter solutions to ex-combatants who have benefited from the land transfer program; and business training and micro-enterprise credit for FMLN leadership. 1 January 1994 was established as a terminal date for initiating ex-combatant activities. Cumulative project accomplishments for this Component include:

- Distribution of 10,400 household starter packages to FMLN ex-combatants and • 23,200 ex-combatants have received vocational or academic training • AMED has provided medical attention to 2,370 FMLN war-wounded, including 1,238 surgeries. • 600 ex-combatants have received rehabilitation services • 4,233 ex-combatants have received credit • 4,485 ex-combatants and *amadores* have received land.

Many ex-combatants have received several of these benefits. Of an estimated 28,500 ex-combatants from the FMLN and government forces, approximately 60% have received one or more benefits. Findings from the CID Gallup poll, which was designed to measure the impact of this assistance on "reintegrating" ex-combatants, will be available shortly.

Component C - Social and Economic Reactivation: In the CY 1994 Annual Plan for the NRP, the SRN and USAID have designed a broad framework for sectoral strategies in the areas of agriculture, credit, land transfer, infrastructure and training to guide the implementation of activities within this Program Component. LOP funding for Component C is planned at \$130.5 million.

Programming criteria from the CY 1994 Annual Plan to be applied to new activities in all Components include: to integrate and link discrete program activities; to improve inter-institutional coordination and increase counterpart support; to promote the use of non-governmental institutions and other decentralizing mechanisms; and to support activities which are self-sustaining, replicable, and which generate income and/or jobs. As much as possible, activities will be concentrated in three major ex-conflictive and economically depressed departments - Usulután, Morazán, and Chalatenango.

Major accomplishments in this component include: • MEA has implemented 255 small infrastructure projects. • Agricultural and micro-enterprise credit has been provided to 45,693 beneficiaries. • 40% of total commitments have been programmed through 115 NGOs. Training and institutional strengthening of NGOs improved these institutions as program providers for NRP beneficiaries. • Vocational/technical training has been provided to 9,000 civilians. • 691 civilian war-wounded have received medical assistance.

Component D - Land Transfer The Land Transfer Component continues to encounter setbacks and delays; however, agreement on the beneficiary list - the list of those eligible to receive property - has been reached and the pace of land transfers is improving. During the semester, 8,689 acres were transferred to 4,045 beneficiaries.

Component E - Infrastructure

As reported in the previous SAR, during the first two years of the NRP, the infrastructure needs in the ex-conflictive areas were met largely by the MEA program and the Public Services Improvement Project (0320). To complement these activities, the NRP has recently designed a strategy to meet additional infrastructure needs in the ex-conflictive zones.

In brief: • \$300,000 has been committed, and work will start immediately, on the construction of flood protection improvements on the lower Lempa River • The Intermodal Transportation Study has been approved, and work will begin in June • Designs for rural roads are being prepared, and priority road sections are being discussed • \$500,000 has been approved for a bridge to span the upper Lempa River.

Specific Accomplishments - Support from "Existing Projects"

1) The APSISA project has trained 36 new malaria collaborators to work in the NRP areas. 2) The Ministry of Education has agreed to deliver educational services to all Salvadoran children, including those in Escuelas Populares, through the SABE project. 3) The FUNTER project has registered a total of 2,734 amputees, and 1,667 patients with other types of disabilities. 2,654 disabled civilians have been treated or assisted by FUNTER in the NRP areas, and 490 FMLN ex-combatants have been treated. 4) Through March 31, direct and indirect beneficiaries of the PROSAMI project in the NRP zones have numbered 251,172. Under the project, 58 health clinics have been established, 106 health promoters have been recruited, and 9,635 children under age 5 have been vaccinated. 5) To date, the CAPS/CLASP Peace Scholarship Programs have benefitted 143 leaders or potential leaders from 82 ex-conflictive municipalities. 55 mayors trained under the program have been from the area, as well. 6) The FINCA project has created 137 village banks in the ex-conflictive zones, and credit has been extended to 3,536 female and 742 male beneficiaries. 7) The FEPADE project has conducted 486 courses which have trained 9,030 individuals (7,397 males and 1,633 females) in the ex-conflictive area. 8) Under Project 519-0320, 1,081 latrines have been constructed, 95 wells drilled or restored, 757 kilometers of roads have been rehabilitated, and 32 kilometers of electric distribution lines have been reconstructed.

32

C.2 Women in Development Issues

Tracking for gender disaggregation is now required for new Action Plans by Project Implementation Letter. No gender-specific projects are planned, but the program is working with several NGOs which focus on women (e.g., the Salvadoran Foundation for the Development of Women -- FUEDEM, and the FINCA village bank program).

D. Issues

1. Issues from Previous SAR (0394)

Issue: Due to perceived managerial difficulties in the SRN, USAID will fund an institutional assessment of the SRN. **Status:** Management Systems International (MSI), contracted to conduct a management assessment of the SRN, initiated its assessment in March 1994. USAID funding of the SRN administrative budget for 1994 (SRN is presently using excess funds from the 1993 budget to cover operational costs) will be conditioned on implementation of the most important recommendations of the MSI evaluation. Major draft recommendations include: the consolidation of project functions (Directorate of Social Development) with programming and evaluation functions (Directorate of Programming and Evaluation); restructuring the Directorate of Administration and Finance; and the restructuring of the Human Resources Unit. **Issue:** "Existing Project" funding (\$61 million) needs to be better integrated into the NRP portfolio, and the projects more closely monitored to measure their impact on the NRP and the Mission's strategic objectives. **Status:** Considerable progress has been made on integrating the "existing projects" into the NRP portfolio. All of these projects are included in this SAR, except the three which cannot be tracked (see E. Corrective Actions During the Next Six Months).

2. Issues from previous SAR ("Existing Projects")

Project 519-0357 (SARE):

Issue: 1) The bid for 4-6 grade textbooks for the ex-conflictive zones was cancelled, but solved by returning to use of the "Planes Libres." **Status:** Textbooks arrived in March 1994. **Issue:** 2) There are problems with the mechanism for distribution of dollar funded "Fondos Distritales" for the ex-conflictive zones. **Status:** Solutions are actively being sought. **Issue:** 3) Although delivery of materials to "Escuelas Populares" was 80% successful, increased coverage of educational opportunities to children who have attended these schools has met with only partial success. Mixing teachers, training for teachers and repairing buildings have met with limited success. Emphasis will continue to be placed on accrediting/reintegrating these children. **Status:** A testing program has been implemented.

Project 519-0320:

Issue: Because of the lack of Local Currency, the necessity to convert to Host Country Contracting Procedures for road rehabilitation projects precluded the completion of procurement actions required for initiating activities at the start of the next reporting period under the Post War Maintenance, Repair and Reconstruction Component of the Project. **Status:** Means were found to accelerate the procurement of construction services under Host Country contracting procedures so that contracts equalling the total funding available have been awarded, and work commenced prior to the end of the current reporting period.

3. Issues from This Period:

Issue: Based on sectoral strategies and Annual Plan programming guidelines, broad-based and integrated activities need to be designed and implemented for training, micro-enterprise and agricultural credit, civilian war-wounded, and land transfer.

D. Issues (Continued)

Issue: The NRD and SRN Management Information Systems (MIS) need to become compatible and mutually supportive to assure timely and accurate reporting. **Issue:** To improve administrative effectiveness, the SRN needs to implement MSI management assessment recommendations. **Issue:** With program impact indicators and a Strategic Objective monitoring and evaluation plan established, surveys and studies need to be conducted to measure NRP impact. **Issue:** How can agricultural credit be moved faster and more effectively?

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

Project 519-0394

- To further accelerate implementation and improve the quality of the NRP portfolio, direct USAID funding and SRN funding of NGO activities will increase.
- A strategy will be designed and implemented to improve (a) the amount of land transferred and (b) the amount of land transferred which is in production.
- Management Information Systems (MIS) for the SRN and IRD/NRD will become mutually supportive. The IRD/NRD MIS will continue to track progress indicators for Action Plans, and begin to track impact indicators. Monthly and quarterly progress/impact reports will be generated.
- Action Plans will be designed and implemented for training and credit allocation based on studies to be done by FEDISAL and FEPAPE of job demand in NRP areas.
- The SRN will implement significant administrative changes to improve program and financial management, as recommended by the Management Assessment.
- Action Plans will be designed for, and implementation will begin on, civilian war-wounded; training based on job demand; agricultural development and credit; infrastructure; and micro-enterprise credit. These Action Plans, implemented in large part by NGOs, will group and integrate discrete project initiatives under one or two implementing institutions for each sector.
- Program planning, monitoring, and evaluation instruments used by USAID and the SRN will be further refined to improve their use as management tools.
- As necessary, the new GOES administration officials concerned with National Reconstruction will be briefed.

"Existing" Projects

- At present, there is only one project -- FUSADES 0287 -- which cannot be tracked due to lack of NRP line item. This project cannot be amended. As well, there are two project reflows which cannot be tracked financially or for indicators. Mission management will determine whether to eliminate the reflows and the FUSADES 0287 project from the NRP LOP budget.
- A new "existing project" (FUSADES 0323) is scheduled to be added to the NRP (and SO #1) portfolio shortly. Even if the reflows and the FUSADES 0287 project were eliminated from the NRP portfolio (recommended), the NRP budget will rise well over its LOP budget ceiling. Mission management will determine whether this ceiling should be raised at this time.

PROJECT 510-0394 PEACE AND NATIONAL RECOVERY AND SUPPORTING PROJECTS
PROJECT STATUS REPORT
FINANCIAL DATA SHOWN IN US DOLLARS

AS OF MARCH 31 1994

Components	1		2	3	4	5
	LOP Approved Budget 1/ 5/		Total Obligations To Date	Total Earmark	Total Amount Committed	Total Accrued Expenditures
A. IMMEDIATE RELIEF						
1 ESF FUNDING	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	
2 DTF FUNDING	0	0	0	0	0	
3 HCCLC FUNDING 2	2,327,199	2,327,199	2,327,199	2,327,199	2,207,768	
4 EXISTING PROJECTS 3	2,000,000	2,000,000	2,000,000	1,969,671	1,812,445	
SUB-TOTAL	5,827,199	5,827,199	5,827,199	5,796,870	5,520,213	
B. EX-COMBATANT ASSISTANCE						
1 ESF FUNDING	10,838,357	0	0	0	0	
2 DTF FUNDING	69,161,643	69,161,643	60,485,722	60,207,616	23,911,838	
3 HCCLC FUNDING	7,441,724	7,351,724	7,351,724	7,351,724	6,457,633	
4 EXISTING PROJECTS	0	0	0	0	0	
SUB-TOTAL	87,441,724	76,513,367	67,837,446	67,559,340	30,369,471	
C. SOCIAL & ECONOMIC REACTIVATION						
1 ESF FUNDING 4/	61,497,282	40,032,212	37,915,384	37,915,384	21,615,657	
2 DTF FUNDING	7,202,718	7,202,718	7,202,718	7,202,718	1,457,606	
3 HCCLC FUNDING	24,486,856	17,919,100	17,919,100	17,919,100	17,661,457	
4 EXISTING PROJECTS	35,817,369	25,161,000	25,161,000	18,139,268	10,186,895	
SUB-TOTAL	129,004,245	90,315,030	88,198,202	81,176,470	50,921,615	
D. LAND TRANSFER MECHANISM						
1 ESF FUNDING	15,000,000	5,312,819	0	0	0	
2 DTF FUNDING	0	0	0	0	0	
3 HCCLC FUNDING	8,194,340	8,194,340	8,194,340	8,194,340	8,194,340	
4 EXISTING PROJECTS	0	0	0	0	0	
SUB-TOTAL	23,194,340	13,506,959	8,194,340	8,194,340	8,194,340	
E. MAJOR INFRASTRUCTURE						
1 ESF FUNDING	15,800,000	4,940,000	3,825,311	2,325,311	378,785	
2 DTF FUNDING	0	0	0	0	0	
3 HCCLC FUNDING	0	0	0	0	0	
4 EXISTING PROJECTS	23,182,611	22,059,859	22,059,859	20,087,466	12,447,049	
SUB-TOTAL	38,982,611	26,999,859	25,885,170	22,412,777	12,825,834	
F. PROGRAM AUDIT & MANAGEMENT						
1 ESF FUNDING	7,364,361	4,567,169	1,488,053	1,434,265	837,065	
2 DTF FUNDING	2,635,639	2,635,639	2,313,142	2,060,526	1,079,858	
3 HCCLC FUNDING	5,549,881	3,949,881	3,949,881	3,949,881	2,950,126	
4 EXISTING PROJECTS	0	0	0	0	0	
SUB-TOTAL	15,549,881	11,152,689	7,751,076	7,444,672	4,867,049	
TOTAL COMPONENTS						
1 ESF FUNDING	112,000,000	56,352,000	44,728,748	43,174,960	24,331,507	
2 DTF FUNDING	79,000,000	79,000,000	70,001,582	69,470,860	26,449,302	
3 HCCLC FUNDING	48,000,000	39,742,244	39,742,244	39,742,244	37,471,324	
4 EXISTING PROJECTS	61,000,000	49,220,859	49,220,859	40,196,405	24,446,369	
GRAND TOTAL	300,000,000	224,315,103	203,693,433	192,584,469	112,698,522	
		ESF/DTF	HCCLC	EXISTING PROJECTS	TOTAL	
ACTUAL ACCRUED EXPENDITURES FOR THIS PERIOD:		15,776,894	11,780,346	19,466,054	47,023,294	
CUMULATIVE ACCRUED EXPENDITURES FOR THIS PERIOD:		50,780,809	37,471,324	24,446,369	112,698,522	
PROJECTED ACCRUED EXPENDITURES NEXT PERIOD: 8/		25,000,000	1,500,000	8,000,000	34,500,000	

% Life of Project (LOP) Elapsed 38%
% Of Total Authorized Obligated 75%
% Of Total Obligated Expended 50%
% Of Total Authorized Expended 38%

NOTE:

- SOURCES: AMENDMENT V (SIDE M P/L)
- LOCAL CURRENCY CONVERSION RATE IS 61.00 = 86.38. BECAUSE THE ACCOUNTING SYSTEM FOR LOCAL CURRENCY DOES NOT RECOGNIZE THE TERMS "OBLIGATION", "EARMARK", AND "COMMITTED", THESE AMOUNTS ARE EQUAL. ACCRUED EXPENDITURES IN LOCAL CURRENCY ARE EXPENDITURES PLUS A PERCENTAGE OF OUTSTANDING ADVANCES.
- EXISTING PROJECT PROJECTIONS ARE FOR PROJECTS 0281, 0282, 0287, 0292, 0248, 0215, AND 0287 WHICH HAVE ESTABLISHED NRP LINE ITEMS IN MAC'S.
- DUE TO HIGH DEMAND FOR ESF-FUNDED PROJECTS, 86.5 MILLION OF BOTH SAME AND AP 918A ARE DA-FUNDED.
- REPROGRAMMING P/L IN PROGRESS TO REFLECT THESE FIGURES
- TABLE USES INCORRECT MAC'S ACCRUED EXPENDITURE. FOR "DTF" AND "ESF" ACTUAL ACCRUED EXPENDITURES ARE 661,614,419.00

28 - Apr - 94

PROJECT STATUS REPORT
Oct. 1, 1993 - March 31, 1994

MISSION DIRECTOR RATING:

I. BACKGROUND DATA

Project Title Reconciliation Credit & Income Generation
 Project Number 519-0399
 Date of Authorization original 07/16/92 amendment 00/00/00
 PACD Original 07/31/94 amended to 00/00/00
 Implementing Agencies Catholic Relief Services (CRS)
 Major Contractor None
 Project Manager Ana Luz Joya de Mena
 Status of CPs/Covenants CPs to first disbursement All Met
 CPs to Subsequent Disbursement All Met
 Covenants None
 Date of Last Evaluation 00/00/00 Next Evaluation March 1995
 Planned Number of Non-Federal Audits During Fiscal Year Pending
 The Number of Such Audits Contracted for/Completed One
 Date of Last Audit Next Audit June 1994

FINANCIAL DATA

Amount Authorized
 Amount Obligated
 Amount Committed
 Accrued Expend
 Counterpart Cont
 % LOP Flapsed
 % of Total Authorized Obligated
 % of Total Obligated Expended
 % of Total Authorized Expended

DA Grant	orig	\$1,000,000
DA Grant	orig	\$800,000 to be amended to one million
Period		\$35,992
Cumulative		\$800,000
Period	Projected	\$302,053
Period	Actual	\$266,327
Cumulative		\$462,477
Projected Next Sem		\$100,000
Planned		\$313,123
Actual		\$181,622
	88%	
	80%	
	58%	
	46%	

II. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVE

A. Specific Linkage to Strategic Objective

Strategic objective #1 by assisting through credit and Technical Assistance to improve income levels to meet food security & other needs of families living in poverty

B. Percent of LOP Funds Relating to Strategic Objective

100% of funds related to strategic objective number one

III. PROJECT PURPOSE AND DESCRIPTION

A. Project Purpose

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

B. Achievements to Date

Credit under RALFs component \$251,136 were invested in loans to 1,697 small farmers in 74 communities (\$150,536 in AID funds and \$100,600 in CRS funds), through March 16/94
 Credit under the Village Bank component \$61,161 was invested, of which \$15,261 was in AID funds & \$45,900 in CRS funds through Dec /93, participating in 24 village bank. In addition, \$19,967 was generated in savings by the village bankers

C. Project Description

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

IV. PROJECT STATUS

A. Planned EOPS

	<u>Planned EOPS</u>	<u>Progress to date</u>
1 Village Banking (99% expected repayment rate)	99%	98%
a 40 village banks(26 new banks) will be established by Caritas in three participating Diocesis (\$243,500 seed cap)	40	24
b 1,200 new indiv borrowers	1,200	690
2 Revolving Agricultural Loan Fund(Repayment projected 95%)	95%	60%
a 75 new RALFs to be organized(\$171,400 seed cap)	75	74
b 1,600 indiv borrowers	1,600	1,697

B. Major Outlays

	<u>Planned</u>			<u>Accomplished</u>			<u>% of LOP</u>
	<u>LOP</u>	<u>This Sem</u>	<u>Next Sem</u>	<u>This Sem</u>	<u>Cum</u>		
1 VILLAGE BANKS							
a No. of field offices (only 26 new)	40	12	36	4	24		60%
b Total Amount of credit disb (\$000)	360	12	96	70	8	62	17%
AID funds	243.5	12	51	35	7	16	7%
CRS counterpart funds (All women)	116.5	0	45	35	1	46	39%
2 ROTATING AGRICULTURAL LOAN FUND (RALFs)							
a Total Amount of Credit disb (\$000)	272	20	104	67.4	0	251.1	92%
AID funds	171.4	20	104	67.4	0	150.5	88%
CRS funds	100.6	0	0	0	0	100.6	100%
b Number of indiv farmers rec loans	1,600	50	1,250	350	0	1,697	106%
3 TRAINING							
Total Agri Promoters	0				0	10	
Male/Female		10/10	10/10	10/10			
Number of Days trained		6	12	6	8	14	
TR Fin Mgmt RALFs					200/206	170/214	367/210/10
Male/f emale/Days					150/50/4	333/64/4	581/110/8
TR Soil Conserv							
Male/f emale/Days							
TR Seed Sel/Trmt							
Male/f emale/Days							
TR Other							
Male/f emale/Days					450/73/6	424/80/8	512/110/14

35

C1 Other Accomplishment and Overall Status

- The RALFs agronomist were trained throughout the year, including a workshop on RALF promotion, implementation, training and interest rate analysis. 2,249 loan requests were analyzed and 2,205 loans distributed among 1,697 beneficiaries. A total of \$251.1 was lent to these small farmers in two ten-month loan cycles. Farmers use credit in the cycle starting in May to grow corn and in the Aug cycle to grow beans.
- For the RALF, during 1993 \$134,594 has been repaid, with a combined repayment rate on Cycle one loans of 61 percent, ranging from 97 percent in San Vicente to 46 percent in Santiago Maria.
- A study was undertaken to measure the impact of village bank participation on family nutrition and food consumption. The results indicate a significant improvement in the level of family food consumption as a direct result of village bank participation.
- A baseline Socio Economic survey was completed by the 74 communities participating in the RALFs component, providing information on land cultivation, inputs, and marketing of crops, as well as housing, education and health of RALF recipients.

C.2 WID Issues

RALF participants average 16% women and 84% men (271 women and 1,426 men). Village banks are 100% women.

D. Issues

- Low recuperation rate for RALFs component as of the date, reaching the 61%
- Conflict of interest at the Caritas/Diocese level between the demand of prj for recuperation of money and the charity practices of Caritas/Diocese programs

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

- Full recuperation of loans made in 1993, as well as completing the third and fourth cycles of lending
- Training activities will continue with additional focus on strengthening the local RALFs credit committees
- Accelerate the rate of the remaining village bank creation
- Prepare documentation for extension of PACD

Strategic Objective 2: Broad-Based Economic Growth Increased.

PROJECT STATUS REPORT
October 1, 1993 - March 30, 1994

MISSION DIRECTOR RATING: _____
Private Sector Component: **A** **B** **C** _____

I. BACKGROUND DATA

Project Title: Industrial Stabilization and Recovery
Project Number: 519-0207.01
Date of Authorization: Original: 09/17/84 Amendment: 02/18/94
Date of Obligation: Original: 09/24/84 Last Amendment: 07/31/92
PACD: Original 09/30/87 Amendment: 09/30/94
Implementing Agencies: FUSADES
Major Contractors: Washton Brown Ass., Interamericas Group Inc., HNZ
Market Search
AID Project Manager: Ana Viima Albanex de Aguilar
Status of CPs/Covenants: CPs to First Disbursement - All Met
Covenants: All Met
12/17/84; 01/14/85; 01/09/85; 10/22/85;
06/17/85; 10/17/85; 04/27/88; 06/13/88;
08/15/89.
CPs to Additional Disbursement under the Investment
Fund - All Met

Date of Last Evaluation: 06/30/88 **Next Evaluation:** 2QCY94
Planned Number of Non-Federal Audits during Fiscal Year: one
Number of such Audits Contracted for/Completed: one
Date of Last Audit: 12/93 **Next Audit:** 09/94

FINANCIAL DATA

Amount Authorized:	Orig	\$6,890	Amended to	\$43,000,000
Amount Obligated:	Orig	\$2,157	Amended to	\$43,000,000
Amount Committed:	Period:	\$ 69,241		
	Cumulative:	\$42,538,722		
Accrued Expend:	Period Projected	\$ 2,500,000		
	Period-Actual	\$ 1,844,131		
	Cumulative:	\$37,349,161		
	Projected next sem	\$ 5,600,000		
Counterpart Contribution Planned:		\$ 8,465,000 *		
	Actual:	\$13,560,227 **		
% LOP elapsed:		95%		
% of Total Auth. Oblig		100%		
% of Total Oblig. Expended		87%		
% of Total Auth. Exp.		87%		

* This figure was adjusted to reflect planned counterpart according to PP Supplement #2
** Subject to audit.

II. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVE

A. Specific Linkage to Strategic Objective

The export and investment promotion activities of FUSADES contribute to SO No. 2 Increase Equitable Economic Growth, by increasing private investment, exports, productive employment, market assistance and availability of technical assistance and credit. The activities of the Center of Studies of FUSADES contribute to the creation and maintenance of appropriate economic policy framework.

B. Percent of LOP Funds Relating to Strategic Objective

100% to Equitable economic growth

III. PROJECT PURPOSE AND DESCRIPTION:

A. PROJECT PURPOSE:

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

B. Achievement to Date

As a result of PRIDEX' efforts in supporting local export projects in promotion of foreign investment in El Salvador, PRIDEX has generated to date over 42,400 jobs, \$239 million in foreign exchange earnings, and 77.8 million in new investment in export enterprises. The PRIDEX activities have been supported by FIDEX. In Addition, the Center of Studies of FUSADES periodically monitors the GOES economic and social policy performance.

C. Project Description

PRIDEX - This Unit carries out the export and investment promotion efforts of FUSADES. It supports domestic firms with export potential, focusing on a small number of industrial sectors, selected on the basis of their potential for increased exports and job creation.

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

BANFIDEX - The former financial arm of FUSADES is now an independent bank which manages FUSADES credit funds. It was established under this Project as a diversified financial institution, which deepens the financial sector by providing development financing for non-traditional activities.

63

IV. PROJECT STATUS:

A.	Planned EOPS*	Accompl. This Semester	Progress To Date:
1. Estimated 17,500 jobs in export enterprises(No.):	17,500	2,029	42,408
2. An estimated \$139 million in foreign exchange earnings (US\$ millions):	\$139.0	\$ 21.9	\$239
3. An estimated \$135 million of new investment in export enterprises (US\$ million):	\$135.0	\$ 4.3	\$ 77.8

*NOTE: BOPS reflect results stated in Project Paper Supplement No. 2.

B. Major Outputs

	Planned				Accomplished		
	LOP	This Semester	Next Semester	Next Semester	This Semester	Cum	% of LOP
1. \$15.0 million in investment fund disbursement for industrial export projects. (US\$ millions)							
Loans	\$15	1.7	15	1.6	0.13	13.46	89%
Equity	0	0	0	0	0	0	0
2. Sub-projects identified promoted and developed by PRIDEX	300	20	288	0	0	532	177%
3. Number of investing companies assisted		10	100	0	0	312	

✓ This output was added to provide additional useful information.

C. I OTHER ACCOMPLISHMENTS AND OVERALL STATUS

FUSADES

The Interameric Group Inc. was hired to facilitate the development of a workplan and budget to support transition from AID funding to self-sufficiency. FUSADES has addressed a number of critical issues associated with sustainability in order to balance the organization's mission and objectives with its resources and capabilities. These issues include organizational structure, fund-raising, marketing and communications, and re-examination of alternative strategies for investment promotion, export development, and subcontracting/contract manufacturing.

- The Industrial Stabilization and Recovery Project was amended on February 18, 1994 to include language prohibiting FUSADES from actively promoting its services to US firms; to reduce the overall Project funding availability from \$47.9 million to the currently obligated amount of \$43 million; to broaden the scope of DEES research/publication activities to strengthen support for sectoral economic development, and to broaden the eligible users of the Investment Fund from industrial "maquila" operations or light manufacturing/assembly enterprises, to all manufacturing and services industries which directly support manufacturing, and to agroindustrial projects. The Trust Agreement between FUSADES, USAID and CITITRUST Bahamas is being amended, accordingly.
- FUSADES contracted Peat Marwick to perform a recipient contracted audit to cover the period April 1, 1991 to December 31, 1992 which also reviewed the overhead rate. The final document has been presented to FUSADES and this Mission but is still pending final RIG approval. A new provisional overhead rate of 19.42% has been established.
- During this period FUSADES reduced its participation in FIDEX, S.A. to 25%.

CENTER OF STUDIES

- Dr. Arnold Harberger assisted DEES in the development of the "Post '94 Economic and Social Development Strategy" which included topics such as: privatization, modernization of the State, investment in human capital, consumer protection, free market, science and technology, education and health.
- Based on the above, the DEES prepared the document: "Social Solutions and Economic Reforms" which is El Salvador's Social and Economic Strategy for 1994-1999 focusing on the microeconomic aspects of economic reforms. It has been presented to all of the political parties running in the '94 elections, to the private sector and other related institutions. It has been accepted by both Presidential candidates.
- Consultant Roger Norton has also been working on developing an Agricultural Strategy for the same period. Final document is expected by April, 1994.
- The Escuela Superior de Economía y Negocios - ESEN (Superior School for Economic and Business) began operations in February, 1994. The Center of Studies supported the project in its organizational, academic, financial and administrative components. It played an important role encouraging this effort, helping define curriculum, contacting professionals and foreign universities, etc. The bylaws of the Foundation were also prepared, as well as the operational budgets and schedule of activities to comply with the goal of opening the School in February, 1994. At present, 104 students from all social levels are enrolled. More than 50% are on scholarships provided by the private sector.
- The strategy of disseminating updated economic information through newspapers, radio and TV has reached a large percentage of the population. DEES has also continued with its regular periodic brochures (weekly economic information bulletin, business climate polls, annual review of the Salvadoran economy, etc.)
- DEES is currently moving towards self-sufficiency. During this period it carried out a survey for the World Bank charging for the DEES services. In addition, it provided assistance to ABT, a consultant firm which was working on agricultural policy.

- During this period, 31 professionals from the public and private sector graduated from the fourth course on Formulation, Evaluation and Management of Investment Projects with the Pontificia Catholic University de Chile.

PRIDEX

- Final Guidance on Section 599 to the Foreign Assistance Appropriations Act of FY 1993 was received from Washington and was presented to FUSADES. PRIDEX activities have been redefined accordingly. In spite of this fact, PRIDEX results for job creation (10,770) and investment (\$25.6) for 1993 surpassed targets.
- In compliance with Section 599 FUSADES closed PRIDEX promotional offices in the United States in November, 1993.
- In accordance with the self-sufficiency plan prepared for PRIDEX by Washton Brown Associates, the two-unit department revised its organizational structure and is now divided into four separated units: Corporate Services, International Marketing, Information Center and Technical Management.
- All services are now being sold and new targets of opportunities have been identified:
- A marketing campaign in Mexico is in progress. A sales Trip to Southwest Mexico during the month of December was organized and the participating companies sponsored 50% of the cost of the trip. An agreement for the exchange of commercial and technical information and support to trade between the two nations was signed with BANCOMEXT (Banco Nacional de Comercio Exterior de Mexico).
- PRIDEX has contracted assistance for the production of a video and promotional material for El Salvador, and has updated the brochure "El Salvador is Your Best Buy". The new brochures were sent to Salvadoran Embassies and Consulates throughout the world, with the exception of the U.S.
- A Trade Information Center will be established and it will function based on an Electronic Board Bulletin System (EBS). PRIDEX hired HZN Market search for setting up the system. The consultants made an exploratory visit to El Salvador during the month of February to gather information and perform preliminary trials on the Board. The system will be ready by the middle of April, 1994. This will enable El Salvador to promote trade with local and international markets through a computer with a modem and a local free call. This will include information such as the export offering of El Salvador, current economic situation, Industrial Subcontracting Exchange (ISI), directory of exporters and importers, directory of fairs, missions and events; agricultural non-traditional products and business opportunities in general.
- Mexican consultants visited the Technical Management Unit and have started working on a feasibility study for the quality control laboratory for metal mechanics. This project is related to the improvement of the industrial base of El Salvador.
- All in all, PRIDEX efforts during this period resulted in the creation of 2029 jobs, \$21.9 million in foreign exchange, and \$4.3 million in new investment. Most of the employment generated came from the garment sector, including local exports and foreign investment, (97%). Generation of foreign exchange resulted, again, from garments (94%). Also new investments were generated mainly in the garment sector (95%).

C. II. FUSADES' CONTRIBUTION TO NRP

Although FUSADES is contributing to the NRP through several activities, those activities are not funded by this Project.

C. III. MID ISSUE

91% of the jobs generated during this reporting period were in the garment sector, where women represent 85% of the labor force.

D. MAJOR ACTIVITIES DURING THE NEXT 6 MONTHS

- PACD is September 30, 1994.
- An overall Project evaluation is scheduled for 2QCY94.
- A final Project audit is scheduled for 3QCY94.
- A Project Assistance Completion Report is currently in preparation.
- Project expenditures will be closely monitored to determine reprogramming needs.

E. ISSUES

- FUSADES transition from AID funding to self-sufficiency.

WPS 1
AVA. SAR

PROJECT STATUS REPORT
October 1, 1993 - March 31, 1994

MISSION DIRECTOR RATING: A__ B__ C__

I. BACKGROUND DATA

Project Title: Training for Productivity and Competitiveness
Project Number: 519-0315
Date of Authorization: original 03/31/87 amendment 00/00/00
Date of Obligation: original 03/31/87 last amendment 06/30/93
PACD: original 08/31/92 amended to 08/31/97
Implementing Agencies: Fundacion Empresarial para el Desarrollo Educativo (FEPADE)
Major Contractors: N/A
AID Project Manager: Michael Cavallaro, OET
Status of CPs/Covenants: CPs: All Met: 8/87
Covenants: All Met: 8/87
Date of Last Evaluation: 02/91 Next Evaluation: 05/95
Planned number of Non-Federal audits during FY: 1
The number of such audits contracted for/completed: 1
Date of Last Audit: 10/93 Next Audit: Oct./94

FINANCIAL DATA

Amount Authorized:	DA/ESF Grant orig	\$ 14,000,000	amended to \$19,000,000
Amount Obligated:	DA/ESF Grant orig	\$ 6,000,000	amended to \$15,300,000
Amount Committed:	Period:	\$ 2,000,000	
	Cumulative:	\$ 15,126,591	
Accrued Expenditure:	Period - Projected	\$ 1,620,000	
	Period - Actual	\$ 1,266,990	
	Cumulative	\$ 13,753,582	
	Projected Next Sem.	\$ 929,870	
Counterpart Contribution	Planned:	\$ 9,680,000	
	Actual:	\$ 7,842,000	
% LOP elapsed:		66%	
% of Total Auth Obligation		80%	
% of Total Oblig. Expended		91%	
% of Total Auth. Expended		73%	

II. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES

A. Specific Linkage to Strategic Objectives

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

b) Strategic Objective No. 1 Assist El Salvador Make the Transition from War to Peace. FEPADE training programs were among the first activities initiated to support this objective. The programs at present are responding to the vocation training needs of individuals living within the National Reconstruction areas.

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

60% No. 2 — 40% No. 1

III. PROJECT PURPOSE AND DESCRIPTION

A. Project Purpose

To develop or upgrade the human resources needed by the Salvadoran private sector for increasing production, productivity and competitiveness through the establishment of special training programs and linkages between the productive sectors and educational institutions.

B. Achievements to Date

1) FEPADE has trained 50,328 individuals (36,282 male, 14,046 female) in vocational training courses. It also has trained 10,534 individuals (7,397 male, 3,137 female) under management training seminars.

2) In relation to the National Reconstruction Plan (NRP), apart from funds disbursed through the SRN, FEPADE has trained 9,030 individuals (4,916 male, 4,114 female) in ex-conflictive areas.

3) In the case of self-sufficiency, FEPADE has prepared a Strategic Plan which divides the organization into profit making centers, it has established with USAID an endowment which will support FEPADE's central administration costs after PACD, and will soon be considered for a local currency challenge grant from a new fund with SETEFE to allow a significant amount of FEPADE's vocational training to become self-sufficient.

C. Project Description

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

The four components are (1) Institutional Strengthening, (2) Vocational Technical Training, (3) Management and Information Training, (4) Scholarships.

41

IV. PROJECT STATUS

A. Planned EOPS

1. FEPADE to be 100% self-sufficient.

Progress to Date

1. FEPADE completed in November a strategic plan until the year 2000. According to the plan, several operational components of the organization will be self-sufficient by 1995. At present those components are at varying levels of self-sufficiency - Escuela Automotriz (85%), RTAC II and other textbooks (113%), Gerencia Administrativa (80%), and Maestria (114%). In November FEPADE also completed their Fund Raising Strategy, which began to be put into effect in January 1994. While full implementation depends on the hiring of a Fund Raising Director in April, FEPADE has already raised in the first three months of the year approximately \$100,000, which is 16% of total memberships collected since 1987. On March 14, USAID and FEPADE signed an agreement for the formation of an endowment to be worth at PACD the colon equivalent of US \$5.5 million. The earnings of the endowment will support a central administration after PACD of approximately US \$,458 million, which will in turn administer a total FEPADE budget of approximately US \$3 million.

2. 80% of FEPADE training graduates to be employed in area of training and rated as better prepared than average employees. FEPADE's follow-up evaluations shows an average of 93% employment after training. 100% of employers rate FEPADE students as better prepared than the employee.

3. 95% of all programs should be with visible industry/education relationship. 100% of all current programs have visible industry/education relationship.

4. Under NRP activities 21,000 persons will be trained. 43% of the total has been obtained.

B. Major Outputs

This SAR period FEPADE underwent a reconciliation of previously collected output data, and found several inconsistencies between the numbers reported to USAID in the SARs and in the trimester reports. The amounts that appear in this semester's SAR represent the reconciled amounts, and only affect the Accomplished - Cumulative column. The differences are relatively minor, and are as follows (all amounts are compared to the cumulative amounts that would have appeared in this SAR without the reconciliation):

1. Institute personnel trained in tech/voc systems: - 82
2. Competency based curriculum designed: - 152
3. Institute Programs received equipment and materials: +3
4. Management Administrative Training course participants: +162
5. NRP: +936

LOP	Planned		Next		Accomplished		% of LOP
	This Semest	Cum	Semest	This Semest	Cum		
1. Institute personnel trained in technical-vocational systems (Sex disaggregated data this semester M/F: 58%/44%)	950	64	390	96	97	802	84
2. Competency based curriculum designed	40	2	24	2	0	63	158
3. Persons trained in competency based skills (Sex disaggregated data this semester M/F: 63%/37%)	47,500	4,016	28,500	2,978	3,173	50,328	106
4. Institute Programs received equipment and materials	18	0	11	0	0	64	358
5. Management Administrative Training course participants (Sex disaggregated data this semester M/F: 62%/38%)	12,500	1,505	7,500	1,310	1,058	10,534	84
6. NRP (Sex disaggregated data this semester M/F: 44%/56%)	21,000	3,075	12,600	4,170	2,582	9,030	43

C. Other Accomplishment and Overall Status

1. General

- a) FEPADE continues with its 27 Advisory Committees composed of representatives from the private sector, technical institutes, and other groups interested in insuring that training programs are appropriate to demand, local technology, and the specific geographic area, and are of high quality
- b) During this semester FEPADE has implemented Management Administration Training seminars in the following areas: General Administration, Total Quality, Accounting, Finance, Manufacturing/Production and Sale/Merchandising, Economics, Export/Import, Human Resources Marketing, management by Objectives.
- c) FEPADE has delivered 698 courses in the last year (March 93 - March 94), and in the process has fortified 9 institutions.
- d) FEPADE has been active; implementing projects in the areas of National Reconstruction, and has spent to date \$952,382 of \$2.6 million, delivering 486 courses to 9,030 participants
- e) FEPADE continues to train between 1,000 and 1,500 individuals per month in all its USAID-funded activities.

2. Women in Development Issues

- a) FEPADE continues with its multimedia campaign directed at the recruitment of women for training in traditional and non traditional activities. During the last semester FEPADE concentrated on newspaper announcements and monthly special features.
- b) FEPADE continues to strive for its goal of 40% female participation in all of its programming. 2,604 women have been trained through the technical vocational program and 404 through the management-administrative program.

D. ISSUES

D.1 Status of Issues Last Reporting Period

1. INSAFORP. FEPADE, in concert with the private sector and through the Ministry of Planning, has proposed a reform to the legislation originally creating INSAFORP (the new national training)

42

regulatory agency) Action on the proposed reform is anticipated in April or May 1994. It also appears that FEPADE may succeed in placing two members of its Executive Board on the Board of Directors of INSAFORP, with one of those positions being filled that of President.

2. **Counterpart.** FEPADE counterpart, as of January 1994, is at \$7,842 million, which is 29.2% of the total project amount (\$26,842 million), or 81% of the required amount. The major reason counterpart was underreported in the previous semester was because approximately \$3 million, a mix of program income and FEPADE's own funds, was on deposit waiting for official inclusion within the endowment and thus was not considered in the counterpart calculations.

D.2 Issues this Reporting Period

None

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

1. Begin to serve as USAID's representative on the FEPADE Endowment Board.
2. Continue to monitor the progress of the formation of the local currency SETEFE Challenge Grant Fund. FEPADE is understood to be one of the leading candidates for a challenge grant from this fund.
3. Review and satisfy findings, if any, of audit (10/93 - Results due in April).
4. Monitor initiation and progress of \$500,000 reconstruction zone industrial employment potential survey and training program financed by the SRN.
5. Monitor a combined Management by Objectives and Business Management course for 50 FMLN economic unit managers.

U:\MEMORANDA\FEPAD\060494

17

PROJECT STATUS REPORT
October 1, 1993 - March 31, 1994

MISSION DIRECTOR RATING:

I. BACKGROUND DATA

Project Title: Microenterprise Development Project
 Project Number: 519-0318
 Date of Authorization: Original 08/31/90 Amendment: N/A
 Date of Obligation: Original 08/31/90 Last Amend: N/A
 PACD: Original 08/30/97
 Implementating Agencies: FINCA INTL. - CAM
 Major Contractors: None
 AID Project Manager: Rosa Maria de Guirola, PRE
 Status of CPs/Covenants: CPs to First Disbursement - All Mat: PIL's No.1
 Dec. 7, 1990 and No. 6 June 11/91
 Other CPs, for Disburs. of Program and NonP.
 Planned Number of Non-Federal Audits during Fiscal Year: 1 (9/93)
 The Number of such Audits Contracted for/Completed: 2 (9/91 and 9/92)
 Date of last evaluation: 8/93 Next evaluation: 6/94
 Date of last audit: 10/93 Next audit: 8/94

FINANCIAL DATA

Amount Authorized	DA/ESP Grant	\$10,000,000.
Amount Obligated:		\$ 9,000,000.
Amount Committed:	Period	119 117
	Cumulative:	\$ 8,799 474.
Accrued Expend.:	Period Proj:	\$ 2,640 445.
	Period Actual	\$ 1,338 612
	Cumulative	\$ 8,242 960
	Proj next sem	\$
Counterpart	Planned	\$ 4,919,000
Contributions:	Actual	\$ 1,387 465.
% LOP Elapsed:		65%
% of Total Auth Obligated:		90%
% of Total Oblig Expended:		92%
% of Total Auth. Expended:		82%

II. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES

- A. Specific Linkage to Strategic Objectives
 This project promotes increased equitable economic growth by providing credit access to microentrepreneurs, and transition from war to peace through credits and technical assistance.
- B. Percent of LOP Funds Related to Strategic Objectives
 100% of this project is related to Strategic Objective II, Increase Economic Growth.

- to microentrepreneurs
2. 2,320 new village banks. 1,041 village banks inaugurated, and loans provided to 4,554 new members (brings total village bank borrowers to date to 31,853).
3. 2,333 new ind. borrowers 3,241 members of 654 solidarity group received loans totaling \$1,596,051
- B. Major Outputs

III. PROJECT PURPOSE AND DESCRIPTION

- A. Project Purpose
 Is to establish a new, viable, sustainable Salvadoran institution for providing microentrepreneurs with increased access to financial and non-financial services.
- B. Achievements to Date
 Creation of a Salvadoran Institution for microenterprise support and disbursement of a total of \$4.5 million in loans benefiting a total of 35,094 borrowers.
- C. Project Description
 The project is designed to develop a Salvadoran Institution, the Microenterprise Support Center (CAM), which will provide financial and non-financial services to rural and urban microenterprises in El Salvador through village banks and individual loans.

	LOP	Planned		Next Same	Accomplished		% of LOP
		This Same	Cum		This Same	Cum	
1. Inst. Dev.*	\$ 2,018	\$ 962	\$ 2,887	\$ 691	\$ 439	\$ 3,173	158%
2. Fin. Serv.*	\$ 3,382						
a Field Off.	19	0	0	0	2	0	4%
b Vil Bank							
- Tot. Funds	\$ 2,182	\$ 868	\$ 1,426	\$ 862	\$ 879	\$ 2,922	134%
- New Banks	2,120	208	984	60	87	1,041	45%
- Members	69,600	7,571	32,866	4,882	4,554	31,853	46%
c Individual Borrowers:							
Total Funds	\$ 1,200	\$ 655	\$ 1,526	\$ 461	\$ 405	\$ 1,596	133%
No Loans	2,333	975	1,261	468	599	3,241	140%
1 Non Finan. Services*	\$ 860	\$ 22	\$ 115	\$ 2	\$ 12	\$ 96	1%
a Vil Banks							
Lead Trained	9,280	5,397	7,941	2,124	2,048	6,556	71%
b Vil Banks							
Mem Trained	69,600	181,975	198,181	93,006	74,516	210,361	111%
c Microentrepreneurs Trained	2,800	6,168	12,620	548	890	4,178	150%

* Figures in US\$ thousand

IV. PROJECT STATUS

- A. Planned ROPE
1. The establishment of a micro-enterprise institution (CAM), the provision of financial services, and provision of selected non-financial services
- Progress to Date
- On Apr. 5/91 the CAM was legally recognized (established). Conditions Precedent to disbursement for Project activities were approved on June 11, 1991.

BEST AVAILABLE COPY

- C. Other Accomplishments and Overall Status
- During the reporting period 4,554 new village bank members received their first loan.
 - 94 solidarity groups with 599 members were formed during present period for a total amount of \$405,818. in loans.
 - 97 Individual loans outside of the village bank and solidarity groups, with total amount of \$114,942. and an average loan size of \$1,391.
 - The project coverage was extended to all 14 geographical departments of the country and 38 of the 109 municipalities of the ex-conflictive zones.
 - The project's repayment rate has been as follows: The Village Bank repayment rate is 99% on the solidarity groups; 92% and 94% on individual loans.
 - CAM Executive Director (Lic. Alma Luz Chavarría) was selected on Jan./94.
 - Downsizing of FINCA resident advisors from 3 to 1 (AKrefft)
 - Completion of Annual Audit for 1993
 - Election of new CAM Board of Directors, and expanding it from 5 to 9 Board members.

NATIONAL RECONSTRUCTION PLAN ISSUES

- During reporting period, the project has been active in the ex-conflictive zones as follows: Total Village Banks 16; total amount loaned, \$26,454.; total Beneficiaries 471.
 - Total solidarity group members for reporting period 19, with a total amount loaned \$11,149.
- C1. WID ISSUES
- Exactly 84% of the CAM's 1,041 village bank borrowers are women and 79% of the CAM's solidarity groups and 75% individual borrowers are women.

D. Issues

- What should Mission Strategy be for this Project after projected PACD (August 31/1994). Technical Office (PRE) would recommend a PROPENI II approach: "Let CAM prove itself for 6-9 months and then encourage specific CAM proposal for T.A. and Credit".
- Should AID offer incentive to expand activities in NRP? (Use of Project 0394 directly for specific areas of Action.)
- What level of effort (long-term) should AID make to convert CAM to a Financial Institution (Financiera.)?

E. Major Activities/Actions during the next 6 months

- By Sept./94 FINCA will no longer have any resident Advisors in El Salvador.
- By Sept./94 CAM will be self-sufficient.
- By Aug./94 CAM is expected to have gained approval for, and initiated disbursements of one or more lines of credit from local or regional commercial banking institutions (BCIE, BCusatlán, BHipotecario)
- CAM will hire local consultants to get TA for all of their internal manuals.
- Strategic Planning Workshop (3 days) FINCA-CAM-AID in May/94.

318.aar

PROJECT STATUS REPORT
Oct. 1, 1993 - March 31, 1994

MISSION DIRECTOR RATING B

I BACKGROUND DATA

Project Title: Agribusiness Development
Project Number: 519-0327
Date of Authorization: original: 09/27/87 amendment: 07/31/89
Date of Obligation: original: 09/27/87 last amendment: 03/07/90
PACD: Original: 08/30/92 amended to: 09/30/94
Implementing Agencies: FUSADES (Divagro/Fidex)
Major Contractor: None
Project Manager: Antonio Gonzalez, ANR
Status of CPs/Covenants: CPs to first disbursement: 01/26/88
 CPs to first disbursement (Line of Credit): 07/13/88
 Covenants: All met.
Date of Last Evaluation: June 1992 Next Evaluation:
Planned Number of Non-Federal Audits During Fiscal Year: One
The Number of Such Audits Contracted for/Completed: Two
Date of Last Audit: Dec. 1993 Next Audit:

FINANCIAL DATA

Amount Authorized:	DA Grant.	orig	\$20,000,000	amended to	\$33,000,000
Amount Obligated:	DA Grant.	orig	\$10,116,000	amended to	\$33,000,000
Amount Committed:	Period		\$0		
	Cumulative		\$32,702,792		
Accrued Expend.:	Period - Projected		\$2,700,000		
	Period - Actual		\$1,833,163		
	Cumulative		\$28,269,750		
	Projected Next Sem.		\$3,147,330		
Counterpart Cont.:	Planned:		\$11,000,000		
	Actual:		\$7,408,527		
% LOP Elapsed:			93%		
% of Total Auth./Oblig.:			100%		
% of Total Oblig./Expend.:			88%		
% of Total Auth./Expend.:			88%		

II. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVE

A. Specific Linkage to Strategic Objective

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

B. Percent of LOP Funds Relating to Strategic Objective

Increasing equitable economic growth	85%
Improved environment and natural resource management	15%

C. Project Description

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

IV. PROJECT STATUS

A. Planned EOPS

	<u>Planned EOPS</u>	<u>Progress to date</u>
1. Increase foreign exchange earned by the agricultural sector	\$49.0 million	\$55.4
2. Increase employment in the agricultural sector	12,600 fulltime equivalent jobs generated	17,258 F 9,292 M
3. Increased non-traditional crops being commercially produced and exported	15 NTAES being produced and exported	16
4. Increased area under cultivation of NTAES	23,000 has under NTAES by 1994	25,881

III. PROJECT PURPOSE AND DESCRIPTION

A. Project Purpose

To increase the production and export of new agricultural products.

B. Achievements to Date

The Project is performing successfully in the promotion of non-traditional export crops. Its quality control laboratory is fully operational and carrying out an aggressive promotion. La Colina, FUSADES' farm, will start to produce and export pineapple by June/94 contributing to DIVAGRO's self-sufficiency and, at the same time, will promote a new NTAE. The equicultural activity is gaining momentum. All Planned End of Project Status goals have been surpassed.

3 Major Outputs

	LOP	Planned		Next Sem	Accomplished		% of LOP
		This Sem	Cum		This Sem	Cum	
1 A functional technology transfer program instituted							
- 30 new products identified and technology disseminated	30	0	30	0	1	34	113%
- Four experimental stations testing new varieties and training agribusinessmen, farmers, students and coop members	4	0	4	0	0	4	100%
- On-farm demos to validate NTAE technology	90	4	58	4	2	87	97%
- An established quality assurance program, including pest control and post harvest activity	1	0	1	0	0	1	100%
- An integrated T/A delivery system established reaching							
a 40 agribusiness	40	0	N/A		24	109	273%
b 20 ag reform coop	20	0	N/A		41	152	760%
c 11,000 small farmers (000)	110	1	N/A	1	0.05	9.83	88%
- Aquaculture exporting \$3 million annually (\$000)*	\$3,000	300	N/A	300	888.9	2,385	79%
2 A functional credit program established							
- \$5.6 million in loans committed to NTAE projects (\$000)***	5,600	700	5,200	400	1,400	4,500**	80%
- \$2.2 million of the above committed to aquaculture activities (\$000)	2,200	400	N/A	200		1,506**	68%
3 A viable marketing capability developed							
- 12 foreign investments in El Salvador promoted by DIVAGRO*	12	1	7	1	1	10	83%
4 Economic benefits to 23,000 rural households (000)	23	1.2	N/A	0.8	1	25.3	110%

- * Indicator added during Project implementation
- ** These figures have been revised to reflect the value of the loans actually committed
- *** Credit line of \$10 million reprogrammed to \$5.6 million as of amendment 11 and PIL 41

C 1 Other Accomplishments and Overall Status

- The 1994 Action Plan and budget for DIVAGRO and the Quality Assurance Program (QAP), until PACD have been presented. USAID approved the documents
- Funds have been reprogrammed to provide DIVAGRO and the QAP with adequate funding until PACD as of PIL 43
- The Miami office was closed in November 1993, as well as two experimental stations
- The organization Build a Wider Bridge donated 3,000 books for the the QAP library

Accomplishments directly related towards self sustainability:

- a) FUSADES submitted to USAID, in January, the 1994/99 self sufficiency plan, including DIVAGRO's
- b) 55 manzanas (38.5 has) of pineapple for export have been planted at La Colina. Harvest and exports will start in June 1994. Total area to be planted for 1994 will be 100 manzanas (70 hectares)
- c) Five manzanas of Jalapenos and the same area of onions, both for export, were planted at La Colina
- d) The QAP has held 3 meetings and 74 visits to agnc and indust sectors to promote/sell its services. Also a QAP representative has been named in Guatemala, as part of the regional market plan
- e) DIVAGRO and the QAP were present at AGRITRADE, Guatemala, in December 1993 to promote and offer their services to the central american market
- f) Colored Callas plants production started in March. This is a key income generator for the QAP
- g) The FDA visit in Nov/94 has qualified the QAP as a possible reference Lab for the region
- h) 59 food products from the Ministry of Health agreement have been analyzed so far

C WID Issues

- Employment was created for 1,495 women (65% of total) by DIVAGRO assisted enterprises. NTAEs open opportunities for seasonal and permanent jobs. Harvest and post harvest activities are usually better paid, thereby improving the family income
- 7 participants out of 200 (4%) in training seminars were women
- 13 out of 31 positions in the Quality Assurance Program are women

D Issues

- Counterpart contribution remains low and it is not expected to reach the originally intended \$11 million
- There is resistance among users to pay 100% of technical assistance cost, which is causing problems for the initial sustainability phase
- FUSADES is discussing with ANR the possibility of a No Cost Extension in order to fully disburse the credit line and consolidate gains made with NTAEs farmers

E Major Activities or Corrective Actions During the Next Six Months

- The project close out procedure will be initiated in April 94
- La Colina, with all its components (pineapple, ornamentals, seedling production, etc) will be at full operation by the end of September/94
- The QAP will incorporate more equipment and personnel which will convert it in a much better and competitive institution at a national and central american level
- An aquaculture project (shrimp farm) is expected to be reactivated in the next coming months
- Two aquaculture projects (shrimp farms) are under study to be funded using the project's credit line

41

PROJECT STATUS REPORT
October 1, 1993 - March 31, 1994

MISSION DIRECTOR RATING A__B__C__

I. BACKGROUND DATA

Project Title: Technical Support, Policy Analysis, and Training
 Project Number: 519-0349
 Date of Authorization: original 09/23/88
 Date of Obligation: original 08/30/88 last amendment 08/30/91
 PACD: original 07/31/93 amended to 07/31/95
 Implementing Agencies: Ministry of Planning
 AID Project Manager: Michael Radmann, PRJ
 Status of CPs/Covenants: CPs to First Disbursement - All Met: 10/26/88

Date of Last Evaluation: 9/92 Next evaluation: 5/95
 Planned Number of Non-Federal Audits during Fiscal Year: -
 The Number of such Audits Contracted for/Completed: -
 Date of Last Audit: 1/94 Next Audit:

FINANCIAL DATA

Amount Authorized:	DA/ESF Grant orig	\$17,000,000	amended to \$32,000,000
Amount Obligated	DA/ESF Grant orig	\$ 2,000,000	amended to \$29,000,000
Amount Committed	Period:	\$ 2,534,276	
	Cumulative	\$24,871,237	
Accrued Exp	Period-Projected	\$ 4,000,000	
	Period-Actual	\$ 3,041,655	
	Cumulative	\$21,536,754	
	Period-Next-Planned.	\$ 4,000,000	
Counterpart Planned		\$10,200,000	
*Contribution Actual		\$ 6,599,030	
% LOP Elapsed		78%	81%
% of Total Auth Oblig		90%	
% of Total Oblig Exp		74%	
% of Total Auth Exp		67%	

*This includes HCOLC and counterpart from MOST, IFM, Agdivest, and Superintendency programs

II. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVE

A. Specific Linkage to Strategic Objective The Project contributes to the Mission goals of increasing equitable economic growth, promoting enduring democratic institutions with broad based participation, and supporting the transition from war to peace, by financing the implementation of priority economic and social reforms which are improving the effectiveness and transparency of the public sector institutions, building the framework for a sustained economic growth. Through activities such as the agricultural privatization, equitable economic growth is promoted by supporting private sector market development. The MOST program also contributes to increasing equitable economic growth by improving the equitable aspects of the tax system and reducing economic distortions. Through Municipal Development activities, democratic institutions with broad based participation are promoted by supporting institutional strengthening of municipal governments and decentralization. In addition, assisting the GOES to adopt an integrated financial management system and post audit institution will strengthen democracy by raising the accountability of public officials and helping in reducing corruption, fraud and mismanagement. By the training of ex-combatant leaders with the objective of facilitating their reintegration to society, the Project promoted the transition from war to peace.

B. Percent of LOP Funds Relating to Strategic Objective
 62% of the funds are devoted to increasing equitable economic growth, 33% are devoted to promote enduring democratic institutions with broad based participation, and 5% to support transition from war peace.

III. PROJECT PURPOSE AND DESCRIPTION

A. Project Purpose Is to enhance Salvadoran capabilities to identify and address priority development problems, undertake policy and strategy reform, and to improve development programs and project implementation

B. Achievements to Date Program and Policy development studies such as the household and income surveys, sugar industry and CORSAIN privatization studies, and the policy and legal studies for the Health Sector Assessment have provided updates to the national development plan and have filled gaps in the GOES information base and strengthened GOES economic decision making. Conferences, technical assistance and training activities in municipal development, privatization, integrated financial management and tax modernization have prepared the ground for and facilitated implementation of reforms in those areas. The Project trained over 150 Salvadoran leaders, including FMLN, in concepts associated with democratic practices, a series of ten seminars were offered which ended in July 1993

C. Project Description The Project has two components (a) Grantee Program Development and Implementation, under which technical assistance and training for the public sector is provided and (b) Grantee Financial Management and Accounting, which purpose is to increase public sector efficiency through integrated financial management and the modernization of the audit function

IV. PROJECT STATUS

A. Planned EOPS

Progress to Date

- | | |
|---------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------|
| 1 Increased availability and use of statistical and analytical materials and methods. | 8 household surveys including NRP areas provided input for planning. Training on methods provided |
| 2 Improved monitoring/auditing capabilities of GOES entities | New Audit Dept of Court of Accounts functioning, Constitutional reform establishing Controller General Office presented to Assembly for approval |
| 3 Increased rate of disbursement of donor funds | Reforms provided through MOST, ESF conditionality. IFM and audit have increased the rate of disbursements |

MS

B Major Outputs

	LOP	Planned		Next Semest	Accomplished		% of LOP
		This Semest	Cum		This Semest	Cum	
Annual Household surveys	5	1	6	2	2	8	160%
Program/policy development studies carried out	25	4	20	4	4	19	76%
Tech assistance provided*	1140	100	1131	75	73	1288	112%
Short term training for GOES personnel and private sector*	370	90	699	70	88	772	208%
Long term training*	175	-	140	-	-	171	97%
Technical assistance in financial management*	311	45	389	60	68	565	182%

* in person months

C Accomplishments and Overall Status

Training was provided throughout the period. Approximately 856 persons (325 women and 531 men) attended 26 in-country short-term courses and 10 (3 women and 10 men) attended 4 offshore short-term seminars. Long term training portion of the project has been completed with a total of 171 person months of training accomplished.

The assistance provided under the Modernization of Salvadoran Tax Program (MOST) has centered on achieving agreement with the GOES to set objectives for tax collections and efficiency including quantitative performance targets, to commit human capital and financial resources to the program, to program coordinating committee meetings and to agree that further USAID assistance would be contingent upon reforms in Customs and the Court of Accounts. Based on this agreement, USAID made a \$1.5 million extension of the MOST program for a period from 10/17/93 to 12/31/94. The Project continued to offer technical assistance to the "Economic and Social Forum" strengthening the Forum's social committee and conducting economic studies and research to support the negotiation of agreements between the GOES, labor and private sector. One highlight during the period includes assistance in drafting the new baggage law which was passed by the legislature and is now greatly expediting the processing of passengers and curbing corruption in the international airport.

The Superintendency of the Financial System includes four separate intendencies for commercial banks and finance companies, insurance companies and pension funds, the stock market, and administration. The Project scope has focussed on strengthening the intendency of banks and finance companies in order to assist the banking intendency to support the re-privatization of the country's commercial banks. Technical assistance has made a full revision of the laws of the financial system, given guidelines for preparing regulations in 24 different areas, proposed 8 modifications to the banking laws and one to the Superintendency law.

A reorganization of the Superintendency is underway and personnel are being evaluated and identified in terms of their capacities and potential for professional development. The Superintendency now has available state-of-the-art automation and computer equipment and more advanced procedures and technical criteria for use in the supervision and surveillance of the financial system. The Project is planned to end at the end of April 1994 but a no cost extension is being considered to perform additional training on the use of software to new personnel.

Accomplishments under the Integrated Financial Management and Accounting Program for the period include 1) Draft umbrella law for GOES Financial Management was prepared through assistance by the Program's legal advisor, 2) Legislation reforming the constitution with respect to the Court of Accounts was presented to the Assembly and is expected to be passed by the end of April 1994, 3) Program advisor provided training and assisted the GOES in implementing the new Government Accounting Law in all GOES entities within the time frame established by law, and 4) the first round in automating treasury payments from the GOES was completed. In addition, a PiD review was held in January 1994 for the follow-on activity entitled, "Public Sector Accountability Project" which will be designed if the GOE approves the constitutional reform of the Court of Accounts. A donor's conference was held in March 1994 whereby interest was expressed to provide assistance for the new follow-on Project.

Through the MAG Privatization unit, eight of the 17 former IRA grain facilities have been passed to the private sector. Two have been donated to other entities: one to the city of San Martin and one to the Cultural Patrimony group overseeing the development of the Joya de Cerón archeological site. Of the seven remaining facilities, four have been advertised and bids are being reviewed. The three remaining facilities are being prepared for sale.

C1 Women in Development Issues

The Project Technical Unit within MIPLAN continues to encourage the participation of women in training activities (2 women executives comprise the unit). Of the 856 persons attending in-country training, 38% are women. Off-shore training has included a total of 3 women out of 10 off-shore participants. Under the Ag Sector Privatization activities, the director of the MAG Privatization unit is a woman and many grain producers are women and facilities sold to them will improve the value added for their products.

D Issues

Previous issue concerning MOST extension resolved. MOST II program extended for 15 months until 12/31/94 with emphasis on income tax and customs reform.

E Major Activities During the Next 6 Months

Under the Integrated Financial Management and Auditing program, Constitutional reform legislation is expected to be approved by the end of April 1994. During the next period, approval is also expected for a new organic integrated financial management law. Design of the follow-on Public Sector Accountability Project is scheduled contingent upon GOES commitment to constitutional reform of Court of Accounts. A training needs assessment for the new Project will be contracted for and completed.

Grant amendment planned (FY94 Proj obligation) & efforts will be made to expend FY90 & prior funds.

Technical assistance will continue to be provided in support of the economic and social programs of the GOES in privatization, democratic initiatives, training, and public sector efficiency.

USAID/IDC/034/0002 0340

PROJECT STATUS REPORT

October 1, 1993 - March 31, 1994

MISSION DIRECTOR RATING: A ___ B ___ C ___

I. BACKGROUND DATA

Project Title: Modernization of Salvadoran Taxes (MOST)
 Project Number: 519-0349
 Date of Authorization: original 04/04/91
 Date of Obligation: original 10/18/91 last amendment 02/24/94
 PACD: original 10/17/93 amm. 12/31/94
 Implementing Agencies: Ministry of Finance
 AID Project Manager: Mark Gallagher, ECON
 Status of CPs: 2/3 achieved, C.de Cuentas pending

Date of last evaluation: 9/92 Next evaluation: 1/95
 Planned number of non-federal audits during fiscal year: Pending
 The number of such audits contracted for/complete: None
 Date of last audit: None Next audit: None

FINANCIAL DATA

Amount authorized: DA/ESF Grant: orig \$6,699,825 amended \$7,986,602
 Amount obligated: DA/ESF Grant: orig \$ amended \$
 Amount committed: Period \$
 Cumulative \$7,986,602
 Accrued Exp.: Period-Projected: \$1,642,189
 Period-Actual: \$ 550,061
 Period-Next-Planned \$ 874,428
 Counterpart planned: \$ 290,000
 Contribution actual \$ 80,000
 % LOP elapsed
 % of total auth. oblig.
 % of total auth. exp. 82%

II. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVE

A. Specific linkage to strategic objective. The MOST program contributes to the Mission goal of increasing equitable economic growth by financing the implementation of tax policy and administrative reforms, which are improving the equitable aspects of the tax system while raising the effectiveness of the Ministry of Finance, reducing economic distortions and building the framework for sustained economic growth.

B. Percent of funds relating to strategic objective. 100% of the funds are devoted to increasing equitable economic growth.

III. PROJECT PURPOSE AND DESCRIPTION

A. Project Purpose is to help the GOES implement a comprehensive reform of tax policy and administration as well as improve the operations of Customs, in order to establish a fairer and economically and administratively more efficient tax system. A recent restatement of the program's objectives, now that most important legal changes have been made, is to improve tax administration, as evinced by higher rates of collection given current tax rates and bases.

B. Achievements to date Program has been key in implementing the VAT, which is already generating approximately 40% more revenues than did the stamp tax, which it replaced, and at lower economic cost. Project has revolutionized treasury's collection system, greatly raising administrative efficiency, enabling accounts reconciliation, and providing analytic and accounting information on a near instantaneous basis, and speeding the transfer of funds from banks to GOES. Program has

assisted GOES in establishing criteria (tax profile indicator system) for rational audit planning and case selection. The GOES now has the tools necessary for good tax enforcement, it needs only to put them to use.

C. Project description The project provides the Ministry of Finance (Hacienda) technical assistance in the areas of: tax and general fiscal policy; training and assistance in establishing analytic ability, including the development of micro-simulation computer modelling and training in economics; systems design and assistance with implementation. The project has provided training in audit, information systems development, and has provided assistance in legal drafting, especially for Customs operations, technical assistance in tax and budget policy, and general tax administration. Information systems developed and implemented under MOST include, VAT, income tax data entry, and treasury receipts. In addition, a number of other systems have been designed and are in the process of implementation, including: withholding taxes, vehicle registration, vehicle valuation for Customs, and other goods valuation data base. Phase II will help bring the Appeals Tribunal up to par with other efforts in improved tax administration.

IV. PROJECT STATUS

A. Planned EOPS

1. Increased availability and use of analytical models and methods

Progress to date

Models developed for personal and corporate income taxes, indirect taxes, computable general equilibrium, receipts forecasting, and budget; training and manuals provided.

2. Improved tax auditing

Developed audit plans and monitoring systems, recommended organizational changes, and provided training.

Assistance being provided in procedures and monitoring.

3. Improved overall tax structure

Three major tax laws have been enacted: VAT, Income tax, sanctions code. Import duty schedule improved before project inputs delivered.

4. Improved information bases for taxation in MOF

Major info systems designed and installed, including VAT, income taxes, and assistance in taxpayer current accounts. Also, the POS-system for treasury functions of receipts has been piloted and fully evaluated. POS has been installed almost nationwide and collects more than half all receipts.

5. Improved Customs operations

Assist. provided in legal drafting and regulations, incl. new organic law, baggage law, RECAUCA, and free shops. RECAUCA sent to President for approval, organizational regulations sent to President.

6. Improved Customs information

Valuation databases and interactive systems have been designed. Awaiting legislation and regulatory changes before implementing. These have been sent to President for approval.

7. Improved appeals process

There is little value of improving the rest of tax administration if the appeals process remains

antiquated. Assistance will be provided in diagnosis of failings and other assistance also will be given in improving operations. The Appeals Tribunal needs to realize that it is a part of tax administration. Diagnosis has begun.

B. Major outputs

	Planned			Accomplished		
	This LOP Semes	Cum	Next Semes	This Semes	Cum	% LOP
LT Tech assist*223	10	184	30	30	172	77%
ST Tech assist*163	51	63	21	3	54	33%
Short term training for GOES personnel**	150	--	--	75	631	--

* in person months, increased due to program extension from Oct. 18, 1993 to Dec. 31, 1994.

** individual training, number of trainees will be planned by April 29, 1994 with approval of new action plan.

*** Chief of Party paid under IFM contract.

C. Accomplishments and Overall Status

Over the period the MOST project has helped achieve a number of changes in tax administration and has helped improve the MOF's analytic capabilities. The project has fully installed all micro-simulation tax models. These models were used in the study of tax policy under the modernization of the state activities.

MOST helped to extend the POS system to the national level and only a few more revenue collection sites remain to be incorporated into the system. The POS system ensures more

rapid and more accurate reporting of government receipts.

The customs baggage law has been passed and put into effect. This results in less bribes and has greatly sped the processing of passengers in the international airport. This does not result in significant revenue losses since in 1992 the GOES only collected about \$5,000 from all its passenger operations.

With the recent change in Director of Internal Revenues hopes are raised that tax enforcement efforts will be highlighted. We cannot claim this as an achievement as we expected the last change in this position to result in much greater audit. Nonetheless, the new Director has been making demands of program staff and has fired a number of apparently incapable people. This appears to be an improvement over the last Director.

During the program's operations there has been a substantial increase in the country's tax ratio, which had reached an abyss of 7.9% of GDP in 1989: as shown:

	1989	1990	1991	1992*	1993*
taxes/GDP %	7.9%	8.1%	8.5%	8.7%	9.4%

* program years

We are expecting total tax revenues to reach 9.8 or 9.9% of GDP in CY1994. It should also be kept in mind that the improvements in tax collections in 1992 and 1993 took place with lower tax rates than in prior years, and with less economic distortions.

The major activity over the recent 6 months has centered on getting the GOES to agree to a set of quantitative objectives for tax collections and efficiency, to commit specific human and financial resources to the program and to agree to program coordinating committee meetings, and to the conditioning of continued technical assistance to certain reforms in Customs and the Court of Accounts. This allowed USAID to extend to contract, which will now end 12/31/94, from original date of 10/17/93. The extension adds \$1.5 million to the program.

C.I. Women in development issues

Approximately 20% of training has been of women professionals.

D. Problems and delays

Delay: In the last SAR we mentioned that the program would be extended by Nov. 17, 93. Instead, it was delayed to Feb. 24, 94. The delay was due to our inability to get the MOF to agree with certain conditions for the extension of the program.

Solution: We were able to address this delay by making a number of no-cost extensions and by convincing the MOF that we were willing to have the program cancelled. This resulted in ensuring that certain basic concerns of USAID would be addressed but also created much uncertainty among the contractor team and counterparts, and resulted in delays, especially in the area of audit programming, a most critical area for the program extension.

Problem: The Court of Accounts was supposed to make progress in its plan to remove itself from Customs operations. The draft plan that was presented was not acceptable. The Leg. Ass. is considering a constitutional amendment to eliminate the Court's pre-control functions, which once approved should facilitate removal of the Court from Customs.

Solution: We have sent the Minister of Finance a letter reminding him of the other two items of conditionality (RECAUCA and organic/organizational laws) for continuing assistance to Customs. We also said that since it was our understanding that a constitutional reform of the Court would be considered by the Assembly during its lame duck session that we would hold off our decision on this item until June 30. A recent trip to Mexico by the project officer and MOF officials has been able to generate greater support for operational change in Customs. It is felt that the lessons of Mexico's reform have been useful in the revision of the RECAUCA, planning for new procedures and organizational change, although time will tell.

Problem: The BLUE BOOK law (D.L.647 - Customs Procedures for valuation of vehicles) has met considerable resistance in Leg. Ass. New car dealers are urging its passage while the Assembly is concerned about ensuring that individuals

are given fair treatment by customs officials.

Response: COP has made case to Customs Dir., Minister, and Vice Minister that the BLUE BOOK would be the fairest and least arbitrary way of valuing used vehicles. Coupling this with the intent to reduce vehicle duties to max. of 20% and a minimum car import duty (requested by Assembly) a revised bill is being considered. We might consider making passage of this bill an ESP condition.

Delay: The Chief of Party has still not provided the Project Manager with an acceptable project work plan (for the extension period), although this was initially due Nov. 30, 1993. While the COP is making progress he has been sick, which has now led to further delay.

Response: Not really a solution, but the Project Manager's response has been to hold all contractor non-administrative activities on hold and has not allowed any short-term advisors to come to the country except for one, who is sorely needed. It is expected that the workplan will be finalized by the end of April.

E. Major activities during the next 6 months

1. Develop and execute new audit program based upon the tax profile information developed in Phase I. For the first time, audits will be integrated, i.e., taxpayers will be audited for income, VAT, and customs taxes in a single integrated audit. 509 cases have been selected for integrated audits this year.

2. An advisor for tax administration and audit programming has arrived in-country and will assist the GOES, along with the tax systems expert, to develop new methodologies and procedures to execute and monitor the audit plan. Putting the audit plan into action is one of the most important activities for tax administration facing the MOF.

3. A new vehicle registration system will be immediately put into operation. The new system reduces the time to process new vehicles (down from months to hours), improves the tracking of vehicles linking direct inspection to single vehicle

registration numbers (important for theft), ensures the correct payment of taxes and fees. The system greatly reduces registration. Later in the year, all new vehicles will be registered at Customs.

4. The MOST staff has already designed a draft incentives system for tax enforcement staff. Unfortunately the past Director of Internal Revenues was uninterested in putting it into place. The program may be able to make some progress in this area during the next period.

5. Expect the President to put the RECAUCA into effect.

6. Expect the President to put the "reglamento orgánico aduanero" into effect.

7. Expect the MOF to press 11 cases of "delito fiscal."

8. POS system expansion continues. We expect up to 98% of tax revenues to be through POS by end of CY1994.

PROJECT STATUS REPORT
October 1, 1993 - March 31, 1994

MISSION DIRECTOR RATING: A X B C

I. BACKGROUND DATA

Project Title: Agricultural Sector Privatization
 Project Number: 519-0349
 Date of Authorization: original amendment
 Date of Obligation: original last amendment
 PACD: original
 Implementing Agencies: MAG Privatization Unit
 Project Manager: Mike Wise, ANR
 Status of CPs/Covenants: None
 Major Contractors: Kansas State University Food and Feed Grain Institute

Date of Last Evaluation: Next evaluation:
 Planned Number of Non-Federal Audits during Fiscal Year:
 The Number of such Audits Contracted for/Completed:
 Date of Last Audit: Next Audit:

II. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVE

A. Specific Linkage to Strategic Objective

This activity supports increasing equitable economic growth by passing former GOES/IRA/BFA grain storage facilities to grain merchants, small producers and agrarian reform beneficiaries.

B. Percent of LOP Funds Relating to Strategic Objective

Increasing broad-based economic growth 100%

III. PROJECT PURPOSE AND DESCRIPTION

A. Project Purpose

To assist the MAG Privatization Unit to dispose of 21 MAG-IRA and BFA grain storage facilities and to develop the ancillary services required by private economic agents and public officials in support of an efficient private grain market.

B. Achievements to Date

IRA has been closed and its 1300 employees have been indemnified and removed from government service. Some of them have found employment in the private sector, working in the former IRA facilities for the new owners. Of the 17 former IRA facilities, eight have been passed to the private sector. Two have been donated to other entities: one to the city of San Martín and one to the Cultural Patrimony group overseeing the development of the Joya de Cerén archeological site. Of the seven remaining facilities, four have been advertised and bids are being reviewed. The three remaining facilities (two in poor shape due to war damage) are being prepared for sale.

FINANCIAL DATA

Amount Authorized:	DA Grant: orig	\$541,000	amended to	\$ 826,000
Amount Obligated:	DA Grant: orig	\$541,000	amended to	\$ 826,000
Amount Committed:	Period:	0		
	Cumulative:	\$826,000		
Accrued Expend.:	Period-Projected:	\$ 50,000		
	Period Actual:	\$ 75,000		
	Cumulative:	\$766,000		
	Proj. Next Sem:	\$ 50,000		
Counterpart Cont.:	Planned:	(Colones)	2,000,000	
	Actual:	(Colones)	1,705,300	
% LOP Elapsed				
% of Total Auth. Oblig.		100%		
% of Total Oblig. Exp.		92%		
% of Total Auth. Exp.		91%		

C. Project Description

The Project assists MAG Privatization Unit to pass former GOES IRA and BFA grain storage facilities to the private sector. It includes training, technical assistance and six activities in support of private market development. Assistance and training are given to public and private sector technicians and to the new owners of the grain storage facilities. Of the 21 facilities, eight are located in NRP areas, although two of these were, for the most part, destroyed by the war.

IV. PROJECT STATUS

A. Planned EOPS

1. IRA closed and the BFA out of commercial activities such as input sales and grain marketing.
2. Twenty-one grain facilities offered for sale to the public.
3. Six activities in support of private market development
4. Technical assistance and training supplied to public and private sector agents in the grain market.

Progress to Date

IRA was closed in 1991 and all employees were indemnified. BFA is no longer involved in commercial activities.

Sixteen facilities (twelve of IRA and four of BFA) have been offered for sale.

Five activities are completed and the last will be finished in July, 1994.

Technical assistance and training are in progress.

57

2. Major Outputs

	Planned				Accomplished		
	This		Next		This	% of	
	LOP	Sem.	Cum.	Sem.	Sem.	Cum.	LOP
1. Facilities passed	21	4	16	4	2	10	50
2. TA person days	924	150	989	60	60	1049	113
3. MAO techs trained	4	0	4	0	1	4	100
4. Private techs trained	8	0	8	0	4	8	100
5. Men	7	0	7	0	4	7	100
Women	1	0	1	0	0	1	100
6. Mkt. support activities	6	0	6	1	0	5	83

C. Other Accomplishments and Overall Status

1. The activity continues to exceed its expectations, especially regarding the number of persons trained and technical assistance provided to new grain facility owners.
2. A private company formed of six agrarian reform cooperatives and the Usulután Savings and Loan was formed and has been operating the Usulután facility under a lease-with-option-to-buy agreement. The company, SOCOPI, S.A., received over C4.0 million from the BFA for its initial operations and has already paid back the loan. SOCOPI has also signed an agreement with UCRAPROBEX to be the eastern region distributor for fertilizers to UCRAPROBEX members.
3. Another of the private companies, AgroEmporium, is working with small farmers in the ex-conflictive zone. The company is giving local small farmers privately financed technical assistance and selling them inputs to produce high quality white corn for the Diana, S.A., food processor. It buys, dries, stores and markets the corn for the small producers.
4. A strategy has been developed for a low cost, non-physical strategic grain reserve. BFA will continue responsibility for managing the strategic grain reserve and will be implementing the strategy. Based on a study by the consultants, El Salvador could significantly reduce its costs and insure a more stable food supply by holding financial, as opposed to physical, stocks. The same study has since been used in two other Central American countries.

D. Problems and Delays

1. Delay: In December 1993, the Ministry of Finance unilaterally invalidated the decree which had been the legal basis for privatizations, bringing the process to a halt. Progress: Working with the Economic Council, a new decree was issued and privatizations are back on track after a two month delay.
2. Delay: The four BFA facilities were advertised in November 1993 and then again in January 1994. No bids were received because the facilities are too large and the base price too high for any one bidder to handle. Progress: A new strategy was developed and approved by the Economic Council under which these four facilities will be sold as stock companies, allowing buyers the option to purchase less than the full facility and hire professional management.
3. Problem: The target clientele (small producers and cooperatives) are generally not able to raise sufficient capital to purchase a facility. Progress: The Economic Council has approved a plan which would discount the price for target clientele, giving small producers and cooperatives an advantage in bidding for the facilities. This was the original design for the bidding and it was reversed by the Economic Council which has since reconsidered.

E. WID Issues

There are no significant WID issues to report this semester. Many of the grain producers are women and passing facilities to them will improve their capabilities to receive value added for their product. A woman is the Director of the MAG Privatization Unit. The Contractor supports Women in Development activities.

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

1. The sixth activity is still problematic. The consultant is searching for funds to augment the USAID funding in order to continue with a more costly methodology for completing the study. If more funds are not forthcoming, the remaining funds will be reprogrammed.
2. The contractor has requested an unfunded extension from July 1994 to December 1994. Because of the changes and delays resulting from decisions by the Economic Council, the project is slightly behind schedule. ANR will recommend that the extension be granted.

PROJECT STATUS REPORT
October 1993 - March 31, 1994

MISSION DIRECTOR RATING:

I. BACKGROUND DATA

Project Title: Improvement and Modernization of the Superintendency of Banks of El Salvador.
Project Number: 519-0349
Date Starting: original 03/23/92
Date of Completion: original 07/31/93 amended 04/30/94
Implementation Agencies: Superintendency of the Financial System
AID Project Manager: Anabella Lardé de Palomo, ECON

FINANCIAL DATA

Amount Authorized:	\$1,643,418.00
Amount Committed: Period:	
Accrued Exp.: Period-Projected:	\$ 410,183.00
Period-Actual:	\$ 265,090.20
Cumulative:	\$1,446,962.50
Period-Next-Planned:	\$ 15,000.00
Counterpart contribution in 1993: €	201,000.00
% LOP Elapsed	96%
% of Total Auth./Exp.	88%

II. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVE

A. Specific Linkage to Strategic Objective. The Improvement and Modernization of the Salvadoran Superintendency of the Financial System contributes with the success of financial sector reform, including the privatization of commercial banks, which facilitates economic growth.

B. Percent of LOP Funds Relating to Strategic Objective. 100% of the funds are devoted to increasing equitable economic growth.

III. PROJECT PURPOSE AND DESCRIPTION

A. Project Purpose. To develop the Financial System Superintendency into a viable, effective entity undertaking prudential regulation and examination of the Salvadoran financial system and functioning with modern techniques and procedures, which is basic to enabling it to ensure the safety and soundness of the financial system.

B. Achievements to Date. The project has provided the Superintendency with improved procedures, manuals, and organization proposal. In addition the regulatory framework for the commercial banking system has been revised. Furthermore, the Superintendency has been provided with state-of-the-art computer equipment. A technical and psychological evaluation of the Superintendency staff was conducted. As a result, Superintendency personnel have been reassigned, as appropriate, and trained in the use and application of the new procedures and manuals.

C. Project Description. The Project has five components: (a) institutional framework, which includes a revision of the legislative and regulatory frameworks; (b) Organizational aspects, which includes a review of the internal organization and proposal of a new one; (c) procedures and manuals to cover both off-site surveillance and on site-bank examination; (d) human resource development, through a staff development training program to upgrade the skills of the Superintendency personnel; (e) automation, the Superintendency will be provided all necessary equipment in support of its strengthening.

IV. PROJECT STATUS

A. Planned EOPS

1. Adequate legislative and regulatory framework to ensure the Superintendency can perform adequate prudential supervision of the banking system.

2. Coordinated internal organizations.

Progress to Date

Technical assistance was provided to revise the legal and regulatory framework. The activities included under the contract were completed in the first semester/92. On January 12, 1994 the Legislative Assembly approved modifications to the Law of Banks and Financial Institutions incorporating the recommendations made by project-funded consultants.

The activities included under the contract were completed in November/92. The Superintendency has implemented the recommendations made in the organizational proposal.

57

3. Developed procedures and manuals.

Technical assistance was provided to develop procedures and manuals. The procedures and manuals have been implemented by the Superintendency.

4. Trained Superintendency personnel.

A training program was designed after a technical and psychological evaluation was conducted. The Superintendency personnel have been trained in the use of the new procedures and manuals, and currently are being trained in the use of the computer software.

5. Automation of the institution.

The procurement of hardware and software was divided in two phases. The procurement of the first phase was made in Jan./93, the second procurement on June/93. Computer applications are being developed.

B. Major Outputs

	Planned			Accomplished			% of LOP
	LOP	This Semest	Cum	Next Semest	This Semest	Cum	
Revision of the Legislative and Regulatory Framework*	7.0	0.0	6.0	0.0	0.0	6.0	86.0%
Organization Proposal*	7.0	0.0	7.0	0.0	0.0	7.0	100%
Human Resources Development*	15.3	0.0	7.3	0.0	0.0	7.3	48%
Procedures and Manual Development*	15.3	0.0	15.3	0.0	0.0	15.3	100%
Automation*	14.0	2.0	14.0	0.5	2.0	14.0	100%
Automation Procurement (Thou. \$)	277	55.0	336.8	0.0	128.4	336.8	122%

* in person months

C. Accomplishments and Overall Status

The Technical assistance team (group) made a full revision of the laws of the financial system and gave guidelines for the preparation of regulations in 24 different areas. They also proposed 8 modifications to the banking laws and one to the Superintendency law. To date, 60 percent of the regulations have been developed, and have been approved by the Board of Directors of the Superintendency. The banking law was modified on Jan. 12/94 to include the observations made by the consultants. The Superintendency law has not been modified yet because it wants to make an in-depth study in order to address additional deficiencies already detected.

A proposal for an internal re-organization of the institution was presented last November and approved by the Board of Directors of the Superintendency. Most of the points in the proposal have been implemented. New personnel were contracted to complete the organization.

Procedures and manuals for the unit of bank supervision have been developed and are gradually being implemented in accordance with the newly adopted organizational structure. The Superintendency personnel are being trained in the use of these procedures and manuals.

A technical and psychological evaluation of Superintendency personnel was conducted to assist in the identification of human resources available, their capacities and potential for professional development within the institution.

The automation process was divided in two phases. The first covered the automation of the offices and the development of the administrative software applications. For this purpose, the following was acquired in January 1993: a network file server, 3 workstations 486/33, a workstation 486/33 (desktop publishing), 30 workstations 486/25, 16 laptops 386 sx, 1 scanner, 3 network laser printers, and other. The second phase includes the development of the strategic software applications, a relational data base management system and a data dictionary. A Risc Unix File server was acquired for this purpose.

As a result of the above, the Superintendency now has available state-of-the-art equipment and more advanced procedures and technical criteria for use in the supervision and surveillance of the financial system. This restructuring process has helped the Superintendency, to make its presence felt in the activities of the financial system, demanding that these be carried out in accordance with the present legal and regulatory framework.

C. Accomplishments (Cont.)

The Superintendency of the Financial System includes four separate intendencies for: commercial banks and finance companies, insurance companies and pension funds, the stock market, and administration. Following Mission priorities, the project to date has focused its efforts on strengthening the intendency of banks and finance companies. The project never intended to fully cover all four intendencies, but to concentrate its assistance toward a quick strengthening of the banking intendency to support the recent re-privatization of the country's commercial banks.

Nonetheless, the original project workplan and budget did include 6.8 person months of level of effort and approximately \$223,000 dollars to review the legal framework of the insurance sector. This was to be an initial step toward comprehensive reform of the sector and a complete strengthening of the Insurance and Pension Fund Intendency with additional funds to be identified later. The review, however, was not needed. (FYI, the IDB has agreed to fund technical assistance to strengthen the other intendencies from its newly created Multilateral Investment Fund (MIF)).

At this moment, the Superintendency has presented a request for no cost extension of the project to perform additional training on the use of software to new personnel, and to develop additional computer applications that they have identified as critical.

D. Problems and Delays

Problems - None.

Delays

The training and software development schedule was adjusted in order to use the most capable consultants. This required an extension of the project until April 30/1994.

Women in Development

In the Superintendency, 22.3% of the technical staff are women. The head of the Computer Department is a woman.

Major Activities during the next 6 months

1. Finish the implementation of the training program in the use of computer software.
2. Finish the development of computer applications.
3. Overall project completion.

PROJECT STATUS REPORT
October 1 1993 - March 31 1994

MISSION DIRECTOR RATING: A ___ B ___ C ___

I. BACKGROUND DATA

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

Date of Last Evaluation: 07/15/91 **Next evaluation:** 07/94
Planned Number of Non-Federal Audits during Fiscal Year: 0
The Number of Such Audits Contracted for/completed: 0
Date of Last Audit: 7/15/93 **Next audit:** 07/95

FINANCIAL DATA

Amount Authorized: DA Grant: orig \$5,000,000 amended to \$10,000,000
Amount Obligated: DA Grant: orig \$5,000,000 amended to \$10,000,000
Amount Committed: Period: 0
 Cumulative: \$10,000,000
Accrued Expnd.: Period - Projected \$ 300,000
 Period - Actual \$ 730,065
 Cumulative: \$ 8,608,746
 Projected Next Sem. \$ 400,000
Counterpart Cont.: Planned: (colones) 89,520,000
 Actual: (colones) 47,850,000
 % LOP elapsed: 79
 % of Total Auth. Oblig. 100
 % of Total Oblig. Expended 87
 % of Total Auth. Exp. 87

II. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVE

A. Specific Linkage to Strategic Objective

By increasing the efficiency of El Salvador's electrical utility through training, technical assistance and improved operating procedures, the Project contributes to Strategic Objective No. 2, Increasing Equitable Economic Growth, especially in underserved rural areas. The reconstruction support component of the project focuses on the National Reconstruction Program areas, thus supporting Strategic Objective No. 1, Assisting El Salvador Make The Transition From War To Peace.

B. Percent of LOP Funds Relating to Strategic Objective

Increasing Equitable Economic Growth 85%
 Assisting El Salvador Make The Transition From War To Peace 15%

III. PROJECT PURPOSE AND DESCRIPTION

A. Project Purpose

To implement and demonstrate proven methods for improving delivery and end use of electricity in rural areas. The purpose was amended to support privatization of the Comisión Ejecutiva Hidroeléctrica del Río Lempa (CEL), construction/rehabilitation of lines in NRP areas, and improve end use efficiency of the electricity.

B. Achievements to Date

As shown in the Outputs Section, the Project has demonstrated increased electrical distribution efficiency and availability, especially in rural areas. NRECA is now distributing to CEL and the general public the new line construction standards. Full implementation of the new standards will realize 30% savings in line construction. NRECA has completed the review of all the line design for the National Reconstruction Plan.

C. Project Description

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

IV. PROJECT STATUS

A. Planned EOPS

1. Improved productivity and standards of living for 26,000 rural families.

2. CEL's operating efficiency improved resulting in increased service to expanded rural areas.

3. In the NRP areas electrical services will be restored to an estimated 20,000 families.

Progress to Date

Line construction and supervision continue in the original planned project areas with 20,021 consumers having benefited to date.

CEL personnel continue to receive training and technical assistance which are the foundation for improved service delivery.

Reconstruction and supervision has just begun in the NRP areas.

60

B. Major Outputs

	Planned				Accomplished		
	LOP	This Sem.	Cum.	Next Sem.	This Sem.	Cum.	% of LOP
1. Reduce RE const costs	5%	0	5%	0	0%	11%	220
2. Const substations	4	1	3	1	1	3	75
3. Reduce peak demand	2%	0	0	2	0	0	0
4. Train utility staff	90	200	690	200	203	1,623	1,803
Men (person days)	NA	175	600	175	183	1,383	
Women (person days)	NA	25	90	20	20	240	
5. Conduct PU demos.	200	30	140	20	11	160	80
6. Small hydro inventory and pilot projects	1	0	1	0	0	1	100
7. Increase No. of consumers of electricity	26,000	2,500	15,300	2500	0	20,021	77
8. Reduce power losses	5%	0	5%	0	0	13%	380
9. Increase availability of electricity	10%	0%	8%	0%	2%	13%	130
10. Studies to improve RE management	4	0	4	0	0	4	100
11. Studies to improve RE SOP's	3	0	3	0	0	5	167
12. Construct rural distribution lines (kms)	1,000	200	1,001	200	0	501	51

C. Other Accomplishments and Overall Status

1. Consumer density (consumers who have access to electricity) is greater than at the Project's inception. Therefore, the total number of consumers with access will exceed the 26,000 even before construction is completed. Much of this is due to improved staking criteria (i.e., routing of the lines) and use of the Demand Assessment Model.
2. NRECA supervised the design and reconstruction of the Chapeltique Substation and the lines from Chapeltique to Ciudad Barrios and from Chapeltique to Sanabria.
3. The productive uses component has given 160 demonstrations which have been attended by over 40,000 persons of whom 55% were women.
4. NRECA has assisted in the formation of a new decentralized electric cooperative in Northern Morazan, which is currently serving three communities.
5. Although construction is behind schedule, CEL is taking initiatives to complete final construction before EOP.

D. Issues

1. Update on Problems and Delays from Previous SAR

Problem: The credit portion of the productive uses component continues to be weak. **Status:** The earlier plan to utilize FINCA/COM as a means to distribute credit for productive uses in rural areas is no longer valid since USAID has decided to discontinue funding FINCA/COM. A new and more viable mechanism must be investigated and selected. Meanwhile, CEL has initiated small business seminars to improve small business knowledge to demonstration attendees.

Problem: Rural line construction continues behind schedule due to delays by CEL in awarding construction contracts with the private sector. **Status:** CEL has now decided to focus on contracts for design and construction. Construction should begin in the next period. Private contractors will now have opportunity to design and construct rural lines.

2. This Period. **Problem:** Approximately 30 million colones of local counterpart funding remains unprogrammed. DISCEL wants to increase the programmed new line construction activities while NRECA recommends using the funds to "backfill" along lines already constructed (especially in the ex-conflictive zones) to provide more access by consumers to existing lines. This will require discussion with CEL to convince them not to build more when service is unavailable on already constructed lines. **Status:** Until the GOES finds the \$30 million and allocates it to rural electrification activities, the decision as to whether the funds will be used for "backfill" or for new lines will remain open.

3. No other problems exist.

E. WID Issues

There are no significant WID issues to report this semester. NRECA continues to support Women in Development by training women technicians and managers in CEL and supplying electricity to rural areas. Many of the Productive Use activities are aimed at easing chores traditionally assigned to rural women and expanding women's economic opportunities. Refer to C.3.

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

1. With major hurdles solved, line construction of the final 500 km of line should begin during next period.
2. The reconstruction and supervision of lines of the NRP will be in full execution.
3. Conclude an Amendment to the MOU in which the GOES commits to the provision of the \$30 million.

PROJECT STATUS REPORT

Oct. 1, 1993 - March 31, 1994

MISSION DIRECTOR RATING: A

I. BACKGROUND DATA

Project Title: Coffee Technology Transfer
 Project Number: 519-0362
 Date of Authorization: original: 07/15/92 amendment: 00/00/00
 Date of Obligation: original: 07/15/92 last amendment: 09/30/92
 PACD: Original: 03/31/97
 Implementing Agencies: Salvadoran Coffee Foundation (PROCAFE)
 Major Contractor: IRI Research, Inc.
 Project Manager: Mike Wise, ANR
 Status of CPs/Covenants: Major CPs Completed.

Date of Last Evaluation: 00/00/00 Next Evaluation: 02/95
 Planned Number of Non-Federal Audits During Fiscal Year: One
 The Number of Such Audits Contracted for/Completed: One
 Date of Last Audit: 00/00/00 Next Audit: In Progress

FINANCIAL DATA

Amount Authorized DA Grant:	orig	\$12,000,000	amended to	N/A
Amount Obligated DA Grant:	orig	\$3,200,000	amended to	\$6,707,000
Amount Committed Period:		\$2,454,000		
	Cumulative:	\$4,187,000		
Accrued Expend.: Period - Projected		\$3,100,000		
	Period - Actual	\$2,554,012		
	Cumulative	\$3,637,989		
	Projected Next Sem.	\$1,800,000		
Counterpart Cont. Planned:		\$11,250,000		
	Actual:	\$4,265,949		
% LOP Elapsed:		36%		
% of Total Authorized Obligated:		56%		
% of Total Obligated Expended:		54%		
% of Total Authorized Expended:		30%		

II. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVE

A. Specific Linkage to Strategic Objective

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

B. Percent of LOP Funds Relating to Strategic Objective

Increasing equitable economic growth	65%
Improved environment and natural resource management	35%

C. Project Description

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

III. PROJECT PURPOSE AND DESCRIPTION

A. Project Purpose

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

B. Achievements to Date

PROCAFE is now working at full capacity. Renting of old ISIC facilities has been completed, new vehicles have arrived and have been assigned to the different extension agencies, all CPs have been satisfactorily met, IRI technical assistance team has been completed and technicians are incorporated into PROCAFE's structure, all Salvadoran personnel has been contracted, and the Dollar check-off is flowing smoothly. Thus we conclude that privatization of coffee research and TA begun in 1990, is a success

IV. PROJECT STATUS

A. Planned EOPS

1. Technology transferred to 15,000 small producers and 46 ag. ref. coops.	1,539 small producers 22 ag reform coops
2. New technology and improved cultural practices (ICP) employed on 120,000 manzanas	21,378
3. Yield increases to:	
25 QQ/MZ fully replanted	0
20 QQ/MZ partially replanted	15
15 QQ/MZ cultural practices.	14
4. PROCAFE will have sustainable admin, research and extension units with 66 trained technology transfer agents	49

W

B. Major Outputs

	Planned				Accomplished		
	LOP	This Sem.	Cum.	Next Sem.	This Sem.	Cum.	% of LOP
Farmers attended (X1,000)	18	1.46	5.02	3.10	1.70	4.691	26.1%
No. of small farmers	11	0.64	1.46	0.70	0.99	1.654	15.0%
No. of female farmers	2	0.15	0.56	0.60	0.26	0.339	17.0%
No. of male farmers	16	1.31	4.46	2.30	1.44	4.092	25.6%
Manzanas attended (X1,000)	120	7.92	21.27	8.50	9.13	12.35	10.3%
No. of fully renovated	20	0.00	0.00	0.00	0.10	0.10	0.5%
No. of partially renovated	31.25	0.70	1.15	4.10	1.31	1.16	3.7%
No. imp. cultural practices	68.75	7.22	20.57	4.40	7.72	11.10	16.1%
Technical agents trained	160	60	122	40	108	54	33.6%
No. female agents	15	13	15	15	13	13	86.7%
No. male agents	145	47	107	25	95	41	28.3%
Number of field days, training events, etc. (X1,000)	20	4	3	1	2	5	25.6%
*Check-off funds received (Million dollars)	\$11.25	\$1.00	\$2.00	\$1.00	\$2.27	\$4.27	37.9%

C. Other Accomplishments and Overall Status

- PROCAFE's Action Plan for CY94 has been approved.
- A 5-year renting contract of the former ISIC facilities was signed with MAG, passing some of the former ISIC equipment to PROCAFE.
- 55 vehicles have been purchased: 37 Wrangler jeeps, 12 pick-up trucks, 5 cherokees, and 1 van. 35 have been assigned to the Technology Transfer Division, 14 to Research Division and 6 to administration and general services.
- \$4.29 million (37.9% of LOP) have been received from the Dollar check-off mechanism.
- 39 labs for the production of coffee grain borer parasite are in operation in the country, covering 44,505 hectares (38% of the potentially infested area), reaching 4,738 small farmers (9.4 has each).
- Eleven PROCAFE technicians attended the XII Simposio Latinoamericano de Caficultura.
- First edition of PROCAFE's technical bulletin has been published. The bulletin will be published bi-monthly.
- 87 technicians (100%) of the Technology Transfer Dept. received training in formation of groups of small farmers, from technology transfer specialists of the Instituto Hondureño de Café (IHCAFE).
- Analysis of the equipment and building of the soil and tissue laboratory has been completed and PROCAFE is ready to initiate procurement process.

- PROCAFE is assisting in recovering a cooperative of 205 small coffee growers (average of 4.3 manzanas each) that were affected by the conflict in Ciudad Barrios, North of San Miguel.
- PROCAFE is operating from 17 agencies in the three coffee areas of the country. Six in the western region, six in the central region, and five in oriente (four in conflictive zone).
- PROCAFE has initiated the implementation of the Geographic Information System that will help to identify and solve possible environment problems.

D. Issues

- No major problems or delays.

E. WID Issues

- PROCAFE continues its support to women in the coffee industry. 33% of people that worked in the Beneficio were women, 37% of employment created during past harvest season in PROCAFE's assisted farms are women, 26% of permanent PROCAFE's personnel are women, 70% of the temporary personnel are women. Though most of the jobs created by the Project assisted enterprises are of temporary nature wages are higher than normal.

F. Major Activities or Corrective Actions During Next Six Months

- A short term impact research process will be promoted.
- Continue with the research started in 1993. The Technical Committee will determine the priorities.
- Promote the formation and training of groups of small coffee farmers.
- Six new labs for the production of the parasite of the coffee grain borer are expected to be installed.
- Complete the agreement with the University of Florida in order to send PROCAFE technicians to be trained in different areas such as phytopathology, entomology, genetics, residual water treatment, etc.
- PROCAFE will complete the implementation of the Geographic Information System.
- A new office will be opened in the western region to cover the ex-conflictive area of Ocala, and one office in the western region.
- \$1,500,000 additional funds will be obligated, increasing total Obligation to \$8,207,000.

CA

PROJECT STATUS REPORT
October 1, 1993 - March 31, 1994

MISSION DIRECTOR RATING. A

BACKGROUND DATA

Project Title: Rural Enterprise Development II
 Project Number: 519-0382
 Date of Authorization: original: 06/28/90 amendment: 00/00/00
 Date of Obligation: original: 06/28/90 last amendment: 06/19/92
 PACD: Original: 05/31/94 amended to: 04/30/95
 Implementing Agencies: TechnoServe, Inc.
 Major Contractor: None
 Project Manager: Luis Antonio Gonzalez, ANR
 Status of CPs/Covenants: CPs to first disbursement: 10/30/90
 Covenants: All met.
 Date of Last Evaluation: 00/00/00 Next Evaluation: Nov. 1994
 Planned Number of Non-Federal Audits During Fiscal Year: One
 The Number of Such Audits Contracted for/Completed: Pending
 Date of Last Audit: 12/31/93 Next Audit: 12/31/94

FINANCIAL DATA

Amount Authorized:	DA Grant: orig	\$6,500,000
Amount Obligated:	DA Grant: orig	\$4,500,000 amended to: \$6,500,000
Amount Committed:	Period:	\$ 0
Accrued Expend.:	Cumulative:	\$6,500,000
	Period - Projected	\$ 678,822
	Period - Actual	\$ 266,881
	Cummulative	\$4,695,786
Counterpart Cont.:	Projected Next Sem	\$ 850,000
	Planned:	\$2,187,000
	Actual	\$3,224,572
% LOP Elapsed:		78%
% of Total Authorized Obligated:		100%
% of Total Obligated Expended:		72%
% of Total Authorized Expended:		72%

II. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVE

A. Specific Linkage to Strategic Objective

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

B. Percent of LOP Funds Relating to Strategic Objective

Increasing equitable economic growth	85%
Improved environment and natural resource management	15%

III. PROJECT PURPOSE AND DESCRIPTION

A. Project Purpose

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

B. Achievements to Date

The Project has made satisfactory progress in meeting the purpose. More than 5,400 persons have been trained in cooperatives and farm management, number of coops assisted has been increased to 57; 84 of 84 planned training activities have been completed. The Project has created 33,638 new jobs increasing total family income in C173,389.

C. Project Description

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

IV. PROJECT STATUS

A. Planned EOPS

	<u>Planned EOPS</u>	<u>Progress to date</u>
1. Increase Employment (person years)	42,000	33,638 ***
2. Increase family income (C000)	162,597	173,389 ***
3. Increase area under cultivation (has)	88,190	79,901 ***

*** Preliminary figures

B. Major Outputs

	<u>Planned</u>				<u>Accomplished</u>		
	<u>LOP</u>	<u>Sem</u>	<u>Cum</u>	<u>Next Sem</u>	<u>This Sem</u>	<u>Cum</u>	<u>% of LOP</u>
Cooperatives assisted	50	6	38	7	4	57	114
Preliminary investigations	72	7	63	7	4	71	99
Project agreements	72	10	73	7	5	108	147
Project activities analyzed	204	13	203	20	82	260	127
Project plans implemented	98	10	113	8	27	143	146
Training activities	64	6	124	8	36	120	186
Feasibility studies	24	4	21	3	1	56	233
Coordination activities	112	15	125	9	17	216	195
Persons trained	3,200	400	3,592	250	1,925	5,299	166
- Women					4	317	
- Men					1,921	4,982	

C 1 Other Accomplishments and Overall Status

- Because of extension of PACD, final evaluation has been transferred to Nov. 1995.
- Four new cooperatives were incorporated to TNS portfolio, and four coops are receiving short term assistance to consolidate previous assistances.
- TNS is assisting a service cooperative (El Renacer) in the ex-conflictive area of Las Pilas, Chalatenango. This coop is formed by 81 members (48 males and 15 female), that cultivate vegetables and fruits, prunes and peaches principally.
- TNS is providing administrative assistance to CORALAMA cooperative that is jointly assisted by CLUSA, UCRAPROBEX and PROCOOPCA. As a result of this coordinated effort, BFA has provided the coop with a loan of over one million colones to improve processing and production of cashew for export.
- TNS is assisting a corporation created by the Privatization Unit of MAG and Kansas State University, to operate the newly privatized ex-IRA grain facility in Usulután. This corporation is made by local farmers and cooperatives of small farmers.
- TNS is coordinating with FAO and MAG's Irrigation and Drainage Management Office, the organization of an Irrigation Board of Directors that will manage the water resource, in Las Pilas, Chalatenango, as part of the assistance to El Renacer coop.
- 18 training courses in the areas of management, accounting and irrigation given to farmers in the irrigation district of Lempa Acahuapa.
- Three TNS specialists, one MAG technician and eight small farmers visited three irrigation districts in Comayagua, Honduras, to support the privatization and transfer of the irrigation district to farmers in the Lempa Acahuapa irrigation district.
- TNS co-sponsored the NTAES Workshop, organized by USAID/ANR, and is committed to participate in coordination with CLUSA, FUSADES, and any other organization promoting NTAES, in the promotion of non traditionalists for exports.
- As a result of these activities, the Project has increased family income in 173,389 colones.

C 2 WID Issues

- Women are very active participating in the organization of two new cooperatives assisted by TNS. 25% of the membership of El Renacer are women, and 20% of the membership of Coralama are women. In both cases, more than 80% of the processing (fruits and cashew respectively), as well as a participation in the administration of the cooperatives is made by women.

D. Issues

- No major problems or delays

E. Major Activities or Corrective Actions During Next Six Months

- A no-cost extension of PACD will be authorized, extending the Life of the Project until April 30, 1995.
- TNS personnel will be trained in NTAES and a new unit will be incorporated to the multidisciplinary assistance teams.
- Seven preliminary investigations will be completed previous to signing an assistance agreement, and seven new cooperatives are expected to be incorporated to TNS portfolio in the next semester.
- 400 persons will be trained in cooperativism and cooperative administration.
- Complete assistance to cooperatives in the portfolio in completing financial reports to request production credits.

PROJECT STATUS REPORT
Oct. 1, 1993 - March 31, 1994

MISSION DIRECTOR RATING: A

I. BACKGROUND DATA

Project Title	NTAE Production and Marketing		
Project Number	519 0392		
Date of Authorization	original 06/28/91	amendment	00/00/00
Date of Obligation	original 06/28/91	last amendment	06/01/92
PACD	Original 06/30/96	amended to	00/00/00
Implementing Agencies	Cooperative League of the U S A (CLUSA)		
Major Contractor	None		
Project Manager	Luis Antonio Gonzalez, ANR		
Status of CPs/Covenants	CPs to first disbursement All Met		
	CPs to Subsequent Disbursement All Met		
	Covenants None		
Date of Last Evaluation	00/00/00	Next Evaluation	August 1994
Planned Number of Non-Federal Audits During Fiscal Year	Pending		
The Number of Such Audits Contracted for/Completed	One		
Date of Last Audit	N/A	Next Audit	N/A

FINANCIAL DATA

Amount Authorized	DA Grant	orig	\$9,000,000
Amount Obligated	DA Grant	orig	\$2,500,000 amended to \$5,500,000
Amount Committed	Period		\$0.00
Accrued Expend	Cumulative		\$5,500,000
	Period Projected		\$ 800,000
	Period Actual		\$ 752,358
	Cumulative		\$3,998,089
	Projected Next Sem		\$ 800,000
Counterpart Cont	Planned		\$2,260,375
	Actual		\$1,029,860
% LOP Elapsed		52%	
% of Total Authorized Obligated		61%	
% of Total Obligated Expended		73%	
% of Total Authorized Expended		44%	

II. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVE

A. Specific Linkage to Strategic Objective

Because of the environmentally friendly technology packages extended by CLUSA to cooperatives and small farmers (S O No 5), exports and labor will be increased thus increasing equitable economic growth (S O No 2)

B. Percent of LOP Funds Relating to Strategic Objective

Increasing equitable economic growth	85%
Improved environment and natural resource management	15%

III. PROJECT PURPOSE AND DESCRIPTION

A. Project Purpose

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

B. Achievements to Date

The project has made excellent progress towards the Project purpose and is on target to have a major impact on non-traditional exports by cooperatives and small farmers. The project has been extremely successful in increasing NTAES production by 856% thus increasing income to the 94,054 beneficiaries

C. Project Description

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

IV. PROJECT STATUS

A. Planned EOPS

	Planned EOPS	Progress to date
1 Additional hectares planted in selected non traditional agricultural export crops due to CLUSA's assistance and market facilitation	6,000	7.49%
2 Total direct/indirect beneficiaries	126,471	94.054
3 NTAE crops produced with net profits	40	54
4 NTAE production increased by 250%	250%	844%

B. Major Outputs

	Planned				Accomplished		
	LOP	This Sem	Next Cum	Next Sem	This Sem	Cum	% of LOP
Increase in NTAE products exported	8	2	7	1	2	9	113
Increase in irrigated hectares	800	0	184	30	90	364	46
Employment days generated Person/days (X1,000)	533	39	66	27	68	338	63
- Women	107	8	13	5	13	66	62
- Men	426	31	53	22	55	272	64
Increase in Action Plans	52	8	21	13	11	39	75
Exporters/processors/brokers assisted	10	1	6	5	2	11	110
Foreign investors assisted	5	0	1	1	2	6	120
Production increased (lbs X1,000)	25,146	1,725	3,309	1,584	1,1207	44,048	168
Cooperatives and groups of small producers assisted	36	8	18	10	3	54	150
Environment							
a) Coops trained in pesticide management and safety	36	15	25	10	1	52	144
b) Cooperatives sign a letter of understanding	36	8	18	10	3	17	103
c) No. of person/days of TA/T dedicated to crop & environment protection	4,201	50	56	6	67	211	50

166

C1. Other Accomplishment and Overall Status

- The area assisted by the project in NTAE production grew from 1556 mz. (810 has) in the last reporting period to a total area of 4168 mz. (2917 has) during the current period. The largest areas of growth are in two Certified Organic crops, Coffee and Cashew.
- NTAE assistance was provided to newly planted areas: Marigold, 68 mzs.; Peppers, 15 mzs.; Blackeye pea, 137 mzs.; sesame, 12 mzs.; melon (Honeydew and Cantaloupe), 762 mzs.; Watermelon, 56 mzs., and Onion, 6 mzs.
- A separate "Organic Crops Unit" was created within the Project, and will be coordinating with the existing units of NTAE Production and Agribusiness. Crop area that is "Certified Organic" is now more than 50% of the total area assisted.
- Technical assistance was provided to five melon export companies.
- A seminar about Organic Agriculture was held. Fifty two participants of different sectors attended.
- One CLUSA technician was qualified by OCIA to be "Organic Crop Inspector"
- The first harvest of organic sesame was completed. Direct grower returns averaged 30% more than traditional sesame.
- CLUSA sponsored the course "Natural Pest Control" by El Zamorano, 16 coops and small producer group attended. The event lasted three days in the ex-conflictive area of Usulután.
- CLUSA formalized technical assistance agreement for the production, processing and marketing of Organic Cashew with CORALAMA, in conjunction with UCRAPROBREX, PROCOOPCA, and TechnoServe.
- CLUSA reached a new level of involvement in the marketing of NTAEs with the signing of assistance agreements for melon production monitoring with 4 U.S. import brokers.
- Onion harvesting in the Los Rlyitos small producer group has progressed well, with excellent quality and acceptable yield levels.
- EDCO, Inc. was assisted in negotiating processing contracts for chile peppers with two local food processing companies.
- A new melon import broker for El Salvador, Deschino Produce Inc. was assisted in developing a successful melon marketing relationship with El Salvador Fresh.
- CLUSA co-sponsored the NTAEs Workshop, organized by USAID/ANR, and is committed to participate in coordination with TechnoServe, FUSADES, and any other organization promoting NTAEs in the promotion of non-traditional for exports.
- As a result of the above accomplishments, CLUSA has provided better income and increased the quality of living to 94,054 direct and indirect beneficiaries.

C.2 WID Issues

- Thirteen women participated in hands-on field training for Organic Coffee Production
- During the period, 13,751 women days of employment were created due to NTAE crop. This is an increase over the last reporting period of 48%. These jobs are usually better remunerated than regular agriculture jobs, since they require specific skills provided by CLUSA.
- Nineteen women in a variety of cooperatives received training on "The Role and Function of Cooperative Board Members, consisting of a four module, 8 hour course.

D. Issues

- No major problems or delays.

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

- \$1.5 million will be obligated, increasing total obligations to \$7.0 million.
- Four new coops will be identified for inclusion in the project.
- Attend IFOAM Organic Coffee Production and Marketing Conference at Tapachula, Mexico. During the conference the document "Post War Restoration of the La Providencia Coffee Cooperative utilizing Organic Production Methods" will be presented.
- Attend the Specialty Coffee Association Conference to develop marketing contacts for Certified Organic Coffee.
- Develop one new irrigation feasibility study for a minimum of 20 hectares of NTAE production.
- Sign four letters of understanding for Technical Assistance.
- Develop and implement 20 action plans with same number of cooperatives for the production of NTAEs.
- The mid-term project evaluation has been scheduled for August 1994.
- Export first shipment of Certified Organic Cashew.
- Sign three T.A. agreements with U.S. import brokers.
- Identify and promote one new foreign investor in NTAE.

PROJECT STATUS REPORT
October 1, 1993 - March 31, 1994

MISSION DIRECTOR RATING: A _____ B _____ C _____

I. BACKGROUND DATA

Project Title: I.E.S.C. Technical Assistance to Business
 Project Number: 519-0395
 Date of Authorization: Original 07/07/92
 Date of Obligation: Original 07/07/92
 PACD: Original 06/30/94
 Implementing Agency: International Executive Service Corps
 Major Contractors: None
 AID Project Manager: Roxana Blanco, PRE
 Status of CPs/Covenants: PIL Mo. 1, July 24, 1992.
 Date of last evaluation: None Next evaluation: 10/94
 Planned Number of Non-Federal Audits during Fiscal Year: Pending
 The Number of such Audits Contracted for/Completed: Pending
 Date of last audit: 2/93 Next audit: Pending

FINANCIAL DATA

Amount Authorized:	Grant: Original:	\$ 500,000
Amount Obligated:	Grant: Original:	\$ 500,000
Amount Committed:	Period:	\$ -0-
Accrued Expend.:	Cumulative:	\$ 500,000
	Period Projected	\$ 96,600
	Period Actual	\$ 98,331 (*)
	Cumulative	\$ 285,020
	Proj.next sem.	\$ 80,000
Counterpart	Planned:	\$ 562,800
Contributions:	Actual	\$ 303,134
% LOP Elapsed:		87%
% of Total Auth. Obligated:		100%
% of Total Oblig. Expended:		57%
% of Total Auth. Expended:		57%

(*) The amount reported in MXRMP19 on Sep.30/93, did not include Project accruals for \$78,778, therefore accrued expenditures for this period also reflect this difference. CONT Office agrees with this correction.

II. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES

A. Specific Linkage to Strategic Objectives

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

B. Percent of LOP Funds Relating to Strategic Objectives

Project goal is 100% dedicated to the accomplishment of increase equitable economic growth.

III. PROJECT PURPOSE AND DESCRIPTION

A. Project PURPOSE

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

B. Achievements to Date

During this semester IESC has provided technical assistance to seven companies in the metal mechanic and food industries (Maderas y Metales, Aluminios de Centroamerica, Industrial de Alimentos, DIADENA, Aluminios de El Salvador, Pan Santa Eduvigis and Galvanissa). The assistance will allow some of these companies to expand operations, increase export capacity, increase productivity and product quality improvements. IESC has two on-going projects and is recruiting volunteer executives for six new projects.

C. Project Description

IESC will provide technical assistance to small, medium and large Salvadoran companies to expand business, increase productivity and sales, improve competitiveness and technology transfer, and avoid business

closures. The assistance will be provided only to industry: manufacturing, tourism, agro-industry and agriculture. Priority will be given to companies identified by the Salvadoran Association of Industrialist (ASI) in its Industrial Reconversion Program.

IV. PROJECT STATUS

A. Planned EOPS

Progress : Date

- | | |
|---------------------------------------|---------------------------------------------------------------------------|
| 1. Productive employment | - 190 new jobs, out of which 147 have benefitted women (77% of the total) |
| 2. Business expansion | - In ten companies |
| 3. Increase in productivity and sales | - From 10% - 20% increase in productivity in 4 companies |
| 4. Technology transfer | - Partially achieved in 15 companies |
| 5. Avoidance of business closures | - None. |

B. Major Outputs

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

Technical Assistance

Carry out sub-projects partially financed by the Grant

40	8	18	8	7	15	38%
----	---	----	---	---	----	-----

C. Other Accomplishments and Overall Status

- Even though during the reported period, USAID authorized IESC to carry out thirteen new sub-projects, nine were cancelled for different reasons (new financial priorities in the companies, IESC could not find a VE with the necessary expertise, changes in the type of technical assistance needed)

50

- IESC has not been able to provide technical assistance to ASI clients in its Industrial Reconversion Program as planned. ASI spent more than one year carrying out diagnosis of the companies, which affected the implementation of the IESC Project. Some of the technical assistance needed by the companies was provided by ASI. On the other hand, ASI considers that IESC's technical services cost are higher than many company's financial capacity, therefore ASI looked for other voluntary organizations that are providing the needed services at a lower cost. Because of these reasons, it has been concluded that the two programs were not as compatible as considered when the IESC Project was designed.

- The actual counterpart contribution being reported for this semester, has been corrected based on information provided by IESC Headquarters.

D. Women in Development Issues

Of the 190 new jobs generated by the assistance provided by IESC, 147 women have been benefitted. These jobs indirectly benefit 735 people, considering that each family group is in average constituted by 5 persons.

E. Issues

- IESC has requested a six-month PACD extension in order to be able to provide technical assistance already contracted with several companies. Considering funds availability and the delay experienced by IESC (one year) because of the condition to work with ASI in its Industrial Reconversion Project, the Technical Office has recommended a one year no-cost extension to ensure achievement of Project goal.

F. Activities or Corrective Actions during the next six months

IESC is in the process of recruiting VEs for the provision of 8 technical assistances to companies in the following industries: paper, agroindustry, metal, dairy, oil and cement.

MP:iesc.ear

12

PROJECT STATUS REPORT
October 1 1993 - March 31 1994

I. BACKGROUND DATA

Project Title: Special Development Activities
 Project Number: 519-0094
 Date of Authorization: FY 93 _____ FY 94 _____
 Date Funds Available: N/A _____ N/A _____
 PACD: (estimated) 01/02/93 03/01/94
 03/30/94 09/30/94
 Implementing Agencies: Community Groups, Associations, Voluntary
 Organizations, Hospitals, and Schools
 Major Contractors: N/A
 Project Manager: Patricia Echeverria
 Status of CPs/Covenants: N/A
 Date of Last Evaluation: Nov. 93 Next evaluation: FY 96
 Planned Number of Non-Federal Audits during Fiscal Year: 0
 The Number of such Audits Contracted for/Completed: 0
 Date of Last Audit: Jan/91 (Financial Review) Next audit: Early FY95

II. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVE

- A. Specific Linkage to Strategic Objective No. 2, Equitable Economic Growth Increased
 LAC Bureau Sub-Objective I.C. encourages increased economic opportunities for disadvantaged persons. The SDA Project finances small projects in such areas as vocational training, road improvement, equipping or constructing classrooms, electrification, library reference and technical books, potable water, etc.
- B. Percent of LOP Funds Relating to Strategic Objective
 85% of funding directly relates to S.O. No. 2, Equitable Economic Growth. (15% of funds go to Strategic Objective No. 4, Better Educated and Healthier Salvadorans.)

III. PROJECT PURPOSE AND DESCRIPTION

- A. Project Purpose
 To finance quickly and with a minimum of procedural red tape small activities which will have an immediate impact and will advance U.S. objectives. To allow the Mission to respond immediately and without reference to goal plans, sectors of concentration or other elements of a country assistance strategy.
- B. Achievements to Date (FY 1993)
 The Project contributed to the development of poor communities through the financing of 28 sub-projects for a total of \$199,250. (FY 94) 5 projects have been approved for a combined amount of \$29,460.00.

MISSION DIRECTOR RATING: A _ B _ C _

FINANCIAL DATA

	FY 1993	FY 1994
Amount Authorized:	\$ 200,000	\$ 100,000
Amount Obligated:	\$ 199,250	
Amount Committed:	\$ 199,250	
Accrued Expended:	\$ 136,440	
Counterpart Contrib.:		
Planned: (in kind)	\$ 50,000 (25%)	\$ 25,000 (25%)
Actual:	\$ 96,675 (48%)	
% LOP elapsed:	N/A %	
% of Total Auth. Oblig.:	100 %	
% of Total Oblig. Expended:	68 %	
% of Total Auth. Exp.:	68 %	

C. Project Description

Funds are used for activities which cannot be supported, or supported quickly, within the structure of currently established projects. The opportunity is provided for involving segments of the local population not normally reached by other formally established USAID projects and programs. Sub-projects are generally small. A.I.D.'s contribution is an average of \$5,000 with a possible maximum of \$10,000 per sub-project.

IV. PROJECT STATUS

A. Planned EOPS: N/A

B. Major Outputs: 1/

	Planned	Accomplished
FY 93		
Sub-Projects	30	28
FY 94		
Sub-Projects	15	5 (underway)

1/ Outputs of this Project are programmed on an annual, not a semester basis. Due to the USAID funding cycle most sub-projects are funded in the second half of the FY.

C.1 Overall Accomplishments and Overall Status

1. Aspects of Evaluation:

- The methodologies and techniques used by USAID to implement SDAA activities were determined to be effective.
 - The overall impact of SDAA activities including training, productivity, self-financing and community development was evaluated. Based on site visits and review of grant files, the vocational educational sub-projects had a substantial impact on the training and productivity of sub-projects beneficiaries.
 - The most impact was observed in community development, both in terms of physical development and team building. The SDAA program assisted community groups to improve 83 school facilities, start or modernize vocational academies, increase access to potable water and improve health facilities, and improve community infrastructure.
 - Based on site visits and analysis of sub-project data, the SDAA project is achieving stated project goals and objectives as well as overall Mission Strategic Objectives as stated in FY 92-97 POD.
2. Evaluation was completed on January 1994. The results of the evaluation for the most part were very positive. Nine recommendations were made of which five were implemented by the PIC in January 1994. The remaining recommendations will be implemented during the next reporting period.

C.2 Women in Development

1. 1,500 women are participating in/or benefitting from 11 of the 28 FY 1993 projects.

D. Problems and Delays

1. No problems or delays.

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

1. Complete liquidations of four FY 1993 projects.
2. Obligate the balance of the FY 94 funds.

Strategic Objective 3: Enduring Democratic Institutions with Broad-based Participation in El Salvador.

PROJECT STATUS REPORT
October 1, 1993 - March 31, 1994

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

I. BACKGROUND DATA:

Project Title: Judicial Reform II Project
Project Number: 519-0376
Date of Authorization: Original: 09/28/92
Date of Obligation: Original: 09/29/92 amendment May 27, 1993
PACD: Original: 09/30/97 amended to:
Implementing Agency: Ministry of Justice, Public Ministry
Court Systems and National Council of the Judiciary
Major Contractor: Checchi and Company Consulting, Inc.
AID Project Manager: Linn Hammergren/Debra Strauss/Beatriz Molina
Status of CP's/Covenants: CP's to First Disbursement: All met
CP's to subsequent disbursement two met/four pending
Date of Last Evaluation: N/A Next Evaluation: March/95
Date of Last Audit: N/A Next Audit: pending
Planned Number of Non-Federal Audits during Fiscal Year: 0
The Number of such Audits Contracted for/Completed: 0

FINANCIAL DATA

Amount Authorized:	DA/ESF-Grant: Original	\$15,000,000	amended to \$20,000,000
Amount Obligated:	ESF-Grant: Original	\$ 4,500,000	amended to \$ 6,400,000
Amount Committed:	Period:	\$ 400,000	
	Cumulative:	\$ 3,363,247	
Accrued Expend.:	Period Projected:	\$ 700,000	
	Period-Actual:	\$ 1,806,180	
	Cumulative:	\$ 2,819,860	
	Projected Next Sem.:	\$ 2,000,000	
Counterpart Contr:	Planned:	\$ 7,800,000	
	Actual:	\$ 1,170,000	
% LOP elapsed:			20%
% of Total Authorized Obligation:			43%
% Total Obligation Expended:			44%
% of Total Authorized Expended:			13.76%

II. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVE

A. Specific Linkage to Strategic Objective

The Project supports Mission strategic objective number 3, promoting enduring democratic institutions with broad based participation. The project provides resources needed to support Salvadoran efforts to make the justice system more effective and impartial, thus contributing to greater citizen confidence in the justice system, a key democratic institutions.

B. Percent of LOP Funds Relating to Strategic Objective

100%

III. PROJECT PURPOSE AND DESCRIPTION

A. Project Purpose

The Project purpose is to accelerate and deepen El Salvador's judicial reform process so that due process and equality of citizens before the law are guaranteed.

B. Achievements to Date:

A new family code expanding rights of women and children will go into effect Oct 94 along with new procedural law (now in Assembly). Four institutions affected by the code are now coordinating implementation. Two key partial reforms derogation of compulsory review of first instance decisions and separation of functions of investigative and trial judges passed. Judicial School Program, pilot courts and case purging activities begun.

C. Project Description

The Project supports and strengthens the capacity of leaders and the organizations they represent to analyze judicial issues and design solutions, and provides technical and commodity assistance to improve the capacity of the courts, prosecutors, public defenders and NCJ to implement reforms. Additionally to complement project activities, the Project provides financial support, through Inter-Agency funds transfers to USA and ICITAP to support their leadership development and criminal investigative training programs respectively.

139

IV. PROJECT STATUS

A. Planned EOPS

1. Criminal case backlog will have been reduced and fewer detainees will be awaiting trial or sentencing.
2. Increased percentage of Criminal case resolved within legal time periods.
3. Citizens afforded greater guarantees of due process through improved procedural protection.
4. Legal and juridical barriers to increased trade and investment will have been reduced.
5. Greater public support and political commitment for judicial reform exists.

Progress to Date

Case inventory completed, case purging activity begun with ten criminal courts in San Salvador.

Pilot court delay reduction program begun.

Debate continues on new criminal procedure code, criminal code, law for juvenile offenders, penitentiary law, and law for Habeas Corpus.

Pilot information system initiated with series of courses for media.

B. MAJOR OUTPUTS

	Planned				Accomplished		
	LOP	This Sem	Cum	Next Sem	This Sem	Cum	% LOP
- Development multi-year comprehensive justice sector strategy	1	1	1	0	1	1	100
- Monthly meetings of National Coordinating Commission	60	6	18	6	6	16	26
- Subjects covered in topical brochures and radio spots on AOJ	15	2	2	2	0	2	8
- Topics covered in public debate	TBD	-	-	-	3	3	-
- Establishment merit-based judicial appointment process	1	1	1	100	0.25	0.25	0.25
- Professionals trained by NCJ Judicial School	*2000	-	-	600	200	20	10
- Pilot courts operational	* 27	-	10	10	10	10	40
- Modern, reliable, judicial statistics system established	1	-	-	0.25	0	0	0
- Legal and admin procedures enacted	8	-	3	1	1	1	15

* Target revised

C.I OTHER ACCOMPLISHMENTS AND OVERALL STATUS

Programmatic:

- The four key justice sector agencies --Minister of Justice, Attorney General, Solicitor General, and President of the Supreme Court continue to meet in the Coordinating Commission. National Judicial Council (NCJ) has also become a member.
- Commission drafted and approved a five year sectoral plan and 1994 operating plan which is now basis for project operations. Both documents CP's for special activities were revised and approved by USAID.
- Backlog reduction begun in 10 San Salvador criminal courts with a team of 30 Law Clerks paid for by the Court itself.
- Judicial School program designed for 1994 and in full implementation. Will train 1000 students in one year and focus on training judges and personnel for new family courts and for reformed criminal process.
- NCJ established programs to select and evaluate judges and sent list of proposed justices to Assembly. Project also supported first election of law associations' candidates for the Court.
- Pilot court program begun in 10 criminal courts in San Salvador and 3 in the periphery. New dockets sheets and filing systems introduced. Court sticks to agreement to provide funding for case purging system and the latter is now underway with full support of Court President.
- UTE set up a coordinating committee for implementation of new Family Code; implementation plan designed and approved and first steps taken with preselection of new judges, training program for latter, and decisions on number and location of new courts.
- Pilot information/communication project being implemented on schedule.
- UTE takes steps to manage program of grants to NGOs and established criteria for choosing programs. Meetings held with NGOs and one grant awarded with others under consideration

Project Administration

- All long-term advisers (4) in country and working on project.

C.II. WJD ISSUES

New Family Code expanding rights of women and children approved in Oct and family procedures law (speeding up case) sent to Assembly. This code strengthens legal rights of women; both to go into effect Oct. 1, 1994.

D. PROBLEMS AND DELAYS

- Ficalia and Procuraduria have still not met CPs (salary increases and a new law for the Ficalia), although largely because of non cooperation of other government agencies (Ministry of Finance) NCJ CP has been met and Court CP postponed because of delays in starting pilot project
- National elections and impending election of new Court cause some delays, either for loss of attention or because it is believed preferable to postpone some activities until the new government and Court are shown in.
- UTE has made progress with working groups but still not institutionalized. One possible future problem is fate of UTE staff when Minister of Justice changes

Handwritten mark

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

Programmatic Achievements:

- . Pilot court project finished in 10 courts and extended to 10 more. Pilot phase should end by Dec. 1994.
- . Backlog reduction program almost concluded. Statistics should indicate reduction of at least 30 % of cases over three years old.
- . Package of reforms to improve criminal law procedures (eg. annulment of extra-judicial confession; elimination of "dangerous state") approved or superseded by passage or near passage of new criminal, criminal procedure codes.
- . Public Education/Information strategy producing marked improvement in discussion of criminal law in the press and legal criminology.
- . UTE working with sector institutions to produce second annual action plan amendment to extend 6% of budget to all of justice sector approved.
- . Prototype statistical system for sector institutions to be designed and partially implemented.
- . Judicial school staff will be sufficiently strengthened to produce own training program for 1995.
- . CPs for Fiscalía and Procuraduría met. (Cart's cannot be met till pilot project ends.)
- . IberoAmerican Congress held. Theme is family law.
- . Design completed and implementation begun of program to strengthen selected administrative systems in Fiscalía and Procuraduría.

Project Administration

Checchi will produce program to begin cutting back on staff, activities to pass more responsibility to UTE.

PROJECT STATUS REPORT
October 1, 1994 - March 31, 1994

MISSION DIRECTOR RATING: A__B__C_X

I. BACKGROUND DATA:

Project Title: Strengthening Labor Organizations for Development
 Project Number: 519-0000-980-B2
 Date of Authorization: Original: 02/04/92 amend. N/A
 Date of Obligation: Original: 02/04/92 amend. N/A
 PACD: Original: 01/31/97 amend. N/A
 Implementing Agency: Salvadoran Labor-Management Foundation (FOES)
 Major Contractor: N.A.
 AID Project Manager: Sergio Guzman, ODI
 Status of CP's/Covenants: CP's to First Disbursement: All met
 CP's to Subsequent Disburse: All met
 Planned Number of Non-Federal Audits during Fiscal Year: N/A
 The Number of such Audits Contracted for/Completed : N/A
 Date of Last Evaluation: 3/93 Next Evaluation : 10/1/96
 Date of Last Audit: 11/1/93 Next Audit: 04/15/94

II. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVE

A. Specific Linkage to Strategic Objective

This project supports USAID/El Salvador's strategic objective to promote enduring democratic institutions and broad based participation by strengthening citizen participation in decision-making processes. FOES also promotes broad based participation by strengthening the institutional capacity of unions to serve workers' needs and channel worker participation in the benefits of economic growth. As a forum whereby labor and management can work together to solve problems, FOES also contributes to equitable economic growth through an appropriate policy framework for increased private investment.

B. Percent of LOP Funds Relative to Strategic Objective

100% Strategic Objective No. 3 "Enduring Democratic Institutions and Broad Based Participation."

III. PROJECT PURPOSE AND DESCRIPTION

A. Project Purpose

Strengthen the capabilities of worker organizations to promote their own development projects in a democratic manner, and to carry out activities which promote labor-management cooperation.

B. Achievements to Date

FOES has implemented activities to resolve administrative/financial problems in worker organizations. FOES has elaborated 11 plans for worker organizations which include training, T.A., loans and grants; they have begun disbursements and activities under all of these plans. Three more plans are being

FINANCIAL DATA

Amount Authorized:	DA Grant: Original	c80,000,000	amended to N/A
Amount Obligated:	ESF-Grant: Original	c30,000,000	amended to c45,000,000
Amount Committed:	Period:	c14,452,710	
	Cumulative:	c37,728,498	
Accrued Expend. :	Period Projected:	c 5,800,000	
	Period-Actual:	c 4,513,649	
	Cumulative:	c14,477,143	
	Proj. Next Sem.:	c 8,500,000	
Counterpart Contr:	Planned:	c27,000,000	
	Actual:	c1,582,082	
% LOP elapsed:		43%	
% of Total Authorized Obligation:		56%	
% Total Obligation Expended:		32%	
% of Total Authorized Expended:		18%	

elaborated. FOES has initiated a number of activities which aim at improving labor-management coop. An analysis of impacts in both areas were subject to the recently completed project evaluation.

C. Project Description:

The project consists of the following three components: a) institutional development of FOES; strengthening worker organizations through a loan/grant program involving a comprehensive package of assistance that includes project preparation, feasibility studies, material, technical assistance, training and grants and/or loans; and c) improving labor-management cooperation.

IV. PROJECT STATUS:

A. Planned EOFS

Progress to Date*

- | | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>1. A maximum of 20 unions, federations, employee associations, and campesino organizations will have T.A. and training in project development/implementation.</p> <p>2. Approx. 250 worker org's will be capable of managing projects and have access to other lending institutions.</p> <p>3. Mechanisms to improve labor-management relations established and implemented.</p> | <p>Development plans have been prepared by FOES and approved by USAID for eleven organizations, three new ones are being elaborated.</p> <p>The eleven development plans mentioned above will assist an estimated 110 basic organizations to manage projects and gain access to commercial banks.</p> <p>FOES developed a labor mgmt coop plan which was approved by USAID. Activities have been initiated in the field and will be supported by CLASP labor management training.</p> |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

* NOTE: Development plans for each worker org'n include technical assistance, training, loans, and grants.

1/6

B. MAJOR OUTPUTS

	PLANNED				ACCOMPLISHED			
	LOP	PERIOD	CUM.	NEXT PERIOD	PERIOD	CUMUL.	% of LOP	
1. Institutional Development.								
-Implementation of self-sufficiency plan.	Self-sufficiency plan received by USAID but sent back to FOES for revision.							
2. Loans made.*	60	23	60	14	16	18	30	
3. Grants made.*	60	17	60	11	17	19	32	
4. Unions, federations, or campesino organizations which have received technical assistance/training.	20	3	20	3	1	11	55	
5. Labor-Management Cooperation.	Established targets can be found in the approved plan.							
6. Short-term Training (Persons)	M	F	M	F	M	F	M	F
	10000	5150	8400	4264	2261	5794	58	
	6000	700	2350	936	464	957	16	

* NOTE: The planned LOP for loans and grants has been consolidated by worker organization, which will in turn provide for on-lending and grants to beneficiaries.

C.1. OTHER ACCOMPLISHMENTS AND OVERALL STATUS

- Eleven development plans have been elaborated by FOES and approved by USAID. Some of the activities carried out under the plans are aimed at improving labor-management understanding.
- FOES assisted USAID and Development Associates (DA) in identifying organizations from which to send representatives for tri-partite training in the United States and El Salvador. FOES will play a critical role in follow-up activities.
- Technical assistance to assist FOES in developing its Labor-Management Cooperation Plan and Self-Sufficiency Plan were completed. Based on this, FOES submitted and received USAID approval of its Labor-Management Cooperation Plan. FOES also submitted its Self-Sufficiency Plan for USAID approval.
- Eleven worker organizations with which FOES is working have received technical assistance to improve their administrative and financial capabilities and ultimately have been certified by auditing firms that they are capable of managing USAID financial resources.
- Worker organizations are beginning to understand FOES' established procedures for policy design and implementation. Their compliance with FOES policy and procedures is having a positive effect on attitudes concerning cooperation with potential donors.
- FOES continues to carry out a series of meetings with private sector individuals which has encouraged them to consider the possibility of joining the FOES board of directors. Modification of FOES' statutes was approved by the GOES. This is a major step towards getting better private sector representation on the board of directors. Also, with the resignation of the AIFLD representative from the board, FOES' credibility with the private sector may increase.
- A mid-term evaluation was carried out and a draft report was issued. Major findings are that FOES has had no impact in improving labor-management relations and that FOES has no credibility with the private sector. The major recommendations are that FOES must restructure its board of directors to assure better private sector representation; that FOES restructure and train staff to seek impacts in labor-management cooperation; and that labor-management cooperation be integrated into all of FOES' activities.

C. II. WID ISSUES

- The labor union and campesino movement in El Salvador has not generally included women in the

decision-making process. Baseline data which FOES establishes for each organization will have information by gender.

- FOES has made female as a beneficiary one of its criteria for consideration of loan and grant proposals from assisted organizations.
- Technical assistance will be provided to integrate gender considerations in the design phase of the assistance packages. FOES will implement recommendations made from the T.A. and grant the WID conference.

D. PROBLEMS AND DELAYS

- FOES has yet to modify its self-sufficiency plan to resubmit it to USAID for approval.
- Until its current structure is finally modified in accordance with its revised statutes, FOES lacks credibility with the private sector to be truly effective in promoting labor-management cooperation.
- FOES and the organizations it works with have been slow in complying with its internal procedures, which has slowed disbursement for project activities.
- Counterpart contributions are behind schedule.

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

- The self-sufficiency plan will be modified by FOES, and reviewed for approval by USAID.
- The mid-term evaluation of the project will be finalized, and FOES will be encouraged to comply with the key recommendations. FOES will receive T.A. and staff training to establish plant-level experiments in labor management cooperation.

Loan/Grant Program

- FOES will finalize 3 development plans aimed at strengthening labor organizations, these will be reviewed and approved by USAID.
- The financial monitoring team contracted by FOES will continue to assess FOES compliance with its own internal procedures regarding loans and grants.

Labor-Management Cooperation

- FOES will be actively involved in the CLASP II labor management cooperation training which will be carried out beginning in the first half of 1994.
- FOES will continue to carry out activities which improve labor management cooperation, in particular a T.A. activity to work with worker-management councils in 3 enterprises which will enlist cooperation of both sides in measures to increase productivity and worker benefits.

Counterpart Contributions

- The level of activity in Component 2 (Assistance to Worker Organizations) will increase during the next period which will assist FOES in generating more counterpart contributions. Through implementation of its Self-sufficiency Plan FOES will generate more counterpart contributions.

PROJECT STATUS REPORT
October 1, 1993-March 31, 1994

MISSION DIRECTOR RATING: A J B C

I. BACKGROUND DATA:

Project Title: Strengthening Democratic Processes
Project Number: 519-0375
Date of Authorization: Original: 03/29/90 amendment N/A
Date of Obligation: Original: 03/30/90 amendment 07/07/92
PACD: Original: 06/30/94
Implementing Agency: Centro de Investigaciones Tecnológicas y Científicas (CENITEC)
Major Contractor: N/A
AID Project Manager: Mauricio Herrera Coello, ODI
Status of CP's/Covenants: CP's to First Disbursement: All met
Covenants: All met; CENITEC is complying with the criteria established in "Program Description."
Planned Number of Non-Federal Audits during Fiscal Year: N/A
The Number of such Audits Contracted for/Completed : N/A
Date of Last Evaluation: October, 1992 **Next Evaluation :** T.B.D
Date of Last Audit: August, 1993 (RCA) **Next Audit:** 05/94 (RCA)

FINANCIAL DATA

Amount Authorized:	ESF-Grant:	Original	\$2,500,000	amended to N/A
Amount Obligated:	ESF-Grant:	Original	\$ 600,000	amended to \$2,500,000
Amount Committed:	Period:		\$ 0	
	Cumulative:		\$2,442,915	
Accrued Expendit:	Period Projected:		\$ 330,000	
	Period Actual:		\$ 210,716	
	Cumulative:		\$1,718,881	
	Proj. Next Sem.		\$ 200,000	
Counterpart Cost:	Planned:		\$1,148,507	
	Actual:		\$ 956,757	
% LOP elapsed:			94 %	
% of Total Authorized Obligation:			100 %	
% of Total Obligation Expended:			69 %	
% of Total Authorized Expended:			69 %	

II. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVE

A. Specific Linkage to Strategic Objective

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

B. Percent of LOP Funds Relative to Strategic Objective

100% Strategic Objective No. 3 "Enduring Democratic Institutions with Broad-Based Participation."

III. PROJECT PURPOSE AND DESCRIPTION

A. Project Purpose

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

B. Achievements to Date

CENITEC's seminar program has had ample attendance - usually involving 100-150 participants per event, from a broad spectrum of Salvadoran society. Seminar topics such as Territorial Development

and Planning for the San Salvador Metropolitan Area and its Surrounding Municipalities, and Civilian-Military Relationship Perspectives in El Salvador are highly relevant to ongoing policy-making efforts and thus contribute to increased dialogue and citizen participation in issue discussions. In addition, CENITEC has conducted and disseminated economic-oriented studies which provide information, analysis and alternative solutions to current economic problems faced by El Salvador. CENITEC's mid-term evaluation confirms the impact on Salvadoran society of CENITEC's outreach activities, which have sought out and reached a broad spectrum of the important decision-making groups and individuals in the country. Based on CENITEC's self-sufficiency study, the institution is implementing strategies to diversify its sources of income in the short, medium, and long-run.

C. Project Description

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

1994

IV. PROJECT STATUS

A. PLANNED EOPS

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

Program to date

CENITEC seminars and publications are bringing together different sectors of society in issue-oriented discussion, thus contributing to the construction and consolidation of the peace process and democracy.

B. MAJOR OUTPUTS

	LOP	Planned		Accomplished		% of LOP	
		This Semester	Cum	Next Semester	This Semester		Cum
1. Research Studies Program *							
a. Research studies	49	7	56	3	6	56	114
2. Seminar Program							
a. Monthly Seminars	50	5	45	3	4	43	86
Number of attendees	-	-	-	-	409	10.5K	-
b. Bi-weekly "Charles"	100	10	90	4	6	82	82
Number of attendees	-	-	-	-	0.67K	6.5K	84
c. Bi-weekly Meeting	100	6	63	2	4	53	53
3. Publications Program *							
a. Presencia Magazine							
-Issues	17	2	16	1	2	14	82
-Total Published**	18K	1.5K	18K	0.8K	1.6K	15.2K	84
b. Socioeconomic Bulletin/ Política Económica							
-Issues	48	6	39	2	5	43	89
-Total Published**	5K	6K	60K	K	4.5K	43.4K	87

* Based on recommendations of the mid-term evaluation and the self-sufficiency study carried out CENITEC discontinued the socioeconomic bulletin studies, the seminar booklets and the research study booklets.

** Based on the same studies, CENITEC reduced numbers printed by half.

C.1 OTHER ACCOMPLISHMENTS AND OVERALL STATUS

The Research Studies Program continues to play a significant role in social-economic policy discussion and formulation in El Salvador. During this rating period, CENITEC focused its studies on social issues. One of the most relevant studies being conducted is a proposal entitled "Social Policy of Consensus for El Salvador" which presents basic agreements on guidelines of a social policy that responds to the challenges faced by Salvadoran society. This proposal includes an evaluation of the current social policy, a definition of the elements that a global social policy should include and its feasibility. Also, the studies on the EDUCO program and a diagnosis of the social security system in El Salvador reflect the importance that CENITEC is giving to social issues, as recommended in the mid term evaluation. Moreover, in the economic area, CENITEC did an evaluation on the balance of the Salvadoran economy for 1993 and its prospects for 1994 which was discussed with a broad spectrum of opinion leaders. CENITEC, through the Survey and Public Opinion Department, finalized and published results for the First and Second Business Quarterly Reports for 1993, an activity through which CENITEC is generating some income to contribute to its financial independence after PACD.

CENITEC continues publishing the bi-weekly "Economic-Social Analysis," in one of the most important local newspapers to keep Salvadoran society informed on economic and social issues, in order to increase the level of discussion and debate and produce alternative solutions to these problems. Topics included were the "National Budget for 1994," "The First and Second Business Quarterly Report for 1993," and the "Relationship Between Economy and Governability." In addition, CENITEC published for the first time "CENITEC's Notes" which consists of the discussion of economic and social issues but is written in layman's language for non-specialized readers, as recommended in the mid term evaluation. CENITEC also organized a tailored course for labor union leaders on the topic "Workers Within a Framework of a Social Economic Program of Consensus." Finally, staff members of the Research Unit participated in lectures, conferences, and training courses organized by CENITEC and many other institutions as well as in TV and radio interviews to convey to the public the results of their research studies and alternative solutions to the main economic and social problems faced by the country.

The Seminar Program, which includes seminars, lectures and bi-weekly meetings, had positive results during this rating period. CENITEC sponsored a widely attended debates on economic, social, political, cultural, and technical issues. Topics like "Civilian Military Relationship Perspectives in El Salvador" and "Territorial Development and Planning of the San Salvador Metropolitan Area and its Surrounding Municipalities." Participating were a wide range of groups, including political parties, private sector organizations, government officials, unions, municipal officials, and other research centers. Through lectures outside San Salvador, CENITEC has also brought a broad spectrum of Salvadoran society together to hear speakers on important contemporary issues.

C.2 WID ISSUES

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

D. PROBLEMS AND DELAYS

Although CENITEC established the Financial Development Unit to strengthen its financial independence, the Director of this unit resigned in November/93 and CENITEC has had difficulty in finding a replacement. This situation reduced progress of efforts by CENITEC toward its self-sufficiency without USAID support.

A mid-term evaluation of the Project was carried out in October/92. Findings were positive. Continued progress is being made by CENITEC, and the recommendations of the evaluation, including a restructuring of CENITEC's activities, are being implemented. ODI recommends that a final evaluation not be conducted.

CENITEC wants to discuss with USAID authorities the possibility for a no-cost extension of the Project, to allow them to continue to strengthen their activities toward income generation. It is estimated that approximately \$500,000 could remain unexpended by the end of the Project, June/94. CENITEC will present to USAID a short summary of the areas they could concentrate on over the next year to justify the Project extension.

E. ACTIVITIES OR CORRECTIVE ACTIONS DURING THE NEXT 6 MONTHS

- Monitor implementation of activities contemplated in the last Action Plan 1993-1994 approved by USAID.
- If no PACD extension is approved, closing out activities will be carried out.

PROJECT STATUS REPORT
October 1, 1993 - March 31, 1994

MISSION DIRECTOR RATING: A B X C

I. BACKGROUND DATA:

Project Title: American Institute for Free Labor Development (AIFLD)
Project Number: 519-0368
Date of Authorization: Original: 05/31/90 amend. 07/31/93
Date of Obligation: Original: 05/31/90 amend. 07/31/93
PACD: Original: 05/31/93 amend. 03/31/96
Implementing Agency: AIFLD
Major Contractor: N.A.
AID Project Manager: Sergio Guzman, ODI
Status of CP's/Covenants: CP's to First Disbursement: All met
 CP's to Subsequent Disburs: All met
Planned Number of Non-Federal Audits during Fiscal Year: N/A
The Number of such Audits Contracted for/Completed: N/A
Date of Last Evaluation: 08/13/93 **Next Evaluation:** 12/95
Date of Last Audit: 04/1/93 **Next Audit:** 06/1/94

FINANCIAL DATA

Amount Authorized:	DA Grant: Original	\$14,400,000	amended to \$17,800,000
Amount Obligated:	ESF-Grant: Original	\$ 6,400,000	amended to \$16,400,000
Amount Committed:	Period:	\$ 22,630	
	Cumulative:	\$16,400,000	
Accrued Expend.:	Period Projected:	\$ 1,340,000	
	Period-Actual:	\$ 239,385	
	Cumulative:	\$13,803,463	
	Proj. Next Sem.:	\$ 1,071,230	
Counterpart Contr:	Planned:	waived	
	Actual:	waived	
% LOP elapsed:		66%	
% of Total Authorized Obligation:		92%	
% Total Obligation Expended:		84%	
% of Total Authorized Expended:		78%	

II. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVE

A. Specific Linkages to Strategic Objectives

This project supports USAID/El Salvador's strategic objective to promote enduring democratic institutions and broad based participation by strengthening citizen participation in decision-making processes. Specifically, AIFLD is enhancing the democratic process by strengthening the capacity and competence of trade unions to represent workers' interests as pluralistic and democratic institutions. Through the unions' constructive dialogue with private sector management, and development services to members, the project provides expanded channels of communication and democratic participation.

B. Percent of LOP Funds Relative to Strategic Objectives

100% Strategic Objective No. 3 "Enduring Democratic Institutions with Broad Based Participation."

III. PROJECT PURPOSE AND DESCRIPTION

A. Project Purpose

Develop a strong and vigorous democratic labor movement, and improve labor-management relations.

B. Achievements to Date

The democratic trade union movement in El Salvador has become stronger and less fragmented since 1991. AIFLD has assisted labor unions to develop their capacity to serve member needs as development organizations, formulate more coherent proposals for policies, including a proposal for a new labor

code which has been presented to the Socio-Economic Forum and the National Assembly, and deal more constructively with the private sector in contract negotiations. UNOC (National Union of Workers and Peasants) played a major role in drafting and negotiating the "Agreement on Principles and Commitments," and the "Work Program to Develop a Legal Framework for Labor Issues," historic documents which set objectives and mechanisms for agreement on labor-management issues. UNOC also played a major role in negotiating changes to the 49 articles proposed by the ILO, which the GOES used to elaborate its proposed Labor Code to the National Assembly.

C. Project Description:

Give operational and technical assistance to UNOC and urban and rural unions; support the Labor-Management Institute for the Construction Ind (IOPIC) to give workers new skills in the const trades; and promote labor-management discussion through workshops and seminars on policy issues.

IV. PROJECT STATUS:

A. Planned EOPS

1. Upgrade technical and operational capability of UNOC, and urban and rural unions.
2. Improve labor/management relations.
3. Improve the welfare of urban workers.

Progress to Date

Operational support, technical assistance & training continue; UNOC's technical & legal departments provide timely support to UNOC & labor in general. Joint labor/manag't participation in vocational trng. Trilateral (GOES, private sector, labor) agreement on 42 of the 49 articles proposed by the ILO for changes. Ten collective bargaining agreements have been signed or renewed which improve working conditions and salaries. Projects to improve living conditions continue.

A. Planned EOPS (continued) Progress to Date (continued)

4. Support Phase I and III farmers in defense of rights as land reform beneficiaries. AIFLD supported campesino organizations are active in various forums to present campesino views on agrarian beneficiary rights and new agrarian legislation. Operational support to campesino organizations continues, under overall scaling down of operational support to unions.

B. MAJOR OUTPUTS

	PLANNED				ACCOMPLISHED		
	LOP	PERIOD	CUM.	NEXT PERIOD	PERIOD	CUMUL.	% of LOP
1. Provide technical assistance and training in union development to urban unions.	5	2	2	0	6	6	120
2. Consolidation of support to unions through UNOC.	Education and organizing activities for unions and federations are being combined by sector.						
3. Provide rural unions with technical assistance and training.	4	4	4	0	4	4	100
4. Self-sufficiency of the IOPIC.	IOPIC has submitted a request for legal status to the GOES. Self-sufficiency strategy for the IOPIC is being formulated.						
5. Improve efficiency and management of urban/rural unions.	AIFLD is providing technical and operational assistance to 10 unions.						
6. Short-term Training (Persons)	M	E	M	E	M	E	M
	34000	4800	24462	3600	4622	33518	99
	15000	1200	3658	900	47%	11176	75

C.1. OTHER ACCOMPLISHMENTS AND OVERALL STATUS

UNOC (National Union of Workers and Peasants)

- UNOC continues to be active in providing technical assistance to labor; the labor sector on the Socio-Economic Forum relies on UNOC to provide tangible analyses of current labor issues. UNOC had a primary role in negotiating the 49 articles proposed for changes by the ILO with the GOES and private sector. The GOES presented its proposed Labor Code to the National Assembly.

Rural Program

- ACOPAI (a campesino organization) has exported a cumulative total of 47,000 quintals of sesame seed; the income from this activity is a critical factor in their self-sufficiency strategy.
- AIFLD carried out one major seminar in "Management Techniques", as well as continued its pesticide training. Sixteen of the 27 participants in the latest "Management Techniques" course subsequently became coop presidents or general managers.
- AIFLD continues to sponsor various activities aimed at informing campesinos of their rights and responsibilities under Salvadoran agrarian law; ACOPAI's agrarian committee has been strengthened through the training of its members.
- Operational support to rural unions was decreased by 20-25%, and support for microenterprises and village banks was decreased by roughly 15% during the period. The C.A. extension establishes phase out in microenterprise and village bank activities during the first year of the extension period.

Urban Program

- During the semester AIFLD continued to provide technical assistance to STIUSSA (textile workers), SIPEs (port authority workers), STIASSYC (textile workers), and SUTC (construction workers union), which resulted in the signing of new collective bargaining agreements.
- Operational support to urban unions and the mobile health clinic was decreased by 15%, under a planned phase-out of AIFLD direct support for these programs.
- AIFLD named a local director for the IOPIC.

Administrative

- Price-Waterhouse submitted the final report of the financial review. AIFLD presented its comments to USAID. The major findings included weaknesses in the accuracy of the funds accountability statement, in the internal control structure, and in compliance with Cooperative Agreement terms. Fifteen of the eighteen recommendations made have been closed.

FOES

- AIFLD continues to monitor its sub-grant activities with the FOES and will continue doing so until the AIFLD financed projects are completed.
- FOES is restructuring its Board to better represent the private sector. The AIFLD representative on the Board has resigned.

C.2. WID ISSUES

- Training offered by AIFLD has become more balanced in terms of gender and the microenterprise and village bank programs have been successful in incorporating women. However, because of generally low participation of women in the union and coop movements in El Salvador, women's participation in AIFLD activities overall remains somewhat low.
- AIFLD will conduct an assessment on gender of project activities. They will also implement the recommendations of the WID conference.

D. PROBLEMS AND DELAYS

- AIFLD has initiated its educational program to improve labor-management understanding, but the number of activities in this area remains low. More activities should be carried out in the upcoming semester.
- AIFLD has yet to develop a self-sustainability plan for its client unions and federations.

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

UNOC

- AIFLD will continue to promote dialogue between UNOC and its affiliates and with other worker organizations aiming at arriving at consensus on issues of importance to labor. This includes the approval by the Legislative Assembly of a new labor code which complies with ILO standards.
- UNOC will work towards re-initiating dialogue within the FORUM to reach agreement on labor disputes, and ratification of the most important ILO covenants.

28

Rural Program

- o During the semester campesino organizations will begin to carry out seminars concerning agrarian code and other land tenancy issues.
- o Operational support to FEDECAS and FESACORA and to the village bank and microenterprise programs will be completely phased out during the period.

Urban Program

- o AIFLD will sign a subagreement with the IOPIC Foundation this semester. The IOPIC Foundation will also receive legal status during the semester.
- o Operational support to SUTC and OSILS, and support to the mobile health clinic will be phased out completely during the period.

Administration

- o AIFLD will implement the recommendations made in the financial review not yet implemented. Once implemented ODI will recommend closure of these.
- o USAID will insist that AIFLD submit its plan to assist its client unions and federations in developing sustainable sources of operating income and program funding.
- o A financial review will be carried out of the project, which will cover the period from 1/1/1993 to 1/31/1994.
- o The organizational structure of the AIFLD office in El Salvador will be changed to allow it to cover the Central American region as well, under funding provided by the AIFLD Regional Grant.

IV. PROJECT STATUS

A. PLANNED EOPS

- | | <u>Progress to date</u> |
|------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. Increased access of representatives to policy oriented information. | All the eight Project policy analysts, four assigned to the four major parties and four to the central unit, have become permanent staff of the Assembly. The ten technicians and the analysts have produced analytical packages for representatives on bills that have become laws; examples are the stock market law, the national budget law, the arms control law, and reforms to the electoral code. |
| 2. Assembly debates improve in quality and vigor | Lively debate of the above legislation, all supported by information packages for representatives, indicates strengthened debate of policy issues. |
| 3. Increased public understanding of the role of the legislature. | Strategy for a pilot public education program was finalized and is due to start implementation with new Assembly after May 1994 and will end in October 94. |

B. MAJOR OUTPUTS

	Planned		Accomplished			% of LOP
	LOP	This Semester	Cum	Next Semester	This Semester	
1. Technical Support Services						
-Policy analysts hired and trained	8	-	8	-	-	8
-Policy analysts institutionalized	8	4	8	-	4	8
-Information packets produced	15	5	15	5	7	18
-Laws indexed for priority policy areas	1	1	1	-	1	1
-Legislative manual developed	1	0	0	1		In draft
-Bill-tracking system	1	0	0	1		Under review
-Orientation Seminar	1	0	0	1	0	0
-Observational training for Deputies, Analysts and Técnicos	7	2	5	2	2	5
-Workshops for Committees, analysts and técnicos	13	3	6	2	0	3
-Symposium	2	1	1	1	1	1
-Books/Library		Books were acquired				100
-Indexed constitution		Indexing was finished and printed				100
2. INFRASTRUCTURE						
-Semi-private offices for Deputies constructed and equipped		100 % equipped and 90% constructed				90
-Equipment purchased						
a) Computers	3	-	3	-	-	4
b) Audio system	1	-	1	-	-	1
3. Constituency Services						
-Pilot public education project designed		Strategy was finalized				100
-Pub. Relations Unit strengthened		Short-term specialist will be contracted by new Assembly				0
-Newspaper columns/radio spots		These will start after new Assembly takes office				0
-Hearings held outside S. Salvador		These will start after new Assembly takes office				0

C.1 OTHER ACCOMPLISHMENTS AND OVERALL STATUS

A major national symposium on municipal development from the perspective of the Assembly, entitled "The Legislative Assembly: Its Role in Municipal Development as an Integral Part of Decentralization" was carried out in February, 1994 to bring together, for the first time in Salvadoran history, representatives, mayors and executive branch officials involved in the evolving process of decentralization and municipal development. Now, representatives have been brought into the mainstream of discussions on this topic and legislative approval is much more likely to be forthcoming if they are involved in the entire process, and not just at the end.

Two separate combined groups of analysts and technical staff visited the Congress of Mexico to observe legislative procedures and support systems. These trips were important to expose participants to new directions in legislative support, bring the two groups closer, and foster the integration of the analysts into the support structure of the Assembly. Also, if current changes in legislative support roles are to be sustained in the future, it will be members of these two groups who will provide the continuity.

Technical staff and legislative analysts, coordinated by the Official Mayor and the resident advisor, have designed the first draft of a Legislative Manual to provide representatives information on the legislative process, the physical and personnel support structure of the Assembly, and other information that would help them to become effective legislators. The Manual will be delivered to all newly elected representatives in May 1994 when they take office.

A short-term consultant delivered a draft report on legislative procedures and support structures (bill-tracking system) to encourage the legislature to adopt a more aggressive role in the policy process. The report is in the process of being finalized and translated into Spanish for the review of the Technical Committee to enable it to make its own recommendations to the incoming Assembly Board of Directors.

A user-friendly automated storage and retrieval system for legislators has been set-up. The Assembly contracted local short-term technical assistance to design the system to be used in considering new legislation and proposals to modify existing laws. The Assembly continues to codify all laws approved since 1993 through 1990 for simplified retrieval using its own financial resources.

One hard copy of the nine volumes of the indexed Constitution was made. The Technical Committee delivered this product to the Board of Directors and recommended that the volumes be printed in hard copies for the Library and the committees.

Construction of the Annex (GOES counterpart 30 % and the Assembly's own resources 70 %) to shelter the administrative offices was finished. The building was inaugurated by the USAID Administrator and the President of the Assembly in February 1994.

The resident advisor, Dr. Allan Austin, was invited to participate in the ODI Regional Conference in Miami, Florida to give a presentation and participate in a panel discussion on lessons learned from legislative development projects in Latin America. This participation provided an opportunity for exchange of information and strategies with other similar projects in Latin America and laid the base for future exchanges of personnel and information.

C.2 WID ISSUES

Ten percent of elected representatives are women, most of whom play a very active role in the policy making process. Two of them belong to the Board of Directors, the highest authority within the Assembly, and one of the main Committees, the Finance and Budget Committee, is headed by a

women representative. To the extent that women hold leadership roles in the Assembly, issues of concern to Salvadoran women will be taken into account in the drafting and implementation of legislation.

D. PROBLEMS AND DELAYS

- o During this rating period, it became increasingly difficult to capture the Assembly members' attention for anything other than political campaigning as the 1994 elections drew near. The elections became ever more of a "blockbuster" than would normally be the case because elections for President, all representatives, and all mayors and local councilmen were held on the same date, March 20, 1994. Moreover, although the official start date for Assembly candidates' campaigning was January 20, 1994, current representatives heavily supported their respective presidential candidates who actually began their campaigns well before November 20, 1993. With the second round in the presidential elections scheduled for April 24, 1994, it is anticipated that the representatives will be closely involved in the campaign again.

This situation has caused implementation delays as follows:

- o a) Within the Technical Support Services Component: three workshops/seminars were postponed until the new representatives take office.
- o b) Within the Constituency Services Component: the strengthening of the Public Relations Unit, the newspaper/radio spots, and hearings held outside San Salvador have been postponed until the new Assembly takes office and is thus not expected to finish until 10/94.
- o It is estimated that approximately \$200,000 or more could remain unexpended by the end of the Project, October/94. It is USAID's recommendation that a minimum of a 6 months PACD extension be granted to the Legislative Assembly to continue with its strengthening through further improvement of the technical support services and the constituency services, both contemplated in the last Amendment. Also, it is important for USAID to maintain close contact with the legislature during the time that several constitutional reforms and laws important to achieving Mission strategic objectives are being considered. This extension would also help bridge the gap between the current Project and the proposed new Project entitled "Participation and Governance" which will likely contain a legislature component.

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

- a) Within the Technical Support Services Component:
 - o Fully brief new leaders of the Assembly, especially the Board of Directors, party leaders, and members of the Technical Committee regarding the Legislative Strengthening Project and secure their support and cooperation. Also, in collaboration with the new Assembly leadership, develop a work plan covering the remainder of the Project.
 - o Organize and implement an orientation seminar for the newly elected representatives of the Assembly.
 - o Finalize the Legislative Manual for the use of representatives in the new Assembly.
 - o Arrange an observation trip for selected representatives to view successful experiments in decentralization and municipal development in other Latin American Countries.

- o Carry out two seminars/workshops for representatives and/or technical staff and analysts.
- o Work with the Technical Committee on recommendations for the new Board of Directors on changes in legislative procedures and support structures.
 - b) Within the Constituency Services Component:
 - o Hire a short-term consultant for the strengthening of the Public Relations Department; the same consultant will be responsible for the refinement and implementation of the public education strategy to be implemented after the elections.
 - o Initiate newspaper columns/radio spots and plan how to carry out hearings outside the San Salvador area.

88

PROJECT STATUS REPORT
October 1, 1993 - March 31, 1994

MISSION DIRECTOR RATING: A B X C

I. BACKGROUND DATA:

Project Title: Democratic and Electoral Processes
Project Number: 519-0391
Date of Authorization: Original: 09/28/92
Date of Obligation: Original: 09/30/92 amended: 09/30/93
PACD: Original: 09/30/95 amended.
Implementing Agencies: Supreme Electoral Tribunal (SET), IRI, NDI, SVRI, and local NGOs
Major Contractors: IIHR/CAPEL, Creative Associates
AID Project Manager: Salvador Novellino, ONI
Status of CP's/Covenants: CP's to First Disbursement: SET, SVRI and CAPEL - All met
NDI and IRI - pending
CP's to Subsequent Disbursement: CAPEL, SVRI - met
Planned Number of Non-Federal Audits during Fiscal Year: 3
The Number of such Audits Contracted for/Completed : None
Date of Last Evaluation: 03/94 **Next Evaluation :** 04/94
Date of Last Audit: None **Next Audit:** AID/W

FINANCIAL DATA

Amount Authorized:	ESF-Grant: Original	\$4,000,000	amended to \$6,500,000
Amount Obligated:	ESF-Grant: Original	\$4,000,000	amended to \$5,800,000
Amount Committed:	Period:	\$2,504,222	
	Cumulative:	\$5,031,814	
Accrued Expend. :	Period Projected:	\$1,000,000	
	Period-Actual:	\$3,107,904	
	Cumulative:	\$3,351,690	
	Proj. Next Sem:	\$1,000,000	
Counterpart Contr:	Planned:	\$1,350,000	amended to \$ 1,625,000
	Actual:	\$2,700,000	
% LOP elapsed:		50%	
% of Total Authorized Obligation:		89%	
% Total Obligation Expended:		57%	
% of Total Authorized Expended:		51%	

II. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVE

A. Specific Linkage to Strategic Objective

Free, fair and broadly participatory elections are essential to the functioning of democratic societies. These essential formal mechanisms of representative democracy are supported by an involved and issue-aware citizenry, whose actions are integrated and given meaning through myriad civic, professional, and community organizations which make up civil society and which provide the means for continuous citizen participation in the wider democratic process.

This project supports Strategic Objective number 3, promoting enduring democratic institutions with broad base participation by expanding channels of communications and participation, and by increasing effective access of citizens to the polls in free, fair and inclusive elections.

B. Percent of LOP Funds Relating to Strategic Objective

100% Strategic Objective No. 3 "Enduring Democratic Institutions with Broad Base Participation."

III. PROJECT PURPOSE AND DESCRIPTION

A. Project Purpose

To strengthen the integrity and inclusiveness of Salvadoran democratic and electoral processes, especially the participation of women, young citizens and rural people.

B. Achievements to Date

On March 20, over 1.3 million Salvadoran went to the polls, increasing by over 30% in absolute terms voter turnout from the 1989 presidential elections. ONUSAL and other international observers determined that the elections were carried out peacefully, free of intimidation, and voters exercised their franchise freely and fairly. However, a number of technical problems were reported. The SET, with technical assistance from CAPEL, and material support from USAID and UNDP, is working to improve performance in several areas during the presidential run-off on April 24. Twenty NGOs have been awarded sub-grants to work in the promotion of the voter registration process throughout the country. ESF-generated local currency of 23.6 million Colones (\$2.7 million) provided funding for the massive voter registration campaign, and through this support, 622,000 voter cards (new and replacement) were delivered cards from the time the campaign started in July 1993, with an overall voter registration rate of over 90% of the eligible adult population.

C. Project Description

Project activities include: 1) technical and community assistance to the Supreme Electoral Tribunal; 2) technical and financial support to Salvadoran NGOs to expand citizen involvement in elections and democratic processes, 3) grants to US PVOs for Election Observation, and 4) grants to US PVOs to support democratic leadership development at the municipal level

66

IV. PROJECT STATUS

A. PLANNED EOPS:

1. Increased citizen confidence in the electoral process in general, specifically in the ability of the SET to register voters and conduct fair, open elections, according to established rules and transparent procedures.
2. Increased participation in the 1994 elections of Salvadorans, especially the participation of women, young adults, and rural people, by helping to overcome attitudinal barriers to participation.
3. Increased availability of information about government through more objective reporting, broader coverage of issues, and its wider dissemination through mass and informal media.
4. Broadened geographical and numerical outreach of civic education efforts, leading to increased citizen awareness of political rights and responsibilities.
5. Populations of participating municipalities show greater understanding of the process of governance in their locale, as well as greater knowledge of how to represent themselves and their opinions to local leadership.

PROGRESS TO DATE

As of 3/20/94, 2,463,000 citizens had voting cards (90% of the estimated voting population). SET's massive voter registration campaign resulted in 622,000 cards delivered (new and replacement). Although several logistical and Registry related problems affected the March 20 elections, international observers considered the elections to be free and fair.

1.3 million Salvadorans went to the polls on March 20, 1994. Compared to the 1989 presidential election, turnout increased by over 30% in absolute terms. Women, young adults and rural people were especially targeted by SET media messages. Post election survey will measure participation of target groups.

Project assisting networking among NGOs with initial focus on women's issues.

During seven months some 20 NGOs worked in voter registration and education activities, across 14 departments. KAPs data to be collected in survey.

No progress to date

B. MAJOR OUTPUTS

	LOP	THIS SEMESTER	ACCOMPLISHED	%
- Percent of voting age population reached through NGO voter education programs	25%	30%	30%	120
- New voters registered with carnet	250,000	410,000	410,000	164
- Preparation and dissemination of voting pamphlets	TBD	400,000	400,000	-
- Increase in citizens reached by issue awareness NGOs	Baseline TBD			

- Pollworkers trained and provided with manuals for the 1994 elections	100%	60%*	60%	60%
- Reduction in time to issue registration cards	30 days	**	-	-
- 1994 Election observers delegations	3	3	3	100%

*some 30,000 out of an estimated of 50,000

**see Section D below

C.1 OTHER ACCOMPLISHMENTS AND OVERALL STATUS

- Funding under the SET LC Action Plan for 23.6 million Colones (\$2.7 million), and procurement of equipment, including the photocopying of over 300,000 birth certificates under the Creative Associates contract, allowed the SET to deliver 622,000 new and replacement voter cards. As of March 20, an estimated 90% of the voting age population was in possession of voter cards and registered to vote.

- The Center for Electoral Assistance and Promotion (CAPEL) continued the provision of technical assistance in the areas of voter registry, transmission of results, and training. This assistance allowed the SET to resolve several major problems prior to the elections. In addition, training material was developed, including pamphlets and videos.

- Under the contract with Creative Associates (CREA), and the Cooperative Agreement with Southwest Voter Research Institute (SVRI), twenty NGOs received financial and technical assistance to support their efforts to foster citizen involvement in the electoral process; this nation-wide effort helped the SET to achieve its registration goals, conduct non-partisan how-to-vote training activities; and channel reclamations through the National Carnetization Committee. In addition, CREA has held networking sessions with NGOs, focusing on issues of women's legal rights and civic/political participation. These activities helped to strengthen the integrity and inclusiveness of the democratic electoral process.

- The International Republican Institute and the National Democratic Institute for International Affairs started to develop action plans to work at the municipal level to strengthen participatory mechanisms by training municipal leaders to cope with devolution of authority from the central government; plan municipal budgets, including revenues, expenditures, and program goals in promoting citizen participation; and validate municipal decisions through open town meetings and other means.

- Three US PVOs conducted election observation starting in January. Over 60 observers from the U.S. and Latin American countries participated on these observation teams.

C.2. WID ISSUES

Women are one of three special target groups identified for this project. Anecdotal data found women strongly represented among both voters and pollworkers during the March electoral round. In support of the Mission's Strategic Objective to "Promote enduring democratic institutions and practices," USAID will measure increases in female voter registration and participation against a baseline established by a CID GALLUP poll post-election conducted in March 1991.

D. PROBLEMS AND DELAYS

Several problems affected voter participation during the first electoral round on 3/20/94:

- o Despite outreach efforts, many voters failed to pick up voter cards within the period provided, and still others could not be validated due to lack of birth certificates at SET.
- o Many voters did not find their names of roll, or found date errors.
- o Inadequate marking and orientation made it difficult for some voters to find their voting tables and in places lines and waiting time were long.
- o Given late nomination by the parties many pollworkers were inadequately trained.
- o Public transportation was not always available to voters on election day, especially in rural areas.

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

- o USAID and CAPEL will closely monitor follow-up on recommendations made to improve voter orientation, and other logistical arrangements, in preparation for the second round of the presidential elections on April 24. While not all Registry-related problems can be solved prior to a run-off, the SET has re-opened voter card delivery and is processing requests for corrections in the rolls in order to publish a revised Registry prior to the second round.
- o A transport plan will be prepared and implemented jointly with UNDP for the second electoral round to assure availability of public transportation in critical areas.
- o CREA will conduct several seminars focused on women and young adult civic participation in the post-electoral period, and will award grants to NGOs to carry out post-electoral civic education activities.
- o A Cooperative Agreement will be signed with Freedom House to work jointly with the International Republican Institute and the National Democratic Institute to strengthen participatory mechanisms at the municipal level.

1/6

PROJECT STATUS REPORT
October 1, 1993 - March 31, 1994

MISSION DIRECTOR RATING: A __ B __ C __

I. BACKGROUND DATA:

Project Title: Federation of Bar Associations
Project Number: 519-0373
Date of Authorization: Original: 09/26/90 amendment N/A
Date of Obligation: Original: 09/26/90 amendment N/A
PACD: Original: 09/30/94
Implementing Agency: Inter-American Bar Foundation; Salvadoran Federation of Bar Associations
Major Contractor: N/A
AID Project Manager: Linn Hambergren
Status of CP's/Covenants: Complied
Date of Last Evaluation: 6/93 Next Evaluation: N/A
Planned Number of Non-Federal Audits during Fiscal Year:
The Number of such Audits Contracted for/Completed : 1
Date of Last Audit: 5/93 Next Audit:

FINANCIAL DATA

Amount Authorized: DA/ESF-Grant: Orig.	\$ 500,000	amended to \$ N/A
Amount Obligated: ESF-Grant: Original	\$ 500,000	amended to \$ N/A
Amount Committed: Period:	\$ -0-	
	Cumulative:	\$ 500,000
Accrued Expend. : Period Projected:	\$ 100,000	
	Period-Actual:	\$ 135,552
	Cumulative:	\$ 465,279
	Projected Next Sem.:	\$ 34,722
Counterpart Contr: Planned:	\$ Waived	
	Actual:	\$ Waived
% LOP elapsed:		90%
% of Total Authorized Obligation:		100%
% Total Obligation Expended:		93%
% of Total Authorized Expended:		93%

II. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVE

A. Specific Linkage to Strategic Objective

This project supports USAID/EI Salvador's strategic objective to promote enduring democratic democratic institutions and practices by contributing to the professionalization and independence of the judiciary.

USAID's support for the strengthening of the Salvadoran Federation of Bar Associations is focused on preparing the Bar to take a more active role in justice system improvement. In addition to serving as a professional independent monitor of the judiciary, the Bar may play a larger role in legal education and preparing Salvadorans for the implementation of legal reforms.

B. Percent of LOP Funds Relating to Strategic Objective

100% Strategic Objectives number 3 "Enduring Democratic Institutions and practices".

III. PROJECT PURPOSE AND DESCRIPTION

A. Project Purpose

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

B. Achievements to Date:

The SFBA's Continuing Legal Education and Popular "street law" type programs have had considerable success in establishing a more positive image of the Federation. Federation Leaders have also promoted constitutional and by-law changes to strengthen the institution, although only this former seems likely to be approved. The Federation successfully conducted the first election of a slate of candidates for the Supreme Court and has been active in promoting constitutional reforms aimed at strengthening judicial independence.

C. Project Description

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

90

V. PROJECT STATUS

A. Planned EOPS

1. Increase in financial and organizational resources available to the SFBA
2. Enhanced capacity to carry out activities responsive to member/citizen needs
3. Increased independence both from judicial system and from political pressures

Progress to Date

Project-financed administrative staff is undertaking overall program planning and helping the SFBA to improve collection of dues. Progress in dues collection has been minimal, but Fed. reports that this and other sources non donor contributions will now cover 50% of needs.

SFBA has a broad law-related education program that is responsive to public interest. SFBA conducted an election of Bar representatives to the Nat'l Council of the Judiciary, and an election with the participation of all lawyers, of a slate of candidates to the Supreme Court.

Bar members prepared and presented a proposed constitutional amendment to eliminate Supreme Court control over the legal profession. SFBA bylaws are also under review.

B. Major Outputs

	Planned				Accomplished		
	LOP	This	Next	%	This	Cum	LOP
		Semester	Semester				
1. Lectures sponsored	240	0	240	NA	10	53	27
2. Average participants per lecture	45	0	45	NA	NA	-	NA
3. Radio spots in law education	1152	0	1152	NA	-0-	129	12
4. Newspaper inserts on law education	96	0	96	NA	-0-	131	137
5. Publications on law education	12	-	-	-	-0-	34	284
6. Bar member visit to U.S.	10	0	12	-	0	0	0

C.1. OTHER ACCOMPLISHMENTS AND OVERALL STATUS

The SFBA has substantially increased its presence in Salvadoran society and the services offered to associates and the legal community in general. Official institutions such as the Ministry of Justice and the Institute for Liberty and Progress have used the SFBA as the dissemination channel for important government programs. Private institutions have also begun requesting SFBA cooperation in the organization of seminars on critical issues. The SFBA is for the first time in its history offering its associates access to up-to-date reference materials, including special printing of new legislation. A library open to all the legal community is now functioning at SFBA headquarters. While in the past judicial facilities were the general recourse for meetings or seminars, today the SFBA headquarters is considered the ideal place for these events.

The SFBA has continued to expand its services to and thus presence in the wider community through its Law-related Education Program and legal clinic. The former provides information (through television and radio programs) on the law in response to real life problems described in viewers' letters and used the services of several prestigious lawyers who have volunteered their time. The write-in clinic delivers a similar service through a local newspaper. Additionally, the program has distributed wallet size cards that enumerate individuals rights.

Realizing that the PACD is approaching, the SFBA has stepped up activities aimed at introducing a constitutional amendment to make membership in this or some other national bar obligatory for all lawyers to this association (as opposed to the Supreme Court). The SFBA has also become active in sponsoring discussions on other proposed constitutional amendments aimed at increasing judicial independence (and removing power from the Supreme Court)

Despite some advances, the project has not overcome the institutional weakness of the SFBA to transform the SFBA into a self-sustaining organization which can take an independent role in promoting legal reform, public service, and representing professional interests. The project has provided information to the SFBA and other members of the legal community on how such goals have been reached by bars and other countries, but to date has not been able to generate the momentum either within or outside of the SFBA to carry such actions forward.

While the project has undeniably reinforced the image and activities of the SFBA, and exposed its members and the rest of the legal community to ideas as to how it might function more dynamically, most observers (and the projects evaluators) concur that the further transition to self-sustaining, independent institution with an active role in development of the legal sector may require much more time, or in the end be achieved only by a different organization. The latter seems most likely, since most versions of the proposed constitutional amendment dealing with a compulsory bar, now no longer mention the Federation, but "some such entity."

C.2. WID ISSUES

Women were included in the US tour and have more direct participation in the direction of bar programs. 20% of all participants in legal education programs were women.

D. PROBLEMS AND DELAYS

Mid term evaluation while recognizing value of programs coordinated under the grant, casts serious SFBA's ability to become a self sustaining organization performing any of the functions (eg. monitoring of professional conduct, lobbying for professional interest, promoting of legal reforms) usually associated with an active bar. On the basis of the evaluation, USAID will not extend the project but is using the last year for gradual phase out.

While the SFBA (with considerable help from Checchi, the institutional contractor for Judicial Reform II) carried out the first set of elections for a slate for the Supreme Court, the event also caused further setbacks, first by revealing the Bar's general disorganization and second when its current president developed aspirations to the Court presidency, thus raising questions of conflict of interest.

IABF has not been strongest source of guidance, especially as regards such basics as financial management. It was ultimately determined that the use of a US-based NGO to transfer funds and periodic technical assistance to a local NGO was not the most efficient means of providing these services.

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

These are the last six months of the project. The SFBA has been encouraged to identify other sources of funding and where appropriate to participate in the NGO component of Judicial Reform II. The major remaining task is to clean up their bookkeeping and preparation of close out report.

PROJECT STATUS REPORT
October 1, 1993-March 31, 1994

MISSION DIRECTOR RATING: A__B__C__

I. BACKGROUND DATA:

Project Title: Centro DEMOS Project
Project Number: 519-0411
Date of Authorization: Original: 09/30/93
Date of Obligation: Original: 09/30/93
FACD: Original: 09/30/94
Implementing Agency: Institute for Central American Studies (ICAS)
Major Contractor: N/A
AID Project Manager: Mauricio Herrera Cosllo, ODI
Status of CP's/Covenants: CP's to First Disbursement: All met
CP's to Subsequent Disburs: All met
Planned Number of Non-Federal Audits during Fiscal Year: N/A
The Number of such Audits Contracted for/Completed : N/A
Date of Last Evaluation: None Next Evaluation: 08/94
Date of Last Audit: None Next Audit: AID/W

FINANCIAL DATA

Amount Authorized:	ESF-Grant:	\$1,000,000
Amount Obligated:	ESF-Grant:	\$1,000,000
Amount Committed:	Period:	\$ 674,663
	Cumulative:	\$ 674,663
Accrued Expendit:	Period Projected:	N/A
	Period Actual:	\$ 467,448
	Cumulative:	\$ 467,448
	Projected Next. Sem:	\$ 532,552
Counterpart Cost:	Waived	
% LOP elapsed:	50 %	
% of Total Authorized Obligation:	100 %	
% of Total Obligation Expended:	47 %	
% of Total Authorized Expended:	47 %	

II. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVE

A. Specific Linkage to Strategic Objective

The Project is dedicated to strengthening Salvadoran leadership and democratic practices by enhancing skills and understanding of issues and providing a pluralistic forum for the interchange of opinions. Open dialogue plays an important role in creating a stronger foundation upon which Salvadorans are building a pluralistic, tolerant and democratic society. This conforms to the Mission strategic objective of promoting enduring democratic institutions with broad-based participation.

B. Percent of LOP Funds Relative to Strategic Objective

100% Strategic Objective No. 3 "Enduring Democratic Institutions with Broad-Based Participation."

III. PROJECT PURPOSE AND DESCRIPTION

A. Project Purpose

To support national reconciliation through the establishment of a democratic leadership training program.

B. Achievements to Date

Since the inception of the Project in September, 1993, Centro DEMOS has been founded, its staff hired and trained, administrative procedures established, the course curricula created, and the first

stage of the training carried out. The Centro DEMOS curriculum was prepared by its academic team in conjunction with Salvadoran leaders and potential participants. In the first week of January, Centro DEMOS' training program was inaugurated with 60 participants representing a wide cross-section of Salvadoran society including many of the key political, economic, and social organizations and with the participation of the Chief of Staff of USAID and the Minister of the Presidency of El Salvador. Stage I of the Project was completed at the end of March. Stage I included panel discussions and workshops regarding global affairs, the situation in Central America, the Political Constitution of El Salvador, and the internal dynamics of El Salvador as viewed by Salvadorans. Centro DEMOS has made efforts to establish itself as a neutral and credible institution by integrating participants from all backgrounds and ideologies.

C. Project Description

The Project has two interrelated components: a) Leadership Training Program, which consists of three stages of a series of seminars, workshops, and fora to discuss and analyze political, economic, and social issues, lasting ten weeks each, and involving participation of all segments of Salvadoran society such as the FMLN, military leaders, labor representatives, businessmen, political party leaders, GOES officials, church leaders, NGOs, women, and special interest groups in order to promote tolerance, pluralism, and trust; b) Organizational Technical Assistance, to build a national consensus on the creation of a Salvadoran foundation, broadly representative of the myriad social and economic factions in Salvadoran society, to serve as the permanent home of Centro DEMOS and sponsor of the training program

IV. PROJECT STATUS

A. PLANNED ROPS

1. National reconciliation/willingness on the part of Salvadoran leaders and their representative groups to listen to and understand opposing viewpoints, engage in dialogue and build tolerance and trust.
2. Plans laid for a more permanent establishment of a Salvadoran forum for dialogue (hereinafter referred to as the Foundation for the Development of the State of Law and Salvadoran Democracy, or FUNDEMOS)

Program to date

Centro DEMOS has brought together 60 participants from a wide cross-section of Salvadoran society including many of the key political, economic, and social organizations. Conferences, workshops, and fora of the first stage of the training program were completed and have provided the participants with experiences and information which are being shared with colleagues and members of their respective organizations.

Centro DEMOS is the mechanism through which the Project is being carried out, but several steps, including identification of a future funding source for this effort, selection of a board of directors, and solicitation of permanent juridics (legal status), are required before the forum for dialogue is permanently established (FUNDEMOS). In the last half of the Project, Centro DEMOS is considering how to achieve each of these steps.

B. MAJOR OUTPUTS

1. Leadership Training Program

- a. Centro DEMOS created/staffed and equipped
- b. Participants selected
- c. Training curriculum devised
- d. Stage one: workshops, fora, and conferences
- e. Stage two: workshops, fora, and conferences
- f. Stage three: strategic studies, workshops, fora, conferences, and field trips

	PLANNED			ACCOMPLISHED		
	LOP	This Semester	Cum	Next Semester	This Semester	% of Cum LOP

a. Centro DEMOS created/staffed and equipped	1	1	1	0	1	100
b. Participants selected	60	60	1	0	60	100
c. Training curriculum devised	1	1	1	0	1	100
d. Stage one: workshops, fora, and conferences				This stage was completed		100
e. Stage two: workshops, fora, and conferences				To be started on April 5, 1994		0
f. Stage three: strategic studies, workshops, fora, conferences, and field trips				To be started on June 7, 1994		0

2. Organizational Technical Assistance

- a. Centro DEMOS Salvadoran Foundation (FUNDEMOS) established

In Progress

C.1 OTHER ACCOMPLISHMENTS AND OVERALL STATUS

ICAS set up and equipped the Centro DEMOS office and hired the staff needed to manage the academic and administrative functions of the Center. The academic team includes five academic advisors in the areas of economics, social issues, the military, politics and the environment, and an Academic Director to oversee the academic activities. An administrative team was also hired to develop Centro DEMOS' administrative and policy procedures manual and its financial and accounting system. Two ICAS senior consultants and in-country Project directors carried out an intensive training program to teach the newly hired staff the conceptual framework and principles behind Centro DEMOS' methodology. Building a sense of trust among the staff, who themselves come from very different political, social, and economic backgrounds, was time-consuming and difficult, yet critical to the success of the Project.

ICAS faced the challenge of finding an affordable, accessible, and neutral place to carry out the training activities. After looking at different alternatives, the Salvadoran Association of Engineers and Architects (ASIA) was found to be the best option since it is centrally located and considered to be ideologically neutral. Translation equipment and video equipment were bought and installed in preparation for the seminars.

The Center solicited ideas from a diverse group of Salvadoran leaders and potential program participants on the most appropriate topics for the training seminars. With this input, the academic team developed the final curriculum of the training program, and selected panels of speakers that would provide a balanced view of the wide range of subjects studied (i.e. conservative, liberal, and moderate thinkers). This curriculum as well as an in-depth description of the Center's methodology were put together in a course catalog.

The academic team identified and selected appropriate groups, and the individuals within those groups, to participate in the training program. The inauguration of the training program was held on January 6, 1994 with 60 participants representing different sectors of Salvadoran society. Stage I of the training component consisted of panel discussions and workshops, and was completed in March/94. This stage moved from general themes and global situations, which are considered safe, to more specific and national topics which are considered taboo due to traditional beliefs, customs, and values. Several international speakers participated in these events such as the Chief of Staff of USAID, Dick McCall, U.S. Congressman, Joseph Moakley, and the Russian analyst, Alexander Tsipko.

The original skepticism that a neutral meeting place where people from all sectors could meet and exchange ideas could be created in El Salvador has been overcome. Centro DEMOS has increased its acceptability as a neutral and credible institution. This is evidenced by its effects on its participants and observers. One participant, a leader of the teachers' union, ANDES, has volunteered his time to edit the transcripts of each seminar. The Universidad Tecnológica considered the level of material presented at the Center to be sufficiently high to offer to grant credit to the participants.

The conceptualization and formation of a non-profit and non-partisan Salvadoran foundation (FUNDEMOS) dedicated to strengthening Salvadoran leadership is underway. The Act of Constitution, by-laws, accounting system and instruction manual, administrative and accounting policies and procedures manual, and organization manuals for FUNDEMOS were drawn up and approved and together provide a comprehensive organizational framework for the Foundation. Future funding, leadership, representative founding membership, and legal status will now have to be addressed.

CH

C.3 WID ISSUES

Twenty percent of participants in the training program are women. They represent institutions and interest groups from varied segments of Salvadoran society, and play a very active role in the discussions. By strengthening the leadership skills of women, the Project is preparing them to play a role in encouraging increased reliance on debate, dialogue, compromise and other democratic non-violent means for resolving conflict and improving national stability.

D. PROBLEMS AND DELAYS

o Non-partisan leadership for FUNDEMOS.

ICAS/Centro DEMOS has held informal conversations with political and intellectual leaders, businessmen, and different groups representing a cross-section of Salvadoran society regarding the establishment of FUNDEMOS. However, it is not an easy task for ICAS to organize a balanced board of directors to lead the Center in a non-partisan fashion. Moreover, until future funding is secured it will be difficult to attract prominent individuals to be members of the FUNDEMOS' board of directors.

o Future funding for FUNDEMOS.

Upon ICAS/Centro DEMOS request, USAID/ODI held two meetings with the two permanent resident advisors of Centro DEMOS on the possibility of future funding for the Project. ICAS will present a new proposal for additional funding (probably for 1 year) to USAID by the end of April/94 in order to continue training activities and provide more time to secure other sources of funding. It is USAID's position, however, that local sources of support should also be sought for this effort.

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

- o Continue to monitor Stage II and III of the training program .**
- o Follow-up on the establishment of FUNDEMOS.**
- o Prepare PIO/T for the final evaluation of the Project.**
- o Review proposal for extension, when submitted.**
- o Work on the amendment to the Project, if USAID decides to add funding.**

AS

PROJECT STATUS REPORT
October 1, 1993 - March 31, 1994

MISSION DIRECTOR RATING: A X B __ C __

I. BACKGROUND DATA

Project Title: Caribbean and Latin American Scholarship Program (CLASP) II
Project Number: 519-0361
Date of Authorization: original 07/02/90 amendment None
Date of Obligation: original 09/30/90 last amendment 12/03/93
PACD: original 07/13/97
Implementing Agencies: USAID/El Salvador
Major Contractors: Development Associates, Inc. (DA)
AID Project Manager: Jalch de Torres
Status of CPs/Covenants: N/A

Date of Last Evaluation: September 1993 Next Evaluation: 1996
Planned number of Non-Federal audits during FY: One
The number of such audits contracted for/completed: One
Date of Last Audit: Date of Next Audit:
CPA Audit: December 1993 December 1994
DCAA Audit: June 1992 Not Scheduled

II. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES

A. Specific Links to Strategic Objectives

The CLASP II project is directly linked to almost all Mission's Strategic Objectives.

- a) S.O.1: Assist El Salvador to make the transition from war to peace. CLASP trains mayors and grassroots local leaders to increase civic participation. It also trains special concern groups from the NRP areas and ex-combatants to make them ready to return to civilian life.
- b) S.O.2: Enduring Democratic Institutions with broad-based participation. CLASP is providing training opportunities in leadership skills and workings of democratic processes in a free market economy to foment participation, mobility and democratic pluralism for all participants (Mayors, Women Leaders, and Labor/Management).
- c) S.O.4: Improved Quality with Equity in Health and Education. CLASP is assisting with development of a more educated and more highly skilled population. This technical training contributes to efficiency and impact, both in public and private sector, and also facilitates integration into the productive process (Physically Challenged, ESL, and Junior Achievement). In primary education training programs, the results have also impacted the K-6 educational system.
- d) S.O.5: Improved Environmental and Natural Resources Management. CLASP has trained 75 environmental specialists and promoters. Many CLASP Alumni groups are receiving environmental and natural resources management seminars in the follow-on component. They carry out such activities in the local communities.

FINANCIAL DATA

Amount Authorized:	DA/ESF Grant:	orig	\$28,500,000 00 amended to \$ N/A
Amount Obligated:	DA/ESF Grant:	orig	\$ 4,983,240 00 amended to \$21,469,479
Amount Committed:	Period:		\$ 7,315,760 00
	Cumulative:		\$ 19,350,728 00
Accrued Expenditure:	Period - Projected		\$ 1,460,100 00
	Period - Actual		\$ 1,771,591 00
	Cumulative:		\$ 9,244,622 00
	Projected Next Sem.		\$ 1,870,787 00
Counterpart Contribution	Planned:		\$ N/A
	Actual:		\$ N/A
% LOP elapsed:			52%
% of Total Auth. Obligated			75%
% of Total Oblig. Expended			43%
% of Total Auth. Expended			32%

B. Percent of LOP Funds Relating to Strategic Objectives

S.O. 1	18%	S.O. 4	25%
S.O. 3	50%	S.O. 5	7%

III. PROJECT PURPOSE AND DESCRIPTION

A. Project Purpose

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

B. Achievements to Date

CLASP II project has trained 611 Salvadoran leaders and potential leaders in democratic practices and technical skills such as disaster relief, community service, protection of environment, enterprise development, health education, municipal management, mass communication, basic education, ESL teaching, university strategic planning, and child care. Of the 611 scholars, 143 have come from ex-conflictive zones (National Reconstruction Plan - NRP).

C. Project Description

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

6. 50% and 20% of Americans in contact with short and long-term Scholars respectively, have increased understandings of El Salvador.

100% of Americans, in contact with scholars have increased understanding of El Salvador

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

54% of scholars.

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

91% are participating in more than one function per year, at local level

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

83%

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

98%

IV. PROJECT STATUS

A. Planned BOPS

Progress to Date

LEADERSHIP TRAINING

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

The scholars (96% short term and (85% long term are transmitting their new learnings through the implementation of action plans including the multiplier effect seminars.

SKILL DEVELOPMENT

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

493 short-term (100%) and 66 long-term (92%) scholars successfully completed training.

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

92% short-term and 94% of long-term scholars are working in areas related to training.

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

90% of short-term and 94% of long-term scholars have returned to their jobs in geographic area of origin.

B. Major Outputs

	Planned				Accomplished			
	This LOP Segment	Next Cum	This Segment	Next Cum	This % of LOP	Next % to Date	This % of LOP	Next % to Date
1. LT scholars trained	330	--	110	--	--	72	22%	12%
2. ST scholars trained	1,250	98	408	142	82	539	43%	88%
3. Total LT and ST Scholars	1,680	98	518	142	82	611	39%	100%
4. Participation of special groups								
a) 40% female participation	632	34	245	71	42	290	46%	47%
b) 10% of U.S. training months at HBCUs	610	--	167	50	--	184	30%	11%
c) 20% long-term training	316	--	70	--	--	72	23%	12%
d) 70% disadvantaged	1,106	70	440	100	55	537	49%	88%
e) Nat. Reconstr. Plan (Rev.)	370	23	69	75	39	143	39%	23%

5. Impact: ESL Teachers, In Oct/Nov Ministry of Education ESL teachers from the 3 regions received 100 hrs. of English training using the new communicative approach methodology developed by long term CLASP scholars. Training was provided by the CLASP long and short-term scholars. The new curriculum for grades 7-9 was validated, revised, reproduced, and delivered to the ESL teachers for nationwide implementation in school year 94. A 4-day training for trainers took place in March prior to a nation-wide massive training of 1,500 MOE ESL teachers on the use and structure of the new program. The curriculum for grades 10-12 will be validated in school year 94. DA and USAID continue to backstop and support all actions to facilitate the follow-on process.

EXPERIENCE AMERICA

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

60% Short-Term and 50% Long-term.

20

1996 Public Administration scholar, Josefina de Tobar, participated in the 20,000th Trainee CLASP Recognition Ceremony, held in AID/W, in February 1994. A 7 year ex-scholar Josefina who has successfully implemented a morbidity-mortality data collection/analysis project in the health clinic of Apameca, Abascochapa has been able to significantly contribute to the improvement of status of health of children in the area. The health unit of Apameca had the highest national level of vaccination coverage (80%) in 1992. This percentage reached 94% in 1993. Several health related data collection/analysis projects are underway by Josefina de Tobar that contribute to more focused project planning in the Health Unit that serves 8000-12000 inhabitants of Apameca and the surrounding areas.

1998 Small Business Administration scholar, Marisol Monge, has changed the direction of her life and those around her after completion of her scholarship program. From a medical student with small business activities, she has now turned into a successful businesswoman and a student of two university careers: sewing industry engineering and business administration. She has employed two deaf-mute employees in her business; has participated in national and international fairs, and plans to establish vocational workshops for physically challenged to assist them to learn new skills and start their own business.

NRP- To date CAPS/CLASP Peace Scholarship Programs have benefited a total of 256 leaders or potential leaders from 82 ex-conflictive municipalities. They include: primary education leaders, mayors, members of service clubs and emergency relief organizations, environmental promoters, health educators, mass communicators, ESL teachers, child care workers, vocational rehabilitation counselors for physically challenged, and mental health promoters.

CAPS/CLASP Programs have trained 140 Mayors, 55 of whom belong to NRP areas. CLASP Training has enabled them to perform more effectively as municipal leaders.

ASALDIO excombatant scholars attended a two-day technical seminar on "how to start a business". The group had high evaluative comments of the content, presentation, and usefulness of the seminar. Several of them had developed concrete projects to implement. They received technical assistance and support from CAM and INSAPORP.

C. Other Accomplishments and Overall Status

C.1 General

- a) New programs; 24 Vocational Rehab. Workers for Physically Challenged from ASALDIO and ALPAES and 12 University Planners from the National University departed and returned from U.S. training; 21 Vocational Rehab. Workers for Mentally Challenged and 23 Mental Health Workers received their pre-departure training and are currently in the U.S. A second group of 18 University Planners has been selected and are now receiving their in-country training. Recruitment process started for the first group of 12 Rehab. Counselors from CERPROFA.
- b) Eleven top level representatives from the private sector attended seminars in Washington with labor related U.S. government officials and observed models of labor management relationships in Detroit. The 2-week visit is part of the CLASP program directed to improve the relations between the labor unions and the private sector, a deep seated historical problem for El Salvador.
- c) Needs Assessment/program design phase in process for Community Leaders program from NRP areas and Public Sector Planners program.

- d) a complete verification of CLASP Alumni addresses in the three regions was conducted through mailing questionnaires and site visits.
- e) Follow-on activities; 3 two-day re-entry seminars were conducted for 70 returned scholars
- f) Four technical workshops were conducted for 90 returned scholars.
- g) 82 short-term scholars returned to the country. To date, 493 short-term and 72 long-term scholars have completed their programs. Currently 46 scholars are in U.S. training.
- h) Four technical seminars were conducted for scholars from 9 different departments. A total of 421 scholars attended.
- i) Other; Contract Amendment No. 2 with Development Associates was signed.
- j) OET representatives conducted monitoring visit to three U.S. training sites.
- k) El Salvador's CLASP program is being used as a model to improve participant training

C.2 WID Status

CLASP is surpassing the 40% female participation goal. To date 290 (47%) women have benefited from CLASP training. The evaluation survey has indicated that a significant percentage of female participants, upon completion of training, adopted increased responsibilities, received income increase and promotion.

D. PROBLEMS AND DELAYS

None

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

1. Send to U.S. training: a) 18 University Planners; b) 24 (2 groups) of Vocational Rehab. Counselors from CERPROFA; c) 75 (3 groups) of NRP Community Leaders; and d) 25 labor sector members
2. Send a combined group of 20 top level private and labor sector representatives
3. Carry out Fifth Annual Reunion for CAPS/CLASP scholars from the Central Region
4. Publish CLASP Alumni Directory and information brochures. Also produce a video tape on the Program.
5. Sign Contract Amendment No. 3 with Development Associates, Inc.

a:\1190X.wpf

04.12.94

v-11

PROJECT STATUS REPORT
October 1 1993 - March 31 1994

MISSION DIRECTOR RATING: A B X C

I. BACKGROUND DATA

Project Title: Municipal Development Project
 Project Number: 519-0388
 Date of Authorization: Original September 30, 1993
 Date Funds Available: Original September 30, 1993
 PACD: 12/31/95
 Implementing Agencies: COMURES, MIPLAN, (ISDEM, SRV)
 Major Contractors: To be selected
 Project Manager: Thomas R. Hawk
 Status of CPs/Covenants: All met
 Date of Last Evaluation: N/A Next evaluation: November 95
 Planned Number of Non-Federal Audits during Fiscal Year: None
 The Number of such Audits Contracted for/Completed: None
 Date of Last Audit: N/A Next audits:

FINANCIAL DATA

		FY 1994
Amount Authorized:	Grant Original	\$4,000,000
Amount Obligated:	Initial	\$2,406,057
Amount Committed:	Period	\$ 2,000
	Cumulative	\$ 2,000
Accrued Expend.:	Period Projected	\$ --
	Period Actual	\$ --
	Cumulative	\$ --
Counterpart Contrib.:	Planned Next Sem	\$ 200,000
	Planned	\$1,630,000
	Actual	\$ --
% LOP elapsed:		22%
% of Total Auth. Oblig.:		60%
% of Total Oblig. Expended:		0%
% of Total Auth. Exp.:		0%

II. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVE

A. Specific Linkage to Strategic Objective

This project directly contributes to the S.O. 3, Promoting Enduring Democratic Institutions with broad-based participation by enhancing the participation of the Salvadoran populace in the democratic process and improving the capacity of municipalities to respond to the needs of their constituents.

B. Percent of LOP Funds Relating to Strategic Objective

100% of the budget directly contributes to promoting democratic institutions and practices.

III. PROJECT PURPOSE AND DESCRIPTION

A. Project Purpose

Promoting enduring democratic institutions and practices in El Salvador by enhancing the participation of the Salvadoran populace in the local democratic process and improving the capacity of municipalities to respond to the needs of their constituents.

B. Achievements to Date

During this period there was a selection of the two pilot departments, Sonsonate and Usulután. An RFP for the institutional contractor was issued; proposals are due in May.

C. Project Description

The Project is designed to provide technical assistance, training and a limited amount of commodities to the Ministry of Planning, COMURES and other entities as appropriate for the purpose of enhancing the participation of the Salvadoran populace in the local democratic process and to improve the capacity of the municipalities to respond to the needs of their constituents. The Project is composed of three major components:

- Policy Reform and Formulation: Technical Assistance and training to move forward with the National Decentralization and Municipal Development Strategy and to identify, analyze, and facilitate the reform/formulation of policies leading to more autonomous and participatory municipal governments.
- Municipal Strengthening: Includes T.A. and training to develop the administrative, technical and financial capacity of municipalities to respond effectively to the needs of their constituents by providing improved, expanded public services on a sustainable basis.
- Local Democratic Development: The project will increase and enhance citizen participation in the local decision-making process.

0.9

IV. PROJECT STATUS

A. Planned SOFS

1. Legal reforms including: 1) legislation for strengthening municipal finances; 2) enabling legislation and/or other legal means to allow for decentralized administration of basic services; and 3) preliminary groundwork legislation to broaden political representation on municipal councils (to be pursued during the expanded Project upon completion of the pilot phase).
2. Selected municipalities will have updated and computerized cadastral systems for implementing a property tax and for increasing current taxpayer roles.
3. Additional significant revenues will have been generated by all municipalities in the pilot program through more effective tax administration and new collection techniques; full utilization of existing laws; and updated service fee rates to reflect cost plus a reasonable surplus.
4. Municipalities selected under the pilot program will have a capital investment budget that accounts for at least 20 percent of total municipal expenditures.
5. Selected municipalities within the pilot Departments will be operating their own systems for selected basic services and showing a net gain in municipal revenue.
6. Municipalities selected for the pilot phase will have implemented at least one revenue-generating project with Municipalities in Action (MEA) Program resources.
7. Enhanced citizen participation in local government will be achieved through participatory mechanisms established in the Municipal Code. N3Os will be utilized as one means of enhancing citizen participation.
8. A citizenry educated regarding local democratic development and their role in the process.

B. Major Outputs

	Planned			Next Sem.	Accomplished		
	LOP	This Sem.	Qm.		This Sem.	Qm.	% OF LOP
1. Percentage of Cantones attending Open Town Meetings	90%	85%	85%	85%	68%	68%	76
2. Regular use of open municipal council meetings in 39 municipalities	39	3	3	2	1	1	2.5
3. Annual increase in locally generated revenue in 39 pilot municipalities	30%	30%	30%	20%	35%	35%	116
4. National budget transfer to local government	3.5%	0.25%	25%	2.5%	0.25%	0.25%	7.0
5. Municipalities managing Water Systems and primary schools in 39 pilot municipalities	39	0	0	0	0	0	0

C.1 Other Accomplishments and Overall Status

1. Selection of pilot areas for the project, Usulután and Sonsonate.
2. RFP for the institutional contractor was announced in the CBD.
3. Fiscal Federalism Study was completed.
4. A study for the water system in contiguous jurisdictions in Usulután is continuing at ISDEM and COMURES.
5. A draft for a Municipal Property Tax Law was finished and presented by the ISDEM contractor.

C.2 Women In Development

1. Special emphasis will be given to women Mayors in the pilot municipalities.

D. Problems and Delays

1. Lack of support for the Municipal Property Tax Law from some GOES sectors; legislation has not been presented.
2. CDM internal power struggle.

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

1. Select and contract the institutional contractor.
2. Continue policy dialogue with GOES in order to obtain approval of Municipal Property Tax Law.
3. Continue to work closely with the mayoral association (COMURES) to strengthen its role as the legitimate mayoral voice in the decentralization and municipal development process. Conformation of the new board of directors will be key in this effort.
4. Monitor the training of new mayors and council members (524) to be implemented by ISDEM-COMURES-SRN-ISAM during April.
5. Select pilot municipalities.

100

PROJECT STATUS REPORT
October 1 1993 - March 31 1994

MISSION DIRECTOR RATING: A ___ B ___ C ___

I. BACKGROUND DATA

Project Title: Social Stabilization and Municipal Government Strengthening *

Project Number: N/A

Date of Authorization: original N/A amendment: 12/31/92

Date of Obligation: original MOU 1987 last amendment: 12/31/92

PACD: N/A amended to 00/00/00

Implementing Agencies: SRN, ISDEM, COMURES

Major Contractors: N/A

AID Project Manager: Thomas R. Hawk

Status of CPs/Covenants: N/A

Date of Last Evaluation: December 1993

Next evaluation: N/A

Planned Number of Non-Federal Audits during Fiscal Year: One

The Number of such Audits Contracted for/Completed: Contract in Process

Date of Last Audit: 09/31/91 and an on-going/concurrent N/A

Next Audit

FINANCIAL DATA (HGOLC)

	MOU/	ESF/92	ESF	PL-480
Amount Authorized:			\$	--
Amount Obligated:			\$19,909,000	163,000
Amount Committed:	Period:		\$ 6,627,711	163,000
	Cumulative:		\$15,233,408	
	Advanced:		\$ 1,583,374	163,000
Accrued Expend.:	Period - Projected		\$ 8,730,388	163,000
	Period - Actual		\$ 5,044,337	
	Cumulative:		\$ 8,935,444	
	Projected Next Sem.		\$ 5,915,250	163,000
Counterpart Contrib.:	Planned:		N/A	N/A
	Actual:		N/A	N/A
% LOP elapsed:			N/A	N/A
% Total Auth. Obligated			100%	100%
% of Total Oblig. Expended			70%	0%
% of Total Auth. Expended			70%	0%

II. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVE

A. Specific Linkage to Strategic Objective

The Project directly contributes to S.O. 3, Promoting Enduring Democratic Institutions with broad based participation by strengthening local government, encouraging devolution of power to local level, promoting citizen participation and responding to the basic infrastructure needs of the communities.

B. Percent of LOP Funds Relating to Strategic Objective
 100% of the budget directly contributes to promoting democratic institutions and practices.

III. PROJECT PURPOSE AND DESCRIPTION

A. Project Purpose

To support the strengthening of the democratic process at the grassroots and local government level and to increase local revenues.

B. Achievements to Date

During this period there have been 138 Open Town Meetings with a total participation of 61,876. The total number of small-scale infrastructure projects executed was 275. Also, 231 municipalities have updated their tariff rates based on the Ley General de Tribu-tacion Municipal approved by the Legislative Assembly in December 1991, but only 167 have been published in the Diario Oficial. The ISDEM/ACNUR Documentation Project is under way and has issued 260,966 documents.

C. Project Description

The Project seeks to establish functional democratic governments in the 146 municipalities of the Republic of El Salvador and has two complemen-tary major activities that support the strengthening of the democratic process at the grassroots level:

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

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

* This project only covers 146 municipalities outside the PRM areas.

101

IV. PROJECT STATUS

A. Planned BOPS: The Project targets the following:

1. Increased responsiveness of local governments to their constituencies.
2. Improved basic infrastructure in 146 municipalities outside the PRN.
3. Increased local capacity to resolve local problems, including increased capacity to generate revenues.
4. Local level economic reactivation through project-funded small infrastructure activities.

B. Major Outputs

	Oct. 1 1993 - March 31 1994				
	LOP	Planned	Actual	Cumulative	%
Basic Infrastructure Projects	556	300	275	660	118
Open Town Meetings: Events*	600	292	138	598	99
Total Attendance:*	146000	100000	61876	103721	71
Participants trained by ISDEM	1000	550	297	591	60
I.D. issued by municipalities*	N/A	45818	6784	260966	N/A
Municipal Records replaced*	3000	300	165	3479	116
Percentage of Cantones attending Open Town Meetings	90%	80%	68.70%	68.70%	

C.1 Other Accomplishments and Overall Status

1. SABE Action Plans were completed and 519-0320 Project funds have been disbursed.
2. 167 Municipalities have updated their tariff schedules. Excluding San Salvador and the transfers from the central government to municipalities, revenues have increased by 100% over the previous year.
3. ISDEM's documentation project, with ACNUR support, has issued 260,966 new documents and 1,131,250 birth certificates.
4. The Comité de Descentralización y Desarrollo Municipal (CDM) is developing a five year Municipal Development and Decentralization Strategy.
5. A draft property tax law was completed by ISDEM, and support for its adoption by the National Assembly is being sought.
6. MEA evaluation was completed by Checchi and Co. with good results. Among the findings were:
 - Local government is an effective vehicle for prioritizing and implementing multisectoral investment.
 - The popular image of national government is enhanced by improving the image of local government.
 - People want to participate in local government. The more they participate, the more willing they are to contribute their own resources and to help maintain projects.

C.2 Women In Development

Of 626 projects implemented by the municipalities, more than 50% of the beneficiaries have been women, e.g., farm-to-market road projects, schools and community centers.

D. Problems and Delays

1. Monitoring capacity of SRN field people continues to suffer from logistical support deficiencies.
2. Contracting of a NF audit is still pending.
3. Some GOES members are not fully supportive of the Municipal Property Tax, at least not during pre-elections period. Legislation has not yet passed.

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

1. Training of new mayors will be key element for MEA and the new MDP 519-0388.
2. MEA amendment will be negotiated which will include a higher threshold to become eligible for funding, such as a) 25% counterpart funding, b) only funding infrastructure that municipalities control, c) municipal budget must include 10% locally generated resources for capital investments, d) council meetings open to the public. These changes have been discussed with the SRN and are included in the proposed MEA amendment.
3. RUD will emphasize the need for the SRN to rationalize the procurement of new vehicles for field personnel and their use by existing ONG's.
4. IRD will continue, in coordination with Senior Mission Management, to educate the members of Congress and GOES officials about the need for the property tax. ESF conditionality also will be addressed.

* These figures reflect numbers for period 1/1/93 - 03/31/94.

1077

Strategic Objective 4: Improved Quality with Equity in Health and Education.

PROJECT STATUS REPORT
October 1, 1993 - March 31, 1994

MISSION DIRECTOR RATING: A B X C

I. BACKGROUND DATA

Project Title : Health Systems Support Project
Project Number : 519-0308
Date of Authorization : Original 08/28/86 amendment 06/19/91
Date of Obligation : Original 08/29/86 last amendment 04/01/93
PACD : Original 09/30/91 amended to 09/30/94
Implementing Agencies : MOH
Major Contractor : Clapp & Mayne
AID Project Manager : Jack R. Dale
Status of CPs/Covenants: CPs to First disbursement -All Met:12/19/86
Covenants: all 9 covenants met 5/28/91
Amendment : CPs 7 - 6 met, 1 on going
Covenants 3 - 2 met, 1 on going

Date of Last Evaluation: 12/01/93 Next evaluation: 1/96
Planned Number of Non-Federal Audits during Fiscal Year: 1
The Number of such Audits Contracted for/Completed: 0
Date of Last Audit : 03/22/90 Next Audit: 05/15/94

FINANCIAL DATA

Amount Authorized:	DA/ESF Grant: orig	\$48,000,000	amended to	\$77,000,000
Amount Obligated :	DA/ESF Grant: orig	\$14,900,000	amended to	\$70,658,000
Amount Committed :	Period	\$ 7,039,976		
	Cumulative	\$66,799,587		
Accrued Expend :	Period - Projected:	\$ 5,000,000		
	Period - Actual	\$ 4,567,823		
	Cumulative	\$60,015,870		
	Projected Next Sem.	\$ 3,000,000		
Counterpart	Planned	\$50,538,000		
Contribution :	Actual	\$40,000,000		

% LOP Elapsed 94%
% of Total Auth. Oblig. 92%
% of Total Oblig. Expended 85%
% of Total Auth. Expended 78%

II. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVE

This project supports the Mission's Strategic Objective No. 4 to improve quality and equity in health and education by increasing contraceptive prevalence and increasing access to health and child survival services. Specifically, the project will strengthen the MOH in logistics, basic health services delivery, policy and planning and management. The project also supports the Mission's Strategic Objective No 1 to assist El Salvador to make the transition from war to peace through certain Project activities focusing on NRP areas to reestablish access to basic services.

B. Percent of LOP Funds Relating to Strategic Objective:
60% objective No.4 and 40% objective No.1.

III. PROJECT PURPOSE AND DESCRIPTION

A. Project Purpose

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

B. Achievements to Date

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

(B. continued)

population of El Salvador. It has played the most important role in improving the basic management systems of the MOH. It has stimulated and supported a series of key policy reforms within the MOH. Several concrete successes contributing to project purpose are:

- The MOH has doubled the number of its community health promoters and is planning an additional 50% increase.
- Procurement, reception, and distribution system of pharmaceuticals is considered one of the best in Central America, according to recent APSISA Project evaluation.
- Malaria cases have dropped dramatically in the country.
- Hospitalized private and institutional patients in MOH facilities are covering all corresponding costs.

C. Project Description

The project provides commodity assistance to the MOH to meet the gap between public health sector needs and what can be provided through the regular GOES budget. This is done to maintain basic services at all MOH facilities and assist the MOH to resolve key impediments to the provision and extension of basic health services to underserved areas. Project has also supported MOH on needed reforms to increase revenues, rationalize the planning process, and optimize personnel levels. NRP Project resources are being used to support and restore health services in ex-conflictive areas.

IV. PROJECT STATUS

A. Planned BOPS

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

Progress to Date

85% Rural
85% Urban
Community Health Program serving 1,442 rural communities
83% of random sample of facilities surveyed had 100% of recommended basic drugs.
82% functioning

B. Major Outputs

	Planned				Accomplished		
	This LCP	Next Sem.	Next Qtr.	Next Sem.	This Sem.	% of Cum.	% of LCP
90% of primary care facilities have adequate water and sanitation	64	0	54	0	5	41*	64
Vehicle fleet upgraded:							
Vehicles	250	0	223	0	0	223	89
Motorcycles	90	0	152	0	0	152	169
Rural Health Aid Program expanded and improved	Developed MIS System for Consolidated Pgm. 3/yr.				Dev. MIS System for Consolidated Pgm. 100		
Residual spraying for malaria (3 cycles/yr)	2,000	0	2,026	0	0	2,533	127
Emer. Med. Svcs. Mgrs. Trnd.	2,000	170	1,499	45	30	1,843	92
Health Promoters Trnd.	2,000	50	1,393	50	40	1,722	86
Nurses Trained	-	5	28	Sub-systems	0	0	42 Sub-systems
Computerized MIS installed	1,000	120	847	25	150	1,528	153
MOH staff trnd computers	50	4	47	2	6	53	106
Applied Health Services studies completed	250	10	165	10	26	194	78
MOH staff trnd policy/program planning	1	0	1	0	0	1	100
Decentralization Plan	1	0	0	0	1	1**	100
Cost Recovery Plan							
NRP outputs							
Primary health facilities with adequate water and sanitation	73	15	61	10	16	40	55

* Revised figure

**Completely designed and partially implemented

(Full implementation awaiting Presidential endorsement of law)

C. Other Accomplishments and Overall Status

- APSISA evaluation completed.
- Completed repairs in potable water and sewage system for 16 health facilities under NRP.
- Prepared bid documentation for the repairs of potable water and sewage systems for 6 health facilities under NRP.
- 70 new malaria voluntary collaboration trained (ex and non conflictive areas).
- Completed 6 small malaria drainage projects.
- 250 promoters trained in monitoring child growth and 90 trained in contraceptive methodology.
- Bicycles and vehicle maintenance tools distributed to 5 regions.
- Last pharmaceutical PIO/C issued.
- Amendment No. 9 to the Project Agreement for GOES signature.
- Insecticide and syringe purchases received in country.
- Printing materials (pamphlets, brochures, charts, etc.) distributed to all regions.
- Central and Western Regional Warehouses building completed (counterpart funds).
- Provide support to the Health Sector Assessment Team.
- Malaria cases down from 4,539 in Dec. 92 to 3,884 in Dec. 93.

D. Issues

1. Issues from Previous SAR.

Issues: Delay in implementing Cost Recovery System.

Status: The MOH has completed their part of the agreement; the system was designed, adopted and partially implemented. Presidential approval has been granted for institutional and private patients.

2. This Period

Issues: MOH has requested a 2 year no-cost extension for the APSISA Project.

Status: Mission has agreed to an 18-month no cost extension. However a first stage 4 month extension is in progress to accomplish full procurement of pharmaceuticals and reproductive health equipment and contraceptives, and allow Mission and GOES officials to discuss new Project re-design.

D. continued

Issue: New Project extension to March 31, 1996.

Status: Mission is to initiate negotiations with new GOES officials as soon as the recommendations of the HSA are completed and new authorities are appointed.

E. WID Issues

65% of the health promoters trained were leading women in their communities. This will provide a much better development in those communities as women are the principal users of primary health care services. Also, their position as educators of their children makes them appropriate change agents within the community.

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

- Re-design of the APSISA Project to reflect: a) findings and recommendations of the HSA; b) findings and recommendations of the APSISA evaluation; c) new USAID emphasis on family planning/reproductive health; d) micronutrients and Vitamin A related activities; and e) continue policy dialogue.
- Finalize Project PACD extension for 4 months.
- Finalize Project Agreement Amendment (re-design).
- Initiate repairs in water and sewage systems of 6 NRP health facilities.
- Continue to stock pharmaceuticals in all facilities located in ex-conflictive areas.
- Monitor reception of pharmaceuticals in all health facilities under NRP.
- Train approximately 150 new health promoters.
- Train all regional warehouse personnel in good warehousing procedures.
- Train regional personnel in vehicle maintenance.
- Train approximately 50 new malaria collaborators for NRP areas.
- Initiate transfer of Central and Western Regional Warehouses to new locations.
- Continue to support the HSA Team.
- Assist in the preparation and implementation of the WASH workshop.
- Monitor reception in country of new pharmaceutical purchase and arrival of 8 trucks for 4 regional distribution warehouses.
- Prepare PIO/T for new T.A. to the MOH.

IV. PROJECT STATUS:

A. Planned EOPS

Progress to Date

1. Increase from 120,000 CYP's(*) to 200,000 by 1995	Est. 191,000 (*)
2. Increase ORS treatment by 20%	47 %(**)
3. Increase rural contraceptive prevalence(***) from 34% to 40% by 1995	42.8%

(*) Couple Years of Protection. According to FESAL-93 data and the 1992 census, a total of 339,158 women in fertile age were contracepting by mid-1993 and approximately 91,000 (27%) were attended by the SDA. CYP's are not measured by FESAL, only users.

(**) Corrected figure as it will be reported in the Final FESAL-93 Report. In 1988 FESAL showed that ORS treatment was utilized at 10.8%.

(***) Includes all methods.

B. Major Outputs

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

Component I:

1. Health promoters working	1,150	130	974	180	182	877(1)	76%
2. CBD's reduced from 800 to 400 posts	400	0	188	0	40	420(2)	105%
3. Marketplace clinics	12	0	11	1	1	11	92%
4. Satellite clinics	6	0	6	0	0	6(3)	100%
5. Private physicians network	50	7	49	1	11	49	98%

B. Major Outputs

(Cont.)

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

Component II (1992-1993):

Central Referral Clinic	1	0	0	0	0	0	0%
-------------------------	---	---	---	---	---	---	----

Component III (1993):

1. Demographic Health Survey	1	0	0	0	0	1	100%
2. MCH Morbidity and Mortality Study	1	0	0	0	0	0	0%

C. Other Accomplishments and Overall Status

1. Since the beginning of the project, the SDA has printed a total of 1,625,000 pamphlets on health and family planning, and distributed a total of 1,414,900. During the reporting period, the SDA distributed 227,000 pamphlets.

2. The SDA finished the analysis of FESAL-93 data and the preparation of the final report, with the technical advice of CDC. Also, through the FESAL interinstitutional committee, a dissemination workshop has been planned for April 1994.

3. The SDA bid the distribution of contraceptives of the social marketing program through a local distributor; however, no final decision was made because of the high fees the bidders requested. In January 1994 the SDA requested USAID authorization to contract two salesmen to continue selling contraceptives to the pharmacies. Meanwhile, technical assistance from SOMARC will be obtained.

4. During this period the 877 Health Promoters provided services in their communities, as follows: 53,283 diarrhea cases treated; 237,096 ORS's distributed; 46,011 children and 11,891 pregnant women received vitamins; 43,475 children referred for vaccination; 28,819 ARI cases referred for treatment; and 13,687 CYP with distribution of pills, condoms and injectables.

5. To address the issue of Sustainability, the SDA has received short term technical assistance on three occasions during the last two years. As a result, the SDA has developed a series of actions that they have started to put into operation. The actions are: (a) revision and increase of fees, including payments for clinical and laboratory services, medicines and contraceptives in the clinical program and in rural communities; (b) selling of technical services including research, evaluation and audiovisual services to private and public sector groups; (c) expansion of the Social Marketing program of contraceptives including changing the strategy for marketing contraceptives, modifying the price structure to increase it and inclusion of new products; and, (d) opening of a hospital to offer private medical and surgical services to the public at a profit to cross subsidize the family planning program.

(1) 320 Health Promoters are working in ex-conflictive areas. The cumulative total number of promoters is not equal to the sum of the previously reported cumulative total and total for this semester, due to health promoters quitting altogether or leaving SDA for the MCH.

(2) Presently, a total of 380 CBDs posts are functioning; the SDA will open 20 additional posts to achieve the 400 goal of the project. Like footnote (1), the figures do not clearly add up due to the fact that more than the required 400 posts are closed and additional ones opened due to relocations.

(3) The SDA is planning to increase the number of satellite clinics for 1994, subject to the results of the May 1994 mid-term project evaluation.

Handwritten mark

D. Issues

1. Update from Previous SARs Issues: Reduction of the LOP planned counterpart from 39% to 25% minimum. Status: The SDA did not officially submit a request for decreasing counterpart contribution and therefore no action has been taken in this regard. The SDA has accomplished 42% of the LOP counterpart contribution. They want to start operating the hospital and selling services before making a final decision to request a reduction of the counterpart contribution. In addition, during the coming semester, the SDA will review its counterpart contribution on the basis of the guidelines provided in the MOM and on the new audit standards for counterpart contribution.
2. This Period: The major problem faced during this semester has been the delay of the mid-term project evaluation, due to the slow process followed by AID/W for the issuance of a work order under the selected IQC firm.

E. Women in Development

This project's primary target population is women in fertile age plus children under five. The positive impact this project is having on women has been measured in the FESAL-93. Health indicators in the 1993 FESAL compared with the 1988 FESAL show an increase in prenatal care and number of attended deliveries and a decrease in child and infant mortality. This will contribute to increase national productivity. In addition, 89% of the SDA rural health promoters are women (781 of the 877), 36% of the SDA executive staff, and 54% of the total SDA workforce are women.

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

1. The mid term evaluation will start on May 2nd., 1994. Responsible: Development Associates with the support of SDA.
2. Project amendment to obligate US\$2,978,000 and raise total obligation to US\$21,558,327. Responsible: AID/W and USAID.
3. Technical assistance for the social marketing program to be provided by a centrally funded contract with The Future Groups (SOMARC). Responsible: USAID and SOMARC.
4. Design, production and diffusion of the mass media publicity campaign. Responsible: OCC and SDA.

PROJECT STATUS REPORT
October 1, 1993 - March 31, 1994

MISSION DIRECTOR RATING: A X B C

I. BACKGROUND DATA

Project Title : Maternal Health/Child Survival (PROSAMI)
 Project Number : 519-0367
 Date of Authorization : Original 07/27/90 amendment 00/00/00
 Date of Obligation : Original 07/27/90 last amendment 03/23/94
 PACT : Original 07/31/97
 Implementing Agencies : Private Voluntary Organizations presently working in El Salvador
 Major Contractor : Medical Service Corporation International
 AID Project Manager : Fred Thill
 Status of CPs/Covenants: CPs to first disbursement met

Date of Last Evaluation: N/A Next Evaluation: 5/94
 Planned Number of Non-Federal Next Audit: 1/95
 Audits During Fiscal Year: 36H
 The Number of such Audits Contracted for/Completed: 36
 Date of Last Audit: DCAA Audit 9/92
 Limited Financial Review 7/91

FINANCIAL DATA

Amount Authorized:	DA/ESF Grant: orig \$25,043,355	amended to \$ N/A
Amount Obligated :	DA/ESF Grant: orig \$ 3,772,000	amended to \$21,699,000
Amount Committed :	Period	:\$ 2,029,549
	Cumulative	:\$21,194,107
Accrued Expend :	Period - Projected:	\$ 2,200,000
	Period - Actual	:\$ 3,731,563
	Cumulative	:\$11,032,424
	Projected Next Sem.	\$ 3,000,000
Counterpart	* Planned	:\$ 6,260,833
Contribution	Actual	:\$ 2,096,2 8

% LOP Elapsed	52%
% of Total Auth. Oblig.	87%
% of Total Oblig. Expended	51%
% of Total Auth. Exp.	44%

*Under Mission review

II. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVE

A. Specific Linkage to S.O.

The project directly contributes to Mission's Strategic Objective Nr. 4 "Improved Quality with Equity in Health and Education" by providing maternal health and child survival services to some 433 mostly rural high risk communities. This is accomplished through community participation with 456 health promoters, 773 traditional midwives (TBA's), health committees and volunteers. Services provided make a direct contribution to four of the five Mission's Strategic Objective performance indicators.

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

III. PROJECT PURPOSE AND DESCRIPTION

A. Project Purpose

Expand community based maternal health and child survival services through Private Voluntary Organizations (PVOs) in those geographical areas where such services have been weak or nonexistent.

B. Achievements to Date

The project is comprised of 36 Salvadoran PVOs serving an estimated population of 439,882 in 433 cantons nationwide which has far exceeded project's original goals. The number of promoters, clinics, and TBAs continued to increase over the period. Quantitative evaluations showed a high degree of primary and secondary health care coverage in Project communities. The Project/PVO network continued to grow in strength and national recognition.

C. Project Description

The Project has three major categories of activities: Maternal Health/Child Survival Service Delivery, Institutional Strengthening of PVOs, and Coordination, Policy Development and Research. The Project provides grants, technical assistance and training to 36 local PVOs to expand community based health services to high risk communities. Principal beneficiaries are women, of fertile age, and children under the age of five living in at least 433 rural or marginally urban communities.

IV. PROJECT STATUS

A. The Project network includes 36 PVOs with 4-5 year grants. All 36 PVOs have been in full field implementation since January 94. Project coverage has grown to an estimated 439,882 persons in 433 cantons. Some 57% of the population served is in NRP areas.

110

B. Major Outputs

	Planned		Accomplished		%	
	This LOP Sem.	Cum. Sem.	Next Sem.	This Sem.	Cum. Sem.	LOP
<u>LOP</u>						
<u>MCH services extended or expanded in high risk communities</u>						
-Beneficiary communities**	350	0	423	0	10***433	MET
-Beneficiaries (000)	350	0	438	0	2 440	MET
-Health Promoters	410	0	394	0	143***537	MET
-Traditional Birth Att.	141	0	393	0	20***413	MET
-Clinics	10	10	51	10	121 172	MET
-Community Committees	350	0	739	0	0 739	MET
-Water Systems (new)	25	2	4	2	10 14	56%

A Network of Strengthened PVOs Providing MICS Service

a. Project PVO's

-Private Vol. Organiz.	35	0	36	0	0	36	MET
-Personnel Trained	480	170	662	200	170	662	MET
-Personnel Receiving T.A.	70	216	418	200	200	402	MET

(*PVO personnel may receive training in more than one area)

Enhanced Inter-Agency Coordination, Info Dissemination

-PAC/EO Director Mtgs	14	0	5	1	2	6	43%
-PVO Coord. Body Activities	NA	1	11	1	1	11	-
-OIC/MCH Activities	NA	150	2359	200	724	2933	-
-Newsletter Disseminated	24	2	11	2	2	11	46%
-National Seminars	10	1	8	1	2	9	90%
-Other PVO's Trained	50	0	166	0	0	166	MET

* Data through 12/93

** Cantons only

***Data from previous SERS. PROSAMI PVO's only reported this data this semester

C. Other Accomplishments and Overall Status During Period

During this period, the Project completed basic technical and administrative training for the staff of the 17 third round PVOs (217 people). Once staff was trained, the PVOs and PROSAMI implemented an intensive 3-month basic course for 173 new community health promoters. Upon graduation, these health promoters received

their national diploma signed by the Minister of Health (MOH) - a special achievement as this was the first time that health promoters, trained by PVOs, were recognized at the national level. In January, the 17 third round PVOs and their promoters commenced full field implementation of their Projects.

The 19 PVOs from the first and second funding rounds and their 283 health promoters continued to implement their projects in rural communities serving a population of 269,882. During this period, 12,967 group education sessions were conducted, promoters made 124,911 home visits and individual education was provided to some 171,519 persons. An estimated 143,690 community members volunteered time, and a total of 121 new rural clinics were established. Field reports showed 141,498 pediatric patient visits, 2,021 births attended, 26,728 doses of Vitamin A administered, 16,748 prenatal and postpartum visits, 1,729 women provided full family planning coverage, and 17,301 vaccines applied. 567 water systems and 3,103 latrines were constructed or improved, and 20 TEA's were trained.

Quantitative evaluations showed high coverages of the following: 85% diarrheal cases were treated with ORS, 100% follow-up of dehydration and pneumonia, 100% referral of severe ARI, 96% referral of severe undernutrition, contraceptive coverage was in line with national data. 72% coverage of newborn care, 64% coverage of growth monitoring, 48% coverage of Vitamin A needs and 12% for iron. PVOs received high marks for community participation during the period. Each health promoter conducted an average of 4 general assemblies, 4 health campaigns, provided 35 group education sessions and worked with 30-40 community volunteers.

An external evaluation of the ARI Component (USAID/WHO) concluded that PROSAMI reduced pneumonia deaths among children under five through community-level treatment, and also demonstrated the feasibility of delivering ARI services through a unified PVO network. This Project has developed a methodology of major importance for future ARI control in other developing countries.

1. NRP Activities (57% of the Project population):
Activity - From July 1993 thru Dec. 1993 NRP population is 57% of the project population (Figures in parentheses are accumulative thru Dec. 1993.)

- 1. of cantons: 247
- 2. of beneficiaries (direct and indirect): 251,172
- 3. of clinics established: 58 (98)
- 4. of health promoters recruited: 106 (306)
- 5. of TBAs recruited: 196 (216)
- 6. child visits for diarrhea: 13,551 (32,904)
- 7. child visits for ARI: 28,642 (57,328)
- 8. births attended: 1154 (1,677)
- 9. immunizations to children under 5: 9,635 (23,457)
- 10. of home visits conducted: 44,326 (148,144)
- 11. of educ. sessions with community groups: 5,914 (13,256)
- 12. of educ. sessions with individual community members: 73,297 (161,191)
- 13. of health committees formed: 319 (615)
- 14. of campaigns/general assemblies: 1,345 (2,719)
- 15. of community volunteers donating time to the project: 5,039 (15,102)
- 16. of physical sites donated by the community: 1,302 (2,964)

2. Issues

Previous SAR (update):

The issue of health promoter location persisted during this period as MOH/PROSAMI continued simultaneous rural expansion. Some resolution was achieved when PROSAMI conducted an analysis in the document Health Risk by Canton, 1994 El Salvador. It showed MOH promoter coverage in 12.7% (1,352) of cantons nationwide, and PROSAMI promoter coverage in 16.9% (433). Both the MOH and PROSAMI were shown to have promoters in an additional 7% (180) cantons, for a total combined national canton coverage of 76.6% for PROSAMI/MOH. PROSAMI and the MOH have begun the process of analyzing the 180 cantons with both health promoters; many of these cantons can accommodate additional promoters due to large/dispersed populations. Real duplication is estimated to be approximately 1.4%. PROSAMI will continue to work with the MOH on this issue.

The previous issue of vehicle donation was resolved with the assistance of a lawyer and the Embassy's acceptance of PVO NITs. All but two of the PVOs have received their vehicles. The two still pending are awaiting their final papers from Transito.

Legal status for Project PVOs continues to be a problem, not only for PROSAMI implementation, but for full national PVO participation as recognized representatives of the civil society. Without legal status, PVOs cannot apply for funding from GOES and most donor sources. Even with PROSAMI legal assistance, only one of the PVOs has been legalized over the past six months; 14 are still pending. PROSAMI will continue its efforts to assist PVOs with this issue until it is resolved.

This Period: No issues.

E. WID Issues

PROSAMI continues to work to empower both rural and professional women, by strengthening their capacity to participate as wage earners and increasing their voice in their community's and country's needs. Sixty-two percent of PVO personnel funded by the Project are women.

Half of the 36 PVOs in the PROSAMI network are directed by women. Women also comprise 63.8% of the PVOs' health staff and 48.4% of the administrative staff. Over the period, they attended 13 short term workshops and one two-month course designed to strengthen their skills in the areas of maternal-child health, finances and administration. They received individualized TA in all aspects of planning, implementation and evaluation.

Some of these women are leaders within the PVO community and have been chosen by other PVOs to represent all PVOs at national and international workshops on topics not only related to maternal-child health, but also the environment, and gender issues. 62.5% of Project health promoters are women as are all TBAs and most members of health committees and volunteers. During this period, a hundred community women attended a three-month training as Promoters and received the MOH national diploma. These women play an important role in the prevention of disease, early detection, and treatment. Their work is reflected in high project coverages.

<u>F. Major Activities or Corrective Actions</u>	<u>Responsible Entity</u>
<u>the Next 6 Months</u>	
- Conduct the Mid-Term Project Evaluation (May-Aug.), PIO/T circulating for signature	USAID
- Complete 36 PVO audits started in 1993	MSCI
- Continue dialogue with MOH regarding locations	MSCI/MOH
- Consider Project Endowment	USAID

112

PROJECT STATUS REPORT
October 1, 1993 - March 31, 1994

MISSION DIRECTOR RATING A ___ B ___ C ___

I. BACKGROUND DATA

Project Title: Strengthening Achievement in Basic Education
Project Number: 519-0357
Date of Authorization: original 09/21/90 amendment N/A
Date of Obligation: original 09/21/90 last amendment 7/17/93
PACD: original 08/31/98 amended to N/A
Implementing Agencies: Ministry of Education
Major Contractors: A.E.D., Dev. Associates
AID Project Manager: Bill Harwood, OET
Status of CPs/Covenants: CPs - Met
 Covenants: Various; GOESMOE will comply in the course of project implementation.
Date of Last Evaluation: N/A Next evaluation: 5/94
Planned Number of Non-Federal Audits during Fiscal Year: 2
The Number of such Audits Contracted for/Completed: 1
Date of Last Audit: None Next Audit: 6/94

FINANCIAL DATA

Amount Authorized:	DA/ESF Grant	orig	\$27,000,000 amended to ✓ \$33,000,000
Amount Obligated:	DA Grant	orig	\$ 3,360,000 amended to \$24,260,000 ✓
Committed:	Period		\$ 2,778,200 ✓
	Cumulative		\$16,365,995 ✓
Accrued Expend.:	Period - Projected		\$ 3,000,000 ✓
	Period - Actual		\$ 4,002,403
	Cumulative		\$ 9,908,379
	Projected Next Sem		\$ 3,000,000 ✓
Counterpart Contrib.	Planned LOP		\$26,000,000
	Planned Period		\$ 1,000,000
	Actual Period		\$ 1,000,000
	Cum. to Date Expend		\$ 8,279,273
% LOP elapsed:	44%	% of Total Oblig	Expended 41% ✓
% of Total Auth. Oblig.	74%	% of Total Auth	Expended 30%

II. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES

- A. Specific Linkage to Strategic Objective No. 1 - 11% LOP Funding**
 We are contributing to the "transition from war to peace" by accrediting children who have been out of the system, reconstructing damaged schools, promoting dialogue between Maestros Populares and the MOE, and finally by providing all of the benefits of the SABE Project to the ex-conflictive zone.
- B. Specific Linkage to Strategic Objective No. 4 - 88.5% LOP Funding**
 We are producing "better educated Salvadorans" by improving the quality of the basic education system, including teacher training, curriculum revision, providing educational materials, decentralization and by expanding basic educational services to the ex-conflictive zone (ECZ).
- C. Specific Linkage to Strategic Objective No. 5 - 0.05% LOP Funding**
 We are contributing to environmental awareness by employing a half-time curriculum specialist in "environment" since July '93.

III. PROJECT PURPOSE AND DESCRIPTION

- A. Project Purpose**
 To improve the relevance, effectiveness, and efficiency of basic education at the Kindergarten through sixth grade level in El Salvador.
- B. Project Description**
Component One includes curriculum validation and revision, learning assessment, national standardized test development, instructional program and classroom management improvements through educational materials and in-service teacher training. Component Two enhances the participation and effectiveness of the Ministry of Education, teachers, parents, and communities. Major aspects are decentralization, supervision, and community involvement. Component Three provides for project administration, evaluation and audit. Component Four expands SABE coverage and provides special attention to the ECZ.

C. Project Policy Issues

- Educational services to all Salvadoran children - MOE has verbally agreed to provide educational opportunities to Maestros Populares. Educational materials were delivered to 61 of an approximate 200 Escuelas Populares.
- Educational funding levels - We are working with ECON to raise '95 funding by approximately 40%.
- Absorption of recurring expenses - We are proposing absorption of 35% of project expenses for '95.
- Role of Teacher's Unions - We are maintaining contact with the unions. They were part of the Sector Assessment Commission.
- Increased community involvement - Fondos Distritales intervention being initiated.
- Compensation and retention of qualified public servants - Included in the proposed MOE budget increase.
- Decentralization - Plan being discussed at level of MIPLAN.

IV. PROJECT STATUS

- | | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|
| A. Planned EOPS | <u>Progress to Date</u> |
| 1. Number of children annually achieving basic education objectives, as defined by graduating from 6th grade, increasing from 70,000 to 112,000. (Objective has been rewritten). | 1. Rate maintained at 70,000 in 12/92 ('93 data not yet available) |
| 2. Decreased average number of years needed to produce a sixth grade graduate from 9.7 to 8.6. (Objective has been modified). | 2. Rate reduced to 8.8 in 1991 |
| 3. Assure the provision of materials, texts, and training to students and teachers in the ex-conflictive zone. | 3. Materials were delivered to all official ex-conflictive zone schools and 61 of the 200 Escuelas Populares. Shortfall due to refusal to accept materials. |

- 4 Decentralize MOE operations 4 MOE has designed a Decentralization Plan that is being discussed with MIPLAN.

Since SABE is an eight year project, immediate impact will not be obvious. With the introduction of validated curriculum in K-3 and achievement testing beginning in 1993, we will begin to establish data on achievement levels and will be able to track the results by 1994.

B. Major Outputs

COMPONENT I

Curriculum Guides in Schools

- 1992 programmed: grades K/1; Accomplished.
 1993 programmed: grades 2/3; Accomplished.
 1994 programmed: grade 4; Design phase 1993.
 grade 4; Validation.
 grade 5; Design phase 1994.
 1995 programmed: grade 5; Validation.
 grade 6; Design phase 1995.
 1996 programmed: grade 6; Validation.

Textbooks

- 1992 programmed: Workbooks in K/1; Accomplished.
 1993 programmed: Text development for 1-3; Accomplished.
 Text delivery to grades 1-2; Accomplished.
 Text delivery to grade 3, reschedule April/94
 Text delivery to grades 4-6 in ECZ, reschedule April/94.
 1994 programmed: Text design for grade 4, Sept/94

Interactive Radio

- 1992 programmed: Pilot of Math for 50 sections/grade 1; Accomplished.
 1993 programmed: Expansion to 3,000 sections/grade 1 in 9 dpts; Accomplished.
 Pilot of Math for 50 sections/grade 2; Accomplished.
 1994 programmed: Expansion to 5 dpts. in Math grade 1, May/94.
 Expansion to 3,000 sections/grade 2 in 9 dpts., May/94.
 Pilot of Math for 50 sections/grade 3, May/94.
 1995 programmed: Pilot of Language for 50 sections/grade 1.

School Libraries

- 1992 programmed: Pilot program for 16 schools, Feb/94; Accomplished.
 1993 programmed: Expansion to 300 schools, Feb/94; Accomplished.
 1994 programmed: Expansion to 600 schools.
 1995 programmed: Expansion to 900 schools.

Delivery of Educational Materials

- 1992 programmed: Delivery; Accomplished.
 1993 programmed: Delivery; Accomplished.
 1994 programmed: Delivery; Phase 1 - Accomplished.
 Delivery; Phase 2 - May/94.

Training

- 1992 programmed: 6,000 K-1 school teachers; Accomplished.
 1993 programmed: 7,000 2-3 school teachers; Accomplished.
 8,000 follow-on to K-1 teachers; Accomplished.
 4,800 School principals; Accomplished.
 International training for 150 School teachers; Accomplished.

- 1994 programmed: 3,193 4th grade teachers; Accomplished
 1,435 Kinder teachers; Accomplished
 4,800 follow-on for school principals, Sept/94
 1995 programmed: 2,500 5th grade teachers

Testing

- 1993 programmed: K-2 testing; Accomplished
 1994 programmed: 3-4 testing, April/94
 5-6 testing, Sept/94
 1995 programmed: Testing grades 3 and 6

COMPONENT II

Strengthening of Supervision

- 1993 programmed: Development of Strategic Plan; Not accomplished
 Refinement of Manuals; Accomplished
 Training 230 Supervisors in use of the manuals; Accomplished
 1994 programmed: Full time consultant in Supervision.

Strengthening of the Principalship

- 1993 programmed: Training 4,800 school principals; Accomplished
 International training (36 principals); Accomplished
 1994 programmed: Development of Manual of School Administration Training
 Training, 4,800 school principals, Aug /94

Decentralization

- 1993 programmed: Develop Plan for Decentralization
 District Funding, Postpone 1994
 1994 programmed: Develop Plan for Decentralization; Accomplished
 Fondos Distritales disbursed to pilot districts; Accomplished
 Establish Departmental offices, 6/94
 Decentralization of OPCI, 6/94
 1995 programmed: Implementation of Municipalization Pilot, 3/95

Finance

- 1993 programmed: Emphasize adoption of line item budgeting; Accomplished
 Development of SABE Absorption Plan; Accomplished
 School based funding, not addressed
 1994 programmed: MOE budget with line item reporting
 Absorption of 67% of project expenses; Accomplished
 27% increase in central funding to MOE; Accomplished
 1995 programmed: Development a new format of the national budget
 Unified budget

Community Involvement

- 1993 programmed: Increase emphasis on formation of PTAs, in conjunction with EDUCO;
 Accomplished
 Increase awareness of Escuelas Populares; Accomplished
 1994 programmed: Continued emphasis on PTAs through EDUCO and District Funding;
 Accomplished
 Increase awareness of Escuelas Populares as evidenced by increased
 participation in delivery of materials, training, mixed staffing and supervisory
 participation; Accomplished

114

Programs:

- 1993 programmed: Audio equipment, photocopies, duplicator, radio-cassette, recorder, interactive radio workbooks, computers, radios, library books, educational games, warehouse equipment, school materials, workbooks for grade 1; Accomplished.
- 1994 programmed: Textbooks for grades 1-3; Accomplished.
Textbooks for grades 4-6 for ECZ, Accomplished.
Radio-cassette and interactive radio workbooks, Partially accomplished.
Library books, Aug/94.

Warehousing:

- 1993 programmed: Commodities Procurement review, Accomplished
Contractor is providing TA to MOE on commodities system
warehouse equipment, 60% Accomplished.
- 1994 programmed: Contract a new warehouse for 1994 distribution, Accomplished.
Repair and remodel the MOE warehouses.
- 1995 programmed: Certification from Controller's Office.

Modernization:

- 1992 programmed: 44 new vehicles; Accomplished.
- 1993 programmed: \$130,000 in computer equipment; Accomplished.
Implementation of the Motor Pool System; Accomplished.
- 1994 programmed: Training in use of computers in administration being planned.

COMPONENT III

Component III provides backup and administrative support to Components I, II and IV. No audits or evaluations were funded. An evaluation and commodities audit will be funded in 4/94.

COMPONENT IV

Ex-conflictive Zone (ECZ) in general

- Programmed 1993: Nivelación of Maestros Populares. Rehabilitation of 60 schools; Accomplished. Delivery of texts to grades 4-6; Postponed to 4/94.
Equal participation of ECZ under Components I and II interventions; Accomplished.
- Programmed 1994: Plan and implement long term Maestro Popular academic upgrading.
Continue emphasis, especially in materials, District Funding, Supervisor participation and forming mixed schools.

Escuelas Populares in particular

- Attempted 1993: Increased coverage of educational opportunities to children in Escuelas Populares, progressing
Mixing teachers, Accomplished
Training for teachers (agreement reached).
Delivery of materials, 80% successful.
Number pure Popular Schools reduced from 600 to 200
- Programmed 1994: Continued emphasis on same issues.

C. Other Accomplishments and Overall Status

C.1 GENERAL

- a. All three integrated technical project management groups functioning well.
- b. Overall, the project is functioning well. MOE has been integrated into Mission's Strategic Objectives approach

- d. Training has been decentralized
- e. % of the obligated funds expended rose 16%, % of authorized funds expended rose 12% while LOP progressed 6%

C.2 WOMEN IN DEVELOPMENT ISSUES

- a. 99.7% of kindergarten teachers and approximately 97% of grade 1-3 teachers are women
They benefit from the training and the educational materials they will receive
- b. Educational statistics will be collected and reported by gender
- c. Textbooks/materials are being designed free of gender bias

D.1 Status of Issues from Last Reporting Period

- a. Texts for grades 4 - 6 in the ECZ arrived in 3/94
- b. The Strategic Plan for Supervision still has to be formulated
- c. Solutions actively being sought for distribution of dollar funding of "Fondos Distritales" to the ex-conflictive zone
- d. ■ COP has been replaced
■ Curriculum consultant replaced with short-term consultant
■ Commodities Specialist replaced Replacement has since resigned
- e. A testing program has been implemented

D.2 Issues from Current Reporting Period

- a. Educational materials, including texts for grades 1-6 arrived and have been delivered
- b. Fondos Distritales activity ready for disbursement in three pilot districts
- c. Strategic Plan for Supervision was not drafted, therefore we are going to bring in a one-year consultant in supervision
- d. We lost our curriculum consultant and purchasing specialist Efforts are underway to replace both.
- e. Achievement testing is being conducted

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

- a. Fondos Distritales will be expanded to the whole ex-conflictive zone
- b. A supervision specialist will be brought in for one year
- c. A transition seminar will be held to assist the new government to take charge of the MOE
- d. Continue to coordinate with other donors
- e. Additional efforts will be made to facilitate the incorporation of Maestros Populares into the system
- f. Efforts will be accelerated to fortify the commodities management system

04/12/94

15

PROJECT STATUS REPORT
October 1, 1993 - March 31, 1994

MISSION DIRECTOR RATING: A__ B__ C__

I. BACKGROUND DATA

Project Title: Regional Technical AID Center II (RTAC-II)
 Project Number: 598-0791
 Date of Authorization: original 08/22/88 amendment 04/22/91
 Date of Obligation: original 08/22/88 last amendment N/A
 original 09/30/91 amend 8/24/88
 Implementing Agencies: FEPADE (El Salvador)
 Major Contractors:
 AID Project Manager: Rafael Retana
 Status of CP's/Covenants: N/A
 Date of Last Evaluation: 08/89 Next Evaluation to be determined
 Planned number of Non-Federal audits during FY: N/A
 The number of such audits contracted for/completed: N/A
 Date of Last Audit: 03/92 Next Audit: audits are AID/W controlled.

FINANCIAL DATA

Amount Authorized:	DA/Grant:	N/A
Amount Obligated:	DA/Grant:	N/A
Amount Committed:	Period:	N/A
	Cumulative:	\$1,324,350.00
Accrued Expenditure:	Period - Projected	\$ 100,000.00
	Period - Actual	\$ 328,130.00
	Cumulative:	\$2,296,280.00
	Projected Next Sem.	\$ 100,000.00
Counterpart Contribution	Planned:	N/A
	Actual:	\$1,558,924.00
% LOP elapsed:		73%
% of Total Auth. Obligation		N/A
% of Total Oblig. Expended		N/A
% of Total Auth. Expended		N/A

II. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES

A. Specific Linkage to Strategic Objectives

The RTAC-II Program supports strategic objective No.4, Improved Quality with Equity in Health and Education, and enhances democratic initiatives by providing university textbooks.

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

III. PROJECT PURPOSE AND DESCRIPTION

A. Project Purpose

Increase U.S. participation and influence in higher education and in the training of Latin American professionals and leaders.

B. Achievements to Date

During the first phase, the RTAC II Program exceeded all of its anticipated goals. Up to 03/31/94, it has made available for purchase to university students 274,000 textbooks, through university and private bookstores. The program has been extended to all the regions in El Salvador benefiting about 90,000 university students and approximately 3,000 students that attend technical institutes.

C. Project Description

Provide up-to-date technical materials and textbooks, in Spanish, at affordable prices to university and technical schools students, libraries, and professionals in Latin America. USAID/Washington will end funding for the project by 09/30/94. According to the needs in each participating country, it is optional for local Missions to provide financial support to the project afterwards. The components are:

- 1) Textbooks. They are the primary output of RTAC-II and will be made available to university students and others through bookstores.
- 2) Pamphlets and Booklets. The production and distribution of pamphlets and booklets to host government technicians for outreach of extension work of for community development projects
- 3) Brokering of information. On-line access to U.S. educational and technical information
- 4) Book Procurement Service-Purchase orders. Centralized buying mechanism for technical information. It can purchase textbooks for other projects in the Mission.
- 5) Provision of Technical Assistance and Training.

IV. PROJECT STATUS

A. Planned EOPS

1. RTAC-II textbooks being sold at all Salvadoran universities.

RTAC-II textbooks being sold at 23 Salvadoran universities
 Promotion has been initiated in other universities

2. RTAC-II textbooks being sold at key non-university bookstores throughout the country.

RTAC-II textbooks being sold at 26 key non-university bookstores.

Pamphlets, booklets and textbooks distributed to governmental agencies and libraries throughout the country.

USAID/E.S. has distributed 590,000 pamphlets to PVO's and Ministries.

Special Purchase Orders to support other projects in this Mission.

A total of seven P.O.'s have been prepared to provide books to Empresarios Juveniles, NAPA, FUNTER and FUNDASALVA.

Major Outputs

	Planned			Accomplished			% of LOP
	LOP	This Semest	Next Cum Semest	This Semest	Cum		
Textbooks	306,000	17,000	221,000	17,000	25,846	274,000	90
Pamphlets	600,000	0	0	0	21,000	590,000	98
Purchase Order	7	0	0	0	0	7	100
Tech. Assistance	8	0	0	0	1	8	100

C. Other Accomplishments and Overall Status

C.1 Miscellaneous

- 1) The new site for the FEPADE Book Department was inaugurated; it includes space for FEPADE bookstore.
- 2) A total of 25,800 textbooks were delivered to FEPADE for distribution during semester I, 1994.
- 3) The office of RTAC-II in Mexico submitted a proposal to Distribution Centers for management of the program after september, 1994. Distribution centers are discussing this proposal and other options for the future of RTAC II
- 4) Technical assistance has been provided to professionals related to the book industry in El Salvador. FEPADE carried out these activities at Modular Abierta University, personnel of the National Militar Hospital and FUSAL.
- 5) FEPADE is distributing textbooks to University of El Salvador (UES) students through four private bookstores. It did not provide the UES bookstore with books this semester because the latter owes FEPADE a little more than one million Colones from previous purchases. FEPADE and UES authorities are in the process of solving this particular matter.
- 6) FEPADE continues its efforts towards sustainability of the RTAC-II Program. It recently was selected as the winning firm to provide books to national libraries in the country; this competitive bidding was a SABE activity
- 7) FEPADE is also looking for new lines of action. Personnel from this institution traveled to Spain to investigate new marketing possibilities.

C.2 Women in Development Issues

The RTAC-II Program provides books to approximately 35,000 female university students per semester. Also, about 60% of bookstore personnel that have been trained by FEPADE are women

D. ISSUES

No significant problems have been found.

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

1. FEPADE will carry out 7 textbooks presentations with mobile units
2. It will carry out 4 workshops directed to improve reading procedures and the use of textbooks
3. Mexican publishing agencies have scheduled three university textbook presentations
4. FEPADE has programmed to open two more small bookstores in the metropolitan area of San Salvador
5. This local Mission will allocate \$350,000 (OYB funds) for RTAC II. These funds will be for purchasing more textbooks only. The RTAC II office in Mexico is charging 10% for administrative expenses of the total cost of each shipment to El Salvador
6. FEPADE will continue with the policy of not providing textbooks to the University of El Salvador (UES), until UES reimburses FEPADE for purchases that the former made. The total UES debt is \$113,700 approximately.

U N I F E R W A N D S A R R T A C
04/28/94

PROJECT STATUS REPORT
October 1 1993 to March 31 1994

MISSION DIRECTOR RATING: A ___ B ___ C ___

I BACKGROUND DATA

Project Title: Community Based Integrated Rural Development
Project Number: 519-0364
Date of Authorization: original 05/30/89 amendment 03/19/90
Date of Obligations: original 05/30/89 last amendment 04/05/93
PACD: original 08/31/94 amended to / /
Implementing Agency: Save The Children Federation
Major Contractors:
AID Project Manager: Jacobo Harrouch

Status of CPs/Covenants:
CPs to First Disbursement - All Met
Covenants: None

Date of Last Evaluation: 11/01/93 Next Evaluation: N/A
Planned Number of Non-Federal Audits during Fiscal Year: 0
The number of such audits Completed: 2
Date of Last Audit: 09/30/93 Next Audit: A-110 world-wide audit
will be done at the project close-out.

FINANCIAL DATA

Amount Authorized:	DA/ESF Grant: orig	\$ 7,300,000	amended to \$ 8,540,000
Amount Obligated:	DA/ESF Grant: orig	\$ 6,555,000	amended to \$ 8,540,000
Amount Committed:	Period:	\$ - 0 -	
	Cumulative:	\$ 8,540,000	
Accrued Expend.:	Period - Projected	\$ 1,235,673	
	Period - Actual	\$ 517,709	
	Cumulative:	\$ 7,822,036	
	Projected Next Sem.	\$ 717,964	
Counterpart Contrib.	Planned:	\$ 4,746,559	
	Actual:	\$ 3,404,320	

LOP elapsed:	92 %
% of Total Auth. Oblig.	100 %
% of Total Oblig. Expended	91.5%
% of Total Auth. Expended	91.5%

II RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES

A. Specific Linkages to S.O.

The Project is linked to Mission Strategic Objective Number Four, Healthier and Better Educated Salvadorans. This is to be accomplished through health promoters, and the provision of community-based health and nutrition education programs in the OPG targeted areas. Also, the Project proposes an increase in access to education for the rural, school age population through a scholarship program and contracting, through the Parents Teachers Association (PTA), for teachers materials. This activity is coordinated with GOES Ministry of Education and EDUCO program.

The targeted areas of this OPG are included in the municipalities of the National Reconstruction Project (NRP).

B. Percent of LOP funds relating to S.O.

The level of investment related to the strategic objective is approximately 64%, i.e., \$5,417,000. Also, the OPG's investment in the NRP is 41%, i.e., \$3,500,000 in the health sector through the provision of potable water.

III PROJECT PURPOSE AND DESCRIPTION

A. The Project goal is to improve the social and economic conditions of low income families (children, women and men) in two new impact areas located in the Department of La Union (Anamoros and San José La Fuente); and to reinforce the analytical, organizational and operative capacity of community groups in one on-going impact area to assure sustainability of the development processes established to date.

The purposes of the Project are: (1) to increase the real income of targeted households; (2) to decrease child morbidity and mortality; (3) to increase local access to educational and training activities (cont)

118

which encourage participants to achieve their full physical and intellectual potential and to be active participants in the democratic process; and (4) to create and/or strengthen grassroots organizations.

IV PROJECT STATUS

A. Activities	Planned EOPS		Accomplished	
	Planned	EOPS	Accomplished	EOPS
1) Small scale farmers increase production and real income.	3,000		2,525	
2) Rural communities trained in leadership and community organization.	80		55	
3) Children covered by a CENET comprehensive primary health care program.	1,500		2,205	

B. Major Outputs (Revised based on Amendment No. 7)	Planned				Accomplished		
	LOP	This Sem.	Next Cum.Sem.	Next Cum.Sem.	This Sem.	Cum.	% OF LOP
1) Undernourished children in the Health Care Program (CENET) will attain a normal nutritional status.	872	218	654	218	193	685	79
2) Pregnant women will receive pre- and post natal care under the program and will have a trained mid-wife deliver their children.	156	39	117	39	40	437	280
3) Children age 4-10 years will attend kindergarten and primary school.	3440	860	2580	860	458	2814	82
4) Small scale farmers will implement new soil conservation techniques.	592	148	444	148	19	496	83

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

5) Small scale farmers will receive training in animal health and carry out vaccination campaigns.	352	88	264	88	674	1441	409
6) Small scale farmers will receive training in agricultural production.	592	144	444	148	19	496	83

* Based on the development of short term impact indicators the table of major outputs has been revised to incorporate the Monitoring System for the Evaluation of Program impact prepared by Sue Gant in February of 1993.

C. MAJOR ACHIEVEMENTS IN THE THREE PROGRAM SECTORS

Health and Nutrition:

Training in the administration, operation and maintenance of potable water subsystems for the community groups in the towns of El Sauce (CADSEFS) and the other nine subsystems for El Carpintero-La Pitalaya (ACCPAD) was completed. Also, with FEPADE cooperation, a basic plumbing training program was implemented.

SCF and FIS are jointly implementing the repair/rehabilitation of seven water subsystems. SCF has completed the bidding process and sent all the documentation to FIS for its review and approval.

The final version of the community information system for this sector was completed after several months of field testing based on the recommendations made by the follow-up evaluation firm. The changes have resulted in a simpler, more effective system.

Education:

The education sector program continues in partnership with the MOE EDUCO program. At the end of March 1994, 1,458 children were enrolled in basic education and 640 in the Pre-School programs. Also, teachers received training in basic and kindergarten educational methods and over 800 parents in the rural areas received orientation to support their children's education.

Natural Resources:

The real income of the small producers and members of their families was increased by an average of 25 percent through agriculture diversification, access to credit, and the application of administrative practices and more efficient marketing techniques.

Training in Integrated Pest Management was provided to 100 individuals in target area No. 7.

Sustainability:

In December 1993, in accordance with the planned phase-out schedule and established criteria, SCF closed work in the communities of San Alejo, Department of La Union and Ilobasco, Department of Cabanas. As a result of the follow-up evaluation in November 1993, an Instruction Manual had been written to standardize this procedure in the program target areas of Bolivar and Anamoros. The application of this Instruction Manual will help ensure that networking among ONG's, government agencies, and community associations will continue after SCF phase outs.

C.1. Other Accomplishments and Overall Status

During this reporting period a follow-up evaluation of the Operational Program was conducted to see if the mid-term evaluation recommendations have been implemented by SCF. The key issue was the definition of impact indicators to measure program impact. SCF undertook a planning process which considered various levels of its management structure—administrative, technical and operational—to redefine and modify program objectives while keeping with project experience to date in the development of objectives which needed to be precise, realistic, easy to measure and basically suitable to the needs of recipient population. The programmatic efficiency during fiscal year 1994 has averaged 84.5% to date.

SCF examined its Management Information System (MIS) to match field data collection and analysis with agreed upon program goals.

El Carpintero-El Sauce Water Project

On March 22, 1994 a major coordination meeting took place in the SCF office in the town of El Sauce among the beneficiaries, the construction contractor, the supervision firm and SCF management.

The purpose was to review the status of the water project and establish a deadline to deliver: a) the systems operations manual, b) a set of engineering drawings and c) a list of tools and accessories needed for the operation and maintenance of the water system. The deadline was met on April 12 1994 and the community organization ACCPAD received all the items listed above. Final Action Plan for remaining Life of Project approved on December 13, 1994 and concurs with follow-up evaluation.

C.2. Women in Development

The current participation of women in the three sectors of the SCF program is as follows:

Sectors	Percentage
Health and Nutrition	80-90%
Natural Resources	40-50%
Education	40-50%

D. Problems and Delays

1. Based upon current estimates, the final counterpart contribution to the project may fall short by between \$500,000 and \$600,000.
2. SCF may need up to a four month no cost PACTD extension to complete the seven water subsystems financed, inter alia, by the FIS. Such extension probably would reduce any counterpart short fall.

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

Decide whether to grant a PACTD extension.

Award contracts to the construction companies that will repair and rehabilitate the seven remaining water subsystems, and simultaneously contract the supervision firm. Implement the work necessary to place the water subsystems back in operation and turn them over to organized and trained communities members to manage themselves.

The FIS and SCF will jointly hire the engineering supervision firm for the seven water subsystems in the target area of Anamoros.

If no PACTD extension, close-out of all activities of the project and finalize PACR.

WPIRD/807(1-3)
JHarrouch/lbg
(04/28/94) latest version

PROJECT STATUS REPORT
October 1, 1993 - March 31, 1994

MISSION DIRECTOR RATING A__ B__ C__

I. BACKGROUND DATA

Project Title: Drug Awareness and Abuse Prevention
 Project Number: 519-0377
 Date of Authorization: original 09/27/90
 Date of Obligation: original 09/27/90 last amendment 09/30/94
 PACD: original 09/30/93 amend 9/30/94
 Implementing Agencies: FUNDASALVA
 Major Contractors:
 AID Project Manager: Rafael Retana
 Status of CP's/Covenants: CPs to First Disbursement 12/13/90
 CPs to subseq 03/1/91
 Date of Last Evaluation: 08/13/93 Next Evaluation: N/A
 Planned number of Non-Federal audits during FY: 2, 1992, 1993
 The number of such audits contracted for/completed: 2
 Date of Last Audit: 05/93 Next Audit: N/A

FINANCIAL DATA

Amount Authorized:	DA/ESF Grant	org	\$2,000,000 00
Amount Obligated:	DA/ESF Grant	org	\$ 500,000 00 to \$2,000,000
Amount Committed	Period		
	Cumulative		\$1,995,031 00
Accrued Expenditure	Period - Projected		\$ 50,000 00
	Period - Actual		\$ 108,012 00
	Cumulative		\$1,995,031 00
	Projected Next Sem		\$ 4,969 00
Counterpart Contribution	Planned		\$ 797,044 00
	Actual		\$1,158,000 00
% LOP elapsed:			88%
% of Total Auth. Obligation			100%
% of Total Oblig Expended			99%
% of Total Auth. Expended			99%

II. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES

A. Specific Linkage to Strategic Objectives

FUNDASALVA's work in educating against drug use supports the strategic objective Improved Quality with Equity in Health and Education S.O. No.4.

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

One hundred percent of the Grant supports Mission strategic objectives.

III. PROJECT PURPOSE AND DESCRIPTION

A. Project Purpose

To strengthen national drug and alcohol abuse/awareness programs directed at prevention of the abuse of harmful substances by the Salvadoran population.

B. Achievements to Date

FUNDASALVA has steadily grown over the last three years since its inception in 1990. It has developed a cogent program for educating and promoting a healthy life-style without alcohol and other drugs. As findings indicate, FUNDASALVA has been a success in terms both of its institutional development and in terms of the quality of the programs it delivers. It is progressing slowly towards sustainability, having managed in three years to secure approximately 35% of its overall budget from sources other than its USAID Cooperative Agreement

C. Project Description

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

IV. PROJECT STATUS

A. Planned EOPS

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

Training programs in 74 schools were completed. Programs have been carried out also in 52 private businesses and in 81 marginal communities.

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

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

124

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

Institution strengthening staff development and management system improvement underway.

the programs of FUNDASALVA. The increased role as voluntary, unremunerated multipliers has not had a direct impact on incomes of women over men, while it may have increased the workload of women in a community, given that women are more likely to be multipliers. Gender-specific data is available for each of the project elements.

B. Major Outputs

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

1. Substance abuse program in:

a) Public/Private schools	48	0	48	0	0	74	154
b) Marginal communities	50	0	50	0	0	81	162
c) Private businesses	4	0	18	0	0	52	1300

2. Abuse prevention programs.

a) Sport Trainers	100	0	100	0	0	104	104
b) Teachers	500	0	500	0	0	629	126
c) Community leaders	200	0	200	0	0	1100	550

3. Mass media IEC campaigns

a) T.V. Spots	39Hrs	0	0	0	0	63 89	213
b) Radio Spots	150Hrs	0	0	0	0	250 75	167
c) Press (Promotional)	300Hrs	0	0	0	0	4823	181

C. Other Accomplishments and Overall Status

C.1 Miscellaneous

1) The final report of the FUNDASALVA evaluation was submitted to USAID. Overall the evaluation is positive; indicating that the purposes of the project are being achieved. As the findings indicate, FUNDASALVA has been a success in terms both of its institutional development and in terms of the quality of the programs it delivers. It has the maturity as an organization to raise funds and to recognize the need to control costs.

2) FUNDASALVA continues to carry out antidrug activities through the Education, Community Development and Private Enterprise Divisions with local currency (SETEFE).

3) Development Associates, through the Narcotics Awareness and Education Project, provided technical assistance to FUNDASALVA in the development of proposals to a variety of funding sources. This is a support to the sustainability effort that FUNDASALVA is making.

C.2 Women in Development Issues.

Women have been involved from the beginning in the design, appraisal and implementation of

D. ISSUES

FUNDASALVA needs to develop additional resources or limit expenditures such that it can manage the projected deficits after the PACD. In monetary terms, FUNDASALVA has to meet a projected deficit of \$1.4 million colones in CY 1995, climbing to a deficit of \$5.3 million in CY 1996. It has to do this, if it is to maintain benefits at current levels to the public it serves.

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

1. FUNDASALVA will continue making a concerted effort to diversify its funding sources by staff visits to other countries that have similar drug awareness organizations.
2. The remaining project funds will be reprogrammed to provide technical assistance.
3. All dollar funding will be expended by PACD.

U N I T E R N A T I O N A L F U N D
04/1994

122

PROJECT STATUS REPORT
October 1, 1993 - March 31, 1994

I. BACKGROUND DATA

MISSION DIRECTOR RATING: A ___ B ___ C ___

Project Title: Assistance to Orphan and Displaced Children
Project Number: 519-0410
Date of Authorization: June 6, 1993
Date of Obligation: July 7, 1993
PACD: June 30, 1996
Implementing Agencies: Salesian Missions
Major Contractors: ---
AID Project Manager: Cynthia S. Rohl, OET
Status of CPs/Covenants: CP's Met December 10, 1993
Date of Last 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: N/A **Next Audit:** Not Scheduled

FINANCIAL DATA

Amount Authorized:	DA/Grant:	\$505,000
Amount Obligated:	DA/Grant:	\$505,000
Amount Committed:	Period	\$505,000
	Cumulative	\$505,000
Accrued Expend:	Period - Projected	\$160,000
	Period - Actual	\$ 66,133
	Cumulative	\$ 66,133
	Projected Next Sem	\$175,800
Counterpart Contrib.	Planned LOP:	\$ 1,824,984
Actual Period		\$137,562
% LOP elapsed:	25%	
% of Total Auth. Oblig	100%	
% of Total Oblig. Expended	13%	
% of Total Auth. Expended	13%	

II. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVE

A. Specific Linkage to Strategic Objectives

This project supports Mission S.O. 1: Improved Quality with Equity in Health and Education.

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

III. PROJECT PURPOSE AND DESCRIPTION

A. Project Purpose

The purpose of this project is to assist orphan, abandoned, and displaced children make a smooth transition into Salvadoran society as responsible and productive adults.

B. Achievements to Date

The Salesian Missions met conditions precedent on December 10, 1993. Dormitory construction activities began in January 1994. Six dormitories (of 20 planned) are near completion. Project staff began work in February 1994. 400 orphaned and homeless boys are currently being housed. 631 children are enrolled in the basic education program in grades 1-9. Basic processing procedures for youngsters entering the orphanage are being reorganized and improved. A Work Plan for Psychological Intervention has been prepared to provide guidelines for staff and volunteers working with children traumatized by the war and/or in need of special intervention.

C. Project Description: There are five project components:

- Social Services Program** - This program provides outreach, emergency assistance (food, shelter, clothing) and medical treatment to orphaned and homeless children. Children receive individualized professional attention.
- " Hoger de los Niños " - (Orphanage Residential Program)** - Children receive shelter while being prepared for reunification with their families (if possible), re-entry into the formal education system, and/or placement into a vocational training program
- "Escuela Rafael Campo" (Basic Ed. Program)** - This MOE-accredited school covers grades 1-9 and combines both academic and vocational training opportunities

4. "Centro Eduardo Hill" (Vocational Training Program) - Boys and girls, aged 13-19, are eligible to participate in various courses lasting from six months to one year

5. Job Placement, Remedial Programs, and Income-Generating Activities - Job and apprenticeship placement services are provided to those who have completed their training

IV. PROJECT STATUS

A. Planned EOPS

- To provide approx. 400 orphan, homeless, and displaced boys with adequate housing and living conditions each year.
- To educate approx. 690 (grades 1 through 9) children each year and train 1,633 children in the first year in marketable, income-generating skills.
- To upgrade the institution's services, make their delivery more effective.
- To design vocational training programs that are both responsive to market demands and appropriate to the needs and abilities of the children

Progress to Date

- * 400 boys currently housed
- * 631 children are enrolled in the basic education program
- * Approximately 1,649 children are enrolled in vocational training
- * 11 additional personnel have been hired to provide social and psychological services. A Work Plan for reviewing and updating the children's documentation has been prepared
- * Psychologists are compiling detailed records on each child's background and emotional/developmental status. Psychological tests are being given to each child. Individual and small group therapy is taking place
- * Vocational training is currently being given in auto mechanics, soldering, shoemaking, carpentry, sewing, baking, bricklaying, electricity, electronics, and general mechanics

123

5. To enhance the production component of the workshops so that they can provide for the material needs of the orphanage and contribute to the institution's self financing capacity. * Workshops currently produce all furniture and bedding used in the orphanage.

6. Major Outputs

	Planned LOP	Accomplished This Semester	Accomplished Cumulative
--	----------------	----------------------------------	----------------------------

1. Provide approx. 400 children residing in the orphanage with shelter, food, clothing, and social services.	400	400	400
2. Construct 20 dormitories.	20	6	6
3. Install bathroom and shower facilities		Will begin this semester.	
4. Install laundry facilities		Will begin this semester.	
5. Increase number of vocational trainees.	4,074	1,649	1,649
6. Increase number of trainees completing training.	3,867	-	-
7. Increase number of training courses.	183	82*	82*
8. Assist 70% of vocational graduates in job placement.	2,707	-	-
9. Increase participation in Democracy Education program.	4,074	-	-
10. Refer 20% of vocational graduates to institutions providing training credit, and small enterprise development.	773	-	-

* Because of delayed project start, these data are currently being collected.

C. Other Accomplishments and Overall Status

C.1 Miscellaneous

Because of a slight delay in meeting project conditions precedent, project activities did not begin until January 1994. Target dates for completion of some activities have been slightly revised, but construction of new dorms is well underway, and new staff have been hired and trained

C.2 Women in Development Issues

Although the residential orphanage houses only boys, all other programs are open to both girls and boys. It is estimated that 40% of the beneficiaries will be female and 60% will be male

D. Issues

None

E. Major Activities or Corrective Actions During the next 6 months

1. Construction of 8 of the new dormitories is expected to be completed by mid-May. All 20 dorms are scheduled to be completed by the end of CY 1994. Each dorm will house 8 children, making space available for an additional 160 residents in the orphanage

2. Construction will continue on a multipurpose room being built to serve as a recreation/meeting place for the children of the Ciudad de los Niños. Approximately 40% of the construction has been completed to date.

3. Bids will be solicited for the remodeling of dining facilities and for the installation of laundry and bathroom and shower facilities for the children

4. Psychological profiling of the children will continue, with improved testing and counseling services available.

124

Strategic Objective 5: Improve Environmental and Natural Resource Management.

FAS

PROJECT STATUS REPORT
OCTOBER 1, 1993 - MARCH 31, 1994

MISSION DIRECTOR RATING:

I. BACKGROUND DATA

Project Title: Salvador Environmental NGO Strengthening
Project Number: 519-0400
Date of Authorization: Original 08/20/92 Amendment 00/00/00
Date of Obligation: Original 09/23/92 Last amendment 00/00/00
PACD: Original 02/28/95
Implementing Agencies: Pan American Development Foundation (PADF)
Contractor:
AID Project Manager: Peter Gore
Status of CPs/Covenants: CPs: Fulfilled. Covenants: In Process

Date of Last Evaluation: 00/00/00 Next evaluation: 01/95
Planned Number Of Non-Federal Audits during Fiscal Year: None
The Number of such Audits Contracted for/Completed: None/None
Date of Last Audit: 00/00/00

FINANCIAL DATA

Amount Authorized:	DA Grant:	orig \$2,000,000 amended to \$
Amount Obligated:	DA Grant:	orig \$2,000,000 amended to \$
Amount Committed:	Period:	\$2,000,000
	Cumulative:	\$2,000,000
Accrued Expend.:	Period - Projected	\$ 620,000
	Period - Actual	\$ 606,212
	Cumulative:	\$ 606,212
	Projected Next Sem.	\$ 600,000
Counterpart Cont.:	Planned:PADF:\$155,000 NGOs:\$1,033,000 TOTAL:\$1,188,000	
	Actual: PADF:\$ 30,000 NGOs:\$ 271,500 TOTAL:\$ 301,500	

% LOP elapsed:	43
% of Total Auth. Oblig.	100
% of Total Oblig. Expended	30
% of Total Auth. Exp.	30

II. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVE

A. Specific Linkage to Strategic Objective

The Project will strengthen Salvadoran environmental NGOs to work with the GOES for appropriate Natural Resource Management (NRM) policies and to carry out NRM activities. The NGOs will receive organizational and management training as well as fundraising orientation to contribute to their long term sustainability. The strengthened NGOs will be better able to compete for FONAES funding.

B. Percent of LOP Funds Relating to Strategic Objective

100% of the LOP funds relate to the Mission's Strategic Objective 5, Improved Environmental and Natural Resource Management.

III. PROJECT PURPOSE AND DESCRIPTION

A. Project Purpose

To strengthen Salvadoran Environmental NGOs to be self-sustaining advocates for natural resource management.

B. Achievements to Date

The Project has generally advanced according to its work plan. A sixth NGO was awarded an operational sub-grant. Four SENS NGOs participated in international workshops in their specialties e.g. reforestation. Two special Activity Grants have been awarded for innovative nursery technology and workshops held for four NGOs. Nine Training Workshops were held with participants from 16 NGOs, involving 66 individuals (27 women-39 men). Individual assistance was provided to subgrant NGOs on subgrant administration, procedures, fundraising, and membership. Fourteen reforestation projects, funded by FIS, are being implemented by five NGOs covering 505 Ha. in six departments of the country.

There are now nine Project Collaborators in addition to the six subgrantees. One subgrant NOG received its legal status. PADF trained SEMA's staff in group dynamics technique for election of the EAI Fund board. The counterpart percentage accomplished to date is 24% of the total required, expenditures are 30% of the total to date.

C. Project Description

Over 30 months, PADF will carry out a process for strengthening six to eight NGOs with potential effective specialization and impact in aspects of natural resources management. Up to twenty selected NGOs will participate in a series of workshops to help them define their goals, develop potential for effective specialization and impact in aspects of natural resource management (NRM), and prepare proposals to take part in the Project's institutional strengthening. Eight NGOs will be selected for intensive technical assistance and training to solidify institutional progress, as well as Operational Strengthening Grants to help them over a year to carry out their strategies and operational plans developed with PADF assistance. At least six, subject to performance, will receive second year grants, totalling about \$540,000 over the life of project. These Subgrants will fund NGO Board and staff training in planning, management, fundraising and proposal preparation and an annually declining portion of operational costs. The project will also provide small activity grants of \$3,000-\$15,000 aggregating to \$160,000 to enable NGOs to undertake activities in environmental policy, education, activities in soil, water, and forestry management.

IV. PROJECT STATUS

A. Planned ROPS

1. Up to eight NGOs will have a track record demonstrating their private sector environmental leadership and the potential for their long range institutional sustainability.
2. The participating NGOs will be perceived by the environmental community as credible advocates of one or more environmental issues as represented by their impact on community consciousness raising and NR policy.
3. The participating NGOs will have established linkages with SEMA/CONAMA, local NGOs, FOCAM, appropriate government institutions, international NGOs, and international support
4. The NGOs will have established a network of linkages among themselves and other national NGOs working in natural resources.

Progress to Date

- a. 22 training events - 286 individual participating-17 NGOs involved.
- b. Six NGOs negotiated subdonations
- c. Non-subgrant NGOs as Project Collaborators now total 9.
 - a. Presence of SENS NGOs in TV, radio, and newspaper, advocating changes in behavior and policy on NR.
 - b. One NGO signed legal agreements with municipalities, through environmental groups (COLMADENAS)
- a. Sixteen of 22 environmental NGOs that participated in the EAI Fund election were SENS NGOs.
- b. One SENS NGO was selected as the environmental NGO representative for the EAI Fund Admin. Council.
- c. Six SENS NGOs are implementing FIS reforestation projects. Forestry Training Program for 25 reforestation projects realized.
- d. Four NGOs visited international organizations to establish links.
- a. SENS NGOs participated in the EAI Fund election in December and assisted with nominal groups.

B. Major Outputs

	Planned				Accomplished		
	LOP	This Semest.	Cum.	Next Semest.	This Semest.	Cum.	% of LOP
1) Operating NGO Planning System	8	8	8	8	8	0	100(50)*
2) Trained NGO Boards & Staff	8	8	8	17	16	16	200
3) Functioning Admin System	8	0	0	6	3	3	38

* Quantity meets ROP goal. Estimate of the accomplishments of quality is 50%.

U:\ANRPUB\DOCS\SAR0400.FRC
04/11/94

B. Major Outputs

	Planned				Accomplished		
	LOP	This Semest.	Cum.	Next Semest.	This Semest.	Cum.	% of LOP
4) Implemented Fund-raising Strategies	8	0	0	5	0	0	0
5) Functioning Project NGO Funding Mechanism	8	0	0	6	3	3	38

C.1 Other Accomplishments and Overall Status

Women and men, paid staff and board members have participated actively in training provided by SENS. The Project developed criteria and a draft manual for Special Activities Grants. Four subgrantees heavily involved in reforestation began development of proposals for modern tree nurseries and discussions are underway for a project to protect sea turtles. Currently, 5 NGOs have received from FIS \$362,000 to implement 14 reforestation projects, covering 505 has. in 6 departments of the country. PADF has initiated this semester, a Forestry Training Program for 25 reforestation projects at a national level.

C.2 MID Issues

Active participation of women in all training events. Four out of 16 executive directors are women; 4 out of 16 presidents of Boards are women. The Project participated in the Forestry Action Plan and succeeded in including a seminar devoted to the role of women. Financial support for the seminar was obtained from the PAFCA/Netherlands. Forty-four women participated from urban and rural areas as well as staff members from NGOs involved in forestry. One of the EAI Fund administrative Council members is a woman.

D. Issues

The delay in approving the seventh NGO sub-grant was cut short when the recipient received its personaria juridica as Asociacion Montecristo. Disbursement of Small Activity Grants is slow. Transportation continues to be a problem for most of the NGOs, the seven subgrant NGOs are located in the San Salvador area but work in nine of the El Salvador's 14 "Departamentos"

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

- Assist the NGO subgrantees to follow their action plans.
- Work intensively with subgrantees to formulate successful proposals for SENS Small Activity grants.
- Sharpen the NGOs' abilities to tap natural resources funds from FUNAF (FOCAM), FIS, and other sources.
- Assist NGOs to formulate and carry out a longterm vehicle acquisition strategy financed from their own resources.

127

127

PROJECT STATUS REPORT
OCTOBER 1, 1993 - MARCH 31, 1994

MISSION DIRECTOR RATING:

I. BACKGROUND DATA

Project Title: Environmental Protection
 Project Number: 519-0385
 Date of Authorization: Original 04/01/93
 Date of Obligation: Original 04/01/93
 PACD: Original 03/31/99
 Implementing Agencies: SEMA/MAG/MINED
 Contractor: Abt. Assoc. & Academy for Ed. Development
 AID Project Manager: Peter Gore
 Status of CPs/Covenants: CPs: Fulfilled
 Covenants: in process.

Date of Last Evaluation: 00/00/00 Next evaluation: 09/95
 Planned Number of Non-Federal Audits during Fiscal Year: None
 The Number of such Audits Contracted for/Completed: None/None
 Date of Last Audit: 00/00/00 Next Audit: 00/00/00

II. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVE**A. Specific Linkage to Strategic Objective**

The PROMESA Project directly addresses the El Salvador Mission's Strategic Objective No. 5: Improved Environmental and Natural Resource Management. The Project components help create and implement natural resource use policies, increase public awareness of environmental problems, and improve productive activities consistent with better natural resource management. PROMESA supports the Central American Strategy, as well as the objectives of A.I.D.'s Environmental Initiative, by promoting sound economic policies, developing and strengthening national capabilities to manage natural resources with the help of both the private and public sectors, and promoting technology transfer.

B. Percent of LOP Funds Relating to Strategic Objective

100% of funds related to strategic objective number five, Improved Environmental and Natural Resource Management.

III. PROJECT PURPOSE AND DESCRIPTION**A. Project Purpose**

To halt and then reverse degradation of El Salvador's natural resource base to safeguard year-round water supplies and rural incomes.

B. Achievements to Date

Agreement signed on April 1st, 1993. CPs to Initial Disbursement met. GREENCOM Resident Advisor for Env. Education in country 02/23/94. Contract signed with Abt. Assoc. 03/11/94 for Policy and Demo. Area components. Counterpart allocation of C/7,000,000 from local currency made to four GOES agencies. EAI Fund election held 12/06/94 and Administrative Council sworn in on 03/03/94. By-laws sent to Washington for review on 04/04/94.

FINANCIAL DATA

Amount Authorized:	DA Grant:	orig	\$20,000,000	amended to \$
Amount Obligated:	DA Grant:	orig	\$ 6,400,000	amended to \$
Amount Committed:	Period:		\$ 6,400,000	
	Cumulative:		\$ 6,400,000	
Accrued Expend.:	Period - Projected		\$ 200,000	
	Period - Actual		\$ 178,414	
	Cumulative:		\$ 178,414	
	Projected Next Sem.		\$ 600,000	
Counterpart Cont.:	Planned:GOES:		\$ 7,000,000	
	Actual:		\$ 30,000	

% LOP elapsed:	05
% of Total Auth. Oblig.	32
% of Total Oblig. Expended	02
% of Total Auth. Exp.	00

C. Project Description

The Project consists of three mutually reinforcing components which deal with policy, education, and demonstration of tangible costs and benefits. The Project emphasizes the development of policies which provide economic incentives for the sustainable use of natural resources and environment. It will promote environmental education in schools and in the media to inform the policy dialogue and to motivate it over the long term. Finally, the Project will assist the GOES to show, in microcosm, the benefits of applying sustainable practices and will help the GOES to provide concrete, measurable results in real-world application of improved natural resource policies and technologies. The Project has received GEF designation as part of USAID's contribution to the World Bank's Global Environmental Facility.

IV. PROJECT STATUS**A. Planned EOPS**

1. Key policy reforms enacted and implemented in natural resource management, including an established source of financial support for NGO's.

2. Increased public support for sustainable management of natural resources.

3. Models of successful technology transfer developed for implementing NRM practices and organizational schemes, and incorporated into other project components and replicated in other areas of country.

Progress to Date

Nat. E&NRM Strategy approved
 Forestry law in process
 Other laws pending EAI Fund set up & Admin. Council named

113 NGOs participated in set up of EAI Fund MOE add Env Educational unit

B. Major Outputs	Planned				Accomplished		
	LOP	This	Cum.	Next	This	Cum	% of
		Semest		Semest	Semest	Semest	LOP
1a. ENRM Strategy adopted	1	0	0	1	0	0	0
1b. Laws & regulat. in selected areas modified	4	0	1	0	0	0	0
1c. Envir. Conserv. Fund (FOCAM)	1	0	0	50%	25%	25%	25
2a. ENR themes included in public school curricula	7	0	0	2	0	0	0
2b. No. of 2,000,000 children and adults more aware of the importance of sustainable ENRM		0	0	5%	0	0	0
3a. ENRM Stronger institutions:							
-Municipalities	2	0	0	5%	0	0	0
-GOES agencies	4	0	0	10%	0	0	0
3b. One or more NGOs in NRM will promote continuation of NRM efforts by the NGO community	X	0	0	5%	0	0	0
3c. NGOs and GOES' agencies demonstration accepted and replicated in DEMO Area	X	0	0	0	0	0	0

C. Other Accomplishments and Overall Status

GREENCOM contract signed on September with AED. Buy-in will provide environmental education TA and training for PROMESA. International donor coordination has been excellent on SEMA strengthening and location, as well as to ensure non-duplication of efforts both geographically and on "green" and "brown" issues. NGO participation has increased markedly

in period, especially in connection with set up of EAI accounts in FONAES. GEF designation gives Project and Mission higher profile in regional environmental activities. Start-up activities for the Project are well advanced. Demonstration Area monitoring plan received from WASH and Biodiversity Inventory from SalvaNatura.

D. WID Issues

Study being contracted to set baseline of women's contribution to resource use in the Demonstration Area. Project will benefit women by giving them more time for productive (e.g. micro-enterprise) activities instead of carrying water and gathering firewood. They can also influence improved resource use through their families.

E. Issues

Uncertainty of Ministerial appointments in the new government may impede rapid start-up of Policy and DA components. Collaboration of MINED must be more closely linked to SABE Project.

- Implementation steps of the National Resources Strategy must be supported by the various line ministries of the new administration.

- The GOES agreed to move SEMA to a multisectoral ministry as part of the GOES modernization and reorganization plan; the move is expected to occur during the new administration period; until that move, SEMA remains part of the Ministry of Agriculture.

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

- Supervise the start-up activities of the major contractors.
- Continue policy dialogue on location and responsibilities of SEMA.
- Monitor progress on Forestry Law and other pending legislation
- Issue Work Plans for Education and Institutional Contractor activities

U:\ANRPUB\DOCS\SAR0385.FRC
04/11/94

7/19