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**USAID/BOLIVIA
SEMI-ANNUAL REPORTS
(FOR THE PERIOD APRIL 1, 1994 - SEPTEMBER 30, 1994)
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I. MISSION DIRECTOR'S OVERVIEW

A. PORTFOLIO OVERVIEW

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I.

MISSION DIRECTOR'S OVERVIEW

11/28/94

A. Portfolio Overview

1. Summary

The Mission's second semester FY-94 portfolio review was again framed by the Agency's budget realities and its new strategic focus. USAID/Bolivia's strategy has demonstrated to be consistent not only with the new GOB's plan of government but also with the Agency's strategy and Implementation guidelines, and confirms the strong fit between USAID/Bolivia projects and the Agency's four goals. There is also a tight fit between PL-480 programs and our Strategic Objectives.

USAID/B characterizes its portfolio as healthy with twelve of thirty total active projects, ESF programs, PL480 program Title III, and centrally funded projects under Mission management receiving an "A" rating and fifteen receiving a "B" rating. Three projects were given a "C" because of implementation delays (see Table D). These delays were attributable to factors fully outside of USAID/Bolivia control. In the case of the FY93 ESF Economic Recovery Program, achievement of disbursement targets was limited due to the GOB's failure to meet coca eradication targets on which program disbursements are conditioned. Because of this, ESF local currency generation suffered a substantial reduction, significantly lowering the amount of GOB counterpart contributions to a number of USAID and GOB projects. The Mission's second "C" project is Strengthening Financial Markets (511-0598). A financial review conducted by the Mission revealed serious administrative problems in the project's Financial Training Program (PROCAF). Implementation of corrective measures caused delays in approval and disbursement of funds, as well as in the completion of a scheduled audit. The third "C" project is Sustainable Forestry Management (511-0621). Due mainly to institutional uncertainties surrounding FONAMA and its relationship with the Ministry of Sustainable Development and the Environment, counterpart local currency funding has not been made available to the project. Also, the firing of the FONAMA General Manager and delays in the appointment of a Coordinator for the BOLFOR Account have slowed key preliminary activities needed for full project implementation, and in the former case, has caused concern among USAID and other donors that the GOB could be politicizing FONAMA and its operation. The Mission's continued dialogue with GOB authorities has resulted in assurances that these problems will be corrected.

Under the "Expanded Economic Opportunity and Access" Strategic Objective, projects focus on increasing employment and exports, providing financial services for microenterprises and poor households, and increasing non-coca employment and production capabilities in the Chapare and associated areas. The Mission has continued its efforts to increase economic opportunities in non-coca industries and pursued its comparative advantage

in the areas of micro-enterprise and micro-finance. Specifically, the Mission concentrated on removing constraints to development of export oriented businesses and industries in the Chapare and on expanding its micro-enterprise portfolio to further increase access to financial services by the marginal population. The Mission will continue to focus projects in support of pension reform, credit union stability and micro finance.

Achievements under the Family Health Strategic Objective continue, with significant USAID contribution at both policy and project levels. The recently published 1994 Demographic Health Survey shows important improvements in family planning service coverage. In 1994, 45% of Bolivian women in union used family planning compared to 30% in 1989, and infant and child mortality rates have fallen by approximately 20%. These improvements are directly and attributable to USAID/Bolivia programs which are the primary source of funding and technical assistance for reproductive health improvement in Bolivia.

The Mission continues to make progress in achieving its Strengthening Democracy Strategic Objective through combined assistance to national level institutions and grassroots initiatives at the local level. Important progress towards improvement of the quality and speed of judicial services has been achieved through establishment of District Court administration offices, training of judges and legal system officials, and increased numbers of public defenders. Congressional modernization activities received high marks by outside evaluators and additional efforts will aim at continued strengthening of the legislative with special emphasis on linkages to popular participation efforts. In this respect, the Mission began the design of the Democratic Development and Citizen Participation Project (DDCP) scheduled for authorization in early FY 1995.

Progress in the Environment Strategic Objective has been good, although hampered by the GOB's slow process of institutional restructuring. Important accomplishments include the initial approval of a forestry law which should be passed shortly, the establishment of an Environmental Account and additional legal work in support of environmental protection.

At the end of the reporting period, the Mission was implementing thirty projects and programs. In six months, the active project mortgage decreased from \$104.6 million over twenty active projects to \$63.4 million, or 22% of LOP funding. The pipeline increased slightly over the last reporting period to \$80 million, due to end of fiscal year obligations. Actual semester expenditures were 97% of planned levels, bringing the total FY94 expenditure rate to \$48 million. This yields a pipeline to expenditure ratio of 1.6, meaning that at current implementation rates, the entire pipeline could be expended in 1.6 years. This ratio is slightly lower than last year's Bureau average of 1.8 and is consistent with, and necessary for smooth project implementation.

2. Status of Strategic Objectives

a. Expanded Economic Opportunity and Access

Under the Expanded Economic Opportunity and Access Strategic Objective the Mission has narrowed its role and sees micro-enterprise and micro-finance activities for low income groups as an area in which it enjoys a comparative advantage. The major focus of the Economic Opportunity Office during the next few years will be on expanding access to financial services to Bolivia's marginal population. The Mission has and will continue to focus projects in support of pension reform, credit union stabilization and micro-finance. In addition, the Mission plans to see its very successful export promotion activity to completion in 1995, although no additional funding will be obligated for this effort. Because of the success of this project, however, USAID is actively working to find other sources of donor funding to continue this endeavor after USAID support is terminated next year.

Under Program Outcome Number One, "Increased employment opportunities in non-coca industries", the Micro and Small Enterprise Development Project was responsible for expanding access to micro-financial services to 2,960 households during the reporting period. We estimate that one new job is generated for each \$4,379 in micro-loans disbursed. This means 7,837 new jobs were created during this period. Under the Export Promotion Project, 961 new permanent jobs, and 25,092 person months of temporary employment were created.

Under the Program Outcome Number Three, "Increased competitiveness of non-coca export sector", there was an acceleration in the rates of exports and foreign investment due to the Export Promotion Project. During this reporting period, the Project has generated \$24 million in additional non-coca exports and \$22 million in new investment.

Under the Program Outcome Number Four, "Broadened access to financial markets", USAID projects were responsible for (i) a 16.5% increase in assets of the credit union systems, (ii) a 33% increase in the loan portfolios of Banco Sol and Prodem (which translates into 2,960 new clients, and (iii) substantial progress in the reform of the Bolivian Pension System which will radically expand the size of the Bolivian equities market.

Continuing Mission progress in streamlining our portfolio, USAID/Bolivia has closed the Market Capital Formation Project and will be closing out the Management Training, Strengthening Financial Markets, Industrial Transition and Export Promotion Project in the next year. The Mission will focus additional resources and staff time on micro-enterprise and micro-finance development. This is an area in which Mission staff have unusually strong technical background and contacts. Consequently, a new project component was added to the Micro and Small Enterprise Development Project, designed to channel \$2.44 million to micro-finance activities. This activity will be complemented by a new \$10 million Micro-finance Project, scheduled to begin in the next period, that will further expand financial services for poor Bolivian households.

Momentum continued to build in response to mission efforts to increase economic opportunities in non-coca industries. A second annual sample survey of farms in the coca-growing Chapare region showed a whopping 31.5% (some 11,900 hectares) increase in the area planted by farmers to licit crops over the past year. In contrast to the rather sporadic export of bananas from the region, this period saw the establishment of routine weekly shipments to the Buenos Aires market. Sales of improved bananas in the National markets also helped to maintain higher farm gate prices, adding to the income of all banana growers in the region. New techniques of pineapple production brought excellent quality fruit to national and Argentine markets well ahead of the traditional harvest period. Availability of fruit of export quality and access to suitable refrigerated transport are the limitations on expansion of these markets. The CORDEP Team will concentrate its efforts on these constraints in the upcoming months to assist businesses to take advantage of export opportunities. A leading Bolivian juice and soft drink firm completed construction of a juice extraction and canning plant in Chimore and equipment is being installed. The firm expects to begin processing fruit in November.

b. **Family Health**

In 1989 prior to the start of the Reproductive Health Services Project (RHSP), 30% of Bolivian women in union were using family planning methods and only 12% of these were using a modern method. According to the 1994 Demographic Health Survey (DHS), 45% of Bolivian women in union now use family planning; and 18% modern methods. This dramatic increase of more than a percentage point each year can be attributed to the RHSP, which is the primary source of funding and technical assistance for contraceptives, family planning service provision, research, mass media promotion, social marketing, and other public, private, and commercial activities which contribute to reproductive health program development in Bolivia. In addition, infant and child mortality have also fallen significantly to 75 and 116 per 1,000 live births respectively. These numbers represent approximately 20% improvements in these indicators. USAID support to national vaccination and diarrheal disease programs contributed to these improvements.

Over time, the increased use of family planning methods will make a major contribution in improving the Family Health Objective through reduced infant and maternal mortality and improved economic and health status of Bolivian families. The improvement in family health indicators parallels considerable progress in the policy and social environment for population activities. The Bolivia delegation to the Cairo Population Conference delivered one of the most progressive policy papers from the region. News coverage of the Conference was extensive and positive.

The progress of the Health and Human Resources (HHR) Office on Program Outcome Number One, "Improved development and implementation of health policy", has exceeded all expectations. The idea of Health Care Reform has permeated myriad levels of government, public interest groups, and private sector organizations, creating many reform advocates. The HHR health sector policy reform began with design of a reform document that was

quickly approved by the Secretariat of Health. A full reform effort has now moved up to the Ministry of Human Development where, with likely funding from the World Bank and IDB, it will be implemented. Decentralization and Privatization of services, cost recovery, a redefined normative and policy role for the Secretariat of Health, and universal medical insurance coverage are all part of the initiative.

All IHR projects contributed to Program Outcome Number Two, "Improved institutional capabilities within the public and private sectors to deliver preventive and curative health services". The Community and Child Health project continued its implementation of vertical and district level child survival activities within the Secretariat of Health. A redesign will move the project toward greater national impact. The Reproductive Health Services project has continued emphasis on strengthening institutions in all sectors through technical assistance and training. The Self Financing Primary Health Care project (PROSALUD) is expanding its cost recovery model and is positioned to expand further under health reform and the new popular participation law. The Interactive Radio Learning project has begun marketing the services of PER, the implementing PVO, to a variety of donors and private sectors organizations. The Child Survival PVO Network (PROCOSI) is using its \$5 million debt-swap to double its membership and support to a dozen new indigenous PVOs that will provide increased child survival services and, for the first time, reproductive health services to rural areas.

The Drug Awareness and Prevention Project, the AIDS/STD Prevention Project, and the communication/outreach components of the CCH and RHSP have continued to measure project impact on Program Outcome Number Three, "Improved health knowledge, attitudes, and practices among Bolivians". Additional monitoring and studies are planned to document further changes in knowledge, attitudes, and practices that are improving the health of Bolivians.

c. Strengthening Democracy

The reorganized and reoriented efforts under the Bolivia Administration of Justice project (BAOJ) in support of Program Outcome Number One, "Improved quality and speed of the conflict resolution process," have increased markedly in quantity, quality, and policy reform relevance and impact during the reporting period. Concrete advances were made toward the installation of an Office of Court Administration in the Tarija District Court with the signing of an agreement with that court, a four day seminar in Tarija conducted by four external experts (Argentine, Costa Rican, U.S.) for nearly 100 judges and legal system officials, the design of the office by Argentine consultants, and the designation by the Tarija court of a local committee to jointly implement this pilot project. Similar progress in law reform was initiated with a week long seminar on Latin American legal procedural reform trends led by four international experts (Argentine, Uruguayan, Costa Rican) for 80 selected key law professors, judges, and private attorneys. The well publicized event allowed the new Ministry of Justice (MOJ) to assert its leadership in reforming the Codes of Civil and Criminal Procedure, through MOJ-established drafting groups with BAOJ assistance on a

timetable designed to send draft legislation to the President before next August. We have agreed on specifics of a similar expert TA program to allow the MOJ to draft enabling legislation for the newly authorized Constitutional Tribunal and Judicial Council, the latter of which will be responsible for all judicial nominations.

The MOJ continued to expand the number of public defenders and BAOJ continued to provide training assistance. OPDAT agreed with the Mission's proposal to include the establishment of a Model Prosecutors Office, which in the period trained 197 prosecutors and judicial officials. OPDAT also designated a group of local authors, now working on a Prosecutors Manual modeled loosely on the USDOJ's U.S. Attorneys Manual, for mid-1995 completion. ICITAP redesigned the National Police training curriculum, which was reviewed and approved by an inter-institutional committee, and also provided a variety of technical training in six courses for a total of 99 police. The Interamerican Bar Foundation (IABF) continued to consolidate the three commercial arbitration and mediation centers established under the project; it also completed a study of traditional justice and conflict resolution among the low-income indigenous populace of El Alto, Bolivia's third largest city, and began planning for a Seminar on the subject to take place in early 1995. The event, to be co-sponsored with the Interamerican Indigenous Foundation, seeks to identify ways to fulfill the mandate of Bolivia's August 1994 constitutional amendments requiring the GOB to incorporate and harmonize traditional indigenous justice processes within the ordinary justice system.

In support of Program Outcome Number Two, "Upgraded legislative functions and enhanced accountability in national and local government." under the Democratic Institutions Project, the Technical Budget Office established in the Bolivian Congress in late 1993 continued to receive strong demand for its services and was joined in the period by two additional units, the Bill Drafting Unit and the Research and Information Unit. The responsible contractor, State University of New York, Office of International Programs (SUNY/OIP), arranged a U.S. training and observation trip for the staffs of the three units, which received training and established counterpart relations in the legislatures of Maryland, Minnesota, and Texas, as well as attended the annual meeting of the National Conference of State Legislatures. The project began work on the design of a fourth support office, the Congressional Outreach and Training Unit, aiming to tie Members directly to the 300 municipalities established under Bolivia's new Popular Participation Law, and to help the new municipalities move through the Senate the required actions for completing congressional financial oversight mandated by the new PP Law. An external evaluation gave the congressional modernization element of the project high marks for rapid and effective implementation, and notable impact.

Program Outcome Number Three, "Increased citizen participation in local government and civil society." began to shift in an important new direction, as the mission moved early to support the GOB's Popular Participation Law with a major new project to begin in early FY 1995. Once implemented, the planned effort will significantly orient the Mission's DI portfolio toward much greater emphasis on this Outcome than previously was the case. To

plan the new Democratic Development and Citizen Participation project (DDCP), in April 1994, the Mission began an intensive and thorough research and design effort in close coordination with GOB officials, and in consultation with other international and bilateral donors, and with local and external NGO's. The DDCP components will be: 1) Effective Citizenship; 2) Representative Congress; and, 3) Municipal Governance. Working first in 20 pilot municipalities, the essential aim of DDCP is to assure that the grassroots participatory instruments, mechanisms and structures mandated under the new law are effectively incorporated into the operation of the newly created municipalities. Successful pilot experiences will be replicated in as many other municipalities as possible.

Although the electoral assistance provided under the Democratic Institutions project was successfully completed and favorably evaluated, the DI project evaluation and the DDCP planning process have identified certain essential, but relatively modest, additional assistance that should be afforded to the National Electoral Court to improve chances for successful implantation of the PP Law. The additional support would permit the NEC to adequately support the more complex municipal electoral process that it now faces during 1995 as a result of the recent PP Law and constitutional reforms lowering the voting age to 18.

d. Environment

Progress towards the Environment Strategic Objective has been good, though hampered by the new GOB Administration's slow process of institutional restructuring. The GOB's commitment to the forestry sector has never been stronger, and key forest stakeholder groups are looking to our collaborative Sustainable Forestry Management (BOLFOR) Project for leadership in sustainable forest use and biodiversity conservation. Significantly, a new, more "environmentally-friendly" forestry law has been approved in concept by both houses of the Bolivian Congress, and President Sanchez de Lozada has publicly urged quick final passage of the new legislation. Similarly, the GOB is enthusiastic with the Enterprise for the Americas (EAI) Environmental Account, and recognizes its strong parallels with the country's increasing emphasis on popular participation.

The groundwork necessary to achieve progress towards Program Output No. 1, "Increased forest value to discourage forest conversion," has begun, with initiation of field research (funded in part by PL-480 local currency counterpart resources) aimed at ecocertification of Bolivian forestry products. Thanks in part to BOLFOR, the market-driven nature of ecocertification has captured the interest of the country's forest producers, and passage of the new forestry law -- with its requirement for external environmental audits -- should accelerate this process. BOLFOR, working in close collaboration with groups including the Cniquitanos Indian Federation, local environmental NGOs, and the Bolivian Forestry Chamber of Commerce, expects to have an internationally-recognized certification mechanism in place by 1996; this will strongly support this Program Output.

Progress towards Program Output No. 2, "Improved public and private institutional capacity for sustainable resource use and environmental protection," has been more

substantial. For example, the EAI is supporting many groups working towards sustainable resource use and environmental protection, ranging from indigenous peoples federations to local academic and scientific institutions. The Bolivian Peace Scholarship Program is providing long and short-term training for disadvantaged men and women in fields ranging from environmental quality to environmental education. The ESD project is working closely with local electrical cooperatives on ground-breaking initiatives in clean, renewable energy. The CORDEP project continues to lead Bolivia in training for sound and responsible agrochemical use, and PROA, an NGO that works closely with HHR, is widely respected for its outstanding work with sanitary education in El Alto. In order to better meet this Program Output, and to build on the Agency's desire for greater integration of activities across strategic objectives, the SOCs for Environment and Family Health have jointly obtained a Population and Environment Fellow from the University of Michigan; this Fellow will provide technical assistance to PROA, the GOB, and to both SOCs. Finally, the Mission has issued a grant to the World Resources Institute to provide continuing technical assistance to the GOB. This is expected to enhance the fledgling Ministry's policy and analytical capabilities.

Progress has also been good with Program Output No. 3, "Increased public awareness of environmental protection and sustainable natural resources management issues," thanks largely to initiatives financed by the EAI and PL-480 local currency funds (e.g., support to the League for the Defense of the Environment (LIDEMA), Bolivia's "umbrella" environmental NGO and the country's leading force for non-formal environmental education). In addition, the centrally-funded GreenCom project helped the MSDE to develop a National Strategy for Environmental Education this reporting period, and the MSDE has expressed strong interest in participating in Vice President Gore's GLOBE initiative. The Mission will work with the MSDE to explore possible collaboration in this regard. Finally, Bolivia leads the hemisphere with progress under the centrally-funded Parks in Peril Program (PIP), with Noel Kempff Mercado and Amboró National Parks representing two of the first four parks "graduated" under PIP, now on the road to financial and technical self-sufficiency.

USAID/B's environmental program continues to be strong and growing, and to provide critical support for a broad range of priority environmental themes. However, the continuing institutional uncertainties in the GOB will bear close watching this next reporting period, and could affect how the Mission structures its support for improved environmental management in Bolivia.

3. Portfolio Consolidation¹

USAID/B began the period with thirty-two active projects and programs. During the reporting period, two projects terminated². As a result, the Mission was implementing thirty projects and programs by the end of the reporting period. As currently planned, three more projects should terminate during the upcoming reporting period. As the Mission tentatively plans to obligate one new project (Democratic Development & Citizen Participation Project, 511-0634), the number of active projects and programs should decrease to twenty-eight by the end of FY95.

4. Mortgage Analysis³

At the end of FY94, there were 25 active Mission managed projects with total LOP of \$288 million. Of these, 18 remained partially funded, and total mortgage was \$63.4 million. This shows a significant decline from the end of FY93 when there were 30 active projects with LOP of \$315 million and a mortgage of \$114 million. The reduction in proportion of LOP as mortgage, from 36% at end of FY93 to 22% at end of FY94 shows that the portfolio is maturing as well as shrinking.

5. Pipeline Analysis³

During FY94 the total project pipeline increased from \$72 million to \$80 million. Only three percent of this pipeline stems from obligations made more than three years ago (FY91 and earlier) and the bulk (60%) is from FY94 obligations, much of which came late in the fiscal year. Given our expenditure rate of \$48 million in FY94, this yields a pipeline to expenditure ratio of 1.6, meaning that at current implementation rates, the entire pipeline would be expended in 1.6 years. This ratio is slightly lower than last year's Bureau average of 1.8 and is consistent with the requirements of smooth project implementation.

6. Expenditures³

About \$24 million was expended on Mission-managed projects during the reporting period. This represents 97% of planned expenditures which shows that portfolio implementation proceeded as planned during this semester. As our projects have an average

¹ In this section, the statistics relate to projects managed by USAID/Bolivia. As compared to the previous SAR, these statistics also include the two ESF Economic Recovery Programs (511-0604 and 0605), the PL480 (Title II & III) programs and three centrally funded projects (Environmental Support & Wetlands for the Americas, 598-0780 and Enterprise for the Americas environmental fund), which were not included in these sections in the last SAR. They are now included because they do require Mission management time.

² Andean Peace Scholarship (511-0603), and FY92 Economic Recovery Program (511-0604).

³ Analysis covers active Mission managed projects only (section I of Table B).

LOP of just over 6 years, the average expenditure rate should be 16% per year for the portfolio as a whole. For all of FY 94, expenditures totaled \$48 million which is exactly 16% of LOP funding for our active projects (\$288 million). These figures show that implementation rates are on track.



Carl H. Leonard
Mission Director
USAID/Bolivia

Attachments

- A) Financial Summary Table
- B) Pipeline Analysis Table
- C) Rating of Projects

B. FINANCIAL SUMMARY OF USAID/BOLIVIA PORTFOLIO
(April 1, 1994 - September 30, 1994)
(\$000)

(by Strategic Objectives)

(1) Project No.	(2) Program/ Project Title	(3) Rating	(4) Date Of Init. Oblig.	(5) Last Revised PACD	(6) % OF LOP Eleg.	(7) % Oblig. Expend.	(8) Life of Project Fund	(9) Current FY Oblig. To Date	(10) Cumulative Obligations To Date	(11) Mort- gage	(12) Begin- ning FY Pipeline	(13) Planned Semester Expend.	(14) Accrued Semester Expend.	(15) Accrued As % Of Planned	(16) Cumulat Accrued Expend.	(17) Ending Pipeline	(18) Planned Expend. (Next Sem)	
I. ACTIVE MISSION MANAGED PROJECTS																		
A. Expanded Economic Opportunity and Access (1)																		
511-0577 Industrial Transition (G)		B	06-25-87	06-31-95	89%	83%	6,569	0	6,569	0	1,772	500	668	134%	5,465	1,104	400	
511-0580 Management Training (G)		A	06-30-85	07-31-95	92%	88%	6,000	713	6,000	0	348	400	345	86%	5,284	716	468	
511-0584 Training for Development (G)		A	06-28-85	06-30-95	92%	91%	4,720	0	4,720	0	818	445	374	84%	4,276	444	300	
511-0585 Export Promotion (G)		A	11-09-88	09-30-95	86%	79%	23,500	3,000	20,384	3,116	2,943	2,000	1,621	81%	16,062	4,322	1,800	
511-0596 Micro & Small Enterprises Development (G)		A	08-31-88	09-30-97	87%	82%	14,350	1,300	12,449	1,901	4,955	1,720	1,077	63%	7,771	4,678	1,127	
511-0598 Strengthening Financial Markets (G)		C	05-13-88	12-31-96	74%	92%	6,200	0	6,197	3	770	355	274	77%	5,704	493	272	
511-0614 Electrification for Sustainable Development		B	07-26-91	09-30-96	62%	67%	19,200	0	14,200	5,000	7,117	2,120	2,439	115%	9,522	4,678	2,000	
511-0616 Technical Support for Policy Reform		B	09-28-92	09-30-97	38%	20%	8,000	4,100	7,000	1,000	2,352	420	877	209%	1,425	5,575	900	
511-0617 Cochabamba Regional Development (G)		B	07-05-91	09-30-97	52%	54%	80,000	18,275	56,793	23,207	15,160	5,800	7,205	124%	30,563	26,230	6,000	
SUBTOTAL I (A):								168,539	27,388	134,312	34,227	36,235	13,761	14,880	108%	66,072	48,240	13,267
B. Improved Family Health Throughout Bolivia																		
511-0566 Reproductive Health Services(G)		A	07-31-90	12-31-97	57%	54%	19,550	6,410	16,240	3,310	3,426	2,000	1,766	88%	8,725	7,515	6,000	
511-0594 Community & Child Health (G)		B	07-28-88	09-30-95	86%	83%	20,000	2,412	17,906	2,094	3,249	1,000	924	92%	14,919	2,987	1,000	
511-0607 Self-Financing Primary Health II (G)		B	05-09-91	05-08-96	67%	74%	6,500	900	4,314	2,185	1,793	900	682	76%	3,203	1,111	1,243	
511-0608 AIDS Prevention & Control (G)		B	07-28-88	09-30-95	86%	78%	4,000	797	3,801	199	1,273	400	428	107%	2,956	645	400	
511-0613 Drug Awareness & Prevention (G)		B	09-12-91	10-31-96	60%	58%	9,220	2,720	9,220	0	2,043	966	877	91%	5,334	3,866	1,300	
511-0618 CARE Community Development (G)		B	03-28-91	03-28-95	88%	92%	6,200	1,650	6,200	0	1,000	895	904	101%	5,704	495	496	
511-0619 Interactive Radio Learning (G)		A	09-23-91	09-30-96	61%	68%	5,000	1,252	4,218	782	434	434	320	74%	2,852	1,366	450	
511-0620 Child Survival PVO Network II (G)		A	06-27-91	09-30-96	63%	93%	8,000	500	7,467	533	818	818	312	38%	6,951	506	400	
511-0624 Displaced Children (G)		A	09-30-91	09-30-94	100%	88%	460	0	460	0	68	68	11	16%	403	57	25	
SUBTOTAL I (B):								78,930	16,641	69,826	9,104	14,104	7,482	6,224	83%	51,057	13,759	11,314
C. Improved Effectiveness and Accessibility of Key Democratic Institutions and Practices																		
511-0610 Democratic Institutions (G)		B	109-08-88	12-31-95	83%	77%	3,400	400	3,350	50	519	300	160	53%	2,591	759	440	
511-0611 Bolivian Peace Scholarship Program (G)		B	08-05-91	08-30-97	54%	45%	4,500	1,011	3,411	1,089	1,745	600	450	75%	1,548	1,853	350	
511-0623 Special Development Activities (G)		A	06-28-91	09-30-95	71%	90%	500	0	500	0	119	50	71	142%	452	48	70	
511-0626 Bolivia Administration of Justice		A	9-30-92	12-31-97	39%	21%	10,000	2,900	6,050	3,950	2,237	700	375	54%	1,288	4,762	900	
511-0631 Human Resources for Development		B	08-05-93	03-31-99	14%	9%	6,500	500	1,500	5,000	1,482	670	124	19%	142	1,358	600	
511-0633 Special Development Activities III		B	05-16-94	09-30-99	8%	0%	600	110	110	490	0	0	0	0%	0	110	20	
SUBTOTAL I (C):								25,500	4,921	14,921	10,579	6,102	2,320	1,180	51%	6,021	8,900	2,380
D. Protecting the Environment (3)																		
511-0621 Sustainable Forestry Management		C	06-26-93	12-30-99	16%	28%	15,000	1,433	5,476	9,524	5,372	800	1,418	177%	1,522	3,954	0	
SUBTOTAL I (D):								15,000	1,433	5,476	9,524	5,372	800	1,418	177%	1,522	3,954	0
TOTAL - MISSION'S ACTIVE PROJECTS (IA THRU D):								287,989	50,383	224,535	63,434	61,813	24,363	23,702	97%	144,672	79,863	26,961

(1) Project No.	(2) Program/ Project Title	(3) Rating	(4) Date Of Init. Oblig.	(5) Last Revised PACD	(6) % OF LOP Elap.	(7) % Oblig. Expend.	(8) Life of Project Fund	(9) Current FY Oblig. To Date	(10) Cummulative Obligations To Date	(11) Mort- gage	(12) Begin- ning FY Pipeline	(13) Planned Semester Expend.	(14) Accrued Semester Expend.	(15) Accrued As % Of Planned	(16) Cumulat. Accrued Expend.	(17) Ending Pipeline	(18) Planned Expend. (Next Sem)
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II. CENTRALLY FUNDED PROJECTS

598-0780 Environmental Support (G)		A	09-29-90	12-30-94		98%	216	0	216	0	16	16	12	75%	212	4	0
598-0780 Wetlands for the Americas		B	09-27-93	03-31-95		98%	150	0	150	0	113	50	110	100%	147	3	0
TOTAL (II)							366	0	366	0	129	66	122	185%	359	7	0

III. TERMINATED PROJECTS

511-T-071 Market Town Capital Formation (L)		N/A	07-22-86	01-23-94	100%	100%	12,003	0	12,003	0	0	0	0	0%	12,003	0	0
511-0573 Market Town Capital Formation (G)		A	07-22-86	01-23-94	100%	100%	6,493	0	6,493	0	0	0	0	0%	6,493	0	0
511-0578 PVO Management Support (G) (2)		B	06-30-88	03-30-94	100%	100%	2,385	0	2,385	0	122	122	0	0%	2,385	0	0
511-0603 Andean Peace Scholarship (G)		A	07-28-88	09-30-94	100%	100%	3,766	0	3,588	178	27	27	11	41%	3,588	0	0
511-0604 FY 92 Economic Recovery Program BOP		B	08-21-92	N/A	100%	100%	46,324	46,324	46,324	0	0	0	0	0%	46,324	0	0
511-0609 Justice Sector (G)		B	09-08-88	10-31-93	100%	98%	2,038	0	2,038	0	149	30	0	0%	1,994	0	0
TOTAL (III)							73,009	46,324	72,831	178	298	179	11	6%	72,787	0	0

IV. ACTIVE PROGRAMS

511-0605 FY 93 Economic Recovery Program BOP		C	06-25-93	N/A	100%	50%	40,000	40,000	40,000	0	20,000	20,000	0	0%	20,000	20,000	5,498
TOTAL (IV)							40,000	40,000	40,000	0	20,000	20,000	0	0%	20,000	20,000	5,498

SOURCES: - Program Fin Operation Status Reports as of 9/30/94 USAID/B/CONT, Project Status Reports (SARS) for period April 1, 1994 thru Sept 30, 1994

1. Although PL-480 Titles II and Title III Programs support the Mission's Alternative Development Strategic Objective, they are not reported here because they include no undisbursed dollars.
2. The original grant to Planning Assistance entitled "PVO Management Support" with the same Project Number (511-0578), was terminated successfully on 31/92 and was reported in previous SARs. This is another grant, which began implementation in June 1992, to continue supporting Title II Cooperating Sponsors, specifically for the Urban Food for Work Program with major emphasis on strengthening democratic processes at the municipal level as explained in this report. This project terminated successfully in the previous period.

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PDI:mtn November 25, 1994

C. PIPELINE ANALYSIS

As of September 30, 1994

PROJECT NUMBER	PROJECT TITLE	CUMM OBLUG	FY OBLIGATIONS (\$000's)										TOTAL PIPELINE	PIPELINE										% Over 3 Years
			86**	87	88	89	90	91	92	93	94	86**		87	88	89	90	91	92	93	94			
MISSION MANAGED PROJECTS:																								
511-0566	Reproductive Health	16,240	--	--	--	--	2,275	1,500	4,300	1,676	6,400	7,515	--	--	--	--	62	318	489	387	6,259	5%		
511-0577	Industrial Transition	6,509	--	1,869	2,400	--	--	--	1,500	800	--	1,109	--	11	110	--	--	--	775	207	--	11%		
511-0580	Management Training	6,000	2,700	300	--	--	500	679	608	500	713	718	0	0	--	--	0	0	79	35	602	0%		
511-0584	Training for Development	4,720	2,451	--	--	--	505	664	900	--	--	444	0	--	--	--	37	62	325	--	--	27%		
511-0585	Export Promotion	20,364	--	--	--	2,399	2,207	4,778	4,500	3,500	3,000	4,322	--	--	--	18	31	31	145	1,125	3,000	1%		
511-0589	Private Agricultural Organization	6,046	550	1,265	1,156	1,204	1,100	--	771	--	--	24	0	0	0	0	--	24	--	--	--	0%		
511-0594	Community & Child Health	17,906	--	--	2,700	2,282	6,309	--	1,453	2,750	2,412	2,986	--	--	1	93	128	--	112	1,061	1,591	7%		
511-0596	Micro P. Small Enterprise	12,449	--	--	2,540	2,478	440	2,043	1,500	2,150	1,300	4,678	--	--	6	8	143	143	1,240	1,838	1,300	6%		
511-0598	Strengthening Financial Markets	6,197	--	--	1,000	1,667	1,774	1,756	--	--	--	494	--	--	0	25	131	336	--	--	--	100%		
511-0606	AIDS/STD Control	3,601	--	--	100	225	175	504	1,000	1,000	797	845	--	--	0	35	49	0	43	77	641	10%		
511-0609	Justice Sector	1,950	--	--	500	--	968	244	238	--	--	1	--	--	0	--	0	0	1	--	--	0%		
511-0610	Democratic Institutions	3,350	--	--	450	--	--	500	1,000	1,000	400	759	--	--	0	--	--	91	151	117	400	12%		
511-0611	Bolivian Peace Scholarship	3,411	--	--	--	--	--	1,000	1,400	--	1,011	1,660	--	--	--	--	--	185	667	--	1,011	10%		
511-0613	Drug Awareness	9,220	--	--	--	--	--	2,500	2,500	1,500	2,720	3,866	--	--	--	--	--	111	357	698	2,720	3%		
511-0614	Electrification Alternative Development	14,200	--	--	--	--	--	1,000	6,700	6,500	--	4,678	--	--	--	--	--	0	0	4,678	--	0%		
511-0616	Technical Support Policy Reform	7,000	--	--	--	--	--	--	1,800	1,100	4,100	5,575	--	--	--	--	--	--	0	0	4,678	--	0%	
511-0617	Cochabamba Regional Development	56,793	--	--	--	--	--	7,180	20,315	11,023	18,275	26,229	--	--	--	--	--	195	2,345	5,414	18,275	1%		
511-0618	CARE Community Development	6,200	--	--	--	--	--	2,000	1,250	1,300	1,650	496	--	--	--	--	--	0	0	0	496	0%		
511-0619	Interactive Radio Learning	4,216	--	--	--	--	--	415	1,300	1,251	1,252	1,366	--	--	--	--	--	0	38	206	1,122	0%		
511-0620	Child Survival PVO II	7,467	--	--	--	--	--	3,165	3,000	802	500	506	--	--	--	--	--	115	0	9	382	23%		
511-0621	Sustainable Forestry Management	5,476	--	--	--	--	--	--	4,043	1,433	--	3,954	--	--	--	--	--	--	--	--	2,521	1,433	0%	
511-0623	Special Development Activities	500	--	--	--	--	--	300	150	50	--	48	--	--	--	--	--	24	12	12	--	50%		
511-0624	Displaced Children	460	--	--	--	--	--	210	250	--	--	57	--	--	--	--	--	18	39	--	--	32%		
511-0626	Bolivia Administration of Justice	6,050	--	--	--	--	--	--	700	2,450	2,900	4,702	--	--	--	--	--	--	139	1,723	2,900	0%		
511-0631	Human Resources for Development	1,500	--	--	--	--	--	--	--	1,000	500	1,358	--	--	--	--	--	--	--	--	858	500	0%	
511-0633	Special Development Activ III	110	--	--	--	--	--	--	--	--	110	110	--	--	--	--	--	--	--	--	110	0%		
Total Mission Managed Projects		232,531	5,701	3,434	10,846	10,253	16,449	31,281	58,788	45,595	50,382	79,966	0	11	117	179	585	1,652	7,514	22,212	47,698	1%		
Centrally Funded Projects																								
598-0780	Environ. Support	216	--	--	--	--	75	141	--	--	--	3	--	--	--	--	3	0	--	--	--	100%		
598-0780 01	Wetlands for the Americas	150	--	--	--	--	--	--	--	150	--	3	--	--	--	--	--	--	--	3	--	0%		
636-0560	Innovative Scient. Research	121	--	--	--	--	121	--	--	--	--	29	--	--	--	--	29	--	--	--	--	100%		
636-5970	AIDS&Child Surv	65	--	--	--	--	--	--	65	--	--	47	--	--	--	--	--	--	--	47	--	0%		
Total Central Funded Projects		552	0	0	0	0	196	141	65	150	0	62	0	0	0	32	0	47	3	0	39%			
TOTAL CENTRALLY FUNDED + MISSION MANAGED		233,083	5,701	3,434	10,846	10,253	16,449	31,422	58,851	45,745	50,382	79,966	0	11	117	179	585	1,652	7,514	22,212	47,698	1%		

** Includes obligations from all previous years as well as FY 86

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D. RATING OF PROJECTS

SEMI-ANNUAL REPORT, APRIL 1, 1994 TO SEPTEMBER 30, 1994

EXPANDED ECONOMIC OPPORTUNITY AND ACCESS RATING RATING

1.	511-0577	Industrial Transition	B
2.	511-0580	Management Training	A
3.	511-0584	Training for Development	A
4.	511-0585	Export Promotion	A
5.	511-0596	Micro & Small Enterprises	A
6.	511-0598	Strengthening Financial Markets	C
7.	511-0605	FY 93 Economic Recovery Program BOP	C
8.	511-0614	Electrification for Sustainable Development	B
9.	511-0616	Technical Support for Policy Reform	B
10.	511-0617	Cochabamba Regional Development	B
11.	PL 480	Title II Regular Program and Monetization	A
12.	PL 480	Title III	B

IMPROVED EFFECTIVENESS AND ACCESSIBILITY OF KEY DEMOCRATIC INSTITUTIONS AND PRACTICES

1.	511-0610	Democratic Institutions	B
2.	511-0611	Bolivian Peace Scholarships	B
3.	511-0623	Special Development Activities	A
4.	511-0626	Administration of Justice	A
5.	511-0631	Human Resources for Development	B
6.	511-0633	Special Development Activities III	B

PROTECTING THE ENVIRONMENT

1.	511-0621	Sustainable Forestry Management	C
2.	598-0780	Environmental Support	A
3.	598-0780	Wetlands for the Americas	B
4.		Enterprise for the Americas Environmental Account	C

IMPROVED FAMILY HEALTH THROUGHOUT BOLIVIA

1.	511-0568	Reproductive Health Services	A
2.	511-0594	Community and Child Health	B
3.	511-0607	Self Financing Primary Health Care II	B
4.	511-0608	AIDS/STD Prevention and Control	B
5.	511-0613	Drug Awareness and Prevention	B
6.	511-0618	CARE Community Development	B
7.	511-0619	Interactive Radio Learning	A
8.	511-0620	Child Survival PVO Network II	A
9.	511-0624	Displaced Children (Peace Corps Grant)	A

A = 12; B = 15; C = 4

II. PROJECT STATUS REPORTS

- A. EXPANDED ECONOMIC OPPORTUNITY AND ACCESS**
- B. IMPROVED EFFECTIVENESS AND ACCESSIBILITY OF KEY DEMOCRATIC INSTITUTIONS AND PRACTICES**
- C. PROTECTING THE ENVIRONMENT**
- D. IMPROVED FAMILY HEALTH THROUGHOUT BOLIVIA**

A. EXPAND ECONOMIC OPPORTUNITY AND ACCESS

1. 511-0577 Industrial Transition
2. 511-0580 Management Training
3. 511-0584 Training for Development
4. 511-0585 Export Promotion
5. 511-0596 Micro & Small Enterprises
6. 511-0598 Strengthening Financial Markets
7. 511-0605 FY 93 Economic Recovery Program BOP
8. 511-0614 Electrification for Sustainable Development
9. 511-0616 Technical Support for Policy Reform
10. 511-0617 Cochabamba Regional Development
11. PL 480 Title II Regular Program and Monetization
12. PL 480 Title III

Rating: B

PROJECT STATUS REPORT
April 1, 1994 - September 30, 1994

I. Background Data

Project Title: **Industrial Transition Project**
 Project Number: 511-0577
 Date of Authorization: original 06/24/87
 Date of Obligation: original 06/24/87 amended 12/20/93
 PACD: original 09/30/91 amended 08/31/95
 Implementing Agencies: Ministry of Economic Development
 Major Contractors/Grantees: Price Waterhouse/Chemonics
 AID Project Manager: Stephen H. Smith
 AID Project Coordinator: Julio Patiño
 Status of CPs/Covenants: CPs and covenants met
 Date of Last Evaluation: None Next Evaluation: 08/95
 Audit:

Organization	Audit Responsibility	Last Audit Completed	Next Audit Begin Date	Total Audits Completed to Date
Ministry of Economic Develop.	USAID/Bolivia	10/01/89	08/31/95	1
Price Waterhouse	OP/PS/OCC	(*)	-	
Chemonics	OP/PS/OCC	(*)	-	

II. Financial Data (\$000)

a) Amount Authorized: 6,569
 b) Amount Obligated: 6,569
 c) Amount Committed: Period: 299
 Cumulative: 5,542
 d) Accrued Expenditures: 1) Period-Projected: 750
 2) Period-Actual: 669
 3) Next Period Projected: 400
 4) Cumulative to date: 5,466
 e) Pipeline (b - d,4): 1,103

% of Total Auth. Exp. (d,4/a): 83
 % of Total Oblig. Exp. (d,4/b): 83
 % of Total Auth. Oblig. (b/a): 100
 % of Total Oblig. Exp. (d,4/b): 83

(*) U.S. owned for-profit institutions are subject to the same audit requirements established under OMB A-133, under the responsibility of OP/PS/OCC. Project specific audits of contractor performance are not required.

Counterpart Contribution (GOB):

f) Counterpart Planned LOP:		2,889
g) Counterpart Cumulative Planned as of	9/30/94	2,889
h) Actual Counterpart Expenditures as of	6/30/94	2,589
i) Accrued Counterpart Expenditures	6/1/94 - 9/30/94	0
j) Total Counterpart Actual and Accrued Expenditures as of	9/30/94:	2,589
k) Counterpart Planned Next Period:		300
l) % of LOP Expended:		89

III. Project Goal/Strategic Objective

The remaining activity in this project is reform of Bolivia's Social Security Pension System. This reform will "expand economic opportunity and access" by radically improving the size and stability of the pension system, as well as increase the pension income of the nearly quarter of a million current affiliates. The system also promises to generate a savings pool of approximately \$200 million over the next three years, resulting in new investment opportunities for the private sector and the creation of thousands of new jobs.

IV. Project Purpose

The purpose of the Industrial Transition Project (INTRA) is to increase the role of the Bolivian private sector in the country's economy through it enhanced participation and investment in productive enterprises.

V. Project Description

The project has supported the GOB efforts in privatization through technical assistance in the areas of management, valuation of assets, sales negotiations, and public relations. The project is also supporting the GOB plan to reform and privatize the administration of the Social Security System. This latter reform is expected to bring pension benefits up to a level commensurate to payments made into the system, periodically indexed for inflation. In addition it will generate hundreds of millions of dollars worth of long-term investment opportunities in Bolivian capital markets.

VI. Project Status

A. Purpose Indicators/ EOPS	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1. Passage of Pension Reform Law	1	1	1	0	0	0	0
2. Passage of Privatization Law	1	0	1	0	0	1	100

B. Major Output Indicators	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1. GOB privatization action plan established	1	0	1	0	0	1	100
2. Privatization plans developed for Reg. Development Corporations	5	0	5	0	0	9	180
3. SOE's Privatized	10	0	10	0	0	13	130
4. Public education campaign carried out	1	0	1	1	1	1	100

C. Overall Status

Progress under the Pension Reform component of this project has continued. In mid-September the GOB sponsored a Presidential Conference on this initiative, to which representatives of several international insurance and investment companies were invited to attend.

In general the proposed reform was well received. Based on the input provided by those in attendance, the government is proceeding in its preparation of a final draft of the Pension Reform Law in the hopes of presenting it to Congress before the year end recess.

Several Technical studies are underway in tandem to those activities mentioned above. Among the more important is a system-wide audit, as well as a valuation of assets. Preliminary findings paint a bleak picture for most of the system. At present it is severely under-funded, requiring a large amount of government subsidies currently running at over \$30 million, and increasing every year. Other actions include bolstering the current citizen registry program, also known as the RUN (Registro Unico Nacional). Though a significant portion of the rural population has been registered under this new system, the vast majority of the urban and peri-urban areas of the country are still not included, though this situation should be resolved within the next 12 to 16 months. Ultimately the RUN program and its completion are extremely important, particularly as it will allow the share distribution program of the capitalized companies to proceed as planned.

During this last reporting period, no new privatizations of smaller state-owned-enterprises have taken place. This standstill is primarily due to the GOB's concern that its Capitalization program get underway first. Government sources indicate that this process could start again as early as February of 1995.

D. Problems and Delays

Though the privatization of smaller state-owned assets is still on-hold the Mission believes that the benefits of allowing the government's Capitalization program to proceed ahead of the sale of these smaller entities far outweighs the perceived benefits that these smaller transactions could have. As stated earlier, once the first two or three larger enterprises are capitalized (ENDE, ENTEL, and LAB), the government has indicated that it will resume the pace of its privatization program.

With respect to the Pension Reform initiative, the delay in approving legislation has resulted from unforeseen complexities - political and otherwise - that this type of reform entails. As iterations of the draft law have been completed, new issues arise that send the Law back to be revised. Ultimately, this government's burdensome agenda of reforms and legislation have also taken its toll in the form

of renewed caution and exhaustive discussion of many issues, some of which were thought to have already been resolved. Despite these delays, we anticipate the Pension Reform Law -along with the new Insurance and Securities Law's - to be sent to Congress in early November, with their passage occurring the first quarter of 1995.

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

In all likelihood the next period should see a number of actions unfolding, both on the issues surrounding the GOB's privatization program, as well as those related to the Pension Reform initiative. The former should demonstrate that the GOB is willing to press ahead with the sale of its smaller assets, and the latter, an official nod from the Congress to proceed with the proposed set of reforms to the Pension system.

Rating: A

PROJECT STATUS REPORT
April 1, 1994 - September 30, 1994

I. Background Data

Project Title: **Management Training**
 Project Number: 511-0580
 Date of Authorization: original 08/30/85 amended 04/25/90
 Date of Obligation: original 08/30/85 amended 09/29/92
 PACD: original 08/30/89 amended 07/31/95
 Implementing Agencies: Institute for the Development of Entrepreneurs & Administrators (IDEA)
 AID Project Manager: Gabriela S. de Santa Cruz (FSN-PSC)
 Status of CPs/Covenants: All CPs met
 Date of Last Evaluation: 01/15/92 Next Evaluation: 05/30/95
 Audit:

Organization	Audit Responsibility	Last Audit Completed	Next Audit Begin Date	Total Audits Completed to Date
IDEA	Recipient	06/29/92	02/01/95	2

II. Financial Data (\$000)

a) Amount Authorized: 6,000
 b) Amount Obligated: 6,000
 c) Amount Committed: Period: 568
 Cumulative: 5,613
 d) Accrued Expenditures: 1) Period-Projected: 406
 2) Period-Actual: 345
 3) Next Period Projected: 468
 4) Cumulative to date: 5,284
 e) Pipeline: 716
 % LOP Elapsed: 92
 % of Total Auth. Oblig.: 100
 % of Total Oblig. Exp.: 88
 % of Total Auth. Exp.: 88

Counterpart Contribution (GOB):

f) Counterpart Planned LOP:	3,876*
g) Counterpart Cumulative Planned as of 9/30/94:	3,693
h) Actual Counterpart Expenditures as of 6/30/94:	3,926
i) Accrued Counterpart Expenditures 7/1/94 to 9/30/94:	0
j) Total Counterpart Actual and Accrued Expenditures as of 9/30/94:	3,926
k) Counterpart Planned Next Period:	280
l) % of LOP Expended:	101

(*) C.A. Amendment 8 reduced the GOB counterpart contribution by \$7,495.

III. Relationship to Mission Strategic Objective

The scarcity of quality mid-level managers is widely recognized as a constraint to private sector growth. The goal of the Management Training Project is to improve the professional capabilities of Bolivian private sector managers through training geared to the needs of their firms. The project contributes to "Expanding Economic Opportunity and Access" by supporting the growth of the private sector and related increases in employment and income.

IV. Project Purpose

The purpose of this project is to support the development of an independent management training institute which will provide intensive short-term management courses to Bolivian businessmen and women. The longer-term purpose of the project is to make IDEA a self-sustaining center of educational excellence for the modernization of the Bolivian private sector.

V. Project Description

The project provides funds for the creation and operation of the Institute for the Development of Entrepreneurs and Administrators (IDEA) in three cities of Bolivia. IDEA provides managerial and financial short-term education to a wide range of business personnel, including administrative staff, supervisors, executives and micro-entrepreneurs. It also provides tailored in-house training programs for private companies and the public sector.

VI. Project Status

A. Purpose Indicators/ EOPS	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1. Cost Recovery (Financial Sustainability) ¹	.65	.74	N/A	.66	.84	N/A	N/A
2. Overhead Rate (Program Efficiency) ²	1.95	1.73	N/A	1.85	1.66	N/A	N/A
3. Deposits to Trust Fund ³	1,659,000	331,870	1,524,212	271,844	244,904 ⁴	1,330,189	80

B. Major Output Indicators	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1. Number of Training Activities	1,750	200	1,580	120	197	1,691	97
2. Number of Participants							
Male	24,636	2,904	22,200	1,680	3,681	29,539	120
Female	12,134	1,496	11,150	720	1,532	14,092	116
3. Participant Training Hours							
Male	448,900	43,560	389,160	30,240	97,584	565,066	126
Female	221,100	22,440	195,780	12,960	40,835	256,861	116

¹ Cost Recovery is the ratio between Fee Income and Total Costs.

² The overhead ratio refers to IDEA's indirect costs over its course costs. (The lower the ratio, the better.)

³ The Trust Fund is derived from deposits made by IDEA's income from training and contributions from the private sector. Amendment 6 (2/26/93) reprogrammed funds which allowed IDEA to increase its contribution to the Trust Fund.

⁴ Does not include \$50,000 of credit transactions.

C. Overall Status

1. In compliance with Amendment No. 6 to the Cooperative Agreement, IDEA continued to deposit all income generated to the Trust Fund, thus ensuring self-sustainability after PACD.

1. During this period IDEA improved its cost control. As a result, the cost recovery ratio was higher than planned. The overhead rate (indirect costs over its course costs) was lower than planned and the deficiency shown in the previous PSR, where the target for this indicator was not met, was corrected.

2. During the reporting period IDEA held 11 international seminars on marketing; project design, evaluation and implementation; improving productivity for a better work place; business administration and strategic planning; and other topics.

3. The three year course on Foreign Trade, Policy and Custom Administration that is being held in La Paz and Santa Cruz successfully continued and is expected to end in June 1995.

4. To improve the quality of its courses, IDEA organized a meeting with instructors from La Paz and Santa Cruz to coordinate activities, uniform training methodologies and exchange information and experience.

5. IDEA continued offering in-house training to government and private entities, commercial banks and other international programs.

6. To keep the Bolivian private sector well informed, IDEA organized workshops with the participation of experts from the political and economic sectors. The main topics were Investment and Financing Opportunities, Bilateral Treaties, the Negotiation of the Gas Pipeline to Brazil, and other topics of general interest.

7. The audit for 1993 was completed. In the auditor's opinion, the fund accountability statement reasonably presents project revenues, costs incurred and reimbursed, commodities and technical assistance in accordance with the terms of the agreement. On internal control structure, the auditor reported that the electronic processing data system presently used by IDEA is deficient with respect to access and data presentation. The communication structure between the academic, accounting and invoicing sections should be more efficient and supervisory visits to the regional offices should be made. In general, IDEA has complied with the terms of the USAID agreement and Bolivian laws. The recommendations of prior year audits were followed; counterpart contribution disbursements were made according to the budget and properly accounted for; and the financial statements of IDEA are reasonably presented.

D. PROBLEMS AND DELAYS

The courses that IDEA had planned to offer in cities other than La Paz, Cochabamba and Santa Cruz, sponsored by Technical Assistance Service (SAT), a GOB entity financed by the World Bank, were delayed due to SAT internal problems. However, SAT is in process of solving its problems and training activities will be resumed during the last quarter of the year.

E. MAJOR ACTIVITIES FOR THE NEXT PERIOD

1. Resume activities planned with SAT support in cities other than La Paz, Cochabamba and Santa Cruz.

2. Start a program on practical training in business administration, with the support of GTZ (German Technical Assistance Service.)
3. In compliance with auditor's recommendations supervisory visits to regional offices will be conducted.
4. Improve the electronic processing data system.

Rating: A

PROJECT STATUS REPORT
April 1, 1994 - September 30, 1994

I. Background Data

Project Title: **Training for Development**
 Project Number: 511-0584
 Date of Authorization: original 08/27/85 amended 08/13/90
 Date of Obligation: original 08/28/85 amended 06/23/92
 PACD: original 06/30/89 amended 06/30/95
 Implementing Agencies:
 Major Contractors/Grantees: Partners for International Education & Training (PIET)
 AID Project Manager: Beatriz O'Brien
 AID Project Coordinator: None
 Status of CPs/Covenants: All met
 Date of Last Evaluation: 02/01/90 Next Evaluation: 04/30/95
 Audit: None

Organization	Audit Responsibility	Last Audit Completed	Next Audit Begin Date	Total Audits Completed to Date
PIET	OP/PS/OCC	(1)	--	--

(1) U.S. based for profit institutions are subject to the same audit requirements established under A-133, under the responsibility of OP/PS/OCC. Project specific audits at the Mission level are not required.

II. Financial Data (\$000)

a) Amount Authorized: 4,720
 b) Amount Obligated: 4,720
 c) Amount Committed: Period: 225
 Cumulative: 4,417
 d) Accrued Expenditures: 1) Period-Projected: 446
 2) Period-Actual: 375
 3) Next Period Projected: 300
 4) Cumulative to date: 4,276
 e) Pipeline (b - d,4): 444
 % LOP Elapsed: 93
 % of Total Auth. Oblig. (b/a): 100
 % of Total Oblig. Exp. (d,4/b): 91
 % of Total Auth. Exp. (d,4/a): 91

Counterpart Contribution (GOB):	Cash	In Kind
f) Counterpart Planned LOP:	170	1.920
g) Counterpart Cumulative Planned as of 09/30/94:	150	1.173
h) Actual Counterpart Expenditures as of 06/30/94:	117 <u>1/</u>	1.258
i) Accrued Counterpart Expenditures 7/01/94 to 9/30/94:	(3) <u>4/</u>	30
j) Total Counterpart Actual and Accrued Expenditures as of 9/30/94 (h+i):	114 <u>2/</u>	1.288
k) Counterpart Planned Next Period:	25 <u>3/</u>	0
l) % of LOP Expended (j/f):	68%	67%

1/ Actual IDEA expenditures.

2/ Actual DIFEM contribution.

3/ Does not include PL 480 contribution.

4/ Adjustment per exchange rate difference.

III. Project Goal/Strategic Objective

The project goal is to promote Bolivia's economic recovery and growth and to enhance the development of a free market economy within a democratic system. The project provides crosscutting support to the USAID/Bolivia strategic objectives of Expanded Economic Opportunity & Access and Improvement of the Effectiveness and Accessibility of Key Democratic Institutions and Practices. The project supports these strategic objectives, since returned trainees are expected to become policy and decision-makers with direct influence on the development of a free market economy, from key positions in the private and public sectors.

IV. Project Purpose

The purpose of the project is to expand the human resource base of U.S., third country and in-country trained individuals who hold, or have the potential to hold, policy level and leadership positions in the government and in the private sector.

V. Project Description

The project provides training to Bolivian professionals and technicians in areas such as finance, economics, agricultural economics, development economics, public administration, women in development, and management in general. The project has three components: a) master's degree training, b) short-term technical training, and c) in-country training.

The project's LOP target is 63 long-term, 160 short-term and 160 in-country participants by the PACD of June 30, 1995.

VI. Project Status

A. Purpose Indicators/ EOPS(Returned/ Trained	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1.LT Masters Degree-Male	43	15	47	0	14	47	109
2.LT Masters Degree-Fe- male (1)	20	2	13	0	3	14	70
3.ST Technical-Male(2)	120	16	126	0	15	122	101
4.ST Technical-Female(3)	40	4	35	5	5	38	95
5.Democracy Awareness	M 30 F 30	0	0	0	0	30 30	100
6.In-Country Seminars-Male	80	45	186	0	76	223	278
7.In-Country Seminars-Fe- male (4)	80	30	105	0	30	104	130

Notes:

- 1.Total long-term returned trainees to date: 61. One participant in training through June 1995. One (1991) non-returnee from Costa-Rica, equalling the 63 targeted for the LOP.
- 2.One ST participant has not returned from training. Being considered as potential non-returnee.
- 3.Fund reprogramming will allow the training of an additional 5 to 8 female participants during the next period.
- 4.The in-country component is funded with LC. The program has doubled its LOP training target from 160 to 327 trained participants. This was accomplished without an increase in funding. Instead the funding was reduced by 30% during the last quarter of FY 1994.

B. Major Output Indicators	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1.LT Masters De- gree(degrees begun)	M 43	0	43	0	0	48	111
	F 20	0	20	0	0	15	75
2.ST Technical (new starts)	M 120	16	126	0	15	122	101
	F 40	4	35	5	5	38	95
3.Democracy Awareness Program(discontinued in 1/80)	M 30	0	30	0	0	30	100
	F 30	0	30	0	0	30	100
4.In-Country Seminar ST	M 80	45	186	0	76	223	278
	F 80	30	105	0	30	104	130

C. Overall Status

*** Short-term training**

With the training of 20 short-term participants during this period, the project reached all its targets. The 20 participants attended courses related to management of environmental programs for communal development, water management and evaluation.

*** Long-term training**

Seventeen participants in the master's program returned from training with degrees in development economics, public administration, business management, finance, and tax law. All have returned to previous employment or have been invited to hold important decision or policy-making positions in the private and public sectors. There will be only one participant, with a special waiver in training through June 1995.

** To date, at least 50% of the project's participants have reached cabinet-level and decision-making positions in the public and private sectors.

** The other 50% of all returned trainees hold directorships and managerial positions where they clearly play roles as agents of change in support of the Mission's and the GOB's strategic objectives. Examples are trainees working as advisors in municipal government, banking, environmental policy-making, small enterprise, and rural development.

** 70% of all long term trained women currently hold high ranking positions, including a current cabinet post.

*** Follow-on program**

Returned participants have become actively involved in regional alumni committees to design high-impact activities, such as seminars which will be taught by the returned trainees themselves.

The purpose of these seminars is to train others in their communities or institutions, and/or train socially and economically disadvantaged returned trainees, providing them with leadership and technical skills in support of the current GOB development objectives in areas such as the environment, health education, management, leadership and project management.

Alumni in several departments will start special USAID library collections in local universities or public libraries to which a basic collection of books will be donated. The collections will be incremented by the returned trainees themselves. This follow-on activity is being coordinated with the RTAC program.

*** In-Country Training**

Four seminars were implemented during this period. The seminars were specially designed to reach returned trainees of former year programs who require refresher courses or new skills. The original target of 160 in-country trainees has doubled: a total of 327 people have been trained with the same amount of funds as a result of cost-containment and efficient planning. Over 100 women have participated of in-country courses.

D. Problems and Delays

None.

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

1. An estimated six high-impact seminars, an alumni reunion and certificate of achievement ceremonies for returned trainees are planned for the next period.

The seminars, taught by returned trainees, will reach an estimated 300 mid-level technicians and professionals who will receive skills and leadership training in topics such as management, environmental protection, public administration, finance, gender, leadership, and human resource management. The multiplier effect of these seminars will contribute to further increase the human resource base of trained Bolivians.

2. Through fund reprogramming an additional 5-8 women will be sponsored for short-term training to complete all training activities under the project by March 1995.

3. A 30% former reduction in local currency funding by DIFEM, may be refunded to the in-country component of the project. If this funding becomes available there will be one last in-country seminar especially designed for women who require leadership and managerial skills training.

4. Special ceremonies will be held to recognize those returned trainees who have made significant contributions under the follow-on program to benefit their communities and other trainees.

Rating: A

PROJECT STATUS REPORT
April 1, 1994 - September 30, 1994

I. Background Data

Project Title:	Export Promotion
Project Number:	511-0585
Date of Authorization:	original 11/15/88 amended
Date of Obligation:	original 11/18/88 amended 07/26/94
PACD:	original 11/16/93 amended 09/30/95
Implementing Agencies:	National Finance Secretary National Export Promotion Institute (INPEX) Bolivian Institute for Foreign Commerce (IBCE) Foundation for the Production (FUNDA-PRO)
Major Contractors/Grantees:	CARANA Corporation
AID Project Manager:	Joy W. Lucke
AID Status of CPs/Covenants:	CPs met. Covenant in force
Date of Last Evaluation:	01/10/94 Close Out Report: 09/95
Audit:	

Organization	Audit Responsibility	Last Audit Completed	Next Audit Begin Date	Total Audits Completed to Date
CARANA Corp.	OP/PS/OCC	(1)	--	
IBCE	Recipient	--	06/01/94(3)	--
INPEX	Recipient	(2)	--	--
FUNDA-PRO	Recipient	05/30/94	01/30/95	1

(1) U.S. based for profit institutions are subject to the same basic audit requirements established under A-133, under the responsibility of OP/PS/OCC. Project specific audits at the Mission level are not required.

(2) Financial review performed at Mission level by Controller's Office. 01/15/94.

(3) Audit in process

II. Financial Data (\$000)

a) Amount Authorized: DA/ESF	23,500
b) Amount Obligated: DA/ESF	20,384
c) Amount Committed: Period:	108
Cumulative:	17,206*
d) Accrued Expenditures:	
1) Period-Projected:	2,000
2) Period-Actual:	1,621
3) Next Period Projected:	1,800
4) Cumulative to date:	16,062
e) Pipeline (b - d,4):	4,322
% LOP Elapsed:	85%
% of Total Auth. Oblig. (b/a):	87%
% of Total Oblig. Exp. (d,4/b):	79%
% of Total Auth. Exp. (d,4/a):	68%

* Cumulative amount corrected.

Counterpart Contribution (GOB):

f) Counterpart Planned LOP:	4,477*
g) Counterpart Cumulative Planned as of 9/30/94:	3,828
h) Actual Counterpart Expenditures as of 6/30/94:	2,334
i) Accrued Counterpart Expenditures 7/1/94 to 9/30/94:	2,025
j) Total Counterpart Actual and Accrued Expenditures as of 9/31/94 (h+i):	4,359
k) Counterpart Planned Next Period:	808
l) % of LOP Expended (j/f):	97%

* Figure reduced due to amended C.A. with UNDA-PRO-LAAD and reduction in anticipated total obligated amount.

III. Project Goal/Strategic Objective

Bolivia cannot hope to provide productive and secure employment for its people unless it can increase and diversify its exports. This Project has had impressive success to date in generating new export businesses and markets; it contributes to our objective of "expanding economic opportunities and access" by creating new jobs for (mainly unskilled) Bolivia labor and by providing a real, if unmeasurable, "demonstration effect" in encouraging new export investment which is not directly assisted by the Project.

IV. Project Purpose

The Project purpose is to increase dollar volume of non-traditional exports and related employment by Bolivian and foreign companies that receive Project assistance.

V. Project Description

The Project includes technical assistance to exporters, export financing and foreign investment promotion. Technical assistance is directed toward production, quality control, marketing, policy dialogue and export finance. Export finance at market rates is offered to agroindustry that has difficulty securing finance for export operations from conventional sources. Foreign investment promotion targets foreign companies to invest in, and export from Bolivia.

VI. Project Status

A. Purpose Indicators/ EOPS	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumu- lative	Next Period	Period (6 mo.)	Cumu- lative	% of LOP
1. Cumulative non-traditional exports (\$000)	100,000	13,770	64,030	14,000	24,037	93,780	94
2. New jobs created	*10,325	1,770	7,750	800	966	6,119	70
3. Foreign investor generated export capacity (\$000)	50,000	9,900	33,100	4,500	18,575	51,020	102

Notes:

Jobs reported are actual. Committed unrealized investments are expected to generate 2,156 additional jobs over the figures reported above. Temporary jobs during construction/expansion phase have resulted in 25,092 person months of employment.

* Baseline adjusted down to reflect reduction in export financing component.

B. Major Output Indicators	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1. Companies strengthened	250	30	205	0	25	*267	107
2. Investor visits	220	36	160	12	32	166	75
3. Loan Portfolio (\$000s)**	3,300	1,200	3,600	1,110	30	2,530	77
4. Export reference libraries established	3	0	3	0	0	3	100

Notes:

* Increase in figure result of output indicator clarification and subsequent revision of data.

** Loan amount and figures reported above include contribution by both AID and LAAD. Total LOP amount amended.

C. Overall Status

During this period, the Project received its last obligation of \$3 million for a total of \$20.384 million. No more money will be forthcoming, therefore this reduction and those in local currency counterpart limit the project impact. The Cooperative Agreement with Funda-Pro to provide export financing was reduced by \$3.55 million. The Cooperative Agreement with the Bolivian Institute for Foreign Commerce (IBCE) was reduced by \$17,400. The new counterpart contribution with these reductions is \$4,477 million. Nevertheless, the project components are producing excellent results.

The BOLINVEST component continues to provide quality assistance in export and investment promotion with positive results. The investment component surpassed its LOP goal by attracting foreign investments totaling \$51.03 million. Of this amount, \$39.25 million is directly attributable* to Project assistance. In the mining area, major investments were made in the exploration of non-traditional minerals (mostly gold). Mining investments represent 27% of the entire investment portfolio and come mainly from Canada and Australia. Significant investments have also been made in the area of light manufacturing (investments ranging from \$.5 to \$3 million) in the wood, industrial jewelry, and leather sectors resulting in jobs and modernization of the industrial infrastructure.

Foreign investment generally creates temporary jobs during the construction/expansion phase. Creation of temporary jobs by foreign investment are up by 34.6% this period (5,169 total person months). Permanent jobs have increased by 22% but will grow even more as these companies reach their productive capacity.

The Model Plant pilot project, an initiative to encourage domestic investment in three important export sectors, is progressing. To date, a \$1 million investment in industrial jewelry production has generated 180 direct jobs with anticipated export sales of \$3 million annually. Soon production will begin in a "model" plant in industrial jewelry and wood manufacturing. These plants will serve as demonstration centers for other domestic investors. While not included in reported figures or audited by USAID, other domestic investments/expansions oriented towards exports by BOLINVEST assisted companies are totalling \$51.464 million with 1,418 total jobs at full production and 16,218 person months of temporary employment.

*The amount "attributable" to Project assistance is gross exports/investments by assisted companies less exports and investments that would have occurred without Project assistance.

The growth in non-traditional exports in BOLINVEST-assisted companies is impressive. During this period, exports increased 34.5% for a total of \$93.780 million, of which \$82.495 million are directly attributable* to project assistance. Completion of the export targets will be achieved during the next few months. New jobs generated from increased exports total 4,800. Thirty six companies have been strengthened this period with seven companies considered large and 29 being small to medium in size. Noteworthy is the role BOLINVEST has played to assist Bolivia's entrance into the international bar code system. Many countries require a bar code for products to enter their markets and Bolivia now has the capacity to bar code its exports. Informational bar coding seminars were conducted with 251 companies attending.

Administratively, the project is running smoothly. The American Chief of Party resigned in August and was replaced by the former manager of the export division. This change in management has resulted in cost savings and a more cohesive and unified team. In addition, this new, leaner management structure should be more appealing to prospective donors in the future.

Independent analysis of BOLINVEST continues to be positive. The Foreign Investment Advisory Service (FIAS) of the World Bank, contracted by the GOB to evaluate investment promotion organizations, mentioned BOLINVEST as the only truly successful entity with verifiable results. An independent audit of BOLINVEST results determined that, on the whole, BOLINVEST results are accurate and company satisfaction is high.

As previously mentioned, the export financing component being implemented by Funda-Pro and LAAD was significantly reduced. The modified disbursement program projects a portfolio of \$3.3 million by December 1994 when the program ends. At the end of this reporting period, LAAD had disbursed \$2.53 million in agricultural loans. The remaining loans are in the final stages of legal processing and no problems are envisioned regarding the disbursements. This component has created a total of 285 full time jobs. Gross export sales for the period stood at \$2.16 million, or 98% of the projected goal. Export sales and jobs generated should continue to grow as the investments reach full production capacity. Several clients have already made principal payments on their loans, yet legal proceedings may begin against one client for delinquency.

D. Problems and Delays

Bureaucratic impediments in the GOB and threats of changes in the regulations related to investment and exports continue to hinder promotion activities. Conflicts between the GOB and the exporters are intensifying with public sentiment siding with the exporters.

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

USAID funding for the BOLINVEST activity will end in August of 1995. The BOLINVEST project is highly successful and the need for this type of intervention continues. Export growth and diversity is the only way the Bolivian economy can grow. USAID/Bolivia continues its efforts to identify an institutional arrangement which will allow BOLINVEST activities to continue after PACD. Many options are being explored including the transformation of BOLINVEST into an NGO with multi-donor support, perhaps loosely associated with the national export chamber of commerce. A study will be conducted during the next month to determine to what degree BOLINVEST can become financially self-sufficient. While committed to continuing its strong performance through August 1995, the Bolinvest team is also dedicated to finding a way to keep their work going for the good of Bolivia.

*The amount "attributable" to Project assistance is gross exports/investments by assisted companies less exports and investments that would have occurred without Project assistance.

Rating: A

PROJECT STATUS REPORT
April 1, 1994 - September 30, 1994

I. Background Data

Project Title: **Micro and Small Enterprise Development**
 Project Number: 511-0596
 Date of Authorization: original 08/15/88
 Date of Obligation: original 08/31/88
 PACD: original 08/15/93 amended 09/30/97
 Implementing Agencies: Foundation for the Promotion and Growth of Micro Enterprise (current) (PRODEM); Bolivian Federation of Small Industry (FEBOPI); Foundation for Production (FUNDAPRO); World Council of Credit Unions (WOCCU)
 Major Grantees: World Council of Credit Unions (WOCCU); Acción Internacional (AITEC); Programas para la Mujer (PRO-MUJER)
 AID Project Manager: Kimberly A. Brown
 AID Project Coordinator: Gabriela Santa Cruz
 Status of CPs/Covenants: PRODEM, FEBOPI and FENACRE have complied with the CPs.
 Date of Last Evaluation: 06/30/92 Next Evaluation: 03/31/95
 Audit:

Organization	Audit Responsibility	Last Audit Completed	Next Audit Begin Date	Total Audits Completed to Date
AITEC	A-133	(a)	-	-
WOCCU	A-133	(a)	-	-
WOCCU (Stab.Fund)	Recipient	-	11/01/94	-
PRODEM	Recipient	08/18/93	05/01/94	1
FENACRE	Recipient	10/22/93	(b)	1
FEBOPI	Recipient	-	06/01/94	-

(a) As U.S.-based non-profit institution, OMB Circular A-133 establishes a cognizant Federal Agency responsible for institution-wide audits which are requested, renewed and tracked by OP/PS/OCC. Project specific audits at the Mission level are not required.

(b) Financial review conducted by the Controller's Office 09-10-93.

II. Financial Data (\$000)

a) Amount Authorized: 10,000 amended to 13,850 and 14,350*
 b) Amount Obligated: 12,449
 c) Amount Committed: Period: 862
 Cumulative: 11,527
 d) Accrued Expenditures: 1) Period-Projected: 1,720
 2) Period-Actual: 1,077
 3) Next Period Projected: 1,127
 4) Cumulative to date: 7,771
 e) Pipeline : 4,678
 % LOP Elapsed: 67
 % of Total Auth. Oblig. (b/a): 87
 % of Total Oblig. Exp. (d,4/b): 62
 % of Total Auth. Exp. (d,4/a): 54

* During this period \$500,000 was added to the APPLE component.

Counterpart Contribution (GOB and Private Sector):

	GOB	PS
f) Counterpart Planned LOP*:	2,850	2,725
g) Counterpart Cumulative Planned as of 9/30/94:	2,843	2,150
h) Actual Counterpart Expenditures as of 6/30/94:	2,116	1,698
i) Accrued Counterpart Expenditures 7/1/94 to 9/30/94:	0	270
j) Total Counterpart Actual and Accrued Expenditures as of 9/30/94 (h+i):	2,116	1,968
k) Counterpart Planned Next Period:	0	212
l) % of LOP Expended (j/f):	74	72

* Amendment No. 9 to the Project Agreement adding the APPLE component to the MSED project increased the Private Sector contribution from \$1,575,000 to \$2,725,000.

III. Project Goal/Strategic Objective

Small and micro enterprises in Bolivia, which make up most of the country's businesses, sorely lack technology and credit. The goal of this project falls squarely under the Mission's objective to "Expand Economic Opportunity and Access" by facilitating access to these needed services, especially financial intermediation.

IV. Project Purpose

The purpose of the project is to stimulate the growth and development of the small-scale enterprise sector. The project will achieve this purpose through focusing on institutional development of three local organizations that support this sector.

V. Project Description

The project provides credit, training, technical assistance, and policy formulation assistance to FENACRE and its constituent credit unions, PRODEM, and FEBOPI and its constituent Departmental Small Industry Associations (ADEPIs). Project components include: 1) Institutional Strengthening: Acción International/AITEC provides technical assistance to PRODEM. WOCCU provides technical assistance to FENACRE and FEBOPI. 2) Credit: USAID/Bolivia will donate approximately \$1,800,000 to PRODEM and \$100,000 to FENACRE/Credit Unions to capitalize credit funds for micro and small enterprises. Credit resources for PRODEM provide loans primarily to production-oriented, micro enterprises. Credit is also made available to small producers through FENACRE and its affiliated credit unions. 3) Policy Research: This component includes research concerning micro and small-scale enterprise sector issues, impediments to sector growth, and training needs. FEBOPI implements this component. 4) Stabilization Fund: This component provides credit unions with technical assistance and capital support to embark upon an internal reform program. 5) APPLE Program: AID/W APPLE funds are matched one to one by outside sources to provide credit for rural finance activities.

VI. Project Status

A. Purpose Indicators/ EOPS	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1. Employment created thru PRODEM-BancoSol (a)	1,525	6,000	14,450	6,000	7,751	38,066	2,496
2. Number active borrowers PRODEM-BancoSol:							
Male (35%)	1,750	5,000	11,403	595	581	24,957	1,426
Female (65%)	3,250	9,000	22,150	1,105	1,079	46,348	1,426
3. No. of Credit Unions (b) stabilized (or in process)	15	5	10	5	0	5	33
4. 150% increase in assets among supervised CUs(b)	150%	10.04%	21.08%	10.04%	16.5%	47.83%	28
5. No. of active Borrowers APPLE/PRODEM (c)							
Male	2,128	489	489	256	554	554	26
Female	2,867	659	659	344	746	746	26

(a) The Mission has grappled with the issue of how to calculate job creation at the microenterprise level under the MSED project, where there are thousands of active loan clients. We commissioned a study of a large sample of PRODEM clients and calculated the increase in jobs from the time of the first loan. The cumulative loans received by the sample was then divided by the increase in the number of jobs recorded. This provided a job creation factor of \$4,379. That is, for each \$4,379 of loans, a job is created.

We also recently decided to report the number of jobs related to the entire credit program of both PRODEM and its child, BANCOSOL. We had previously been reporting on the productive loans (since only they purportedly produce jobs) of the PRODEM portfolio and on the productive loans of the BancoSol portfolio that (we estimated) derived from the USAID funds. In actuality, it was virtually impossible to distinguish what came from USAID and what didn't. Rather than complicate life for the grantee (by keeping an elaborate and separate monitoring system), we finally reached the conclusion that we would have more accurate data by reporting on the entire PRODEM/BancoSol portfolio. We feel this is justified, since PRODEM was created largely as a result of USAID efforts, and without USAID assistance, PRODEM would not have been able to create BancoSol. Thus, the \$4,379 factor and data from the entire PRODEM/BancoSol loan programs will be used for this and future SARs.

(b) The indicators for the credit union component have been slightly revised to reflect the exact information used in the monitoring and evaluation plan between USAID and WOCCU.

This change has caused slight discrepancies between this period and last periods' results.

(c) This is a new indicator and comes as the result of a project amendment completed during the reporting period.

B. Major Output Indicators	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1. PRODEM/BancoSol loan portfolio (50%) (a)	2,450,000	4,000,000	7,100,000	4,000,000	6,235,906	20,440,405	834
2. No. of Credit Unions under supervision of Superintendency of Banks(b)	30	5	10	4	8	10	36
3. APPLE/PRODEM Loan Portfolio (c)	999,000	374,625	374,625	356,592	377,158	377,158	37
4. APPLE/PRODEM Portfolio Delinquency(c) Rate	1.5%	1.5%	n/a	1.5%	.86%	n/a	n/a

- (a) We estimate that approximately 50% of PRODEM's and BancoSol's portfolios derive from actual USAID-related funds.
- (b) The indicators for the credit union component have been slightly revised to reflect the exact information used in the monitoring and evaluation plan between USAID and WOCCU. This change has caused slight discrepancies between this period and last periods' results.
- (c) These output indicators are new, and result from a project amendment completed during the reporting period.

C. Overall Status

WOCCU: The WOCCU component of the project has had impressive results. During the period,* eight credit unions came under the supervision of the Superintendent of Banks and Financial Institutions. This is three above the planned level for the period. The Superintendent has had an additional five credit unions under observation for probable supervision in the next few months. WOCCU signed technical assistance contracts with ten credit unions during the period, and began consultative work and institutional strengthening with these institutions. Growth in assets for credit unions under supervision increased 16.5% over the period. This reflects an increase in public confidence of the credit union system.

WOCCU hired a local consultant for credit unions in Oruro and Potosí to provide assistance in institutional development and stabilization contracts.

The results of the credit union census were published in both a comprehensive manual and in a summation in the official monthly bulletin of the Superintendency. A computerized monitoring system was brought on line at the Superintendency for use by office-based examiners. The final phase of the examiner training was completed. This consisted of two weeks of classroom and field work for 18 participants.

WOCCU's subagreement with the Superintendent was extended for one year, with an additional obligation of \$80,000. This agreement provides for the integration of the WOCCU examiners into the normal payroll of the Superintendency, and for the self-financing of credit union supervision by means of collecting fees from credit unions. In addition, USAID amended the Cooperative Agreement with WOCCU to extend the Chief of Party's contract in Bolivia through the 1997 LOP.

* The period reported for the credit union component runs from Jan. 1 - June 30, 1994. It is tremendously complicated to obtain information for this component without building in a lag time. Therefore, the periods for the credit union component will run Jan 1 - June 30 and July 1 - Dec. 30 through the LOP.

WOCCU continues to successfully collaborate with its German counterparts in the DGRV in fortifying the entire credit union system. Cooperation in dealing with the fate of FENACRE is ongoing.

APPLE: The APPLE component of the project finally got underway in late June. As currently established, this first APPLE program (\$1,150,000) is designed to strengthen on-going credit operations of two NGO's currently providing micro-credit services. The implementation of the program has been enhanced through the participation of Funda-Pro, a second story financial institution, which agreed to provide - in the form of loans - the matching funds (1:1) required by the APPLE program. As currently structured, Funda-Pro, as the grantee organization, is responsible for all USAID funds disbursed and channeled to the participating NGOs. To date the program has disbursed over \$300,000 to support the anti-poverty credit operations of PRODEM. The Mission is currently in the process of establishing another APPLE program, with Pro-Mujer, a U.S. NGO which provides credit to poor women through communal banks in El Alto and Cochabamba.

PRODEM: The PRODEM/Banco Sol component continues to successfully provide financial intermediation for Bolivia's marginal population. During the period, 7,751 jobs were created. The target for active portfolio was surpassed by more than fifty percent. As PRODEM and Banco Sol's expansion has leveled off, and they are becoming more discerning in client selection, they did not meet their target for active clients in this period. Overall, however, PRODEM/Banco Sol has surpassed its LOP target for this indicator by over 1,000%. We have readjusted future targets to reflect this situation.

PRODEM transferred loan portfolios from branches in Quillacollo and Oruro to BancoSol during this period. Previous credit clients of PRODEM will now have access to savings services under Banco Sol.

FEBOPI: The Purpose and Major Output Indicators for FEBOPI were dropped from this report as all project activities have ended. The final audit is in process and the final evaluation of FEBOPI should be completed in May 1995.

D. Problems and Delays

WOCCU: During this period, USAID amended the MSED, to take \$2.44 million from the credit union stabilization fund and use it for microfinance activities under a separate component. In view of these changes, we asked WOCCU to put a hold on any new stabilization contracts until the amendment was approved to reassign funds to microfinance, and change the stabilization contracts to reflect the use of both principal and interest from the fund. Although WOCCU surpassed all of its other goals, it fell short of its planned level in increasing the number of credit unions under stabilization agreements for this reason. WOCCU is prepared to sign an additional three to five stabilization agreements as soon as it gets clearance from USAID, and this will immediately compensate for the delay in the last period. This clearance should be forthcoming in the next month.

APPLE: The original Funda-Pro/APPLE agreement contemplated the participation of two NGO's: PRODEM and Sartawi. The latter, at the last minute, decided to bow-out of the program due to internal disagreements with respect to its ability to repay the loans it would have acquired from Funda-Pro. As a result of this situation, Funda-Pro has had to identify and analyze another qualified candidate to participate in the program. We anticipate that this process will be concluded by late November.

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

MICROFINANCE: The MSED project paper was amended to reflect \$2.44 million in funding for a new microfinance component. The Project Agreement Amendment should be signed in the next few weeks, and work on the cooperative agreement should start immediately. All three of the subcomponents (technical assistance and equity investments for microfinance institutions, and technical assistance to the Superintendency) of this activity should begin in the next six months.

WOCCU: Four to five credit unions should come under the supervision of the Superintendency in the next period. WOCCU anticipates signing three to seven stabilization agreements in the next period. Based on tremendous credit union interest and demand, up to 17 credit unions will be signing technical assistance contracts with WOCCU in the next period.

WOCCU is in process of hiring a local consultant for the Cochabamba area to assist with both technical assistance and stabilization work. WOCCU will also contract a checking account feasibility study and provide technical assistance in this area. The Stabilization Advisor and WOCCU technicians plan to visit 24 credit unions around the country to develop monitoring and business plans and follow upon existing plans.

APPLE: USAID and Funda-Pro will establish a new agreement with a qualified substitute for Sartawi, to receive the \$350,000 in remaining APPLE funding.

USAID will establish a new \$500,000 APPLE agreement with Pro-Mujer.

PRODEM: The Cooperative Agreement between USAID and PRODEM will be closed out in March of 1995.

FENACRE: The Cooperative Agreement between USAID and FENACRE will officially close the end of October 1995.

Rating: C

PROJECT STATUS REPORT
April 1, 1994 - September 30, 1994

I. Background Data

Project Title: **Strengthening Financial Markets**
 Project Number: 511-0598
 Date of Authorization: original 12/01/87 amended 06/23/89
 Date of Obligation: original 05/13/88
 PACD: original 05/31/91 amended 12/31/96
 Implementing Agencies*: Bolivian Securities Exchange (BBV); National Securities Commission (CNV); Association of Banks & Financial Institutions of Bolivia (ASOEAN); National Chamber of Industry (CNI); Confederation of Private Entrepreneurs of Cochabamba (FED/CBBA); Federation of Private Entrepreneurs of Chuquisaca (FED/CHUQ); Association of Bolivian Institutions on Urban Affairs (ASOBUR); Chamber of Industry and Commerce of Santa Cruz (CIC/SCZ)

Major Contractors: Nathan Associates, Inc. (NAI)
 AID Project Manager: Gabriela Salazar de Santa Cruz (FSN-PSC)
 Status of CPs/Covenants: All CPs have been met
 Date of Last Evaluation: 06/08/93
 Audit:

<u>Organization</u>	<u>Audit Responsibility</u>	<u>Last Audit Completed</u>	<u>Next Audit Begin Date</u>	<u>Total Audits Completed to Date</u>
PROCAF	Recipient	05/14 '93	4/30/95	1

II. Financial Data (\$000)

a) Amount Authorized: 6,200
 b) Amount Obligated: 6,197
 c) Amount Committed: Period: 503
 Cumulative: 6,028
 d) Accrued Expenditures: 1) Period-Projected: 355
 2) Period-Actual: 274
 3) Next Period Projected: 272
 4) Cumulative to date: 5,704

(*) The only component of the project that remains active is the Financial Training Program

e) Pipeline:	493
% LOP Elapsed:	74
% of Total Auth. Oblig.:	100
% of Total Oblig. Exp.:	92
% of Total Auth. Exp.:	92

Counterpart Contribution (GOB):

f) Counterpart Planned LOP:	1,765
g) Counterpart Cumulative Planned as of 9/30/94:	1,765
h) Actual Counterpart Expenditures as of 6/30/94:	1,242
i) Accrued Counterpart Expenditures 7/1/94 to 9/30/94:	0
j) Total Counterpart Actual and Accrued Expenditures as of 9/30/94	1,242
k) Counterpart Planned Next Period:	0*
l) % of LOP Expended:	70

III. Project Goal/Strategic Objective

The project goal is to improve the contribution of the private sector to Bolivia's development. A stunted private sector and financial market retards employment generation and prevents productive investment. The rate and efficiency with which these sectors grow will impact directly on "Expanding Economic Opportunity and Access" for all Bolivians.

IV. Project Purpose

To improve the effectiveness of Bolivia's private sector institutions, especially the financial institutions, and to increase private sector participation in private sector policy formulation.

V. Project Description

The project provides technical assistance to Bolivian private sector institutions in the following areas: a) development of a financial training program (PROCAF) to train the staff of financial institutions; b) improvement and expansion of the services provided by ASOBAN to its members; c) development of a securities market; d) analysis and reform of private sector policy issued by public and private sector leaders; and e) strengthening the ability of selected private sector associations to provide services to their members.

VI. Project Status

Since the only component of the project that remains active is the Financial Training Program (PROCAF), the indicators that are unrelated to PROCAF were eliminated.

* Due to cuts in DIFEM budget the remaining \$39,000 assigned to the project will be reduced from the LOP planned counterpart contribution.

A. Purpose Indicators/ EOPS	PLANNED(c)				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumu- lative	Next Period	is Period (6 mo.)	Cumu- lative	% of LOP
1. Cost recovery (Financial Sustainability)(a)	0.5	0.5	N/A	0.5	0.55	N/A	N/A
2. Overhead rate (Program Efficiency)(b)	1	1	N/A	1	1.87	N/A	N/A
3. Deposits to Trust Fund	598,181	126,720	286,884	175,807	8,529(d)	182,807	30

- (a) Cost recovery is the ratio between Fee Income and Total Costs.
 (b) The overhead ratio refers to PROCAF's indirect costs over its course costs (the lower the better)
 (c) Planned LOP indicators for Cost Recovery and Overhead ratios.
 (d) See Problems and Delays.

B. Major Output Indicators	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1. Number of Training activities	230	55	153	45	42	140	61
2. Number of Participants							
Male	4,312	692	3,507	2,000	1,188	4,112	95
Female	1,438	230	1,168	452	452	1,469	102
3. Participant Training hours							
Male	100,000	19,020	74,543	22,000	21,661	82,236	82
Female	33,500	6,340	24,847	9,000	8,239	30,145	90

C. Overall Status

The Cooperative Agreement was amended to cover with grant funds 100% of the allowable and reimbursable operating costs, so that program income and the support of ASOBAN member banks may be deposited in the PROCAF trust fund to ensure self-sustainability after PACD.

Due to a severe shortage in ESF local currency, the GOB counterpart contribution to this project was reduced by \$40,000. PROCAF intended to use these funds to buy new computer equipment for the program. Since there is a need to improve the computer system, the CA LOP budget will be amended to procure the equipment with grant funds.

1. Academic Activity

- The one-year Basic Banking Program held in La Paz ended in June. This activity is also being held in Cochabamba, Santa Cruz and La Paz with 23, 31 and 30 participants, respectively.
- The Securities Market Program continued in La Paz and started in Santa Cruz as planned.

- Within the Program for Operating Level Staff six activities were held with an average of 20 participants per course.
- Under the Executive Development Program, 12 activities were held.

2. Administrative and Financial Status

An administrative and financial review was performed by the Office of the Controller (CONT). CONT found the following administrative deficiencies: a) lack of an adequate internal control system; b) PROCAF does not always follow USAID regulations included in the CA; and c) lack of accountability of certain transactions.

D. Problems and Delays

PROCAF had severe administrative problems. The program income was not being properly accounted for, and as of the date of the financial review by CONT, there were transactions that were not accounted for at all in 1994. PROCAF hired a new Administrative Officer and an additional accountant to solve this problem. For this reason the 1994 budget was not submitted for AID approval until the end of June, which was approved by this office in August 19, 1994. A request for reimbursement of funds for the period from January 1 to June 30, 1994 was submitted to USAID on August 25, 1994. Since PROCAF used program income to cover its operating expenditures, no deposits to the trust fund were made during this year. The total amount to be reimbursed by USAID to PROCAF is \$225,390.

Due to the accounting problems mentioned in the previous paragraph, the audit for 1993 was suspended until PROCAF corrected the limitations that were impeding the auditor's work. The audit was resumed and completed and the report is in process of being issued.

The mid-term Corporate Management Program that was scheduled for July has been postponed until next year, because the Spanish translation of the academic material purchased for this program was not concluded.

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

1. Start the Corporate Management Program.
2. Implement the recommendations of the USAID Controller, contained in the administrative and financial review report.
3. Procure computer equipment for PROCAF.
4. Close-out the project.

PROJECT STATUS REPORT
April 1, 1194 - September 30, 1994

Rating: C

I. Background Data

Project Title: **FY 1993 Economic Recovery Program**
 Project Number: 511-0605
 Date of Authorization: original 06/22/93
 Date of Obligation: original 06/25/93 Amended: 9/27/93
 PACD: N/A⁽¹⁾
 Implementing Agencies: National Secretariat of Finance/Directorate of External Financing and Monetization (NSF/DIFEM)
 Major Contractors: N/A
 AID Project Managers: Peter Natiello; Sonia Aranibar
 AID Project Coordinator: N/A
 Status of CPs Covenants: CPs for 1st tranche met on 6/28/93 as per POL No.1. CPs for 2nd tranche met on 2/09/94 as per POL No.4.
 Date of Last Evaluation: none Next Evaluation: N/A

Audit:

<u>Organization</u>	<u>Audit Responsibility</u>	<u>Last Audit Completed</u>	<u>Next Audit Begin Date</u>	<u>Total Audits Completed to Date</u>
DIFEM	Recipient	N/A	5/94	0

II. Financial Data (\$000's)

a) Amount Authorized: \$40,000
 b) Amount Obligated: \$40,000
 c) Amount Committed: Period: \$0
 Cumulative: \$40,000
 d) Accrued Expenditures: 1) Period-Projected \$20,000
 2) Period - Actual: \$0
 3) Next Period Projected: \$5,498
 4) Cumulative to date: \$20,000
 e) Pipeline: (b-d,4): \$14,700
 % LOP Elapsed: 100
 % of Total Auth. Oblig.: 100 (b/a)
 % of Total Oblig. Exp.: 50 (d,4/b)
 % of Total Auth. Exp.: 50 (d,4/a)

⁽¹⁾ Final date for completing use of dollars by the GOB/BCR used as an estimated PACD.

Counterpart Contribution (GOB)

f) Counterpart Planned LOP:	\$30,000
g) Counterpart Cumulative Planned as of 9/30/94	\$30,000
h) Actual Counterpart Expenditures as of 6/30/94: ⁽²⁾	\$10,446
i) Actual Counterpart Expenditures 7/1/94 to 9/30/94: ⁽²⁾	\$ 2,922
j) Total Counterpart Actual Expenditures as of 9/30/94 (h + i)	\$13,369
k) Counterpart Planned Next Period:	\$ 4,124
l) % of LOP Expended (j/f)	45%

III. Project Goal/Strategic Objectives

The Economic Recovery Program supports the Mission strategic objective for Expanded Economic Opportunity and Access (i.e. transformation of the Chapare and associated valleys from significant dependance on coca & cocaine production) by providing balance of payments (BOP) support to finance official U.S. and multilateral debt repayment which in turn frees up resources for investing in non-coca activities (i.e. planned level of \$40.0 million under this program). In addition, the ESF LC program supports this and other Mission strategic objectives by providing counterpart funding to various USAID/B and other donor projects (i.e., \$30.0 million to be generated under this program.)

IV. Project Purpose

The purpose of this program is to offset foreign exchange losses from reduction in the cocaine trade and to help finance the GOB's social and economic development programs, particularly in activities alternative to coca growing and processing.

V. Project Description

The dollars provided so far in the amount of \$20.0 million are being used to finance payment of U.S. official bilateral debt or multilateral debt owed by the GOB. The local currency proceeds resulting from the generations under the first two tranches of the program are being used to finance local currency counterpart to selected USAID and multilateral development organizations' (MDOs) projects in support of the alternative development program and the USAID Trust Fund. A third and fourth disbursement of funds in the approximate amount of \$5.5 million will be processed in October 1994.

⁽²⁾ Actual disbursements from DIFEM to projects (including Trust Fund) used as a proxy for this item.

VI. Project Status

A decision was made by Mission management to take out the purpose indicators table and replace it with the following narrative table, since these indicators do not specifically trace back to the PAAD conditionality.

<p>A. PURPOSE INDICATORS/EOPS (Economic Recovery Program CY 1993)</p>	<p>ACCOMPLISHED ⁽¹⁾</p>
<p>The GOB shall maintain a comprehensive program of economic stabilization and recovery, including adherence to a market based exchange rate regime and an overall appropriate macroeconomic framework in order to stimulate trade and investment necessary to sustain economic growth and GOB's alternative development plan.</p>	<p>In 1993, GDP increased at an annual rate of 3.2 percent. Led by unusually strong growth in non-traditional exports, growth during the first semester of 1994 is estimated to have exceeded 4% compared to the same period in 1993. However, a long period of drought in important agricultural areas is expected to reduce second semester growth substantially, to about 3.5 percent. The GOB's target for 1994 growth is 4.0%.</p> <p>Preliminary estimates of the CIF value of Bolivia's exports during the first semester of 1994 indicate an increase of 36 percent, compared to first semester, 1993 performance. Traditional exports --minerals & hydrocarbons-- rose 7 percent and non-traditional exports, including export of electric power and re-exports, grew 89 percent. Since export performance during the second semester of 1994 is expected to be constrained, the FOB value of total exports is estimated to increase in about 20 percent over 1993.</p> <p>During CY 1993, the fiscal deficit exceeded 6 percent of GDP compared to the target of 3.5 percent of GDP. In 1994, the fiscal deficit is expected to fall to an estimated 2.6 percent of the expected GDP.</p> <p>Stabilization performance in 1994 is expected to be adequate. Public sector financial integrity is expected to strengthen, consumer price inflation is expected to fall below 8 percent, the current account deficit of the balance of payments may decline to near 10 percent of GDP, depreciation of the Boliviano in U.S. terms is expected to be significantly less than 5 percent and accumulation of net international reserves is expected to double the programmed amount.</p>

⁽¹⁾ Source: Office of Economics, USAID/Bolivia

B. Major Output Indicators	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1. Counterpart to USAID projects (in \$000's)	8,000 ⁽⁴⁾	2,000	4,000	1,600	1,972	2,331	29
2. Counterpart to MDO projects	18,000 ⁽⁴⁾	4,000	8,000	2,000	3,353	6,816	38
3. USAID/B Trust Fund	4,000	2,000	4,000	0	0	4,000	100
4. Coca Eradicated: Number of Hectares (forced and voluntary, LOP from 1/1/93 to 9/30/94)	5,500 ⁽⁵⁾	2,500	5,500	0	629	3,230	58
5. Coca seedbeds in m2 (during LOP, from 1/1/93 to 9/30/94)	20,000	0	20,000	0	2,124	17,469	87
6. Counternarcotics Law Enforcement Covenants(5.5): No. of labs destroyed (from 1/1/93 to 9/30/94)	N/A	0	0	0	11	1,060 ⁽⁶⁾	N/A
7. GOB implementing Law 1008: No. of seizures of airplanes (from 1/1/93 to 9/30/94)	N/A	0	0	0	19	42 ⁽⁶⁾	N/A
8. GOB implementing Law 1008: No. of seizures of vehicles (from 1/1/93 to 9/30/94)	N/A	0	0	0	85	158 ⁽⁶⁾	N/A
9. GOB implementing Law 1008. No. of seizures of drugs/paste (MTons) (from 1/1/93 to 7/30/94)	N/A	0	0	0	1.27	9.45 ⁽⁶⁾	N/A
10. External debt repayment - Dollars used (US official and multi-lateral debt)	40,000	0	40,000	0	7,397 ⁽⁷⁾	19,633	49

⁽⁴⁾ LOP figures based on total planned LC generations (i.e., \$30 million), however, only two tranches have been generated so far (i.e., \$15 million) distributed as follows:
 \$2.3 million for USAID/B projects
 \$8.7 million for MDO/GOB projects, and
 \$4.0 million for the USAID Trust Fund.

⁽⁵⁾ Amended

⁽⁶⁾ Estimates based on cumulative figures as of 2/28/94 as per NAS reports.

⁽⁷⁾ Source: CONT Office, USAID/Bolivia

C. Progress on Covenants ⁽⁸⁾

1. Economic Stabilization and Recovery Program maintained

As indicated in Section VI.A. stabilization performance is considered to be adequate. Bolivia successfully completed a six-year ESF program this year, after complying with a revised program developed by Fund staff and the new Government that took office in August 1993.

2. Flexible Exchange Rate - Real value of Boliviano maintained

-In CY 1994, the GOB has maintained the value of its currency in real terms with a 0.5% difference between the official and parallel rates.

3. Public Reform Covenants

-Privatization Program. During this reporting period, no new state enterprises have been privatized. However, the capitalization program has continued on schedule, including the formulation of the legal framework to begin privatization actions in CY 1995.

4. Continued implementation and financing of the SAFCO Law by the GOB

The Government, through DIFEM, has provided the equivalent of \$8.5 million as counterpart funds through September 1994 to contribute to the implementation of the World Bank/SAFCO program.

5. Increased GOB resources to the judicial sector

During the period January-September 1994, the GOB, through the Treasury, has disbursed the equivalent of \$11.0 million to the judicial sector, which indicates that there will be an increase in funding as of December 1994 as compared to 1993.

6. Progress on Alternative Development

DIFEM has disbursed the equivalent of \$2.4 million to finance alternative development activities during the period between January 1993 and September 1994 for a total estimated funding since 1990 of \$20.5 million.

D. Overall Status

The GOB efforts in meeting CPs and eradication targets encountered social and political difficulties which hindered its overall performance during this reporting period. As a result, no new disbursements were processed during this semester. The third and fourth tranches are expected to be processed in October 1994, upon receipt of the GOB's request and information on compliance with established CPs.

During this reporting period, an amendment to the ESF agreement (Amendment No.2) was signed on June 9, 1994. The amendment included the following modifications: (a) An extension of the terminal date to September 30, 1994 for meeting conditions precedent for disbursement of the Grant was approved; (b) A revision of the total eradication target setting the new target at 5,500 hectares; (c) The approval of incremental disbursements proportionate to the number of hectares eradicated greater than 2,375 since January 1, 1993, through the use of a mathematical formula; (d) the requirement to eradicate, additionally, at least 15,000 square meters of coca seedbeds, and (e) continuation of effective and energetic counternarcotics efforts.

Debt service to the U.S. and multilateral donor organizations during this semester amounted to \$7,397,000.

⁽⁸⁾ Sources: Office of Economics, USAID/Bolivia, and DIFEM

Rating: B

PROJECT STATUS REPORT
April 1, 1994 - September 30, 1994

I. Background Data

Project Title: **Electrification for Sustainable Development (ESD)¹**
Project Number: 511-0614
Date of authorization: 07/26/91 Amended: 09/02/93
Date of Obligation: 07/26/91 Amended: 09/23/93
PACD: Original: 09/30/96
Implementing Agencies: Ministry of Finance and Economic Development; Ministry of Sustainable Development
Major Grantees: National Rural Electric Cooperative Association (NRECA)
AID Project Manager: Peter Natiello
AID Project Coordinator:
Status of CPs/Covenants: N/A
Date of Last Evaluation: 07/01/94 Next Evaluation: 09/01/96²
Audit:

Organization	Audit Responsibility	Last Audit Completed	Next Audit Begin Date	Total Audits Completed to Date
NRECA	PO/PS/OCC	N/A	N/A	N/A

Note: Under OMB Federal Audit Program A-133, NRECA/WASH performs yearly institution-wide systems audits. Compliance is tracked by AID/W Office of Procurement.

¹The name of the project was changed from Electrification for Alternative Development (ADEP) to ESD in October, 1993.

²The mid-term evaluation was performed by Team Technologies from July 5 to 18, 1994. An evaluation of the project's progress with regard to income and employment was postponed to August, 1995 as there is only scant data available for these areas at this point in the project.

II. Financial Data (\$000)

a) Amount Authorized:	Grant: original	15,000	Amended to 19,200
b) Amount Obligated:	Grant: original	1,000	Amended to 14,200 ³
c) Amount Committed:	Period:	0	
	Cumulative:	14,200	ESF: 1,640 6/30/94
d) Accrued Expenditures:	1) Period - Projected	2,120	
	2) Period - Actual	1,991	
	3) Period - Next	2,000	
	4) Cumulative:	9,522	
e) Pipeline (d, 4/b):		4,677 ⁴	
% LOP Elapsed since (07/26/91):		76% ⁵	
% of Total Auth. Oblig. (b/a):		74%	
% of Total Oblig. Exp. (d,4/b):		67%	
% of Total Auth. Exp. (d,4/a):		50%	
Local Contribution (GOR and Private Sector):		DIFEM	Other Counterpart
f) Counterpart Planned LOP:		2,000 ⁶	9,242 ⁷
g) Counterpart Cumulative Planned as of 9/30/94:		1,887	9,242
h) Actual Counterpart Expenditures as of 9/30/93:		1,640	4,887 ⁸
i) Accrued Counterpart Expenditures from 7/1/94 to 9/30/94:		197	1,094

³This amount includes \$4.2 million in renewable energy and Global Environmental Facility (GEF) funding.

⁴Construction commodity procurements require this pipeline. The total amount is expected to be disbursed during FY '95.

⁵Project inception on 07/26/91.

⁶Counterpart original was \$5.0 million, this was amended to \$2.0 million in May, 1993 by the Mission and approved by NRECA in October, 1993.

⁷Both Controllers & NRECA are reviewing reporting requirements with counterparts.

⁸ELFEC and CRE only. These figures were provided by the institutions.

j) Total Actual and Accrued Expenditures as of 09/30/94 (h+i):	1,837	6,983
k) Planned Next period:	153	1,000
l) % of LOP Expended (j/f):	90%	34 % ⁹

III. Project Goal/Strategic Objectives

This Project supports the Mission's Expanded Economic Opportunity and Access (EO) Strategic Objective by financing traditional and renewable energy interventions which help transform the Bolivian economy through increased employment, income, investment and productivity in non-coca activities.

IV. Project Purpose

The purpose of the Project is to establish and demonstrate comprehensive implementation mechanisms for national rural electrification (RE) planning, construction and sustainability in support of the Sustainable Development and Alternative Development Strategies of the Government of Bolivia (GOB), together with direct investment support for selected EO projects and sub-strategies.

V. Project Description

Through a Cooperative Agreement with NRECA, the Electrification for Sustainable Development Project is aimed at: 1) expanding the use of electricity in target areas and other rural industry activities to provide jobs and economic opportunities; 2) constructing new rural electrification projects to serve approximately 15,000 new customers, serving a beneficiary population of approximately 80,000 (30,000 adults and 50,000 children); 3) improving the operational standards of rural electric distribution entities to help them provide a level of service quality acceptable to productive use customers; 4) establishing a solid institutional basis for support to the rural sub-sector to develop a sustained flow of investment capital for rural electrification in Bolivia; and 5) achieving RE policy reforms with the GOB to create a positive environment for the successful implementation of sustainable RE sector development activities.

⁹Controller's has noted that counterpart reports have been inconsistent. This is perhaps due to a lack of uniformity in reporting requirements. ESD has asked for a clarification of these requirements.

VI. Project Status

A. Purpose Indicators /EOPS	PLANNED				ACCOMPLISHED		
	LOP /Baseline	Period (6 mo.)	Cum.	Next Period	Period (6 mo.)	Cum.	% of LOP
1. Incremental growth in rural electric service connections	15,000	3,000	5,750	1,500	9,425	16,455	108
2. Growth in annual Bolivian energy sales (GWH)	3.6 GWH	.30	.465	0.30	.39 ¹⁰	3.82 ¹¹	106
3. Growth in Bolivian electricity line capacity. ¹²	800 km 5,000 KVA	434.50 3,012.5	1,204.5 6,987.5	200 1,500	578 210 ¹³	1,093.79 5,210	137 100

¹⁰This estimate is based on the Mizque/Aiquile and Valles Cruceños subprojects only. Other subprojects are still gathering data and are expected to report within the next reporting period.

¹¹Mizque-Aiquile only.

¹²This output refers to transformer capacity only.

¹³Estimate based on 16 Communities only. Mizque-Aiquile and Valles Cruceños were included in the previous report.

B. Major Outputs	PLANNED				ACCOMPLISHED		
	LOP /Baseline	Period (6 mo.)	Cum.	Next Period	Period (6 mo.)	Cum.	% of LOP
1. RE expansion outside of Cochabamba	10	0	10	1	0	13	130
2. RE expansion sites evaluated in Cochabamba region	10	0	11	1	0	11	110
3. RE pilot projects selected outside of Cochabamba	6	0	9	1	0	11	183
4. RE pilot projects selected in Cochabamba region.	6	0	6	1	0	9	150
5. New RE customers connected outside of Cochabamba	8,000	4,900	4,900	1,000	5,744	5,892	75
6. New RE customers connected inside Cochabamba region	7,000	2,000	4,500	1,500	3,681	10,534 ¹⁴	150
7. RE Productive Users (PU) developed outside of Cochabamba region	1,200	500	500	500	477	477	40

¹⁴This figure has been adjusted from the previous reporting period due to double counting.

B. Major Outputs	PLANNED				ACCOMPLISHED		
	LOP /Baseline	Period (6 mo.)	Cum.	Next Period	Period (6 mo.)	Cum.	% of LOP
8. RE Productive Users in Cochabamba region	1,000	450	700	250	567	1,190	119
9. Number of RE loans approved outside of Cochabamba	6,200	52	72	50	0	148	2
10. Number of RE loans approved in Cochabamba region	4,300	2,840	3,065	100	3,721.00	10,639	247
11. Value of RE loans (\$) approved outside Cochabamba	550,000	33,000	43,000	50,000	0	94,76	16
12. Value of RE loans approved in Cochabamba region	650,000	117,000	127,000	50,000	2,255,545	4,591,227	359
13. Personnel trained outside of Cochabamba	M 380 F 6	135 5	177 22	100 5	564 13	699 56	184 900
14. Personnel trained in Cochabamba region	M 100 F 14	15 2	193 19	20 5	21 8	180 22	180 157
15. PUs of electricity trained outside Cochabamba region	M 400 F 300	10 2	50 7	25 20	0 0	48 3	12 1
16. PUs of electricity trained in Cochabamba region.	M 500 F 300	45 15	90 24	50 20	21 8	232 35	46 12

C. OVERALL STATUS

ESD inaugurated another major project in April, the line extension subproject in the Valles Altos of Cochabamba, including the townships of Rodea, Mizque, Aiquile, Tin-Tin, and others. With the completion of this project an additional 1,473 new connections were achieved. Another major construction-related project brought to a successful conclusion is located in Camiri. The overhaul of three Waukesha engines has resulted in the provision of better quality service to over 4,461 users. NRECA in conjunction with COBEE finalized work on the 16 Communities project which consisted of connecting several small communities located on the Altiplano that had long been outside the national grid; even though they are within one hour's drive from La Paz. More than 1,000 connections resulted from this project which is expected to grow in dimension. During the reporting period, the Valles Cruceños project inaugurated last February, incorporated an additional 2,074 new connections.

The Productive Uses loan program provided close to ninety loans to micro enterprises with a value of over \$60,000, helping them increase their productivity through the purchase of electric-powered equipment and machinery or simply for the primary materials needed in the production process. In addition to these loans, 84 productive uses connections were made in the Mizque-Aiquile project area.

The renewable energy program has become a significant part of the overall ESD project. The project continues to collaborate with Plan International, CARE, CCH and COSV to install potable water pumping systems powered with both solar and conventional energy in various provinces in La Paz department. An additional 20 solar photovoltaic (PV) household energy systems were installed in Los Yungas as a part of the COAINE pilot project, and four PV school systems were installed as part of a pilot project with Plan International. ESD has maintained its relationships with the Radio Learning Program (PARI), installing isolated PV systems in Tarija, Sucre, Potosí, in the Altiplano and in the Beni.

ESD continued to sponsor technical assistance and training seminars both inside and outside the Cochabamba region. More importantly, ESD in conjunction with the Secretaría Nacional de Energía sponsored a series of Round Table discussions to bring together leading authorities in rural energy to address the future of rural electrification in Bolivia. The sessions included both national and international leaders who discussed the necessary policy changes, as well as implementation vehicles required to put into practice future electrification efforts. A round table designed to address the particular needs of the small isolated cooperatives in Bolivia was also held at the end of September in Santa Cruz. Here again, the purpose was to foment the needs and interests of this subsector of rural electrification.

Despite the conclusion of several major construction projects, ESD anticipates that the next period will see equally impressive outputs. Finalization of the Capinota and Bermejo projects, and the installation of the first set of industrial connections in the Chapare are

among the expected outputs. This past September, ESD received approval from the Mission to proceed with the procurement of 2,500 solar photovoltaic systems to be installed in various locations in Bolivia. These systems will contribute to the CRE expansion project in Santa Cruz Department and the Plan International expansion project on the Altiplano.

Once again, ESD has been very fortunate this reporting period to attract significant counterpart contributions from participating electric utilities in the execution of project activities. This is particularly true in the renewable energy program. The Cooperativa Rural de Electricidad (CRE) has agreed to purchase 1,600 solar photovoltaic household energy systems, for which they will directly finance 30% of the total investment cost. CRE will also finance 90% of the cost of replacing three radiators required for the Camiri project for which rehabilitation of the generating plant was completed this past reporting period. Plan International is also participating in the procurement, purchasing 350 photovoltaic energy systems for the Altiplano, financing approximately 95% of this project (ESD is financing the installation, training, and technical assistance portions only.)

A Mid-Term Evaluation was performed for ESD in June and July by Team Technologies, a U.S. evaluation consulting firm. The overall result was extremely positive in every aspect. The recommendations cited in the evaluation report were reviewed by NRECA and were responded to in a letter that was sent to the Mission for review and approval. These include the modification of the project's logical framework to better reflect the extent of its activities and outputs.

Final approval for the ESD environmental guidelines was received just prior to the summer. ESD proceeded immediately to contract an environmental specialist to review those projects covered by these guidelines. The contractor completed his reviews of the Valles Cruceños, 16 Communities and Mizque-Aiquile projects reporting no significant negative environmental impacts. The report did include minor observations about the placement of poles and lose guy wires; none of which is environmentally significant. ESD has responded to these observations with a plan of action as needed.

D. PROBLEMS AND DELAYS

The rural credit agreement signed with AGROCAPITAL and scheduled to be implemented during that last reporting period is still slow in providing credit to the populations of Mizque and Aiquile. Although ten loans were authorized last period their value was slightly over \$12,000, the majority of which was accounted for by one applicant whose request is valued at over \$10,000. It is expected that AGROCAPITAL will intensify its activities in the coming reporting period.

The acquisition of the 2,500 solar photovoltaic systems was due to take place in this reporting period, however because of the international nature of the tender, the bid deadline was extended. Some confusion existed as to the proper procedure for securing Mission

approval for the procurement once the evaluation of all the bids was completed. Nevertheless, ESD expects to receive the shipment of PV systems by the end of March, 1995; the delivery date has been delayed due to a back-log in the manufacturer of the solar photovoltaic panels.

The procurement process for the biomass project at Riberalta also encountered some difficulties. After six months, negotiations with the providers were finalized. The logistics of transporting the enormous plant equipment to such a remote part of the country has occasioned problems.

Finally, ESD submitted a proposal to the Cochabamba Regional Development Project (CORDEP) to finance a second phase of the Chapare electrification project. ESD has funded the connection of 38 industries in the Chapare, and had plans to go significantly beyond this goal through a joint program with the Empresa de Luz y Fuerza Eléctrica Cochabamba (ELFEC). However, with the reduction of the ESD budget, NRECA has had to reduce the Chapare program significantly. The CORDEP funds, if granted, will be used to continue the industrial connection program, as well as to promote residential and small industrial uses of electricity to foment income generation in the Chapare. The proposal was submitted at CORDEP's request.

E. Major activities and Corrective Actions During the Next Six Months

The most significant actions during the next six months include the following:

1. Construction and completion of Capinota subproject.
2. Completion of the Bermejo project.
3. Expansion of Chapare project, given that CORDEP transfers funds for this purpose as proposed.
4. Continuation of training and technical assistance programs for large and small electric utilities. Continued participation and coordination of the electrification portion of the new electricity law currently being drafted by GOB, and finally, continued rehabilitation of the large rural electric cooperative in the Altiplano (CORELPAZ), La Paz Department.
5. Implementation of project mid-term evaluation recommendations.
6. Continued review of ESD project portfolio to apply ESD environmental guidelines, as required.

Rating: B

PROJECT STATUS REPORT
April 1, 1994 - September 30, 1994

I. Background Data

Project Title: Technical Support for Policy Reform
 Project Number: 511-0616
 Line of Authorization: original July 20, 1992
 Date of Obligation: original 10/28/92, amended June 23, 1993, and August 12, 1994
 PACD: original September 30, 1997
 Implementing Agencies: Ministries of Human Development, Social Policy Analysis Unit (UDAPSO) and Finance and Economic Development, Economic Policy Analysis Unit (UDAPE)
 Major Grantees: Harvard Institute for International Development (HIID)
 AID Project Manager: Hector Diez de Medina
 Status of CPs/Covenants: All met
 Date of Last Evaluation: N/A Next evaluation: September, 1995
 Audit: N/A

Organization	Audit Responsibility	Last Audit Completed	Next Audit Begin Date	Total Audits Completed to Date
HIID <u>1/</u>	OP/PS/OCC	N/A	9/96	N/A

1 Subject to requirements established under Circular A-133.

II. Financial Data (\$000)

a) Amount Authorized: \$8,000
 b) Amount Obligated: \$7,000
 c) Amount Committed: Period: \$ 475
 Cumulative: \$ 2,248
 d) Accrued Expenditures: 1) Period-Projected: \$ 600
 2) Period-Actual: \$ 877
 3) Next Period Projected: 900
 4) Cumulative to date: \$ 1,425
 e) Pipeline (b-d,4): \$ 5,575

% LOI Disposed: 40
 % of Total Auth. Oblig. (b/a): 88
 % of Total Oblig. Exp. (d,4/b): 21
 % of Total Auth. Exp. (d,4/a): 18

Counterpart Contribution (GOB):

f) Counterpart Planned LOP:	7,100
g) Counterpart Cumulative Planned as of 9/30/94:	2,545
h) Actual Counterpart Expenditures as of 6/30/94:	2,257
i) Accrued Counterpart Expenditures 7/1/94 to 9/30/94:	168
j) Total Counterpart Actual and Accrued Expenditures as of 9/30/94 (h + i):	2,425
k) Counterpart Planned Next Period:	657
l) % of LOP Expended (j/f):	35

III. Project Goal/Strategic Objective

The goal of the project is to consolidate Bolivia's economic stability and accelerate economic growth with improved social conditions in Bolivia.

The project supports USAID/Bolivia's strategic objective of Expanded Economic Opportunities and Access through the sectoral policy analysis generated by UDAPE in the macro economic development area, by UDAPSO in the social development area, and by the activities generated by the Policy Reform Support Fund, such as cost recovery in the health care system and rural financial markets.

IV. Project Purpose

The purpose of the project is to improve the GOB's ability to formulate, coordinate and implement economic and social policy through an improved policy reform framework.

V. Project Description

The project has three components:

1. continuation of USAID/Bolivia's support for the semi-autonomous Economic Policy Analysis Unit (UDAPE); within the Ministry of Finance and Economic Development;
2. establishment of a new semi-autonomous Social Sector Policy Analysis Unit (UDAPSO) within the Ministry of Human Development; and
3. creation of a Policy Reform Support Fund (PRS Fund), which provides a flexible mechanism essential to respond quickly to opportunities to advance the policy agenda to achieve stability, reactivation and human development.

VI. Project Status

A. Purpose Indicators /EOPS	Progress to Date
<p>1. Significant portions of the government macro-economic, sectoral and social policies will have been directly influenced by the analyses and/or policy options developed by UDAPE and UDAPSO or through the other technical assistance of the project.</p>	<p>UDAPE has been actively involved in macroeconomic sectoral and alternative policy recommendations at the highest decision levels (e.g. presidential and ministerial levels). UDAPE also participates in the preparation of the economic section of the Government's presentation of the Consultative group. UDAPSO has continued to provide advise and recommendations at the ministerial level in the areas of health, education, labor policies, rural development strategies, employment and social housing. In addition, UDAPSO has been working in the social component of the presentation to the Consultative Group.</p>
<p>2. Majority of government decisions on the selection of proposed social and economic development projects will be made on the basis of UDAPE's and UDAPSO's analyses of the activities.</p>	<p>UDAPE continues to be the right hand of the Minister of Finance and Economic Development and of the National Secretary of Finance. UDAPE actively participated in the preparation of the Capitalization Law, of the 1994 General Budget, in the negotiations of the 1994-1997 agreements with the IMF and WB. UDAPE assisted in the preparation of the tax reform proposals and in the drafting of the proposed customs reform. The presence of UDAPE in the two most important economic councils is of prime importance and relevance. The Minister of Social and Human Development highly praised UDAPSO's work stating that this organization is called to be the social catalyst of the country. UDAPSO is gaining official recognition, as stated by the Dutch and Swedish cooperation agencies. Within the country, UDAPSO through the coordination with the Secretary of Health, the National Statistics Institute and others, was able to help prepare assessment reports and studies in the social areas. UDAPSO was called to prepare an assessmet of the progress made by the Government of Bolivia in carrying out the proposed reforms presented to the Consultative Group.</p>
<p>3. Economic production gains will have made as a specific result of policy reforms developed under the project.</p>	<p>UDAPE's interventions and recommendations have greatly contributed to the maintenance of the economic stabilization program. Current efforts are aimed at helping the GOB address structural constraints to facilitate consolidation of economic stability and stimulate economic growth.</p>

B. Major Output Indicators	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1. Social policy unit established.	1	N/A	1	N/A	N/A	1	100%
2. Policy studies submitted to GOB ministries, in areas of: - stabilization - reactivation - human capital - development	UDAPE 90 UDAPSO 25 PRS 15	8 4 0	37 15 0	2 5 0	58 8 3	83 28 3	93 112 20
3. Social sector data base established and maintained.	UDAPSO 1	0	1	1	0	0	0
4. Institutional reform analyses to enhance policy effectiveness.	100	14	55	2	2	83	83
5. Policy seminars and work shops held.	12	3	8	3	2	10	84
6. Staff capability to formulate and implement policy improved.	10 Women (15)	10 (2)	33	8	8	24	60
7. Dissemination of study findings to public and private sectors.	10	8	18	10	10	33	330

C. Overall Status

I. UDAPE

- Under the general guidance of the Ministry of Finance and Economic Development and the Central Bank, UDAPE continued with its task of monitoring and evaluating the economy of the country, of the follow-up of the structural reforms and the targets agreed with the IMF. UDAPE actively participated in the first rounds of negotiations that took place in April. In September, UDAPE's Deputy Director participated with the Bolivian delegation in the negotiations of the Expanded Three Years Structural Reform Program (ESAF), that took place in Washington, D.C. during September.
- Utilizing the existent macroeconomic models UDAPE measured the impact and calculated the costs of the education and pension reforms and prepared a paper that served as the basis for the negotiations with the IMF and the Consultative Group.
- Under the technical assistance contract with HIID, Professors Edward Schuh (University of Minnesota) and John Axtell (Purdue University) worked during July in the design of a new agricultural research system for Bolivia. Their work culminated in a meeting with President Sánchez de Lozada,

who endorsed the idea and requested UDAPE to set up two conferences to discuss the future of agricultural research in Bolivia. The purpose of the conferences is to produce a blueprint for the design and implementation of a new agricultural research system in Bolivia. To start planning for the conferences, a workshop will be held in October in Minneapolis, Minnesota. Attending the workshop will be representatives of the Bolivian Government, UDAPE's Executive Director, HIID, and others.

- The tax reform received special treatment during the reporting period. Specialized technical assistance, tax attorneys and senior advisors assisted UDAPE in the preparation of the several reform proposals.
- A computerized general equilibrium model was developed to be utilized to evaluate the impact of the policies, both for the macroeconomic variables and for the sectoral levels.
- After the resignation of the Executive Director at the end of March, the Deputy Director was appointed as Executive Director. Unfortunately, after being in office for three weeks, the recently appointed Executive Director resigned to assume the position of Subsecretary of the Treasury in the Ministry of Finance and Economic Development. Finally, on May 31, a new Executive Director was appointed and took office.
- UDAPE continued to participate in the two more important economic councils of the country: the Macro Economic Group and the National Council for Economic Development.
- During the period, 28 analytic papers, two methodological documents and 28 aide-memoirs were prepared.
- HIID provided approximately 266 days of technical assistance to UDAPE, in the areas of tax, customs, economic development, sustainability, national financial accounts, pension reform, capitalization, labor legislation, employment and exports.
- The Ministry of Finance and Economic Development and the Bolivian General Directorate for Internal Revenue (DGII) requested UDAPE and USAID/Bolivia to provide assistance to obtain the services of the IRS to carry out an audit program in La Paz, Cochabamba and Santa Cruz. To this effect, a Project Implementation Letter was signed between UDAPE and USAID/Bolivia providing the amount of \$56,875 to partially cover the costs of the services. The UNDP provided the amount of \$65,651. The DGII will be in charge of managing this activity under the direct supervision of UDAPE.

2. UDAPSO

- After the resignation of the Executive Director, the Minister of Human Development and Social Development appointed a new Executive Director, who took office on April 29, 1994.
- The services provided by the long-term advisor have been excellent. His experience has been invaluable and fundamental in advising and guiding UDAPSO personnel in carrying out their duties. His services were also very important in identifying the most appropriate personnel to render short-term services under the HIID contract. He provided the required continuity during the changing period of the Executive Director.
- The research assistant came on board on July 5, 1994.
- During the reporting period, UDAPSO developed a method to measure the impact of the Integrated Child Development Program (PIDI). A senior HIID advisor and two other specialists under the HIID contract assisted UDAPSO in this endeavor.

- The second edition, 1,000 copies, of the Poverty Map has been completed. The Map will be distributed to all the municipalities of the country. Copies will also be provided to each member to the Bolivian legislature, and to government and international organizations.
- In preparation for the next Consultative Group, UDAPSO started an assessment of the progress achieved by the Government of Bolivia in the various sectors and areas included in the previous Consultative Group proposal.
- The following studies, assessments and evaluations have been completed during the reporting period:
 - Health services demand in rural areas
 - Estimated provincial GDP, per capita
 - Evaluation of the health services provided to children under five years.
 - Evaluation of the ETARE-UNAS document RE-900
 - Assessment of the social housing policy in Bolivia
 - Development of a masters program for higher education. First draft
 - Expenditures and public investment in the social sector.
 - Malnutrition map
- A total of 168 days of short-term technical assistance have been provided by HIID to UDAPSO, in areas such as health policies, reforms and services, social indicators, education policies, urban labor policies, markets and employment, integrated information services, and geographic information services. In addition to the short-term assistance, the long-term resident advisor provided six months of advisory services, and the research assistant provided three months of technical services.

3. PRS Fund

Health policy dialogue

- A paper showing the major components of the health reform has been completed and submitted to the Minister of Social and Human Development. This paper will serve as the basis to discuss funding possibilities with the World Bank and the Interamerican Development Bank.
- The Executive Secretariat in charge of the health reform has been established and funded.
- Two research studies conducted with the assistance of LAC/HNS are 85% complete.
- Cost recovery improvements and the quality control of health services are being implemented in the Children's Hospital in La Paz.
- The formal training of the cadres that will conduct the reform is underway.

Rural Financial Services

- The scope of work for the DAI/GEMINI buy-in was revised to reflect an extension through June 30, 1995, and a decreased level of effort.
- A training and technical assistance plan was developed in close coordination with four of the strongest microfinance institutions.
- An expert in microfinance services was contracted to conduct a three day seminar for NGOs and financial institutions in Bolivia.

- A contractor has been hired to provide technical assistance to Banco Sol on its savings services and to provide guidance to other institutions.
- Over 100 publications on microfinance and microenterprises were ordered for distribution among interested parties.

D. Problems and Delays

1. UDAPE AND UDAPSO

- The uncertainty of DIFEM funding for the future has been the major concern faced by UDAPE and UDAPSO.
- The changes of the Executive Directors of the two institutions caused some disruption in the implementation of the activities.

2. PRS Fund

Health policy dialogue

- The most significant delay was experienced due to the change of the Undersecretary of Health
- The lack of personnel assigned on a full-time basis to work in the reform was another cause for the delay of the work.

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

1. UDAPE

- The workshop to plan for the conference to discuss the future of agricultural research in Bolivia will be held in Minneapolis, Minnesota, from October 13 through October 15. The Bolivian delegation will be presided by Senator Antonio Sánchez de Lozada, who will be accompanied by two members of the Bolivian Government, UDAPE's Executive Director and one representative from UDAPSO. The Presidential Conference will be held in March 1995.
- The Executive Director will take advantage of his trip to Minneapolis and will spend two days in Cambridge meeting with HIID officials and one day in Washington, D.C. working in and designing a strategy for future funding for UDAPE.
- Continue monitoring the IMF Expanded Adjustment Program, the evolution of the reforms and the country's economy.
- Sponsor and host high level international seminar to discuss growth structural reforms.
- Participate in the preparation of the economic section for the presentation to the Consultative Group.
- Continue the cost analysis and calculation of the total cost of the reforms the Bolivian government plans to carry out, such as capitalization, pension reform, education reform, and the civil service reform.
- Participate in the Financial Fraud Training Program and monitor and oversee the IRS/DGII audit activities.
- Promote the creation of an interinstitutional group to review and analyze the changes to the Labor Law.

- Submission of the 1995 budget to the Secretariat of Finance and to DIFEM.

2. UDAPSO

The following tasks will be carried out:

- Assessment and analysis of Urban Employment in Bolivia.
- Study the employment and the agricultural production in Cochabamba.
- Assessment of the medium and intermediate education in Bolivia.
- Measure poverty in the absence of income.
- Measure poverty in accordance with unsatisfied basic needs.
- Analysis of the impact of social expenditures.
- Assessment of the financing of health services in Bolivia.
- Analysis of the microenterprises in the country and their inclusion in the international arena.
- Analysis and design of an index for human development in Bolivia.
- Publications to be completed and distributed:
 - Evaluation methodology of the Integrated Child Development Program.
 - Demand Study of the health Services in Urban Areas.
 - Employment and Agricultural production in Cochabamba.
 - Econometric models of the Urban labor market.
 - Social indicator map by provinces.
- Submission of the 1995 to DIFEM and to the National Secretariat of Finance.
- The Executive Director will travel to Cambridge to meet with WPI, subcontractor to HIID under the project, to discuss future action plans and assistance programs. Along the same lines, the Executive Director and the HIID long-term advisor will go to Korea and Thailand to set up possible cooperation plans with think-tanks in those countries.

3. PRS Fund

Health Policy Dialogue

- Organization of a regional seminar on cost recovery and quality of health care services. November 1994.
- Organization of the Hospital management seminar at rural district levels. November 1994.
- In depth review of the health reform proposal.
- Negotiate with the World Bank or the Interamerican Development bank for the financing of a full time technical assistance team.

- Develop two case studies for the training of district level care officials.
- Constitution of the national association on non-clinical professionals in health.
- Analyze the public opinion of the health reform.

Rural Financial Services

- In November a consultant will provide training to microfinance credit officials around the country.
- Four training courses and specific technical assistance will be provided through DAI/GEMINI in the areas of: personnel administration, loan delinquency, Bolivian banking law, and in designing operation plans and budgets.
- Representatives of Bolivian NGOs will attend a worldwide microfinance conference in South Africa.

Rating: B

PROJECT STATUS REPORT
April 1 - September 30, 1994

I. Background Data

Project Title: Cochabamba Regional Development
 Project Number: 511-0617
 Date of Authorization: original 07/02/91
 Date of Obligation: original 07/05/91 Amended 07/20/94
 PACD: original 09/30/96 Amended 09/30/97
 Implementing Agencies: National Fund for Alternative Develop. (FONADAL)
 Program for Alternative Regional Development (PDAR)
 National Roads Service (SNC); Bolivian Institute of Agricultural Technology
 of Chapare (IBTA/Chapare).
 Major Grantees: Development Alternatives, Inc. (DAI); A.C.D.I.; Planning Assistance
 AID Project Manager: Charles T. Hash
 AID Project Coordinator: David J. Lozano
 Status of CPs/Covenants: CPs are all met. The GOB is in compliance with all covenants. Among covenants was coca eradication by Chapare farmers to benefits from community social infrastructure works and credit.
 Date of Last Evaluation: None

Organization	Audit Responsibility	Last Audit Completed	Next Audit Begin Date	Total Audits Completed to Date
DAI	OP/PS/OCC	(1)	n/a	n/a
ACDI	OP/PS/OCC	(1)	n/a	n/a
PLANN. ASSIST.	OP/PS/OCC	(1)	n/a	n/a
PDAR	Recipient	Oct/94 (2)	Dec/94 (3)	1
IBTA/Chapare	Recipient	Oct/94 (2)	Dec/94 (3)	1
S.N.C.	Recipient	Oct/94 (2)	Dec/94 (3)	1

(1) As U.S.-based for-profit/institutions are subject to the same basic requirements established under OMB A-133, under responsibility of OP/PS/OCC. Project specific audits of contractor performance are not required. (2) Recipient contracted audit for CY 1993 activities. (3) Recipient contracted audits for 1994 activities.

II. Financial Data (\$000)

a) Amount Authorized: \$ 80,000
 b) Amount Obligated: \$ 56,793
 c) Amount Committed: Period: \$ 4,514
 Cumulative: \$ 38,895
 d) Accrued Expenditures: 1) Period-Projected: \$ 5,800
 2) Period-Actual: \$ 7,239
 3) Next Period Projected: \$ 6,000
 4) Cumulative to date: \$ 30,563
 e) Pipeline (d,4/b): \$ 26,229
 % LOP Elapsed: 52
 % of Total Auth. Oblig. (b/a): 70
 % of Total Oblig. Exp. (d,4/b): 53
 % of Total Auth. Exp. (d,4/a): 38

Counterpart Contribution (GOB):

f) Counterpart Planned LOP: \$ 40,000
 g) Counterpart Cumulative Planned as of 9/30/94: \$ 33,084
 h) Actual Counterpart Expenditures as of 6/30/94: \$ 21,870
 i) Accrued Counterpart Expenditures 7/1/94 to 9/30/94: \$ 2,795
 j) Total Counterpart Actual and Accrued Expenditures as of 6/30/94 (h+i): \$ 24,665
 k) Counterpart Planned Next Period: \$ 4,650
 l) % of LOP Expended (j/i): 62

III. Project Goal/Strategic Objective

This project supports the Expanded Economic Opportunity and Access Strategic Objective by focusing on increasing employment and economic opportunities in coca and non-coca producing areas in Cochabamba Department and its area of influence.

IV. Project Purpose

The purpose of the project is to develop alternative sources of income and employment for people within the Department in Cochabamba and its area of influence.

V. Project Description

The project consists of three interrelated components including: 1) Marketing, 2) Capital resources, and 3) Sustainable Agricultural Production. The project will be led by marketing strategies. A Non Government marketing unit will be established to provide assistance to private sector entities in the marketing of new and traditional products and in providing marketing information to the project planning process. Decisions on issues, such as crop research and extension, crop production, and where to construct farm to market roads, will all be based on information provided by this marketing unit. Partial grants for farm inputs will be available to farmers participating in the eradication.

VI. Project Status

A. Purpose Indicators/ EOPS	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cum	Next Period	This Period (6 mo.)	Cum	% of LOP
Export Market Sales (\$) ¹	10,590,250	300,000	717,780	700,000	727,003	1,257,909	12%
National Mark.Sales (\$) ²	8,121,895	350,000	550,400	600,000	557,082	2,255,891	28%
Ila. Cultivated of Alt. ³ Crops, Chapare	13,000 ⁴	500	2,261	1,200	10,568	44,798	344%

¹ Value to consumer. Products include Banana, Pineapple, Garlic, and Fava Beans.
² Products marketed with support of CORDEP including Chapare and High Valley Products.

³ The large increases reflected in the area planted to several major crops are based on the expansion of data from a statistical sample similar to that employed last year in the July 1993 Agricultural Production Survey and for that reason are subject to similar margins of error. The use of 95 percent confidence level implies that any statement of a significant change or difference has a high chance (19 to 1) of being correct. The area reported is an estimate based on the July 1994 Survey data for Bananas, Black Pepper, Cassava, Oranges, Palm from which palm hearts are harvested, Passion Fruit, Pineapples, Plantains, Rice, Tangerines and other crops, including subsistence crops.

⁴ The EOPS for hectares cultivated with alternative crops was established at 13,000 hectares in so much as the best available verifiable measurement was based on the volume of planting material provided by IBTA. A statistically sound survey of Agricultural Production in the Chapare conducted by the National Institute of Statistics in 1993 and repeated in 1994 has made possible the utilization of estimates with 95% reliability level for the total area in the Chapare dedicated to cultivation in alternative crops. These figures reflect the multiplier effect of technical training and TA provided to farmers, impact of road improvements, expanded markets, planting material provided by private nurseries, and planting material provided directly by the project, consequently the revised EOPS for hectares cultivated with alternative crops in the Chapare will be set at 50,000 hectares rather than 13,000 hectares.

B. Major Output Indicators	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cum	Next Period	This Period (6 mo.)	Cum	% of LOP
CHAPARE: ⁵ Product lines Implemented	⁽⁶⁾ 12	1	7	1	0	7	58%
HIGHLANDS: ⁶ Product lines Implemented	13	1	4	0	1	5	38%
CHAPARE: No. Farmers Trained or receiving TA	30,000	1,400	15,977	1,500	1,399	25,252	84%
HIGHLANDS: No. Farmers Trained or receiving TA	13,400	2,500	9,163	3,000	1,951	21,072	157%
CHAPARE: Productive Projects in Operation	370	20	92	10	6	84	23%
INFRASTRUCTURE - TRANSPORT							
CHAPARE: Rural Roads Upgrading Km.	750	40	185	85	34.95	233.08	31%
HIGHLANDS: Rural Roads Upgrading Km.	⁽⁶⁾ 250	0	59	0	0	45.5	18%
CHAPARE: Bridges	10	0	3	0	0	6	60%
HIGHLANDS: Bridges	⁽⁶⁾ 11	0	9	0	0	9	82%

C. Overall Status

BANANA

A series of uninterrupted shipments of export quality bananas reached the Argentine market during the months of June, July and September. During the Bolivian winter months (May-Sep) banana exports from the Chapare do not need refrigeration for the 36 hour trip to the border, however in spring and summer (Oct-Mar) a cold chain must be established. This period initial steps were taken to provide the cold chain and continue with the export program.

- ⁵ Include Pineapple, Banana, Plantain, Guineo Banana, Tumeric, Passion Fruit, Palm Hearts.
- ⁶ The Project Paper Supplement (April 94) indicates that CORDEP will intensify the focus on the Chapare and reduce the level of effort in Highlands. Specifically this applies to DAI efforts to develop markets for more Highland products and the initiation of additional road and bridge upgrades. Therefore we do not expect to reach original Planned LOP/Baseline figures. Beginning with the next SAR, the current levels of cumulative accomplishments will become the LOP Baseline.
- ⁷ Garlic, Peach, Fava Beans, Onions, Strawberries.

PINEAPPLE

During this reporting period the Pineapple Program built the foundation for its sustainability and reached sales targets greatly surpassing those from years past. The program successfully entered the Argentine market for the first time since Bolivian pineapple exports became admissible. The national market distribution increased by establishing direct sales between the Producers' Associations and large wholesalers, and by promoting pineapples in the press.

OTHER MAJOR EVENTS

1. A major revision of IBTA/Chapare was carried out which involved staff reduction of over 40%.
2. Transfer of major agricultural extension activities took place giving direct economic support to Producers' Associations allowing them to contract their own technical assistance as well as reinforcing agricultural extension in the Chapare through NGO's.
3. The National Institute of Statistics, with support from CORDEP, carried out the second Agricultural Production Survey in the Chapare. Preliminary results of the survey reveal a 31.5% increase over last year in the area planted with licit crops.
4. The role of PDAR has been redefined, strengthening public relations, financial management and monitoring, while reducing their direct involvement in project implementation.

EXTENSION

2,380 farmers received technical assistance and/or training this reporting period in the Chapare and Valleys from IBTA/Chapare and NGOs.

CREDIT

During this reporting period 10 new loans were approved for production or processing of Chapare products. Total credit approved for the Chapare and Yapacaní to date: \$3,993,605 which represents 83% of all loans approved for credit by Agrocapital to date.

NGOs

During the current reporting period a total of 22 NGOs and producer's Associations were funded, promoting technologies which impact 6,331 families in 10 communities.

STATUS OF DATA TRACKING SYSTEM

The CORDEP Data Tracking System as reported in the last reporting period is functioning with only minor adjustments.

D. Problems and Delays

1. Progress on road construction continues to be adversely effected by the requirement of community reduction certificate renewal prior to initiation of any road improvement activity in the Chapare.
2. Lack of GOB commitment to grant incentives for Agrobusiness investment in the Chapare.
3. Transport rates for products from the Chapare to the Argentine border are a marketing constraint.

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

Efforts will be made to achieve more timely U.S. Embassy concurrence for authorization to proceed with construction of specific road segments which are currently designed.

Efforts will be made to urge and/or condition the GOB to extend the Ley SARTI to the Chapare, providing tax incentives to potential Chapare investors as a "zona deprimida."

Efforts will be made to persuade the GOB to rationalize its rail shipment rates set by ENFE for Chapare agricultural products between Santa Cruz and Yacuiba (presently very high and a marketing constraint). Privatization plans for ENFE will eventually be a factor here, but nonetheless this action should be undertaken by the GOB.

Efforts will be made to persuade the GOB to undertake diplomatic and commercial negotiations with the Government of Argentina to open all of Argentina to the importation of Chapare bananas and other tropical fruit products, and to lower at least by half the present 28% tax on Chapare bananas and other fruit entering Argentine territory.

PROJECT STATUS REPORT
April 30, 1994 - September 30, 1994

Rating: A

I. Background Data

Project Title: FY 1994 PL-480 Title II Regular Program and Monetization
Project Number: None
PACID: September 30, 1994
Implementing Agencies: Cáritas Boliviana, Adventist Development and Relief Agency (ADRA), Food for the Hungry, Int. (FHI), Project Concern International (PCI)
AID Project Manager: Jonathan A. Sleeper
AID Project Coordinators: Salvatore Pinzino, Luis F. Moreno
Status of CPs/Covenants: None
Date of Last Evaluation: Cáritas: 08/92, ADRA: 08/92, FHI: 08/92, PCI: None, Monet: 08/92
Date of Next Evaluation: Cáritas; 11/94, ADRA: 11/94, FHI: 11/94, PCI: 09/95,
Date of Last Audit: Cáritas: 02/94, ADRA: 07/94, FHI: 10/93, PCI: 07/93 Monet: 09/93
Date of Next Audit: Cáritas: 04/94, ADRA: 03/95, FHI: 11/94, PCI: 11/94, Monet: 10/94

II. Financial Data

A. Cáritas Boliviana

Date of Obligation:	August 26, 1993
Program Quantities (\$000):	Program Inventories (Metric Tons):
Commodities: 4,483	Prior Balance 8/31/93: 4,606
Ocean Transport: 2,665	Received by 8/31/94: 11,404
Inland Transport: 2,132	Distributed by 8/31/94: 9,827
Total 9,280	Balance on Hand 8/31/94: 6,183
FY 94 Monet. (\$000)	
Carryover FY 93: 151	
Actual Income: 2,465	
Disbursements: 2,455	
Balance: 10	

B. Adventist Development and Relief Agency

Date of Obligation:	August 26, 1993		
Program Quantities (\$000):		Program Inventories (Metric Tons)	
Commodities:	3,745	Prior Balance:	8/31/93: 2,979
Ocean Transport:	2,258	Received by:	8/31/94: 9,858
Inland Transport:	1,806	Distributed by:	8/31/94: 8,832
Total	7,809	Balance on Hand:	8/31/94: 4,005

FY 94 Monet. (\$000):	
Carryover FY 93:	161
Actual Income:	2,067
Disbursements:	1,964
Balance:	103

C. Food for the Hungry, Int'l.

Date of Obligation:	August 26, 1993		
Program Quantities (\$000):		Program Inventories (Metric Tons)	
Commodities:	1,265	Prior Balance:	8/31/93: 2,830
Ocean Transport:	731	Received by:	8/31/94: 1,315
Inland Transport:	585	Distributed as of:	8/31/94: 2,426
Total	2,581	Balance on Hand:	8/31/94: 1,719

FY 94 Monet. (\$000)	
Carryover FY 93:	103
Actual Income:	1,436
Disbursements:	1,440
Balance:	(4)

D. Project Concern International

Date of Obligation:	August 26, 1993		
Program Quantities (\$000):		Program Inventories (Metric Tons)	
Commodities:	1,143	Prior Balance	8/31/93: 753
Ocean Transport:	690	Received by:	8/31/94: 3,100
Inland Transport:	552	Distributed as of:	8/31/94: 1,202
Total	2,385	Balance on Hand:	8/31/94: 2,615

FY 94 Monet. (\$000):	
Carryover FY 93:	54
Projected Income:	598
Disbursements:	595
Balance:	3

III. Program Purposes

The purposes of the PL-480 Title II program are:

- to give poor people a say in decisions about their neighborhoods' infrastructure and services,
- to create temporary employment,
- to improve the nutrition and health of mothers and pre-school children,
- to reduce drop-out rates among primary school children
- to provide humanitarian and emergency assistance when needed, and
- to improve food security of the poorest people

IV. Relationship to Mission's Strategic Objectives

The Title II program directly supports three of the mission's strategic objectives: expanded economic opportunities, democratic initiatives, and family health. A fourth objective, unique to the Title II program, is food security, which means that the poorest families in Bolivia have greater access to food and make better use of it than they otherwise could.

The municipal food-for-work program supports expanded economic opportunities by creating jobs in large and small towns. This reduces migration to coca-growing areas and, by giving people a greater say in obtaining basic infrastructure and services in their neighborhoods, supports democratic initiatives. Title II supports the strategic objectives of family health and food security by providing the poorest families in Bolivia with health care and education, which improve food utilization. The food-for-work program also contributes to food security by increasing people's income through food transfer, thus increasing the availability of food to the poorest families.

The school feeding program, which is directed toward the poorest primary school students, contributes to expanded economic opportunity and food security by providing these students with an incentive to remain in school.

Further, the Title II program supports, on an experimental basis, expanded opportunities for poor women through a training and credit program for small businesses.

V. Project Descriptions

A. C aritas

C aritas has worked in the Title II program for 30 years formerly through CRS, implementing programs in food for work, school feeding, maternal and child health, rural development, and humanitarian assistance.

It has a successful food-for-work programs in 5 major cities and 77 small towns throughout Bolivia. During FY 1994, 700 infrastructure projects were completed in the first half of the fiscal year and

888 during the period of this report for a total of a 1,588 projects. Caritas reports that these projects have a total value of \$6.4 million. An average of 13,011 workers per month have been employed, of which 51 percent are men, 49 percent women. To improve productivity Caritas supplies tools to workers and is shortening the time a participant has to work to receive a ration. Caritas reports that the provision of tools and construction materials has improved the efficiency of the projects. Caritas, on an experimental basis, introduced hot mid-day meals for 125 workers and day care centers for 24 children in Cochabamba. This experiment will be expanded in Cochabamba and extended to Tarija, Potosí, Sucre, Oruro, Potosi and Sucre during the first half of FY 1995. These new services are designed to enhance food security in accordance with the August 1992 Women and Infant Nutrition Security (WINS) evaluation.

A recent Caritas survey of 226 workers in the cities of Tarija, Potosí and Sucre found that the average household size of the workers included an average of six members. Over 75% of the workers reported a monthly family income of less than 501 bolivianos (\$107) or a per capita yearly income of \$214 as compared to the national per capita income figure of \$850. In order to earn this income, an average of three persons per household work as day laborers or vendors. Also, 53 percent have family incomes of less than \$64 per month or an annual per capita income of \$ 128. These statistics confirm that the program is reaching the poorest of the poor.

Caritas also sponsors a rural school feeding program that reached an average of 77,294 primary school children in 1,474 schools throughout the country. Caritas reports that distributions to the schools were irregular during the reporting period because of strikes by the teachers. During the last six months, Caritas states that the schools reported a drop out rate of five percent as compared to the national average of 30 percent. No information is given on attendance rates. An outside evaluation is being conducted of this program to determine the effects on school attendance and food security, which should be finalized in November 1994.

Using monetization income, Caritas funds maternal and child health programs. The program, which served 6,224 mothers and 11,816 children in 241 communities during the last six months, is reaching most of its targets in prevention and treatment of diarrhea, and respiratory infections. The agency immunized 5,157 children against polio, 5,093 against diphtheria, 5,497 against measles, and 6,326 against tuberculosis. Although reaching only 62 percent of its immunization target of 7,032 children, Caritas has significantly improved its performance over last year, when it achieved 40 percent of its goal. Caritas conducted growth monitoring control of 8,268 children and found that 906 were overweight, 4,520 had normal weight and 2,842 were underweight for their age. Caritas also reports that the reduction of the incidences of death of pre-school children because of diarrhea and respiratory infections in the target group has been significant, but does not quantify the reduction.

Monetization income is also used to support 14 income-generating small production projects in rural areas in 80 small rural communities with a population of 11,595. These projects encompass

Monetization income is also used to support 14 income-generating small production projects in rural areas in 80 small rural communities with a population of 11,595. These projects encompass forestation, dairy cattle and milk production, micro irrigation, an iodized salt plant, dehydrated fruit production using solar energy, and rabbit raising projects. Although Caritas reports that all of the projects are reaching their output objectives, no data yet exists to measure their impact.

B. Adventist Development and Relief Agency (ADRA)

ADRA has been a cooperating sponsor for 11 years. Its programs encompass food for work, child development centers, school feeding, rural development, women's economic development, and humanitarian assistance.

ADRA carried out its food-for-work program in 3 major cities and 11 towns. In the first half of FY 94 ADRA completed 147 projects and during this reporting period the agency completed and additional 729 projects for a total of 876 projects during the fiscal year. ADRA reports that these projects have a value of \$3.5 million. The program provides temporary jobs for an average of 16,785 workers per month, of which 35 percent are men and 65 percent women. Like Caritas, ADRA buys tools for the program to improve worker productivity and has reduced the tasks required to earn a ration, and mayors' offices in Trinidad, El Alto, and La Paz are paying all beneficiary contributions. ADRA is providing mid-day hot meals to 7,895 workers in El Alto, La Paz, Vincha, Cochabamba, and Riberalta. In addition, 3,863 children under five of the workers were provided hot meals and minimum day care services. All of these activities are designed to increase food security in accordance with the August 1992 WINS evaluation.

ADRA's school feeding program served 31,944 students in 1947 schools in four provinces. School principals report that the average drop out rate was 2.5 percent during the school year.

In the maternal and child health program ADRA, uses monetization funds to work the goal in 128 small rural communities to immunize mothers and children against contagious diseases. FY 1994 is to immunize 1,918 children and 2,522 mothers. The agency immunized 2,507 children against polio, 2,365 against diphtheria, 3240 against measles, and 2312 against tuberculosis. In addition, 1,788 mothers were immunized against tetanus.

ADRA also uses monetization money to fund rural development in the Departments of Beni, Cochabamba, and La Paz, reaching 88 communities and 3,793 families. ADRA provides these communities with health and sanitation services, agriculture and marketing technical assistance, and training. In addition, ADRA helps the communities plant trees, family and community gardens and build homes, schools, latrines, roads, and bridges.

In another monetization project, 865 women are enrolled in an economic development project, of which 208 have received small loans to start or improve small businesses. This project has not been evaluated but ADRA reports that the women's income and savings have been increased and that 2 new small businesses have been started.

Food for the Hungry International has been a cooperating sponsor for 11 years, implementing programs in rural development, school feeding, maternal and child health, women's economic development, and humanitarian assistance.

With monetization funds, FHI works in 159 rural communities with a total population of 15,500 people in nine provinces in the Departments of La Paz, Oruro, and Potosí. During the fiscal year, FHI completed 90 community and family greenhouses for vegetable production benefiting 270 families; 13 potable water systems benefiting 416 families; 17 micro irrigation systems for 243 families; 140 water wells for 438 families; 30 small infrastructure projects benefiting 197 families; 90 latrines and showers for 300 families; and, 30 housing improvement projects. FHI reports that the diets and health of the families have been improved through vegetable production and potable water systems. FHI also reports that production increase per hectare in potatoes, barley, corn, onions, tomato, lettuce and radishes have increased by at least 50 percent increasing both household consumption and income of the families benefitted by the program.

FHI has a school feeding program that reached an average of 77,402 students in 2,023 schools in the Departments of La Paz, Oruro, and Potosí during the end fiscal year 1944. Since the program began, FHI reports that the dropout rate has fallen from 30 percent to 1 percent. Further, the attendance rate in schools subscribing to the program has reached 96.2 percent. FHI dedicated itself in the past six months to improving community organization and participation as well as program administration and evaluation. Each community provides food produced locally to improve nutritional quality.

Using funds from monetization, AID/Washington, and Procosi, FHI works closely with the Bolivian Ministry of Health, completing a five-year child survival project at the end of FY 93 that included oral rehydration, health and nutrition education, and immunization campaigns. The program served 134 extremely isolated and impoverished communities in the highlands. FHI is now designing a follow-up program for 72 new communities and has completed a base-line study and began its health program during the last six months. FHI immunized 729 pre-school children against polio, 571 against diptheria, 1,998 against measles, and 920 against tuberculosis. Also, 838 mothers were inoculated against tetanus. Of the 298 cases of children with diarrhea, FHI treated 171 successfully.

FHI continues to sponsor Pro Mujer, a U.S. private voluntary organization, in an innovative program that provides about 1,200 women organized into 42 groups with funds for community banks that loan small amounts of money to women-owned businesses. The program, in the city of El Alto and rural areas of the highlands, provides training and technical assistance in business administration to make businesses more profitable. Forty-three percent of the women used the loans to strengthen already existing businesses while 57 percent used the loans to start new businesses.

D. Project Concern International (PCI)

D. Project Concern International (PCI)

Project Concern International has been a cooperating sponsor for two years, implementing programs in food for work in three cities in the Department of Santa Cruz. During the last six months PCI in coordination with the Mayor's Offices of Santa Cruz, Montero and Mineros carried out 256 food-for-work projects with an investment in food and materials of \$1.7 million and employing an average of 2,531 workers, of which 36 percent were men and 64 percent women. In addition, PCI received \$600,000 of ESF funds to support a large pavement project in the outskirts of the city of Santa Cruz. The investment by the mayoralty in this project is over \$8 million dollars.

PCI is also implementing the recommendations of the August 1992 WINs assessment of the municipal food for work program to improve its food security impact by requiring the municipality to pay administrative costs formerly borne by the workers; reducing the number of days worked to earn a ration to 12 six hour days or 9 eight hour days (72 hours); providing free transportation for the delivery of food to the worker; and, introducing mid-day hot meals and day care services for the children of women workers. During the month of August 1994, 312 workers received mid-day meals and 416 children received day care services.

The food for work program during the reporting period concentrated on maintaining canals and cleaning green areas around the city. The concentration on canal maintenance was done in Santa Cruz to avoid annual flooding in the city. The cleaning of green areas was a temporary activity which will not be continued in the future.

The second major activity of PCI is school feeding. As of August 1994, PCI provided school lunch rations to 11,490 primary students in 62 schools. The program is in its early stage of implementation and there is no data on the effect of the program on school attendance or drop out rates.

E. Inter-Agency Monetization Program

Since the inception of the Inter-Agency Monetization Program in 1989 the cooperating sponsors established a monetization oversight committee and management team. This committee sells wheat flour through a competitive bidding process and generates local currency for the Title II program.

FII, the lead agency, is responsible for the program's sales and financial management. The program uses a single-point financial system, which means that all revenues from sales, purchases of local products, disbursements to the PVOs, accountability for expenditures, and audits and evaluations are centralized to make oversight easier for USAID. C  ritas will become the lead agency during FY 1995.

As of the end of August, 21,566 metric tons of wheat flour have been sold at an average price of \$340 per metric ton, generating a gross income of \$7.3 million and a net after value added tax income of \$6.2 million. Of the net income, \$1.9 million was used to purchase 3,439 tons of rice, sugar, vegetable oil, milk, iodized salt and beans to complement the Title II rations. The monetization program disbursed \$4.3 million dollars to the four PVOS to cover logistics, administration, equipment, and project costs.

The major audit findings of Price Waterhouse's affiliate Moreno Muñoz for the FY 1993 monetization program have been cleared and the recommendations implemented. However, as discussed below in Section VI.D, Problems and Delays, the Monetization Program still faces bills of collection from the Bolivian income tax office, which is being protested by the Mission and the PVOs.

The program's technical staff reviews data presented by the agencies to monitor each project's feasibility and periodically visits project sites to oversee accountability and implementation. The program also administers Economic Support Funds for special projects linked to the food-for-work program. Through the cooperating sponsors the program is investing \$2.5 million in FY 94 and FY 95 local currency funds in seven major water, sewage, and street improvement projects in Santa Cruz, La Paz, Coroico, Santa Ana del Yacuma, and Sucre.

VI. Project Status

A. Purpose Indicators /EOIS	PLANNED				ACCOMPLISHED		
	LOP	Period (6 mo)	Cumulative	Next Period	Period (6 mo.)	Cumulative	% of LOP
1. Food-for-work Program							
a. Improved food security (Number of beneficiaries)	211,511	0	211,511		161,360	61,360	76
b. Temporary employment (person-months equivalent to 9 days of work/month)	455,556	0	455,556		191,449	14,888	69
2. School Feeding							
a. Beneficiaries							
FHI	90,000	0	90,000		92,074	92,074	102
Cáritas	94,200	0	94,200		77,402	77,404	82
ADRA	13,907	0	13,907		31,944	31,994	230
PCI	20,000	20,000	20,000		11,490	11,490	57
b. School dropout rates							
FHI	Reduce to 10%	Reduce to 10%	Reduce to 10%		Reduced to 1%	Reduced to 1%	
CARITAS	Reduce to 15%	Reduce to 15%	Reduce to 15%		Reduced to 5%	Reduced to 5%	
ADRA	Reduce to 15%	Reduce to 15%	Reduce to 15%		Reduced to 3%	Reduced to 3%	
B. Major Outputs	PLANNED				ACCOMPLISHED		
	LOP	Period (6 mo.)	Cumulative	Next Period	Period (6 mo.)	Cumulative	% of LOP
Food for Work Program							
1. Workers' person months							
Caritas	192,000	0	192,000		60,436	160,436	84
ADRA	193,956	0	193,956		38,517	138,517	71
PCI	69,600	0	69,600		12,531	15,923	23

B. Major Outputs	PLANNED				ACCOMPLISHED		
	LOP	Period (6 mo.)	Cumulative	Next Period	Period (6 mo.)	Cumulative	% of LOP
h. No. of Projects							
Caritas							
Forestation	131	44	131		86	149	113
Garbage Collection	2	1	3		90	91	3,033
Housing Construction	125	42	125		65	131	105
Latrines and Public Bathrooms	23	8	23		17	28	122
Parks and Plazas	68	23	68		33	68	100
Potable Water and Sewerage	287	96	287		197	333	116
Streets and Roads	425	142	425		225	437	103
Other Community Projects	359	120	359		175	351	98
Total *	1,421	476	1,421		888	1,588	112
Adventist Development & Relief Agency (ADRA)							
Forestation	66	32	76		159	160	242
Garbage Collection	62	21	62		28	39	63
Housing Construction	19	6	19		12	17	89
Latrines	21	7	21		8	8	38
Parks and Plazas	21	7	21		120	128	610
Potable Water and Sewerage	86	29	86		142	156	181
School Repairs	35	12	35		7	9	26
Storm Drainage Canals	43	14	43		3	26	60
Streets and Roads	381	127	381		147	202	53
Other Community Projects	105	35	105		103	131	125
Total	839	280	839		729	876	104
Project Concern International (PCI)							
Latrines and Public Bathrooms	23	11	23		1	1	.04
Garbage Collection	156	156	156		156	156	100

* The major Outputs for Planned LOP of Caritas projects has been revised upward reflect actual performance.

B. Major Outputs	PLANNED				ACCOMPLISHED		
	LOP	Period (6 mo.)	Cumulative	Next Period	Period (6 mo.)	Cumulative	% of LOP
Parks, Plaza, Forestation	11	4	11		1	8	72
Potable Water and Sewerage	35	12	35		1	2	6
School Repairs	39	13	39		9	19	49
Storm Drainage Canals	41	14	41		80	90	220
Streets and Roads	15	5	15			5	33
Other Community Projects	27	9	27		5	34	126
Total	359	69	203		256	390	108
Food for the Hungry Int. (FHI) (Monetization Funds)							
Greenhouses	90	0	90		81	90	100
Irrigation Systems	16	0	16		10	16	100
Latrines	60	0	60		90	90	150
Potable Water Systems	11	0	11		10	13	118
Wells	140	0	140		118	146	104
Other Community Projects	60	0	60		33	33	55
Total	377	0	177		342	388	103

C. Overall Status

Under the Title II strategy, the municipal food-for-work program continues to be the major activity of Cáritas, ADRA, and PCI. An important component of the Mission's expanded economic opportunities' strategy for its creation of jobs, the program now reaches 9 major cities and 86 small towns. The temporary employment provided by this program reduces migration to coca-growing areas and provides a safety net for the Bolivian government's structural adjustment policies. In addition, the program gives poor neighborhoods a say in decisions that affect them and thus supports AID/Bolivia's democratic initiatives.

As a result of the municipal food for work program, many municipalities saw the need to divide the cities into functional districts so that the demand for services from poor neighborhoods could be channeled to municipal decision makers. With technical assistance provided by Planning Assistance, which terminated its grant in March 1994, 12 cities and small towns for the first time drew up realistic operational plans with the participation of representatives from the districts to undertake priority infrastructure projects. At town meetings the mayor and council members engaged in debates to discuss problems concerning zoning, infrastructure and taxation. Food for work was the catalyzing force for the neighborhoods to undertake projects using community labor and leveraging municipal and national resources. The program has been so successful that the GOB's new Popular Participation Program, which decentralizes resources to municipal sections based upon population, was partially patterned after experiences drawn from the municipal food for work program. The Popular Participation Program has been described as one of the most revolutionary changes in the relationship between the central government and the urban and rural cities and towns, because of the effects of re-distributing tax resources and decentralizing control over education and health services. The GOB has expressed its desire that the Title II Municipal Infrastructure Program support its Popular Participation Program this year. The PVOs are also being asked by municipal authorities to help them draw up operational plans to have access to monies from the Popular Participation Program.

The second major activity of the Title II Program in Bolivia is school feeding. The school feeding programs of FHI, Cáritas, and ADRA are reducing student dropout rates. Dropout rates have been reduced from 30 percent to a range from 5 to 1.5 per cent. An evaluation of the school feeding program is presently being carried out. Preliminary findings confirm that the program is having an impact on reducing drop out rates, reaching the poorest primary students, and contributing to food security by increasing the quantity of proteins and calories consumed by the students as compared with control groups.

Under the maternal and child health program financed by monetization, FHI, ADRA, and Cáritas continue to provide child survival services, which can dramatically improve the health of mothers and children and which contribute to families' food security.

D. Problems and Delays

USAID personnel discovered during an inspection in August a second misuse case involving Project Concern International's municipal food for work program in district 7 of the city of Santa Cruz. Both USAID/W and RIG were advised of the details of this isolated case in a cable. PCI, with the advice of the Mission and RIG, has initiated legal proceedings against three persons involved in the misuse and distributions in district 7 have been discontinued. A potential bill of collection will be issued to PCI. PCI has also been advised that if further misuse cases occur USAID/Bolivia could recommend a phase out of the program. Additional internal control procedures have been established to help PCI adequately control its program.

The PVOs have not fully implemented all of the WINS' recommendation on improving the food security consequences of the municipal food for work program. Progress to date has been limited to shortening of the number of days required to earn a ration; diminishing contributions of the beneficiaries for food rations by passing these costs to the municipalities; providing tools to the workers, and providing meals to some workers. The recommendation to provide day care centers for women workers with children has not been implemented except for ADRA, which has done an excellent job. USAID is continuing to follow up on the recommendation to ensure that they are fully implemented in FY 1995.

As stated earlier and in the previous SAR, the Bolivian Income Tax Office issued a bill of collection against the Monetization Program for taxes corresponding to previous fiscal years. The claim presented by the Income Tax Office originated in its examination of tax liquidations of the Monetization Program, which included tax credits for the purchase of local products distributed in the Title II Program. According to the tax code, if local products are purchased and then donated, the Government loses the second generation of sales tax. Therefore, purchase invoices for the original acquisition of local products to be donated cannot be used as a tax credit, which was being done by the Monetization Program. USAID/Bolivia and the cooperating sponsors protested these claims and asked the government to accept the tax credits for local purchases. The Bolivian government recently issued a Ministerial Resolution that now permits Title II cooperating sponsors to apply local purchases against the sales taxes due from the sale of wheat flour. However, this Resolution is not retroactive to the program's initiation in FY 89, so the Mission and the cooperating sponsors have officially presented a request to the GOB to condone the taxes or provide another solution to this problem.

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

1. Continue to ensure that food security measures are taken to complement the municipal food-for-work program.
2. Plan evaluation of rural development projects financed with monetization funds to determine impact and whether financing beyond FY 1995 is advisable.
3. Follow up on PCI misuse case.
4. Review School Feeding Evaluation and follow up on recommendations.
5. Implement new computerized food tracking and monitoring system in all four agencies.
6. Follow up on resolving tax issue of Monetization Program.

PROJECT STATUS REPORT
April 1, 1994-September 30, 1994

Rating: B

I. Background and Financial Data

Project Title: PL-480 Title III
Implementing Agencies: Executive Secretariat (ES)
USAID Project Managers: J. Sleeper, S. Pinzino, A. Vasquez

The following information refers to the 1992-94 (three-year) program, broken down as follows:

A. 1994 Title III

Date of Obligation: 1/20/94 \$14,000,000
Status of Benchmarks: N/A
Date of Last Evaluation: N/A
Date of Last Audit: N/A
Expenditures to Date: N/A

B. 1993 Title III

Date of Obligation: 01/08/93 \$17,087,000
Status of Benchmarks: Only one of eight not been met fully.
Date of Last Evaluation: 4/94 Next Evaluation: 6/95
Date of Last Audit: 2/94 & Concurrent Next Audit: 3/95
Expenditures to Date: 0 (0%)

C. 1992 Title III

Date of Obligation: 03/27/92 \$22,371,000
Status of Benchmarks: All those programmed for 1992 were met.
Date of Last Evaluation: 4/94 Next Evaluation: 6/95
Date of Last Audit: 2/94 & Concurrent Next Audit: 3/95
Expenditures to Date: 10,118,400 (45%)

Note: Actual generation of local currency from the sale of wheat occurs in the last quarter of the fiscal year following the year of the agreement, i.e. July - Sept.

II. Relationship to Mission Strategic Objective

The PL-480 Title III program directly supports at the macro level three of the mission's four strategic objectives: expanded economic opportunity and access, reduced degradation of forest, soil and water resources and biodiversity protection; and improved family health throughout Bolivia. A recent report to the AA/LAC found that the program is integrated very well into these priority areas. Another objective is the promotion of food security; although not one of the Mission's strategic objectives, food security is an important cross-cutting issue in the Mission's portfolio. Achievement of broad-based, sustainable economic growth is, in fact, a prerequisite to long-term food security. The percentage of Title III LOP funds under this multi-year agreement which support the four Mission Strategic Objectives have been broken down in the following manner:

<u>Strategic Objective</u>	<u>Amount (\$000)</u>	<u>Percentage</u>
Expand. Economic. Opport. and Access	34,820	63%
Natural Resources/Biodiversity	8,040	15%
Family Health	8,340	15%
(Program Administration)	3,900	7%
Total	55,100	100%

III. Project Purpose

The purpose of the PL-480 Title III program is to enhance food security in eligible countries through the use of agricultural commodities and local currencies accruing upon their sale to combat world hunger and malnutrition and their causes; promote broad-based equitable and sustainable development, including agricultural development; expand international trade; develop and expand export markets for United States agricultural commodities; and foster and encourage the development of private enterprise and democratic participation in such countries.

IV. Project Description

The PL-480 Title III program provides approximately \$15.0 million/year in local currency from the sale of USDA wheat for joint programming between the GOB and USAID. These currencies support programs which have direct impact on Bolivia's food security, i.e., maternal child health, agricultural production and diversification, forestry management and promotion of wheat production in areas of Bolivia where it is economically feasible. The program is tied to eight policy benchmarks (described in more detail below) supporting a wide range of environmental activities, including the national environmental action plan, the new environmental law (and regulations which will accompany it), the national environmental fund and studies on forestry concessions, improved park management and other subjects. The program has considerable impact on women, through direct support of the Pro-Mujer (micro-enterprise and empowerment) and becas campesinas (rural scholarships) programs.

V. Project Status

The following are the environmental/natural resources policy benchmarks ("old" self-help measures) under the 1992-94 agreement:

Benchmarks	Target Date	Status
1. Finalize creation of national environmental defense fund	June, 1992	Met Fully
2. Passage of new environmental law	August, 1992	Met Fully
3. Begin studies for new system of forestry concessions	August, 1992	Met Fully
4. Begin studies for new land tenure law	August, 1993	Met Fully
5. Begin studies to implement environmental law	August, 1993	Met Fully
6. Develop plan to strengthen environ. enforcement agencies	September, 1993	Met Fully
7. Develop program to measure results of enforcement of Pausa Ecológica	September, 1993	Met Fully
8. Begin decentralization of forestry management	December, 1993	80% Met

VI. Overall Status

The overall status of the Title III program continues to be basically good, though because of "dumping" of wheat by the EEC, FY94 program generations will be lower than anticipated (see below).

Over this period, Mission completed the FY95-96 program paper, which was approved by USAID/W in August. The USAID/W review committee found the program paper to be "conceptually sound, well thought-out and highly consistent with USAID/W policy direction." The new program has several new directions. The program will be phased down over a three-year period,

because of: reduced budget levels in USAID/W; relative success in achieving a sustainable level of national wheat production at comparative advantage; availability of concessional sales from other donors; and USAID/B support of GOB's efforts to reduce dependence on food programs. An orderly phase-down (\$15 in FY95, \$12 in FY96, and \$8 in FY97) will permit the GOB to gradually reduce its dependence on off-budget local currency generations. The new program will also place greater emphasis on the more food-insecure areas of Bolivia, i.e., the Altiplano and Inter-Andean Valley regions. Policy reforms promoted under the program will increase the access of poor people to municipal services (the GOB's "popular participation" program), improved land tenure and credit services. The Mission will also explore the feasibility of importing wheat flour under the new program.

The assessment of the food security impact of the program, conducted by a Food Economics International, a new Gray Amendment firm, was completed in final. The assessment measured the diverse portfolio of the Title III program by weighing activities that have a stronger potential food security impact, i.e., activities receive higher weights that are targeted to women, small farmers and poor residents in peri-urban areas, and that are targeted to the Altiplano and Inter-Andean valleys. The assessment was favorably reviewed by the Mission, and was presented in final with a computer program and a training session in its use for the GOB.

Eleven auditors from the GOB Office of the Comptroller General are expected to complete their audit of the Executive Secretariat in November. There are no outstanding observations from the Coopers and Lybrand concurrent audit.

A. Policy Benchmarks

As reported in La Paz 09604 (8/94), performance of the GOB in meeting the policy benchmarks has been good in spite of the challenge presented by the change in administration in mid-1993. All benchmarks have been fully met, with the following two exceptions. The Mission will continue to push for completion of these two final benchmarks into the next program year.

1. Begin development of program to measure the results of the Pausa Ecologica's five-year ban on the provision of new logging concessions.--The date to meet this benchmark was pushed back to March, 1994. Award of the contract to a consulting company to carry out the study was to have taken place over this period, and would have been the point at which the Mission would have determined that the benchmark was met. However, problems in the solicitation process developed in August, and the bidding now must start all over again. Since an award will eventually be made, Mission considers this benchmark met.

2. Begin decentralization of responsibility for forestry management to regional forestry agencies.--Target date for beginning implementation of this benchmark was December, 1993. Mission judges that this benchmark was partially met, by 80 per cent, but will be fully met with passage of the forestry law which was expected in July of this year. However, the law has not been passed yet, primarily because the Bolivian parliament has been busy with an ambitious legislative agenda, including the educational reform, popular participation, capitalization, constitutional amendments, and pension reform laws. Therefore, the Mission still judges that this benchmark was only 80 per cent met.

B. Problems and Delays

After some delay, the government finalized the Joint Commission for Rural Development, the official GOB governing board for the Title III implementing entity, the Executive Secretariat. More problematic has been the dumping of EEC wheat. As a result of aggressive marketing by the EEC in late 1993, the Bolivian millers purchased a considerable amount of wheat--154,000 metric tons or about half of the national annual import requirement--from the EEC at heavily subsidized prices. The Bolivian millers moved quickly to buy the EEC wheat in order to take advantage of an opportunity to make windfall profits, without consulting the GOB. As result of this purchase, along with 44,800 MT from Argentina purchased early in the year at commercial prices, the millers only bid for 100,000 MT of a total available authorized amount of 130,000 MT of Title III FY94 program wheat. This resulted in a reduction in program generations from about \$18.0 million to \$14.0 million. Even with the reduced amount of wheat purchased, there is a slight over-supply of wheat requiring that USAID and the GOB take steps to ensure that storage in Chilean ports does not cause spoilage or waste and that the millers exercise prompt dispatch from the ports.

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

Actions	Target Date
1. Sign new FY1995-7 agreement with GOB.	November, 1994
2. Complete storage/handling cost analysis in Chilean ports.	October, 1994
3. Complete wheat flour feasibility study.	November, 1994

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**B. IMPROVED EFFECTIVENESS AND ACCESSIBILITY
OF KEY DEMOCRATIC INSTITUTIONS AND PRACTICES**

1. 511-0610 Democratic Institutions
2. 511-0611 Bolivian Peace Scholarships
3. 511-0623 Special Development Activities
4. 511-0626 Bolivia Administration of Justice
5. 511-0631 Human Resources for Development
6. 511-0633 Special Development Activities III

Rating: B

PROJECT STATUS REPORT
April 1, 1994 - September 30, 1994

I. Background Data

Project Title: Democratic Institutions
 Project Number: 511-0610
 Date of Authorization: original 08/31/88
 Date of Obligation: original 09/08/88
 PACD: original 12/31/89 amended 12/31/95
 Implementing Agencies: Electoral Court; Congress
 Major Contractors/Grantees: SUNY/OIP; IHR/CAPEL; DIMA Ltda.
 AID Project Manager: Carl A. Cira; Walter Guevara
 AID Project Coordinator: Eduardo Mendiola
 Status of CPs/Covenants: All met
 Date of Last Evaluation: August 18, 1994

Audit of:	Responsibility	Last Audit	Next Audit	Total Audits
IHR/CAPEL	Peat & Marwick	June 6, 1994	N/A	3
SUNY/OIP	OP/PS/OCC ¹	N/A	N/A	N/A

II. Financial Data (\$000)

a) Amount Authorized:		3,400 ²
b) Amount Obligated:		3,350
c) Amount Committed:	Period:	(84) ³
	Cumulative:	2,647
d) Accrued Expenditures:	1) Period-Projected:	300
	2) Period-Actual:	160
	3) Next Period Projected:	440
	4) Cumulative to date:	2,591
e) Pipeline (b-d,4):		759
% LOP Elapsed:		83
% of Total Auth. Oblig. (b/a):		99
% of Total Oblig. Exp. (d,4/b):		77
% of Total Auth. Exp. (d,4/a):		76

Counterpart Contribution (GOB):

f) Counterpart Planned LOP:	5,213
g) Counterpart Cumulative Planned as of 9/30/94:	3,938
h) Actual Counterpart Expenditures as of 6/30/94:	3,463
i) Accrued Counterpart Expenditures 7/1/94 to 9/30/94:	309
j) Total Counterpart Actual and Accrued Expenditures as of 9/30/94 (h+i) ⁴ :	3,772
k) Counterpart Planned Next Period:	177
l) % of LOP Expended (j/f):	72

¹ This is a U.S. based educational institution subject to the audit requirements established under OMB A-133.

² Authorized level amended to \$3.4 million during this reporting period.

³ Negative amount due to IHR/CAPEL CA decommitment as of February 15.

⁴ Per Mission guidelines actual disbursements are being used as a proxy for expenditures.

III. Project Goal/Strategic Objective

The goal of the project is to assist Bolivia in the consolidation of its democratic institutions and practices. This goal is in accordance with and directly contributes to the Mission Strengthening Democracy strategic objective, which is: "improved effectiveness and accessibility of key democratic institutions and practices".

IV. Project Purpose

The project purpose is to improve the functioning of the electoral system and broaden participation in the electoral process, to improve the administration and bill drafting functions of the Congress, and to support pro-democracy organizations.

V. Project Description

The project will: (1) support the electoral system through an automated electoral registry, voter education/motivation campaigns, seminars for electoral activities, and improvements in electoral administration and infrastructure; (2) assist the legislative process through training of legislators, committee advisors, and support staff, automation of legislative document storage/retrieval, and establishment of bill drafting/fiscal analysis support services; and (3) promote democracy through private organizations.

VI. Project Status

A. Purpose Indicators/ EOPS	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
1. Number of Elections showing improved NEC/DEC effectiveness and increased citizen participation	6	0	5	0	0	5	83
2. Number of key draft bills improved through new support services	7	0	5	0	0	5	71
3. Number of municipal oversight actions approved by Senate	20	0	0	2	0	0	0

Notes (targets and indicators revised to reflect PACD extension and increase in LOP):

1. May 1989 general elections; December 1989 municipal elections; December 1991 municipal elections; June 1993 general elections; December 1993 municipal elections; December 1995 municipal elections now added.
2. Judicial Organization Law; Public Prosecutor Law; Electoral Law Amendment(23; Budget Law, 1993, 1994, 1995. (1995 Budget Laws and Electoral Law amendments added).
3. Indicator introduced to reflect Project reorientation towards accountability by civil society organizations.

B. Major Output Indicators	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period (6 mo.)	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
1. Additional memory capacity for NEC and DEC's *	1	0	0	1	0	0	0
2. Publish voter registry *	1	0	0	0	0	0	0
3. Voter registration/education drives conducted **	6	0	5	0	0	5	83
4. Citizen jurors trained to man polling tables	150,00	0	100,00	0	0	110,525	74
5. Electoral management & administration assessment **	2	0	1	0	0	1	50
6. Legal statute for CICON drafted *	1	0	0	0	0	0	0
7. Line item for CICON in GOB budget *	1	0	0	0	0	0	0
8. Budget office creates municipal oversight division *	1	0	0	0	0	0	0
9. Congressional research facilities improved **	4	1	3	1	1	3	75
10. Publish congressional directory *	1	0	0	1	0	0	0
11. Congress persons trained in research activities **	200	100	144	25	17	90	45
12. Conference on legislative assistance technique *	1	0	0	0	0	0	0

few additional for output indicators established at the end of this reporting period, to be tracked through the new PACD of December 31, 1995.

**** Adjusted previous major output indicators.**

1. Increase in memory capacity of NEC and DEC's recommended by project evaluators to register about one million eligible voters from rural and marginal urban areas, with a high proportion of women.
2. The publication of the official registered voter list in time for the December 1995 municipal elections.
3. One media campaign per election: May 7, 1989 (general); December 3, 1989 (municipal); December 1, 1991 (municipal); June 6, 1993 (general); December 5, 1993 (municipal); and December 3, 1995 (municipal).
4. Approximately 60,000 registered voters are chosen by lot to serve as electoral jurors on election day, with about another 50,000 chosen as alternates (figures lower by about 20% for municipal elections).
5. New assessment recommended by Project evaluators.
6. SUNY will develop alternative drafts for presentation by VP to Congress.
7. SUNY and Budget Office will propose procedures; USAID/ODI will engage Congress in policy dialogue.
8. PP Law will generate complaints from local oversight committees that must eventually be settled by Senate.
9. Budget and fiscal analysis unit (OTP) fully operational; information and research unit (UII) staffed; bill drafting service (UAL) staffed; training unit plans reformulated to include constituent extension service (SEC), currently under design; automated document retrieval system/legislative data base postponed.
10. Publication and distribution to Congress members of a new congressional directory.
11. Training for CICON staff and Members of Congress.
12. Conference will be conducted before PACD.

C. Overall Status

During this reporting period the GOB promulgated the ground-breaking April 21 Popular Participation Law, which has forced Congress and the electoral system to begin to retool themselves to meet the new, increased local demands for Senate financial oversight of nearly 300 municipalities created by the PP Law and registration of eligible citizens who will vote in the new municipalities starting in December 1995. Project management decided to reorient the DI Project within its goal and purpose in order to meet the demands upon Congress and the electoral courts arising from the new local level actors empowered by this Law.

SUNY continued providing technical assistance and training to the three legislative support units within Congress. However, Project management decided that the PP Law makes it advisable to add a fourth, "Constituent Outreach Unit", which will help Members of Congress channel demands from their districts, and a new division of the Congressional Budget Office which will help the new municipalities move through the Senate the required actions for completing congressional financial oversight actions mandated by the PP Law. Turning to the electoral component, although the Cooperative Agreement with IIHR/CAPEL was terminated last February, Project management recognized the fact that the new PP Law requires a new local level approach to the problem of registering about one million eligible voters an estimated 30% of the electorate, composed of mostly rural and urban marginal women voters.

Consequently, the PACD was extended by 12 months to December 31, 1995, and additional funds were obtained in late August to increase the LOP obligated amount by \$400,000 to \$3.4 million. The purpose of this extension and increase in funding is to: a) endow the Congressional Budget Office with an added capability to process municipal financial oversight actions; b) implement a fourth, constituency outreach unit; c) seek legal status and permanent funding for CICON from the National Congress; d) continue training the three current CICON units; and e) enable the National Electoral Court (NEC) to publish the official voter list which will become a basic tool for completing voter registration through local level, citizen-led action.

At the end of this reporting period a major evaluation of the Project was completed by five U.S. experts led by John Oleson through the Checchi IQC. The evaluators suggested that in any case additional assistance is required to consolidate the electoral and legislative components, noting the importance of additional computer capacity for the NEC. The evaluators took note of the reorientation of the DI Project and of the advanced design of the follow-on Democratic Development and Citizen Participation (DDCP) Project (511-0634), both actions taken by the Mission in rapid response to the PP Law.

In sum, this reporting period has been relatively low on impact, but extremely productive of new directions and actions. For this reason, previous Purpose and Output Level Indicators have been completely revised this reporting period to reflect the newly added targets through 12/95.

LEGISLATIVE: Bolivian Vice-President and President of Congress Víctor Hugo Cárdenas, along with one Senator and two Deputies, visited Washington, D.C., where they met with: Carol Lancaster, Deputy Administrator, AID; Mark Schneider, Assistant Administrator, AA/LAC; Ramon Daubon, Deputy Assistant Administrator, AA/LAC. The significance of the PP Law was explained to USAID/W officials by VP Cárdenas, and the Mission's response to reorient the DI Project and develop the follow-on DDCP Project was discussed in broad outline. In addition, Vice-President Cárdenas met with Assistant Secretary of State Alexander Watson and IDB President Enrique Iglesias, to whom he presented a proposal for IDB assistance in six areas of democratic development, including legislative assistance to complement USAID/B efforts.

As part of the legislative training program, during July the Director of the CICON and members of the three established support units visited the Legislatures of the States of Texas and Maryland to observe the functioning of similar units. They also attended the National Conference of State Legislatures (NCSL) 20th Annual Meeting held in New Orleans. The purpose of this observational trip was to expose CICON staff to the operation of modern legislatures.

Specific achievements include: 1) The Congressional Budget Office (CTP) became fully operational. Volume II of the Budget Handbook was completed and delivered to all members of the Upper and Lower House. This volume includes information on how the national budget is executed and on congressional oversight mechanisms. 2) The Research and Information Office (UII) became operational with the September acquisition of computer equipment for its work. 3) The Bill Drafting Unit (UAL) is currently staffed and drafting a work plan. UAL received project-funded computer equipment as well. 4) The design of the Constituent Extension Services (SEC) Unit is now complete.

ELECTORAL: Although electoral assistance was successfully concluded last reporting period, with virtually all previous LOP targets met, USAID will provide the NEC with additional computer hardware and software to enable it to publish the official voter list, and to increase the capacity of the existing computer hardware and software to process new voters resulting from both the PP Law and the recently passed constitutional amendment which lowers the voting age from 21 to 18, effective with the December 1995 municipal elections. Approximately \$100,000 of the newly obligated funds will be utilized for this purpose if policy dialogue with the NEC is satisfactory.

D. Problems and Delays

FUNDING: Due to uncertainty in the availability of fresh FY 94 DA funds until late in the reporting period (August), project activities were rescheduled. Another reason for holding back on some activities was the Mission's interest in achieving a smooth transition from the DI to the follow-on DDCP Project, planned to begin activities in the first or second quarter of FY 95. However, the continuing uncertainty regarding the availability of first quarter FY 95 DA funds for the new DDCP Project may force Project management again to postpone activities scheduled under the DI Project for CY 95.

LEGISLATIVE: The uncertainty about continued ESF funding for the CICON units led CICON staff to express concern to Project management about CY 95. However, Project management is considering contingency plans to use DA funds from the last \$400,000 obligation to replace ESF counterpart shortfalls so as to be able to extend CICON contracts through December 1995. It is clear that such action would result in further postponement or cancellation of planned activities in Congress, and could also force cancellation of the planned computer acquisition for the electoral system.

The need to provide a legal statute for the new legislative support services, and the Bolivian Congress's willingness and ability to approve permanent funding for the operations of the CICON will pose a major challenge to the sustainability of the four technical units after PACD. Congressional resolutions, regulations and legislation to this effect are under development by SUNY. The SUNY CA will be amended to achieve these purposes with an explicit agreement that SUNY will work on technical aspects while USAID will engage congressional leaders directly in policy dialogue on the subject.

At the request of USAID/ODI, SUNY/OIP hired a high-level, long-term U.S. consultant with ample grass roots experience in Bolivia, to work on reorientation of current activities towards civil society. This positive addition to the SUNY/Bolivia staff increased LOP planned expenditures.

ELECTORAL: The National Electoral Court has not yet fully implemented automated procedures for national level screening and publishing of the voter roll. Despite the significant success of the NEC and CAPEL in registering voters, about one million, or 33% of eligible voters remain to be registered in Bolivia. In order to enable the NEC to process data on these persons, it is necessary to provide the Electoral System with larger capacity computer equipment and software. However, the Mission must first be satisfied that: 1) the NEC will publish the official voter list; and 2) the NEC will choose an adequate data base for all ADP systems.

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

ELECTORAL:

1. Policy dialogue with GOB and NEC officials to promote action on screening and publication of official voter listing at departmental and national levels, and to start limited, local-level, bottom-up voter registration/education drives in a sample of the new municipalities in advance of the follow-on DDCP Project.
2. Policy dialogue with GOB and NEC officials to promote action on proper briefing of the new electoral court members, scheduled to be chosen before August 1995 by Congress, so as to ensure adequate use of past Project assistance and adequate management of the December 1995 elections.
3. Propose to the GOB that National and Departmental Electoral Courts be renewed in January 1996, instead of as presently planned in August 1995, to permit completion of December 1995 municipal elections by present courts.
4. Purchase of an estimated \$100,000 in computer hardware and software to upgrade existing voter registry capacity of the NEC, provided policy dialogue with NEC on publication of official voter listing and the choice of an adequate data base for all ADP systems is successfully concluded.

LEGISLATIVE:

1. Drafts of statute for new legislative support services are reviewed by Vice-President and Bi-Cameral Group for Legislative Modernization (GBML), and strategy for achieving permanent legal status for CICON is designed.
2. A request for funds for CICON is presented by the President of Congress to the Upper and Lower House Appropriations Committees elected October, 1994, to try to ensure consideration under the 1995 budget law.
3. New Training and Constituency Outreach Unit is established.
4. Review of the organizational structure and functions of the Research and Information Unit (UII) is conducted, to determine possibility of combination with new Constituent Outreach Unit.
5. Bill Drafting Unit (UAL) provides services to Congress members.
6. Donor conference on legislative assistance objectives and techniques is held.

Rating: **B**

PROJECT STATUS REPORT
April 1, 1994 - September 30, 1994

I. Background Data

Project Title: **Bolivian Peace Scholarship Program**
 Project Number: 511-0611
 Date of Authorization: original 02/22/91
 Date of Obligation: original 08/05/91 amended 09/09/94
 PACD: original 06/30/96 amended 06/30/97
 Implementing Agencies:
 Major Grantees: Development Associates, Inc.
 AID Project Manager: Beatriz O'Brien
 AID Project Coordinator: Martha Crespo
 Status of CPs/Covenants: None
 Date of Last Evaluation: None (Next Evaluation: 1/95)
 Audit: None

Organization	Audit Responsibility	Last Audit Completed	Next Audit Begin Date	Total Audits Completed to Date
Dev. Associates	OP/PS/OCC	(1)		

(1) U.S. based for profit institutions are subject to the same audit requirements established under A-133, under the responsibility of OP/PS/OCC. Project specific audits at the Mission level are not required.

II. Financial Data (\$000)

a) Amount Authorized: 4,500
 b) Amount Obligated: 3,411
 c) Amount Committed: Period: 35
 Cumulative: 2,365
 d) Accrued Expenditures: 1) Period-Projected: 600
 2) Period-Actual: 451
 3) Next Period Projected: 350
 4) Cumulative to date: 1,549
 e) Pipeline 1,862
 % LOP Elapsed: 56
 % of Total Auth. Oblig. (b/a): 75
 % of Total Oblig. Exp. (d,4/b): 45
 % of Total Auth. Exp. (d,4/a): 34

Counterpart Contribution (GOB):

	<u>CASH</u>	<u>IN KIND</u>
f) Counterpart Planned LOP:		
g) Counterpart Cumulative Planned as of 9/30/94:	1,153	347
h) Actual Counterpart Expenditures as of 6/30/94:	380	81
i) Accrued Counterpart Expenditures 7/1/94 to 9/30/94:	302	69
j) Total Counterpart Actual and Accrued Expenditures as of 9/30/94:	21	28
k) Counterpart Planned Next Period:	323	97
l) % of LOP Expended (j/f):	42	3
	28%	28%

* Projected expenditures for this period were reduced by 30% due to instructions by DIFEM to reduce budgets.

III. Project Goal/Strategic Objective

The goal is to contribute to the development of effective human resources that ensure the availability of technically and academically skilled leaders for progressive, balanced and pluralistic development of Bolivia, and to strengthen democratic institutions within a free market economy, while ensuring that permanent ties are developed between the peoples of the United States and Bolivia. The project supports the Strengthening Democracy strategic objective, since socially or economically disadvantaged returned trainees are expected to become agents of change. As such, they are charged with the responsibility of leading their communities and/or institutions, through their own professional improvement and leadership skills, to the development of new, and the support of existing, democratic processes and institutions.

IV. Project Purpose

The project's purpose is to provide technical and leadership training in support of Mission objectives such as strengthening democratic institutions and improved administration of justice and overall socio-economic development. This will be achieved by increasing the number of public and private sector urban and rural leaders, trained in the U.S., especially among the socially and economically disadvantaged.

V. Project Description

The Bolivian Peace Scholarship Program (CLASP II) is a follow-up to the Andean Peace Scholarship Program (CLASP I). The project provides primarily short-term technical and leadership training in fields such as health, administration, journalism, education, economics and agriculture. The training is usually tailor-made, conducted in Spanish, and addresses specific identified needs, whether institutional, geographic or in a determined field. Long-term training represents approximately 20% of the total number of participants to be trained.

VI. Project Status

A. Purpose Indicators/ EOPS	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1. Trained socially and economically disadvantaged leaders (70% OF 300)	210	28	94	18	49	162	77
2. Trained women (40% of 300)	120	16	54	12	29	65	54
3. Trained in HBCU's (10% of a total of 888 participant/months) ^{2/}	88	24	33	0	24	75	85

Notes:

1. LOP baseline numbers represent the minimum required targets which are expressed in percentages. The planned and accomplished figures have been converted to numerical targets as of the previous SAR and refer to number of participants and participant months for more accurate and meaningful reporting.

2. The project requires a minimum of 10% of total participant/months. LOP Baseline represents the minimum 10% required of an estimated 888 participant months planned through the LOP.

B. Major Output Indicators	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1. Training - Short-Term	M 144	24	84	0	20	95	65
	F 96	16	56	0	29	61	63
2. Training - Long-Term	M 36	0	9	13	0	11	30
	F 24	0	6	12	0	4	16
TOTAL	300	40	155	25	49	171	77

C. Overall Status.

The project is on schedule and activities for this period have been implemented as planned.

To date seven short-term and one-long term groups received training making a total of 171 participants trained out of the 300 targeted for the LOP. Out of the 171 trained participants, 65 are women, representing 38% of the total. Meeting the target of women participation stipulated in the project paper was challenging. Economic and social restrictions which women experience, especially in rural areas, pose a severe constraint to having female participants nominated for training. Furthermore, once nominated, women tend to withdraw their application later in the selection process, probably due to family and social pressures. This is particularly true for long-term training.

Overall, training programs were successful. Ninety five percent of the returned participants stated that they were very satisfied with the program. Female participants manifested maximum satisfaction with all components of the training programs through preliminary surveys and expressions of interest to attend most of the follow-on activities.

Preliminary results of informal surveys to measure impact and benefit of the B.P.S.P. program show that:

- 1) 55% of females and 70% of males felt that their job and professional status have improved after training.
- 2) 90% of females and 95% of males have begun to utilize the knowledge and experience acquired during training.
- 3) 90% of females and 87% of males have initiated activities to become multiplier agents transmitting their knowledge to others in their communities or institutions.

Returned participants have joined the alumni associations existing in each Department and participated of the two encounters organized during FY94 in each department to reinforce friendship ties, and exchange of knowledge and experiences among participants and USAID personnel. During these encounters trainees presented proposals for follow-on activities, which were evaluated and approved by members of the associations. High impact projects that will address the most urgent training necessities in their regions, and will benefit a greater number of people were selected for implementation.

During this period, a total of twelve seminars, and workshops and one fair were implemented by returned trainees in Cobija, Sta. Cruz, Cochabamba, Potosí, Sucre, La Paz, and Tarija, benefitting an estimated 2010 people. Additionally, four courses were designed specially as refresher/upgrading skills activities for returned trainees in: public administration, environment, and leadership. Requests for participation exceeded the number of slots available for these courses.

D. Problems and Delays

Due to DIFEM's budget reduction and unpredictability of local funds availability, the Follow-On program has reduced the scope of its activities and canceled several seminars which were scheduled to be implemented during this period.

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

Needs assessment and planning for FY95 B.P.S.P. activities will be developed during next period. One long-term training course on health services and education is programmed for the next period. This course is aimed at nurses and health promoters or educators. The group will depart in March 1995. Mid-term evaluation of the project will be implemented in January 1995 to assess the impact of short and long-term training on the participant's professional and personal environments and progress made towards fulfillment of the goal and purpose of the project.

Follow On

During the next period and provided local currency funding is available, there will be seminars covering topics such as popular participation, capitalization and educational reform aimed at returned B.P.S.P. trainees from rural and urban areas who have responsibilities in their communities as promoters and leaders in support of GOB reforms. Also, two workshops on leadership skills and popular non-formal education will be taught by returned trainees to other returned trainees.

Rating: A

PROJECT STATUS REPORT
April 1, 1994 - September 30, 1994

I. Background Data

Project Title: Special Development Activities
 Project Number: 511-0623
 Date of Authorization: original 06/26/91
 Date of Obligation: original 06/28/91, amended 03/12/92; 02/24/93
 PACD: original 09/30/95
 Implementing Agencies: Small rural communities, NGOs, PVOs.
 Major Contractors/Grantees:
 AID Project Manager: Hector Diez de Medina
 AID Project Coordinator: Marcos Arce
 Status of CPs/Covenants: N/A
 Date of Last Evaluation: 11/12/93 N/A Next evaluation: N/A
 Audit: N/A

Organization	Audit Responsibility	Last Audit Completed	Next Audit Begin Date	Total Audits Completed to date
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II. Financial Data (\$000)

a) Amount Authorized:	DA Grant	500		
b) Amount Obligated:	DA Grant	500		
c) Amount Committed:	Period:	58		
	Cumulative:	496		
d) Accrued Expenditures:	1) Period-Projected:			60
	2) Period-Actual:			71
	3) Next Period Projected:			70
	4) Cumulative to date:			452
e) Pipeline (d,4/b):				48
% LOP Elapsed:		77		
% of Total Auth. Oblig. (b/a):		100		
% of Total Oblig. Exp. (d,4/b):		91		
% of Total Auth. Exp. (d,4/a):		91		

Counterpart Contribution (GOB):

f) Counterpart Planned LOP:	167
g) Counterpart Cumulative Planned as of 9/30/94:	123
h) Actual Counterpart Expenditures as of 9/30/94:	96
i) Accrued Counterpart Expenditures:	17
j) Total Counterpart Actual and Accrued Expenditures as of 3/31/94 (h+i):	113
k) Counterpart Planned Next Period:	15
l) % of LOP Expended (j/f):	76

III. Project Goal/Strategic Objective

The project goal is to improve socioeconomic conditions of rural communities, preferably those in remote areas of Bolivia, where there is no assistance from the Bolivian government. This project contributes to the Mission's strengthening democracy strategic objective of "Improved effectiveness and accessibility of key democratic institutions and practices", through enhancing the participation of rural communities in the decision-making process.

IV. Project Purpose

The purpose of this project is to assist small rural communities and local organizations to undertake self-help projects which have an immediate impact on the communities' social and economic welfare. These communities are generally outside the reach of assistance services provided by the Government of Bolivia. The SDA provides up to \$10,000 to each approved subproject.

V. Project Description

SDA funds finance not only income generating projects but also some social projects (e.g., water systems, school construction and remodelling, and electrification). Requests are received from communities and local organizations located throughout the country. If the request fits the parameters of the project, a site inspection is made by the Project Coordinator. After the inspection and verification of the community's needs is completed, an application form, a project outline, and a recommendation report are submitted to the joint USAID/Country Team Approval Committee for consideration and final approval.

PVOs or NGOs working locally usually help the community prepare the above requests and other documents as well as provide technical support and training during the implementation of the project.

A. Planned Eops: During the life of the project 56 subprojects are expected to be completed, under the general description stated above, in the following main sectors:

Group 1 - Water, sanitation and health: 21 water systems will be built, and 1 health post will be remodeled. Total 22 projects.

Group 2 - Education: 20 rural schools will be constructed/remodelled. Total 18 projects.

Group 3 - Income generating projects: 14 small productive projects will be completed. Total 14 projects.

VI. Project Status

A. Purpose Indicators/ E O P S	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1. Water Sanitation, Health Project.	22	2	25	2	0	20	91
2. Remodelling and School Construction Project.	20	2	15	5	2	15	75
3. Income Generating.	14	3	16	3	3	13	93

B. Major Output Indicators	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1. Approved Projects.	56	0	48	8	5	48 (1)	86
2. Completed Projects.	56	0	48	8	5	48	86
3. Counterpart Contribution.(2)	167,000	15,000	123,000	15,000	18,000	113,647	68

Notes:

1. Represent projects approved for funding by the USAID/Country Team Committees. Four approved projects have been cancelled due to lack of community funds to execute the projects.
2. Includes local transportation of donated equipment and materials purchased by USAID and local materials such as gravel, sand, adobe, lumber, etc., as well as skilled and unskilled labor which constitutes the community participation.
3. The estimated number of projects to be completed has been reduced to 56, following funding availability.

C. Overall Status

During the reporting period the following was accomplished:

- Five projects were completed:

- One school construction

- One school remodelling
- Three productive projects
- Five projects were inaugurated:
 - Three school projects
 - Two productive projects
- Eight projects were approved by the USAID/Embassy Committee:
 - Five schools
 - One water activity
 - Two income generating

ADMINISTRATION

- The contract for the Project Coordinator has been funded through October 15, 1994

PROJECT DESIGN

- The following documentation has been approved for the Special Development Activities III - 511-0633:
 - Project Paper
 - Project Authorization
 - Project Agreement - Limited Scope Grant Agreement

D. Problems and Delays

None

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

ACTIVITIES

- Complete and dedicate eight projects
 - Two water projects
 - Five schools
 - One income generating

ADMINISTRATION

- Start close-up activities process, including preparation of the Project Assistance Completion Report.

3) Next Period Projected:	900
4) Cumulative:	1,288
e) Pipeline:	4,762
% LOP Elapsed:	39%
% of Total Auth. Oblig.:	61%
% of Total Oblig. Exp.:	21%
% of Total Auth. Exp.:	13%

Counterpart Contribution (GOB):

f) Counterpart Planned LOP:	3,000
g) Counterpart Cumulative Planned as of 9/30/94:	815
h) Actual Counterpart Expenditures as of 6/30/94:	519
i) Accrued Counterpart Expenditures 7/1/94 to 9/30/94:	90
j) Total Counterpart Actual and Accrued Expenditures as of 9/30/94:	609
k) Counterpart Planned Next Period:	280
l) % of LOP Expended:	20%

III. Relationship of Project to Mission Strategic Objective (S.O)

This project supports the Mission's strengthening democracy S.O. by strengthening the effectiveness and accessibility of key justice sector and legal entities in Bolivia, including the judiciary, the National Police, the Public Prosecutor, public defense, public legal education NGOs, and alternative dispute resolution centers. Major project emphasis is placed in three pilot zones of Tarija, Santa Cruz and La Paz.

VI. Project Purpose

The purpose of the project is to improve the effectiveness of the judicial system in the three pilot zones, encompassing the Departments of Santa Cruz, Tarija and La Paz. Actions under the project also will be directed outside of the pilot zones at the national level, improving access to justice for the poor, providing nationwide judicial, prosecutor, investigative police, and public defender training and supporting alternative dispute resolution. For the three pilot zones, the project strategy is to achieve manageable improvements, establish models based on the improvements in the pilots, and encourage and assist the GOB to replicate the models incrementally in the remaining departments until incorporated nationwide. It is expected that the models will be established, tested and refined by the PACD. It is not expected that the models would be fully replicated nationally by the PACD.

V. Project Description

The project has three components:

- 1) Judicial System Efficiency and Accountability through:
 - a) a modern administrative infrastructure and transparent, efficient case processing;
 - b) institutional support for the newly created Ministry of Justice (MOJ), assisting them in the creation of organizational and functional structure, a strategic plan, information systems, a database of all national legislation, and a national institute for judicial reform;

- c) criminal case tracking systems for the police, prosecutors, and judiciary to reduce bottlenecks and processing time and insure greater respect for due process and protection of human rights.
- 2) Effective Criminal Prosecution and Investigation through:
 - a) improved investigation, preparation and presentation of criminal cases, and strengthening the prosecutorial, police investigative, and public defense functions nationwide;
 - b) creation of an anti-corruption task force through technical assistance to establish interagency cooperation in the investigation and prosecution of public sector corruption;
 - c) support for the establishment of a one year graduate criminal law diploma program at the Universidad Privada de Santa Cruz (UPSA).
- 3) Access to Justice through:
 - a) the rapid expansion of the public defense nationally through technical assistance and training provided to the MOJ;
 - b) alternative dispute resolution and modernized judicial process aimed at procedural delay reduction;
 - c) a program for providing extensive legal aid through university law students to assist in the resolution of criminal case bottlenecks;
 - d) grass roots civic legal education and training activities for prisoners, students and marginalized groups.

VI. Project Status

As of this reporting period and per the recently authorized Project Paper Supplement, the new purpose indicators, and major output indicators are as follows: (Purpose Indicators 1, 2, & 3 will be measured in the Departments of Santa Cruz, Tarija, and La Paz, while indicators 4 and 5 will measure activity in the Departments of Santa Cruz, Cochabamba, and La Paz.)

A. Purpose Indicators/ EOPS	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
1. Proportion of cases completed within legally prescribed time periods in first level criminal courts increases from X to Y	40 days ¹						
2. Average length of time from arrest to filing of case with appropriate court decreases from X to Y	2/17 days ²	0	0	0	0	0	0

¹ This information will be provided in the next reporting period. Not enough information is available yet.

² Revised figure based on 1992 & 1993 cases from Tarija (OPDAT).

A. Purpose Indicators/ EOPS	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
3. Number of cases in which detainees have had public counsel available during crucial stages of the criminal process	3200/800	400	400				
4. Number of commercial cases solved through alternative means increase from X to Y	256/0	20	20	14	13	35	13%
5. X parties using alternative means for dispute resolution	10000/0	42	42	40	49	125	1%

B. Major Output Indicators ¹⁾	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period (6 mo.)	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
1. Person months of training provided to judges: Women trained: Men trained:	30	15	31	20	29.1 6.6 22.5	43 8.6 34.5	143%
2. In-service judicial training program institutionalized	1	1	1	0	10%	0	0
3. Judicial administrative services office established in Tarija Superior District Court	1	1	1	0	30%	0	0
4. Judicial statistics and case tracking system established in Santa Cruz Superior District Court	1	0	0	0	10%	0	0
5. Prisoner and seized asset tracking system designed	1	0	0	0	5%	0	0
6. Strategic plan for MOJ developed	1	1	1	0	20%	0	0
7. Work manual defining MOJ organizational/functional structures in use	1	1	1	0	5%	0	0
8. Design for a MOJ national legislation database	1	0	0	0	5%	0	0

B. Major Output Indicators ¹⁾	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period (6 mo.)	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
9. Person months of training provided to prosecutors: Women trained: Men trained:	30	6	35	6	7 2.9 4.1	14 3.9 10.1	47%
10. In-service prosecutor training program institutionalized	1	1	1	0	15%	0	0
11. Work manual for prosecutors in use	1	1	1	0	75%	0	0
12. Person months of training received by police investigators: Women trained: Men trained:	160	100	139	100	36.6 1.7 34.9	161.6 5.7 155.9	101%
13. PTJ manual on criminal case operations and investigative procedures in use	1	0	1	0	0	1	100%
14. National plan for institutionalized forensic capability designed	1	0	1	0	0	1	100%
15. Departmental public defense programs established	6	0	0	0	50%	0	0
16. Anti-corruption task force designed	1	0	0	0	30%	0	0
17. Criminal law graduate program established	1	0	0	0	50%	0	0
18. Commercial arbitration centers established ²⁾	2	0	2	0	0	2	100%
19. Extra judicial community centers established	20	1	1	0	0	0	0
20. People trained in civic legal education Women trained (approx.): Men trained: (approx.)	3000	400	400	400	2,233 1,339 893	2,233 1,339 893	74%

¹⁾ Output Indicator #9. "Local private organization to promote judicial reform established" was removed as this is no longer being feasible.

²⁾ The prior Justice Sector Project had already established a commercial arbitration center in Santa Cruz. Under this project, commercial arbitration centers have been established in La Paz and Cochabamba.

C. Overall Status

1) Judicial System Efficiency and Accountability

The revised and amended Project Agreement was thoroughly vetted with the vigorous new Minister of Justice, René Blattman, and his staff, and in accordance with the central legal reform role of the new ministry, he agreed to become USAID's primary GOB program counterpart. In May USAID/B signed a letter of understanding with the MOJ and, through MSD, began implementation of a technical assistance program. The project has quickly gained the confidence of the Minister and his top staff, providing a constant flow of relevant comparative legislation, studies, short term advisors, and policy advice as the new MOJ has rapidly defined its organization, joined or established the policy debate on a range of key law reform issues, and assumed an increasingly pivotal role in advancing the GOB's reform agenda. Focus is on strengthening the Public Defense, supporting the MOJ in the drafting of enabling legislation for the recent Constitutional reforms establishing a Judicial Council and a Constitutional Tribunal, as well as assistance for drafting of new codes of Criminal and Civil Procedure and for developing a database of all current legislation. Four computers with printers were given to the MOJ for use in its offices. To initiate the code reform process, AID/ODI, through MSD, organized a week long seminar/workshop under MOJ sponsorship in La Paz in September covering "Latin American Process Reform Experiences and Perspectives for Bolivia". Leading experts Alberto Binder (Argentina), Luis Torello and Jorge Marabotto (Uruguay), and Fernando Cruz (Costa Rica) served as technical advisors and facilitators. The seminar's consensus recommendations for specific reforms now form the starting basis for two MOJ reform commissions aiming at sending new code draft legislation to the congress. With our strong support, the Ministry of Justice is now actively spearheading Bolivian justice reform efforts.

The lengthy impeachment of two Supreme Court judges ended in July, and formal and fluid relations with the Supreme Court were reinitiated, allowing us to move ahead on an 18 month training plan. An agreement was signed in April among the Superior District Court of Santa Cruz, Universidad Privada de Santa Cruz (UPSA), USAID, and MSD to provide the Superior District Court of Santa Cruz with technical assistance for the implementation of a pilot criminal case tracking system and a program of integrated judicial statistics. Technical assistance was provided in April by an Argentine management systems expert who designed an initial work plan and by two consultants from the Spanish firm SEINTEX who did a presentation on modernization and computerization of the courts. MSD expects to have the development of the court case tracking system contracted with a local firm by November.

The court administration pilot program began in earnest in the Superior District Court of Tarija with the contracting of the same Argentine expert to provide the specifications for an Office of Court Administration. A three day MSD seminar in Tarija in August led by four international experts, Hortencia Vaz and Elena Denda (Argentina), Emilio Solana (Costa Rica), and Joseph Caldwell (USA) reviewed the subject matter for nearly 100 participants and began to program the operationalizing of the new office and the accompanying reorganization. Work is progressing actively via a committee of local judges advised by the two Argentines.

In June, MSD published 1,000 copies of the text of the presentations delivered at the joint USAID/B - World Bank financed First Seminar on Judicial Reform (Sept. 29 -30, 1993). A formal presentation of the book was made to the Supreme Court in August and copies distributed to all Bolivian judges as well as other judicial system actors. Also, a Supreme Court judge, a Tarija Superior Court of Appeals judge and the Supreme Court's Directors of Judicial Reform and of Information Systems completed an August observational visit to courts in Pennsylvania, Virginia, and Maryland. They studied the courts' organizational plans, case tracking and information systems, court administration systems and judicial training plans. Two Superior Court presidents, from Santa

Cruz and Tarija, and a Cochabamba Superior Court judge attended a LAC Bureau Judicial Training seminar in Costa Rica and also made several visits to judicial offices, focusing on oral proceedings, public defense and forensic medicine.

Finally, with the surveys finished in Tarija and Pando, information on every district except La Paz has been collected in the national judicial training needs assessment. When the analysis is finished, this will be the basis for the final report to be submitted in the next period.

2) Effective Criminal Prosecution and Investigation

Newly created Public Defender positions for La Paz, Cochabamba, Santa Cruz, and Sucre were filled by the Minister of Justice in May. Proposed changes to the Presidential Decree (D.S. 23253) which created the institution were submitted to the Minister. Should they be approved by a new Presidential Decree, Public Defense will have a new functional structure and clearer goals and objectives.

OPDAT continued its Public Ministry seminars, one in Cochabamba in April and another in Potosí in June. 90 judicial professionals participated in the first and 107 in the second (from Potosí, Oruro and Chuquisaca as well). OPDAT brought an expert to La Paz for one week in June to meet with Attorney General staff and other lawyers to draw up a work plan to develop the prosecutors manual. The manual is now well advanced and expected to be completed in mid 1995.

In June the National Directorate of the Judicial Technical Police (PTJ) building was dedicated. This six story building will house investigative and administrative offices as well as forensic laboratory units. ICITAP's technical assistance and training plan for the PTJ and the Bolivian National Police was approved in June in Cochabamba by a commission from the Ministry of Government, the Public Ministry, the National Police, PTJ, and the Embassy. Six courses were provided to the PTJ: a two week Henry system finger printing course in May (15 police), a two week Crime Scene course in May (23 police), five days of a forged documents course in May (12 police), a two week forged documents course in August (14 police), 36 hours of classroom instruction on interpreting the SAFCO Law to 19 police, and 28 hours of classroom instruction on optimizing administrative procedures to 16 police.

Negotiations were completed on MSD's subcontract with FIU to provide assistance in order to implement an anti-corruption program beginning in November. Meanwhile, ICITAP has contracted an in-depth study of institutional corruption in Bolivia.

3) Access to Justice

In April the new Technical Coordinator of the local NGO "Training and Citizens' Rights" (CDC) was contracted. In the same month CDC held an internal training workshop in Popular Education methodology and tools. During the period they continued with their workshops on constitutional rights duties in neighborhoods, high schools, and prisons. In June they entered into an agreement with the Subsecretariate of Prisons' Directorate of Social Rehabilitation to provide training to the Reception Committee of the populous San Pedro Prison of La Paz.

IABF received the final report of a six month study of the communal justice system of El Alto. This will serve as the basis of a training project in coordination with the Urban Development Initiative (PROA). Over 200 people were trained in alternative dispute resolution. Four simulated arbitrations were held in May in Santa Cruz, Tarija, Cochabamba, and La Paz and attended a conference "Comparative Legislation of Procedural Law" by Maria Cristina Morales of Colombia. Four other conferences were given later the same month in the same cities by Marisa Bascope, another experienced arbitrator. The Arbitration Centers of Santa Cruz and Cochabamba were equipped in August and September, respectively. Eight commercial arbitrators made a study trip to

Colombia and then directed a workshop in La Paz upon their return. In July Fernando Knaudt was chosen as the new director of IABF/Bolivia upon the resignation of Antonio P eres Velasco.

TRAINING

During this period 140 judges, 51 prosecutors, 134 police officers, and 70 lawyers received training of some kind from project sponsored activities. In addition, the grassroots training NGO directly trained 2,233 high-school students, prisoners, and neighborhood group members (It is estimated that 11,165 people benefitted indirectly from this same training). Approximately 750 people attended the eight conferences and 4 mock arbitration trials sponsored by IABF. In all 13,793 persons benefitted directly and indirectly.

D. Problems and Delays

1. Both MSD sub-contracts have been delayed:
 - a. The Criminal Courts' Case Tracking System contract is still in negotiation due to high costs and alternative providers are being considered.
 - b. The FIU anti-corruption contract required an MSD contract amendment to be signed in November.
2. Personnel changes in the MOJ have slowed progress on the proposed Arbitration Law and the work of the Interinstitutional Committee for Alternative Means (of Dispute Resolution)

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

1. Hire the deputy coordinator for AOJ, who will also serve as project coordinator, by November.
2. Submit the final report of the national judicial training needs assessment survey.(MSD)
3. Alvaro Ferrandino, Chief of the Public Defenders Department of the Costa Rican Supreme Court, will analyze Public Defender activities in Bolivia and make recommendations to be followed. (MSD)
4. Begin implementation of anti-corruption program (training and cooperative interagency enforcement structures) (MSD/FIU).
5. Install a local area network (LAN) of 25 computers in the national headquarters of the PTJ. Under a three year maintenance and training contract, PTJ staff will be introduced to and become skilled in the use of computerized high technology police information and modernization systems. (ICITAP)
6. Continue to assist on the design of the prisoner tracking system (MSD).
7. Determine final focus and content of judicial training program and begin courses and seminars (MSD).
8. Produce Training Manual for Prosecutors (OPDAT).
9. Participate in the creation and institutionalization of a prosecutor training center in coordination with the Attorney General's office (OPDAT).

PROJECT STATUS REPORT

April 1, 1994 - September 30, 1994

Rating: B

I. Background Data

Project Title: **Human Resources for Development**
 Project Number: 511-0631
 Date of Authorization: original 07/28/93 amended 3/14/94
 Date of Obligation: initial 08/05/93 latest 3/20/94
 PACD: original 09/30/98 amended 03/31/99
 Implementing Agencies: Bolivian Catholic University (BCU)
 Major Contractors: Harvard Institute for International Development (HIID)
 AID Project Manager: Sonia Aranibar
 Status of CPs/Covenants: CPs and Covenants have been met
 Date of Last Evaluation: none Next Evaluation: o/a 03/31/96

Audit:

<u>Organization</u>	<u>Audit Responsibility</u>	<u>Last Audit Completed</u>	<u>Next Audit Begin Date</u>	<u>Total Audits Completed to Date</u>
HIID	(i)	None yet	4/95	None
BCU	Recipient	None yet	4/95	None

II. Financial Data (\$000s)

a) Amount Authorized: 6,500
 b) Amount Obligated (to date): 1,500
 c) Amount Committed: Period: 900
 Cumulative: 934
 d) Accrued Expenditures: 1) Period-Projected: 670
 2) Period-Actual: 124
 3) Next Period Projected: 600
 4) Cumulative to date: 142
 e) Pipeline (b - d,4): 1,358
 % LOP Elapsed: 22
 % of Total Auth. Oblig. (b/a): 23
 % of Total Oblig. Exp. (d,4/b): 9.5
 % of Total Auth. Exp. (d,4/a): .2

(i) As U.S. based non profit/Education Institution, OMB Circular A-133 establishes a cognizant Federal Agency responsible for institution-wide audits which are requested, and tracked by OP/PS/OCC. Project specific audits at the Mission level are not required.

Counterpart Contribution (GOB):

f) Counterpart Planned LOP:	2,170
g) Counterpart Cumulative Planned as of 09/30/94:	0
h) Actual Counterpart Expenditures as of 06/30/94:	0
i) Accrued Counterpart Expenditures 1/1/94 to 3/31/94:	0
j) Total Counterpart Actual and Accrued Expenditures as of 3/31/94 (h+i):	0
k) Counterpart Planned Next Period:	265
l) % of LOP Expended (j/f):	0

USAID/Bolivia has signed two sub-agreements with the concurrence of the GOB: 1) a technical assistance contract with the U.S. Contractor, HIID, signed on April 4, 1994 and 2) a Cooperative Grant Agreement with BCU on April 27, 1994.

III. Project Goal/Strategic Objective

The goal of the project is to improve the effectiveness and accessibility of key democratic institutions and practices. This project supports the Strengthening Democracy Strategic Objective by improving the human resource base, which is one of the best and most direct ways to foster and strengthen institutional reform that will ensure long-term democracy in Bolivia.

IV. Project Purpose

The purpose of the project is to improve certain technical and managerial skills at the policy formulation and implementation levels in both the public and private sectors, and to assist in the transformation of the democratic and growth processes in Bolivia. The project will upgrade the skills of selected technicians and managers to improve levels of efficiency, transparency and accountability in both the public and private sectors.

V. Project Description

The project consists of three interrelated components: (1) Master's programs, (2) short courses and seminars, and (3) program support that will build on and be integrated with BCU's existing education and training programs. The first component will provide direct assistance to BCU in the development of two new Master's degree programs in Auditing/Financial Control and Public Policy and Management. Planned short courses will be complementary to the Master's programs and may include structural reform related topics aimed at breaking identified bottlenecks that make difficult the efficient functioning of public and private sector institutions, and may be offered in several locations in Bolivia. Specifically, the project will provide support to BCU in (a) development of curricula of the new Master's programs and revision of existing graduate programs, (b) faculty study abroad, (c) establishment of a book and video fund and a computer network, (d) research activities, (e) supply of computers and other teaching material for the graduate programs, (f) a marketing program, and (g) a student assistantship fund.

VI. Project Status

A. Purpose Indicators/ EOPS	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1. High quality Master's degrees awarded in-country	169	0	0	0	0	0	0
2. Short-term specialized trainees (leaders & managers from the public & private sector with capacity to influence policy in the short-term)	865	0	0	0	0	0	0
3. Master's degree recipients holding key policy making and mid-level positions	100	0	0	0	0	0	0
4. Highly selective non-degree program participants trained on current socio-economic and political issues holding key technical and policy level positions	500	0	0	0	0	0	0
5. University professors trained in relevant fields of study and research	10	0	0	0	0	0	0

B. Major Output Indicators	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1. High quality Master's Degree programs established	2	0	0	0	0	0	0
2. Increases in:							
a) enrollment	350	0	0	0	0	0	0
b) graduates	169	0	0	0	0	0	0
3. Institutional strengthening of BCU in the areas of:							
a) Curricula development							
- New Master's courses	16	0	0	0	0	0	0
- Short courses	21	0	0	2	0	0	0
b) Admission standards for:							
- New Master's programs	2	2	2	0	2	2	100
- All Master's programs	7	0	0	0	0	0	0
c) Full time professors (PhD level) recruitment	9	3	3	3	3	3	30
d) Faculty trained in training/exchange programs	6	0	0	0	0	0	0

C. Overall Status

With the arrival of the HIID technical assistance team during this reporting period, and the recruitment of a local Marketing Specialist and support staff, project implementation has begun and is going on schedule. Current plans call for initiation of the first formal academic year in April 1995, upon completion of a full range promotion and marketing campaign to be carried out from November 1994 to February 1995.

During August and September, working committees at various levels were formalized and made operational. These include joint BCU-HIID-USAID operations committee, a systems management committee and an academic committee which meet regularly, by subject. In this context, a series of meetings were held between HIID, USAID, and the Catholic University (BCU) Graduate Program Committee to analyze, discuss and develop a general project implementation plan and curricula for the establishment of the two Master's degree programs. At the request of BCU, implementation efforts will concentrate in the early stages on the development of the two new Master's programs (Public Policy/Management and Accounting) with the existing programs remaining unchanged for the time being.

The proposed program presented to BCU, was informally discussed with possible clients such as local branches of well known international auditing firms, and government institutions, and was well received by the Catholic University graduate program committee members. The proposal includes the following elements and characteristics: Schedule of activities for the period September, 1994 - April 1995; key elements of a successful program; selection criteria and recruitment of professors; general parameters of the academic work; admission requirements; curriculum design for the two programs; general academic norms; facilities and logistic support, and long term financial plan.

The proposal has been submitted to BCU for final approval. Topics to be further discussed and approved include the feasibility of an interinstitutional financial-administrative committee to be formed by Catholic University, HIID and USAID, definition of the decision-making process for academic matters within Catholic University, as well as actual implementation of student selection procedures, student hiring and compensation approval for full time and visiting professors, decision on the physical location of the Master's programs, admission procedures, final approval of curricula and preparatory courses, approval for the hiring of academic assistants and researchers and selection and approval procedures for potential PHD candidates (to be funded outside of the project).

Additional activities included initial contacts with related institutions (e.g. USIS, Fulbright Program, LASPAU) to discuss possibilities for sponsoring seminars, short courses, faculty training, and other activities, as well as meetings with the RTAC regional project representatives for the provision of textbooks and library items.

The possibility of establishing an advisory board to function as a "sounding" board for the project implementors was also explored with very positive reaction from individual personalities of the academic and private sectors.

During the reporting period, USAID and HIID developed and submitted to the University a detailed scope of work to be used for the recruitment of a new BCU Coordinator in view that the previous Coordinator's contract was terminated.

D. Problems and Delays

Problems and delays were mainly attributable to the lack of a strong counterpart on behalf of the University. The lack of familiarity of the administrative staff assigned to the project with USAID rules and regulations and the inefficiency of the Catholic University Project Coordinator created many delays and confusion among the various institutions involved in the implementation of the project.

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

1. Recruit and hire a new Catholic University Project Coordinator according to the Scope of Work and Requirements developed and approved by the institutions involved in the implementation of the project. (November 15, 1994).
2. Approve the proposed masters programs and initiate promotion and marketing surveys and campaigns, as well as program implementation. (November 30, 1994).
3. Complete computer system configuration and place order. (November 30, 1994).
4. Develop and approve short course plan for the first year. (January 1995).

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Counterpart Contribution (GOB):

f) Counterpart Planned LOP:	200
g) Counterpart Cumulative Planned as of 9/30/94:	200
h) Actual Counterpart Expenditures as of 9/30/94:	-
i) Accrued Counterpart Expenditures:	-
j) Total Counterpart Actual and Accrued Expenditures as of 9/30/94 (h+i):	-
k) Counterpart Planned Next Period:	-
l) % of LOP Expended (j/f):	-

III. Project Goal/Strategic Objective

The project goal is to improve the effectiveness and accessibility of key democratic institutions and practices. The SDA III project falls under the USAID/Bolivia Strategic Objective "Improved effectiveness and accessibility of key democratic institutions and practices."

IV. Project Purpose

The purpose of this project is to support the self-help development initiatives of the Bolivian people. The project will assist small rural communities and local organizations to undertake self-help activities which have an immediate impact on the communities' social and economic welfare.

V. Project Description

The project will support approximately 66 sub-projects in around 85 communities in isolated areas of the country. The SDA III project will address basic human needs of the beneficiaries by assisting poor isolated communities in implementing self-help activities in areas such as:

Education: school completion, remodelling, and provision of furniture and teaching materials.

Water and sanitation: provision of water and sanitary systems, completion, remodelling and equipment of small hospitals and health posts.

Income generating: small irrigation systems, small agricultural and artisanry activities, distribution centers and markets.

Infrastructure: improvement of access roads, and small bridges.

The SDA III project calls for a substantive participation of community members, both in contributing resources -- in cash and/or in kind --, as well as in the design, implementation and maintenance of the SDA III supported activity.

VI. Project Status

A. Purpose Indicators/ E O P S	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1. Education Projects.	15	-	-	-	-	-	0
2. Water Projects.	25	-	-	-	-	-	0
3. Income Generating.	16	-	-	-	-	-	0
4. Infrastructure Projects.	10	-	-	-	-	-	0

B. Major Output Indi- cators	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1. Activities Completed.	66	-	-	-	-	-	0
2. Communities Benefitted.	85	-	-	-	-	-	0
3. People Benefitted.	15,000M 15,000F	-	-	-	-	-	0

C. Overall Status

- The project was authorized by the USAID/Bolivia Mission Director on June 10, 1994, for a total amount of \$ 800,000, of which \$ 600,000 are USAID grant funds and \$ 200,000 correspond to the estimated contributions to be provided by the communities.
- The Limited Scope Grant Agreement was signed between the Bolivian Government and USAID/ Bolivia on August 22, 1994, obligating the first tranche of the grant, \$ 110,000.
- The incoming letters from the communities were selected by geographic location and also by areas.

D. Problems and Delays

None

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

- The PIO/T for the Project Coordinator will be signed to allow for the extension of the contract for two years. Funding will cover one year.
- Inspection trips will be carried out to visit around 25 communities in the Departments of Tarija, Chuquisaca, Santa Cruz and La Paz.
- Between 6 and 12 activities will be approved for funding.

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C. PROTECTING THE ENVIRONMENT

1. 511-0621 Sustainable Forestry Management
2. 598-0780 Environmental Support
3. 598-0780.01 Wetlands for the Americas
4. Enterprise for the Americas
Environmental Account

Rating: C

PROJECT STATUS REPORT
April 1, 1994 - September 30, 1994

I. Background Data

Project Title: Sustainable Forestry Management
 Project Number: 511-0621
 Date of Authorization: 08/25/93
 Date of Obligation: 08/26/93
 PACD: 09/30/00
 Implementing Agencies: Ministry for Sustainable Development and Environment;
 National Environmental Fund (FONAMA)
 Major Contractors: Chemonics, Wildlife Conservation Soc., Conservation
 International, Tropical Research & Development
 AID Project Manager: Michael J. Yates
 AID Status of CPs/Covenants: Pending¹
 Date of Last Evaluation: none
 Audit:

Organization	Audit Responsibility	Last Audit Completed	Next Audit Begin Date	Total Audits Completed to Date
Chemonics International	OP/PS/OCC	N/A	N/A	N/A
Wildlife Conser. Internat.	OP/PS/OCC	N/A	N/A	N/A
Conservation International	OP/PS/OCC	N/A	N/A	N/A
Trop. Research. & Devel.	OP/PS/OCC	N/A	N/A	N/A

II. Financial Data (\$000)

a) Amount Authorized: 15,000
 b) Amount Obligated: 5,476
 c) Amount Committed: Period: 18
 Cumulative: 3,615
 d) Accrued Expenditures: 1) Period-Projected: 800
 2) Period-Actual: 1,418²
 3) Next Period Projected: 1,240
 4) Cumulative to date: 1,522²

¹Partially completed; full completion expected soon, with formal contracting of counterpart-funded Project personnel.

²This figure includes an overestimate of approximately \$450,000 in accrued expenses, which will be adjusted in the next period of accruals.

e) Pipeline (d,4/b):	4,058
% LOP Elapsed:	9
% of Total Auth. Oblig. (b/a):	37
% of Total Oblig. Exp. (d,4/b):	21
% of Total Auth. Exp. (d,4/a):	8
Counterpart Contribution (GOB):	
f) Counterpart Planned LOP:	5,000
g) Counterpart Cumulative Planned as of 9/30/94:	660
h) Actual Counterpart Expenditures as of 9/30/94:	250 ¹
i) Accrued Counterpart Expenditures 1/1/94 to 9/30/94:	6
j) Total Counterpart Actual and Accrued Expenditures as of 3/31/94 (h+i):	256
k) Counterpart Planned Next Period:	385
l) % of LOP Expended (j/f):	5

III. Project Goal/Strategic Objective

To reduce degradation of forest, soil and water resources and protect biological diversity. BOLFOR supports the Strategic Objective by working with key forest stakeholder groups to improve forest management and reduce the environmental impacts of forest product harvesting.

IV. Project Purpose

To build public and private sector capacity to develop and implement programs for sustainable, certifiable forest use.

V. Project Description

The project is organized into three components and three supporting elements, as follows: 1) Natural Forest Management, to produce the ecological, economic, technical, and social information needed to define and put into practice sustainable forestry management plans; 2) Policy and Institutional Analysis and Development, to help create a favorable policy environment for adoption of sustainable forestry management plans; increase public participation in decision-making affecting the forests; and strengthen key public sector institutions in their ability to oversee these policies; and 3) Product Development component, to help Bolivian producers increase the value and volume of sustainably harvested timber and non-timber forest products. The project will work with commercial producers and indigenous community groups, and will emphasize "green" marketing of timber and non-timber forest products, targeting high-value export markets. These components will be supported by research, training, and monitoring and evaluation components.

¹These local currency funds were used for the partial purchase of the FAN airfield and headquarters (sharing costs with The Nature Conservancy), in exchange for priority access to FAN air transportation services at cost, over the LOP (see PIL No. 2, November 23rd 1993). Given the serious delays in FONAMA in establishing the GOB administrative entity for the project and in selecting a Coordinator for the BOLFOR account (see section VI.D), no other local currency funds have yet been officially reported to USAID (though local currency funding did become available at the very end of this reporting period).

VI. Project Status

A. Purpose Indicators/ EOPS	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1. Regulations drafted for new forestry law ⁴	(1996) 1	0	0	0	0	0	0
2. Certification mechanism established	(1996) 1	0	0	0	0	0	0
3. Improved forest management in different environments	(1995,1997) 4	0	0	0	0	0	0
4. New markets developed	(1997,1999) 4	0	0	0	0	0	0

Notes:

1. Many of BOLFOR's key project outputs are scheduled for later project years (phases II and II of the project; see target years, in brackets), though work has already begun on EOPS 1-3. In addition, the project's environmental assessment requires site-specific assessments prior to working directly with forest user groups on commercial-scale forest management activities (including up to two years of careful research on the impact of forest product harvesting on biological diversity); of course, this has implications for target dates.

B. Major Output Indicators	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1. Regulations for forestry law presented to GOB ⁵	(1995) 1	0	0	0	0	0	0
2. Plan developed for new forestry service (SERFOR) ⁶	1	0	0	0	0	1	100
3. National workshop held on forest product certification	1	0	0	1	0	0	0
4. 2 research sites established (Bajo Paraguá, Lomerío), with MOUs with area owners	2	1	1	1	1	1	50

⁴ While the BOLFOR Project Paper calls for preparation of a new forestry law, this target has been replaced with "development of regulations to accompany the law." This is because legislative changes in this sector have proceeded much faster than expected, and a new forestry law was presented to Congress prior to BOLFOR start-up (passed "en grande" by both Houses of Congress, and now under detailed debate by a joint congressional committee).

⁵ See footnote 4 above.

⁶ The forestry law now in Congress will replace the Centro de Desarrollo Forestal (CDFs) with a new Servicio Forestal (SERFOR).

B. Major Output Indicators	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
5. Base-line data system established for tracking biodiversity	1	1	1	0	1	1	100
6. Industrial capacity, markets assessed for timber, non-timber forest products (studies)	2	0	0	0	0	0	0
7. Improved practices widely adopted (25% of forestry area in Santa Cruz by EOPS, 10% by 1997)	(1997,1999) 4	0	0	0	0	0	0
8. Products marketed (\$000)	(1999) 3,000	0	0	0	0	0	0
9. Scientific Publications	14	0	0	0	0	0	0
10. Persons trained (various levels)	185	10	10	50	0 ⁷	0	0

Notes: See notes to preceding table.

C. Overall Status

Implementation of the BOLFOR project is proceeding relatively smoothly, though with important delays in counterpart-funded activities (see below). During this reporting period the COP secured and equipped permanent project headquarters; defined and implemented administrative and operational procedures; and procured office and technical equipment. Candidates for almost all key staff positions have been identified and their contracts drafted; long-term field research has begun. An environmental monitoring and evaluation system has been defined, as have research and training priorities.

The BOLFOR Administrative Council has been formally constituted, and is meeting regularly. Agreements have been formalized with the Chiquitanos Indians and a concessionaire for establishment of long-term research parcels, and the COP continues to do an outstanding job eliciting the enthusiastic participation of relevant stakeholders (e.g., the Forestry Chamber of Commerce, NGOs, industrialists, indigenous peoples groups, universities) in BOLFOR planning and implementation. The COP has also been quite adept at leveraging collaborative support from non-USAID sources, to better address project goals and objectives (e.g., no-cost TDYs from the Smithsonian Center for Tropical Forest Sciences and the Center for International Forestry Research; data-sharing arrangements with NASA's Pathfinder Deforestation Project).

⁷The timing for the forest-product certification workshop was pushed back to early October, in order to better accommodate the schedules of the outside experts. Note however that 65 persons attended this training workshop from both the commercial and NGO sectors, and local understanding of the certification process has increased greatly.

D. Problems and Delays

While all dollar-funded activities are now on or ahead of schedule, the delays with local currency funding continued to hamper project progress. These were due largely to the institutional uncertainties surrounding FONAMA and its relationship to the Ministry of Sustainable Development and the Environment, and in particular to the GOB's protracted delays in naming a new General Manager for the institution and a Coordinator for the BOLFOR account.⁶ This has meant important delays in certain key activities, e.g., hiring local counterparts and establishing a permanent BOLFOR Project office and field sites. This latter issue is especially critical given the field-oriented nature of the Project; with the approaching rainy season, if baseline data in the long-term research plots is not collected soon the opportunity to do so in 1994 will be lost. The situation did improve at the very end of this reporting period, with selection of local counterpart staff and the opening of a local currency account and revolving fund in Santa Cruz. Delays to date have not been serious enough to affect planned project targets or time-tables. Nevertheless, the situation calls for continued close monitoring with an eye towards examining the capabilities of FONAMA to perform its functions effectively. Finally, certain minor problems in establishing appropriate project reporting procedures have been resolved this reporting period, thanks to collaboration from RCO and CONT.

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

Major activities will include intensified research in Lomerio and Moira (e.g., to collect base-line data and monitor the impacts of forest product harvesting and hunting on biological diversity, to better inform ecocertification), and continued monitoring of long-term research plots in Bosque Chimanes. Development of an internationally recognized certification mechanism for Bolivia will begin, with a major conference in Santa Cruz. If the new Forestry Law is passed (see footnote 4) increased emphasis will be given to developing regulations to accompany the law (including holding public seminars and carrying out targeted economic and policy analysis), and to technical assistance to support development of the planned Forest Service.

Certain corrective actions for the delays noted above have been taken, and have been effective. The COP is optimistic that local-currency funded activities will now move smoothly. Nevertheless, the institutional uncertainties in FONAMA continue to be protracted and worrisome, and to the extent that these affect project progress the Mission must keep a close watch on this situation.

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⁶Note that while a General Manager was named in July, he was fired after somewhat less than three months in office and his position remains vacant. A Coordinator for the BOLFOR account was named in early October, but his contract has yet to be formally issued.

Rating: A

PROJECT STATUS REPORT
April 1, 1994 - September 30, 1994

I. Background Data

Project Title: **Environmental Support**
Project Number: 598-0780
Date of Obligation: September 8, 1990
PACD: amended: December 31, 1994
Implementing Agencies: New York Botanical Garden
AID Project Manager: Michael Yates

II. Financial Data

Amount Authorized: DA Grant: \$215,550¹
Amount Obligated: \$215,550 (\$74,550 to NYBG)
Accrued Expenses: \$212,113 (\$71,113 by NYBG)

III. Project Purpose

To determine the biological diversity (plant inventory) within two priority national parks in Bolivia (Amboró and Noel Kempff Mercado).

IV. Project Status

Field activities in Amboró and Noel Kempff Mercado National Parks continued, with processing of an additional 845 botanical specimens and their taxonomic identification in the New York Botanical Garden. Project staff continued work on the manuscript "Flora del Parque Nacional Amboró," and also prepared a preliminary draft entitled "Flora of Noel Kempff Mercado National Park." NYBG researchers also intensified their collaborative work with the NGO Fundación Amigos de la Naturaleza (FAN) and the Museo de Historia Natural in Santa Cruz to produce a vegetation map of Amboró Park. In addition, the NYBG (in close collaboration with The Missouri Botanical Garden) has continued its institution building and training activities in support of the Museo de Historia Natural in Santa Cruz. Project reporting has improved dramatically this period, with good quarterly financial and technical reports now being received.

This low-cost activity is quickly coming to a successful conclusion, and represents an important collaborative effort (working closely with a broad range of partners in the two national parks where USAID has put its greatest emphasis) in biodiversity assessments for conservation purposes.

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¹This amount includes \$141,000 for The Wilderness Society's "Biological and Economic Analysis of Sustainable Selective Logging in Bolivia," an activity that was successfully completed last year.

Rating: B

PROJECT STATUS REPORT

APRIL 1 1994 - SEPTEMBER 30 1994

I. BACKGROUND DATA .

Project Title: Wetlands for the Americas
Project Number: 598-0780.01
Date of Obligation: September 27, 1993
P.A.C.D.: March 31, 1995
AID Project Manager: Jorge Calvo
Date of Grant Signature: January 3, 1994

II. FINANCIAL DATA .

Amount Authorized: D.A. Grant: \$150,000
Amount Obligated: \$150,000
Amount Disbursed: \$49,120
Amount Accrued: \$63,696

III. PROJECT PURPOSE.

To compile and publish the first comprehensive biological assessment and policy analysis of selected South American wetlands, to help set government, donor agency, and NGO conservation agendas for the region.

IV. PROJECT STATUS.

- 1) During this reporting period, contracts were signed with 15 scientists from different South American countries to compile and carry out the biological and policy analysis of 19 regions of Wetlands in South America.
- 2) The Work plan and agenda for the Biodiversity Conservation and the Policy Development was submitted in final to all scientists and participants to the seminar.
- 3) Draft reports from the different Scientists have been delivered to South America Wetlands' offices, they are under review, and will be sent for final analysis to the participants and scientists at the end of November.
- 4) The areas to be studied have been defined and assigned to the different scientists for their study and analysis.

In the case of Bolivia the selected areas are: **Laguna Colorada (Potosi), Ulla (La Paz), Bañados del Izozog (Santa Cruz) y Bañados de Magdalena (Beni)**, and the rest of the Wetlands in Bolivia at a general level.

- 5) The final plans and the agenda for the seminar to be held in Santa Cruz have been presented to the Mission in final.
- 6) A contract with the World Wildlife Fund/Biodiversity Support Program, has been signed to include the Wetlands of South America on a new map of "The Evaluation and Potential of Conservation and Degree of Threat for the Latin America and the Caribbean Eco-Regions"

V. PROBLEMS AND DELAYS.

- 1) The seminar in Santa Cruz has been postponed to March 95, though the project P.A.C.D is March 95. The Manomet Bird Observatory and the Wetlands for The Americas have other sources of funding for this purpose, as well as for printing and distribution of the final report.
- 2) Reports (Financial and Technical) have been delivered with a substantial delay; the 1034 Voucher has been submitted with many mistakes. There has been very little communication between the Wetlands and Mission officials. We must understand that the Wetlands for the Americas is a new NGO and is just learning AID procedures

VI. ACTIVITIES NEXT PERIOD.

- 1) Review draft documents related to biological assessment, policy and legislation related to Wetlands in South America.
- 2) Approval of final documents, (Dec. 94).
- 3) Final report ready for distribution (Feb 95)
- 4) Wetlands of South America seminar in Santa Cruz (March 95)
- 5) Final manuscript (Final documents plus results from the seminar (May 95)
- 6) Final Document printed and ready for distribution (July 95)

Rating: C

PROJECT STATUS REPORT
April 1, 1994 - September 30, 1994

I. Background Data

Project Title: **Enterprise for the Americas Environmental Account**
Project Number: **NA**
Date of Obligation: **original: November 26, 1991**
PACD: **original: November 26, 2005**
Implementing Agencies: **FONAMA (Bolivia's National Environmental Fund)**
AID Project Manager: **Carl Leonard (USG Representative to Administrative Council)**
Michael Yates (Alternate)

II. Financial Data

Amount Authorized: **\$21.8 million (original)**
Amount Obligated: **\$5,579,970**
Amount Committed: **\$3,279,611¹**
Accrued Expenses: **\$1,100,719**

III. Project Purpose

To preserve, protect, or manage the natural and biological resources of Bolivia in an environmentally sound and sustainable manner.

IV. Project Background

Bolivia was the first country in Latin America to take advantage of the Enterprise for the Americas Initiative's debt restructuring opportunities, and it maintains its strong lead in this area. Through the EAI the GOB was able to reduce its bilateral debt with the United States by \$372 million, and create an Environmental Account of \$21.8 million to fund grassroots initiatives in the environment. These funds are managed by an Administrative Council of seven members, with three government representatives (2 Bolivian, 1 USG) and four from Bolivia's non-governmental community (selected in open elections). NGOs, community groups, and academic and scientific institutions (typically with strong participation by women) may receive funding for environmental activities from the EAI Account, and the new GOB administration has applauded the EAI's close parallels with the goals of the new Popular Participation Law. It provides strong and broad-based support to the Mission's strategic objective for the Environment, and fully 8 other USAID-assisted countries have asked USAID/Bolivia for detailed information (and/or visited with FONAMA staff) on the Bolivian EAI model.

¹ This amount does not include an additional \$1,156,071 for 14 new projects tentatively approved (subject to modifications required by the Council) in September, 1994.

V. Project Status

Progress was hampered this reporting period by the institutional uncertainties surrounding FONAMA, and in particular by the GOB's protracted delays in naming a new General Manager for the institution and a new Coordinator for the EAI Account. Nevertheless, FONAMA (in collaboration with the International Union for the Conservation of Nature and other organizations) hosted an international meeting of environmental funds (which included a working session focused on the EAI) in June, and representatives from more than 25 countries around the world participated; this underscores how FONAMA continues to be regarded a world leader in environmental funds, though its reputation has suffered with the change in administration. In addition, it should be noted that GOB deposits to the Account continue to be made in rigorous compliance with the EAI's deposit schedule, and have been trouble-free (in contrast to the previous administration).

The Administrative Council met in September, and the USG representative was pleased with the GOB's careful, technical review of proposals for funding. Demand for funds continues to be extremely strong, with more than ten times as many applicants as grants. To date 37 activities have been funded (most of these with substantial additional counterpart funding), with 14 more tentatively approved (bringing the EAI total to 51). These range from activities such as urban energy conservation to agroforestry initiatives with indigenous peoples in Bolivia's lowland tropical forests. Importantly, these activities provide not only improved environmental management but also strongly support increased public participation in environmental decision-making, a key objective of both USAID and the new GOB administration. At the last meeting the Council voted unanimously to support a USG initiative to increase emphasis given to grassroots organizations, and final terms of reference are now being prepared for a new institutional strengthening project to improve the abilities of such groups to access EAI grant funding. In addition, greater emphasis should be placed on systematic monitoring and evaluation of project results, with an eye towards assessing how these activities help USAID meet its program outcomes for the Environment Strategic Objective.

Despite these major accomplishments the EAI continues to face important short-term difficulties, in particular the continuing vacancies in the key positions of EAI Coordinator and General Manager (a voting member of the EAI Administrative Council) for FONAMA². If these problems persist, the USG should consider an alternative institutional "home" for the otherwise outstanding EAI Environmental Account.

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²The General Manager of FONAMA was not dismissed until early October, after the end-date of this SAR; nevertheless it is noted here, given its vital importance to the EAI Account.

D. IMPROVED FAMILY HEALTH THROUGHOUT BOLIVIA

1. 511-0568 Reproductive Health Services
2. 511-0594 Community and Child Health
3. 511-0607 Self Financing Primary Health Care II
4. 511-0608 AIDS/STDS Prevention and Control
5. 511-0613 Drug Awareness and Prevention
6. 511-0618 CARE Community Development
7. 511-0619 Interactive Radio Learning
8. 511-0620 Child Survival PVO Network II
9. 511-0624 Displaced Children (Peace Corps Grant)

Rating: A

PROJECT STATUS REPORT
April 1, 1994 - September 30, 1994

I. Background Data

Project Title: **Reproductive Health Services**
 Project Number: 511-0568
 Date of Authorization: Original 6/27/90
 Date of Obligation: Original 7/31/90 last Amended 7/20/94
 PACD: Original 9/30/95 Amended 12/31/97
 Implementing Agencies: Secretariat of Health (SNS), National Social Security Health Fund (CNS); Population Unit (MHD)(UPP) Pathfinder International; MotherCare/JSI; Johns Hopkins/Population Communication Services (PCS), JHPIEGO; MSH/FPMD; Population Council; Futures Group (SOMARC, RAPID IV, OPTIONS II); Development Associates, MACRO International
 Major Grantees: Earle Lawrence
 AID Project Manager: Elba Mercado
 AID Project Coordinator: All have been met. Covenants: FAA 104(f) and PD3 listed in PGA
 Status of CPs/Covenants: 09/15/92
 Date of Last Evaluation: 11/20/96
 Date of Next Evaluation:
 Audit:

Organization	Audit Responsibility	Last Audit Completed	Next Audit Begin Date	Total Audits Completed to Date
SNS (ex-DINAP)	Recipient	08/24/93	10/15/94	1
UPP	Recipient	09/30/94	05/15/94	2
CNS	Recipient	05/10/93	10/15/94	1
Various US NGOs	OP/PS/OCC	(1)	N/A	N/A

(1) U.S. profit and non-profit grantees/contractors are subject to OMB A-133 or similar requirements. OP/PS/OCC is responsible for monitoring compliance. Audits are not project-specific, but rather, institution wide systems assessments.

II. Financial Data (\$000)

a) Amount Authorized: 19,550
 b) Amount Obligated: 16,240
 c) Amount Committed: Period: 5,205
 Cumulative: 10,537

d) Accrued Expenditures:	1) Period-Projected:	1,500
	2) Period-Actual:	1,173
	3) Next Period Projected:	6,000
	4) Cumulative to date:	8,725
e) Pipeline (b-d,4)*:		7,515
% LOP Elapsed:		49
% of Total Auth. Oblig. (b/a):		83
% of Total Oblig. Exp. (d,4/b):		53
% of Total Auth. Exp. (d,4/a):		44

Counterpart Contribution (GOB):

f) Counterpart Planned LOP:		2,030 (of which 360 is ESF)
g) Counterpart Cumulative Planned as of 9/30/94:		307
h) Actual Counterpart Expenditures as of 9/30/94:		284
i) Accrued Counterpart Expenditures 3/31/94 to 9/30/94:		165
j) Total Counterpart Actual and Accrued Expenditures as of 9/30/94 (h+i):		1,179
k) Counterpart Planned Next Period:		20
l) % of LOP Expended (j/f):		58

* Large pipeline reflects FY94 obligation of \$5.2 million done on July 20, 1994.

III. Project Goal/Strategic Objective

The project goal is the same as the Family Health Strategic Objective which is to improve family health throughout Bolivia. By improving access, utilization and quality of family planning services, the project will have an impact on decreasing maternal morbidity and mortality and increasing child survival.

IV. Project Purpose

To increase access and quality of reproductive health services in Bolivia.

V. Project Description

The Reproductive Health Services Project was designed to increase the access and quality of reproductive health services in Bolivia. The seven-year \$19.55 million project employs five strategies to support increased reproductive health services: service provision; information, education and communication (IEC); training; research and evaluation; and policy development for the GOB, NGO and commercial sectors. Funds for the NGOs and social marketing are obligated by buy-ins and add-ons to existing AID/W centrally funded Cooperating Agencies (CAs) to provide technical assistance and equipment.

VI. Project Status

A. Purpose Indicators/ EOPS	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1. Increase prevalence ¹	23/12	0	12		6	18	78
2. Increase number of new users: Total FP acceptors ²	756,821/280,671				483,607	483,607	63
3. Increase number of new users: Modern FP acceptors ³	300,118/79,370				37,474 ⁴	154,718 ⁴	51

Notes:

- ¹ Data from the 1994 DHS draft final report. Modern methods.
- ² Baseline data estimated from the 1989 DHS at a 30% prevalence for all methods. 1994 DHS prevalence is 45.3% shown in the accomplished cumulative column.
- ³ 1992 Baseline, after 1 year of project work.
- ⁴ Period is April-August 1994.

B. Major Output Indicators	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1. No. of project facilities providing RHS: SNS	*57	5	19	5	44 ²	58	102
2. No. of project facilities providing RHS: CNS	35	5	29	3	20 ²	27	77
3. No. of project facilities providing RHS: NGO	166	0	113	5	4	118	71
4. SOMARC - Number of Contraceptive Pills sold	800,000	70,000	530,000	100,000	135,486	644,161	80
5. SOMARC - Number of Condoms sold ¹	2,500,000	250,000	1,700,000	280,000	285,408	1,940,301	78
6. No. of national repro- ductive health clinical training centers estab- lished	6	3	9	0	2	7	117

Notes:

- * Output indicators have been revised based on the newly enacted Plan Vida.
- ¹ Period is March - August 94.
- ² A number of these facilities were opened up earlier, but data was made available for this period.

C. Overall Status

1. Results of the Demographic Health Survey (DHS) show significant gains for the Reproductive Health Services Project (RHSP). Currently, 45% of Bolivian women in union are using family planning methods compared to 24% in 1983 and 30% in 1989. Use of modern methods has increased from 12% in 1989 to 18%, an increase of more than a percentage point each year. Infant mortality is at 75 per 1000 live births. Maternal mortality remains very high at 390 per 100,000 live births.
2. The overall environment for reproductive health and family planning remains very positive. Bolivia's statement and policy paper for the Cairo Population Conference was one of the most progressive from the region, advocating respect for individual rights of women to make their own decisions regarding family size and promotion of family planning services. Coverage of the Cairo Conference was very extensive and, for the most part, positive in the Bolivian press.
3. The mass media campaign sponsored by the National Secretariat of Health (SNS) and developed with technical assistance from the Johns Hopkins Population Communication Services (JHU/PCS) project was successfully completed. The nine-month campaign included 11 television spots, 48 radio spots, a poster, and signs promoting reproductive health centers. Baseline data will be compared to post-campaign evaluation to measure impact.
4. Training events conducted during this period by Management Sciences for Health (MSH) under the Family Planning for management Development (FPMD) project, Development Associates (DAI), JHPIEGO, and the Futures Rapid IV project, significantly expanded the core of professionals skilled in providing reproductive health services.
5. The subcommittees of the National Reproductive Health Committee on Services, IEC, Training, and Research all continued to meet monthly and coordinate activities in the public, private, and commercial sectors.
6. Pathfinder has increased its in-country staff and has taken over the Quipus Management Information System used for the project service statistics. They are increasing their role in logistics and coordination of research and service related activities.
7. Unsolicited proposals were approved from PROCOSI, a federation of child-survival PVOs, for providing reproductive health services and referrals in rural areas of Bolivia and from International Planned Parenthood Federation/Western Hemisphere Region (IPPF/WHR) for expanding the services of CIES, Bolivia's major private sector provider of family planning and reproductive health services.
8. A University of Michigan Population Fellow and a University of Michigan Population-Environment Fellow have joined the project. The Population Fellow will be conducting extensive field visits to implement a quality monitoring and control activity. The Population-Environment Fellow will be working with the Bolivian Ministry of Sustainable Development and the Environment and with PROA, an environmental health PVO, to establish linkages with the USAID/Bolivia population program.
9. JHPIEGO helped the SNS design, edit and publish a "Reproductive Health Reference Text" to help with training of personnel at different levels of service provision. The text established national reproductive health norms for the first time.

10. Because most family planning methods are female methods, the majority of direct project beneficiaries are women. Men are participating in counselling and as targets of information programs to an increasing degree. Men are also beneficiaries of the economic benefits of smaller families. The AC/SI codes for most activities and special interests under this project estimate beneficiaries as 70% female and 30% male.

D. Problems and Delays

1. Late receipt of the Mission OYB resulted in a June submission of add-on and buy-in actions to USAID/W. The delayed delivery orders to centrally-funded cooperating agencies has slowed technical assistance and training activities during this period.

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

1. The HHR Office has begun a process of joint planning and programming with the Global Bureau Center for Excellence in Population, Health and Nutrition. The process will continue with technical assistance visits from Global specialists who will also assist in technical review of the new project paper amendment and population sector review.
2. An unsolicited proposal from PROSALUD, a major self-financing primary health care provider, to expand reproductive health services in existing and new clinics in Tarija and other areas will be evaluated.
3. An amendment to the Community and Child Health (CCH) project will be completed to include reproductive health services in selected districts and in CCH technical assistance to the Ministry.
4. Amendment No. 2 will be finalized and reviewed by the RHSP project committee. Purpose level indicators will be revised during the amendment process. It will increase the project funding level from \$19.6 to \$57.5 million. Depending on final review of the mission project committee, funding under the expanded project will be provided to IPPF to open a Bolivia affiliate; to PROCOSI to expand the reproductive health capacity of its members; to PROSALUD to expand reproductive health services; as well as a number of buy-ins to centrally funded population projects.
5. Follow up to the Cairo conference will be focussed on disseminating and publicizing the GOB's official statement widely throughout Bolivia to assure that the Bolivian population is aware of the position.

Rating: B

PROJECT STATUS REPORT
April 1, 1994 - september 30, 1994

i. Background Data

Project Title: **Community and Child Health**
 Project Number: 511-0594
 Date of Authorization: Original 07/28/88 amended 09/30/92
 Date of Obligation: Original 07/28/88 last amendment 06/01/94
 PACD: Original 07/28/93 last amended 09/30/95
 Implementing Agencies: National Secretariat of Health (SNS)
 Major Grantees: John Short Associates
 Centers for Disease Control (CDC)

 USAID Project Manager: Rafael Indaburu Q.
 USAID Project Advisor: Joel Kuritsky, M.D. (TAACS)
 Status of CPs/Covenants: All have been met
 Date of Last Evaluation: 10/04/93
 Next Evaluation: 11/30/96
 Audit:

Organization	Audit Responsibility	Last Audit Completed	Next Audit Begin Date	Total Audits Completed to Date
CDC	CDC/IG	(1)	N/A	N/A
CCH	Recipient	3/30/94	02/01/95	2
Medical Services Corp. (MSC)	OP/PS/OCC	(2)	N/A	N/A

(1) As USG entity, CDC is subject to audit by cognizant IG rather than USAID.

(2) As U.S. based for-profit firm, OP/PS/OCC monitors compliance with audit requirements. A project-specific audit of grantee performance is not required.

ii. Financial Data (\$000)

a) Amount Authorized: 16,500 amended to 20,000
 b) Amount Obligated: 2,700 amended to 17,906
 c) Amount Committed: Period: 1,072
 Cumulative: 15,416
 d) Accrued Expenditures: 1) Period-Projected: 1,000
 2) Period-Actual: 1,111
 3) Next Period Projected: 1,000
 4) Cumulative to date: 14,919
 e) Pipeline (b-d.4): \$ 2,986.1/

% COP Elapsed: 88
 % of Total Auth. Oblig. (b/a): 90
 % of Total Oblig. Exp. (d,4/b): 83
 % of Total Auth. Exp. (d,4/a): 75

1/ In FY93 project expenditures were \$3.0 million., so over time this represents 1-1.1/2 years of expenditures.

Counterpart Contribution (GOB): (\$000)

f) Counterpart Planned LOP:	8,000
g) Counterpart Cumulative Planned as of 09/30/94:	6,453
h) Actual Counterpart Expenditures as of 09/30/94:	5,372
i) Accrued Counterpart Expenditures 3/31/94 - 9/30/94	107
j) Total Counterpart Actual and Accrued Expenditures as of 09/30/94 (h+i):	5,479
k) Counterpart Planned Next Period:	909
l) % of LOP Expended (j/f):	68.5

III. Project Goal/Strategic Objective

The goal of the project is the same as the Family Health Strategic Objective which is to improve family health throughout Bolivia. The project supports the national immunization and diarrheal disease control programs; administration and management strengthening to improve child survival services in 6 districts; water and sanitation installation in selected communities; health education and training at district and national levels; and a pilot research activity in Chagas disease. The overall package seeks to improve mother and child health.

IV. Project Purpose

The purpose of the project is to contribute to a reduction of infant, child and maternal mortality in Bolivia.

V. Project Description

The project supports an integrated package of child survival interventions; promotes institutional development; encourages community participation in the design, installation, and maintenance of water and sanitation systems; trains mid-level health personnel in program planning; and promotes improved health through community health education activities. The project has five components: Diarrheal Disease and Cholera Control (national level); Immunization Program: Support (national level); District Development (administrative, training and health education support to 6 districts); National Chagas Disease Control (pilot research activity); and Water and Sanitation improvements (6 districts).

VI. Project Status

A. Purpose Indicators/ EOPS	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumu- lative	Next Peri. J	This Period (6 mo.)	Cumu- lative	% of LOP
1. Reduction in infant Mortality (per thousand live births)	80/111	80	80	75	75	75*	107
2. Reduction in Child Mortality (per thousand live births)	135/176	110	116	0	116	116*	116
3. Reduction in Maternal Mortality (per thousand live births)	300/400	NA	390	0	390	390*	10

Notes: * Actual figures for these indicators come from 1992 Census as adjusted by GOB and from 1994 DHS.

B. Major Output Indicators	PLANNED				ACCOMPLISHED**		
	LOP/ Baseline*	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1. Diarrheal/Cholera: Number of Community Based UROs	6,000/2,000	0	6,000	0	0	6,000	100
2. Diarrheal/Cholera: Number of Diarrheal Studies	5/0	1	7	0	0	7	140
3. Immunizations: One year olds fully immunized (percent)	65/24	80	80	81	0	81	125
4. District Development Auxiliaries Trained	250/0	135	335	135	138	418	167
5. District Development Management systems installed	5/0	1	6	1	1	5	100
6. Chagas' Disease: Operations research conducted	10/0	0	10	0	0	10	100
7. Chagas' Disease: Houses improved	2,000/0	0	2,000	0	395	3,574	179
8. Water and Sanitation: Communities served No. of water systems:	120/0 120/0	23 23	130 130	4 4	23 24	122* 97	102 81
9. Training-Long Term M F	1/0 1/0	0 0	1 1	0 0	0 0	1 1	100 100
10. Training Short-term:M F	3,000/0 3,000/0	500 500	4,576 4,602	500 500	400 400	3,957 4,142	132 138

Notes: * There are 122 communities served with water and sanitation, but the number of systems built is only 97. Some water systems serve more than one rural community.

C. Overall Status

1. Advancement toward Goal and Purpose

This semester the project had access to data from the 1994 Demographic and Health Survey (DHS), and the findings were quite revealing: infant and child mortality have reduced beyond the project's objectives to 75 and 116 per 1000 live births respectively. But, maternal mortality figures remained at record high levels at a country average of 390 mothers dead per 100,000 live births. Regional variations in maternal mortality are even more frightening, reaching in the Western part of the country more than 600/100,000. These results show that the project is having an impact, and

progress has been made toward the goal of reducing infant and child mortality. Unfortunately, project actions to reduce maternal mortality were not significant, starting at the project design stage (too little and scattered when compared with the other components). This deficiency will be compensated with an effort in reproductive health care which will begin in the next period.

This semester the project has surpassed all the targets initially determined (except those in regard to maternal mortality and water system installation). For budget reasons the water and sanitation and chagas components will close out by the end of 1994. The project is experiencing a sense of loss and disorientation that emerges from project evaluations that describe the project as "unfocused", and from the perception of project personnel that the project is losing the two components that represented direct presence and responsibility at the community level (Chagas and Water/Sanitation). The project feels torn between conflicting demands from project guidelines and from idiosyncratic requests from the National Secretary of Health. CCH personnel also feel that there is a high level of waste and friction that could be avoided if the project itself would have more direct responsibilities, such as the direct management of the health districts where they now work.

GOB legislation recently passed (Law of Popular Participation) has changed the overall conditions for health in Bolivia. One of several new policies transfer the responsibilities and ownership of health infrastructure from the central level to 305 municipalities. These changes are opening new possibilities for CCH. The project -based on its flexibility and highly trained personnel- could become a key player in the transformation of the health care sector. With that purpose in mind, a redesign of the project, currently in progress, is being oriented toward strengthening the role of CCH in the health districts.

2. Administration and Data Tracking Systems

During this period CCH completed a new accounting system for the National Secretariat of Health, after a two-year period of adjusting the system to the needs of the regions. This is a major contribution for the Secretariat, and the new system installed included the training of the personnel that will run it. The recently completed system will allow Secretariat officials to budget and control expenditures in an easier and more user friendly way.

Another accomplishment during this period was the establishment of a Statistical and Documentation Center within CCH. Data from the different health districts is entered in computers, evaluated and returned to the districts. All regions and districts of the project are now linked electronically. The system is being used by personnel fully trained by the project. This will make it possible to monitor the impact of different health interventions and adjust current epidemiological data for each region.

The 1992 and 1993 audits, completed in the previous period, demonstrated a significant improvement in regard to previous years in the management and internal control systems that the project has implemented.

3. Project Technical Advances

(a). Diarrheal Disease/Cholera Control

During this period the two main activities for the CCH project were the receipt and delivery to the SNS of 1,000,000 packets of oral rehydration salts (purchased from central LAC bureau cholera resources), and a series of training events promoting standardized treatment in the management of diarrhea. This included the development of training materials, testing and validation of messages, as well as the formal training of nurses and physicians. As part of the training process, the first Center for Clinical Training was established at the Children's Hospital in La Paz, where 13 pediatri-

cians, 17 general physicians, 20 registered nurses and 20 auxiliary nurses were trained in diarrheal diseases and acute respiratory infections.

(b). Immunization Program Support

Immunization coverage in 1994 for children under 1 year did not improve compared to a similar period in 1993. The reasons for this are mainly related to a national measles campaign organized by the SNS in May and June 1994. This effort, part of the hemispheric campaign to eradicate measles, while extremely successful, diverted resources from the normal vaccination efforts. During a seven week period nearly 3,000,000 children between the ages of 9 months and 15 years were vaccinated, leading to greater than 85% coverage of the under five population. USAID contributed approximately \$800,000 out of the \$6.0 million required for this multi-donor effort. Whereas the measles campaign attained large coverage, the regular immunization programs suffered. The measles campaign coverage reached 97.9% in the CCH Districts (168,000 children less than 15 years of age were vaccinated). CCH contributed to the measles campaign through initial workshops for the mobilization of the campaign, posters and informational material, logistics and personnel.

(c). District Development

During this period the CCH project responded to different demands from local municipalities that would like to receive guidance, technical assistance and support in order to assume their new responsibilities in health care as mandated by the Popular Participation Law. The Chiquitania Sur District has become a model for the project. It is a district where the local mayors and health care officials are working closely with CCH personnel and would like to develop local health care systems responding to the guidelines defined by the Popular Participation Law.

The Training of Trainers group and district personnel are assuming a greater role in district development with the new national guidelines for popular participation. There is a third educational module for the project that involves popular participation, and the role of the District Coordinator is being enriched with new political and technical responsibilities.

District Development constitutes the main area for strengthening CCH activities and for the redesign of the project, based on a package of child survival and maternal health interventions denominated "Plan Vida."

(d). Chagas Disease Control

CCH conducted an International Conference/Workshop in Cochabamba and La Paz to present the results of the project's ground-breaking research. This conference was the forum for discussing the disease with government and other donors. The objective was to mobilize donor support in favor of the National Chagas Control Program, which now is run by a former CCH employee. The Conference was both a technical and a political success. The Vice President of the country attended the Conference and stated that Chagas should be considered not only a health problem, but a national priority.

At the moment of closing this component, the number of houses improved almost doubled the initial target (179%). The technical and operational aspects of the program were equally successful, and now CCH will conclude the phase of documenting and disseminating information, lessons learned and prospects for the control of Chagas disease.

(e). Water and Sanitation

Twenty four water systems were completed during this period. Four additional water systems will be finished by December 1994. A series of operation and maintenance arrangements have started in view of the closing of this component as of December 1994. The remaining pipes and accessories have been transferred to another project (CARE Community Development), with the authorization of the National Secretary of Health. With the closing of this component, CCH -in coordination with Peace Corps volunteers- will only have a technical assistance role in maintenance of the systems already built. This role will be complementary to the new responsibilities CCH is assuming in District Development and will guarantee the correct operation of the water system until the PACD in September 1995.

D. Problems and Delays

With the completion of the Chagas and Water/Sanitation components, the main problem for the project is its lack of sense of purpose and the absence of an identity of its own. The reorganization of the Secretariat (former Ministry of Health) and the new normative roles that the Secretariat will assume, change significantly the role and level of interaction of CCH with the districts, the regions and the central government. Furthermore, the project is experiencing a reduction in USAID yearly funding (total funding remains the same). All these circumstances have created the need for a redesign. Aspects both internal and external to the project have changed significantly, and require, therefore, a corresponding project redesign process. This process will be completed by the middle of November 1994.

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

1. As expressed in the previous SAR, the CCH will be redesigned based on the child survival assessment completed in October, 1993, the new government's reform plans, and new budget projections. The redesign will include an extension of the PACD to 1998, confirming CCH as USAID's principal support activity to the government in the areas of district development, maternal health and child survival. The project indicators will be revised to insure that they can be tracked over time, are attributable to CCH, and measure project progress on people. The due date for the redesign effort is December 31, 1994.
2. Two districts (Chiquitania Sur and Capinota) will be used as models for the implementation of Popular Participation guidelines, Plan Vida, and for the demonstration of some of the proposals of the Health Care Reform initiative, undertaken by the Ministry of Human Development. The pilot period in these districts will start in January 1995.
3. Operational activities in reproductive health and the strengthening of services for maternal and child health will be included in all 6 districts by February 1995. A proposal for the improvement and monitoring of reproductive health care services in rural areas will be completed by December, 1994 and implemented in the CCH districts by March, 1995.
4. During the next six months, the CCH will continue to support the Health Care Policy Reform effort. It is anticipated that the reform will be publicly launched o/a November 1995.
5. An assessment of community level health education activities to date will be made by a consultant team in November 1994 to feed into the re-design process. Recommendations will be made to assure that CCH continues to have impact on health indicators at the community level.
6. As a follow-up activity to the construction of water and sanitation systems, the project will start in January 1995 an operation and maintenance program. This program will have the support of

Peace Corps volunteers currently deployed in the six rural districts where the project built water systems.

7. During early 1995, the project will start an impact analysis of the Chagas and Water and Sanitation components. The documented assessment should be ready by March 1995.

8. CCH will complete follow-up surveys in project districts to measure the impact of the installation of water and sanitation systems.

PROJECT STATUS REPORT
April 1, 1994 - September 30, 1994

Rating: B

I. Background Data

Project Title: Self-Financing Primary Health Care II
Project Number: 511-0607
Date of Authorization: original 05/08/91
Date of Obligation: original 05/09/91 last amended 03/18/94
PACD: original 05/08/96
Implementing Agencies: PROSALUD
Major Grantees: PROA/Pamela Putney, T.A. Advisor
AID Project Manager: Elba Mercado
Status of Cps/Covenants: None
Date of Last Evaluation: None Next Evaluation: 01/30/95
Audit:

Organization	Audit Responsibility	Last Audit Completed	Next Audit Begin Date	Total Audits Completed to Date
PROSALUD	Recipient	09/30/94	11/15/94	2
PROA	Recipient	03/30/94	03/30/95	1

II. Financial Data (\$000s)

a) Amount Authorized: DA Grant: original 6,500
b) Amount Obligated: DA Grant: original 563 Amended to 4,314
c) Amount Committed: Period: 900
Cumulative: 4,314
d) Accrued Expenditures: 1) Period-Projected: 900
2) Period-Actual: 651
3) Next Period Projected: 1,243
4) Cumulative to date: 3,203
e) Pipeline (d,4-b): 1,111
LOP Elapsed: 68
% of Total Auth. Oblig. (b/a): 66
% of Total Oblig. Exp. (d,4/b): 74
% of Total Auth. Exp. (d,4/a): 49

Counterpart Contribution (GOB):

f) Counterpart Planned LOP:	1,850
g) Counterpart Cumulative Planned as of 9/30/94:	1,480
h) Actual Counterpart Expenditures as of 6/30/94:	1,185
i) Accrued Counterpart Expenditures 7/1/94 to 9/30/94:	156
j) Total Counterpart Actual and Accrued Expenditures as of 9/30/94 (h+i):	1,341
k) Counterpart Planned Next Period:	90
l) % of LOP Expended (j/f):	72

III. Project Goal/Strategic Objective

The project goal is to improve the health status of populations within poor urban and peri-urban areas of Bolivia, with particular emphasis in reducing maternal, infant and child mortality rates within the project areas. Besides contributing directly to the Family Health Strategic Objective to improve the health of family members in communities throughout Bolivia with special emphasis on mothers and children under five years, the project will improve health status among employable people with marginal incomes, thus reinforcing the Mission's efforts to expand access and opportunity, particularly in El Alto. Overall, the proportion of the Bolivian urban population with access to this project's health care services will be around 5%-7%, a major share for a single health care provider.

IV. Project Purpose

The project purpose is to improve the access, quality, coverage and sustainability of health care services to underserved populations in the project areas of El Alto, La Paz, and Santa Cruz.

V. Project Description

The project is designed to replicate in El Alto and La Paz the successful Santa Cruz experience of Self-Financing PHC Phase I, including a component to install a reference hospital in Santa Cruz. The project will: a) Establish a Management Support Unit (MSU) in La Paz with technical assistance of the PROSALUD Santa Cruz staff to replicate the model; b) Establish a reference hospital providing greater coverage and total self-financing for the PROSALUD system in Santa Cruz; c) Create a network of 8 health centers in El Alto and 11 in La Paz providing primary health care services to low-income populations (180,000 persons); d) Create a PROSALUD National Board of Directors to plan and develop the expansion of the model in other Departments of Bolivia through guidelines for franchising the PROSALUD primary health care system; e) Negotiate operational agreements with Secretariat of Health Sanitary Units of La Paz and El Alto and the Municipalities for the building, renovation and/or transfer of primary health care centers to PROSALUD's administration.

VI. Project Status

A. Purpose Indicators/ EOPS	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1. <u>Access</u> .- Population with access to PROSALUD's health services in El Alto and La Paz.	180,000/0	30,000	170,000	15,000	13,147	116,364	65
2. <u>Coverage</u> .- Population that regularly receive PROSALUD's health services, as % of the population that has access to these services.	75/0	10	60	10	82	82	109
3. <u>Quality</u> .- % of patients that return to PROSALUD for an additional check-up within a single illness episode.	Adults: 40%-60%	40-60	40-60	40-60	63	63	100
	Children: 35%-55%	35-55	35-55	35-55	37	37	100
4. <u>Sustainability</u> .- % Cost recovery in the provision of health services (La Paz and El Alto).	100/0	10	75	10	53	53	53

Notes: This is the second semiannual report that includes EOPS indicators on access, quality and coverage of health care services as stated in the project purpose. (1) Access is defined by the population that has physical access to PROSALUD's health services (i.e. they live in the neighborhood). (2) Coverage is measured by the actual number of clinical records opened in the PROSALUD's health care centers as a percentage of the total population that has access to them. (3) Quality is measured by the number of re-visits or additional check-ups within a single illness episode which denotes the willingness of the clients to return to a health care facility that provides services to their satisfaction. The indicator is expressed as a range (40-60% for adults and 35-55% for children). Less than 40% adults returning indicates poor follow-up, and greater than 60% returning indicates possible misdiagnosis or poor treatment. Therefore, good quality services are defined as somewhere between the two. (4) There has been a further reduction in cost recovery from 59% last period. This is due mainly to increases in costs and increases in free preventive services, besides the fact that it is probable that some of the centers, especially in the poorer sectors of El Alto are reaching their maximum possibilities without subsidization from other centers/activities.

B. Major Output Indicators	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1. 19 operational PHC centers (La Paz/El Alto)	19/0	4	21	0	0	9	47
2. 1 Level II center operating in Santa Cruz	1/0	0	1	0	N/A	1	100
3. 1 MSU operating in La Paz	1/0	0	1	0	N/A	1	100
4. Guidelines for national replication (franchising), developed and operating	1/0	25%	50%	25%	10%	60%	60
5. National charter for PROSALUD	1/0	25%	50%	25%	10%	35%	35

Notes.-

- (1) The number of health centers planned for March 1994 was 17; unfortunately, for a number of reasons, some of which were explained in the previous SAR, the negotiating process was very slow. Nevertheless, next period will be more productive in this regard. See C 1 and 2 below.
- (2) The Reference Clinic of Santa Cruz is fully operational since August, 1993.
- (3) The Management Support Unit in La Paz is fully operational since June, 1992.
- (4) Together with the constitution of PROSALUD's national office and with the formal approval of differentiated functions for the national and regional offices, the initial guidelines for replication in other regions have been also approved. The testing and refinement of these initial guidelines is planned to take place during CY 1994 and 1995.
- (5) The constitution of PROSALUD's national office provided the initial documents for the chartering of PROSALUD as a national endeavor. These documents have been prepared and approved as working documents for CY 1994. The constitution of a National Board of Directors (based on the existing one for Santa Cruz) and the PROSALUD restructuring is pending on the results of the technical assistance on reorganization (see below).

C. Overall Status

1. During this period there was a major breakthrough for the La Paz operations. La Paz Municipality started a process of Concerted Projects, whereby municipal activities are offered to the private sector for implementation. Managing health facilities for the municipality was included. After fruitful negotiations, five sites in different places of the city, previously identified through market studies, were given to PROSALUD to build the appropriate infrastructure and run primary health care centers for thirty years on behalf of the city. The sites are Irapavi, Tejada Sorzano, Villa Fatima, San Pedro and Achumani.

2. During September bids for the construction of four sites were advertised publicly. Construction works are to begin in October for completion, as planned, by February, 1995. For

CY95, with the addition of these centers, PROSALUD in La Paz city will be operating in 6 out of the 11 planned for the LOP. For the next SAR reporting period, 13 centers will be operational, 7 in El Alto and 6 in La Paz.

3. Remodeling of the PROSALUD office building in La Paz is well under way and should be completed by the end of CY94. Also in September, the delayed remodeling of the Villa Bolivar D health center in El Alto was finally completed under PROSALUD's responsibility. The architect hired as responsible for infrastructure in the project was instrumental in completing this task. Villa Bolivar D turned out to be a model center with all the amenities which the new PROSALUD models will have in the future. Inauguration of the center was a big event at the community with participation of neighborhood councils, local schools, mothers clubs etc. and El Alto municipal and health authorities.

4. Also during August and September, public biddings were called for the provision of consultancy services for the reorganization of PROSALUD with a national scope, including the definition of roles and functions of national and regional personnel. Jointly, bids were called for the enlargement and improvement of the Management Information System which will be adapted to the new reality of a nation-wide operation. The bids are to be opened and granted during October 1994 for immediate start-up.

5. An overall 30% increase of all the activities (both preventive and curative), was registered during this semester in relation to the previous one. From a total of 60,934 visits (35,202 preventive and 9,474 curative) of the quarter January-March, a total of 98,392 was obtained in July-September (67,112 preventive and 31,280 curative). This indicates an increased demand for PROSALUD's high quality services.

6. Levels of cost recovery for the semester range between 45.23% to 61% across all centers. These levels are lower than that reached by PROSALUD's Santa Cruz operations, but it must be recognized that the La Paz and El Alto centers are located in very poor areas. An external audit, requested by USAID/Bolivia, was conducted during the semester with no major observations.

7. A Quality Control program is being undertaken in La Paz-El Alto. This has to do with the monitoring of the quality of data obtained at the centers and follow-up of clients to establish continuity patterns and client satisfaction, and operations research with the utilization of male promoters to increase reproductive health demand and services targeted to males in the communities.

8. Activities in the reference clinic in Santa Cruz kept on improving and increasing during this period, with an average monthly net income generation of Bs 70,338 (approx. US\$15,000), which represent 66% cost recovery of the average total expenses, after meeting all fixed costs such as taxes, social benefits, depreciation, etc.

9. PROSALUD National Office personnel were engaged during the period in the preparation of a new proposal for USAID/Bolivia funding under the Reproductive Health Services Project (511-0568) in the form of a direct grant. The new proposal, which has already undergone a preliminary examination by the Reproductive Health project committee, contemplates the institutionalization of PROSALUD's national operations and instruments, and the extension to other areas of the country with emphasis on reproductive health activities, including social marketing.

D. Problems and Delays

The mid-term external evaluation which was planned for mid 1994 was delayed to give more time for the Santa Cruz reference clinic to operate. It will be done in January 1995. It is now in the process of being procured through a buy-in to POPTTECH, a central evaluation project of AID/W.

2. Delays in getting the construction sites from the city of La Paz delayed expenditures during the period.

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

Major efforts from the national office staff will be devoted to the preparation of the final proposal for a grant under the Reproductive Health Services project to increase reproductive health activities, improve social marketing and move into new areas. This new grant would expand PROSALUD to a national level and continue the present activities. The proposal will be resubmitted to USAID by the end of October 1994 and activities under the new grant could start as early as January 1995. The issue of administrative capacity for this extension and its effect on present activities will be closely examined by the Project Committee.

2. After conclusion of the construction works and acquisition of equipment, four municipal centers in La Paz will start operations during the next period. The fifth center, San Pedro, once its construction plans are finished and approved, will be bid for construction.
3. Market studies will be undertaken during this period to locate the remaining centers, in order to comply with the target of 19 operational centers in La Paz and El Alto.
4. The reorganization and restructuring of PROSALUD will be implemented in full following the conclusions and recommendations of the two consultancies in Administrative Restructuring and Management Information Systems to be awarded in October.
5. In collaboration with USAID Bolivian Training Division, a basic general management course is being designed and will be offered in November at IDEA to 10 of PROSALUD's medical health center directors and 10 administrative staff.
6. A number of joint projects are being developed: a) with PROMUJER to strengthen women organizations towards reproductive health; b) with PARI in basic schools surrounding the PROSALUD centers in El Alto.
7. Joint activities with PROA will continue to organize and direct the communities to the health centers. PROA is planning to open up a field office in Santa Cruz to start working with PROSALUD centers replicating the work being done in La Paz.
8. USAID will insure that additional funds are obligated by March 1995 at the latest to insure full implementation.

Rating: B

PROJECT STATUS REPORT
APRIL 1, 1994 - SEPTEMBER 30, 1994

I. Background Data

Project Title: AIDS/HIV/STDs Prevention and Control
Project Number: 511-0608
Date of Authorization: Original 07/28/88 Amended 07/19/91
Date of Obligation: Original 06/27/91 Last Amended 03/20/94
PACD: Original 09/30/95
Implementing Agencies: Centers for Disease Control (CDC)
Nat'l Secretariat of Health
Major Grantees: Nat'l Secretariat of Health
USAID Project Manager: Isabel Stout
Status of CPs/Covenants: None
Date of Last Evaluation: 10/04/93
Date of Next Evaluation: 10/01/95
Audit:

Organization	Audit Responsibility	Last Audit Completed	Next Audit Begin Date	Total Audits Completed to Date
CDC Comm. Child Health	CDC/IG ¹ Recipient	N/A 4/30/94	N/A 4/30/95	N/A 1

II. Financial Data (\$000)

a) Amount Authorized: DA Grant: original 500 amended to 4,000
b) Amount Obligated: DA Grant: original 500 amended to 3,801
c) Amount Committed: Period: 654
Cumulative: 3,581
d) Accrued Expenditures: 1) Period-Projected: 400
2) Period-Actual: 428
3) Next Period Projected: 400
4) Cumulative to date: 2,956
e) Pipeline: 845
% LOP Elapsed: 86
% of Total Auth. Oblig. (b/a): 95
% of Total Oblig. Exp. (d,4/b): 78
% of Total Auth. Exp. (d,4/a): 74

¹ As USG entity, grantee is subject to audit by cognizant IG rather than USAID.

Counterpart Contribution (GOB and Private Sector)

f) Counterpart Planned LOP:	1,788
g) Counterpart Cumulative Planned as of 9/30/94:	1,265
h) Actual Counterpart Expenditures as of 9/30/94	1,032 ²
i) Accrued Counterpart Expenditures 1/1/94 to 9/30/94	92
j) Total Counterpart Actual and Accrued Expenditures as of 9/30/94 (h+i)	1,124
k) Counterpart Planned Next Period:	250
l) % of LOP Expended (j/f):	63

III. Project Goal/Strategic Objective

The goal of the project relates to the Family Health Strategic objective which is improving family health throughout Bolivia. Provision of STDs*/AIDS treatment services and preventive interventions has a direct impact on the health status of women.

* STDs = Sexually Transmitted Diseases.

IV. Project Purpose

To expand access to, and use of, effective AIDS/HIV/STD services and education/information/counseling in La Paz, Santa Cruz and El Alto.

V. Project Description

Based on lessons learned from the original \$ 500,000 AIDS Prevention and Control Project, an additional \$ 3.5 million have been added to support treatment of sexually transmitted diseases, to improve reference laboratories and surveillance research, and to extend the LOP to 9/30/95. The amended project is designed to 1) Collect reliable epidemiological data to define and track the extent of the AIDS/HIV/STD problem; 2) Detect, treat and/or counsel AIDS/HIV/STD patients; 3) Develop and disseminate information on AIDS/HIV/STD; 4) Target education programs directed at promoting safe sexual behaviors among groups with high risk behaviors; and 5) Make condoms accessible.

² These figures have been completely re-evaluated to better reflect counterpart contribution.

IV. Project Status

A. Purpose Indicators/ EOPS	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1. 1 national and 3 regional advisory committees.	4/0	1	5	0	0	2	50
2. 3 AIDS/HIV/STDs Labs strengthened.	3/0	0	2	0	0	2	67
3. 3 Model clinics developed and operating.	3/0	0	3	0	1	4	133
4. Improved capacity of health centers in diagnosis, testing, treatment and counseling.	8/0	2	9	0	3	9	113
5. Develop sentinel surveillance system. ³	1/0	0	0	0	0	0	0
6. Contracts for social marketing and for free distribution.	6/1	1	5	1	1	4	67
7. 1 national and 12 regional AIDS/STDs Prevention Programs operating within Ministry of Health.	13	1	8	1	1	8	62

³ The issue of surveillance will be discussed with the CDC advisors in their October visit to Bolivia, and a decision will be made about USAID intervention in this area.

B. Major Output Indicators	PLANNED				ACCOMPLISHED**		
	LOP/ Baseline	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1. Profile studies of AIDS/HIV/STDs high risk population in 3 target areas developed	M 4	0	4	0	1	6	150
	F 6	0	5	0	2	8	133
	Mixed 3	0	1	0	1	4	133
2. AIDS/HIV/STD service protocols developed.	M 3	0	3	0	4	5	167
	F 5	0	4	0	5	8	160
	Mixed 0	1	1	1	10	15	NA
3. Laboratory capacity to diagnose AIDS/HIV/STDs in 3 target areas (number of Labs equipped)	6	0	6	1	0	5	83
4. Development of AIDS/HIV/STDs management and control strategies in target areas (Number of training interventions) ⁴	4	2	17	15	88	110	458
5. Development of Quality Assurance laboratory networks.	3	1	3	1	0	2	67
6. Training of health workers in epidemiological and social research, diagnosis management, risk assessment, education and counseling. ⁵	M 40	40	80	40	470	524	2183
	F 60	60	120	60	706	789	1315
7. Social marketing of 2.7 million condoms (Thousands).	2,700	250	1,800	300	1,000	2,700	100
8. Secretariat of Health Prevention Programs utilizing available resources as budgeted.	13	0	10	0	1	8	62

⁴ Figures have been disaggregated by gender. They reflect intensive training focus of the project which is expected to continue in the future.

⁵ Same as 4

C. Current Status

1. This reporting period the focus of the project has been on integrating the AIDS/STDs prevention and control model into the National Secretariat of Health (NSH) structure. Cooperation agreements have been signed between the project and the (RSH) Regional Secretariats of Health in La Paz, El Alto and Santa Cruz. Quarterly operational plans are developed jointly between project and NSH staff, and quarterly reports are submitted to the National AIDS/STDs Control Program as well as the Regional Secretariats of Health in La Paz, Santa Cruz and El Alto.

2. Through this integrated model, the NSH STD clinics in La Paz and El Alto offer patients -- commercial sex workers and transvestites -- high quality medical care, a full range of laboratory tests, immediate results, on-site pharmacy and anonymity and protection of their privacy. Project physicians, lab technicians and nurses, trained by the Centers for Disease Control in the US and Bolivia, work hand in hand with NSH staff and share patient workload on an equal basis. The project reports that it is now reaching approximately 80% of the registered sex workers in La Paz. The La Paz clinic has been recognized for its excellent work, and is being considered as a Latin American training center.

3. Education and counseling services are offered only by project staff, as the SNS has not yet included behavioral interventions in its clinics. However, SNS officials participate in outreach efforts to monitor condom availability and condom use in the brothels, and educate brothel owners and administrators on the importance of Commercial Sex Workers (CSWs) attendance at the STD clinics.

4. During this reporting period the STD NSH clinics in La Paz and El Alto became training centers for medical staff in the public and private sectors. Classes were programmed and offered jointly between project and SNS staff and typically took one full week of intensive, hands-on training in identification, diagnosis and treatment of STDs, STAT lab management and cultures, syndromic and etiologic treatment and drug management. 152 physicians, lab technicians and nurses from the police, the penitentiary system, the social security system and the health districts received medical training this semester.

Negotiations are underway with the RSH of Santa Cruz regarding use of the STD clinic there, that is contracted out with a private firm, to become a training center for the region.

5. The Information, Education, Communications and Counseling (IECC) component reached 4,371 individuals this reporting period: 1,145 were commercial sex workers, 697 were members of the gay communities in La Paz, Santa Cruz and Cochabamba, 42 were jail inmates and 30 were penitentiary staff; 1,057 were reached through the AIDS hot line in Santa Cruz, 129 were brothel owners and administrators, 131 were police and Municipality inspectors, 1,070 were health personnel, 42 were PVO staff and 28 were university students.

6. The gay intervention in Santa Cruz is growing and becoming more comprehensive. The two gay promoters are working actively to contact members with health messages and to distribute condoms. Attendance at training sessions every week at the "Casa Gay" has exceeded estimates and a new facility is being considered.

One of the gay promoters in Santa Cruz spent two weeks in La Paz making contacts with the gay community. He assisted in identifying two local members of the community that will be hired as La Paz promoters. An intervention similar to that of Santa Cruz will be developed.

Project staff travelled to train the gay community in Cochabamba, who are more high-profile and better organized than in the rest of the country. This group functions on its own but closely coordinates with the project for their educational and condom needs.

7. A national director was selected with the participation of the NSH. He is Dr. Jorge Ugarteche, previously with PROSALUD and PROCOSI, a physician with a M.P.H. from George Washington University, and ample experience with international health programs. He joined the project in mid-September.
8. The AIDS/STDs hot-line managed by the project in Santa Cruz continues to operate successfully, at an average rate of 200 calls per month. The Pan American Health Organization has donated two additional telephone lines which will be set up for hot-line service in La Paz.
9. The problems with the ability of the NSH AIDS/STDs Control Program to administer its budget were finally resolved by transferring the budget to the project. The availability of an accountant and an administrator has greatly facilitated the ability of the Program to schedule and carry out activities.
10. GENDER ISSUES: Direct beneficiaries of this project are mostly women -- commercial sex workers whose health is protected through medical care and prevention education. It is estimated that at least 60% of all training interventions directly benefitted women.

D. Problems and Delays

1. The close coordination between the project and the NSH has resulted in more awareness among our counterparts of the resources budgeted for this project. This, in turn, resulted in NSH requests for support in areas where the USAID/Bolivia cannot assist, i.e. salaried positions for partisan supporters, purchase of unnecessary equipment, trips, etc.
2. In Santa Cruz the Johns Hopkins Advisor, who also served as Regional Director, left in July. The Regional Secretary of Health vetoed and eventually forced the resignation of his successor, Dr. Berniz Von Poser, who had been appointed interim director. The Regional Secretary of Health feels he has the option of appointing the director of the project which we all agree is in support of the Secretariat. We have negotiated another interim director through November and will be competing the position in October. The RSH will be invited to participate in the selection committee.
3. In Santa Cruz also, the STD clinic has been contracted out with a private laboratory. Although the quality of services provided is excellent, the project is still negotiating its participation in the medical management of testing and suitable accommodations for the project's counseling team, as well as use of the facility to provide STD training.
4. The technical advisors from the Centers for Disease Control and Prevention (CDC) of Atlanta were informed of Mission concerns with presentation of project data and results. The advisors were unable to visit Bolivia during the present period but will be arriving in October to review data collection and analysis. It is expected that the IECC component will be revised and simplified and that both medical and behavioral data will be brought up to date.

USAID/HHR is considering contracting short term assistance to prepare a professional report to disseminate project findings to date.

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

1. The issues in Santa Cruz -- appointment of a regional project director and a coordinating mechanism with the RSH -- should be resolved, especially with the intervention of the new National Project Director.

2. CDC technical advisors will deliver a progress report on interventions in the medical, behavioral and laboratory areas. It is expected the behavioral area will be substantially reformed and simplified to show impact and maximize use of resources. It is also expected that they will assist in formulating a plan of action for the future, which will feed into the extension and re-design.

CDC advisors will also use their visit here to assist our local staff develop STD management norms that will be officially presented to the Secretariat.

3. A strategic programming session is tentatively scheduled for the last week of November or beginning of December to shape project activities for the next three years.

4. A project amendment is in the pipeline to extend activities through September 1997. An issue that needs to be settled before then is the source of continued project funding. Options currently under consideration are funding with AIDS money (with USAID/W approval) or requesting USAID/W (with Global Bureau and PPC approval) to use reproductive health funds.

5. Assistance has been solicited from our USAID/ECON officers to conduct a cost-analysis study at the La Paz STD clinic. The objective is to show the RSH that the clinic can produce enough income to become self-financing. This is, however, a sensitive issue with the Secretariat as income from the clinic is routinely distributed as salary supplement to NSH staff.

6. The Sub-Secretary of Health has requested that the project present the model for possible replication by other donors. The project plans to prepare a booklet on the results of the project to date for wider dissemination both within and outside the project.

PROJECT STATUS REPORT
April 1, 1994 - September 30, 1994

Rating: B

I. Background Data

Project Title: **Drug Awareness and Prevention (DAP)**
 Project Number: 511-0613
 Date of Authorization: original 04/05/91
 Date of Obligation: original 05/02/91 last amended 8/12/94
 PACD: original 03/31/96 amended 10/31/96
 Implementing Agencies: Confederacion de Empresarios Privados de Bolivia (CEPB)/Educational System Against Drug Addiction and for Social Mobilization (SEAMOS); Narcotics Education Center (CESE); Investigation and Awareness Project (PREID/PROINCO).
 Major Contractor: Development Associates, Inc. (COP, Dr. Russell Stout)
 AID Project Manager: Paul G. Lamer
 AID Project Administrator: Hannelore Cortez
 Status of CPs/Covenants: CPs to first disbursement for Public Sector Component met.
 Date of Last Evaluation: May 1993
 Audit: Next Evaluation: 10/01/96

Organization	Audit Responsibility	Last Audit Completed	Next Audit Begin Date	Total Audits Completed to Date
SEAMOS/CEPB	Recipient	12/31/93	12/20/94	2 (12/9/91-12/31/92) (1/13/93-12/31/93)
CESE *DEVELOPMENT	Recipient	12/31/93	12/20/94	2 (12/13/91-12/31/92) (1/13/93-12/31/93)
ASSOCIATES, INC.	OP/PS/OCC	02/09/93	-----	1

* U.S. based for profit institutions are subject to the same basic audit requirements established under OMB A-133, under the responsibility of OP/PS/OCC. Project specific audit of the contractor at Mission level is not required.

II. Financial Data (\$000)

a) Amount Authorized: ¹ DAP Grant: original 9,220
 b) Amount Obligated: DAP Grant: original 2,500 Amended to 9,220
 (TA:2,090² / DAP:7,130)
 c) Amount Committed: Period: 0
 Cumulative: 6,302 (TA:2,090² / DAP:4,212)
 d) Accrued Expenditures: 1) Period-Projected: 966
 2) Period-Actual: 828
 3) Next Period Projected: 1,300
 4) Cumulative to date: 5,334 (TA:1,733 / DAP:3,601)
 e) Pipeline (b-d,4): 3,886² (TA:357 / DAP:3,529)

LOP Elapsed:	64
% of Total Auth. Oblig. (b/a):	100
% of Total Oblig. Exp. (d,4/b):	58
% of Total Auth. Exp. (d,4/a):	58

Counterpart Contribution (GOB):

f) Counterpart Planned LOP:	3,380	(all are ESF LC)
g) Counterpart Cumulative Planned as of 9/30/94:	1,081	
h) Actual Counterpart Expenditures as of 6/30/94:	852	(all are ESF LC)
i) Accrued Counterpart Expenditures 7/1/94 to 9/30/94:	101	
j) Total Counterpart Actual and Accrued Expenditures as of 9/30/94 (h + i):	953	
k) Counterpart Planned Next Period:	228	
l) % of LOP Expended (j/f):	28	

Note: For this period and future ones we will not consider SUBDESAL as it is no longer supported by the project. Therefore, above figures under Counterpart Contribution (GOB), do not and will not include SUBDESAL's financial data.

¹ DAP stands for Drug Awareness and Prevention Project

² Reflects a fully funded contract for Technical Assistance (TA) provided by Development Associates, Inc.

III. Project Goal/Strategic Objective

This project contributes to the achievement of the Family Health Strategic Objective³ by increasing understanding that production and easy access to drugs are facilitating domestic drug use. Coca production and drug consumption in Bolivia is a public health problem because it contributes to a circumstance where at-risk populations such as young people and the poor are further threatened by drugs. Drug use also diverts scarce resources for drug enforcement activities and health services for treatment of users, loss of worker productivity and social and political destabilization.

³ This project is now considered part of the Family Health Strategic Objective (SO), given its strong public health focus. In previous periods the project was under the ex Alternative Development SO and last period under the Economic Opportunity SO.

IV. Project Purpose

The purpose of the project is to increase public support for effective implementation of the Government of Bolivia's anti-drug programs through enhanced public awareness of the health, social, political, and economic dangers of coca production, consumption, and trafficking in Bolivia.

V. Project Description

The project purpose is to be achieved through the nation-wide dissemination of mass media anti-drug messages, public education programming, local anti-drug training in urban and rural

communities, and a national network of private and public organizations capable of fighting against drug production, trafficking, and use.

Project implementation has two components that focus on: (1) The Private Sector, implemented by SEAMOS and CESE; and (2) The Public Sector, implemented by PREID/PROINCO. The project receives technical assistance through the contracted services of a private U.S. firm with extensive experience in drug awareness and prevention, which assists a Project Management Unit (PMU) within USAID/Bolivia. Coordination among Bolivian public and private institutions is insured by a National Coordinating Unit created specifically for this project.

The project is an extension of the activities of all three organizations. SEAMOS has developed into the leading mass media drug campaign organization in Bolivia. It was supported (1986-1991) by project 511-0592, Narcotics Awareness and Education, and through sponsorship by the Confederation of Bolivian Private Entrepreneurs (CEPB) - evidence of the commitment of Bolivian private sector institutions in the struggle against drugs in Bolivia.

By the PACD of project 511-0592 (31 December 1991), SEAMOS had involved all Bolivian newspapers and radio and TV stations in the anti-drug struggle. SEAMOS had also conducted seminars and round-tables with opinion leaders. Its activities served to increase awareness that drug production, processing, and trafficking is a Bolivian problem. CESE is the leading educational program against drugs in Bolivia, and was supported from 1986 to 1991 by the Narcotics Affairs Section (NAS) of the U.S. Embassy. CESE is now an NGO, supported by this project. PREID/PROINCO has in the past depended on the Bolivian Treasury and occasional PL-480 support to carry out anti-drug activities. This component undertakes research activities to provide baseline and follow-up data to track progress of the other two elements.

VI. Project Status

A. Purpose Indicators/ EOPS	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1. Increased number of people who believe drug production and trafficking constitutes a problem for Bolivia.	45%/32.9%	Baseline was set in Nov/Dec '92	32.9%	National survey will be repeated in the next period	Baseline 32.9%	32.9%	NA

NOTE: The baseline was set by a National Urban Prevalence Survey that was completed in May 1992. The survey will be repeated in the next reporting period, with results available in early 1995. This follows standard practice in the U.S. where the National Household Survey and High School Survey are repeated every other year. In the last reporting period we used the Student Survey to approximate Bolivian attitudes. For this period SEAMOS as an impact measure, completed a tracking poll, (urban opinion survey) on coca, drugs, and narco-trafficking in Aug/Sept 1994. Partial results are as follows:

Percentage of respondents who think that:

Drug trafficking is a grave problem for Bolivia: 77%

Drug production and trafficking are a threat to Bolivian society and culture: 84.2%

Drug processing is a threat to the environment: 90%

Drug trafficking has a negative impact on the economy: 66.1%

Drug income only benefits traffickers: 87.2%

Drug laws are weak: 72%

B. Major Output Indicators	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1. SEAMOS - Number of departmental level antidrug organizations mobilized and assisted.	3	1	6	1	3	15	500
2. SEAMOS - Number of local level anti-drug organizations mobilized and assisted.	15	4	19	8	184	225	1,500
3. SEAMOS - Number of TV and radio spots produced.	90	11	102	23	12	101	112
4. SEAMOS - Number of promoters trained.	70	80	102	200	581 Women:276 Men:305	773	1,104
5. CESE - Number of parents, school and university students and community institutions trained.	10,000	1,000	5,000	1,000	23,717 Women:12,621 Men:11,096	40,325	403
6. CESE - Number of hot line calls handled.	13,500	600	3,650	600	936 Women:484 Men:452	5,226	39
7. CESE - Number of user visits to CESE office.	3,500	600	2,900	600	1,397 Women:650 Men:747	5,485	157
8. PROINCO - Number of studies completed.	4	1	6	1	1 Women:3,383 Men:3,369	4	100

Note: The table above was modified after RIG auditors reviewed and modified previous SAR (Oct '92-Mar '93). Corrections/modifications are explained in detail in Memorandum HHR-92/93, May 28, 1993.

C. Overall Status

1. The DAP continues solid progress toward realizing project objectives by the PACD. The interim survey results cited above indicate a substantial shift in Bolivian attitudes on the dangers of drug production, processing, trafficking and use. These figures are significant improvements on the 1992 survey and intervening USIS opinion surveys. Cause-effect is difficult to determine, but it is worth noting that the project is the only significant planned, concerted anti-drug intervention in Bolivia. It is highly unlikely that this shift "just happened." All earlier surveys showed markedly lower percentages of the population who view drugs as a Bolivian problem.

All project elements underwent a financial audit by outside auditors during this reporting period. There were no serious deficiencies found. The minor findings of the auditors have already been corrected, and/or explained.

2. The Project Coordinating Unit (PCU), through regular monthly meetings continues to unify and coordinate anti-drug awareness and education programs. The Subsecretary for Health is now Director of the PCU. This provides direct access for project elements to senior members of the GOB. The public announcement of the results of the Student Survey cited above took place in the Secretariat of Health, with the participation of the Secretary for Health, the Subsecretary for Prevention from the Ministry of Government, other senior representatives of the GOB, and the UNDCP Director.

During this reporting period responsibility for scheduling meetings and keeping minutes and other records was successfully transferred from the long term technical assistance contractor to the project elements. This task will be rotated bi-monthly among the three project elements. SEAMOS sponsored the first meeting on 30 September.

3. Amendment #3 to the Project Grant Agreement (PGA) was signed during this reporting period. The amendment obligated all remaining funds for the project. The planned inclusion of the Centro Latinoamericano de Investigacion Cientifica (CELIN) in the PGA was postponed because of GOB insistence on maintaining the research unit as an element of the public sector. Efforts to transform the research unit into an NGO will continue however.

The Peruvian portion of the coca bibliography was completed during this reporting period. The Bolivian portion was delayed because of the postponement of CELIN's inclusion in the project. At the end of the reporting period, negotiations were well way to have the bibliography completed by Dr. Nils Noya, a well-known independent physician (psychiatrist) and drug researcher. It is hoped to complete the Bolivian portion of the annotated bibliography by the end of calendar year 1994.

The National Student Survey on Drug prevalence was completed, published, and distributed during this reporting period. As part of the continuing collaborative effort to gather information on related public health problems, the questionnaire included materials on young people's knowledge, attitudes and practices on AIDS and other sexually transmitted diseases (STD). These data can be used to refine and better target STD campaigns directed at young audiences.

The Executive Director of PROINCO was invited to participate in a National Institute for Drug Abuse (NIDA) sponsored needs-assessment conference on drug related research in South America. The conference was held at NIDA offices in Rockville, Maryland.

4. CESE's success as an anti-drug education institution led to an award of \$763,000 from the UNDCP (funded by the Swedish government) to establish pilot regional drug education programs throughout Bolivia. If successful, the UNDCP plans to expand the program and the use of CESE materials.

The CESE Executive Director was also an invited participant in the NIDA-sponsored needs assessment research conference in the U.S. This further reinforces her position as a leading expert in drug education in Latin America. She also continues her involvement in hemispheric and world-wide anti-drug events. She has been a featured guest on a number of TV and radio programs on drug education in Bolivia.

CESE continues the highly successful anti-drug education and training programs for students, teachers, and parents. The Ministry of Defense has expressed interest in including CESE materials in educational programs for conscript soldiers. The program "Centinelas de Salud" (Sentinels for Health) already has had success in training soldiers in basic concepts of hygiene, public health, STD, and maternal and child health.

5. SEAMOS completed a comprehensive tracking poll in urban areas of Bolivia to determine the impact of their anti-drug programs. As noted above, there has been a significant shift in Bolivian understanding and attitudes about the threat that drug production, processing, trafficking, and use poses to Bolivian society and economy.

The SEAMOS Debate series continues to draw the attention of the mass media and has provoked public discussions on anti-drug issues. The most recent presentation, on legalization of coca-cocaine, was a timely attempt to once again "raise the level of discussion." SEAMOS's forum was the first in a series of public discussions on this problem. The culmination was a two-day event sponsored and attended by the President of the Republic, Gonzalo Sanchez de Lozada on the legalization of coca. This is a continuing concern for the GOB. Its importance was emphasized in a speech by the Foreign Minister at the U.N. in New York, and a debate in the Andean Parliament's meetings in September.

6. In gender-related status, both the Executive Directors of CESE and SEAMOS are women, as are the senior administrative and technical staff. In PROINCO the technical director is a woman. Women are specifically targeted in the anti-drug materials, both as mothers/heads of household, or as particular at-risk groups such as commercial sex workers or potential abusers of legal prescription medications. World-wide data indicate that women are more likely to abuse pain killers, amphetamines, or muscle relaxants such as valium, librium, etc. Preliminary data in Bolivia indicate that young women are just as likely to abuse alcohol, marijuana, and other drugs as their male counterparts. For this reason, women have been specifically targeted for anti-drug awareness and education materials. For LOP, the research emphasis will be to see what impact these programs have had on women's drug-related knowledge, attitudes, and practices.

D. Problems and Delays

1. The only significant problem the project still must deal with is the delay in getting disbursements from the GOB local currency management agency. This postponed publication of the student survey and design and implementation of the follow-on urban prevalence survey and rural

survey. Partial disbursements for salaries were made, but there were no funds to hire, train, and pay interviewers and temporary data entry employees. Morale remains high, however.

2. Financial review of CESE indicated need for some improvements.

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

1. Complete design and implementation of the follow-up urban survey and the rural survey.
2. Complete and publish the annotated coca bibliography.
3. Refine impact measures for CESE and SEAMOS.
4. Complete financial analysis and make decision on reprogramming or request for additional funds.
5. Analysis of DIFEM contribution needs to be completed and Project Agreement amendment will be prepared showing reduced GOB contribution.

Rating: B

PROJECT STATUS REPORT
April 1, 1994 - September 30, 1994

I. Background Data

Project Title: CARE Community Development Project
 Project Number: 511-0618
 Date of Authorization: Original 03/28/91
 Date of Obligation: Original 03/28/91 Last amendment 06/17/94
 PACD: Original 03/28/95
 Implementing Agencies: CARE/Bolivia
 Major Grantees: CARE/Bolivia
 USAID Project Manager: Rafael Indaburu
 Status of CPs/Covenants: None
 Date of Last Evaluation: March 1993
 Date of Next Evaluation: January 30, 1995
 Audit:

Organization	Audit Responsibility	Last Audit Completed	Next Audit Begin Date	Total Audits Completed to Date
CARE	OP/PS/OCC	11/93	3/95	2

NOTE: As U.S. non-profit, OMB A-133 required organizational audit performed in the United States, with OP/PS/OCC being responsible for tracking compliance. However, the Mission sponsored a project-specific audit in 1993, and plans for another in 1995.

II. Financial Data (\$000)

a) Amount Authorized: \$7,000 amended to \$6,200
 b) Amount Obligated: \$2,000 amended to \$6,200
 c) Amount Committed: Period: \$ 400
 Cumulative: \$6,200
 d) Accrued Expenditures: 1) Period-Projected: \$896
 2) Period-Actual: \$904
 3) Next Period Projected: \$496
 4) Cumulative to date: \$5,704
 e) Pipeline (b-d,4): \$ 496

 % LOP Elapsed: 87.5
 % of Total Auth. Oblig. (b/a): 100
 % of Total Oblig. Exp. (d,4/b): 92
 % of Total Auth. Exp. (d,4/a): 92

Counterpart Contribution (GOB):

f) Counterpart Planned LOP: 2,417 (of which \$1,005 is ESF)
 g) Counterpart Cumulative Planned as of 9/30/94: 2,417
 h) Actual Counterpart Expenditures as of 6/30/94: 1,984 (of which \$821 is ESF)
 i) Accrued Counterpart Expenditures 7/01/94 to 9/30/94: 105 (of which \$40 is ESF)
 j) Total Counterpart Actual and Accrued Expenditures as of 9/30/94 (h+i): 2,089 (of which \$861 is ESF)
 k) Counterpart Planned Next Period: 323 (of which \$20 is DIFEM)

l) % of LOP Expended (j/f):

86%

III. Project Goal/Strategic Objective

The project goal is the same as the Family Health Strategic Objective, namely to improve the health status of family members throughout Bolivia. The project places special emphasis on mothers and children under five years of age. This project reaches mothers, children and their families through the strengthening of health care and nutrition practices and the promotion of community participation efforts to provide services and to plan, construct and maintain water and sanitation systems which improve the general health of all.

IV. Project Purpose

To improve infant and child survival through improved nutritional status and immunization coverage and decreased diarrheal incidence. By enhancing health status and improving quality of life within project communities, the project should contribute to reduced migration to coca-producing areas.

V. Project Description

The CARE Community Development Project is aimed at improving the health, well being and self-development capacity of 48,000 people in 160 rural Bolivian villages in the departments of La Paz, Cochabamba and Chuquisaca. The project works with four sub-systems. The first is a primary health care delivery system, providing preventive and curative health services through community health workers. The second is a water and sanitation component providing potable water and excreta disposal in these communities. The third is an agricultural development sub-system providing home gardens. Finally, the fourth sub-system is strengthened community organizations.

VI. Project Status

A. Purpose Indicators/ EOPS	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1. Reduction in infant and child diarrheal morbidity by 30% in 160 communities.	30	10 % reduction	30 Total reduction	3* % reduction	9.30 % reduction	29.30 Total reduction	98
2. Reduction in malnutrition by 20% in 160 communities.	20	10 % reduction	20 Total reduction	6 % reduction	3.3 % reduction	13.3 Total reduction	69
3. Increase immunization coverage in children to 80%.	80	10 % increase	80 Coverage	10 % increase	(1.7) % increase	64.3 Coverage	80

Notes: The percentages shown indicate levels of impact among communities where the project is currently operative (156), not the total communities planned (160).

- (1) The percentages shown are determined by the comparison of data obtained through semi-annual studies on knowledge, attitudes and practices (KAPS) among people in project communities compared to the data obtained as baseline for the project in 1991. The data for this period shows that the number of episodes of diarrhea among children has remained at the reduced levels attained in the previous period, that is with a 20% reduction in comparison to 1991. During this period only 414 children were rehydrated (compared with 441 the previous period). In each community a stock of oral rehydration salts is available as well as information on ORT and on cholera prevention and treatment. During this period there were no cases of cholera reported in project areas.
- (2) In the previous two periods the level of reduction in malnutrition (one standard deviation) among children less than 2 years of age was 6% and 4.6% (these were the first times during the project that malnutrition levels were affected). This period, 1,479 children less than 2 years old were controlled monthly and the reduction of malnutrition was only 3.3% in comparison with the project's base line. The cumulative reduction is determined by $1 - [(1-0.6) \times (1-0.0466)] \times (1-0.033) = 13.3337$.
- (3) During this period the number of children 1 to 24 months old in the current project areas who have been completely vaccinated (3 doses, etc.) has decreased from 66% to 64.3% due to lack of vaccines (the Secretary of Health was unable to deliver them to rural districts.)

* Next period planned of 3% reduction is based on realistic projections. Next period cumulative planned will not exceed 30%, which is still the LOP target.

B. Major Output Indicators	PLANNED				ACCOMPLISHED**		
	LOP/ Baseline*	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1. Number of communities with operating water systems	160	20	160	44	20	112	70
2. Number of latrines installed	8,000	1,000	8,000*	200	1,062	8,158	102
3. Percentage of 10-24 months olds with complete vaccinations	80	8	75	10	(1.7)	64.3	80
4. Number of household gardens functioning:							
Total family	4,000	0	4,000*	0	0	3,724	93
Continuous family		500		500	297	2,355	
Community		0		0	0	13	
5. Training	M 440 F 200	10 20	450* 198*	10 20	4 32	440 183	100 92
6. Number of functioning community organization	160	8	168*	0	4	156	98

Notes:

- (1) At the present time there are 44 water systems under construction, all of them will be completed during the next semester.
- (2) Construction of all latrines planned has been completed this period. Additional or extra 200 are planned for next period.

- (3) As mentioned before the number of children less than two years old with complete vaccinations has decreased from 66% to 64%. This percentage is still below national averages because the rural areas where the project is operative are far below national averages in income, health status, etc.
- (4) To date, 3,724 household gardens have been completed. However, some of these gardens represent a one-time only effort for some families. The project is currently encouraging continuous, as opposed to one time use. So far, 2,355 household gardens are in continuous use. Project efforts also include 13 community gardens for the production of pineapples, which were not originally programmed, but are part of a community initiative to increase incomes. Next period, another 500 family gardens will be strengthened as gardens that continuously produce for the benefit of their owners.
- (5) Training will exceed the original targets. 623 promoters received special training (one, two or more training courses). 34 promoters had to be replaced (normal attrition) and trained anew. In addition to that, the number of women receiving training for household gardening, as of today, is 2,058. This figure is not included in training figures because project target did not include this type of training.

* The project has reached already or is very close to reaching, its LOP target. Planned cumulative figures will not exceed the LOP planned figure, but cumulative accomplished may exceed original LOP targets.

C. Overall Status

1. The project has been fully funded at a reduced level of \$6,200,000 keeping the outputs and EOPS the same.
2. Reduction of malnutrition has become one of the main success stories in this project. After some initial frustrations, it seems that the nutritional interventions devised by the project personnel are having impact that can be clearly attributed to the project (nutritional gardens, training of mothers and the use of home-made "cerelac"). Malnutrition among children more than one but less than two years of age has reduced steadily in the last year and a half, from 64.8% to 52.8% in the case of one standard deviation, and from 23.6% to 16.2% in the case of 2 standard deviations. Unfortunately, among children less than one year of age malnutrition has remained stationary (1 st. deviation) or got worse (2 st. deviations that went from 6.3% to 8.9%). One reason for this increase is that now more and more children less than one year of age are being brought to CARE's promoters for growth monitoring. But, these nutritional changes will require sustained efforts over a period longer than the project itself.
3. The project, during the month of August -in conjunction with other USAID projects- was evaluated for health impact by a group of consultants from the Environmental Health Project. Thanks to the base-line information kept within the project and to the periodic follow-up assessments (the only USAID project to keep this type of information), the evaluators made a clear inference about the positive impact that water has on the overall status of the community. Some other findings in regard to CARE indicate that all communities with water systems functioning are paying tariffs without delays; the collection of tariffs are being invested generally to maintain the system and to purchase spare parts; the sanitary education component of the project is working very well; etc. During this period (June 1994) CARE made another important contribution in the water and sanitation field: it published a manual for the design and construction of water and sanitation systems in rural communities. This manual has been revised and, apparently adopted, by a large number of institutions currently involved in rural sanitation.
4. During this period the project undertook a series of meetings and workshops to assist project communities to adapt to new legislation, mainly the Popular Participation Law. Sustainability and governance were the main issues of the meetings that anticipated the transfer of the water, sanitation, health and nutrition works from the project to community groups. Whereas the participation was enthusiastic, concrete results are still to be determined, mainly from the many uncertainties that the new legislation still entails.

D. Problems and Delays

1. The reduction of funding continues to be a major problem for the project. The problem falls mainly in the area of adjusting cadres and completing the anticipated outputs with the existing personnel. Fortunately, most, if not all the products anticipated for the project will be attained by the PACD.
2. During this period one of the main problems has been the supply of vaccines and other medications such as Mebendazole and Vitamin A, from the National Health Secretariat. The restructuring of the Secretariat has created a series of shortages in the supply of basic medications. The Popular Participation Law also contributed to this failure in the logistic system, and it is quite probable that the shortages will continue until the linkages between the Secretariat and the newly constituted municipalities -which are in charge of the health care facilities- will reach some degree of regularity.

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

1. Final audit and final evaluations will be conducted in late January and early February 1995.
2. By the PACD, complete 44 water systems that currently are under construction (as of September 30, 1994, 21 water systems were more than 65% completed and 23 systems were about 35% completed).
3. In this last semester for the project, a special effort will take place attempting to make another 500 family gardens permanent endeavors, (next semester includes the rainy season).
4. CARE will approach the last semester of this project with a major drive in the area of immunizations. The aim is to reach the purpose indicator of 80% coverage of all children in the project areas with complete doses of vaccines.
5. By the PACD, complete the formal transfer of responsibilities from project to local and regional institutions, in all four components.

Rating: A

PROJECT STATUS REPORT
April 1, 1993 - September 30, 1994

I. Background Data

Project Title:	Interactive Radio Learning (IRL)
Project Number:	511-0619
Date of Authorization:	Original 06/28/91
Date of Obligation:	Original 09/23/91
PACD:	Original 09/30/96
Implementing Agencies:	National Secretariat of Education (NSE); National Secretariat of Health (NSH) Programa Educativo por Radio (PER) Education Development Center (EDC), Ann M. Fitzgerald, Chief of Party (Contract PACD extended 9/94 to 6/95) Program de Aprendizaje por Radio Interactiva (PARI)
Major Grantees:	Earle G. Lawrence N/A
AID Project Manager:	none
Status of CPs/Covenants:	03/01/95
Date of Last Evaluation:	
Date of Next Evaluation:	
Audit:	

Organization	Audit Responsibility	Last Audit Completed	Next Audit Begin Date	Total Audits Completed to Date
SOE	Recipient	10/94	12/95	2
PER	Recipient	8/94	3/95	2
EDC	OP/PS/OCC	(1)	N/A	N/A

(1) As U.S. based non-project, OP/PS/OCC monitors compliance with OMB A-133 requirement that annual systems audits be performed in the United States. Project specific audits of U.S. contractors/grantees are not required.

II. Financial Data (\$000)

a) Amount Authorized:	DA Grant:	Original	5,000
b) Amount Obligated:	DA Grant:	Original	775
	Last Amendment:		4,218
c) Amount Committed:	Period:		1,000
	Cumulative:		4,218
d) Accrued Expenditures:	1) Period-Projected:		800
	2) Period-Actual:		450
	3) Next Period Projected:		450
	4) Cumulative to date:		2,852

e) Pipeline (b-d,4): % LOP Elapsed:	1,366
% LOP Elapsed:	50
% of Total Auth. Oblig. (b/a):	84
% of Total Oblig. Exp. (d,4/b):	86
% of Total Auth. Exp. (d,4/a):	57

Counterpart Contribution (GOB)

f) Counterpart Planned LOP	1,670
g) Cuterpart Cumulative Planned as of 9/30/94:	255
h) Actual Counterpart Expenditures as of 9/30/94:	1,788
i) Accrued Expenditures 7/1/94 - 9/30/94	0
j) Total Counterpart Actual and Accrued Expenditures as of 9/30/94 (h+i):	1,788
k) Counterpart Planned Next Period:	378
l) % of LOP Expended (j/f):	107%

III. Project Goal/mission Strategic Objective

The project goal is to improve the quality of life for Bolivian children through better maternal and child health care information. This goal relates to the Family Health Strategic Objective which is to improve family health throughout Bolivia.

IV. Project Purpose

The project purpose is to improve the quality of basic education through national dissemination of the interactive-radio mathematics curriculum previously developed under the Radio Learning Project, and through development and validation of a radio-based health-education curriculum. The project will also improve the capabilities of the teachers to teach these critical subjects to children and to other community members. The project will contribute to ongoing policy dialogue/reform through rigorous data collection efforts on specified indicators of education and health.

V. Project Description

Beginning in 1988, the Radio Learning Project (RLP) field-tested the use of interactive-radio to improve the quality of mathematics education in Bolivian primary schools. In addition, a small pilot activity undertaken in 1989 applied this same methodology to the teaching of basic health concepts at the elementary-school level. Based upon the success of this endeavor, IRL is now working to institutionalize the model mathematics and health-education curricula in the Bolivian school system. Major components of the Project include: (1) continued evaluation and dissemination of the interactive-radio math curriculum, developed under previous project cycle, in all of Bolivia's nine Departments (2) development and field testing of a health-education curriculum emphasizing responsible behaviors in personal hygiene, nutrition, sanitation, and the prevention of diarrhea and other transmissible diseases for upper-primary school grades three and four, 1993 and for grade five, 1994; (3) development of a teacher-training support model for improved teacher effectiveness in the project; (4) enhancement of the ability of the National

Secretariat of Education (NSE) to manage a permanent basic education program using interactive radio; (5) a monitoring, evaluation, and operations research component to track Project implementation and effectiveness (6) extension of the interactive-radio curriculum to out-of-school children and adults, 1994; (7) training a broad-based professional core in communication strategies for environmental education;(8) achievement of policy objectives for integrating the radio curricula into the national educational reform package.

VI. Project Status

A. PURPOSE INDICATORS/ EOPS	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mos)	Cumu- lative	Next Period	This Period (6 months)	Cumu- lative	% of LOP
1. Significant improvement/ Mathematics program	25% Improvement over traditional methods, all grades	25	50	25	Waiting for test results at end of school year (Nov)	34%	200%
2. Demonstrated understanding of health concepts presented in pilot health curriculum	25% improvement over control groups (baseline comprehension)	35	60	25	Waiting for test results at the end of the school year (Nov)	34%	240%
3. Expanded delivery of radio math in 9 Departments under direct supervision of the MEC	9	9	9	9	0	9**	100%
4. Implementation and validation of the Radio Health Pilot Curriculum in at least 3 departments.	3	5	9	5	0	5	300%
5. National infrastructure of trained school teachers, directors, and supervisors in interactive radio methodology.	7,500	200***	8,513	1,400	724	12,037	160%

- ** Although we are in the same number of departments, we are conducting 3 pilot programs in rural areas: mathematics in Chuquisaca, health in San José de Chiquitos; Health in rural Cochabamba.
- *** Through our 4 pilots at the teacher training schools, we reached 600 teachers, in San José de Chiquitos we trained 45 people between teachers, principal and Health. In Cochabamba, 15 people participated in the trainings. completed by March 3.

B. MAJOR OUTPUTS INDICATORS	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mos)	Cumulative	Next Period	This Period (6 months)	Cumulative	% of LOP
1. Total Student	200,920	197,000	461,430	187,000	186,583	451,013	224%
TOTAL MATH	150,000	127,000	328,335	127,000	134,141	335,476	224%
- Boys	75,000	63,500	164,167	63,500	66,513	167,180	
- Girls	75,000	63,500	164,168	63,500	67,628	168,296	
TOTAL HEALTH	50,000	70,000	133,095	60,000	52,442**	115,537	231%
- Boys	23,500	32,900	62,555	28,200	26,300	55,955	
- Girls	26,500	37,100	70,540	31,800	26,142	59,582	
2. Teacher Guides: *							
- Developed:							
Math	4	Completed	4		0	4	100%
Health	3	1	3		1	3	100%
- Revised:							
Math	4	Completed	4		0	4	100%
Health	3	1	3	3	1	3	100%
3. Math Lessons Revised 135 each for grades 2 - 5	540	Completed	540	Completed	Completed	540	100%
4. Health Lessons****							
-Developed							
Cholera Pilot	10	0	10	--	0	10	100%
Grade 3	30	0	30	--	0	30	100%
Grade 4	30	0	30	--	0	30	100%
Grade 5	30	30	30	5	25	25	84%
-Revised							
Grade 3	30	10	40	5	25	25	84%
Grade 4	30	10	60	5	25	25	84%
Grade 5	30	25	30	30****	--	--	0%
Storie for school break	20	0	21	--	--	21	105%
Bilingual Pilot, Quechua	10	10	10	--	10	10	100%
Promotional VIDEO TAPES	3	1	3	1	0	2	67%

** Many schools dropped health this year due to the strikes and the education reform administrative changes.

*** We are still teaching lessons for grade 5 and will revise them by December 1994.

**** The planned and accomplished figures are not cumulative. The baseline plan is the LOP output.

C. Overall Status

1. Bilingual Health Pilot

IRL designed, implemented and evaluated a 10 lesson health pilot in rural Cochabamba. The hypothesis posed by the pilot was that "...third graders learning health in their maternal language (Quechua) would have significantly greater learning gains than those receiving health lessons in Spanish." The results were highly significant, affirming the fact that the children had greater learning gains in Quechua than in Spanish. The PARI team provided teacher training to the participating schools and conducted 23 observations during the 10 lesson pilot. In addition, in-depth interviews were conducted with the students and teachers, and mini case studies were developed. The evaluation report is in first draft phase and will be available in late October.

PARI plans to disseminate the findings of this study within Bolivia, as well as internationally. While the findings confirm that children learn much more thoroughly when taught in their native language, education authorities and school directors participating in the program seem to prefer that the students receive the Spanish language version of the lessons so that they can improve their Spanish.

This experience in the rural areas has confirmed for PARI that the program has to find ways to make the PARI math and health program available in indigenous language to the rural school systems, where the needs are great and the program can be of great benefit to the students.

2. Teacher Training in the Escuelas Normales

Under the leadership of Lic. Emilio Oros, PARI's Executive Director, and Jorge Ayala, National Coordinator of PARI for the Secretariat of Education, PARI delivered 4 training workshops to students at the "Escuelas Superiores Normales" in La Paz, Sucre, Potosí and Oruro. The total number of new teachers trained was 670. The objective of the training was to provide the students in the Normales with an in-depth understanding of interactive radio methodology and the content areas emphasized in health and mathematics. The evaluations of the training workshops emphasize that the future teachers were convinced of the importance of applying the methodology when they are in classrooms next year. For the PARI team, the experience confirmed the importance of incorporating this type of teacher training as a regular part of teacher training activities.

3. San Jose de Chiquitos

PCI/CCH representatives of the San Jose de Chiquitos health district requested that PARI implement it's health program in San Jose. This experience is providing PARI with valuable information about how the health program works in a rural school system. The program is operating in 14 schools, reaching 596 students. 40 teachers have been trained.

In addition to training teachers, the PARI team trained 14 health promoters interested in using the program as part of their health talks in their communities. PARI is planning on producing a guide for using the health program in the communities as a result of this effort. This is the first opportunity that PARI has had to work directly with the health district instead of the education district and we are in the process of exploring the possibility of expanding this experience to more rural health districts.

4. Reproductive Health Lessons in Fifth Grade

PARI has introduced 5 reproductive health lessons in the 5th grade health curriculum. We have had great success with these 5 lessons. In El Alto, the PARI team held an orientation meeting for teachers and parents, in one school. More than 400 parents from many schools arrived because they wanted to learn how to talk with their children about reproductive health. It is clear from this experience that the school principals and teachers are ready to address reproductive health, at least in a very basic way, with their students. The lessons emphasize what the reproductive system is; how the students bodies are changing; the importance of hygiene; the importance of respecting your own body and requiring that others respect your body too. The children accepted the information with curiosity and an openness that either flowered or not, depending the teacher's comfort with the subject matter. The lessons have stimulated round tables and further consultation with "experts" in many schools.

5. NRECA Pilot: Solar Panels

NRECA and PARI have installed 50 solar panel systems in schools in Sucre, Tarija, Rurenabaque and La Paz. To date the panels have worked well. NRECA is in the process of evaluating the systems and making recommendations for design modifications.

6. PARI presented in 2 international meetings

PARI presented its program at the Third International Learntech Meetings in San Jose de Costa Rica in April and May. In addition, PER was invited to Argentina to present their activities to the First International Congress Communication Media in the School.

7. Nutrition Health Network Study

PARI supported a group from the Nutrition Action Group to conduct an assessment of the health status of school age children in Bolivia. The team traveled to 3 cities, visiting 20 schools-rural, urban, with and without health programs. The team reviewed over 60 documents and is in the process of editing its report. The report provides a concise and integrated snapshot of the health and education issues to be addressed in future planning and programming.

D. Problems and Delays

1. Lack of funding

Due to delays in receipt of USAID funding, PARI delayed the contracting of consultants, the implementation of the bilingual pilot and the implementation of the public relations strategy. Fortunately, the situation was resolved in June and PARI is moving forward with its activities.

2. Teacher Strikes; General Social Unrest

The 1994 school year has been plagued with strikes. At this date, the students have only attended 132 school days of the required 200 for the year. The Secretariat of Education is restaffing all levels. Therefore the authorities are demoralized, and are providing minimal support to their duties. The supervisors trained in February are generally not completing their PARI related activities in the major cities. In the Beni region they continue to function well.

In addition, the current government continues to replace principals and classroom teachers, which disrupts the continuity in the delivery of the PARI program classes. This affects the health classes because they are not a required part of the curriculum. PARI has delivered one day "booster" training to these new teachers and directors in various cities.

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

1. International TAG meeting

PARI will hold the third and final TAG meeting in Boston, November 14 - 15, 1994. The general objective for the meeting is to finalize a strategy to improve PARI's sustainability, expand PARI's activities to the rural areas of Bolivia and to review the final health lessons.

2. Public Relations/Marketing Strategy

PARI will initiate a PR effort to reach out to central authorities, regional authorities and international entities to inform them about the project's results and to solicit support for future strategies. In addition, PARI will commission a marketing study looking for a) new markets for the current programs; b) new series based on health themes and not necessarily restricted to the classroom; c) new areas for applying the IRI methodology with neighboring countries or within Bolivia.

3. External Evaluation

The external mid-term evaluation is currently scheduled for March, 1995.

4. No Cost Time Extension for Project Shutdown

The PARI team is working hard to finish all contractual obligations by March 31, 1995, however, the delay of the external evaluation until March, makes it necessary to request a no time cost extension in order to review the recommendations and provide time to assure that a structure is in place to implement the recommended changes.

Rating: A

PROJECT STATUS REPORT
APRIL 1, 1994 - SEPTEMBER 30, 1994

I. Background Data

Project Title:	Child Survival PVO Network II
Project Number:	511-0620
Date of Authorization:	Original 06/27/91
Date of Obligation:	Original 06/27/91 Last amendment 03/18/94
PACD:	Original 09/30/96
Implementing Agencies:	PROCOSI
Major Grantee:	PROCOSI
USAID Project Manager:	Isabel Stout
Status of CPs/Covenants:	None
Date of Last Evaluation:	04/01/94
Date of Next Evaluation:	09/01/96
Audit:	

Organization	Audit Responsibility	Last Audit Completed	Next Audit Begin Date	Total Audits Completed to Date
PROCOSI	Recipient	04/30/94	02/15/95	2

II. Financial Data (\$000)

a) Amount Authorized: DA Grant: original	\$8,000	
b) Amount Obligated: DA Grant: original	\$2,600	amended to \$7,467
c) Amount Committed: Period:	\$0	
	Cumulative:	\$7,458
d) Accrued Expenditures:	1) Period-Projected:	\$779
	2) Period-Actual:	\$312
	3) Next Period Projected:	\$400
	4) Cumulative to date:	\$6,961
e) Pipeline:		\$506
% LOP Elapsed:		62
% of Total Auth. Oblig. (b/a):		93
% of Total Oblig. Exp. (d,4/b):		93
% of Total Auth. Exp. (d,4/a):		87

Counterpart Contribution (GOB and Private Sector)

f) Counterpart Planned LOP:	2,667
g) Counterpart Cumulative Planned as of 9/30/94:	1,900
h) Actual Counterpart Expenditures as of 9/30/94:	1,137
i) Accrued Counterpart Expenditures to 3/31/94 to 9/30/94	500
j) Total Counterpart Actual and Accrued Expenditures as of 9/30/94 (h+i):	1,637 ¹
k) Counterpart Planned Next Period:	308
l) % of LOP Expended (j/f):	61%

¹ Includes \$ 745 from cash and in kind PVO's counterpart contributions and \$ 1,206 from the additional contribution (premium) paid by the GOB and used for PROCOSI's endowment.

III. Project Goal/Strategic Objective

The project goal is the same as the Family Health Strategic Objective, i.e. to improve family health throughout Bolivia. By delivering child survival and maternal health services to Bolivia's rural and urban population, PROCOSI members directly and substantially support the project goal.

IV. Project Purpose

The project has two purposes: 1) to strengthen the technical, management, and service delivery capacity of the network's PVOs in the development of high impact child survival, maternal health and community development programs and projects, and 2) to establish PROCOSI as a financially sustainable organization that will be able to continue providing services aimed at institutional strengthening and coordination after the project's PACD.

V. Project Description

PROCOSI is an organization formed by nine U.S. and eight Bolivian Private Voluntary Organizations (PVOs) directed by a Rotating Executive Committee (REC) formed by the member PVOs and managed by the Executive Secretariat. It includes three areas: 1) Administrative-Financial, 2) Technical Assistance and Coordination, and 3) the newly created area of Resource Development directed at obtaining other-than-USAID resources for the network.

VI. Project Status

A. Purpose Indicators/ EOPS	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1. The number of member PVC (affiliates and associates) will have increased from 10 to 32	32	3	24	4	4	17	53
2. The beneficiary population (direct and indirect) will reach 70,000 people, through the projects that receive sub-grants.	70,000	8,000	94,650	96,000	38,000 ²	305,650	437
3. PROCOSI will have covered its administrative and support costs with non-USAI sources of income by 50% by July of 1995 and by 85% by September 1997 subject to successful conclusion of the debt-swap.	98%	15%	27%	20%	5%	25%	25
4. PROCOSI will have been able to provide sub-contracts to PVCs from at least two non-UN ID sources of income	2	0	4	0	1 ³	4	200
5. PROCOSI will be able to demonstrate continual demand for services, as measured by the number of organizations who request services from PROCOSI more than once	32	24	68	17	24	84	263

² Beneficiaries of the new projects which started at the end of the present period will be reported during the next reporting period.

³ New source of funds for PCI/Potosi/DIFEM

B. Major Output Indicators	PLANNED				ACCOMPLISHED		
	LOP/ Baseline*	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1. Major subgrants (\$60,001-225,000) under execution or concluded	16	4	14	1	1	9	56
2. Medium subgrants (\$15,001-60,000) under execution or concluded	16	2	10	2	1	7	44
3. Small subgrants (\$3,001-15,000) under execution or concluded	33	2	16	1	0	10	30
4. Number of times TA provided to PVOs to improve Child Survival	60	15	51	5	5	39	65
5. Collaborative projects between PROCOSI PVO's and/or other organizations	5	1	6	1	5 ⁴	14	280
6. Interest earned through debt-swap	1,715,000	245,613	245,613	245,613	113,754	275,013	16
7. Personnel of PVOs trained	M 707 F 1052	0 0	289 387	60 30	42 28	323 342	46 33

C. Overall Status

1. During the reporting period the Bolivian Government paid to PROCOSI two of the five scheduled premium payments, each in the amount of \$553,000 (\$500,000 in principal and \$53,000 in interest). The second payment was made on schedule and the remaining three payments are programmed for January, February and March of 1995.

2. PROCOSI and USAID/Bolivia (HHR and the RLA) have worked closely in developing guidelines for the use of the debt swap money and the premium from the GOB. These guidelines anticipate that the \$8 million be roughly divided as follows:

- Between \$3-\$5 million will be invested in a long term endowment for a period of 10 years, renewable at the option of PROCOSI. These funds will secure the long-term viability and sustainability of PROCOSI.
- An amount equal or greater than the premium (\$2.7 Million) will be spent on child survival and health activities (sub-projects) in the short-term (1-3 years).
- The balance, which could vary from \$.35 to \$2.5 million, will be invested in medium-term instruments and should be spent on child survival and health activities in the future.

⁴ CONALSA, Grupo de Reforma, Plan Vida, Ley de ONGs, Comité Interagencial del PAL.

- PROCOSI will diversify the investment of the funds in Bolivia (foreign investment is subject to USAID/Bolivia approval) to protect the value of the endowment. Management will be in the hands of PROCOSI's Board of Directors with technical advise of the Financial Committee.

3. Financial projections were developed to distribute endowment funds over the life of the OPG to cover an average of \$300,000 for all associate members (10 members expected to grow to 12) and \$60,000 for all affiliate members (7 members, expected to grow to 13).

4. The General Assembly of August approved the incorporation of four new affiliate PVOs to the network:

Centro de Información, Educación y Servicios, CIES
Save the Children Canada, CANSAVE
Universidad NUR
Servicios Educativos, SERVIR

5. The mid-term evaluation was carried out and presented to PROCOSI and USAID/Bolivia. The evaluation focused primarily on the impact of PROCOSI as a service to its members rather than on the impact of PROCOSI-financed programs on child and maternal health because, at the time of the evaluation, only five major sub-grants had been approved, none of them old enough to measure impact. This aspect will be assessed in the final evaluation in 1996. The major mid-term evaluation recommendations, approved by the General Assembly, were:

- PROCOSI sub-grantees should be trained in and utilize high quality logical frameworks, develop sound proposals with provision for baseline data collection, include evaluation plans with clear process and impact indicators and show specific assignment of responsibilities.
- PROCOSI should contract with experts outside the organization for programmatic and technical needs of its members.
- Membership should be quickly expanded to 25 members, and the PROCOSI assembly should establish a mechanism for approval of new members.
- PROCOSI should develop a concise action plan on public policy; a revised logical framework should be developed for the OPG, and annual operational plans at the end of each fiscal year.
- USAID/Bolivia should reduce its intervention in the administration of PROCOSI. Specifically, the requirement for salary committee revisions should be eliminated.

USAID/HHR requested that PROCOSI put in writing the specific areas where USAID intervention was considered problematic. No further communication has been received in this regard.

6. The new Executive Secretary has quickly grabbed the reigns of PROCOSI and become an asset to the organization. An area where her presence has brought significant improvement is in coordination with the Bolivian Government. During this reporting period, her first in office, Ms. Pooley was asked by the National Secretariat of Health to join a group of high ranking Bolivians in a commission to reform the Bolivian health sector. She also assisted, on behalf of PROCOSI, in the development of PLAN VIDA, the GOB strategy to foster reproductive health services at the national level, and participated in the review of the Law for Non-Governmental Organizations, the Law for Popular Participation, and several technical committees.

7. PROCOSI submitted to USAID/Bolivia a proposed OPG amendment including a revised logical framework and the endowment guidelines. PROCOSI has decided to maintain the PACD of September 30, 1996 and proposes that the number of member PVOs in the original OPG be decreased from 32 to 25 to maintain its financial projections viable. The proposed amendment has been reviewed by the RLA and will be presented to the project committee in October.
8. PROCOSI has started publication of a technical bulletin for its members and is remodeling the documentation center to facilitate additional use by the public.
9. PROCOSI was able to secure \$200,000 in additional funds for one of its members, Project Concern International, from DIFEM, and another \$200,000 from UNICEF for material for the reproductive health program.
10. PROCOSI and Fundación Cultural Quipus (FCQ) reached an agreement about the amount of the premium due FCQ. It was agreed that the Fundación will receive a total of \$600,000 in 5 yearly payments of \$120,000, each subject to approval by PROCOSI's board.
11. It is noteworthy that, during the rating period, PROCOSI has begun shifting its attention from the debt-swap and institutional survival concerns, to technical and policy matters concerning health. A technical committee has been formed within PROCOSI to study and make recommendations in this area.
12. **GENDER ISSUES:** PROCOSI's goal of improving family health by delivering child survival and maternal health services to Bolivia's population has direct bearing on the health of women. PROCOSI's direct beneficiaries are women and children under five years of age, and these are women in some of the most isolated areas of rural Bolivia, where only PROCOSI member OPGs have a presence. Training of PROCOSI staff is disaggregated in Table B.

D. PROBLEMS AND DELAYS

1. The new Executive Secretary has asked the Board to consider a new internal structure for the organization. PROCOSI was semi-paralyzed by the restructuring of November 1992 that was not completed for almost a year. Another restructuring exercise could cause another crisis. The Secretary's request will be considered in the November General Assembly.
2. PROCOSI should strengthen its technical support role and provide members with quality services in the areas of material production and proposal development. It was noted that some PROCOSI members were developing their own educational materials, which were weak, when other members had high quality material of a similar nature, that could be shared among PVOs. Some PROCOSI members have mentioned needs that they feel PROCOSI has limited time to address. Others have logistics needs, such as vaccines and contraceptives, for example, that PROCOSI could assist in resolving.
3. Replacement of the administrative manager caused some delays in the financial area but a new manager is now on board and no additional problems are anticipated.

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

1. The OPG Amendment needs to be approved and processed by USAID/Bolivia. The logical framework and Amendment will be reviewed by the USAID project committee. It has been agreed in general that the proceeds from the debt swap be used in such a way as to assure the availability of approximately \$400,000 per year for PROCOSI operating expenses. The rest will be programmed for sub-grants in support of child survival activities of PROCOSI members.

2. A new OPG for reproductive health for PROCOSI has been approved by the USAID project committee and is currently being reviewed by the USAID/RCO. It will start operating during the next SAR period. PROCOSI will need to strengthen its administrative staff to face the increased demands of this program.
3. PROCOSI should start looking for a permanent building for its offices during the next reporting period. USAID/Bolivia will involve its engineers in inspection of any proposed property.
4. PROCOSI should strengthen its role as a vehicle for technical and methodological exchange, both through its monthly bulletin and through specific gatherings to share lessons learned.
5. The next General Assembly in November is expected to establish guidelines for "graduation" of its newer members from affiliates to associates. This review is expected to be finalized in the next six months.
6. PROCOSI is actively participating in the review the proposed law for non-governmental organizations which is considered a threat to the status of international NGOs and the survival of the Bolivian NGOs.

Rating: A

PROJECT STATUS REPORT
April 1, 1993 - September 30, 1994

I. Background Data

Project Title: Displaced Children Earmark
 Project Number: 511-0624
 Date of Authorization: Original 09/30/91 Amended 06/30/92
 Date of Obligation: Original 09/30/91 last Amended 05/03/92
 PACD: Original 09/29/92 Amended 12/31/94*
 Implementing Agencies: Peace Corps
 Major Grantees: National institutions working with displaced children
 AID Project Manager: Elba Mercado
 Status of CPs/Covenants: N/A
 Date of Last Evaluation: June 1994
 Date of Next Evaluation: N/A
 Audit: None

* Being processed

Organization	Audit Responsibility	Last Audit Completed	Next Audit Begin Date	Total Audits Completed to Date
PEACE CORPS	PEACE CORPS	(1)	N/A	N/A

(1) As a USG entity, grantee is subject to audit by its own IG rather than USAID.

II. Financial Data (\$000)

a) Amount Authorized: DA Grant: Original 210 Amended 460
 b) Amount Obligated: DA Grant: Original 210 Amended 460
 c) Amount Committed: Period: 0
 Cumulative: 460
 d) Accrued Expenditures: 1) Period-Projected: 80
 2) Period-Actual: 54
 3) Next Period Projected: 25
 4) Cumulative to date: 403
 e) Pipeline (b-d,4): 57
 % LOP Elapsed: 98
 % of Total Auth. Oblig. (b/a): 100
 % of Total Oblig. Exp. (d,4/b): 88
 % of Total Auth. Exp. (d,4/a): 88

Counterpart Contribution (GOB):

- f) Counterpart Planned LOP: N/A¹
- g) Counterpart Cumulative Planned as of 3/31/94: N/A
- h) Actual Counterpart Expenditures as of 9/30/94: \$449,896
- i) Accrued Counterpart Expenditures 4/1/94 to 12/31/94: 0
- j) Total Counterpart Actual and Accrued Expenditures as of 9/30/94 (h+i): \$449,896
- k) Counterpart Planned Next Period: N/A
- l) % of LOP Expended (j/f): N/A

¹ Local contributions are based on each individual subgrant.

III. Project Goal/Strategic Objective

This project contributes to the Family Health Strategic Objective of improving family health in Bolivia by investing in displaced children to improve their health and productivity, enhance their skills, and help them to be full participants in society.

IV. Project Purpose

This project is intended to teach marketable trades and life skills to institutionalized and working children to help them achieve gainful employment; and to develop the means by which these institutions can generate funds internally, thus becoming less dependent on outside financing.

V. Project Description

Through the availability of USAID funds (1991 and 1992 Displaced Children Earmarks), Peace Corps and USAID/Bolivia support Bolivian institutions that work with displaced children help them implement income-generating vocational workshops or agricultural projects. USAID funds are used to build necessary infrastructure, equip workshops, and cover initial costs of starting up and operating these projects. Peace Corps complements this project by assigning Peace Corps Volunteers from the Small Business Enterprise and Agricultural Extension Programs to provide technical assistance. The project selects Bolivian institutions with a sensitive approach, giving preference to programs which help to locate children in families or community-based settings. Selected institutions are then helped to become more self-sufficient.

VI. Project Status

A. Purpose Indicators/ EOPS	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1. Displaced Children em- ployed by 3/31/94	260	75	435	0	106	551	212
2. Workshops 50% self- financing by 3/31/94	7	7	14	0	7	20	286
3. Institutional maintenance costs lowered by 10%	6	1	8	0	1	9	150

Notes:

In most cases the planned purpose indicators and major outputs were surpassed due a larger number of grants because a ceiling of \$10,000 per grant was established as of 1993.

B. Major Output Indicators	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1. Vocational workshops constructed and operating by September 1993	7	3	16	0	3	20	286
2. Children trained in voca- tional skills by 9/93	430	0	500	0	159	665	155
3. Interns and new children trained in self management and business skills	650	0	950	0	120	810	125
4. Accounting and Manage- ment skills improved within institutions	8	0	11	0	2	18	225
5. Educators trained in work- ing w/displaced children	35	15	35	0	10	30	86

C. Overall Status

This report is intended to close the programmatic monitoring of the USAID/Peace Corps Program for Displaced Children through September 30, 1994. Following is a completed list of all fund recipients since the start of the program.

Institution	Location	Funding (\$)	Project	% Completed
Ciudad Niño	La Paz	9,289	Carpentry	100
Yanapacuna	Sucre	5,950	Carpentry	100
ANET	Tarija	21,697	Socialization	100
CETEP	Huacareta	1,135	Horticulture	100
ENDA	Trinidad	70,500	Ceramic factory	100
Amanecer	Cochabamba	38,969	Metal Mechanics	100
San Martín	Cochabamba	17,431	Metal Mechanics	100
San Sebastián	Mizque	4,465	Greenhouse	100
Amanecer II	Cochabamba	9,886	Agricultural production	100
San Martín II	Cochabamba	9,239	Small animals & crops	100
Hogar Zelada	Oruro	4,766	Bread bakery	100
Hogar Zelada II	Oruro	4,755	Bread Store	100
Mosoj Yan	Cochabamba	9,800	Bakery & card factory	100
Internado Huacareta	Huacareta	9,986	Crop production	100
Wenhayek	Villamontes	8,349	Wood carvings & artisanry	100
José Flores	Aiquile	10,000	Charango factory	100
Nueva Esperanza	Tarija	8,726	Carpentry	100
Yanapacuna II	Sucre	2,701	Garden production	100
Hogar Betania	Tiraque	4,917	Crop production	100
COSV	Sopochuy	9,983	Medicinal plants	100
Hogar Paria	Oruro	526	Tree nursery	100
TOTAL		262,070		

As can be seen by the above graph, all 21 grants used to finance income generating vocational projects have been completed and finished their financial responsibility to Peace Corps. While all have finished their financial responsibility, they are all found in different stages of development. Several have been operating for a long period of time and are fulfilling their project objectives,

others have been operating for lesser periods of time and are just starting to show productive results, others are still in the training stage and production is still off in the future and others have just finished the construction stage and will start training and production in the coming months.

A no-cost PACD extension until December 1994 is being processed in USAID in order to allow completion of current grants, closing of corresponding financial accounts, auditing by the Peace Corps financial officer and completion of two publications.

Small grants were given to two institutions to publish work on displaced children. These are Coordinadora del Menor in La Paz who is completing an inventory of all national institutions working with displaced children and orphans, and Chicalle in Cochabamba for publication of several magazines and audiovisuals intended for education and entertainment of children. Information has been gathered and compiled and printing is due during the following months. These projects have not been closed based on the fact that USAID has approved the extension, and Peace Corps has decided to give these two institutions more time to finish their proposed publications properly.

D. Problems and Delays

During this period Peace Corps was anticipating the close of the program before the extension was granted, and therefore proceeded to financially close all pending projects. The only delays that exist are in closing the two publication projects that are still outstanding. There is still \$17,000 left for project grants which could be used for one-shot short-term activities until December 1994.

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

1. Close out and audit of all project grants by PC personnel.
2. Close out of project operations
3. Appraisal and negotiation of a new PASA with the Peace Corps for a follow-up project for 1995-96 for \$170,000.