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USAID/BOLIVIA

**PERIOD OCTOBER 1, 1994
MARCH 31, 1995**

**USAID/BOLIVIA
SEMI-ANNUAL REPORTS
(FOR THE PERIOD OCTOBER 1, 1994 - MARCH 31, 1995)
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I. ABRIDGED MISSION DIRECTOR'S OVERVIEW

A. INTRODUCTION

B. STATUS OF THE STRATEGIC OBJECTIVES

- 1. Economic Opportunity and Access**
- 2. Family Health**
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I. ABRIDGED¹ MISSION DIRECTOR'S OVERVIEW

A. INTRODUCTION

The Mission's portfolio is characterized as healthy, with ten projects receiving an "A" rating, eighteen projects receiving a "B" rating, and four projects receiving a "C" rating. All projects support at least one of four Mission strategic objectives (SO), and the Mission's strategic framework is fully in accordance with the Agency's strategic framework.

In general, performance under the economic opportunity and access SO was strong during the period. The Mission continued to expand its role in support of strengthening Bolivia's microfinance sector. Besides its traditional support to BancoSol and PRODEM, the Mission is working with several other strong local microfinance institutions. In addition, the Mission has initiated support to the Superintendency of Banks and Financial Institutions, which will soon begin regulating and supervising the deposit-taking microfinance institutions, thereby helping to ensure strong, sustainable financial intermediaries for low income clients. With regard to alternative development activities under this SO, employment and investment in non coca activities received a boost from the Cochabamba Regional Development Project (CORDEP), the Export Promotion Project, and PL 480 programs.

Under the strengthening democracy SO, the Mission continues to support Bolivia's landmark efforts to modernize and democratize key public sector institutions and to make them more accessible to all citizens. The GOB has shown firm commitment to fundamental reforms through the recent passage of several key reform laws, including important constitutional reforms. USAID efforts support the justice system, the legislature, the electoral system, and the recently promulgated Popular Participation Law, which decentralizes resources and decision-making powers to about 300 municipal governments and their citizens. Institutional reforms in these areas are pivotal to the modernization and democratization of Bolivian society.

The Mission's environmental portfolio continues to play a leading role in promoting Bolivia's sustainable development, and in addressing the USG's global priorities for the environment, especially conservation of biological diversity and mitigation of global climate change. USAID/Bolivia emphasizes local capacity building and a close and active partnership with a range of important stakeholders, from policy makers at the highest levels of government to low income community groups and NGOs. This process will contribute greatly to the success of the environment SO.

¹Financial and consolidation aspects of the Mission's portfolio will be included in the Mission Director's Overview of the second semester fiscal year SAR, to be submitted by the Mission to USAID/W in November 1995, given that current SAR guidance remains in force.

All Health and Human Resources (HHR) projects and the Title II program contributed toward achievement of the family health SO. Significant negotiation and design work on the Reproductive Health Services, the Community and Child Health, AIDS/STDs Prevention and Control, and the Drug Awareness and Prevention Projects required much effort and advanced markedly. As a result of the Popular Participation Law, these projects have incorporated these new themes in the extension/redesign process. Differences in interpretation of this law among national, regional, district and municipal health authorities made Mission negotiations especially difficult and time consuming. All indications are, however, that the process has resulted in stronger projects, better adapted to present conditions and policy, and more responsive to GOB priorities. Of particular note is the fact that USAID-supported private sector and NGO health activities have provided the GOB with important models and lessons learned as it grapples with decentralization issues.

B. STATUS OF THE STRATEGIC OBJECTIVES

1. Economic Opportunity and Access

Under Program Outcome Number One, "Increased employment opportunities in non-coca industries," the Export Promotion and Microenterprise projects were responsible for creating over 8,000 permanent jobs. This figure, which far exceeds original targets, demonstrates the overwhelming success of these two projects. Almost 140,000 person months of temporary jobs were created under the PL 480 Title II Program (110,000) and Export Promotion project (30,000). The latter's job creation success is principally a result of new capital investments. Unfortunately, the paralysis of the CORDEP road construction component greatly reduced the employment generation effects of this project.

Performance under Program Outcome Number Two, "Increased competitiveness of non-coca export sector" was also strong, albeit down from the previous period. Over \$16 million in non-traditional exports were generated (\$15.5 million from Export Promotion and \$1 million from CORDEP), while there was an increase in foreign investment of about \$2.5 million. The CORDEP was particularly successful in supporting pineapple cultivations and value added activities during the period.

Program Outcome Number Three, "Broadened access to financial markets," experienced mixed success this period. USAID's credit union strengthening program implemented by WOCCU continued its success, with an increase of 27% in credit union assets. WOCCU now works with over 30 different credit unions. Similarly, the Microenterprise Project generated nearly 2,000 new customers, with an increase in micro-loan portfolio attributable to USAID of almost \$2 million.

The picture on pension reform is not so rosy. Presentation of the new Law to Congress has again been postponed for political reasons. Nonetheless, the GOB is moving slowly forward with its capitalization program, and still plans to implement Pension Reform in calendar year 1996.

2. Family Health

Progress on Program Outcome Number One, "Improved development and implementation of health policy." continues in profound and unexpected directions. The idea of health care reform continues to permeate myriad levels of government, public interest groups, and private sector organizations, creating many reform advocates. While the Secretariat of Health (NSH) has been slow to accept the full impact of the privatization reality stemming from the implementation of the Popular Participation Law, a full reform effort has now moved up to the Ministry of Human Development (MHD). The MHD has received funding from the World Bank and the IDB to work intensively on major changes in health sector and policy reform. Decentralization, privatization, cost recovery, a new normative and policy NSH role, and universal insurance coverage are part of the initiative.

All family health SO projects contributed to Program Outcome Number Two, "Improved institutional capabilities within the public and private sectors to deliver preventive and curative health services." The redesign of the Community and Child Health project has been completed. CCH will continue to assist implementation of vertical and district level child survival activities within the Secretariat of Health. However the redesign will better engage the project at the municipal level and develop models of alternative primary health care. The Reproductive Health Services project (RHSP) has increased technical assistance and training aimed at strengthening institutions in all sectors. A revitalized contraceptive social marketing initiative will more fully exploit the power of the commercial sector. The Self Financing Primary Health Care project (PROSALUD) now has firm agreements with two municipalities for expanding its cost recovery model under health reform and the new Popular Participation Law. The Interactive Radio Learning project has agreements to expand its program with the assistance of two private sector organizations. With its \$5 million debt-swap, the Child Survival PVO Network (PROCOSI) has doubled 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.

Under Program Outcome Number Three, "Improved health knowledge, attitudes, and practices among Bolivians." the RHSP ran a national mass media campaign that boosted clinic attendance by 66% in the first three months. The Drug Awareness and Prevention Project, the AIDS/STD Prevention Project, and the CCH project continue to incorporate strong information, education, communication, and counseling components designed to change behaviors. As part of a multi-donor effort, USAID supported the creation of a national private sector campaign to promote the local commercialization of Oral Rehydration Salts (ORS). This is expected to increase demand and accessibility of ORS to previously unreached segments of the population.

Finally, an evaluation of the Mission's PL-480 Title II School Feeding Program found the following, positive health-related impacts: school drop out rates reduced from 10% to 3%; students in school feeding programs consume two-thirds of their daily requirements for calories and proteins; and students in school feeding programs are better learners.

3. Environment

The Sustainable Forestry Management (BOLFOR) project, the Mission's flagship effort in the environment, continues to be on or ahead of schedule with all three outcomes: 1) increased forest value to discourage forest conversion; 2) improved public and private institutional capacity for sustainable resource use and environmental protection; and 3) increased public awareness of environmental protection and sustainable natural resources management.

Thanks to careful stakeholder management (e.g., more than 70 people and 19 different institutions involved in BOLFOR's Annual Workplan process) BOLFOR has quickly captured the trust of all important forestry groups and has been tasked by these groups with a number of critical, high-visibility activities. In this reporting period these have included: 1) leadership in developing national standards for sustainable forest use; 2) leadership in defining certification standards and an internationally recognized certification mechanism for Bolivia, to improve access to high-value "green markets" and increase forest value; 3) a conflict resolution workshop on the draft forestry law involving leading Congressmen, NGOs, and other interested parties; and 4) publication of the country's first forestry map. These activities represent major contributions to the sustainable development of Bolivia's growing forestry sector. In addition, a BOLFOR study on the planned Forestry Service which was used as the foundation of a proposal submitted to the Inter-American Development Bank (IDB) yielded assurances of \$27 million in additional funding.

The grant with the World Resources Institute continues to provide critical technical assistance to the Ministry of Sustainable Development and Environment (supporting Program Outcome 2), in particular to: 1) better integrate environmental concerns with other sectors of the national economy; and 2) plan the hemispheric Sustainable Development Summit scheduled for 1996. However, activities with the Environmental Law Institute, a subgrantee to WRI, have fallen somewhat behind schedule; these delays have been due to the GOB's strong desire to insure high-level participation in all these meetings. Working closely with the grantee, the GOB has prepared a new calendar for ELI's technical assistance activities, and WRI/ELI are confident they will be able to meet (or exceed) all the objectives specified in the grant agreement.

The Enterprise for the Americas (EAI) Environmental Account projects support Program outcomes numbers 2 and 3. During the reporting period two key staff positions were filled and 12 new projects were approved for funding. More grass-roots support could be funded through EAI were weak local capacities for project design and implementation less of a bottleneck.

Other Mission activities continue to play important roles in achieving Program Outcomes 2 and 3. The renewable energy activities of the Electrification for Sustainable Development project deserve special mention, demonstrating that clean energy technologies targeted to specific markets are both technically and economically feasible in Bolivia. The New York

Botanical Gardens grant reached its successful conclusion this reporting period, providing a wealth of botanical information to better inform planning and biodiversity conservation in Amboró and Noel Kempff Mercado national parks. Thanks to the Mission's wetlands success, LAC will utilize the Wetlands for the Americas grant to define biodiversity conservation priorities for the region, to better inform government, donor, and NGO activities.

Work on proposed new activities was also initiated this reporting period, with an eye towards "rounding out" the Mission's environmental portfolio. These include the planned Chaco biodiversity conservation project with indigenous peoples, and establishment of a GLOBE (Global Learning and Observations to Benefit the Environment, an environmental education program conceived by Vice President Gore) pilot program in Bolivia (under the leadership of the Mission's Population and Environment Fellow). The Mission has also submitted two proposals (one for urban industrial pollution prevention, the other for renewable energy activities) to USAID/W for Environmental Initiative for the Americas funding.

4. Strengthening Democracy

The Bolivia Administration of Justice project (BAOJ)-supported legal reforms, court administration, judicial training, public defense, policing and alternative dispute resolution activities impacted upon Program Outcome Number One, "Improved quality and speed of the conflict resolution process". BAOJ-supported reforms to the criminal code will bring Bolivia up to modern standards, speeding up criminal case processing and improving human rights. The BAOJ also supported enabling laws for the constitutionally mandated Constitutional Tribunal and the Judicature Council which will: (1) guarantee the primacy of the Constitution above other legislation; and (2) screen and nominate all judicial appointments, establishing a transparent and professional process to reduce corruption and political influence, thereby upgrading the image and competence of the judiciary.

In addition to legal reforms, judicial training and court administration activities continued to gain ground, including finalization of an in-service judicial training program and implementation of the Office of Court Administration in the Tarija District Superior Court. Planning and design for an automated criminal case tracking and statistical system in the Santa Cruz District Court pilot were completed. Once fully implemented, these activities will strengthen the institutional systems and human resources necessary to reduce and better measure case time and flow, chronic justice sector problems.

Continuing assistance to the MOJ facilitated the expansion of Public Defender coverage to more judicial districts. In 1994, the OPD obtained the release of 3,190 detainees in the 5,602 cases handled. USAID organized an Interagency Coordination Workshop where 120 judges, prosecutors, public defenders, and narcotics police officials were trained on the role of the public defenders. An interagency committee was created under MOJ auspices to analyze and solve criminal process problems, with particular insistence on the need for early defender access to detainees.

BAOJ financed seminars on the Public Prosecutor Law for about 600 justice sector officials nationwide. BAOJ continues to work on the first Bolivian Prosecutor's Manual, essential to establish an operational framework for the new accusatory prosecutorial functions installed under the new law. A program was designed to establish a Model District Prosecutor's Office in Santa Cruz during 1995, which should result in the adaptation of this office to assume the proactive role assigned in the relevant legislation. BAOJ also provided assistance on narcotics prosecution techniques, money laundering and asset forfeiture.

With BAOJ assistance, the Bolivian National Police (BNP) and its Technical Judicial Police (PTJ), have established investigative offices in eight of nine Bolivian departments. BAOJ has helped secure inclusion of the BNP's Educational and Training System in Bolivia's Educational Reform Law, resulting in the creation of university degree programs in Police Sciences and Police Administration.

BAOJ sponsored a study in El Alto which confirmed the high degree of usage of several informal alternative dispute resolution centers, principally following traditional indigenous justice forms. A 1994 constitutional amendment requires the GOB to respect and value traditional indigenous justice methods and to harmonize them with the formal justice system. To support and promote that process, the BAOJ recently organized two pioneering workshops. The first focused indigenous group leaders, NGO's, and MOJ officials on promotion of uniform decision criteria and training needs for existing informal centers. The second brought foreign experts to discuss how the same issue has been dealt with in different national legal contexts. Over 200 people were trained in alternative dispute resolution.

Finally in support of Program Outcome number one, a BAOJ-assisted grass roots civic legal education NGO has educated and provided legal aid to approximately 2,400 persons in traditionally marginalized social sectors of the population.

The Mission's congressional and legislative assistance program in support of Program Outcome Number Two, "Upgraded legislative functions and enhanced accountability in national and local government" began efforts to better link the Congress with local governments newly constituted and empowered by the Popular Participation Law. This is being accomplished by providing continued Democratic Institutions project support to the Center for Research of the National Congress (CICON), containing three non-partisan staff offices serving upper and the lower house members. By providing assistance to congress members in resolving local issues requiring congressional attention, the DI project and CICON are beginning to root Congress in local realities, for the first time in Bolivia's history.

Under Program Outcome Number Three, "Increased citizen participation in local government and civil society." USAID/B has made a significant new commitment to assist the GOB in the implementation of the Popular Participation Law. The Democratic Development and Citizen Participation (DDCP) Project, incorporating elements of municipal development, legislative modernization, and electoral assistance to support grass-roots participation was

obligated in January, with the AA/LAC signing for USAID. DDCP is the USG's first action to support the Summit of the Americas commitment to popular participation. The Mission is expecting to put DDCP implementation mechanisms in place by the last quarter of FY95.

C. GENDER IMPACT

Many Mission projects, especially those under the family health SO, continue to impact positively upon women, both directly and by helping to change male attitudes. These impacts are discussed in the attached project status reports, as applicable. This section describes impacts which the Mission feels deserve special mention.

As the primary source of funding, technical assistance, family planning service provision, research, mass media promotion, social marketing, and other public and private reproductive health activities in Bolivia, the RHSP continues to improve the health, economic and social conditions of Bolivian women. For example, the dramatic increase in modern methods of contraception of more than a percentage point each year can be attributed to the RHSP. Providing women the right to choose the number and spacing of their children is both socially and economically empowering. The RHSP has and will continue to make a major contribution in improving family health through reduced infant and maternal mortality and improved economic and health status of Bolivian families.

Job creation and microloans under the economic opportunity and access SO benefit Bolivian women. The Mission estimates that well over half the jobs generated by the Title II program are held by women, while about 30% of jobs generated by the Export Promotion Project are held by women. In addition, 65% of microloans provided by USAID-supported microfinance institutions are given to women. Employment and microloans generated by Mission projects provide women beneficiaries with a source of income and a higher degree of economic independence.

Mission training projects continue to empower women to assume leadership roles in the development of a free market, democratic Bolivia. Over one third of all trainees financed by the Bolivian Peace Scholarship and Training for Development projects were women. Many of these women go on to hold leadership positions in the public and private sectors. This is important in a country where potential long-term female trainees are discouraged by cultural and social obstacles.

Finally, the EAI Account continues to look for ways to support activities impacting positively upon women. The Account has funded gender-related activities including "An Analysis of Women and the Environment in Pacajes Province" (part of Bolivia's Altiplano) and "Protection of Native Varieties of Cotton" (being implemented with an indigenous women's weaving cooperative in the tropical lowlands). Although the EAI Board of Directors is conscious of the importance of funding more proposals generated by women, it is constrained by the lack of proposals submitted by women's groups.

D. CONCLUSION

The Mission's sustainable development portfolio can be characterized as healthy. Projects in the portfolio directly support achievement of the Mission's four SOs. The results-oriented focus, the tight fit with the Agency's strategic framework, and the emphasis on stakeholder participation help position the Mission to carry out the re-engineered Agency mandate beginning October 1, 1995.

A handwritten signature in black ink, appearing to read "Lewis W. Lucke", enclosed within a large, hand-drawn oval.

Lewis W. Lucke
Acting Mission Director
USAID/Bolivia

II. TABLES

A. FINANCIAL SUMMARY

B. PIPELINE ANALYSIS

C. RATING OF PROJECTS

(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. (16/10)	(8) Life Of Project Fund	(9) Current FY Oblig. To Date	(10) Cumulative Obligations To Date	(11) Mort- gage (8-10)	(12) Begin- ning FY Pipeline	(13) Planned Semester Expend.	(14) Accrued Semester Expend.	(15) Accrued As % Of Planned (14/13)	(16) Cumulat. Accrued Expend.	(17) Ending Pipeline (10-16)	(18) Planned Expend. (Next Sem)
I. ACTIVE MISSION MANAGED PROJECTS																	
A. Expanded Economic Opportunity and Access (1)																	
511-0577	Industrial Transition	B	25-Jun-87	31-Aug-95	95%	83%	8,589	0	8,589	0	1,104	400	9	2%	5,474	1,095	625
511-0580	Management Training	A	30-Aug-85	31-Jul-95	97%	95%	6,000	0	6,000	0	718	468	393	84%	5,677	323	228
511-0584	Training for Development	A	28-Aug-85	30-Jun-95	97%	94%	4,720	0	4,720	0	444	300	177	59%	4,453	267	200
511-0585	Export Promotion	A	09-Nov-88	30-Apr-96	85%	88%	23,500	0	20,384	3,116	4,322	1,800	1,953	109%	18,015	2,369	1,218
511-0598	Micro & Small Enterprises Development	B	31-Aug-88	30-Sep-97	72%	87%	14,350	0	12,449	1,901	4,878	1,127	555	49%	8,328	4,123	1,200
511-0598	Strengthening Financial Markets	C	13-May-88	31-Dec-96	80%	96%	6,200	0	6,197	3	493	272	230	85%	5,934	283	85
511-0614	Electrification for Sustainable Development	A	28-Jul-91	30-Sep-96	71%	77%	19,200	0	14,200	5,000	4,878	2,000	1,348	68%	10,888	3,312	1,750
511-0616	Technical Support for Policy Reform (1)	B	28-Sep-82	30-Sep-97	50%	20%	8,000	0	7,000	1,000	5,575	900	21	-2%	1,404	5,596	900
511-0617	Cochabamba Regional Development	B	05-Jul-91	30-Sep-97	60%	84%	80,600	0	58,793	23,207	28,230	6,000	5,529	92%	38,092	20,701	6,000
SUBTOTAL I (A):							188,539	0	134,312	34,227	48,240	13,287	10,191	77%	96,283	38,049	12,184
B. Improved Family Health Throughout Bolivia																	
511-0588	Reproductive Health Services (2)	B	31-Jul-90	31-Dec-97	83%	52%	19,550	2,488	18,708	842	7,515	6,000	918	15%	9,843	9,065	4,000
511-0594	Community & Child Health (2)	C	28-Jul-88	30-Sep-95	83%	83%	20,000	831	18,737	1,263	2,987	1,000	694	69%	15,613	3,124	2,000
511-0607	Self-Financing Primary Health II	A	09-May-91	08-May-96	78%	85%	6,500	2,188	6,500	0	6,500	1,243	1,034	83%	4,237	2,263	1,100
511-0608	AIDS Prevention & Control	A	28-Jul-88	31-Mar-98	69%	91%	5,400	0	3,801	1,599	845	400	502	128%	3,458	343	350
511-0613	Drug Awareness & Prevention (2)	B	12-Sep-91	31-Oct-96	69%	89%	9,220	0	9,220	0	3,886	1,300	1,065	82%	6,399	2,821	1,184
511-0618	CARE Community Development	B	28-Mar-91	31-Dec-95	84%	96%	6,200	0	6,200	0	496	496	271	55%	5,975	225	225
511-0619	Interactive Radio Learning	A	30-Sep-91	30-Sep-96	70%	90%	5,000	75	4,293	707	1,360	450	1,004	223%	3,856	437	450
511-0620	Child Survival PVO Network II	B	27-Jun-91	30-Sep-96	71%	94%	8,000	533	8,000	0	506	400	596	149%	7,557	443	443
511-0624	Displaced Children	A	30-Sep-91	30-Jun-95	83%	98%	460	0	460	0	57	25	48	192%	451	9	9
SUBTOTAL I (B):							80,330	8,093	75,919	4,411	24,158	11,314	6,132	54%	57,189	18,730	9,781
C. Improved Effectiveness and Accessibility of Key Democratic Institutions and Practices																	
511-0610	Democratic Institutions	B	08-Sep-88	31-Dec-95	90%	85%	3,400	0	3,350	50	759	440	289	61%	2,860	490	280
511-0611	Bolivian Peace Scholarship Program	B	05-Aug-91	30-Jun-97	82%	49%	4,500	450	3,861	639	1,663	350	355	101%	1,903	1,958	800
511-0623	Special Development Activities II	A	28-Jun-91	30-Sep-95	88%	94%	500	0	500	0	48	70	19	27%	471	29	19
511-0628	Bolivia Administration of Justice	B	30-Sep-92	31-Dec-97	48%	30%	10,000	0	6,050	3,950	4,762	900	541	60%	1,829	4,221	0
511-0631	Human Resources for Development	B	05-Aug-93	31-Mar-99	29%	18%	6,500	1,000	2,500	4,000	1,358	600	317	53%	459	2,041	600
511-0633	Special Development Activities III	B	18-May-94	30-Sep-99	16%	8%	600	100	210	390	110	20	19	85%	19	191	50
511-0634	Democratic Dev. & Citizen Participation	B	30-Nov-94	30-Sep-02	0%	0%	14,000	1,400	1,400	12,600	0	0	0	0%	0	1,400	0
SUBTOTAL I (C):							39,500	2,950	17,871	21,829	8,900	2,380	1,520	64%	7,541	10,330	1,549
D. Protecting the Environment (3)																	
511-0621	Sustainable Forestry Management	B	28-Aug-93	30-Dec-99	25%	36%	15,000	0	5,478	9,524	3,954	0	460	0%	1,952	3,494	1,567
SUBTOTAL I (D):							15,000	0	5,478	9,524	3,954	0	460	0%	1,952	3,494	1,567
TOTAL - MISSION'S ACTIVE PROJECTS (IA THRU D):							303,369	1,043	233,578	68,791	85,252	26,961	18,303	68%	162,975	70,603	25,061

(1) Column 14 shows adjustment against previous report

(2) PP amendment in process. Given authorization amendments, LOP funding will increase.

(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) 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)
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II. CENTRALLY FUNDED PROJECTS

598-0780	Environmental Support	B	29-Sep-99	30-Dec-94	95%	100%	216	0	216	0	4	0	4	100%	216	0	0
598-0780	Wetlands for the Americas	B	27-Sep-93	31-Mar-95	100%	100%	150	0	150	0	3	0	3	100%	150	0	0
TOTAL (II)							366	0	366	0	7	0	7	100%	366	0	0

III. TERMINATED PROJECTS

No projects terminated this period

IV. ACTIVE PROGRAMS

511-0605	FY 93 Economic Recovery Prog BOP (3)	C	25-Jun-93	N/A	100%	85%	30,000	0	30,000	0	20,000	5,498	5,498	100%	25,498	4,502	4,500
TOTAL (IV)							30,000	0	30,000	0	20,000	5,498	5,498	100%	25,498	4,502	4,500

3 This program supports the Expanded Economic Opportunity & Access objective.

Note: Although PL-480 Titles II and Title III Programs support the Mission's Economic Opportunity and Access Strategic Objective, they are not reported here because they include no undisbursed dollars.

SOURCES: - Program Fin Operation Status Reports as of 3/31/95 USAID/B/CONT, Project Status Reports (SARS) for period October 1, 1994 thru March 31, 1995.

PROJECT NUMBER	PROJECT TITLE	CUMM OBLIG	FY OBLIGATIONS											TOTAL PIPELINE	P I P E L I N E											% Over 3.6 Years
			86**	87	88	89	90	91	92	93	94	95	86**		87	88	89	90	91	92	93	94	95			
511-0568	Reproductive Health	18,708	--	--	--	--	2,275	1,580	4,300	1,676	6,409	2,468	9,065	--	--	--	--	43	258	545	238	5,515	2,468	3%		
511-0577	Industrial Transition	6,569	--	1,869	2,400	--	--	--	1,500	800	--	--	1,095	--	11	110	--	--	--	730	244	--	--	11%		
511-0580	Management Training	6,000	2,700	300	--	--	500	679	608	500	713	--	323	0	0	--	--	0	0	62	5	256	--	0%		
511-0584	Training for Development	4,720	2,451	--	--	--	505	864	900	--	--	--	267	0	--	--	--	7	59	201	--	--	--	25%		
511-0585	Export Promotion	20,384	--	--	--	2,399	2,207	4,778	4,500	3,500	3,000	--	2,369	--	--	--	0	0	14	22	8	2,325	--	1%		
511-0594	Community & Child Health	18,737	--	--	2,700	2,282	6,309	--	1,453	2,750	2,412	831	3,124	--	--	1	93	124	--	104	709	1,262	831	7%		
511-0596	Micro & Small Enterprise	12,449	--	--	2,540	2,476	440	2,043	1,500	2,150	1,300	--	4,123	--	--	5	1	143	146	1,239	1,289	1,300	--	7%		
511-0598	Strengthening Financial Markets	6,197	--	--	1,000	1,667	1,774	1,756	--	--	--	--	263	--	--	0	11	38	214	--	--	--	--	100%		
511-0607	Self Financing Primary Health II	6,500	--	--	--	--	--	563	1,651	1,200	900	2,186	2,263	--	--	--	--	1	0	48	132	2,062	--	0%		
511-0608	AIDS/STD Prevention & Control	3,801	--	--	100	225	175	504	1,000	1,000	797	--	343	--	--	0	0	24	0	32	36	251	--	7%		
511-0609	Justice Sector	1,950	--	--	500	--	968	244	238	--	--	--	2	--	--	0	--	0	0	2	--	--	--	0%		
511-0610	Democratic Institutions	3,350	--	--	450	--	--	500	1,000	1,000	400	--	490	--	--	0	--	--	62	8	37	385	--	13%		
511-0611	Bolivian Peace Scholarship	3,861	--	--	--	--	--	1,000	1,400	--	1,011	450	1,958	--	--	--	--	111	495	--	902	450	--	6%		
511-0613	Drug Awareness	9,220	--	--	--	--	--	2,500	2,500	1,500	2,720	--	2,821	--	--	--	--	102	140	150	2,429	--	--	4%		
511-0614	Electrification Sustainable Develop	14,200	--	--	--	--	--	1,000	6,700	6,500	--	--	3,312	--	--	--	--	0	0	3,312	--	--	--	0%		
511-0616	Technical Support for Policy Reform	7,000	--	--	--	--	--	--	1,800	1,100	4,100	--	5,996	--	--	--	--	--	666	853	4,077	--	--	0%		
511-0617	Cochabamba Regional Development	58,793	--	--	--	--	--	7,180	20,315	11,023	18,275	--	20,701	--	--	--	--	199	1,708	2,718	16,076	--	--	1%		
511-0618	CARE Community Development	6,200	--	--	--	--	--	2,000	1,250	1,300	1,650	--	225	--	--	--	--	0	0	0	225	--	--	0%		
511-0619	Interactive Radio Learning	4,293	--	--	--	--	--	415	1,300	1,251	1,252	75	437	--	--	--	--	0	10	0	352	75	--	0%		
511-0620	Child Survival PVO II	8,000	--	--	--	--	--	3,165	3,000	802	500	533	443	--	--	--	--	114	0	9	256	64	26%			
511-0621	Sustainable Forestry Management	5,476	--	--	--	--	--	--	--	4,043	1,433	--	3,494	--	--	--	--	--	--	2,061	1,433	--	--	0%		
511-0623	Special Development Activities	500	--	--	--	--	--	300	150	50	--	--	29	--	--	--	--	15	10	4	--	--	--	52%		
511-0624	Displaced Children	460	--	--	--	--	--	210	250	--	--	--	0	--	--	--	--	0	0	--	--	--	--	0%		
511-0626	Bolivia Administration of Justice	6,050	--	--	--	--	--	--	700	2,450	2,900	--	4,221	--	--	--	--	116	1,222	2,883	--	--	--	0%		
511-0531	Human Resources for Development	2,500	--	--	--	--	--	--	--	1,000	500	1,000	2,041	--	--	--	--	--	--	541	500	1,000	--	0%		
511-0633	Special Development Activities III	210	--	--	--	--	--	--	--	--	110	100	191	--	--	--	--	--	--	--	91	100	--	0%		
511-0634	Democratic Devel. & Citizen Partcip	1,400	--	--	--	--	--	--	--	--	--	1,400	1,400	--	--	--	--	--	--	--	--	--	1,400	--	0%	
Total Mission Managed Projects		235,628	6,151	2,169	9,690	9,049	15,153	31,281	58,015	45,595	50,382	9,043	70,596	0	11	116	105	379	1,295	6,088	13,482	40,650	8,470	3%		
Centrally Funded Projects																										
598-0780	Environ Support	216	--	--	--	--	75	141	--	--	--	--	0	--	--	--	--	0	0	--	--	--	--	0%		
598-0780.01	Wetlands for the Amencas	150	--	--	--	--	--	--	--	150	--	--	0	--	--	--	--	--	--	0	--	--	--	0%		
936-0560	Innovative Scient. Research	121	--	--	--	--	121	--	--	--	--	--	38	--	--	--	--	38	--	--	--	--	--	100%		
936-5970	AIDS&Child Surv	65	--	--	--	--	--	--	65	--	--	--	5	--	--	--	--	--	5	--	--	--	--	0%		
Total Central Funded Projects		552	0	0	0	0	196	141	65	150	0	0	43	0	0	0	0	38	0	6	0	0	0	88%		
TOTAL CENTRALLY FUNDED + MISSION MANAGED																										
		236,080	6,151	2,169	9,690	9,049	15,349	31,422	58,080	45,745	50,382	9,043	70,639	0	11	116	105	417	1,295	6,093	13,482	40,650	8,470	1%		

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

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C. RATING OF PROJECTS

SEMI-ANNUAL REPORT, OCTOBER 1, 1994 TO MARCH 31, 1995

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	B
6.	511-0598	Strengthening Financial Markets	C
7.	511-0505	FY 93 Economic Recovery Program BOP	C
8.	511-0614	Electrification for Sustainable Development	A
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	Bolivia Administration of Justice	B
5.	511-0631	Human Resources for Development	B
6.	511-0633	Special Development Activities III	B
7.	511-0634	Democratic Development & Citizen Participation	B

PROTECTING THE ENVIRONMENT

1.	511-0621	Sustainable Forestry Management	B
2.	598-0780	Environmental Support	B
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	B
2.	511-0594	Community and Child Health	C
3.	511-0607	Self Financing Primary Health Care II	A
4.	511-0608	AIDS/STD Prevention and Control	A
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	B
9.	511-0624	Displaced Children (Peace Corps Grant)	A

A = 10; B = 18; C = 4

III. 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
October 1, 1994 - March 31, 1995

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/World Bank
 AID Project Manager: 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: 732
 Cumulative: 6,274
 d) Accrued Expenditures: 1) Period-Projected: 400
 2) Period-Actual: 9
 3) Next Period Projected: 750
 4) Cumulative to date: 5,474
 e) Pipeline (b - d,4): 1,095

% LOP Elapsed: 96
 % of Total Auth. Oblig. (b/a): 100
 % of Total Oblig. Exp. (d,4/b): 87
 % of Total Auth. Exp. (d,4/a): 87

Note that figures for Pipeline (to March 31) have changed due to new data which was not available at the time MACS reports were issued. This figure should be: 816, with Actual Accrued Expenditures for the period of : 288

(*) U.S. based 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:			2,350
g) Counterpart Cumulative Planned as of	3/31/95	2,350	
h) Actual Counterpart Expenditures as of	3/31/95	2,349	
i) Accrued Counterpart Expenditures	9/30/94-3/31/95	0	
j) Total Counterpart Actual and Accrued Expenditures as of 3/31/95:		2,349	
k) Counterpart Planned Next Period:		275	
l) % of LOP Expended:		100	

Note: Due to recent reductions in DIFEM accounts, the project was forced to reduce its counterpart contribution down from over \$2.8 million to the current level. To make up for this a DA funds transfer will be made (INTRA PIL #17 in process) to cover costs of expenses, past and projected, incurred by the Unidad Ejecutora del Reordenamiento de Empresas Públicas.

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 channeled by a grant with the World Bank 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	0	1	0	0	0	0
2. Passage of Privatization Law	1	0	1	0	0	1	100

See Overall Status

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	0	0	1	100

C. Overall Status

Progress under the Pension Reform component has continued over this period, though politically, at a slower pace than expected.

Last estimates predicted that the Pension Reform Law would have been introduced to Congress sometime during the final months of 1994 with its subsequent approval in early 1995. To some degree this assumed that other reforms such the Capitalization program would have been well underway.

As was stated in past SAR, the GOB has linked Capitalization with Pension Reform through the decision to use the latter as a vehicle to distribute the government's shareholdings to eligible Bolivian citizens. As such the GOB's efforts to date have focused on developing the legal framework which would enable these divestitures to take place (i.e., the SIRESE Law (public utilities law), Telecommunications, and Electricity Laws); others, such as the Hydrocarbons Law, still are under review. In each case the process has proven to be much more complicated than originally anticipated, without much to show for efforts to date. This has taken its toll politically, forcing the government to reconsider its original timetable regarding when to take up the Pension Reform initiative.

In a recent debriefing given to the Ambassador and representatives from the Economic Opportunity Office, the Secretary for Capitalization, Alfonso Revollo, explained the revised government strategy which outlined not only the dates by which the GOB's parastatals (ENDE, ENFE, ENTEL, etc) are expected to be divested, but also explained that the Pension Reform initiative was still on-track, albeit with some delay. His forecast is that once this government has succeeded in delivering

2 to 3 capitalized companies, then the time will be appropriate to proceed with proposed reforms to the Pension System. To do so earlier would in his words, "be unrealistic".

In summary, the GOB will not have an approved piece of legislation by the project PACD, although it will have the foundations of a reform that will probably take place early next year. These essentially consist of a revised draft Pension Reform Law, a number of technical studies including audits and valuations of all the complementary Pension Funds, as well as studies designed to evaluate the fiscal impact of the reform and establish the systems for monitoring and supervision of the new system. Furthermore, the GOB has the blueprint for a large scale Public Information Campaign designed to start up shortly before legislation is introduced to Congress.

With regard to other privatization actions, there also is little to show. During this period no transactions took, though in recent conversations held with the Director of the UEREP, the government agency in-charge of privatization, there seems to be a renewed interest in getting this effort started again. The International Finance Corporation of the World Bank System and the GOB are in the process of signing an agreement which would establish a technical assistance program designed to accelerate the sale of assets (dairy plants, cement plants, etc.) still held by the Regional Development Corporations. At this time we have no definite timetable for these activities or their start dates.

Current plans call for a PACD of 8-31-95, which we propose to extend (with no additional funding required) until December of this year to permit an orderly closeout of all ongoing project activities.

D. Problems and Delays

In the previous SAR, this office had discussed the GOB's strategy which called for no major initiatives (including privatization) prior to the start-up of its Capitalization program.

At the time, the Mission believed this to be a reasonable approach, not knowing of course that little more would change for this reporting period. Given the lack of real progress on Capitalization, and the GOB's perception of the order in which these reforms should be addressed, it now appears unlikely that Pension Reform legislation will be approved before the end of this year. Though privatization may still be on the GOB agenda, the perceived level of opposition to this activity appears to be much less than that associated with any type of Social Security reform. Whether or not this government proceeds with reforms to the Pension system will in large measure depend on the political climate present at the end of the year, and its progress on meeting the promises it made to the Bolivian electorate two years ago.

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

The GOB's major challenge will be to turn around its current lackluster image by delivering on its campaign promises. To this end it is hoping to produce at least two major capitalizations (ENTEL and ENDE) by August of this year. LAB's (the national airline) conversion also seems possible within that time frame, with a slight possibility of one or two of ENAF smelters converting as well. The crown jewel, YPFB (the national oil company) will have to wait until the first semester of 1996, as there is still significant work to be done on the new Hydrocarbons Law, as well as strategy on how to best stratify the companies different operations. Finally, whether or not Pension Reform legislation will find its way into Congress before year end is still very doubtful. Odds are that the government will peak everyone's interest on this subject right up to the holidays, then, in January, decide to introduce this legislation along with a wide reaching public information campaign.

The Mission's activities until PACD of this project will continue to be supporting through the World Bank, technical assistance to the Secretaría Nacional de Pensiones as they wrap-up pending studies needed for the presentation to Congress of the Pension Reform Program.

Rating: A

PROJECT STATUS REPORT
October 1, 1994 - March 31, 1995

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	06/29/94	05/02/95	2

II. Financial Data (\$000)

a) Amount Authorized: 6,000
 b) Amount Obligated: 6,000
 c) Amount Committed: Period: 324
 Cumulative: 5,937
 d) Accrued Expenditures: 1) Period-Projected: 468
 2) Period-Actual: 393
 3) Next Period Projected: 228
 4) Cumulative to date: 5,677
 e) Pipeline: 323
 % LOP Elapsed: 97
 % of Total Auth. Oblig.: 100
 % of Total Oblig. Exp.: 95
 % of Total Auth. Exp.: 95

Counterpart Contribution (GOB):

f) Counterpart Planned LOP:	3,876
g) Counterpart Cumulative Planned as of 9/30/94:	3,876
h) Actual Counterpart Expenditures as of 6/30/94:	4,266
i) Accrued Counterpart Expenditures 7/1/94 to 9/30/94:	200
j) Total Counterpart Actual and Accrued Expenditures as of 9/30/94:	4,466
k) Counterpart Planned Next Period:	147
l) % of LOP Expended:	115

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.)	Cumula- tive	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1. Cost Recovery (Financial Sustainability) ¹	.65	.66	N/A	.74	.70	.75	115
2. Overhead Rate (Program Efficiency) ²	1.95	1.85	N/A	1.73	1.77	2.05	95
3. Deposits to Trust Fund ³	1,659,000	271,844	1,796,056	147,329	368,394	1,698,583	102

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	120	1,700	376	164	1,855	106
2. Number of Participants							
Male	24,636	1,680	23,883	5,264	3,455	32,994	134
Female	12,134	720	11,897	2,256	1,661	15,753	130
3. Participant Training Hours							
Male	448,900	30,240	419,400	94,752	80,200	645,266	144
Female	221,100	12,960	208,740	40,608	39,334	296,195	134

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.

C. Overall Status

By PACD IDEA will be covering its total operating expenses from the following sources: 65% from fee income, 11% from private sector support (INFOCAL) and 24% from interest generated by the trust fund. Excess income will be used to hold activities in cities where IDEA does not have regional offices.

As a result of an effective cost control policy, IDEA surpassed planned financial sustainability and program efficiency ratios. In 1994 calendar year fee income covered 81% of total costs, well above the planned ratio of 65%. The 1994 overhead ratio of 1.80 was also better than the target of 1.95.

Increased number of participants and private sector contributions that have exceeded the planned figures have resulted in more deposits to the trust fund. As of March 31, 1995 the target of \$1,659,000 has been met and around \$150,000 in additional deposits are planned for next period.

Demand for IDEA's services continues to increase and diversify. Several private and public institutions have approached IDEA for in-house training. As a result, agreements with the Bolivian Brokers Association (ABAB) and the National Exports Institute (INPEX) are under negotiation. Nonetheless, IDEA's Board of Directors and management are committed to investigate new market niches and develop more long and medium term courses to face the increasing competition.

Starting March 1995 Mr. Juan Carlos Castro, Financial Manager, has been appointed as General Manager. Mr. Hector Encinas, former General Manager passed away in February 1995.

Academic Activity

During the reporting period 17 seminars with international instructors were held in the three regional offices.

IDEA's fourth Foreign Trade program began this period, with 60 participants from La Paz and 45 participants from Santa Cruz.

The training activities sponsored by Technical Assistance Service (SAT), a GOB entity financed by the World Bank, resumed and the academic calendar and budget for 1995 were approved for a total of \$86,000, for 37 activities nationwide.

D. PROBLEMS AND DELAYS

The program on practical training in business administration with the support of the German Technical Assistance Service (GTZ) was postponed. Activities were re-scheduled for next period.

E. MAJOR ACTIVITIES FOR THE NEXT PERIOD

1. Sign training agreements with the ABAB and INPEX.
2. Start the program on practical training in business administration with the support of Swiss Contact and the German Technical Assistance Service.
3. Design new courses for public and private management.
4. Perform final audit.

Rating: **A**

PROJECT STATUS REPORT
October 1, 1994 - March 30, 1995

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: 112
 Cumulative: 4,529
 d) Accrued Expenditures: 1) Period-Projected: 300
 2) Period-Actual: 177
 3) Next Period Projected: 100
 4) Cumulative to date: 4,453
 e) Pipeline (b - d,4): 267
 % LOP Elapsed: 97
 % of Total Auth. Oblig. (b/a): 100
 % of Total Oblig. Exp. (d,4/b): 94
 % of Total Auth. Exp. (d,4/a): 94

Counterpart Contribution (GOB): (in \$000)	Cash	In Kind
	<u>1/</u>	<u>1/</u>
f) Counterpart Planned LOP:	170	1,920
g) Counterpart Cumulative Planned as of 03/30/95:	170	1,288
h) Actual Counterpart Expenditures as of 12/31/94:	136	1,464
i) Accrued Counterpart Expenditures 1/01/95 to 3/31/95:	(21)2/	27
j) Total Counterpart Actual and Accrued Expenditures as of 3/31/95 (h+i):	115	1,491
k) Counterpart Planned Next Period:	0	1
l) % of LOP Expended (j/f):	68%	78%

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.

1/ Local currency funding was cut as of January 25, 1995. In-kind contribution was adjusted to reflect data analysis of participants' in-kind contribution from 1985-1994. A PIL to reflect this adjustment and reduction in DIFEM's local currency contribution is in process. New totals for host country contribution after adjustment will bring the project within the 25% host country contribution required.

2/ Amount to be returned to DIFEM by contractor.

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	0	47	0	0	47	109
2.LT Masters Degree-Fe- male (1)	20	0	13	1	0	14	70
3.ST Technical-Male	120	0	126	0	0	122	101
4.ST Technical-Female	40	5	40	0	12	50	125
5.Democracy Awareness	M 30 F 30	0	0	0	0	30 30	100
6.In-Country Seminars-Male	80	0	186	0	0	223	278
7.In-Country Seminars-Fe- male (2)	80	0	105	0	0	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.The in-country component funded with local currency has concluded. The program doubled its LOP training target from 160 to 327 trained participants. This was accomplished without an increase in funding. Instead, the funding was eliminated entirely 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 F 20	0 0	43 20	0 0	0 0	48 15	111 75
2.ST Technical (new starts)	M 120 F 40	0 5	126 40	0 0	0 12	122 50	101 125
3.Democracy Awareness Program(discontinued in 1/89)	M 30 F 30	0 0	30 30	0 0	0 0	30 30	100 100
4.In-Country Seminar ST	M 80 F 80	0 0	186 105	0 0	0 0	223 104	278 130

C. Overall Status

1. Short-term training

With the training of 12 females, who participated in a short-term course on leadership, managerial abilities and empowerment during this period, the project exceeded its short-term target of 40 females by 25%, for a total of 50 females trained.

Identifying women trainees is a particularly difficult task in Bolivia, specially for long-term training. The social and economic conditions of the country do not encourage women to seek better life opportunities and professional growth. Yet, one third of the total number of trainees under the project were women and a high number of them have shown professional and economic growth since their return.

2. Long-term training

A total of 61 participants were trained under the long-term component 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, directorships and decision-making positions in the public and private sectors. The other 50% of all returned trainees hold 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 and managers in municipal government, banking, environmental policy-making, small enterprise, and rural development.

****** It is estimated that 70% of all trained women currently hold leadership positions, including a current cabinet post.

3. Follow-on program

* As of 1994, participants trained under the Training for Development Project have become actively involved in the Follow-on Program through a special program which, during this period, has sponsored/funded 10 activities. These seminars and workshops have reached an estimated 150 returned trainees and benefitted approximately 1,600 individuals throughout Bolivia.

* Participants have taught seminars and conducted workshops and lectures to train other participants or the general public 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, gender and project management.

* The net in-kind contribution of returned participants through these seminars and courses during this period is estimated at \$ 15,000.

* Special library collections in four to six local universities or public libraries will be established by the returned trainees themselves. This follow-on activity is being coordinated with the RTAC program.

* A group of participants is working to become an NGO and has preliminarily initiated a pilot program to benefit campesinos from remote rural areas. The group intends to assist rural communities in project preparation to access development funds.

4. In-Country Training

All activities under this component have concluded. The in-country component sought to reach returned trainees of former year programs who required refresher courses or new skills. The original target of 160 in-country trainees was doubled: a total of 327 people were trained with the same amount of funds budgeted for 160 participants 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 five high-impact Follow-on Program seminars are scheduled for the next period. These 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.

Two departmental and a national alumni encounter for returned trainees are planned for the next period. These encounters have the purpose of integrating returned trainees from all years/all projects and encourage the formation of departmental networks of change agents, where multidisciplinary teams can transmit their skills to others and in many cases will likely become NGO's.

2. The host country contribution, targeted at 31%, will be adjusted down to the 25% required to reflect the actual anticipated host country contribution through the project's PACD. This adjustment will result from: a) the reduction in the cash contribution by DIFEM and, b) the lower than anticipated salaries earned by the participants from 1985 through the LOP. A PIL to reflect these adjustments is being processed.

3. A national directory of returned trainees is scheduled for publication and distribution by May 30, 1995. This directory is a revised edition of the one published in 1994 and is expected to include all Mission funded participants from 1985/1995. This directory, will be distributed to over 200 GOB institutions, to NGOs and to private institutions, in addition to distributing it to our returned trainees.

4. The final evaluation of the Training for Development project will be done beginning May 1, 1995.

Rating: A

PROJECT STATUS REPORT
October 1, 1994 - March 31, 1995

I. Background Data

Project Title: **Export Promotion**
Project Number: 511-0585
Date of Authorization: original 11/15/88
Date of Obligation: original 11/18/88 amended 07/26/94
PACD: original 11/16/93 amended 09/30/95; 04/30/96
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: 04/96
Audit:

Organization	Audit Responsibility	Last Audit Completed	Next Audit Begin Date	Total Audits Completed to Date
CARANA Corp.	OP/PS/OCC	(1)	--	
IBCE	Recipient	02/95	(3)	1
INPEX	Recipient	(2)	--	
FUNDA-PRO	Recipient	05/30/94	01/31/95 (4)	2

(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) Financial review will be performed at Mission level by Controller's Office 05/95 and 07/95. C.A. ends 08/31/95.

(4) Final 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: 2,019
Cumulative: 19,225
d) Accrued Expenditures: 1) Period-Projected: 1,800
2) Period-Actual: 1,953
3) Next Period Projected: 1,216
4) Cumulative to date: 18,015
e) Pipeline (b - d,4): 2,369
% LOP Elapsed: 85%*
% of Total Auth. Oblig. (b/a): 87%
% of Total Oblig. Exp. (d,4/b): 88%
% of Total Auth. Exp. (d,4/a): 77%

* Note PACD extension to April 30, 1996.

Counterpart Contribution (GOB):

f) Counterpart Planned LOP:	4,477*
g) Counterpart Cumulative Planned as of 3/31/95	4,636
h) Actual Counterpart Expenditures as of 12/31/94	5,555
i) Accrued Counterpart Expenditures 1/1/95 to 3/31/95	1,135
j) Total Counterpart Actual and Accrued Expenditures as of 3/31/95 (h+i):	6.690*
k) Counterpart Planned Next Period	189
l) % of LOP Expended (j/f)	151%

* The Project Agreement does not include the export financing component in the LOP counterpart contribution amount. Nevertheless, this component has generated counterpart and is reported in "j".

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	14,000	78,030	14,000	15,550	109,330	109
2. New jobs created	10,325	800	8,550	800	2,158	*9,342	90
3. Foreign investor generator export capacity (\$000)	50,000	4,500	37,600	4,500	4,558	55,588	111

Notes:

Jobs reported are actual. Temporary jobs during construction/expansion phase have resulted in 30,463 person months of employment.
*Increase in cumulative figures reflect adjustment due to detailed revision of data and audit results.

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	*15	*220	0	15	282	113
2. Investor visits	220	*48	*208	**12	20	186	85
3. Loan Portfolio (\$000s)**	3,300	1,110	4,710	***0	1,220	3,750	114
4. Export reference libraries established	3	0	3	0	0	3	100

Notes:

- * Increase in figure result of revision of data.
- ** Periodic targets set in early years projected 48 site visits for this period. Trends and experience demonstrate that 20 site visits/period is the norm.
- *** This component ends 3/31/95.

C. Overall Status

This period has been one of intense activity on a variety of fronts. The project termination date has been extended to April 30, 1996 and a further extension to April 30, 1998 will be proposed during the beginning of the next period. This is excellent news for Bolivia as the export sector, especially in non-traditional products, is experiencing a growth period which, with the assistance of this project, will become sustainable.

The BOLINVEST component generated \$15,550 million in exports during the period for a total of \$106.7 million which exceeds the EOPS target for exports (\$100 million). Targetting small businesses reduces the amount of exports generated yet is increasing the potential of these companies to eventually export a better product in larger quantities. New exports to Argentina and expanded exports to Brazil of shirts and blouses have been successful. German buyers purchased the entire production of high quality, alpaca ready to wear dress clothes. A new export product, fruit juices in tetra brik packaging, to Peru was achieved, as well as exports of beer to Brazil. Increasingly, BOLINVEST is working with groups of companies in specific sectors. Technical assistance has been given to manufacturers/producers of leather goods, shoes, and flowers, and to several companies for improving packaging and shipping methods. An "Exporter's Guide to Peru" was prepared and was well received by Bolivian exporters. Similar guides are being developed for Brazil and Argentina.

Foreign investments have grown 8.91% during the period from \$51.0 to \$55.58 million. Anticipated project phase-out limited the promotion potential. New promotion activities were stopped to reduce demand which could not be satisfied. Now that the project has been extended, more aggressive promotion activities are planned. The sectors initially identified continue to perform well. A Peruvian manufacturer of hand made gold chains has increased its investment to \$1 million, creating 150 jobs and is now exporting \$1.7 million per month. A large agricultural cooperative from Brazil has purchased land and planted soy beans for an initial investment of \$1.3 million.

Domestic investment is up 11.67% to \$55.5 million and is primarily in the wood, agroindustry, and confections sectors. Several sawmill operators who traditionally export tree trunks are investing heavily in equipment to manufacture value added wood products. Infrastructure investments by flower producers in the Cochabamba area and exports of carnations to Argentina have begun.

Employment generation resulting from BOLINVEST intervention has increased to 8,916 full time jobs. Capital investments create temporary jobs and this period 30,463 person months of work were recorded.

As mentioned last period, the institutionalization of BOLINVEST is underway. Project staffers have held several strategic planning sessions. They have begun the legal process to create a foundation, which in form will be similar to a private company, avoiding the organizational pitfalls which afflict many NGOs in Bolivia. Prominent private sector individuals will be the "founders" of the organization.

Personnel changes resulted in re-engineering of the organization to streamline operations, increase efficiency and reduce costs. The new structure consists of three regional offices, supported by the new Planning and Operations Management Division, and the Administrative Office. There no longer exists a separate export and investment division. Staff members have developed expertise in certain sectors and promote exports and investments based on regional needs. The Planning and Operations Management Division provides support to all three regional offices with information, library, and computer services, coordination of technical assistance and trade shows, and supervises and coordinates the activities of the overseas promoters.

The BOLINVEST staff is pursuing strategies to become financially self-sufficient. A BOLINVEST proposal submitted to the Multi-lateral Investment Fund of the IDB (InterAmerican Development Bank) has been well received. In addition, BOLINVEST will ask the CAF (Corporación Andina de Fomento) for money to support PROATEC activities (technical assistance to small rural farmers of exportable non-traditional products). Information is being collected regarding financing from US foundations or corporations. Soon they will publish a bulletin, give presentations and solicit support from the local and national chambers of commerce and industry. The project staff is dedicated to the growth and diversification of the Bolivian economy through the promotion of non-traditional, value added, exports from and investments in Bolivia.

The Cooperative Agreement with the Bolivian Institute for Foreign Commerce (IBCE) in Santa Cruz was slightly modified to respond to the expressed needs of the Institute as it reaches the end of the agreement period. This activity will terminate in August, 1995. IBCE is maturing and benefits from the export library, shared funding of trade show participation, and limited support for its monthly newsletter, considered by many to be the best of its kind in Bolivia.

The export financing component ends as of this period. The Cooperative Agreement with FUNDA-PRO and LAAD to provide credit at commercial rates to those with little access to the private banking system has proved to be successful. Though significantly reduced in scope, the program ends with disbursements of \$3.75 million channelled to fourteen projects (six are new). The LAAD contribution to the portfolio was equivalent to 30% at the end of the semester and exceeds the amount promised in the agreement (25%). The projects included in the portfolio created 426 full-time jobs. Export sales for the period reached \$2 million and should double once the harvest period is completed. LAAD reports there is demand for this type of financing in the agriculture sector. With the influx of Brazilian farmers, there are a large number of potential customers. Several existing customers have made principal payments on their loans. To date they have only one loan delinquent which is requiring legal proceedings. A final report and negotiations with USAID will determine the future use of reflows from this activity.

D. Problems and Delays

Generally the export and investment environment is good. Enabling laws are in place yet implementation of the existing laws has not been constant. Certain elements of the GOB are not satisfied with

the laws and have proposed reforms which continue to be debated. This is causing uncertainty within the private sector. Many potential investors are waiting for a definition of the regulatory framework. Exporters are frustrated by threats to change the tax and incentive structure and the apparent unwillingness of the GOB to define the rules of the game.

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

Work will continue to transform BOLINVEST into a legal entity and to strengthen its local support base. Discussions with other donors will be ongoing. With the extension of the PACD completed, BOLINVEST will resume promoting Bolivia, organizing presentations in the countries where they have representatives as well as in Colombia and Venezuela.

PROJECT STATUS REPORT
October 1, 1994 - March 31, 1995

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: 06/30/97
 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	(c)	-	-
PRODEM	Recipient	08/18/93	05/01/94	2
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.
 (c) As per WOCCU's information on 04-25-95, Stabilization Funds were audited in Home Office. Final report will be sent to Mission on May 1995 for review.

II. Financial Data (\$000)

a) Amount Authorized: 14,350
 b) Amount Obligated: 12,449
 c) Amount Committed: Period: (1,913)
 Cumulative: 9,615
 d) Accrued Expenditures: 1) Period-Projected: 1,127
 2) Period-Actual: 554
 3) Next Period Projected: 1,200
 4) Cumulative to date: 8,326
 e) Pipeline : 4,123
 % LOP Elapsed: 72
 % of Total Auth. Oblig. (b/a): 87
 % of Total Oblig. Exp. (d,4/b): 67
 % of Total Auth. Exp. (d,4/a): 58

Counterpart Contribution (GOB and Private Sector):

	GOB	PS
f) Counterpart Planned LOP:	2,850	2,725
g) Counterpart Cumulative Planned as of 3/31/95:	2,843	2,362
h) Actual Counterpart Expenditures as of 12/31/94:	2,459	1,920
i) Accrued Counterpart Expenditures 1/1/95 to 3/31/95:	0	73
j) Total Counterpart Actual and Accrued Expenditures as of 3/31/95 (h+i):	2,459	1,992
k) Counterpart Planned Next Period:	391	560
l) % of LOP Expended (j/f):	86	73

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 Internacional/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.
- 6) Microfinance component: this program will provide technical assistance to and equity investments in those microfinance institutions with the potential for large-scale expansion. It will also provide support to the Superintendency of Banks and Financial Institutions to supervise and regulate microfinance institutions.

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	20,450	6,000	7,077	45,143	2,960
2. Number active borrowers PRODEM-BancoSol: Male (35%) Female (65%) (c)	1,750 3,250	595 1,105	7,795 15,105	1,050 1,950	793 1,474	25,750 47,822	1,471 1,471
3. No. of Credit Unions stabilized (or in process) (b)	15	5	15	5	0	5	33
4. 150% increase in assets among supervised CUs	150%	10.04%	21.08%	10.04%	26.85%	87.52%	58
5. No. of active Borrowers APPLE/PRODEM Male Female (c)	2,420 2,430	755 756	1,317 1,318	735 735	663 987	1,138 2,271	47 94

(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 are being used for SARs.

(b) Fifteen signed agreements is the LOP ceiling under the project, but results are running behind schedule due to USAID requested changes in the stabilization fund amount and use of principal.

(c) Figures for PRODEM were reported incorrectly last period. As a result, there are discrepancies between this SAR and the September 30, 1994 SAR on planned and cumulative amounts.

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%)(b)	2,450,000	4,000,000	11,100,000	2,500,000	1,827,099	15,966,319	652
2. No. of Credit Unions under supervision of Superintendency of Banks	30	4	14	2	2	12	40
3. APPLE/PRODEM Loan Portfolio	999,000	286,542	624,000	250,000	317,283	609,082	61

B. Major Output Indicators	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
4. APPLE/PRODEM Portfolio Delinquency Rate	1.5%	1.5%	n/a	1.5%	.47%	n/a	n/a

(a) We estimate that approximately 50% of PRODEM's and BancoSol's portfolios derive from actual USAID related funds.

(b) Figures for PRODEM were reported incorrectly last period. As a result, there are discrepancies between this SAR and the September 30, 1994 on planned and cumulative amounts.

C. Overall Status

APPLE: During the reporting period, the APPLE agreement established between FUNDA-PRO and PRODEM has made significant progress. Disbursements made to date have enhanced PRODEM's rural operations significantly. With APPLE funding, coupled with counterpart credit from FUNDA-PRO, PRODEM has opened up three new rural branches and a regional office in Tarija. Over the past six months, PRODEM has met or exceeded all its performance targets.

USAID and FUNDA-PRO identified a suitable replacement for Sartawi, which had been disqualified for APPLE funds due to internal administrative problems. The new candidate is called Fomento de Iniciativas Económicas (FIE), a La Paz based NGO which specializes in the delivery of credit services to micro and small enterprises. The Cooperative Agreement with FUNDA-PRO was amended to include FIE participation in the amount of \$350,000 of USAID funds. FIE credit operations using APPLE funds will begin during the next SAR period.

WOCCU: The WOCCU component continues to generate positive results in the strengthening of the Bolivian credit union system. Assets in the twelve credit unions under direct supervision of the Superintendency of Banks and Financial Institutions grew 27% during the six month period. Delinquency for these licensed credit unions dropped almost ten points during the six month period to an average of 15.4%. Although only 12 credit unions are licensed by the Superintendency, three more have provisional licenses and the majority of an additional 50 credit unions are in compliance with the regulations and requirements of the Superintendency and are reporting all their financial information monthly in a standard chart of accounts. The entire credit union system, which represent around 100 credit unions, has approximately \$250 million in assets. This represents 6.9% market share of the Bolivian financial system, which is a considerable increase over the 2% market share which existed two years ago. In addition to substantial increases in asset growth and market share, the number of depositors increased 39% during the period.

These results are due largely to the technical assistance and stabilization work of WOCCU and regulation of credit unions by the Superintendency of Banks and Financial Institutions. WOCCU has signed five stabilization agreements to date to provide much needed capital to capital deficient credit unions. WOCCU has also been providing technical assistance to 26 credit unions, 15 of which were signed up in the past six months.

PRODEM: The PRODEM/BancoSol component continues to successfully provide financial intermediation for Bolivia's marginal population. Again this period, over 7,000 new jobs were created as a result of PRODEM/BancoSol loans. Together, these two institutions serve over 73,000 current loans customers. This figure is greater than all the customers from Bolivia's 15 commercial

banks combined, and is twice the number of customers served by the dozens of NGO microfinance programs combined.

Despite relatively rapid growth, both institutions have begun to put greater emphasis on improving operations. PRODEM, in particular, is conducting research in order to refine its service technologies for the rural areas in which it works. BancoSol is putting emphasis on diversifying the liabilities side of its balance sheet, especially with regard to increasing the mobilization of poor peoples' deposits. BancoSol, because of its extremely rapid growth in 1994, suffered from delinquency rates that had risen to nearly 8 percent. Through a recent loan collection campaign, its has reduced these rates to under 5 percent. Nonetheless, this example shows the importance of balancing growth with sound administration.

USAID's Cooperative Agreement with PRODEM expired March 31, 1995. The close-out of the component will take place after the Mission completes institutional and financial reviews of PRODEM's transfers to BancoSol. Nonetheless, we will continue to report BancoSol and PRODEM performance indicators in this SAR because of USAID's other forms of assistance to both institutions, and because of the Mission's continued involvement in the growth of Bolivia's microfinance sector.

FEBOPI: Activities under this component have ended. The draft audit is complete. FEBOPI's approval is required to issue the final report.

D. Problems and Delays

MICROFINANCE: By the end of this SAR period, we expected to have had an agreement signed with an institution to implement the technical assistance and equity investment components of the program. This was held up because the GOB took nearly three months to sign the Cooperative Agreement Amendment.

APPLE: Due to administrative problems in Pro Mujer, the Mission decided to postpone the signing of a cooperative agreement for at least 90 days. In early June, 1995, we will reassess Pro Mujer's weaknesses and determine whether or not to proceed with the \$500,000 program.

WOCCU: WOCCU was not able to sign any additional stabilization agreements this period because of changes in the stabilization fund and associated agreements that USAID requested. Under this subproject, we have transferred \$1.89 million from the Stabilization Fund with WOCCU to be used for a new microfinance activity. As a result, the Mission requested that WOCCU hold any future stabilization agreements until we had secured all approvals for the transfer and could rewrite the stabilization agreements. Presently, funds have been transferred from WOCCU and the Stabilization agreements have been reworded to reflect the use of both interest and principal, (as opposed to just interest) from the stabilization fund. WOCCU has three credit unions lined up to sign stabilization agreements immediately and expects to have a total of 15 signed agreements by June, 1995.

We have experienced other delays in the supervision of all credit unions by the Superintendency of Banks. Although 12 credit unions are presently licensed and supervised, it has been a slow and painful process to advance supervision for additional credit unions. There is some resistance within the Superintendency based on the lack of resources to supervise 50 additional credit unions and the uncertainty of new regulations in the revised banking law. The revised law, expected by the end of this year, will determine the fate of the Superintendency's role with respect to all credit unions. WOCCU is working closely with the Superintendency in representing the best interest of the credit unions.

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

MICROFINANCE: The Mission is in the process of issuing Requests for Assistance for the implementation of this program. An agreement should be in place by the end of the period. Meanwhile, we will begin support to the Superintendency of Banks and Financial Institutions to supervise and regulate microfinance institutions. The WOCCU Cooperative Agreement will be amended to provide this support to the Superintendency.

APPLE: The Mission will decide whether or not to provide \$500,000 in support to Pro Mujer. We will also begin implementation of our support to FIE.

WOCCU: WOCCU will push hard to sign ten stabilization agreements in the next six months.

Rating: C

PROJECT STATUS REPORT
October 1, 1994 - March 31, 1995

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 12/31/95
 Implementing Agencies*: Bolivian Securities Exchange (BBV); National Securities Commission (CNV); Association of Banks & Financial Institutions of Bolivia (ASOBAN); 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

<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	9/14/94	4/30/95	2

II. Financial Data (\$000)

a) Amount Authorized: 6,200
 b) Amount Obligated: 6,197
 c) Amount Committed: Period: 7
 Cumulative: 6,035
 d) Accrued Expenditures: 1) Period-Projected: 272
 2) Period-Actual: 230
 3) Next Period Projected: 65
 4) Cumulative to date: 5,934
 e) Pipeline: 263

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

% LOP Elapsed:	81
% of Total Auth. Oblig.:	100
% of Total Oblig. Exp.:	96
% of Total Auth. Exp.:	96

Counterpart Contribution (GOB):

f) Counterpart Planned LOP:	1,765
g) Counterpart Cumulative Planned as of 12/31/94:	1,765
h) Actual Counterpart Expenditures as of 12/31/94:	1,242
i) Accrued Counterpart Expenditures 1/1/95 to 3/31/95:	0
j) Total Counterpart Actual and Accrued Expenditures as of 3/31/95	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 weak financial markets retard 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

A. Purpose Indicators/ EOPS	PLANNED				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	0.65	0.61	122
2. Overhead rate (Program Efficiency)(b)	1	1	N/A	1	2.98	1.84	54
3. Deposits to Trust Fund	598,181	175,807	462,691	0	273,807(c)	456,614	75

(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) Around \$50,000 from fee income and ASOBAN support will be deposited when USAID reimburses PROCAF for expenses incurred during the first quarter of 1995, bringing the total deposits to the trust fund to \$506,614 or 85% of 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 Training activities	230	45	198	0	47	187	81
2. Number of Participants							
Male	4,312	2,000	5,507	0	290	4,402	102
Female	1,438	452	1,620	0	177	1,646	114
3. Participant Training hours							
Male	100,000	22,000	96,543	0	11,104	93,340	93
Female	33,500	9,000	33,847	0	6,806	36,951	110

C. Overall Status

Since the only active project component ended on March 31, 1995 this will be the last project status report. Two activities were authorized to be completed after CA expiration date: the final audit and the development of a new data processing system, which was procured during the life of project. Project Grant Agreement, which current PACD is 12/31/96 will be terminated.

In January, ASOBAN submitted a proposal for a no-cost extension of the cooperative agreement expiration date. However, the proposal was weak in several respects: the narrative description was sketchy and incomplete; assumptions were made about costs and income without adequate explanation; it lacked of a strategy for cost control and improved efficiency, and finally; ASOBAN did not state how it was going to monitor and control the program to ensure program efficiency. The Mission, therefore, decided not to approve the extension, and the cooperative agreement terminated on March 31.

The PROCAF program has demonstrated strength in several areas, especially with regard to the quality of its courses. There is also considerable demand in Bolivia for bank training, although PROCAF is only one of several institutions competing for the market. The eventual success or failure of PROCAF depends on the level of support it receives from its parent institution, ASOBAN. Unfortunately, ASOBAN has not given PROCAF the degree of attention it requires neither financially nor administratively. In particular, increased financial support from ASOBAN will be required, as the interest generated by PROCAF's trust fund will not cover its operating deficit.

1. Academic Activity

PROCAF reviewed and improved its medium-term courses, scheduled to begin in 1995.

A more aggressive public campaign was started to market PROCAF's 1995 activities.

An agreement was signed with the Catholic University of Santa Cruz, to give university credit for the Corporate Management and the Securities Market programs.

2. Audit

The 1993 audit was completed. The findings include:

- PROCAF does not have operating, policy, or employee manuals.
- The course costs do not reflect the real costs and include some costs that cannot be identified.
- The accounting system allows vouchers' replacement, which makes it less reliable. In addition, the system does not generate reports, which are still done manually.
- PROCAF has failed to comply with the academic plan submitted to AID.

D. Problems and Delays

The problem of ASOBAN's lack of commitment has been discussed above. We believe this contributed to the submission of a poorly prepared project extension request. With one week left in the project, ASOBAN approached USAID's Economic Opportunity Office for advice about PROCAF's future. They want the program to continue, but are considering the possibility of looking for another institutional home for PROCAF (IDEA or the Catholic University). We will have a better idea of PROCAF's probability for survival within six months.

The corporate management program in Santa Cruz was not started because PROCAF could not find qualified instructors.

Activities under the executive development program were postponed until April 1995.

During 1995 ASOBAN did not disburse agreed upon monthly contributions to the program.

E. Major Activities or Corrective Action During the Next Period

1. Agree on future uses the trust fund.
2. Perform the final audit.
3. Prepare the project assistance completion report.

PROJECT STATUS REPORT
October 1, 1994 - March 31, 1995

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: Olivier Carduner; Sonia Aranbar
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. CPs for 3rd. and 4th. tranches met on 11/17/94 as per POL No. 12.
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	5/95	2

II. Financial Data (\$000's)

a) Amount Authorized: \$30,000
b) Amount Obligated: \$30,000⁽²⁾
c) Amount Committed: Period: \$0
Cumulative: \$30,000
d) Accrued Expenditures: 1) Period-Projected \$5,498
2) Period - Actual: \$5,498
3) Next Period Projected: \$4,500
4) Cumulative to date: \$25,498
e) Pipeline: (b-d,4): \$4,502

% LOP Elapsed: 100
% of Total Auth. Oblig.: 100 (b/a)
% of Total Oblig. Exp.: 85 (d,4/b)
% of Total Auth. Exp.: 85 (d,4/a)

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

⁽²⁾ Shows deobligations totalling \$10.0 million during first semester of FY 95.

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 12/31/94 ⁽³⁾	\$19,123
i) Actual Counterpart Expenditures 1/1/95 to 2/28/95: ⁽³⁾	\$ 0
j) Total Counterpart Actual Expenditures as of 2/28/95 (h+i)	\$19,123
k) Counterpart Planned Next Period:	\$ 2,250
l) % of LOP Expended (j/f)	64%

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 \$36.9 million under this program, as amended). 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 \$25.5 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 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 final disbursement of \$4.5 million will be processed in April 1995.

⁽³⁾ 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 ⁽⁴⁾</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 1994, GDP increased at an annual rate of 4.2 percent. Led by strong growth in non-traditional exports, growth during the first two months of 1995 is estimated at an annual rate of 3.5%. The GOB's target for 1995 growth is 4.5%.</p> <p>Inflation for the first quarter of 1995 was 2.3%, for an annualized rate of 9.4%. Fiscal discipline, which led to a fiscal surplus during the first quarter, and tight monetary policy are expected to reduce inflation to 7.5% the target for the year.</p> <p>During CY 1994, the fiscal deficit declined to 3.3% of GDP down from 6.6% in 1993. In 1995, the fiscal deficit is expected to rise to an estimated 3.7% of GDP as a result of the implementation of the structural reforms which will require additional domestic as well as foreign funding.</p> <p>In 1994, the current account deficit of the balance of payments (excluding transfers) declined to 7.5% of GDP as a result of a 36% increase in merchandise exports. This deficit is expected to increase to 10.6% of GDP in 1995 due to higher import requirements of the GOB's capitalization program. The level of net international reserves as of March 1995 were a respectable \$483 million.</p>

⁽⁴⁾ 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)	6,200 ⁽⁵⁾	0	4,000	2,250	1,647	3,978	64
2. Counterpart to MDO projects	15,300 ⁽⁵⁾	2,000	10,000	0	2,893	9,709	63
3. USAID/B Trust Fund	4,000	0	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 ⁽⁶⁾	0	5,500	0	0	3,230	58
5. Coca seedbeds in m2 (during LOP, from 1/1/93 to 9/30/94)	20,000	0	20,000	0	0	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	0	1,060 ⁽⁷⁾	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	0	42 ⁽⁷⁾	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	0	158 ⁽⁷⁾	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	0	9.45 ⁽⁷⁾	N/A
10. External debt repayment - Dollars used (US official and multi-lateral debt)	30,000	0	30,000	0	4,988 ⁽⁸⁾	24,621	82

⁽⁵⁾ LOP figures based on total planned LC generations (i.e., \$30 million), however, only three tranches have been generated so far (i.e., \$25.5 million) distributed as follows:
 \$6.2 million for USAID/B projects
 \$15.3 million for MDO/GOB projects, and
 \$4.0 million for the USAID Trust Fund.

⁽⁶⁾ Amended

⁽⁷⁾ Estimates based on cumulative figures as of 2/28/94 as per NAS reports.

⁽⁸⁾ Source: CONT Office, USAID/Bolivia.

(*) No specific targets were established for this period.

C. Progress on Covenants ⁽⁹⁾

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 albeit at a slow pace, 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. The third and fourth tranches were processed in November 1994, upon receipt of the GOB's request and information on compliance with established CPs.

During this reporting period and in view of reduced program levels for the third and fourth tranches, as well as the lack of a new ESF Balance of Payments program in FY 95, drastic modifications were made to projects receiving local counterpart contributions from the ESF program. Out of 26 ongoing projects as of December 1994, 22 activities were either terminated or modified to receive funding from alternative sources, including the Bolivian Treasury and PL 480 program. The decision was based on a thorough analysis of Mission priorities and availability of funds. The GOB implementing agency, DIFEM, will continue to administer funds from alternative sources for 17 projects in order to assure continuity and monitoring, as well as to carry out close out activities in an orderly fashion. Also during this period, the total program level was reduced from \$40.0 million to \$30.0 million to reflect slower GOB achievement of eradication targets.

⁽⁹⁾ Sources: Office of Economics, USAID/Bolivia, and DIFEM

Debt service to the U.S. and multilateral donor organizations during this semester amounted to \$4,988,000.

A total of \$15.0 million in local currency was deposited by the Bolivian Treasury into the Central Bank account by the end of September 1994. These funds were jointly programmed by DIFEM and USAID and allocation of funds to projects were negotiated individually and reductions and adjustments approved in view of the lack of new disbursements during this semester.

A total of \$13.9 million in local currency was disbursed by DIFEM to implementing agencies as of February 28, 1995.

E. Problems and Delays

This period was a specially difficult one for DIFEM and for the projects which receive counterpart local currency funds. DIFEM quickly adapted to the new conditions of the program and demonstrated its ability to manage and reprogram funds timely and efficiently in order to meet projects' financial needs, thus contributing to reducing difficulties and delays and facilitating smooth continuation of project implementation plans during this transition period.

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

ACTIONS	TARGET DATE
1. Process final disbursements and approve joint programming of LC funds	May 95
2. Carrying out of DIFEM's 1994 audit	May 95

PROJECT STATUS REPORT
October 1, 1994 - March 31, 1995

I. Background Data

Project Title: **Electrification for Sustainable Development (ESD)**
 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
 Status of CPs/Covenants: N/A
 Date of Last Evaluation: 07/01/94 Next Evaluation: 09/01/96
 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

II. Financial Data (\$000)

a) Amount Authorized: Grant: original 15,000 Amended to 19,200
 b) Amount Obligated: Grant: original 1,000 Amended to 14,200¹
 c) Amount Committed: Period: 0
 Cumulative: 14,200
 d) Accrued Expenditures: 1) Period - Projected 2,000
 2) Period - Actual 1,366
 3) Period - Next 1,750
 4) Cumulative: 10,886
 e) Pipeline (d, 4/b): 3,312²

¹This amount includes \$4.2 million in Global Environmental Facility (GEF) funding for renewable energy activities.

² Of this amount, about \$2.5 million is committed to contracts for renewables equipment.

% LOP Elapsed since (07/26/91):	70
% of Total Auth. Oblig. (b/a):	74
% of Total Oblig. Exp. (d,4/b):	77
% of Total Auth. Exp. (d,4/a):	57

Counterpart Contribution (GOB and Private Sector):	DIFEM	Other Counterpart
f) Counterpart Planned LOP:	2,000	4,974 ³
g) Counterpart Cumulative Planned as of 12/31/94:	1,827	6,361
h) Actual Counterpart Expenditures as of 12/31/94:	1,827 ⁴	6,361 ⁵
i) Accrued Counterpart Expenditures from 1/1/95 to 3/31/95:	000	000
j) Total Actual and Accrued Expenditures as of 3/31/95 (h+i):	1,827	6,361
k) Planned Next period:	000	000
l) % of LOP Expended (j/f):	91	128

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 are key inputs for help transforming the Bolivian economy through increased employment, income, investment and productivity in non-coca activities.

IV. Project Purpose

The purpose of the Project is to provide sustainable and customer-oriented electricity service to more rural households and businesses.⁶

V. Project Description

The Electrification for Sustainable Development Project is designed to: 1) expand the use of electricity to provide licit jobs and economic opportunities in coca growing and associated areas; 2) construct 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) improve the operational standards of rural electric distribution entities to help them provide quality service acceptable to productive use customers; 4) establish a viable institution capable of sustaining a flow of investment capital for rural electrification in

³Revised downward to reflect amount contained in Amendment #3 to CA.

⁴Includes a late disbursement made in January, '95.

⁵ELFEC, CRE, ENDE and CER only.

⁶This is the modified Project Purpose as contained in the revised Logical Framework amended March, 1995.

Bolivia; and 5) achieve Rural Electrification (RE) policy reforms with the GOB that enable successful implementation of sustainable RE sector development activities. The Project is implemented by NRECA through a Cooperative Agreement.

VI. Project Status

A. Purpose Indicators/EOPS ⁷	PLANNED				ACCOMPLISHED		
	LOP BASELINE	Period (6 mo.)	Cum.	Next Period	Period (6 mo.)	Cum.	% LOP
1. Increase in energy sales in ESD projects	3.6 GWII	.3	.765	6	7.96	11.78	327
2. Growth in new line capacity (based on transformers)	800 km	200	1,404.5	100	301	1,394.79	174
	5,000 KVA	1,500	8,487.5	5,000	8,851	14,061	281
3. Average energy loss in target utilities reduced by 20% ⁸	20%	---	---	---	---	---	---

⁷ This purpose level indicator table has been revised based on the amended project logical framework resulting from project management's strategy to emphasize sustainability of project interventions (this strategy was confirmed in the project's recent mid term evaluation). The revisions included here are: (1) "Incremental growth in rural electric service connections" (purpose level indicator from previous reports) has been moved to the output level as major outputs 1 and 2; and (2) purpose level indicator #3 herein has been added to reflect the project's emphasis on sustainability of counterpart institutions.

⁸ Once a monitoring methodology for this indicator is developed, planned figures will be calculated and accomplished data will be collected.

B. MAJOR OUTPUTS ⁹	PLANNED				ACCOMPLISHED		
	LOP BASELINE	Period (6 mo.)	Cum.	Next Period	Period (6 mo.)	Cum.	% LOP
New Service Provision							
1. New RE customers connected outside Cochabamba region	8,000	1,000	5,900	0	4,388	10,280	128
2. New RE customers connected inside Cochabamba region	7,000	1,500	6,000	1,500	905	11,439	163
3. Number of Productive Users (PU) connected inside Cochabamba region	1,000	250	950	100	20	1,210	121
4. Number of PU connected outside Cochabamba region	1,200	500	1,000	500	1,045	1,522	126
5. Renewable energy household Photovoltaic (PV) systems installed (EOP)	2,000	0	0	500	0	176 ¹⁰	8

⁹ This major outputs table has been revised based on the amended project logical framework resulting from project management's strategy to emphasize sustainability of project interventions (this strategy was confirmed by the recent project midterm evaluation). Revisions are as follows:

- * In previous SARs, the Mission has reported the number of pilot project and expansion sites both inside and outside of the Cochabamba region. These intermediate outputs have been omitted since ESD has surpassed its LOP baseline and project management no longer considers this useful management information.
- * Output indicators for the number of Rural Electrification (RE) loans and their value, inside and outside of Cochabamba, have also been omitted. These indicators were considered redundant given that they correspond to the number of connections (major outputs 1 and 2).
- * Indicators 5 and 6 are new indicators which reflect the project's greater emphasis on renewable energy begun in 1993.
- * Indicator 7 is the combination of the previously reported number of utility and cooperative personnel trained inside and outside of the Cochabamba region.
- * Finally, indicators 10, 11 and 12 are new indicators which reflect the project's emphasis and impact on sustainability.

¹⁰ These figures consist of the pilot projects originally established in San Julian and COAINE and reported in earlier SARs.

6. Schools provided solar PV system for communication and lighting	50	5	65	10	0	60 ¹¹	120
7. Number of utility and cooperative personnel trained (by gender)	480 male	195	705	50	91 ¹²	1,250	260
	20 female	50	122	10	0	116	580
8. Number of (PU) trained inside Cochabamba (by gender)	500 male	50	140	50	5	237	47
	300 female	20	24	10	0	35	12
9. Number of PU trained outside Cochabamba (by gender)	400 male	25	75	25	0	48	12
	300 female	20	44	20	0	3	1
10. Utilities accepting and using procedures manual ¹³	10	0	0	2	0	0	0
11. Billing and maintenance systems operational for all renewable projects upon their initiation	6	0	0	2	0	0	0
12. Technical assistance programs instituted and delivered to cooperatives	10	0	8	2	0	8	80 ¹⁴

¹¹These include the pilot projects reported in previous periods. Forty-four correspond to PARI and 16 to CRE, COAINE and Plan International.

¹²Those electrification cooperatives and other institutions benefiting from training include CESSA, CEPSA, CRE, ELFEC, and AGROCAPITAL.

¹³The manual is currently being drafted by ESD staff. It is expected to be completed in June (1995).

¹⁴These technical assistance programs mainly serve the small RE cooperatives in the Chiquitania.

C. OVERALL STATUS

The tables above clearly demonstrate that the project is meeting and in many cases surpassing its purpose level and output indicator targets. Over the course of the reporting period: (1) energy sales increased markedly as a result of the Valles Cruceños system becoming fully operational and the completion of connections in Mizque Aquile; (2) new line capacity increased as a result of work completed in Valles Cruceños, Valle Grande and Camiri; (3) more end users were connected in Valles Cruceños, Mizque Aquile, Camiri and Bermejo and 16 communities; and (4) progress continued on renewable energy connections, a growing area of project emphasis since 1993. Wind up of final construction activities in Bermejo, Capinota and Riberalta will allow the project to even further surpass many of its key indicator targets. Note also that the major construction activities mentioned above were primarily focused on alternative development areas, including Cochabamba and associated areas.

These project successes have been realized despite major USAID and DIFEM funding cuts. USAID funding was authorized at \$19.2 million while only \$14.2 million have been obligated to date. In addition to these cuts, the project suffered a 60% cut in DIFEM funding, from \$5 million to less than \$2 million. These funding shortfalls have been somewhat compensated by NRECA's success in leveraging relatively large amounts of funding from other sources, including utilities and rural electrification cooperatives. The combined total of local currency contributions is approximately \$8 million, \$3 million over the original projections, and 36% of the total expenditures for the project. A UNDCP grant to NRECA (funded by CORDEP) will help NRECA continue alternative development electrification activities in the Chapare through the ESD PACD.

Given the marked progress toward achieving the project purpose, project management has shifted the project strategy away from conventional RE construction activities more toward (1) sustainability and replicability of existing outputs and (2) completion of over 2,000 renewable energy systems. Project management believes that this can be accomplished within the final 18 month LOP and with \$1 million more in USAID funding. This new project strategy is reflected in the amended logical framework and the revised indicators reported herein.

Sustainability and replicability of project outputs will be achieved through continued institutional strengthening activities for counterparts, to be supported by two institutions that will facilitate financing, design, implementation and technical assistance for conventional and renewable energy projects after the PACD. These activities include technical assistance and training activities to RE cooperatives and utilities counterparts who will manage the systems built by NRECA, as well as the development and dissemination of a RE management procedures handbook for counterparts.

The institutions that will support project sustainability after the PACD are the *Financiera para la Electrificación Rural* (FER) and the *Fundación Energética Boliviana* (FEB). Once established, the FER will serve as a facility to onlend private funds for RE projects in Bolivia. It is expected that several Bolivian utilities and multilateral lending sources will take equity stakes in the FER, thereby providing the upfront investment capital. ESD's low cost role in the formation of the FER is: (1) to conduct policy dialogue with the GOB to ensure that the FER is included in the National Energy

Secretariat's energy strategy; (2) develop a business and organizational plan for the FER; (3) assist in the incorporation of the FER; (4) promote the FER to potential investors including the International Finance Corporation and the InterAmerican Investment Corporation; and (5) provide limited technical assistance for FER start up. The first step has been completed; the business plan is being finalized and per the cooperative agreement with NRECA, will soon be presented to the Mission for approval. If the Mission approves the plan, NRECA will continue working with Bolivian utilities and other potential investors to establish the institution, and the FER will be included as a major project output in future SARs.

In addition to the FER, NRECA has used its own non-project funds for start-up of the FEB, which will mainly be responsible for renewable energy project development, project implementation, and technical assistance activities. The FEB will help Bolivia meet the emerging demand for renewable energy systems enabled mainly by the promulgation of the Popular Participation and Energy Laws. The FEB is being formed due to the lack of institutional capacity in Bolivia to effectively implement renewables projects. In addition to these renewables activities, the FEB may provide technical assistance services to small RE cooperatives in Bolivia after the PACD. Subject to the Mission approval process, the project may provide limited funds to assist NRECA in establishing the FEB.

With respect to gender impact, ESD contracted a social scientist to assess the participation of women in its productive uses programs in the Valles Bajos and Mizque-Aiquile. The study concluded that the productive uses program is helping to increase the productivity of women-owned and managed microenterprises, a significant percentage of the population of microenterprises looked at. The report cites the productive uses program as an important factor in improving domestic work conditions and allowing women to devote more time to their families.

D. Problems and Delays

The problems noted in the last period have been overcome, including the procurement of the solar photovoltaic systems. One lingering problem has been the finalization of the Bermejo project. There have been a number of technical-mechanical problems which ESD management hopes will be resolved shortly. Caterpillar, U.S.A. will help solve these problems.

In Capinota, the relationship between the local cooperative and ELFEC, S.A.M. led to some misunderstandings about the nature of the project. This resulted in delays in the start up of construction activities.

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

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

1. Complete construction of Capinota system.
2. Complete delivery of the Riberalta biomass plant.
3. Receive and install solar PV systems.
4. Increase technical assistance and training to counterparts to ensure sustainability.

5. Strengthen the *Fundación Energética Boliviana* and train the future technical and administrative staff to ensure sustainability after ESD project completion.
6. Close-out completed projects, transferring ownership of electrification systems to counterparts.
7. Establish systems for monitoring of new purpose level and output indicators, as necessary.
8. Current NRECA Chief of Party (COP) departs Bolivia permanently. New COP arrives.

Rating: B

PROJECT STATUS REPORT
October 1, 1994 - March 31, 1995

I. Background Data

Project Title: Technical Support for Policy Reform
 Project Number: 511-0616
 Date of Authorization: original July 20, 1992
 Date of Obligation: original 09/28/92, amendment # 1 02/09/93, amendment # 2 06/23/93, amendment # 3 08/12/94
 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: \$ 222
 Cumulative: \$ 2,469
 d) Accrued Expenditures: 1) Period-Projected: \$ 600
 2) Period-Actual: \$ (21)
 3) Next Period Projected: 900
 4) Cumulative to date: \$ 1,404
 e) Pipeline (b-d,4): \$ 5,596

% LOP Elapsed:	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 3/31/95:	2,545
h) Actual Counterpart Expenditures as of 12/31/95:	2,257
i) Accrued Counterpart Expenditures 1/1/95 to 3/31/95:	168
j) Total Counterpart Actual and Accrued Expenditures as of 3/31/95 (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 to the Consultative Group. UDAPE assisted the Ministry of Finance and the Central Bank in the drafting of documentation for the negotiations with the Paris Club.</p> <p>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. In close coordination with the Ministry of Human Development, UDAPSO worked in the preparation of sections of the document presented by the Bolivian President in the Social Development Summit in Copenhagen.</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 of the National Secretary of Finance. UDAPE actively participated in the preparation of the Capitalization Law, of the 1994 and 1995 General Budgets, in the negotiations of the 1994-1996 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.</p> <p>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 assessment 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	2 6 0	58 21 0	2 5 0	21 6 0	104 14 3	115 56 20
3. Social sector data base established and maintained.	UDAPSO 1	0	1	1	0	1	100
4. Institutional reform analyses to enhance policy effectiveness.	100	14	55	2	2	83	83
5. Policy seminars and work shops held.	12	3	11	3	16	26	133
6. Staff capability to formulate and implement policy improved.	10 Women (15)	10 (2)	33	8	8	24	216
7. Dissemination of study findings to public and private sectors.	10	3	21	0	3	36	360

C. Overall Status

Both UDAPE and UDAPSO with the assistance from HIID provided excellent services in the development and preparation of the working papers for the agricultural research foundation. The proposed foundation should fill in a gap and provide the tools for future research activities in the country. Three meetings were held during the reporting period to discuss, analyze and explain the purpose of the foundation. Several well known experts participated in this endeavor and prepared and presented policy papers related to the creation of the foundation.

1. UDAPE

- UDAPE continued with its task of 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 culminated with the signing, at the end of 1994, The Expanded Three Years Structural Reform Program (ESAF) with the IMF.

- UDAPE continued to be part of the Macroeconomic Group, and participates in the two most important economic councils of the country: the National Development Council and the Economic Development Council.
- During the period, 21 analytic working papers, one methodological document and 51 aide-memoirs were prepared.
- HIID provided approximately 142 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.
- UDAPE participated in the negotiations of MERCOSUR held in Montevideo, Uruguay.
- UDAPE is the coordinating institution and liaison for the technical assistance being provided by the U.S. Internal Revenue Service to the Bolivian General Directorate for Internal Revenue (DGII). The purpose of the assistance is to establish standards and procedures for large firm audit in La Paz, Cochabamba and Santa Cruz.
- Within the various structural reforms being carried out in the country, UDAPE provided assistance to several institutions of the Bolivian Government in areas such as capitalization, environment, tax administration, the telecommunications law, credit for micro enterprises, evolution of the banking system, employment and others.

2. UDAPSO

- UDAPSO prepared three of the five sections for the World Bank's Poverty Assessment. The purpose of this assessment is to provide a comprehensive picture of the status of the country and serve as a policy document to orient the assistance of the international donor community in the next ten years. When finalized, the poverty assessment will be officially presented by the Bolivian Government to the next Consultative Group to be held in October 1995. The three sections prepared by UDAPSO, that have been delivered to the World Bank are:
 - Poverty profile
 - Provision and delivery of public services (health, education, water, sanitation and others)
 - Labor market.
- In close coordination with the National Secretariat of Policy and Social Investment, of the Ministry of Human Development, UDAPSO prepared sections of the documentation presented by President Sánchez de Lozada during the Social Development Summit in Copenhagen. The documentation constitutes the official policy position of the Government of Bolivia in terms of Human Development.
- UDAPSO also assisted in the preparation of the Bolivian official documentation for the meeting sponsored by the United Nations, related to the family. In this endeavor, UDAPSO worked together with the National Secretariat for Ethnic Affairs and Gender.
- The Malnutrition Map (Mapa de la Desnutrición) has been published.
- The following working papers have been prepared:
 - Measurement of the Human Development Index, at the Departmental and Provincial levels.
 - Urban Employment in Bolivia.
 - Employment Profiles in the Rural Areas of Cochabamba.
 - National Expenditures and Financing of the Health Sector in Bolivia.
 - Social Indicator Maps for the Departments of Chuquisaca, Potosí and La Paz.
 - Expenditures and Public Investment in the Social Sector.

- During the reporting period, UDAPSO organized or helped organize five seminars in the areas of rural and urban employment and agricultural research.
- A total of about 162 days of short-term technical assistance have been provided by HIID to UDAPSO, in areas such as health policies, reforms and services, social indicators, housing policies, education policies, urban labor policies, markets and employment, integrated information services, geographic information services, and in managerial and administrative strengthening. In addition to the short-term assistance, the long-term resident advisor and the research assistant provided three months of advisory and technical services.
- UDAPSO also assisted several institutions from the Bolivian Government in areas such as gender, health reform, labor, employment and housing.

3. PRS Fund

The fund has been frozen and probably will not be reactivated. Only two activities under the PRS fund are being carried out, as follows:

Health policy dialogue

- Progress under this activity is satisfactory, the Iniciativa has adjusted well to the change of the Under Secretary of Health.
- During the reporting period a study of the health financial systems related to popular participation was carried out and the results discussed in a seminar.
- The World Bank stated that it is interested in funding a health care reform.
- A series of health dialogues started at the Latin American Institute for Social Studies.

Rural Financial Services

- Two training seminars were held during the reporting period by foreign experts for managers and credit analysts of microfinancial institutions. Over 120 credit analysts were trained in cash flow analysis and over 30 managers were trained in operational plans and financial budgets.
- A well known expert in microfinance conducted an institutional analysis of five Bolivian microfinance institutions for use in developing the USAID's new Microfinance project
- An expert was contracted to perform an institutional analysis of the non-financial services of El Centro de Fomento de Iniciativas Económicas (FIE).

D. Problems and Delays

1. UDAPE AND UDAPSO

- The main problem being faced by the project is the lack of funding to cover the operating costs for UDAPSO and UDAPE. Mission management sent a letter to the Ministries of Hacienda and of Human Development addressing the lack of funds and the proximity of the termination of the project. In the letter we requested that the Government provide USAID/Bolivia with a plan for the future of

UDAPSO and UDAPE, including the funding for operating costs, computer equipment, and the provision of technical assistance.

During the reporting period several meetings were held to discuss the funding situation for UDAPE and UDAPSO and to look for alternative funding sources. Mission negotiations to obtain approximately \$850,000 from PL 480 local currency generations seem to be on track. However, since the total amount required is \$1.7 million per year, the GOB's position will be critical in order to decide the future of the Project.

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

1. UDAPE

- The GOB must adopt serious and major decisions related to the continuity of UDAPSO and UDAPE. These include extension of the technical assistance services and funding operating costs for these two institutions.
- Provide assistance to the GOB to guide the implementation of the structural reforms, particularly in the areas of pension reform and capitalization.
- Continue to assist the GOB in the preparation of documentation for the negotiations with the IMF, the Consultative Group, and the World Bank.
- Assist the Ministry of Economic Development in the areas of micro enterprise and in developing technologies for the agricultural sector.
- Continue assisting the GOB in monitoring the IMF Expanded Adjustment Program, the evolution of the reforms and the country's economy.
- Sponsor and host a high level international seminar to discuss growth structural reforms.

2. UDAPSO

The following tasks will be carried out:

- Participate in the interinstitutional working group in the development of a housing policy.
- In conjunction with the World Bank and GOB institutions, participate in the completion of the Poverty Assessment and organize a seminar to be held in July 1995 to discuss the contents of the assessment. All international donor organizations will be invited to attend this seminar.
- Participate in the preparation of documentation related to the social area for the next consultative group.
- Prepare a socio-demographic assessment of the family in the country. This document will serve as the basis to orient the National Family Plan.
- Publications to be completed and distributed:
 - Urban Employment in Bolivia.
 - Poverty Assessment Report.
 - Medium Education in Bolivia.
 - Health Services Demand in Bolivia.
 - Status of the Nutritional and Food Supply in Bolivia.
 - Population, Poverty and the Labor Market in Bolivia.

- Around 22 working papers will be produced, in the areas of health, rural development, poverty, education, employment and nutrition.
- Continue assisting the Ministry of Human Development in the fields of education, health and others.

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3. PRS Fund

Health Policy Dialogue

- Carry out four case studies, one regional and one national seminar.

Rural Financial Services

- Carry out a course in personnel administration. A U. S. expert will spend three days providing direct technical assistance to several microfinance institutions and will finish the week with a two day seminar open to all organizations providing microfinancial services.

Rating: B

PROJECT STATUS REPORT
October 1 - March 31, 1995

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 08/05/94
 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 Contract/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 benefit from community social infrastructure works and credit.
 Date of Last Evaluation: February 1994

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	Aug/94 (2)	Apr/95 (3)	2
IBTA/Chapare	Recipient	Aug/94 (2)	Apr/95 (3)	2
S.N.C.	Recipient	Aug/94 (2)	Apr/95 (3)	2

(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: \$ 13,163
 Cumulative: \$ 52,059
 d) Accrued Expenditures: 1) Period-Projected: \$ 6,000
 2) Period-Actual: \$ 5,528
 3) Next Period Projected: \$ 6,000
 4) Cumulative to date: \$ 36,092
 e) Pipeline (d,4/b): \$ 20,700 (Unarmarked to date \$3.1 million)
 % LOP Elapsed: 60
 % of Total Auth. Oblig. (b/a): 70
 % of Total Oblig. Exp. (d,4/b): 63
 % of Total Auth. Exp. (d,4/a): 45

Counterpart Contribution (GOB):

f) Counterpart Planned I.OP: \$ 40,000
 g) Counterpart Cumulative Planned as of 3/31/95: \$ 37,734
 h) Actual Counterpart Expenditures as of 12/31/94: \$ 27,157
 i) Accrued Counterpart Expenditures 1/1/95 to 3/31/95: \$ 771
 j) Total Counterpart Actual and Accrued Expenditures as of 3/31/95 (h+i): \$ 27,928
 k) Counterpart Planned Next Period: \$ 5,700
 l) % of LOP Expended (j/f): 75

III. Project Goal/Strategic Objective

This project supports the Expanded Economic Opportunity and Access Strategic Objective by focusing on increasing licit 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 of 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 provides 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 coca 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	700,000	1,417,780	500,000	931,520	2,189,429	21%
National Mark.Sales (\$) ²	8,121,895	600,000	1,150,400	1,200,000	1,058,180	3,314,071	41%
Ha. Cultivated of Alt. ³ Crops, Chapare	50,000 ⁴	1,200	3,461	1,000	405	45,203	90%

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 statistical samples first employed in the July 1993 Agricultural Production Survey. The next survey is not scheduled for this reporting period. The area reported this period is based only on the volume of planting material provided by IBTA/Chapare.

⁴ The EOPS for hectares cultivated with alternative crops was originally established at 13,000 hectares. Beginning this reporting period the EOPS for hectares cultivated with alternative crops in the Chapare has been set at 50,000 hectares as suggested in the last SAR.

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	12	1	8	0	0	7	58%
HIGHLANDS: ⁶ Product lines Implemented	⁽⁶⁾ 13	0	4	0	0	5	38%
CHAPARE: No. Farmers Trained or receiving TA	30,000	1,500	17,477	2,000	3,665	28,917	96%
HIGHLANDS: No. Farmers Trained or receiving TA	13,400	3,000	12,163	1,000	6,547	27,619	206%
CHAPARE: Productive Projects in Operation	370	10	102	100	5	89	24%
INFRASTRUCTURE - TRANSPORT							
CHAPARE: Rural Roads Upgrading Km.	750	85	270	128.9	0	233.08	31%
HIGHLANDS: Rural Roads Upgrading Km.	⁽⁶⁾ 250	0	59	0	0	45.5	18%
CHAPARE: Bridges	10	0	3	17	0	6	60%
HIGHLANDS: Bridges	⁽⁶⁾ 11	0	9	0	0	9	82%

C. Overall Status

BANANA

Banana exports to the Buenos Aires market were halted due to transportation problems between Santa Cruz and Yacuiba. However, limited exports were carried out through the rainy season to Perú and Chile. New efforts are underway to export this product year-round with the assistance of a private enterprise which will take the responsibility of post-harvest, transportation and marketing.

The price paid to farmers for technified traditional bananas, reached an all time high. All the quality bananas were absorbed by the national market at prices generally higher than previous years. The areas dedicated to technified bananas is being expanded with most of the technical assistance supplied through the growers' associations.

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. Therefore Project does not expect to reach original Planned LOP/Baseline figures.

PINEAPPLE

During this reporting period the Pineapple sales greatly surpassed those from last year. The fruit successfully entered the Argentine and Chilean markets with more than 17,000 boxes of pineapples exported. Not enough product was available to satisfy the demand of these markets. Phytosanitary and extension programs are underway, and exports are expected to reach up to 60,000 boxes for the next season, impacting greatly pineapple producers' income in the Chapare.

Two additional pineapple packing centers were completed and inaugurated during this period which comply with the Argentine phytosanitary requirements.

OTHER MAJOR EVENTS

1. The CORDEP 1995 Workplan and Budget was developed and authorized in PIL 158, reflecting the redefined role of PDAR, strengthening Public Relations, Financial Management, and Monitoring and Evaluation, while reducing PDAR's direct involvement in Project Implementation.
2. Rail transport rates for products from the Chapare to the Argentine border are a marketing constraint. Draft of a decree to provide preferential rates (equivalent for soybeans) for CORDEP primary products was written and is now in the Ministry of the Presidency for action.
3. Contracts were awarded for 1,000,000 pineapple plants and 2,000,000 palm heart pregerminated seeds; 400,000 of each were received and distributed.
4. Significant food processing occurred in the Chapare for the first time, as a result of the inauguration of a food canning plant built by a well known Bolivian firm.

EXTENSION

3,665 farmers received technical assistance and/or training this reporting period from IBTA/Chapare and NGOs.

CREDIT

During this reporting period 51 new loans were approved by AGROCAPITAL for production or processing of Chapare products. Total credit approved for the Chapare and Yapacaní for production, processing and agribusiness to date: \$5,397,912 which represents 76% of all funds approved for credit by Agrocapital to date.

NGOs

During the current reporting period a total of 13 NGOs and 8 Producer's Associations were funded, promoting technologies and supporting grassroots organizations which serve 4,932 families in more than 200 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. From mid February to the end of the reporting period, the bidding and contracting for roads and bridges were stopped pending Embassy and GOB approval.
2. Delays related to international bidding for plant material have resulted in reduced performance level by the NGOs in their efforts to establish new areas with CORDEP primary products.
3. The continuing changes in key GOB executives have complicated efforts to maintain continuity in CORDEP programming.

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

1. Efforts will be continued to achieve timely GOB and U.S. Embassy concurrence for authorization to proceed with construction of specific road segments which are currently designed.
2. IBTA/Chapare will procure increased volumes of high quality plant material from local farmers.
3. Efforts will be increased to attract more significant private sector investments to service fresh fruit exports and national industrial markets of Chapare products.
4. IBTA/Chapare will develop specific plans for adjustments in organization and services in anticipation of CORDEP termination.
5. In accordance with the PP supplement (April 94), measures will be taken to terminate in orderly fashion CORDEP financing of NGO activities in the Valleys, as NGO activity in the Chapare is intensified. Some support to Uyuchama water users may be continued.
6. PDAR, SNC, and IBTA/Chapare 1996 Workplans and Budgets will be developed.
7. Arrangements will be made to send NGO technicians and farmers to third countries for hands on training with selected crops and farming techniques. In-country courses will also continue.
8. Efforts will be increased to effect better donor coordination at all levels.

9. Approaches for beneficiary based roads maintenance will be further explored.
10. Policy dialogue to improve the terms of trade for Chapare produce will be continued.
11. PDAR will be encouraged to go ahead with the contracting a P.R. firm ASAP.
12. ARD staff will meet with officials of the MOG to discuss alternative organizational arrangements for counterpart to CORDEP.

PROJECT STATUS REPORT
October 1, 1994 - March 31, 1995

Rating: A

I. Background Data

Project Title: FY 1995 PL-480 Title II Regular Program and Monetization
Project Number: None
PACD: September 30, 1995
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: 09/94, ADRA: 08/92, FHI: 09/94, PCI: None, Monet: 08/92
Date of Next Evaluation: Cáritas; 10/95, ADRA: 06/95, FHI: 09/95, PCI: 09/95, Monet: 10/95
Date of Last Audit: Cáritas: 05/94, ADRA: 07/94, FHI: 10/93, PCI: 10/94 Monet: 12/94
Date of Next Audit: Cáritas: 12/95, ADRA: 05/95, FHI: 04/95, PCI: 04/95, Monet: 10/95

II. Financial Data

A. Cáritas Boliviana

Date of Obligation:	December 16, 1994
Program Quantities (\$000):	Program Inventories (Metric Tons):
Commodities: 4,319	Prior Balance 9/30/94: 5,553
Ocean Transport: 2,576	Received by 2/28/95: 10,030
Inland Transport: 2,061	Distributed by 2/28/95: 6,292
Total 8,956	Balance on Hand 2/28/95: 9,291

FY 95 Monet. (\$000)	
Carryover FY 94:	642
Actual Income:	912
Disbursements:	1,054
Balance:	500

B. Adventist Development and Relief Agency

Date of Obligation:	December 16, 1994
Program Quantities (\$000):	Program Inventories (Metric Tons)
Commodities: 3,185	Prior Balance: 9/30/94: 2,520
Ocean Transport: 1,934	Received by: 2/28/95: 11,720
Inland Transport: 1,547	Distributed by: 2/28/95: 2,383
Total 6,666	Balance on Hand: 2/28/95: 11,857

FY 95 Monet. (\$000):
Carryover FY 94: 160
Actual Income: 724
Disbursements: 1,344
Balance: (460)

C. Food for the Hungry, Int.

Date of Obligation:	December 16, 1994
Program Quantities (\$000):	Program Inventories (Metric Tons)
Commodities: 1,407	Prior Balance: 9/30/94: 1,576
Ocean Transport: 833	Received by: 2/28/95: 3,431
Inland Transport: 666	Distributed as of: 2/28/95: 1,768
Total 2,906	Balance on Hand: 2/28/95: 3,239

FY 95 Monet. (\$000)
Carryover FY 94: 348
Actual Income: 432
Disbursements: 661
Balance: 119

D. Project Concern International

Date of Obligation:	December 16, 1994
Program Quantities (\$000):	Program Inventories (Metric Tons)
Commodities: 647	Prior Balance 9/30/94: 2,391
Ocean Transport: 395	Received by: 2/28/95: 2,449
Inland Transport: 316	Distributed as of: 2/28/95: 1,569
Total 1,358	Balance on Hand: 2/28/95: 3,271

FY 95 Monet. (\$000):
Carryover FY 94: 125
Projected Income: 314
Disbursements: 195
Balance: 244

III. Program Purposes

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

- to improve food security of the poorest people
- 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

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. Cáritas

Cáritas 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 93 small towns throughout Bolivia. During the first six months of FY 1995, 639 infrastructure projects were completed and 187 are still in the process of being completed for a total of 826 projects. Caritas reports that these projects have a total value of \$9 million. An average of 11,945 workers per month have been employed, of which 51 percent are men and 49 percent women. Caritas continues to provide the workers with tools to improve productivity and only require 72 hours of work to obtain a 55 kilo family ration to improve the food security aspect of the program.

Caritas in Potosí and Cochabamba provided hot meals to an average of 292 workers per month and initiated two day care centers for 50 pre-school children of workers. Caritas is not putting sufficient effort into the day care and hot meal supplementary activities to enhance the food security impact of the program as recommended by the 1992 WIN's assessment of the food security consequences of the program.

A recent Caritas survey of 226 workers in the cities of Tarija, Potosi 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 72,164 primary school children in 1,427 schools throughout the country. Caritas reports that distributions to the schools were irregular during the reporting period because of strikes by the teachers. The Caritas School Feeding Program was evaluated in September 1994 by Strategies for International Development which found that the program was producing the following results: Drop-out rate reduced from 10 per cent to 3 percent; students with school feeding consume two-thirds of their daily requirements for calories and proteins, while students without school feeding consume less than half of their daily requirements for calories and one-third of their daily requirements for protein; and, students with school feeding are better learners.

Using monetization income, Caritas funds maternal and child health programs. The program, which served 5,420 mothers and 8,333 pre-school children in 262 communities during the last six months, is reaching most of its targets in prevention and treatment of diarrhea, and respiratory infections. The agency immunized 3,611 children against polio, 3,568 against diphtheria, 4,852 against measles, and 4,527 against tuberculosis. Caritas conducted growth monitoring control of 7,888 children and found that 88 were overweight, 4,559 had normal weight and 3,241 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. Infant deaths caused by diarrhea were reduced from 6 percent (baseline 1989) to .48 percent. Infant deaths caused by acute respiratory infections were reduced from 3 percent (baseline 1989) to .24 percent during the period.

Monetization income is also used to support 8 income-generating small rural development projects in 80 small rural communities with a population of 11,595. These projects encompass forestation, dairy cattle and milk production, micro irrigation, quinoa production and forestation. Although Cáritas 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 12 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 9 towns. In the first half of FY 95 ADRA completed 173 projects, which have a total value of \$1.3 million. The program provided temporary jobs for an average of 4,662 workers per month, of which 20 percent are men and 80 percent women. Like Cáritas, 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 in soup kitchens to 5,604 workers and 2,010 pre-school children in El Alto and La Paz. In addition, 395 pre-school children of the workers are cared for in 8 day care centers in these two cities. All of these activities are designed to increase food security in accordance with the August 1992 WINS evaluation.

ADRA's school feeding program served 25,897 students in 111 schools in five cities. During the last months, the program has been interrupted because of teacher's strikes.

In the maternal and child health program ADRA, uses monetization funds to work in 87 small rural communities to immunize mothers and children against contagious diseases. ADRA immunized 922 children against polio, 826 against diphtheria, 554 against measles, and 507 against tuberculosis. In addition, 565 mothers were immunized against tetanus. ADRA treated 232 cases of diarrhea and 170 cases of acute respiratory infections and provided growth monitoring to 1,938 children. Of the children weighed, 1,080 had normal weight and 758 were under weight. ADRA reports that malnutrition among children treated had been reduced by 5 percent and infant mortality was reduced by 15 percent.

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, ADRA has organized 88 solidarity groups of 528 women in the cities of La Paz, El Alto, Cochabamba, Trinidad and Riberalta. The women receive training in micro business management. All of the women have received loans to start or improve small businesses. This project was evaluated by ADRA to reduce the number of members per group and improve training. ADRA reports that the women's income and savings have been increased and the recovery rate on the loans is 98 percent.

C. Food for the Hungry, International (FHI)

Food for the Hungry International has been a cooperating sponsor for 12 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 130 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 is in the process of completing the construction of 80 greenhouses; 21 water systems; 60 micro irrigation systems; 100 wells; 30 small infrastructure projects; 30 latrines and showers; improving 50 homes for small farmers; and planting 27,500 trees. FHI reports that these projects in construction are 40 percent complete. 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 successful school feeding program that reached an average of 53,635 students in 1,124 schools in the Departments of La Paz, Oruro, and Potosí. Since the program began, FHI reports that the dropout rate during the last quarter of 1994 was three percent as compared to a national average of 10 to 15 percent per year. Further, the attendance rate in schools subscribing to the program has reached 98.2 percent. The program was evaluated in September 1994 by Strategies for International Development which found that the program was producing the following results: Drop-out rate reduced from 10 percent to 3 percent; students with school feeding consume two-thirds of their daily requirements for calories and proteins, while students without school feeding consume less than half of their daily requirements for calories and one-third of their daily requirements for protein; and, students with school feeding are better learners.

Using funds from monetization, AID/Washington, and Procosi, FHI works closely with the Bolivian Ministry of Health, in undertaking a new five-year child survival project that incorporates included oral rehydration, treatment of acute respiratory infections, health and nutrition education, and immunization campaigns. The successful program is serving extremely isolated and impoverished communities in the highlands. During the last six months, FHI immunized an average of 1,701 children against polio, diphtheria, measles and tuberculosis and 238 women against tetanus toxoid. Health promoters treated 208 cases of dehydration and 198 cases of acute respiratory infections and growth monitored 690 children under two and found that 519 or 75 percent had normal weight and

the remaining 171 children were under weight. The 108 children from two to five showed that 76 percent or 84 had normal weights and 24 were under weight. FHI reports that the infant mortality rate caused by diarrhea and respiratory infections from among children served by their child survival program has been reduced from 1 percent to .038 percent and 3 percent to .43 percent respectively.

FHI continues to sponsor Pro Mujer, a U.S. private voluntary organization, in an innovative program that provides about 1,700 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. A March 1995 evaluation entitled, Pro Mujer Banking Association Program: Impact Evaluation, by Deborah Caro of the GENESYS Project found that the program is having a major impact on food security and health based upon increased expenditure on food for their households. The evaluation was unable to establish whether the women had significantly increased their income, but substantiated that the women worked longer hours in their business; and, those who had been in the program for more than two years hired other employees.

D. Project Concern International (PCI)

Project Concern International has been a cooperating sponsor for three years, implementing programs in food for work and school feeding in five cities in the Department of Santa Cruz. During the last six months, PCI in coordination with the Mayor's Offices of Santa Cruz, Montero, Mineros, Warnes and Saavedra carried out 142 food-for-work projects with an investment in food and materials of \$255,561 and employing an average of 1,749 workers, of which 53 percent were men and 47 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); and providing free transportation for the delivery of food to the workers. However, PCI has not fulfilled the recommendation to introduce mid-day hot meals for workers and day care services for the children of women workers. Only 60 workers received hot meals and 30 children of workers received day care services during the period.

The food for work program during the reporting period concentrated on maintaining canals to avoid annual flooding of neighborhoods in the five cities. In addition, the Food for Work Program focused on the rehabilitation of schools.

The second major activity of PCI is school feeding. PCI provided school lunch rations to 6,135 primary students in 60 schools. The program has been interrupted by the nation-wide strike of teachers.

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.

During FY 1995, ADRA has replaced FHI as the lead agency and 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.

During the period, the four cooperating sponsors decided to reduce the staff of the Monetization Program by eliminating the positions of three food enduse inspectors and two project technicians. This action clearly indicates that the cooperating sponsors expect to exercise control of the monetization program with less USAID involvement. Although USAID/Bolivia believed that the food inspectors were necessary to assist the agencies to monitor the food program, the cooperating sponsors felt that they were no longer needed and that their own supervisors could supervise the program adequately.

As of the end of March, 6,383 metric tons of wheat flour were sold out of a total tonnage of 22,780. The sales generated \$1.9 million at an average price of \$297 per ton of wheat flour. Of the net income, \$1 million was used to purchase local products of rice, sugar, vegetable oil, milk, and iodized salt to complement the Title II rations. The monetization program disbursed \$3.3 million dollars from carry in funds and new local currency generations to the four PVOs to cover logistics, administration, equipment, and project costs.

There were no major audit findings for the FY 1994 external audit conducted by Price Waterhouse's affiliate, Moreno Muñoz. 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 generated local currency for special projects linked to the food-for-work program. Through the cooperating sponsors the program is completing the investment of \$2.5 million of ESF local currency funds in seven major water, sewage, and street improvement projects in Santa Cruz, La Paz, Coroico, Santa Ana del Yacuma and Tarija.

VI. Project Status

A.Purpose Indicators /EOPS	PLANNED				ACCOMPLISHED		
	LOP	Period (6 mo)	Cumu-lative	Next Period	Period (6 mo)	Cumu-lative	% of LOP
1. Food-for-Work Program							
a. Improved food security (Number of beneficiaries)	161,136	161,136	161,136	161,136	91,770	91,770	57
b. Temporary employment (person months equivalent to 9 days of work/month)	387,924	193,962	387,924	193,962	110,084	10,084	28
2. School Feeding							
a. Beneficiaries							
FHI	90,000	90,000	90,000		26,006F 27,349M	53,635	60
Caritas	82,715	82,715	82,715		37,926F 36,803M	74,729	90
ADRA	9,735	9,735	9,735		12,690F 13,207M	25,897	266
PCI	3,000	3,000	3,000		3,005F 3,129M	6,134	204
b. School drop-out rates							
FHI	Reduce from 10%	Reduce from 10%	Reduce from 10%		Reduced to 3%	Reduced to 3%	100
Caritas	Reduce from 10%	Reduce from 10%	Reduce from 10%		Reduced to 3%	Reduced to 3%	100
PCI	Reduce from 10%	Reduce from 10%	Reduce from 10%		No Data	No Data	0
ADRA	Reduce from 10%	Reduced to 5%	Reduced to 5%		Reduced to 3%	Reduced to 3%	100
B. Major Outputs							
Food for Work Program							
1. Workers' Person Months							
Caritas	174,440	86,202	172,404	86,202	35,105F 36,538M	71,643	42
ADRA	174,720	87,360	174,720	87,360	22,378F 5,594M	27,972	16
PCI	40,800	20,400	40,800	20,400	4,929F 5,559M	10,488	26

B. Major Outputs	PLANNED				ACCOMPLISHED		
	LOP	Period (6 mo)	Cumulative	Next Period	Period (6 mo)	Cumulative	% of LOP
b. No. of Projects							
Caritas							
Forestation	150	75	150	75	107	107	71
Road and Street Improvement	202	101	202	101	161	161	80
Potable Water and Sewage	134	67	134	67	117	117	87
Latrines and Public Bathrooms	37	19	37	18	31	31	84
Housing Projects	68	34	68	34	42	42	61
Community Service Centers	183	91	183	92	135	135	74
Drainage Canals	18	9	18	9	18	18	100
Other Community Projects	42	21	49	21	36	36	73
Total	834	417	834	417	647	647	77
Adventist Development & Relief Agency (ADRA)							
Water Systems	67	34	67	33	7	7	10
Drainage Canals	102	51	102	16	16	16	84
Sewage Systems	47	23	47	24	1	1	2
Latrines	37	18	37	19	5	5	14
Parks and Plazas	21	10	21	11	13	13	62
Forestation	130	65	130	65	32	32	25
Street and Road Improvements	388	194	388	194	60	60	15
Other Community Projects	87	44	87	43	16	26	60
Total	1,067	534	1,067	533	173	173	16
Project Concerns International (PCI)							
Other Community Projects	30	15	30	15	15	15	50
Parks, Plazas, Forestation	28	14	28	14	10	10	35
Sewerage and Latrines	5	3	5	2	0	0	0
School Repairs	5	3	5	2	27	27	540
Storm Drainage Canals	25	13	25	12	37	37	148

B. Major Outputs	PLANNED				ACCOMPLISHED		
	LOP	Period (6 mo)	Cumu-lative	Next Period	Period (6 mo)	Cumu-lative	% of LOP
Streets and Roads	5	3	5	2	107	107	71
Sports Fields	30	15	30	15	53	177	80
Total	128	52	128	76	148	116	87
Food for the Hungry, Int. (FHI) (Monetization Funds)							
Greenhouses	80	40	80	40	6	6	1
Irrigation Systems	60	30	60	30	0	0	0
Latrines	30	15	30	40	0	0	0
Potable Water Systems	21	10	21	11	3	3	73
Wells	100	50	100	50	0	0	0
Forestation (27,500 trees)	12	6	12	6	11	11	92
Housing Improvement	50	25	50	25	0	0	0
Total	353	176	353	202	20	20	05

C. Overall Status

Under the Title II strategy, the municipal food-for-work and school feeding programs continue to be the major activity of Cáritas, ADRA, FHI 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 95 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.

The School Feeding Evaluation conducted by Strategies for International Development in September 1994 of the Cáritas and FHI programs showed that: Drop-out rate reduced from 10 per cent to 3 percent; students with school feeding consume two-thirds of their daily requirements for calories and proteins, while students without school feeding consume less than half of their daily requirements for calories and one-third of their daily requirements for protein; and, students with school feeding are better learners.

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.

During the reporting period, the four cooperating sponsors were called upon by USAID and the National Civil Defense Organization to provide emergency food assistance to 25,000 families affected mostly by floods and drought in the highlands and the plains. The agencies distributed approximately 1,000 metric tons to these victims.

D. Problems and Delays

The major problem of the Title II monetization program is the taxes allegedly due on local food purchases demanded by the National Income Tax Office. The four cooperating sponsors and the Inter-agency Monetization Office have contested the tax assessment in court and are continuing to lobby GOB officials to obtain a Supreme Decree, which will permit a resolution of the taxation claims for the period 1989-93. A Resolution obtained in 1994 resolves the problem from April 1994 onward, but is not retroactive. The Ambassador sent a diplomatic note to the Ministry of Foreign Affairs requesting its cooperation in the resolution of this tax issue and received a favorable reply.

Project Concern International continued follow-up action on the misuse case discovered in Santa Cruz in August 1994. As a result, approximately 35 metric tons of food were recovered. 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, where the misuse occurred. The Mission will not pursue a bill of collection against PCI, because of the recovery of most of the food misused.

The PVOs have not fully implemented all of the WINS' recommendations 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 only been implemented by ADRA, which has done an excellent job. USAID is continuing to follow up on the recommendation to ensure that Cáritas and PCI fully implement hot meals for workers and their children and day care centers for children under five during the remainder of FY 1995.

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. Contract assessment of overall achievements of Title II program.
3. Review five new Development Program Plans for all four cooperating sponsors and send cabled comments on these plans to USAID/W.
4. Review School Feeding Evaluation and follow up on recommendations.
5. Follow up on resolving tax issue of Monetization Program.

PROJECT STATUS REPORT
October 1, 1994 - March 31, 1995

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: Only one of eight has not been met fully.
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 has not been met fully.
Date of Last Evaluation: 4/94 Next Evaluation: 6/95
Date of Last Audit: 12/94 & Concurrent Next Audit: 6/95
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: 12/94 & Concurrent Next Audit: 6/95
Expenditures to Date: 13,261,767 (59%)

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. 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

Until FY 1995, when no further Title III allocations have been made to Bolivia, the PL-480 Title III program provided approximately \$15.0 million/year in local currency from the sale of USDA wheat for joint programming between the GOB and USAID. These currencies continue to support programs which have direct impact on Bolivia's food security, i.e., maternal and 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 environment 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 good. Despite approval of the 1995-97 program by USAID/W, there has been no FY95 allocation for Bolivia. The Mission received explicit instructions from USAID/W over this period to begin taking the necessary steps to close out the Bolivia Title III program. To date, these are:

1. Review of Valid Obligations. Over this period, the concurrent audit showed that the Title III implementing entity, the Executive Secretariat, has more than 650 projects with an obligated value of \$10.0 million which have outstanding financial and administrative problems. The Mission will

form a team from the ARD and Controller's offices and the ES to establish close-out criteria and proceed to clear the books of these projects. This task will also greatly facilitate the formal closing of old agreements. It is also USAID's intent to make the currently strict interpretations of the SAFCO law and the GOB Controller General's regulations for liquidating advances more flexible so this problem will not arise in the future, and so the ES will disburse more quickly.

2. More Flexibility in Administrative/Financial Analysis. The ES has requested authority to interpret the USAID July, 1990 local currency guidance in a more flexible manner in order to finance development projects carried out by citizen groups and municipalities in rural areas under the Popular Participation law. USAID has agreed in principle and is working out mutually acceptable criteria for analysis.

3. Close-out Date for the ES. The first step is to set a date in the future--say, the year 2000--as a target date for close-out. The Mission has begun negotiations with the GOB about this subject.

As a result of the Action Plan Review Meeting, a Food Security Assessment will be conducted over the next four months to review food aid program in light of USAID's new Food AID and Food Security Policy Paper.

Policy Benchmarks

One benchmark remains to be met under the FY 1992 - 94 agreement, which is the decentralization of responsibility for forest management to the regional forestry agencies. This benchmark will be met when the new forestry law is passed. It is expected that the law will be passed in July, 1995. Debate over the law is in full swing between GOB parliamentarians, technicians, indigenous groups, the National Forestry Congress (comprised primarily of businessmen) and other groups.

Problems and Delays

As stated above, disbursements have been slow during the last six months, because of problems in accounting for previous financial advances. However in the next period, this delay will be partially solved as a result of the assistance given by the E.S. to the Implementing Agencies in strengthening their financial management capabilities. Also, the ES will provide more counterpart funding for CORDEP and other D.A. supported projects.

The assessment of the food security impact of the program, conducted by Food Economics International, a new Gray Amendment firm, was completed in August 1994. 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. However, the ES is having problems in implementing the systems. This delay is being resolved by improving their information system, which should be in place in September 1995.

The GOB Controller's Office conducted an in-depth audit of the financial and administrative management of the ES in November 1994. The audit found minor deficiencies related to budget control, acquisitions and administration. Nevertheless, the audit determined that the ES's financial statements accurately reflect the financial status of Title I and Title III monies.

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

Actions	Target Date
1. Advise GOB of the Termination of Title III	May 2, 1995
2. Agree GOB on close-out of Agreements	June 30, 1995
3. Normalize the flow of disbursements	July 30, 1995
4. Conduct Food Security Assessment	August 30, 1995
5. Close-out GOB Controller's Audit	September 30, 1995
6. Conduct Audit of Title III Reflows	September 30, 1995

Rating: B

PROJECT STATUS REPORT
October 1, 1994 - March 30, 1995

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; IIHR/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
IIHR/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
b) Amount Obligated:	3,350
c) Amount Committed:	275
	Cumulative:
d) Accrued Expenditures:	2,922
	1) Period-Projected:
	2) Period-Actual:
	3) Next Period Projected:
	4) Cumulative to date:
e) Pipeline (b-d,4):	400
% LOP Elapsed:	269
% of Total Auth. Oblig. (b/a):	445
% of Total Oblig. Exp. (d,4/b):	2,860
% of Total Auth. Exp. (d,4/a):	490

Counterpart Contribution (GOB):

f) Counterpart Planned LOP:	5,213 ²
g) Counterpart Cumulative Planned as of 3/31/95:	4,187
h) Actual Counterpart Expenditures as of 12/31/94:	3,892
i) Accrued Counterpart Expenditures 1/1/95 to 3/31/95:	140
j) Total Counterpart Actual and Accrued Expenditures as of 3/31/95 (h+i) ³ :	4,032
k) Counterpart Planned Next Period:	280
l) % of LOP Expended (j/f):	77

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

² This amount will be changed through a ProAg amendment to reflect reductions in counterpart contribution.

³ Per Mission guidelines actual disbursements are being used as a proxy for expenditures.

**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
7. 511-0634 Democratic Development and Citizen Participation

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	6	1	1	6	86
3.Number of municipal oversight actions approved by Senate	20	2	2	4	10	10	50

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

1.May 1989 general election; December 1989 municipal election; December 1991 municipal election; June 1993 general election; December 1993 municipal election; December 1995 municipal election.

2.Judicial Organization Law; Public Prosecutor Law; Electoral Law Amendments, 1993 and 1995; Budget Law, 1993, 1994, 1995. The 1995 Electoral Law amendment needed to take into account the Popular Participation Law should be considered during special sessions of Congress ending before July 31, 1995.

3.Nine umbrella tax ordinances approved (one per department) and one \$27M loan for Cochabamba disapproved.

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	1	1	0	1	1	100
2. Publish voter registry *	N/A	N/A	N/A	N/A	N/A	N/A	N/A
3. Voter registration/education drives conducted *	5	0	5	0	0	5	100
4. Citizen jurors trained to man polling tables *	100,000	0	100,000	0	0	110,525	110
5. Electoral management & administration assessment *	1	0	1	0	0	1	100
6. Legal statute for CICON drafted	1	0	0	0	1	1	100
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	1	0	0	0
9. Congressional research facilities improved	4	1	3	1	0	3	75
10. Publish congressional directory	1	1	0	1	0	0	0
11. Congress persons trained in research activities	200	25	169	20	34	124	62
12. Conference on legislative assistance techniques	1	0	0	0	0	0	0

* Indicators 1-5 have been readjusted this reporting period to reflect past performance only. This is due to a Mission decision to fund all future electoral activities through the follow-on DDCP Project.

1. The recommended increase in memory capacity of NEC and DEC's has been completed with NEC funds. Subsequent memory capacity increases for the NEC and DEC's will be funded under the follow-on DDCP Project.
2. The publication of the official registered voter list for the December 1995 municipal election will be funded through the follow-on DDCP Project.
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). The latter will be supported through the follow-on DDCP Project.
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). Under the follow-on DDCP Project voter education and juror training campaigns will be conducted primarily at the grass roots level by civil society organizations.
5. A second assessment recommended by Project evaluators will be funded under the follow-on DDCP Project.
6. SUNY and CICON have developed alternative drafts for presentation by VP to Congress. This indicator will be adjusted next reporting period to reflect approval by Bicameral Group on Legislative Modernization and by the Upper and Lower House Leadership.
7. USAID/ODI has engaged Congress and the Secretary of Finance in policy dialogue to achieve inclusion of a CICON line item in the CY 96 GOB Budget which will be sent to Congress in late CY95.

8. This new Division will assist the Senate by providing financial analysis services of municipal budgets and expenditures, as well as of complaints submitted by local oversight committees. It will be developed under the follow-on DDCP Project.

9. Budget and fiscal analysis unit (OTP) fully operational; information and research unit (UII) begins services; bill drafting service (UAL) begins services; constituent extension service (SEC) delayed; automated document retrieval system/legislative data base under design.

10. Publication and distribution to Congress members of a new congressional directory has been delayed.

11. Training for CICON staff and Members of Congress.

12. Conference will be conducted before PACD.

C. Overall Status

LEGISLATIVE

In spite of the problems and delays pointed out in the next section, the Project has made progress in terms of: 1) concrete services and products of the CICON units; 2) training of CICON staff and Members of Congress; and 3) broadening the base of support within the Upper and Lower Houses. The problems and delays have taken their toll in terms of activities. For example, Output Indicator No. 11 shows that the training targets have not been met as expected. Still, the training of CICON staff has been a success in qualitative terms as explained below.

The single most important achievement has been the selection of a new permanent CICON Director who has an independent, non-partisan, technically competent judgment; the ability to stand up to powerful Members and staffers while avoiding unnecessary friction; the ability to direct CICON staff in accordance with clear policies and objectives, thus helping integrate the CICON units into a single whole; a very methodical work style, and a highly cautious attitude. The new Director wants to bring training of CICON staff up to higher academic standards, while keeping CICON as a bicameral service-oriented organization. It is worth noting that this reporting period the UII and UAL have started to produce outputs in direct response to requests from Members and Committees. Following are some of the achievements of CICON and SUNY under the difficult conditions imposed by the former Acting Director.

The Research and Information Unit (UII) has:

- Produced a quantitative assessment of committee workloads for the Chairman of the Multi-Party Commission on Rules of Order Revision. This study will help determine the future number and functions of committees;
- At the request of the Chairman of the Human Rights Committee of the Lower House, produced a comparative study of Ombudsman legislation, which will have direct impact on the drafting of the Ombudsman Law;
- Produced a study of the procedures by which Congress is asked to approve international treaties and agreements, which includes an exhaustive listing of all pending actions and indicates the current status of each;
- Designed an opinion and fact-finding survey in preparation for the editing of a Directory of Congress; and
- Received training from the Director of Legislative Services of the Maryland State Legislature, covering key topics such as access to electronic information sources and the best ways to process research requests.

There is a clear need for the UII to orient their future work to obtaining and translating texts of laws directly relevant to the agenda of each House from legislatures of other nations through Internet and specialized services such as the Global Network Information Network (GLIN) of the U.S. Library of Congress.

The Bill Drafting Unit (UAL) has:

- Received training from the Director of Legislative Services of the Maryland State Legislature, and is in the process of adapting translations of the bill drafting and style handbooks from Maryland;
- Compiled an index to Bolivian legislation based on titles of laws, and started to enter full text of laws into a legislative data base; and
- Started to acquire legal reference materials with Project support.

The Bill Drafting Unit needs to attend requests from individual legislators who come in with an idea and want a presentable draft law to introduce to the Floor.

Budget Office (OTP) products include:

- the publication of a Fiscal Summary for 1990-95;
- a general Financial Bulletin;
- a specialized Popular Participation Financial Bulletin;
- volume 3 of the Congressional Budget Handbook, which explains in non-technical language the role of the budget in development;
- analysis and approval of the 1995 Budget Law;
- studies of the early stages of the budget process at the municipal level, including the Corporaciones de Desarrollo and the Prefecturas of Cochabamba, Oruro and Santa Cruz;
- training activities, including participation by the Budget Office Director at the International Seminar on Public budgets held in Brasilia last November. As a result of this participation, the International Public Budget Association decided to expand its membership beyond executive to legislative branch staff.

In the immediate future the Budget Office needs to focus some of its attention on municipal finance issues, in preparation for the hiring of a specialist in this area. Initial contacts to obtain Senate records on municipal finance actions have produced misgivings among long-time Senate staff.

The **BASE OF SUPPORT** for the Project within Congress has been broadened beyond the President of Congress to include the more effective members of the Bicameral Group on Legislative Modernization and official representatives of the Upper and Lower House Leadership. Two workshops have been held with this group on activities under the DI and DDCP Projects. A third workshop will lead to the drafting of a general workplan which will be countersigned in the form of a PIL, as required under a special covenant of the follow-on DDCP Project. An increasing sense of ownership by key Members of Congress will be required in order to pass a permanent statute for CICON and allocate permanent funds from the Congress budget for its continuation after the Project PACD.

These actions motivated promotion of the CICON Project by a respected member of the Senate Leadership, through a presentation on the Senate floor and publications within and outside Congress stressing the need to improve legislative performance with the assistance of USAID and other donors.

In spite of a 40% budget cut due to the termination of the SUNY DIFEM CIF at the end of CY94, **THE ROLE OF SUNY** in providing technical assistance and training to CICON has been reinforced this reporting period.

USAID requested SUNY to present not only overall but also individual workplans showing level of effort. A first draft of these plans did not include CICON input because the former CICON Acting Director prevented it. A second draft emphasized CICON unit input, but was concluded before the new Director took office at the beginning of April. A third draft will be concluded early next reporting period, reflecting the full input of USAID/ODI, SUNY/B and SUNY/OIP, CICON under its new Director, the Bicameral Group on Legislative Modernization and the Upper and Lower House Leadership, and the President of Congress. This labor-intensive process will bear fruits in gathering support for approval of a permanent budget and legal status for CICON before the end of CY95.

SUNY has played an active role in contacting other donors. The Swedes have shown interest in a computer equipment donation. Belgium and Holland are interested in funding educational brochures and training about Congress for constituents for a total of about \$17,000. CAF is interested in the Budget Office, and may provide about \$50,000 in funds to hire a municipal finance specialist and to fund other activities. The OAS has \$50,000 for training of legislators and legislative staff in country or abroad. Of particular interest is the possibility that Canada might provide up to \$750,000 for a specific Congressional civil service program that would enable CICON staff to continue at the present salary levels until Congress covers the total cost. COTESU, the Swiss agency, is interested in a pilot civil service project within Congress not for CICON but for key administrative staff of the Upper and Lower Houses.

SUNY is presently attempting to coordinate the contributions of the bilateral and smaller multilateral donors mentioned above, while USAID/ODI will undertake donor coordination activities with major multilateral organizations such as UNDP, IDB or IBRD.

The Mission has engaged IDB on direct dialogue about its proposed new Governance Project and its implications for USAID-funded activities not only in Congress, but also in election management, popular participation, and the administration of justice. An IDB special mission is expected to come to La Paz towards the end of April to meet with GOB officials. At this time, more effective donor coordination mechanisms will be discussed by USAID officials with IDB.

ELECTORAL

Electoral activities have been transferred entirely to the follow-on DDCP Project. Consequently, electoral output indicators have been adjusted to show lowered LOP targets. With funds from a regional LAC/DI Project, a CAPEL delegation visited the NEC to determine their requirements under a possible cooperative agreement to be funded under the DDCP Project. The NEC used its own funds to upgrade its computer systems in anticipation of the December municipal election. A limited amount of complementary computer equipment and programs may be funded under DDCP.

EVALUATION

Within this reporting period, a major evaluation of the Project was concluded and the Mission implemented all of its recommendations.

D. Problems and Delays

Three major inter-related problems faced during this reporting period are near solution: 1) the uncertainty generated in Congress by the possibility of a reduction of DIFEM funding for CICON; 2) the blocking of project activities caused by the CICON Acting Director; and 3) the potentially overlapping project presented to IDB by the Bolivian Congress. These problems had

a distracting effect on two key Project objectives: securing permanent GOB funding and approving a legal statute for CICON.

Uncertainty about DIFEM funds, planned to meet CICON operating expenses through CY95, slowed the pace of implementation. Partly in response to this situation, the CICON Acting Director motivated the President of Congress to push hard with IDB for a new Governance Project. The request to IDB includes all the legislative support activities implemented through the DI Project, plus the new activities agreed with Congress as a component of the follow-on DDCP Project.

The original CICON Director resigned at the beginning of this reporting period, soon after the President of Congress delegated supervision of the Project to a close aide. While the replacement search was launched, the President of Congress filled the Acting Director position with this same aide. In his triple capacity as CICON Acting Director, GOB-IDB Governance Project Coordinator, and Special Assistant to the President of Congress, this aide spoke and acted as an institutional figure with blanket approval from the top.

As Acting Director, this aide blocked access to CICON unit staff by SUNY. He also declined SUNY assistance in managing DIFEM funds as an integral project counterpart. By the end of the period SUNY presented to USAID a long list of specific project activities which were either openly blocked or simply delayed by the CICON Acting Director.

The reasons given by the Acting Director to USAID and SUNY for this policy were that SUNY had too high a profile within Congress, to the detriment of CICON. He also insisted the Research and Information Unit (UII) and the Bill Drafting Unit (UAL) had shown so little production, that further money spent on them might upset Members of Congress, who would then criticize the President of Congress on the grounds of waste. Finally, on the same grounds, the Acting Director proposed to fuse the UAL into the UII, and refused to approve the creation of the new Constituent Services Office (SEC), which he also wanted to merge into UII.

Aside from evident lack of experience in dealing with outside donors, the Acting Director appeared to be pushing a personal or a political agenda or both. His attempt to reduce CICON to two units under the UII would concentrate most of the Project activities under his hand. In addition, there was a clear attempt to break loose from the non-partisan, technical and bicameral conditionalities of the DI Project by going to IDB.

Last December the Mission decided to give high priority to the request for \$500,000 for the CICON CY95 DIFEM CIF budget when the remainder of DIFEM funds are reallocated. While this action was undergoing approval by USAID and DIFEM, a \$25,000 disbursement from previously obligated funds was authorized to pay March salaries of CICON staffers. An early resolution of this problem will help the new CICON Director concentrate his energies on achieving legal status and permanent budgeting for CICON, while improving the service standards of its units.

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

1. Amend the Project Grant Agreement (PROAG) to reflect reduced LOP host country counterpart contribution levels.
2. Complete observation trip to other legislatures with key members of Legislative Modernization Group (GBML) and new CICON Director.

3. Drafts of the statute for new legislative support services are reviewed by Vice-President, Bi-Cameral Group for Legislative Modernization (GBML), Upper and Lower House Leaderships, and strategy for achieving permanent legal status for CICON is designed.
4. A request for funds for CICON is presented by the President of Congress to the Upper and Lower House Appropriations Committees elected August, 1995, to try to ensure consideration under the 1996 budget law.
5. New Training and Constituency Outreach Unit is established or its planned functions are clearly performed under the other CICON units.
6. Review of the organizational structure and functions of the Research and Information Unit (UII) is conducted, to determine possibility of its performing some of the proposed functions of the new Constituent Outreach Unit.
7. Bill Drafting Unit (UAL) provides individual services to rank-and-file Congress members.
8. Donor conference on legislative assistance objectives and techniques is held.

Rating: **B**

PROJECT STATUS REPORT
Oct. 1, 1994 - March 31, 1995

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 02/24/95
 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: March, 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: 3,861
 c) Amount Committed: Period: 821
 Cumulative: 3,186
 d) Accrued Expenditures: 1) Period-Projected: 350
 2) Period-Actual: 355
 3) Next Period Projected: 600
 4) Cumulative to date: 1,903
 e) Pipeline 1,958
 % LOP Elapsed: 62
 % of Total Auth. Oblig. (b/a): 85
 % of Total Oblig. Exp. (d,4/b): 49
 % of Total Auth. Exp. (d,4/a): 42

Note: Projected expenditures for FY95 have been reduced from \$1,416,000 to an estimated of \$950 in view that a long-term group was cancelled due to local currency elimination.

Counterpart Contribution (GOB):

	<u>CASH *</u>	<u>IN KIND *</u>
f) Counterpart Planned LOP:	335	365
g) Counterpart Cumulative Planned as of 3/31/95:	380	84
h) Actual Counterpart Expenditures as of 12/31/94:	373	118
i) Accrued Counterpart Expenditures 1/1/95 to 3/31/95:	(33) <u>1/</u>	11 <u>2/</u>
j) Total Counterpart Actual and Accrued Expenditures as of 3/31/95:	340	129
k) Counterpart Planned Next Period:	0	40
l) % of LOP Expended (j/f)	101%	35%

* Local currency Cash and In-Kind figures were reprogrammed through Proag amendment number 5 dated February 24, 1995. Cash figures were reduced from \$1,153,000 to \$334,947; in-kind were increased from \$347,000 to \$365,053, which has no impact on the 25% HCC required.

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, as per last CLASP II amendment, represents approximately 10% of the total number of participants to be trained. All training under the BPSP is strictly coordinated with Technical Offices and designed to support the Mission's strategic objectives.

1/This amount will be returned to DIFEM during next quarter. D.A. was authorized to use DIFEM funds to cover expenditures through 12/31/94.

2/ This figure is an adjustment to the previous in-kind corresponding to participants' salaries.

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	18	112	35	0	162	77
2. Trained women (40% of 300)	120	12	66	24	0	65	54
3. Trained in HBCU's (10% of a total of 888 participant/months) <u>2/</u>	88	0	33	10	0	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 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 <u>3/</u>	M 161 F 108	0 0	84 56	24 24	0 0	95 61	59 56
2. Training - Long-Term <u>3/</u>	M 17 F 12	13 12	22 18	0 0	0 0	11 4	64 33
3. TOTAL	298	25	180	48	0	171	57

3. Due to local currency elimination participant targets have been modified: Short-term targets have been increased from 240 to 269. (Male participants from 144 to 161 and females from 96 to 108). Long-term targets have been reduced from 60 to 29. (Male participants from 36 to 17 and females from 24 to 12).

C. Overall Status.

The project is on schedule with 171 participants trained to date, out of the 298 targeted for the LOP. The long-term training group planned for this period had to be canceled given the elimination of local currency funds for the project, which required a revision of targets and identification of other resources to compensate for the local currency shortage.

The elimination of local currency funds led us to revise the dollar and local currency budgets as well as the long and short-term participants targets. As of 1995, \$300,000 were made available from the dollar account to cover participant local costs, previously covered with local currency, to include participant travel, medicals, and all pre-departure orientation costs. Follow-on activities were included as well in this local costs category. Long-term participant targets were modified from 60 to 29 and short-term participant targets were increased from 240 to 269 reducing the original goal of 300 participants to 298 to be trained by the PACD OF 6/30/97.

The elimination of local currency funds also caused the closing of the Development Associates' field office and a corresponding modification to their scope of work. The field office's main responsibility was to coordinate the management of local currency provided by DIFEM.

The host country contribution to the project, originally programmed in the amount of \$1,500,000, was adjusted to \$700,000. HCC to date is \$469,000, leaving a balance of \$231,000 to be generated through the LOP in order to reach the minimum 25% HCC. This amount is expected to be generated through in-kind contributions.

A mid-term evaluation of the project was performed in March 1995, by Aguirre International. Preliminary results show that training programs met the project's purpose to equip participants with technical skills and to provide leadership skills. The majority (76%) of surveyed trainees responded that they were prepared/very prepared for their training program. The training received in the U.S. surpassed the expectations of most participants. 72% of the participants responded that they have been able to apply their training in their work. 53% responded that their responsibilities at work had increased, although only 29% had salary increments. Results also show that many of the returnees have assumed change agent and leadership roles in their fields, and credit their efforts to the training received as BPSF scholars.

Follow-On

The Training Division partially overcame the financial shortage resulting from the elimination of DIFEM local currency funding, assisting returned trainees in implementing eight follow-on activities at no cost to the Mission. The topics covered were environmental protection, popular participation and educational reform. Also, ex-trainees produced educational brochures and pamphlets to promote democratic practices in Bolivia such as, popular participation, educational reform and civil rights.

An estimated 3,000 copies of these materials were distributed in peri-urban and rural areas throughout the country.

D. Problems and Delays

The elimination of DIFEM funds virtually paralyzed all activities under the project from late 1994 to date. Development of new procedures and documents necessary to access dollar account funds to cover local costs previously paid with local currency required careful planning and accurate projections. This prevented us from complying with the planned activities, especially in the Follow-On Program, which had to cancel an estimated 14 activities by and for trainees. These canceled activities had the potential to benefit some 1,200 people. The long-term group scheduled to leave in March has been reprogrammed as a short-term group and rescheduled to start training in May.

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

Three short-term groups are programmed to leave during the next period. A seven week program aimed at nurses and health promoters/educators will receive training from May 13 to June 29, at the Institute for Training and Development, Amherst, Massachusetts. A second Training of Trainers group for rural educators will leave in July. The third and last FY95 group is scheduled to depart in September, and will receive training on gender and leadership and will be directed primarily toward women.

Follow-on

A focused and targeted program is being designed to benefit approximately 600 returned trainees beginning August 95.

Rating: A

PROJECT STATUS REPORT
October 1, 1994 - March 31, 1995

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 09/30/91; 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: -15*
 Cumulative: 481
 d) Accrued Expenditures: 1) Period-Projected: 70
 2) Period-Actual: 19
 3) Next Period Projected: 19
 4) Cumulative to date: 471
 e) Pipeline (b-4,4): 29

(*) Reflects refunds/decommitments from completed projects.

% LOP Elapsed: 88
 % of Total Auth. Oblig. (b/a): 100
 % of Total Oblig. Exp. (d,4/b): 94
 % of Total Auth. Exp. (d,4/a): 94

Counterpart Contribution (GOB):

f) Counterpart Planned LOP:	160
g) Counterpart Cumulative Planned as of 03/31/95	148
h) Actual Counterpart Expenditures as of 03/31/95	113
i) Accrued Counterpart Expenditures:	31
j) Total Counterpart Actual and Accrued Expenditures as of 3/31/954 (h+i):	144
k) Counterpart Planned Next Period:	12
l) % of LOP Expended (j/f):	90

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 self-help projects but also some social projects (e.g., water systems, and school construction and remodeling). 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.

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 58 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: 22 rural schools will be constructed/remodelled.

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

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. Water Sanitation, Health Project.	22	2	27	0	1	21	95
2. Remodelling and School Construction Project.	22	5	20	3	5	20	82
3. Income Generating.	14	3	19	1	0	13	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. Approved Projects.	58	8	56	4	0	54(1)	93
2. Completed Projects .	58	8	56	4	6	53	91
3. Counterpart Contribution.(2)	160,000	15,000	138,000	12,500	31,321	144,699	90

Notes:

1. Represent projects approved for funding by the USAID/Country Team Committees. Other six approved projects were 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 was reduced to 58, following funding availability.

C. Overall Status

During the reporting period the following was accomplished:

- Six projects were completed:

- Three schools construction (Porvenir, Los Andes, Rio Conchas).
- Two schools remodelling (Villa Puni y Cotapata).
- One water supply project (five wells for four communities).

A financial review of the project carried out by DP and CONT, plus the cancellation of one project resulted in the availability of about \$ 19,000, that will be used to cover four additional projects, as follows:

- Two school construction (Urimarca and Cotañi).
- One school completion (Monte Rico).
- One income generating project (Candelaria artisanry center).

D. Problems and Delays

None

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

- Complete five projects.

- Three school construction (Urimarca, Cotañi and Monte Rico).
- One water supply project(Lacalacani).
- One income generating (Candelaria).

- Dedicate 10 projects:

- Two water supply projects (Lacalacani and four well project).
- Seven school construction (V. Puni, Cotapata, Los Andes, Rio Conchas, Porvenir, Uriomarca y Cotañi).
- One income generating project (Candelaria).

PROJECT STATUS REPORT
Administration of Justice Project
October 1, 1994 - March 31, 1995

Rating: B

I. Background Data

Project Title: Bolivia Administration of Justice
 Project Number: 511-0626
 Date of Authorization: original 08/28/92
 Date of Obligation: original 09/30/92
 PACD: original 12/31/97
 Implementing Agencies: United States Department of Justice (Office of Professional Development and Training (OPDAT), and International Criminal Investigative Training Assistance Program (ICITAP)
 Major Contractors/Grantees: Management Sciences for Development (MSD), Inter-American Bar Foundation IABF, Florida International University (FIU)

AID Project Manager: Carl A. Cira, Jr.

AID Project Coordinator: Paola Barragan

Status of CPs/Covenants: Met

Date of Last Evaluation: No prior evaluation Next Evaluation: January 1996¹

Audits:	Audit Responsibility	Last Audit Completed	Next Audit Begin Date	Total Audits Completed to Date
<u>Organization</u>	<u>Responsibility</u>	<u>Completed</u>	<u>Date</u>	
IABF, FIU	OP/PS/OCC ²	N/A	N/A	N/A
MSD	OP/PS/OCC ³	N/A	N/A	N/A
DOJ/ICITAP	N/A ⁴	N/A	N/A	N/A
DOJ/OPDAT	N/A ⁴	N/A	N/A	N/A

¹The evaluation has been postponed to this time to be able to include activities under Component One which will have had a year to run since the Supreme Court impeachment proceedings ended in July 1994.

² This is a US-based PVO or educational institution, that is subject to the audit requirements established under OMB A-133. The audit responsibility is handled by OP/PS/OCC.

³ This is a US-based for-profit institution, that is subject to the same bank audit and requirements established under OMB-A133. The audit responsibility is handled by OP/PS/OCC.

⁴ US Government Agency subject to its own audit requirements. Thus, no USAID audit responsibility.

II. Financial Data (\$000)

a) Amount Authorized:		10,000
b) Total Amount Obligated:		
- amount obligated in Bolivia:	(6,050)	
- amount obligated in Washington:	(2,050)	
c) Amount Committed:	Period:	1,005
	Cumulative:	3,003
d) Accrued Expenditures:	1) Period-Projected:	900
	2) Period-Actual:	541
	3) Next Period Projected:	1,004
	4) Cumulative:	1,829
e) Pipeline:		4,221
% LOP Elapsed:		48%
% of Total Auth. Oblig.:		61% ¹
% of Total Oblig. Exp.:		30%
% of Total Auth. Exp.:		18%

Counterpart Contribution (GOB):

f) Counterpart Planned LOP:	3,000
g) Counterpart Cumulative Planned as of 3/31/95:	865
h) Actual Counterpart Expenditures as of 12/31/94:	672
i) Accrued Counterpart Expenditures 1/1/95 to 3/31/95:	153
j) Total Counterpart Actual and Accrued Expenditures as of 9/30/94:	825
k) Counterpart Planned Next Period:	0 ²
l) % of LOP Expended:	27%

III. Project Goal 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 Ministry of Justice (MOJ) and its Office of Public Defense, the Bolivian National Police (BNP) and its Technical Judicial Police (PTJ), the Public Prosecutor, 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.

¹Percentage only to Bolivia Obligation.

²Since local currency is no longer available, this item is no longer applicable. As an ESF project, according to the Foreign Assistance Law, counterpart contribution is not required. Nevertheless, GOB entities and NGO's continue in kind contributions.

IV. 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 are also 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 justice reform;
 - c) criminal case tracking systems for the police, prosecutors, public defenders, 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) grass roots civic legal education, legal aid, and training activities for prisoners, students and marginalized groups, through university law students.

VI. Project Status

As of this reporting period, as described in the March 1994 Project Paper Supplement, the new purpose indicators, and major output indicators are as follow: (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 ¹	40 days/						
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
3. Number of cases in which detainees have had public counsel available during crucial stages of the criminal process ³	3200/800	400	400	3,600	4,544	4,544	142%
4. Number of commercial cases solved through alternative means increase from X to Y	256/0	14	34	14	14	62 ⁴	24%
5. X parties using alternative means for dispute resolution	10000/0	40	82	60	66	191	2%

¹ This indicator will be discussed and appropriate adjustments made in the Project Paper Supplement currently being drafted.

² Revised figure based on 1992 & 1993 cases from Tarija (OPDAT). This indicator will be discussed and appropriate adjustments made in the Project Paper Supplement currently being drafted.

³ A system for tracking this indicator has been installed and accordingly, it will be adjusted during the next semester.

⁴ Includes cases from Santa Cruz for the period July - September 1994 which were not available for the last SAR.

B. Major Output Indicators	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	20	51	6	6.0 1.5 4.5	49 10.1 39	163%
2. In-service judicial training program established and one cycle completed	1	20%	30%	30%	20%	30%	30%
3. Judicial administrative services office established in Tarija Superior District Court	1	10%	40%	30%	10%	40%	40%
4. Judicial statistics and case tracking system established in Santa Cruz Superior District Court	1	30%	40%	40%	10%	20%	20%
5. Prisoner and seized asset tracking system designed ¹	1	0	0	0		0	0
6. Strategic plan for MOJ developed	1	60%	80%	25%	55%	75%	75%
7. Work manual defining MOJ organizational/functional structures in use	1	1	1	0	100%	100%	100%
8. Design for a MOJ national legislation database	1	20%	25%	25%	5%	10%	10%
9. Person months of training provided to prosecutors: Women trained: Men trained:	30	6	41	8	11.6 2.7 8.9	32.6 9.5 23.1	109%
10. Model Prosecutor's Office designed & fully functioning ²	1	0	0	25%	10%	10%	10%
11. Work manual for prosecutors developed	1	20%	95%	20%	5%	80%	80%

¹This indicator is on hold pending re-definition by NAS and UNDCP of funding and collaboration.

²Project focus shifted to organizational and institutional development de-emphasizing institutionalized training until organizational structures can be improved. Accordingly, this new indicator was adopted, replacing the previous indicator, "In-service prosecutor training program institutionalized."

B. Major Output Indicators	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period (6 mo.)	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
12. Person months of training received by police investigators:	160	100	239	30	8.9	207.1	129%
Women trained:					.7	8.1	
Men trained:					8.2	199	
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	1	4	1	1	4	67%
16. Anti-corruption task force designed	1	50%	80%	20%	0	30%	30%
17. Criminal law graduate program established	1	50%	100%	20%	10%	60%	60%
18. Commercial arbitration centers established ¹	2	0	2	0	1	2	100%
19. Extra judicial community centers upgraded/established ²	20	1	1	2	0	0	0
20. People trained in civic legal education	3000	400	800	800	423	2,656	88%
Women trained (approx.):					255	1,594	
Men trained: (approx.)					168	1,061	

C. Overall Status

A New Activity Description (NAD) to effect several alterations in the project was approved during the March 1995 Action Plan Review in Washington, and accordingly, a second Project Paper Supplement to reflect approved changes is being drafted. The Project will be extended by a year until December 1998, all present implementation grants, contracts, PASAs and other agreements will be made coextensive with the new PACD, and the loss of balance of payments (DIFEM) local

¹ 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.

² Although not reflected in the progress indicator, the project carried out two pioneering seminar-workshops focused on improving traditional justice in Bolivia with participants from different countries, indigenous groups, and neighborhood associations.

currency counterpart funds will be compensated by USAID ESF dollar funding for remaining LOP. In addition, certain new activities, principally responding to the opportunities presented by the dynamism of the new MOJ, were approved. As a result, the authorized LOP funding will increase to \$14 million.

1) Judicial System Efficiency and Accountability

In substantive legal development, through the Ministry of Justice (MOJ) during the period the project supported: a) the creation of an MOJ legal research and policy development unit, b) the development of an MOJ organizational manual, c) expert review of a pending arbitration law, d) expert review of the MOJ's proposed law to reduce preventive detention, e) orientation for the new Subsecretary of Human Rights, and, f) design of a training cycle for public defenders. The Minister and other high level MOJ personnel participated in seminars and conferences sponsored by the Project, and the National Secretary and Subsecretary made observational visits to Costa Rica, Colombia, Peru, and the U.S. In December the Minister agreed to our proposal that an institute of forensic medicine, to be established with ICITAP assistance, should be located in the MOJ. Significant BAOJ organizational and technical support continues for MOJ efforts to complete implementation legislation for a new criminal procedure code and for two important August 1994 Constitutional reforms, a Constitutional Tribunal and a Judicature Council, which will handle all judicial nominations and administer the judiciary's finances and personnel. An international seminar was held on procedural reforms in Latin America and their implications for Bolivia, and the resulting MOJ drafting commission is proceeding apace to produce the new law, advised by Argentine and Costa Rican experts. Two seminars were held and technical assistance from the Costa Rican Supreme Court is being provided for a law implementing the new Constitutional Tribunal. Some bills on which the MOJ is working are essential to provide Bolivian law enforcers with a modern regulatory framework for the establishment of key institutions, ie. Constitutional Tribunal, Judicature Council. Some actions will promote improvement in human rights, ie. establishing an Institute of Legal Medicine, orienting the UnderSecretariat of Human Rights, strengthening the public defense. All will improve the quality of the working tools available to ensure due process.

Judicial training continued with a workshop in Sucre in October which focused on comparative judicial training systems, analyzing judicial training structures in Argentina, Brazil, Costa Rica, and California, with conclusions and recommendations to be used in the design of the project's 18 month pilot training program. MSD also completed a study of judicial training needs at the national level during this reporting period. Without the necessary nationwide support of future implementors this pilot project will not be successful. Given the difficulty of working with the Supreme Court on this project, because of the vacuum left after impeached members quit, the Supreme Court declaration issued in November supporting this program is a significant advance.

Work continued by MSD on the development of a case tracking system to strengthen court administration. NEOTEC, a Bolivian firm, has been selected to develop the software and install it in the District Superior Court of Santa Cruz. The Private University of Santa Cruz (UPSA), will also participate and be responsible for the maintenance of the software and its installation in additional courts. The pilot Administration of Courts program in Tarija is being implemented. An Office has been set up and a local counterpart coordinator has been hired. This pilot project is expected to be fully operational by May 1995.

2) Effective Criminal Prosecution and Investigation

Support to strengthen the MOJ Office of Public Defenders continued with an MSD seminar on the role of the public defense in Bolivia, held in Cochabamba, to discuss problems and frictions among police, prosecutors, judges, and defenders caused by the growing active presence of public defenders in criminal cases. The need for this workshop clearly showed that the defenders' presence is being felt throughout the criminal process. The debate was vigorous and frank, and as a result, a permanent coordination mechanism, the Interinstitutional Commission for Public Defense, was created under MOJ auspices. The commission has met several times and has produced agreement on subjects such as regularization of defender access to prisoners.

A DOJ/OPDAT activity carried out during this reporting period was the participatory design seminar for the Model Prosecutors Office, in which both U.S. and local prosecutors, including the Bolivian Attorney General (BAG), participated. They collaborated to develop ideas for a model district prosecutor's office, a new program element inserted by ODI under the OPDAT PASA to assure systematic focus on institutional development of prosecutorial capacity. Considerable progress has been made on the organizational and operations manual for prosecutors, which is about 75% completed.

OPDAT also provided several technical assistance missions by Assistant U.S. Attorneys (AUSAs): a) an AUSA worked with special drug prosecutors, the BAG's Office, and the MOJ to develop investigative techniques for more effective prosecution of narcotic cases (including money laundering); b) another AUSA from Tampa, Florida conducted a day long seminar on asset forfeiture cases and attended other meetings coordinated by the Embassy and NAS to review the Bolivian system for control and management of seized assets; c) as a follow-up to this activity, a work group from MOG and MOJ redrafted regulations for the control and management of seized assets, and involved MOJ staff were funded by OPDAT to observe and become familiar with the asset seizure and management system in Tampa. OPDAT has now completed a cycle of nine seminars on the new Public Prosecution Law, the last being conducted in La Paz for police, prosecutors, and public defenders, and focused on teaching them how to work with the new adversarial/investigative system established by this law.

In November a training seminar for police and prosecutors was conducted jointly by ICITAP and OPDAT in Trinidad, Beni Department, to develop a replicable format for coordinating police and prosecutor actions in criminal cases. After this course, a Coordinating Agreement was signed by the District Attorney, the BNP Departmental Commander, and the PTJ Departmental Director. Results of the monthly coordination meetings have been highly successful thus far. To illustrate this situation, at a recent meeting, a prosecutor member of the commission informed her colleagues that investigative police proceedings were carried out legally and no complaints were filed concerning abuse of detainees; the Technical Judicial Police Departmental Director confirmed that during the reporting month, proceedings were well coordinated with prosecutors, and an important effort was placed on carrying them out during prescribed legal periods. ICITAP plans to replicate this seminar in at least four more cities including Santa Cruz, Sucre/Tarija, La Paz, and Cochabamba.

Other ICITAP activities during the semester include progress on the Bolivian National Police (BNP) Career Plan, BNP plans for an internal affairs unit, and additional training. The Career Plan, which aims at demilitarizing the police, is about 50% completed. As part of its internal affairs plan, the BNP will institute a regular background investigation process for applicants to the National Academy as well as candidates for promotion. In March ICITAP conducted a one week course for PTJ departmental directors which was attended by the national sub-director. The focus was on implementation of ICITAP-produced investigative, public relations, and organizational manuals.

3) Access to Justice

A November external assessment by an experienced director of a U.S. legal aid program confirmed the technical progress of the project-supported NGO "Training and Citizen Rights" (CDC). More than fifty law students from the Catholic University have been trained during the semester as instructors in legal rights and duties for underprivileged groups in factories, the San Pedro men's prison, public high schools, and poor neighborhoods. Information on labor law, criminal law, family law, and constitutional rights is disseminated through workshops and it is estimated that for every direct beneficiary attending a workshop, there are five indirect beneficiaries. IABF sponsored an internship in Bogota, Colombia for four Santa Cruz and Cochabamba arbitration center officials to observe mediation, conciliation, and arbitration techniques. The three project-initiated arbitration and conciliation centers in the Chambers of Commerce of La Paz, Santa Cruz, and Cochabamba are now functioning on their own with only occasional help from the project and USAID/Bolivia considers them fully successful.

In response to the new Bolivian Constitutional provision which requires the GOB to validate and incorporate traditional indigenous justice systems, assuring their eventual compatibility with the formal legal system, the BAOJ, through IABF, organized a pioneering seminar-workshop in La Paz on improving traditional justice in Bolivia. Participants included indigenous residents and neighborhood associations from El Alto, PROA, a social service NGO, the MOJ, USAID, and other national and international experts. IABF held a second seminar on the subject in Cochabamba, this time inviting experts on incorporation of indigenous justice systems into national legal systems. Representatives from Colombia, Mexico, Ecuador, Guatemala, Peru, the Navajo Nation, and the Interamerican Indigenous Institute joined Bolivian indigenous leaders, judges, prosecutors, police, public defenders, and law professors in the first in-depth discussion of the subject. Vice President Cardenas, himself an Aymara, and the Minister of Justice gave opening presentations at the conference, which produced a set of recommendations to the GOB and resolved to maintain the international experts in attendance as an ad hoc resource group for periodic consultation through the IABF as the theme advances in Bolivia.

D. Problems and Delays

1. An important amendment to the MSD contract, and three subcontracts have been delayed during the reporting period:
 - a. The Criminal Courts' Case Tracking System subcontract had to be redirected due to high costs and unsatisfactory service options from the first offeror. A contract has been negotiated with lower costs and significantly better service support and will be signed in April, 1995.
 - b. The UPSA subcontract had to be delayed to assure coordination with the main contractor under a) above.
 - c) The FIU anti-corruption contract requires the prior signature of the pending MSD contract amendment, which will finally be signed in April.
2. MOJ has resumed attention to the proposed Arbitration Law, but effort remains slow.
3. Delay in filling Supreme Court vacancies continued to limit work with judicial branch.
4. Uncertainty and coordination difficulties concerning the World Bank AOJ project currently under design required notable levels of policy dialogue with MOJ and diplomatic maneuvering to avoid misunderstanding with Supreme Court before acceptable resolution could be achieved.

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

1. ODI, PDI and CONT will review project financial plan, analyzing status of obligations, earmarks, commitments and expenditures. Based on this review, Mission will decide on an appropriate time to proceed with a project amendment and a possible revised obligations schedule.
2. Extend OPDAT/PASA and IABF Grant for LOP. (ODI)
3. Review the administrative mechanisms supporting implementation of OPDAT prosecutorial strengthening activities to determine desirability of continuing with that mechanism.
4. Continue close coordination with Interamerican Development Bank AOJ project design process, aiming at possible coordinated implementation of USAID-initiated court administration and case tracking system pilot projects. (ODI)
5. Provide maximum support to MOJ law-drafting processes for Constitutional Tribunal, Judicature Council, and Criminal Procedure Code. (MSD)
6. Begin implementation of anti-corruption program (training and cooperative interagency enforcement structures) (MSD/FIU).
7. Install a local area network (LAN) of 25 computers in the PTJ national headquarters. 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)
8. Begin organization of MOJ Forensic Medicine Institute (MSD/ICITAP).
9. Organize seminar and possible pilot project on court-annexed arbitration and dispute resolution. (IABF)
10. Submit final report of the national judicial training needs assessment survey, determine final focus and content of judicial training program and begin courses and seminars (MSD).
11. Produce Training Manual for Prosecutors (OPDAT).
12. Assure the creation and institutionalization of a Model Prosecutors Office in Santa Cruz in coordination with the Bolivian Attorney General's office (OPDAT).

PROJECT STATUS REPORT

October 1, 1994 - March 31, 1995

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	(1)	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): 2,500

c) Amount Committed: Period: 12
 Cumulative: 946

d) Accrued Expenditures: 1) Period-Projected: 670
 2) Period-Actual: 316
 3) Next Period Projected: 600
 4) Cumulative to date: 459

e) Pipeline (b - d,4): 2,041

% LOP Elapsed: 29
 % of Total Auth. Oblig. (b/a): 38
 % of Total Oblig. Exp. (d,4/b): 18.4
 % of Total Auth. Exp. (d,4/a): 7

⁽¹⁾ As U.S.-based non-profit/Education Institution, OMB Circular A-132 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):

	<u>BCU</u>	<u>GOB</u> ^u
f) Counterpart Planned LOP:	2,170	600
g) Counterpart Cumulative Planned as of 03/31/95:	100	0
h) Actual Counterpart Expenditures as of 12/31/94:	0	0
i) Accrued Counterpart Expenditures:	70	0
j) Total Counterpart Actual and Accrued Expenditures as of 12/31/94 (h+i):	70	0
k) Counterpart Planned Next Period:	250	150
l) % of LOP Expended (j/f):	0	0

^u BCU has signed an agreement with the Bolivian Comptroller General's Office for the provision of \$600,000 as counterpart contribution to the project. Actual contributions are currently being recorded and will be shown in the next report.

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 ⁽¹⁾	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	30	30	3.5
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	25	25	5
5. University professors trained in relevant fields of study and research	10	0	0	0	1	1	10

⁽¹⁾ Data on this indicator can only be reported after four academic semesters have been completed. During this semester, 55 MS degree students initiated their programs.

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	2	2	100
2. Increases in:							
a) enrollment	350	0	0	0	55	55	15
b) graduates	169 ⁽¹⁾	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	3	3	3	19
- Short courses	21	2	2	2	1	1	4.7
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	6	3	0	3	33
d) Faculty trained in training/exchange programs	6	0	0	0	0	0	0

⁽¹⁾ Data on this indicator can only be reported after four academic semesters have been completed. During this semester, 55 MS degree students initiated their programs.

C. Overall Status

Project implementation continued at a faster pace during the reporting period. The HIID technical assistance made every effort to continue with project implementation during the first three months of the period and completed all activities necessary to begin the academic year in April, as scheduled. In the meantime, Catholic University (UCB) recruited and hired a new Project Coordinator who began to work in January.

Following a very tight schedule, HIID was successful in developing and obtaining approval from Catholic University (UCB) of the curriculum for the Master's programs and initiated promotion and recruitment of faculty and students on behalf of UCB.

The main academic activities carried out during the reporting period were as follows:

- development and approval by UCB and HIID/Cambridge of the curriculum for the two Masters programs.

- a promotion campaign was conducted during November and December 1994 in three cities of Bolivia (i.e. La Paz, Cochabamba and Santa Cruz), where presentations of the program were made to approximately 400 people representing public and private firms, as well as academic institutions. Brochures with program information and application forms were mailed to firms, institutions and prospective applicants in the other departments of Bolivia. The campaign, which reached approximately 4,000 people, included working breakfasts for private entrepreneurs, tv presentations, press releases and advertisements in the main newspapers of national circulation.

- establishment of an Admissions Committee with representatives from UCB and HIID. This included the development and approval of selection procedures, norms and regulations. The Committee processed about one hundred applications of which 61 applicants were conditionally admitted to the program through a strict selection process which included a personal interview, analysis of the application forms and a written exam in Statistics, Math, Accounting and English. Special efforts were made to attract female participants during the promotion campaign thru the extension of invitations to institutions and organizations which traditionally have female staff members at the middle and top levels. Of the 61 applicants, 20, or 32.8% were women (10 for each of the two masters' programs).

- development and implementation of a seven week preparatory course in quantitative subject matters to upgrade the skills of some of the students. The course was completed the first week of April and a total of 55 students were finally admitted to the program.

- selection and training of eight applicants to serve as research assistants to the faculty. They received a two day training in the case method and research techniques for the development of teaching materials and analytical papers.

- development of terms of reference and recruitment of three visiting faculty members who will support the HIID technicians during the first semester. This included travel by the HIID Deputy Chief of Party to Mexico to interview prospective professors.

Other accomplishments include the creation of an advisory board formed by twenty representatives from well known and influential public and private institutions with the purpose of providing advice and support to the project and UCB. At its first meeting held in November, the general outline for the Masters programs was presented and general future project activities were discussed. Some of their members provided important suggestions and recommendations to improve the program which have been incorporated into the program. The board agreed to meet every six months.

Design and specifications for the classrooms, library and computer facilities were conducted and the services of an architect were contracted. Present plans call for the inauguration of the classrooms at the end of April and the library at the end of May.

Plans and specifications for all audiovisual materials, computer network and Internet facilities were completed and about 400 books and texts were procured and transported to La Paz.

A two day seminar was conducted in early December with the participation of a Mexican lecturer and the HIID Chief of Party. Twenty five people participated.

Pending actions include the development and approval of a compensation plan for permanent and visiting faculty members, approval of financial and academic rules and regulations and a code of conduct for students, and development of a training plan at the PhD level for future professors (to be funded outside of the project).

D. Problems and Delays

The lack of a Project Coordinator during the first half of this reporting period, as well as the weak logistic support provided by BCU to the project, significantly hindered the project's ability to meet its expenditure plans. With the incorporation of a new Project Coordinator, many of the past problems have been solved. However, there is still need to strengthen the support staff assigned by UCB to the project, especially in the financial management of project resources. Some additional adjustments in personnel will take place during the next semester to improve and facilitate project implementation.

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

1. Process HIID contract amendment to increase funding.
2. Reformulate budget to allow for the contracting of a full time administrative assistant/accountant.
3. Develop and implement faculty compensation plan for permanent and visiting professors.
4. Implement computer and Internet procurement plans.
5. Develop and approve short course/seminar plan for the second semester of this year.

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Rating: B

PROJECT STATUS REPORT
October 1994 - March 31, 1995

I. Background Data

Project Title: Special Development Activities III
 Project Number: 511-0633
 Date of Authorization: original 06/10/94
 Date of Obligation: original 08/22/94 amendment # 1 02/24/95
 PACD: original 09/30/99
 Implementing Agencies: Small rural communities.
 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: N/A Next evaluation: March 1999
 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 600
 b) Amount Obligated: DA Grant 210
 c) Amount Committed: Period: 52
 Cumulative: 52
 d) Accrued Expenditures: 1) Period-Projected: 20
 2) Period-Actual: 19
 3) Next Period Projected: 50
 4) Cumulative to date: 19
 e) Pipeline (b-d,4): 191

% LOP Elapsed: 13
 % of Total Auth. Oblig. (b/a): 35
 % of Total Oblig. Exp. (d,4/b): 9
 % of Total Auth. Exp. (d,4/a): 3

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:	25
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 the 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/ EOPS	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1. Education Projects.	15	-	-	6	-	-	0
2. Water Projects.	25	-	-	4	-	-	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. Projects Completed.	66	-	-	10	-	-	0
2. Communities Benefitted.	85	-	-	10	-	-	0
3. People Benefitted.	15,000M 15,000F	-	-	2,500 2,500	-	-	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.
- Amendment one to the Limited Scope Grant Agreement was signed between the Bolivian Government and USAID/Bolivia on February 24, 1995, obligating the second tranche of the grant, in the amount of \$100,000.

During the reporting period the following was accomplished:

- 33 new site inspections were carried out, in the Department of Tarija, Chuquisaca, Cochabamba, Santa Cruz and La Paz.
- 10 subproject approval documents are being prepared in order to be submitted to the USAID Committee for final approval.

D. Problems and Delays

- Communities are not submitting required information and forms on time.
- The heavy rainy season slowed site inspections in the Department of Santa Cruz.

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

- Complete ten subprojects, as follows:
 1. Lacalacani
 2. Candelaria
 3. Monte Rico
 4. Urimarca
 5. Cotañi
 6. Chaupi Loma Bajo
 7. Cascabel
 8. El Palmar
 9. Cochabambita
 10. Azul Khocha

- New inspections trips will be carried out to visit around 20 communities in the Departments of Pando, Beni and Chuquisaca (Guaraní area).
- Between 10 - 12 subprojects will be submitted to the SDA Committee for approval.

PROJECT STATUS REPORT
October 1, 1994 - March 31, 1995

I. Background Data

Project Title: Democratic Development and Citizen Participation
 Project Number: 511-0634
 Date of Authorization: 01/06/95
 Date of Obligation: 01/11/95
 PACD: 09/30/02
 Implementing Agencies: SNPP(1), NEC(2) and Bolivian Congress
 Major Contractors/Grantees: SUNY(3), CAPEL(4) and LLC(5)
 AID Project Manager: Carl Cira, Walter Guevara
 AID Project Coordinator: Eduardo Mendiola
 Status of Cps/Covenants: All met
 Date of Last Evaluation: New Project
 Audit:

Organization	Audit Responsibility	Last Audit Completed	Next Audit Begin Date	Total Audits Completed to Date
To be decided	-	-	-	-

II. Financial Data (\$000)

a) Amount Authorized:	14,000
b) Amount Obligated:	1,400
c) Amount Committed:	0
Period:	0
Cumulative:	0
d) Accrued Expenditures:	0
1) Period-Projected:	0
2) Period-Actual:	150
3) Next Period Projected:	0
4) Cumulative to date:	1,400
e) Pipeline (b-d/4):	1
% LOP Elapsed:	10
% of Total Auth. Oblig. (b/a):	0
% of Total Oblig. Exp. (d,4/b):	0
% of Total Auth. Exp. (d,4/a):	0

Counterpart Contribution (GOB):

f) Counterpart Planned LOP:	4,700
g) Counterpart Cumulative Planned as of 3/31/95:	0
h) Actual Counterpart Expenditures as of 12/31/94:	0
i) Accrued Counterpart Expenditures 1/1/95 to 3/31/95:	0
j) Total Counterpart Actual and Accrued Expenditures as of 3/31/95 (h+i):	0
k) Counterpart Planned Next Period:	0
l) % of LOP Expended (j/f):	0

(1) SNPP - Secretaría Nacional de Participación Popular/National Secretariat for Popular Participation.
 (2) NEC - Corte Nacional Electoral/National Electoral Court, Bolivia.
 (3) SUNY - State University of New York, National Level Contractor for support to Congress through mid 1997
 (4) CAPEL - Centro de Asesoría y Promoción Electoral, cooperative agreement recipient fo national level support to electoral system through mid 1997
 (5) LLC - major local level contractor to be selected competitively during CY 95

III. Project Goal/Strategic Objective

The goal of the project is to improve the effectiveness and accessibility of key democratic institutions and practices. This directly supports the Mission's strategic objective in the democracy area.

IV. Project Purpose

The purpose of the project is to strengthen citizen participation in municipal and national government, as well as the ability of municipal governments, national and departmental electoral institutions and the National Congress to respond effectively to the demands resulting from strengthened participation.

V. Project Description

Project activities are organized under the following three components: (1) Municipal Governance; (2) Effective Citizenship; and (3) Representative Congress. Component (1) will help municipal governments and civil society representatives to work together to implement the Popular Participation Law, seeking to avoid gridlock and other forms of breakdown and reduction in municipal governance. Component (2) will promote minimal local citizen education and voter participation preconditions necessary for the election of legitimate municipal governments capable of enacting the Popular Participation Law (PPL), and Component (3) will help grassroots organizations and municipal governments activated by the PPL gain effective access to Congress for resolution of congressional level municipal issues.

VI. Project Status

A. Purpose Indicators/ EOPS	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
1. Direct project assisted municipalities implement at least 50% of their annual operating plans (1)	20						
2. In 90% of direct Project-assisted municipalities, vigilance committees are established and carry out their functions in accordance with PPL (2)	18						
3. Municipal Governance Replication Packages disseminated and in use in X municipalities by PACD (3)	X						
4. Average of 60% of registered voters in Project-assisted municipalities casting valid votes in the 6/97 general elections (%) (4)	60						

5. Senate resolves issues dealing with municipal taxation and finance originating in Project-assisted municipalities (%) (5)	90						
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Notes:

1. The Project will identify and select 20 municipalities for assistance. Selection is likely to be staggered over the first several years of the project, and completed by no later than CY 1999. This indicator refers to that part of the annual operating budgets which will be funded with coparticipation resources from the national tax base. The term "implement" means contracts are signed and works and services are produced.
2. See note No. 1 above.
3. Project management and the SNPP will decide the LOP target for this indicator in CY 97.
4. Data collection for this indicator will be provided for selected pilot municipalities.
5. 90% of the total number of taxation and finance issues originating in project assisted municipalities.

B. Major Output Indicators	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period (6 mo.)	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
1. Project assisted municipalities legally procure works and services included in their annual coparticipation budgets, for each full CY that they receive Project assistance (%) (1)	100	0	0	0	0	0	0
2. One reproducible, simple municipal governance instruction packet developed (2)	1	0	0	0	0	0	0
3. One voter league per Project assisted municipality	20	0	0	0	0	0	0
4. Average of 90% of voters in Project assisted municipalities registered to vote by PACD (3)	90	-	-	-	-	-	-
5. Municipalities Databank established in the Centro de Investigación del Congreso (CICON) (4)	1	0	0	0	0	0	0
6. Official, publicly available directory of congressional members published (5)	1	0	0	0	0	0	0
7. CICON's Technical Budget Office assists Senate in processing vigilance committee complaints and/or other financial issues (%)	100	0	0	0	0	0	0

Notes:

1. For the purposes of this indicator, the term "procurement" will include the signing of contracts according to provisions stipulated in the PP and SAFCO Laws, but not necessarily the delivery of public works and services proper. 100% refers to the 20 municipalities which will be benefitted with Project assistance.
2. This material is scheduled to be developed by CY 1997 after gaining lessons learned from one full year of providing project assistance to the first set of pilot municipalities.
3. Baseline numbers will be collected once the 20 municipalities are selected.
4. Intermediate progress will be determined and reported in percentages.
5. Congressional members directory will be published in CY95.

C. Overall Status

1. Project authorized and obligated during second half of reporting period. AA/LAC Mark Schneider signed the Project Agreement during his visit to Bolivia. As such, this is the first project status report.
2. PIL numbers 1, 2 and 3 completed.
3. Two PIO/Ts (one for a contract principally to implement national level project activities with the Congress and the SNPP, and the other for a contract principally to implement local level activities in 20 pilot municipalities) were drafted and are circulating through the clearance process. A third PIO/T, to contract the Centro de Asesoría y Promoción Electoral of the Inter American Institute for Human Rights (IIHR/CAPEL) for the provision of Electoral assistance to the National Electoral Court (NEC) is in draft.
4. A project information packet for parties interested in bidding on the local level contract was advertised in the Commerce Business Daily. Over seventy requests for the packet were received.

D. Problems and Delays

The signing of the Local Level Contractor (LLC) PIO/T was delayed by about 30 days, and this may cause a delay in contract award and selection of pilot municipalities by January 1996.

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

1. RCO negotiates and signs sole source contract with National Level Contractor (SUNY/OIP);
2. RCO negotiates and signs sole source Cooperative Agreement with CAPEL for the December, 1995 municipal elections;
3. Technical Review Committee ranks proposals submitted for Local Level Contractor.

PROJECT STATUS REPORT
October 1, 1994 - March 31, 1995

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: Met
 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: 121
 Cumulative: 3,736
 d) Accrued Expenditures: 1) Period-Projected: 1,240
 2) Period-Actual: 460¹
 3) Next Period Projected: 1,499
 4) Cumulative to date: 1,982

¹Actual spending this reporting period was \$785,000, and the lower figure here reflects adjustment for a previous overestimate in accrued expenses. Nevertheless, spending was below projections in part because the Chemonics Consortium was unable to recruit suitable candidates for three technical positions (Monitoring and Evaluation/Mapping Specialist, Wood Products Specialist, and Ecologist). This reflects the lack of expertise in this relatively new field, and underscores the rationale behind the Project Purpose. COP John Nittler is optimistic these three positions will be filled early in the next reporting period.

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

e) Pipeline (d,4/b):	3,696
% LOP Elapsed:	22
% of Total Auth. Oblig. (b/a):	37
% of Total Oblig. Exp. (d,4/b):	36
% of Total Auth. Exp. (d,4/a):	13
Counterpart Contribution (GOB):	
f) Counterpart Planned LOP:	5,000
g) Counterpart Cumulative Planned as of 3/31/95:	1,045
h) Actual Counterpart Expenditures as of 12/31/94:	473
i) Accrued Counterpart Expenditures 1/1/95 to 3/31/95:	233
j) Total Counterpart Actual and Accrued Expenditures as of 3/31/95 (h+i):	706 ²
k) Counterpart Planned Next Period:	357
l) % of LOP Expended (j/f):	14

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, to help Bolivian producers increase the value and volume of sustainably harvested timber and non-timber forest products. The project is working 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.

²As reported in the previous SAR, early delays with availability of counterpart funding from FONAMA were important. This meant delays with implementation of various planned project activities, e.g., filling several counterpart staff positions and carrying out selected research; consequently, actual expenditures are lower than planned expenditures (line g). The problems with counterpart funding have since been resolved, and these funds have flowed smoothly since October; fortunately, project management does not expect these earlier delays to have a lasting impact on BOLFOR's progress.

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 ³	(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	2	2	50
4. New markets developed	(1997,1999) 4	0	0	0	0	0	0

Notes:

1. Most of BOLFOR's purpose level indicator targets are scheduled to be realized in later project years (phases II and III of the project; see target years, in brackets), though work has already begun on EOPSs 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 ⁴	(1996) 1	0	0	0	0	0	0
2. Public workshops to discuss new forestry law and/or regulations ⁵	2	1	1	1	1	1	50
3. Plan developed for new forestry service (SERFOR) ⁶	1	0	0	0	0	1	100
4. National workshop held on forest product certification ⁷	1	1	1	0	1	1	100

³ Although the new law has been passed "en grande" by both Houses of Congress, and has been the subject of much Congressional and public debate, it remains locked in the Senate; prospects for final passage remain unknown, and this implies uncertainty for development of the companion regulations.

⁴ See footnote 2 above.

⁵ This is a new Output Indicator for the SAR, in order to better reflect incremental progress towards EOPS 1 and 2.

⁶ The GOB credits this Plan with serving as the basis for a new Project Profile that reportedly captured U.S.\$27 million in promised BID funding; nevertheless, establishment of the new SERFOR is contingent on passage of the new forestry law.

⁷ See footnote 5, above.

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. National norms for forest product certification drafted	2	1	1	1	1	1	50
6. 2 research sites established (Bajo Paraguá, Lomerío), with MOUs with area owners	2	1	2	0	1	2	100
7. Base-line data system established for tracking biodiversity	1	0	1	0	0	1	100
8. Industrial capacity, markets assessed for timber, non-timber forest products (studies)	2	0	0	0	0	0	0
9. 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
10. Products marketed (\$000)	(1999) 3,000	0	0	0	0	0	0
11. Scientific Publications	14	0	0	0	0	0	0
12. Persons trained (various levels)	185	50	60	50	71	71	38

Notes: See notes on preceding pages.

C. Overall Status

BOLFOR is doing very well, with all activities on or ahead of schedule. COP John Nittler continues to do an outstanding job keeping *all* key stakeholders (from the businessmen of the Cámara Nacional Forestal to NGOs) productively involved in the Project (e.g., 19 institutions and more than 70 people participated in the Annual Workplan process). This has helped establish BOLFOR's lead role in this sector, although allowing maximum participation of stakeholders, and focusing on issues of local capacity building, also demands much time and careful attention. Selected activities this reporting period include: **Policy/Institutional Analysis:** 1) a very successful certification workshop was held, with subsequent development of a BOLFOR certification strategy, and with BOLFOR being named by the GOB (with broad concurrence across sectors) as the lead entity to draft national certification standards. This will help Bolivian forest producers improve their access to high-value export markets, and increase the forests' value to discourage forest conversion; and 2) BOLFOR carried out a highly praised, high-level conflict resolution workshop on the draft forestry law, with participants including Senators, Representatives, the Minister of Sustainable Development and Environment, NGOs, and more. Almost all outstanding issues with the draft law were resolved, and the workshop also helped increase national public awareness of sustainable forestry management activities. **Natural Forest Management:** 1) BOLFOR's two field sites are now well established, with long-term monitoring of the impacts of forest product harvesting on forest structure and biological diversity; this is basic to ecocertification. Work has also begun on sustainable forestry management plans in both Lomerío (30-50,000 has.) and Bajo Paraguá (10-15,000 has.), with excellent collaboration from local area partners; these should help Bolivia have its first certified

forestry enterprises by 1996; 2) research oriented towards certification is now well under way, with 23 focused studies on such topics as commercial species growth and yield, wildlife management, impacts of fire on forest structure, and the economics of mahogany management; and 3) the high-quality MDSMA/BOLFOR National Forestry Map was published (with support from other donors), and is now available for distribution. This should play an important role in land use planning for the forestry sector. **Product Development:** consistent with BOLFOR's phasing, activities with this project component have just begun; these will focus on linking market signals (e.g., desired non-traditional timber species in "green" markets) to forest management activities, and will thereby increase the value of certified forest products. The project's Administrative Council and Operational Councils are functioning very well, and relations between USAID, the GOB, and the Chemonics consortium continue to be smooth and efficient.

D. Problems and Delays

All problems and delays with local currency funding have been fully resolved, and project activities are running smoothly. FONAMA's new General Manager is capable and efficient, as is the Coordinator for the BOLFOR account. Morale is high, and John Nittler continues to deserve very high marks for outstanding project management. No important problems or delays to report.

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

Major activities over the next 6 months include: **Policy/Institutional Analysis:** BOLFOR will take the lead for Bolivia in drafting internationally recognized standards for certification of Bolivian forest products, to increase access to high-value export markets. **Natural Forest Management:** 1) environmental assessment of the management plan developed for Lomerio, identifying progress towards meeting draft certification standards and additional steps to be taken; BOLFOR is optimistic Lomerio will become the first Bolivian enterprise to achieve internationally recognized certification; 2) development and field application of mapping and inventory techniques, to make forest management planning and adoption of sustainable forestry practices more economically attractive; and 3) initiate development of a management plan for one non-timber forest product (tentatively identified as a 25-30,000 has. hearts of palm concession). **Product Development:** 1) initiate analysis of "green" and traditional markets for products that can most likely be produced under a sustainable forest management regime; and 2) develop a strategy to provide limited technical assistance (e.g., increasing sawmill efficiencies) to certified forest product enterprises. In addition, 1) BOLFOR was the only project recommended by the LAC Bureau to participate in a Lessons Without Borders forestry conference in Seattle, Washington (an initiative originally conceived by Vice President Gore, and a good opportunity to illustrate how development assistance activities overseas can help improve life in the U.S.); the project will send one representative to the meeting in April. This will help increase BOLFOR's visibility outside Bolivia, and enrich the discussions in Seattle on the trade-offs between conservation of biological diversity and employment; and 2) BOLFOR will establish its high-level Advisory Council, bringing additional expertise to bear on Bolivia's forestry sector, and helping to disseminate worldwide BOLFOR's significant advances in our knowledge of sustainable forest management.

Rating: B

PROJECT STATUS REPORT
October 1, 1994 - March 31, 1995

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 (NYBG)**
AID Project Manager: **Michael Yates**

II. Financial Data

Amount Authorized: **DA Grant: \$215,550¹**
Amount Obligated: **\$215,550 (\$74,550 to NYBG)**
Accrued Expenses: **\$215,550 (\$74,550 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

This activity terminated December 31, 1994. Final outputs will include submission of final drafts on the "Flora del Parque Nacional Amboró" and the "Flora of Noel Kempff Mercado National Park." Training has also been an important component of this activity, with the NYBG (in association with The Missouri Botanical Garden) working closely with students and technicians at the Museo de Historia Natural Noel Kempff Mercado in Santa Cruz.

While USAID is still waiting for final technical and financial reports from the NYBG, it is clear that the objectives of this small grant have been realized. In particular, this work represents an important collaborative effort (with the NYBG working closely with a broad range of partners in two national parks where USAID has put its greatest emphasis) in biodiversity assessments for conservation planning.

As a final note, while project reporting improved substantially over the life of the grant, this is an area where the NYBG can still find room for improvement.

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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 in 1993.

PROJECT STATUS REPORT

OCTOBER 1 1994 - MARCH 31 1995

Rating: B

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

(*) Wetlands For The Americas has submitted a request to USAID/Bolivia for P.A.C.D extension to Dec. 15 1995

II. FINANCIAL DATA

Amount Authorized: D.A. Grant: \$ 150,000
Amount Obligated: \$ 150,000
Amount Disbursed: \$ 147,680
Amount Accrued: \$ 150,000

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 draft reports from different scientists have been reviewed by the Wetlands officer in Buenos Aires, and are ready for final distribution
- 2) The final report has been finished, is under review by the WWF (World Wildlife Fund) to ensure that it is in accordance with the 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 Wetlands of South America seminar in Santa Cruz has been postponed again, the new date is July 24 - 26 1995. The GOB. was unable to submit its final report due to the delay in the contracting process of Bolivian scientists.
- 2) Communication problems and the failure of some consultants to fulfill their contracts created minor problems in the schedule. Documents are now ready and under review by WA and the WWF staff and consultants. A document will be ready for revision to be circulated previously to the Santa Cruz meeting.

VI. ACTIVITIES NEXT PERIOD.

- 1) Amendment of the PIO/T to extend the Grant Termination Date from March 31 1995 to December 1995.
- 2) Approval of final documents by USAID/B. (June 95)
- 3) Wetlands seminar in Santa Cruz (July 24-26 1995)
- 4) Final document printed and ready for distribution (OCT.95).

Rating: C

PROJECT STATUS REPORT
October 1, 1994 - March 31, 1995

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: USAID Director (USG Representative to Administrative Council)
Michael Yates (Alternate)

II. Financial Data

Amount Authorized: \$21.8 million (original)
Amount Obligated: \$6,907,489¹
Amount Committed: \$4,330,159
Accrued Expenses: \$1,422,783

III. Project Purpose

To support the efforts of Bolivian NGOs, academic and scientific institutions, and community groups to preserve, protect, and 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 may receive funding for environmental activities from the EAI Account, and the new GOB administration has reiterated its appreciation of the EAI's close parallels to the objectives of the Popular Participation Law. In addition, several EAI-funded projects support gender-related activities, ranging from gender research ("An Analysis of Women and the Environment in Pacajes Province"), to support to a local women's cooperative

¹This amount includes interest earnings on the Account's balance.

to preserve native varieties of cotton with production and sale of traditional handicrafts. It provides strong and broad-based support to all three of the Environment Strategic Objective's Program Outcomes, and fully 9 other USAID-assisted countries have asked USAID/Bolivia for detailed information (and/or visited with FONAMA staff) on the Bolivian EAI model.

V. Project Status

Progress this reporting period was significant. In December the GOB named a new General Manager for FONAMA (one of the two GOB representatives to the EAI Council), using an open and transparent selection process. Three months later a Coordinator for the EAI Account was also finally named. This is gratifying given USAID's hard lobbying to have these two positions filled. In addition, GOB payments to the Account continue to comply rigorously with the EAI's deposit schedule.

Nevertheless, there were some disappointments. The planned December Council meeting was cancelled by the Ministry of Sustainable Development and Environment (the MSDE holds the other GOB seat on the Council); consequently only one meeting was held this reporting period (rather than the two originally scheduled) and progress on some issues (including preparation of required reports, for submission to Washington) was delayed. One additional staff person is still urgently needed for the Account. In addition, the level of GOB representation on the Council continues to be disappointing. For example, in the March meeting a Subsecretary represented the GOB the first day and his assistant the next, with only a very brief appearance by the Secretary of State for Natural Resources, and with no participation of the Minister. This contrasts sharply with the previous administration, under which someone with Ministerial rank always represented the GOB. This offered an important and unique opportunity for the NGO community to share ideas and perspectives with senior GOB officials working in the environment, and helped increase their areas of common action. The NGO representatives to the Council have lodged a formal protest on this point, and USAID has also urged a return to the high-level representation the Account used to enjoy.

Some 86 proposals were reviewed in March, with 12 approved for funding (this includes 2 more approved under the institutional strengthening initiative, i.e., proposals from weak community groups with good ideas and strong community support, but who will require additional technical assistance for final project design and implementation). These total approximately \$900,000 in additional funding, and bring to 61 (and \$4,330,159 in project funding committed) the number of EAI grant activities approved and underway. Importantly, these grants support all three Program Outcomes for the Environment Strategic Objective (in particular Outcomes 2 and 3, "improved public and private institutional capacity for sustainable resource use and environmental protection," and "increased public awareness of environmental protection and sustainable natural resource management"). Projects approved at this last meeting range from the conservation of bird species in Cochabamba, to rehabilitation of agricultural terraces on the Altiplano to prevent soil erosion. These activities provide not only improved environmental management but also strongly support increased public participation in environmental decision-making. Nevertheless, it can be difficult for the EAI Council to find good proposals for funding, as reflected (in part) in the difference between the Amount Obligated to the Account,

and the Amount Committed. This underscores the fact that weak institutional capabilities can constrain these kinds of "grassroots" development assistance programs. It is hoped that Bolivia's innovative EAI Institutional Strengthening Initiative will help address this problem.

The new General Manager of FONAMA has proposed an ambitious schedule for Council meetings for the remainder of the year, and the GOB's high-level participation will be important. Similarly, it is hoped that the GOB will make a more serious effort to raise the level of its representation at these meetings, and thereby reaffirm the priority it gives to the Account. New elections for the four NGO positions on the EAI Council are scheduled for later this year (when their current three year terms expire), and it will be important to insure that these positions are filled through an open and transparent selection process (as stipulated in the EAI Council by-laws).

To summarize, the activities of the Account have improved over last year, and the Council is functioning relatively smoothly. Nevertheless, there are still some important concerns that bear close watching, and these will be tracked carefully in the months ahead.

Rating: B

PROJECT STATUS REPORT
October 1, 1994 - March 31, 1995

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 02/24/95
PACD: Original 9/30/95 Amended 12/31/97
Implementing Agencies: Secretariat of Health (SNS), National Social Security Health Fund (CNS); Population Unit (MSD&E)(DPP)
Major Grantees: Pathfinder International; MotherCare/JSI; Johns Hopkins/Population Communication Services (PCS), JHPIEGO; MSH/FPMD; Futures Group (RAPID IV); Family Health International (FHI), PRIME, DDM.
AID Project Manager: Earle Lawrence
AID Project Coordinator: Elba Mercado
Status of CPs/Covenants: All have been met. Covenants: FAA 104(f) and PD3 listed in PGA
Date of Last Evaluation: 09/15/92
Date of Next Evaluation: 09/20/96
Audit:

Organization	Audit Responsibility	Last Audit Completed	Next Audit Begin Date	Total Audits Completed to Date
Project	RIG/AID	04/07/95 (Draft)	N/A	1
SNS (ex-DINAP)	Recipient	12/31/94 (Draft)	04/15/95	2
UPP	Recipient	09/30/94	04/01/95	2
CNS	Recipient	12/22/94 (Draft)	05/02/95	2
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: 18,708
c) Amount Committed: Period: 3,831
Cumulative: 14,369

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)

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d) Accrued Expenditures:	1) Period-Projected:	993*
	2) Period-Actual:	918
	3) Next Period Projected:	4,000
	4) Cumulative to date:	9,643
e) Pipeline (b-d,4):		9,065
% LOP Elapsed:		65
% of Total Auth. Oblig. (b/a):		96
% of Total Oblig. Exp. (d,4/b):		52
% of Total Auth. Exp. (d,4/a):		49

Counterpart Contribution (GOB):

f) Counterpart Planned LOP:	2,030 (of which 360 is ESF local currency)
g) Counterpart Cumulative Planned as of 3/31/95:	1,300
h) Actual Counterpart Expenditures as of 12/31/94:	1,215
i) Accrued Counterpart Expenditures 01/01/95:	90
j) Total Counterpart Actual and Accrued Expenditures as of 3/31/95 (h+i):	1,305
k) Counterpart Planned Next Period:	134
l) % of LOP Expended (j/f):	58

* Inconsistency with MACS Report will be corrected with the issuance of the May 6, 1995 MACS.

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.

VI. Project Status

A. Purpose Indicators/ EOPS	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.) ⁵	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1. Increase prevalence	23/12		12		0	18 ¹	78
2. Increase number of new users: Total FP accep- tors ²	756,821/280,671				25,480	509,087	67
3. Increase number of new users: Modern FP acceptors ³	300,118/79,370				25,480 ³	180,198 ³	60
4. Increase number of CYPs ⁴					47,675	110,539	N/A

Notes:

- ¹ Data from the 1994 DHS 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%. We are only adding modern methods since there are no statistics on natural FP users
- ³ Period is October - December 94 for SNS, FAMES, October 94 - February 95 for CIES, CNS, FSG, PROSALUD and October 94 - March 95 for 5 smaller institutions basically in Cochabamba.
- ⁴ Starting with this SAR, Couple Years Protection (CYPs) have been added as an indicator. CYPs are a universal indicator used to standardize the degree of fertility reduction across methods. This is obtained by dividing each of the modern methods in use by a factor, ie. pill users are divided by 15, condom users by 150. This indicator excludes natural FP users but cumulative includes both clinical data and social marketing sales (see B.4 and 5).
- ⁵ Planned figures for indicators 1-4 will be introduced in FY 1995 as the project service statistics system is improved, in accord with agreement with the LAC Bureau.

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 Districts providing RHS: SNS ¹	57/0	5	24	0	10	68	119
2. No. of project facilities providing RHS: CNS ²	41/0	3	32	7	0	27	77
3. No. of project facilities providing RHS: NGO ³	*160/0	5	60	8	1	60	38
4. SOMARC - Number of Contraceptive Pills sold	800,000/0	100,000	630,000	70,000	115,017	855,150 ⁴	107
5. SOMARC - Number of Condoms sold	2,500,000/0	280,000	1,980,000	160,000	346,515	2,374,767 ⁴	95
6. No. of national reproductive health clinical training centers established	6	0	9	0	1	8	133

Notes:

* Corrected figure

¹ The reported unit for the SNS is Districts in lieu of facilities for reasons of data accuracy. Districts can have more than one facility, but we can feel confident that at least one of those is functioning.

² Planned figures revised according to 1995 Annual Plan.

³ An audit of NGO facilities was conducted to rectify these figures. Affiliated private physicians who were in the past counted as facilities are no longer included as facilities (a total of 66 affiliated physicians have been removed - CIES 40, FAMES 26) as of this SAR. For the next period PROSALUD will open 4 clinics, CIES 2, and FSG 2.

⁴ Period reported is October 1994 - February 1995. Cumulative figures have been revised based on recent audit.

C. Overall Status

1. A joint planning exercise was completed with the Global Population, Health and Nutrition Center that specifically reviewed the Reproductive Health Services Project and future implementation plans and issues. The G Bureau participation was particularly valuable in planning project expansion and collaboration with centrally-funded cooperating agencies.

2. The Reproductive Health Services Project was the focus of a multi-person ten-week IG review of USAID/B progress on achieving its strategic objectives in Population, and its progress toward achieving output targets in Population as laid out in the RHS project paper. Bolivia was the pilot to develop methodologies for a worldwide investigation of USAID's population program. Preliminary findings have resulted in some improvements in accuracy of performance statistics, including this SAR. Draft findings have been discussed with the Mission. USAID/B will comment both informally and formally on these findings during the next period.

3. An unsolicited proposal from Population Services International (PSI) to launch a major contraceptive social marketing project has been approved by the Reproductive Health Services Committee. With private foundation grants, PSI has already begun preliminary research.
4. An evaluation of 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 showed that clinic attendance increased by 66% in the first three months of the media campaign.
5. An unsolicited proposal was approved by the Mission for PROSALUD to expand its reproductive health services to new locations in Bolivia. USAID/B support will enable PROSALUD to take advantage of Bolivia's new Popular Participation Law which authorizes and finances Municipalities to select their own health care providers. A number of Municipalities have requested PROSALUD's services. An interim increase of \$600,000 to PROSALUD's current Cooperative Agreement will finance the expansion of operations in Tarija and Riberalta.
6. Cooperative Agreements have been signed with PROCOSI, a federation of child-survival PVOs, for providing reproductive health services and referrals in rural areas of Bolivia, and with 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.
7. The Unidad de Políticas de Población (UPP) was promoted to Dirección de Políticas de Población (DPP) now under the jurisdiction of the Ministry of Sustainable Development. The Ministry has agreed to pay the salaries of two DPP professionals and to start gradual incorporation of the DPP team into the civil service prior to the project PACD.
8. The following activities are underway by the DPP team with technical assistance from the RAPID IV central project: a) publication and distribution of the first Bolivian population chart showing demographic indicators for the country; b) production of a specialized bibliography on population and environment; c) a comparative analysis of the two DHS surveys (1989 and 1994); d) research for the SNS on their medical providers' opinions and perceptions of reproductive health; e) a computerized presentation of municipal level data from the 1992 Census; and f) an in-depth analyses of the 1994 DHS.
9. The SNS opened three new reproductive health training centers in Oruro, Potosí and at the Hospital de Clínicas in La Paz in coordination with the Faculty of Medicine of La Paz. There are now eight centers offering training throughout the country. During 1994, 340 physicians, 152 nurses and 40 interns were trained at these centers. Over 100 auxiliary nurses were trained in reproductive health at the Technical School in Cochabamba. From July to November 1994, 10 additional Districts were incorporated to the SNS network offering reproductive health services, making a total of 18. This year (up to Nov. 1994) the SNS treated 79,321 reproductive health cases and reported 25,948 new family planning users.
10. The subcommittees of the National Reproductive Health Committee on Services, IEC, Training, and Research all continued to meet monthly, coordinate activities in the public, private, and commercial sectors, and develop annual work plans. The National Coordination Committee meets bi-monthly to exchange information among the four technical subcommittees and the SNS. The Training Subcommittee launched a "Manual for the Reproductive Health Promoter in Family Planning" under the auspices of the SNS; the Services Subcommittee conducted technical workshops which led to the SNS adopting an official and universal definition for new and continuing family planning users.

11. The National Social Security Health Service (CNS), with technical assistance from MSH, conducted a series of workshops on quality provision of reproductive health services with staff of its hospitals and polyclinics, 3,733 new family planning users were recruited; 1,969 STD cases were identified and treated; 16,555 counselling sessions were held; and 1,325 group talks and 2,249 video exhibition sessions were reported by the IEC personnel.
12. A Memorandum of Understanding was signed with the Global Bureau for technical assistance from 22 centrally funded Cooperating Agencies.

D. Problems and Delays

1. The new OYB transfer system to replace add-on and buy-in actions to AID/W was initiated this period. While it may ultimately prove faster than the old method, delayed delivery orders to centrally-funded cooperating agencies have already begun to slow down the delivery of technical assistance and training activities, particularly in the policy area.
2. Policy fluctuations on the part of the SNS toward private sector providers has caused an atmosphere of uncertainty, and responding to SNS inquiries and requests for meetings has drained some private agency resources and focus away from project implementation.
3. Expansion of the RHSP requires directly funding of five grants. Setting up the grant mechanisms has been time consuming and only two of the five are currently in place.

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

1. The HHR Office completed the first phase of joint planning with the Global Bureau Center for Excellence in Population, Health and Nutrition, which included technical assistance visits from Global specialists who assisted in technical review of the new project paper amendment and a population sector review. Contacts and communication with G-Bureau specialists will continue on the development of measurement indicators for Reproductive Health, design of a female family health and literacy female education activity and other issues.
2. Some immediate improvements in the project evaluation and monitoring systems have been made in response to the IG audit. Further follow-up actions are anticipated when USAID/Bolivia receives the final report.
3. A new grant or cooperative agreement will be negotiated with Population Services International (PSI) for a major social marketing project.
4. A new OYB transfer or Add-on to the centrally-funded CARE project is anticipated for a major new reproductive health care initiative in south Bolivia.
5. The project paper amendment extending the life of project funding to \$50.3 million will be submitted for final Mission approval.

Rating: C

PROJECT STATUS REPORT
October 1, 1994 - March 30, 1995

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 02/24/95
 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) Medical Services Corp. is a 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 18,737
 c) Amount Committed: Period:
 Cumulative: 15,702
 d) Accrued Expenditures: 1) Period-Projected: 1,000
 2) Period-Actual: 693
 3) Next Period Projected: 2,000
 4) Cumulative to date: 15,613
 e) Pipeline (b-d.4): \$ 3,124.1/

% LOP Elapsed: 94 %
 % of Total Auth. Oblig. (b/a): 94 %
 % of Total Oblig. Exp. (d,4/b): 83 %
 % of Total Auth. Exp. (d,4/a): 78 %

1/ In FY93 and FY94 project expenditures were \$3.0 million per year, so the current pipeline over time represents 1 year of expenditures. \$ 831,000 were obligated as recently as 2/24/95.

Counterpart Contribution (GOB): (\$000)

f) Counterpart Planned LOP:	8,000
g) Counterpart Cumulative Planned as of 03/30/95:	6,692
h) Actual Counterpart Expenditures as of 09/30/95:	5,408
i) Accrued Counterpart Expenditures 01/01/95 - 03/31/95	900
j) Total Counterpart Actual and Accrued Expenditures as of 03/30/95 (h+i):	6,308
k) Counterpart Planned Next Period:	760
l) % of LOP Expended (j/f):	79%

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 Period	This * Period (6 mo.)	Cumu- lative **	% of LOP
1. Reduction in infant Mor- tality (per thousand live births)	80/111	75	80	75	75	75*	107
2. Reduction in Child Mor- tality (per thousand live births)	135/176	116	116	0	116	116*	116
3. Reduction in Maternal Mortality (per thousand live births)	300/400	0	390	0	390	390*	10

Notes: * Actual figures for these indicators come from 1992 Census as adjusted by GOB and from 1994 DHS.
 ** These figures will not change until there is a new nation-wide survey such as the 1999 DHS. Because of that, the project will start using in the next SAR some intermediate impact indicators developed by the Plan Vida for the Accelerated Reduction of Infant, Child and Maternal mortality, 1994-1999.

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: Num- ber of Diarrheal Studies	5/0	0	7	1	0	7	140
3. Immunizations: One year olds fully immunized (percent)	65/24	81	80	81	0	81	125
4. District Development Auxiliaries Trained **	Auxiliaries 250/0 Training Sessions 0	135 0	200 573	70 340	0 135	135 573	54**
5. District Development Management systems installed	5/0	1	7	1	0	5	100
6. Chagas' Disease: Opera- tions research conducted	10/0	0	10	0	0	10	100
7. Chagas' Disease: Hous- es improved	2,000/0	0	2,000	0	0	3,574	179
8. Water and Sanitation: Communities served No. of water systems:	120/0 120/0	4 4	120 120	5 4	0 0	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	5,076 5,076	500 500	0 0	3,957 4,142	132 138

Notes: * With the amendment of the Project there will be a new set of outputs directly attributable to project activities. The new set of outputs and indicators will be included in the next SAR.

** The CCH project has been reporting training sessions conducted instead of number of auxiliaries trained. A field check of available auxiliaries at the district level shows only 135. Following SARs will use both numbers: auxiliaries trained and number of courses or training sessions.

*** 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. During this quarter an intensive review and rethinking of the project took place both within the Project and outside it, with the National Secretary of Health. As of today the results of this process include the attainment of basic consensus with Secretary of Health personnel, Municipal Governments, Mission, and Project personnel about the guidelines for the future. This was a participative negotiated process that in several instances had confrontational overtones between the diverse actors and institutions. Fortunately, a consensus has been reached and the Project is beginning a new operational phase that will be formalized through a project paper supplement now being reviewed by the mission and a Project grant agreement amendment.
2. Based on the negotiations mentioned above, the National Secretary of Health formally requested an extension of the project - under agreed upon guidelines - until July 1998, and an increase in the number of rural districts where the project is operative from 6 to 11.
3. The project met with three Regional Secretaries of Health (La Paz, Cochabamba and Santa Cruz) and with the Under Secretary of Health and jointly prepared a road map to assist the central, regional and district levels in a decentralization process that will be supported with project resources. The Regional Secretaries have expressed their interest in defining the new districts where the project will be operative, and preliminary meetings with the municipal governments of those districts were conducted. Almost all the mayors of the old and new districts have committed financial resources to constitute a partnership for health with the National Secretary of Health and the CCH Project.
4. During this quarter the CCH installed an automated accounting system in all the Regional Secretaries of Health (12 in total) and trained 70 people in its use. The significance of this action is the capacity that the Regional Secretaries of Health now have to keep track of funds and use annual budgets that before were handled at the central levels of NSH only.
5. The project was evaluated by the PL-480 Executive Secretariat in terms of an institutional assessment to authorize the use of the CCH management systems and institutional structure to channel PL-480 funds to the National Secretary of Health. CCH passed the assessment and is now qualified to receive funds on behalf of the Communicable Disease Program of the Secretariat. This same institutional assessment will be used for the project paper supplement needed to amend the Project.
6. In March 1995 the Project completed a strategic plan for the period 1995-1998. This is the first long-range plan prepared for the Project and it incorporates ways of adjusting the Project to the mayor transformations that are taking place in Bolivia.
7. An evaluation of the community outreach component of the project was completed. This assessment found that although the health education and community outreach components had been successful, the model used was resource intensive and should be revised. Suggestions for an approach more oriented toward social marketing are now being implemented. The assessment confirmed the importance of community health education in mobilizing demand for services.
8. The re-design of the project will include the following elements in keeping with maternal health policy guidelines and decentralization plans:

Suggested amended project purpose: to improve the institutional capacity of the National Secretary of Health through regional and district mechanisms and linkages with the private and non-governmental sectors to guarantee quality health care services and mobilize community demand for health in selected rural districts.

Suggested amended project outputs:

One sanitary model, with local and regional variations, developed and operational in 11 selected rural districts.

11 rural health care districts in La Paz, Cochabamba and Santa Cruz developed experimentally for further replication under Popular Participation guidelines.

Management support systems developed, established and operational at the district level, linked to 3 Regional Secretaries of Health and to the central office of NSH.

Local health care providers (public, private and voluntary) organized, trained and providing integrated community and child health services in 11 rural districts.

Changes in knowledge, attitudes and health care practices among local population groups, registered documented and validated in 11 rural districts.

D. Problems and Delays

1. The main problem during this quarter was related to the freezing of operations while the negotiations with the National Secretary of Health were conducted. Upon specific request of the Under Secretary of Health, project activities stopped from December 30, 1994, until March 15, 1995. In March, the same Under Secretary authorized CCH to re-initiate activities highlighting the fact that CCH should be a model for the negotiation with other donors and for the implementation of current health care policy.
2. The re-invention of any project or institution has its problem and delays. In the case of CCH the project paper supplement is being negotiated with diverse interested clients. This is a time consuming process but it will show good results when implementation of the new phase starts. Therefore, this is a necessary delay. The project paper supplement is expected to be ready by the end of April 1995.

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

1. By May 15, 1995, a Project Paper Supplement will be approved by the Mission, and the Project amendment will be completed and signed.
2. Constitution of Regional and District Teams in accordance with new health care policy guidelines and project re-design will be completed by July 1995.
3. Regional and local workshops for the start-up of the new phase will be conducted in all the projects districts by August 1995.
4. A new health care model (services model) will be ready and operational by August 1994.

5. A new Operational Plan and budget that responds to the amended project will be completed and approved by June 1995.

Counterpart Contribution (GOB):

f) Counterpart Planned LOP:	1,850
g) Counterpart Cumulative Planned as of 3/31/95:	1,425
h) Actual Counterpart Expenditures as of 12/31/94:	1,185
i) Accrued Counterpart Expenditures 1/1/95 to 3/31/95:	240
j) Total Counterpart Actual and Accrued Expenditures as of 3/31/95 (h+i):	1,425
k) Counterpart Planned Next Period:	240
l) % of LOP Expended (j/f):	77

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 on reducing maternal, infant and child mortality rates within the project areas. Besides contributing directly to the Family Health Strategic Objective, 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	15,000	185,000	15,000	22,375	138,739	77
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	70	5	89.6	89.6	119
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	39.1	39.1	100
	Children: 35%-55%	35-55	35-55	35-55	41.4	41.4	100
4. <u>Sustainability</u> .- % Cost recovery in the provision of health services (La Paz and El Alto).	100/0	10	85	0	64	64	64

Notes: (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.

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) ⁽¹⁾	19/0	0	13 ⁽¹⁾	4	0	9	47
2. 1 Level II center operating in Santa Cruz ⁽²⁾	1/0	0	1	0	N/A	1	100
3. 1 MSU operating in La Paz ⁽³⁾	1/0	0	1	0	N/A	1	100
4. Guidelines for national replication (franchising), developed and operating ⁽⁴⁾	1/0	25%	75% ⁽¹⁾	25%	20%	80%	80
5. National charter for PROSALUD ⁽⁵⁾	1/0	25%	75%	25%	20%	55%	45

Notes.-

- (1) The planned cumulative figure has been revised this period, based on project reports in an effort to bring closer to reality.
- (2) The Reference Clinic of Santa Cruz has been 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 also been 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. Construction of the four new health centers at locations given by the La Paz Municipality is well under way. These four centers are projected to begin operating in June 1995. Procedures for the recruitment and training of personnel will begin in May 1995. With these, the number of centers operating in La Paz-El Alto will be thirteen (13) which will substantially add possibilities to the cost-recovery scheme. Remodeling of the PROSALUD office building in La Paz has been completed and the staff has moved into the new premises.

2. In October 1994, after a process of public licitation, two consultancies, one in institutional reorganization of PROSALUD, and the other in the enlargement and improvement of the Management Information System (MIS) were granted. CAEM, the consulting firm that won the

study for the reorganization of PROSALUD, started work immediately and will submit their final draft report by April 1995. Likewise, INFOSET, the MIS consultant company is advancing its work which is supposed to be completed by September 1995, with a completely new software adapted to PROSALUD's new reality. With these two instruments, PROSALUD will have restructured a national office with regional branches.

3. Under the Popular Participation Law, several Municipalities have expressed interest and are ready to commit resources in order to have PROSALUD take over the administration of their health facilities. During the period, PROSALUD staff has been very active in these negotiations and conducted market studies in Tarija, Riberalta and La Guardia in response to these requests. A final agreement is being negotiated with the Municipality and the Regional Health Secretariat at Tarija. These negotiations originated an unsolicited proposal submitted by PROSALUD to USAID/B under the RHSP (511-0568) for a direct grant to support expansion of its reproductive health services. This proposal was reviewed and approved by the RHSP Project Committee. An interim amendment to PROSALUD Cooperative Agreement for \$600,000 for expansion into Tarija and Riberalta is under negotiation at RCO. Contribution from the Municipalities could constitute a complement for the cost-recovery model to maintain its focus on low-income population.

4. During the period a total of 111,408 consultations were conducted at the 9 centers in La Paz/El Alto (preventive 48,051, curative 35,854 and 27,503 support). There was a slight decrease in preventive actions from the last period due to deficiencies in the provision of vaccines by the SNS.

5. Levels of cost recovery for the semester range between 47.6% to 76.9% (average 64.4%) across all centers. According to the evaluators, this is a remarkable performance for El Alto where 7 of the 9 centers are located. The plan is to subsidize these centers, which probably have reached their full potential for cost-recovery, with the ones in La Paz. The four new centers are going to be opened in La Paz during the next period, and some additional time will have to be allowed for a reasonable level of cost recovery to begin.

6. Activities in the Reference Clinic in Santa Cruz continue on an upward trend. Some remodelling was done to keep up with the growing numbers of patients. There is a slight increase in the level of cost-recuperation: 67.5% compared to 66% of the previous period.

7. The mid-term external evaluation of the project took place from March 20 to April 5, 1995 by a POPTECH team composed of Messrs. Lee Houghen and Jack Fiedler. A presentation of the draft final conclusions and recommendations was given to the Mission on April 4. The final report is due by the end of April 1995.

8. The positive results of the mid-term evaluation identified PROSALUD as an institution with high potential and capabilities. Main findings, as presented at the final debriefing of the evaluators can be summarized as follows: (1) advice is being given not to open up a reference clinic in the La Paz/El Alto area since good referral arrangements can be made with other health establishments at a lower cost; (2) a number of delays were identified in the implementation of the replication project in La Paz/El Alto, most of which were out of PROSALUD's control (ie. PROISS failing to deliver the facilities contemplated in the PP); (3) due to these delays, it is highly improbable that the project will reach its objective of 100% cost-recovery by the time of the PACD, only one year away; (4) although the cost-recovery model has proven its potential for replication in the hardest of

environments such as El Alto, the issue of self-financing should be carefully reviewed vis-a-vis the social mission of the project.

D. Problems and Delays

1. Unforeseen delays were experienced in the construction of the four La Paz centers, caused by banking problems experienced by the contractor Daroca and Associates. Thus these centers, which were supposed to be opened by February, will actually be finished in May and, hopefully, start operations by June 1995, only one year away from the end of the project. This will undoubtedly impact on the cost-recovery accomplishments of the project, since the La Paz centers were designed to subsidize the ones at El Alto, and one year operation is not enough to reach high cost-recovery levels.

2. The unexpected cut of the local counterpart contribution through DIFEM forced termination of the contract with PROA for community organization, three months prior to its completion in June 1995.

3. Negotiations for PROSALUD's expansion with the SNS central office proved to be very difficult due to different interpretations of the Popular Participation Law concerning involvement of Municipalities in health care administration. After a long process of discussions, a final agreement was reached for Tarija. Negotiations for other locations will have to be made on a place by place basis with each Municipality and Regional Health Secretariat.

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

1. The national and regional office staffs will emphasize the implementation of recommendations of the mid-term evaluation and the reorganization and MIS consultancies, as well as to the staffing and initiation of activities at the four new health centers in La Paz.
2. Market studies will continue to be undertaken to locate new centers in La Paz and other areas of the country. The centers outside La Paz will be funded with the new direct grant under Reproductive Health.
3. Activities in social marketing will be reformulated following the new TA contracted by USAID through Population Services International (PSI) under the RHSP. The expectations are to make social marketing an important strategy in the PROSALUD model and establish the institution as the leading company in this field.
4. Expansion to Tarija will begin as soon as the Amendment is finalized at RCO. Meanwhile, the formal agreements with the Municipality and the Regional Secretariat are being carried out by the Executive Director.

Rating: A

PROJECT STATUS REPORT
OCTOBER 1, 1994 - MARCH 31, 1995

I. Background Data

Project Title: AIDS/HIV/STDs Prevention and Control
 Project Number: 511-0608
 Date of Authorization: Original 07/28/88 Amended 03/27/95 ¹
 Date of Obligation: Original 06/27/91 Last Amended 03/20/94
 PACD: Original 09/30/95
 Implementing Agencies: Centers for Disease Control (CDC)
 National Secretariat of Health
 Major Grantees: National 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	CDC/IG ²	N/A	N/A	N/A
Comm. Child Health	Recipient	4/30/94	4/30/95	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: 40
 Cumulative: 3,621
 d) Accrued Expenditures: 1) Period-Projected: 400
 2) Period-Actual: 502
 3) Next Period Projected: 350
 4) Cumulative to date: 3,458

¹ A second authorization amendment increasing LOP funding to \$5.4 million and extending the PACD through 31 March 1998 was approved by the Mission in March 1995. A Project Agreement Amendment is being negotiated with the GOB as of this date. New project data and performance indicators will be included in the next SAR.

² As USG entity, grantee is subject to audit by cognizant IG rather than USAID.

e) Pipeline:	343
% LOP Elapsed:	93
% of Total Auth. Oblig. (b/a):	95
% of Total Oblig. Exp. (c,4/b):	91
% of Total Auth. Exp. (d,4/a):	86

Counterpart Contribution (GOB and Private Sector)

f) Counterpart Planned LOP:	1,788
g) Counterpart Cumulative Planned as of 3/31/95:	1,603
h) Actual Counterpart Expenditures as of 12/31/94	1,282
i) Accrued Counterpart Expenditures 01/01/95-03/31/95	53
j) Total Counterpart Actual and Accrued Expenditures as of 3/31/94 (h+i)	1,335
k) Counterpart Planned Next Period:	250
l) % of LOP Expended (j/f):	85

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

In July 1991 and based on lessons learned from the original \$500,000 AIDS Prevention and Control Project, the Project was amended to add an additional \$3.5 million to support treatment of sexually transmitted diseases, and to improve reference laboratories and surveillance research. The amended project finances: 1) Collection of reliable epidemiological data to define and track the extent of the AIDS/HIV/STD problem; 2) Detection, treatment and/or counseling of AIDS/HIV/STD patients; 3) Development and dissemination of information on AIDS/HIV/STD; 4) Targeting education programs at promoting safe sexual behaviors among groups with high risk behaviors; and 5) Making condoms accessible.

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 re- gional advisory commi- tees.	4/0	0	5	0	1	3	75
2. 3 AIDS/HIV/STDs Labs strengthened.	3/0	0	2	0	0	2	67
3. 3 Model clinics developed and opera- ting.	3/0	0	3	0	0	4	133
4. Improved capacity of health centers in diagno- sis, testing, treatment and counseling.	8/0	0	9	0	3	12	150
5. Develop sentinel surveillance system.	1/0	0	0	1	0	0	0
6. Contracts for social marketing and free distribution of condoms.	6/1	1	6	0	1	5	83
7. 1 national and 12 regional AIDS/STDs Prevention Programs operating within Minis- try of Health.	13	1	9	0	1	9	69

B. Major Outputs	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 F 6/0 Mixed 3/0	0 0 0	4 5 1	0 0 0	1 0 0	7 8 4	175 133 133
2. AIDS/HIV/STD service protocols developed.	M 3/0 F 5/0 Mixed 0/0	0 0 1	3 4 2	0 0 0	0 0 0	5 8 15	167 160 NA
3. Laboratory capacity to diagnose AIDS/HIV/STDs in 3 target areas (number of Labs equipped)	6/0	1	7	0	0	5	83
4. Development of AIDS/HIV/STDs management and control strategies in target areas (Number of training interventions) ³	4/0	15	32	0	27	137	3430
5. Development of Quality Assurance laboratory networks.	3/0	1	4	0	0	2	67
6. Training of health workers in epidemiological and social research, diagnosis management, risk assessment, education and counseling. ⁴	M 40/0 F 60/0	40 60	120 180	60 100	314 387	838 1176	2,100 1,960
7. Social marketing of 2.7 million condoms (Thousands).	2,700/0	300	2,100	200	200	2,900	107
8. Secretariat of Health Prevention Programs utilizing available resources as budgeted.	13/0	0	10	1	1	9	69

³ This indicator, which originally applied to strategies, now refers to interventions and reflects the intensive training focus of the project. New indicators have been developed for the amended project and will be incorporated in the next SAR.

⁴ Same as No. 3 above.

C. CURRENT STATUS

During this reporting period efforts within the project were directed at consolidating the AIDS/STDs Prevention model and to expand project activities. Following are major project accomplishments:

1. Project interventions within the National and Regional Secretariats of Health (NSH/RSHs) continued to offer high risk behavior groups diagnosis and treatment of STDs, behavior modification interventions, and condoms in La Paz, Santa Cruz and El Alto.

STD prevalence in Commercial Sex Workers (CSWs) in La Paz has decreased from 30% in 1992 to 15% in 1994. In Santa Cruz a similar success is reported, with current prevalence of STDs down from 30% to below 10%. In El Alto, a newer intervention site, gonorrhea and trichomoniasis are below 15% with Chlamydia and syphilis still above 20%

2. In La Paz, project medical and laboratory staff continued to train health professionals, both in the STD clinic and in the field. Brothel owners and administrators received training in prevention, and the first team of CSW peer counselors graduated in January. In El Alto, prevention education was extended to street children and factory workers. Medical training of RSH staff was resumed in Santa Cruz.
3. A four-person technical assistance team from the Centers for Disease Control and Prevention (CDC) visited the project in November. The team included medical, laboratory, behavioral and data analysis experts who spent three weeks in La Paz, El Alto and Santa Cruz. The team ratified the appropriateness of the project focus on high risk behavior groups (the 1000 average CSWs seen at the La Paz STD clinic, for example, can cause 52,000 infections in one month compared to 2,500 infections in a low-risk population); provided technical assistance; reviewed data, and made technical recommendations. The CDC long-term Technical Advisor in AIDS and Child Survival departed post in December. No in-country replacement is programmed, but technical assistance for the project will continue on an itinerant basis.
4. The entire project staff and representatives of the NSH and RSHs met the first week in December for a three-day strategic planning seminar in Cochabamba. The exercise resulted in a common vision and mission for the project, as well as strategic lines for follow-on activities. Participation of counterparts culminated the integration efforts of the project into the NSH structure and opened new avenues of collaboration and understanding with counterparts.
5. A second and final project amendment was prepared by HHR and PD&I and approved by the Mission in March 1995. The amendment modifies the project purpose to: "Reduce the prevalence of STDs in high risk behavior groups in La Paz, El Alto, Santa Cruz and Cochabamba." An additional \$1.4 million and a PACD extension to March 1998 will permit increased geographical project coverage by developing an additional STD clinic and laboratory in Cochabamba, and will extend project impact beyond high risk behavior groups by integrating STD management into reproductive and primary health care projects. Amended project activities include a focus on institutional and financial sustainability and selected interventions addressed to the general population. A Project Agreement Amendment is currently being reviewed by the NSH. Once the amendment is signed by the GOB and USAID, this Project Status Report will be revised to reflect several new indicators and financial information.
6. The Mission Evaluation Officer collaborated with the project in conducting a financial assessment of the STD clinic at the Centro Piloto. Report recommendations include: (1) Reinvesting in the clinic fees from CSW health cards; (2) increase fees for VDRL (syphilis) tests; (3) maintain cost of the CSWs health card but reduce frequency of visits to bi-monthly instead of weekly; (4)

observe the three month duration of the CSWs health cards; (5) request that brothel owners absorb some of the health costs of the CSWs.

The above recommendations have been incorporated into the project amendment and will be the basis for sustainability policy dialogue with the NSH and RSHs.

7. An operational plan and budget has been prepared for the period April 1, 1995 - March 31, 1996. It will be submitted to the GOB through a PIL in April as soon as the Project Agreement amendment is approved.
8. The NSH condom distribution system recuperated \$10,000 from sales in 1994. This amount and projected income during the first quarter of 1995 will cover 39% of the 1995 condom distribution budget.
9. For the first time ever, the NSH and the RSH/Santa Cruz sponsored project/financed TV spots recommending precaution during the carnival celebrations and featuring a condom as an AIDS/STDs prevention alternative. In Santa Cruz, carnival plastic bags with the project and RSH logos, containing condoms and condom use instructions, were widely distributed.
10. At the request of the NSH, written documentation of the project interventions and their impact is underway. The purpose of this document is to disseminate the project prevention model for replication in other areas of the country and for financing by other donors.
11. **GENDER ISSUES:** Direct beneficiaries of this project are mostly women - CSWs whose health is protected through medical care and prevention education. It is estimated that at least 60% of all project training interventions directly benefit women.

D. PROBLEMS AND DELAYS

1. The matrix structure dopted for the project in Santa Cruz does not appear functional. Having the medical, behavioral and administrative Santa Cruz coordinators report to supervisors at the national level has weakened the general direction of the Santa Cruz office. A local manager or admnistrator will be hired in the immediate future to rectify the situation.
2. There has been a high turn over of project employees this rating period, particularly in Santa Cruz. A decision has been made to hire four new employees in Santa Cruz and to reinforce the medical area from La Paz until staffing needs level off.
3. The municipality of La Paz closed the Villa Fatima brothels again in March. The last time this measure was effected the Villa Fatima CSWs took to clandestine work, stopped attending the STD clinic and the prevalence of STDs shot up in alarming proportions. Project staff and RSH/La Paz authorities are appealing to the Municipality to find a prompt solution to this public health threat.
4. The AIDS/STDs project relationship with the Community and Child Care project, which provides administrative and logistics support for project activities, deteriorated this semester. The reason is partly due to the burden that the AIDS project has placed on CCH at a time when the project is being reorganized. A decision needs to be made soon about either placing the AIDS project totally under CCH responsibility, or terminating the relationship altogether.
5. The computer data analysis software (EPI-INFO 6.0) installed by CDC was plagued with programming glitches that kept project data from being entered for three months. Data entry has only resumed in the latter part of March in La Paz and has yet to continue in Santa Cruz.

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

1. A Project Agreement Amendment will be negotiated with the GOB to formalize extension of the project. A Project Implementation Letter will follow to approve the new operational plan and budget.
2. At the level of the RSHs the following actions will take place:
 - La Paz: Meetings will be scheduled to discuss the financial assessment prepared by USAID as a basis for instituting a sustainability policy for the STD clinic.
 - Santa Cruz: Activities in the next six months will focus on development of STDs management capacity at the distrital level and in the frontier areas with Brazil.
 - El Alto: An evaluation of the STD service is underway to improve and expand project/RSH activities.
 - In Cochabamba: An agreement setting the basis for project intervention will be developed in May. Activities will start in July with the visit of the CDC medical and laboratory advisors.
3. A new project manager will be hired to replace the current incumbent who will depart post at the end of May.
4. The gay component is starting in La Paz with an outreach education intervention. A telephone "hot-line" will be initiated in May.
5. The project hired a local consultant to resolve the problems existing with the data collected under CDC direction. This resource has greatly contributed to rescue data that was not properly processed in the past and will accelerate feed-back on project interventions to guide future directions in IECC. The project is looking for evaluation services for both the medical and the behavioral areas.
6. The project operational capacity will be strengthened with development of job descriptions, operational manuals and MIS. A decision will be made regarding the relationship of the project with the CCH.
7. The project yearly audit is scheduled to commence in mid-April.

PROJECT STATUS REPORT
October 1, 1994 - March 31, 1995

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. Ehmer
 AID Project Administrator: Hannelore Cortez
 Status of CPs/Covenants: CPs to first disbursement for Public Sector Component met.
 Date of Last Evaluation: May 1993 Next Evaluation: 10/01/96
 Audit:

Organization	Audit Responsibility	Last Audit Completed	Next Audit Begin Date	Total Audits Completed to Date
SEAMOS/CEPB	Recipient	12/31/93	*1/4/95	2 (12/9/91-12/31/92) (1/13/93-12/31/93)
CESE	Recipient	12/31/93	4/95	2 (12/13/91-12/31/92) (1/13/93-12/31/93)
*2DEVELOPMENT ASSOCIATES, INC.	OP/PS/OCC	02/09/93	-----	1

*1 Audit will cover period January 1994 through December 1994.

*2 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: 2,290
 Cumulative: 8,593 (TA:2,090² / DAP:6,503)
 d) Accrued Expenditures: 1) Period-Projected: 1,300
 2) Period-Actual: 1,065
 3) Next Period Projected: 1,184
 4) Cumulative to date: 6,399 (TA:1,950 / DAP:4,449)
 e) Pipeline (b-d,4): 2,821² (TA:140 / DAP:2,681)

LOP Elapsed:	73
% of Total Auth. Oblig. (b/a):	100
% of Total Oblig. Exp. (d,4/b):	69
% of Total Auth. Exp. (d,4/a):	69

Counterpart Contribution (GOB):

f) Counterpart Planned LOP:	997	(all are ESF LC)
g) Counterpart Cumulative Planned as of 3/31/95:	1,012	
h) Actual Counterpart Expenditures as of 12/31/94:	949	(all are ESF LC)
i) Accrued Counterpart Expenditures 1/1/95 to 3/31/95:	47	
j) Total Counterpart Actual and Accrued Expenditures as of 3/31/95 (h + i):	996	
k) Counterpart Planned Next Period:	0	
l) % of LOP Expended (j/f):	100	

Note: SUBDESAL is no longer supported by the project.

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 Objective 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.

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 is sponsored 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 to be followed up in 2 years	32.9%	National survey has been delayed, but will be repeated in the next period ¹	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 at the end of 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 SEAMOS as an impact measure, completed a nationwide 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%

¹ Delay in follow-up urban survey due to unexpected shortages of DIFEM funds. PROINCO until now has received only DIFEM funds.

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.	3/0	1	7	2	2	17	567
2. SEAMOS - Number of local level anti-drug organizations mobilized and assisted.	15/0	8	27	137	129	354	2,360
3. SEAMOS - Number of TV and radio spots produced.	90/0	23	125	12	25	126	140
4. SEAMOS - Number of promoters trained.	70/0	200	302	338	734 Women:509 Men:225	1,507	2,153
5. CESE - Number of parents, school and university students and community institutions trained.	10,000	1,000	6,000	² -----	18,749 Women:10,711 Men: 8,038	59,074	591
6. CESE - Number of hot line calls handled.	13,500	600	4,250	² -----	771 Women:354 Men:417	5,997	44
7. CESE - Number of user visits to CESE office.	3,500	600	3,500	² -----	1,106 Women:540 Men:566	6,591	188
8. PROINCO - Number of studies completed.	4	1	7	2	1	5	125

- ² Planned indicators for this SAR period are not being reported for CESE. The total amount for the LOP with CESE's Cooperative Agreement has been fully obligated and expended, and no additional funds were available at the end of this period.

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

C. Overall Status

1. In the AID/W review of the Action Plan with the Assistant Administrator (AA) for LAC/SAM, the AA expressed approval of the activities and accomplishments of the DAP. He recommended that the project continue as designed with the possibility of redesign for the future. The representative from the Bureau for International Narcotics and Law Enforcement (INL) agreed that funds to augment current activities (at a minimum \$1.0 M in FY 95) would be made available, as a priority for Bolivia. Funds in future years for drug awareness and prevention would also be made available.

2. The DAP progress toward realizing project objectives by the PACD has been adversely affected by the uncertainty of continued ESF (LC) funding and the general political atmosphere about Bolivian realization of eradication targets in the Chapare. The "certification" process has received a great deal of press coverage and subsumes the anti-drug messages of project elements. The survey results cited above and reported in the last SAR 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. As stated in the last SAR, cause-effect is difficult to determine, but 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 USAID-supported project elements underwent a financial and administrative review by USAID/B Controller staff during this reporting period. There were no serious deficiencies found in SEAMOS. However, the accounting and financial control system in CESE was once again found deficient. By the end of the reporting period, FARS personnel had assisted CESE in correcting the deficiencies found in the November/December review.

3. The Project Coordinating Unit (PCU), through regular monthly meetings continues to unify and coordinate anti-drug awareness and education programs. The Sub-secretary for Health regularly chairs PCU meetings. The U.S. Ambassador to Bolivia, Curtis Kamman, attended the February 1995 meeting and appeared satisfied with project status. The Ambassador made a particular point of explaining the funding uncertainties to project elements. The PCU continues to provide direct access for project elements to senior members of the GOB.

Project elements are doing an excellent job of scheduling meetings and keeping minutes and other records. This responsibility was transferred from the long-term technical assistance contractor to the project elements during the last reporting period.

4. A Project Paper (PP) Supplement and associated amendment to the original Project Grant Agreement (PGA) were being prepared during this reporting period. The supplement will increase planned LOP funding by \$2.0 million and increase the PACD by 8 months. Continuing uncertainties

about the FY 95 ESF budget for Bolivia make planning difficult. The planned inclusion of the Centro Latinoamericano de Investigacion Cientifica (CELIN) in the PGA has been 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 coca bibliography was completed during this reporting period. It had not been printed and distributed by 31 March because of delays in completing the Bolivian portion. At the end of the reporting period, the bibliography was being edited and prepared for publication in April 1995.

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

5. CESE continues its work with teachers, students and parents. This reporting period was an unusually difficult one, however, because all project funds programmed for CESE were disbursed as of 31 March. Consideration will be given to programming additional funds for CESE if and when they become available. NAS funding possibilities for CESE to bridge the present period until additional funds are received were also being explored.

6. SEAMOS is designing another comprehensive tracking poll in urban areas of Bolivia to determine the impact of their anti-drug programs. In the poll reported under the Purpose Indicators 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.

SEAMOS has plans to implement other programs to complement its successful "SEAMOS va a la escuela", "SEAMOS va a colegio", and "SEAMOS va a la calle". The new programs, "SEAMOS va al trabajo", "SEAMOS jovenes", and "SEAMOS la familia" will address specific concerns about drugs in the work place, among young people, and family strategies for drug prevention.

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 "Opcion Cero", that is zero production of illegal coca leaf, was a timely attempt to once again "raise the level of discussion". This forum was the second in a series of public discussions on this problem. Participants in this debate included the Deputy Chief of Mission, US Embassy, David Dlouhy, and the Press Attache, US Embassy, Peter Sampson.

7. 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 major problem the project still must deal with is the unlikely availability of GOB local currency for project activities. This postponed publication of the student survey and design and implementation of the follow-on urban prevalence survey and rural survey by PROINCO. Partial disbursements for salaries were made, but there were no funds to hire, train, and pay interviewers and temporary data entry employees. Action has been taken to prepare a Project Implementation Letter (PIL) to provide U.S. dollar funding to PROINCO to enable them to complete the two scheduled surveys during this calendar year. Morale remains high, however.

2. CESE has spent its entire programmed LOP budget, and as a result of delays in receipt of FY 95 ESF monies and the probable end of DIFEM local currency, has begun to lay off staff and cut back activities. Bridge funding from NAS has been promised. Reprogramming funds from the management unit line item of the project was considered, but not acted on because of the administrative deficiencies found during the FARS review. Future disbursements to CESE will be contingent on correcting ALL problems identified in the FARS review. Continuing review by USAID Controller staff indicates that the identified financial system deficiencies will be corrected by the time additional funds are received. The long-term viability of CESE depends on the receipt of additional ESF funds, as recommended by the AA for LAC/SAM.

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

1. Provide dollar funding from the USAID/B HHR Project Management Unit (PMU), line item for PROINCO, to complete the design and implementation of the follow-up urban survey and the rural survey.
2. Publish the annotated coca bibliography.
3. Continue to refine impact measures for CESE and SEAMOS.
4. Complete and approve PP supplement, extending project by 8 months and adding \$2.0 million of funding. This funding will allow CESE to continue functioning and will begin dollar support to PROINCO. It will also help strengthen project monitoring systems and shift project focus towards sustainability of the 3 main counterparts.

Rating: B

PROJECT STATUS REPORT

October 1 1994 - March 30, 1995

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, no cost extension to 12/31/95
 Implementing Agencies: CARE/Bolivia
 Major Grantees: CARE/Bolivia
 USAID Project Manager: Rafael Indaburu
 Status of CPs/Covenants: None
 Date of Last Evaluation: January 30, 1995 (Final evaluation)
 Date of Next Evaluation: NA
 Audit:

Organization	Audit Responsibility	Last Audit Completed	Next Audit Begin Date	Total Audits Completed to Date
CARE	OP/PS/OCC	11/93	4/95*	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. The 1995 audit is still pending.

II. Financial Data (\$000)

a) Amount Authorized: \$7,000 , amended to \$6,200*
 b) Amount Obligated: \$2,000
 c) Amount Committed: Period: \$ 0
 Cumulative: \$6,200
 d) Accrued Expenditures: 1) Period-Projected: \$496
 2) Period-Actual: \$272
 3) Next Period Projected: \$225
 4) Cumulative to date: \$5,975
 e) Pipeline (b-d,4): \$225
 % LOP Elapsed: 80 %
 % of Total Auth. Oblig. (b/a): 100 %
 % of Total Oblig. Exp. (d,4/b): 96 %
 % of Total Auth. Exp. (d,4/a): 85 %

Counterpart Contribution (GOB):

f) Counterpart Planned LOP: 2,417 (of which \$1,005 is ESF-LC)
 g) Counterpart Cumulative Planned as of 3/30/95: 2,417

h) Actual Counterpart Expenditures as of 3/30/95:	2,041	(of which \$878 is ESF-LC)
i) Accrued Counterpart Expenditures 01/01/95 to 3/30/95:	89	(of which \$57 is ESF-LC)
j) Total Counterpart Actual and Accrued Expenditures as of 3/30/95 (h+i):	2,130	of which \$878 is ESF-LC)
k) Counterpart Planned Next Period:	100	(of which \$60 is ESF-LC)
l) % of LOP Expended (j/f):	88%	

* There was not a formal amendment for the reduction of funds. However, through administrative letters No. 4 and No. 5 the reduction was intimated and the ceiling of \$6,200,000 was established (1-20-94 and 10-4-94 respectively).

III. Project Goal/Strategic Objective

The project goal is the same as the Family Health Strategic Objective, namely to improve family health 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 subsystems. 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 subsystem providing home gardens. Finally, the fourth subsystem 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	3 % reduction	30 Total reduction	0*	5.50 % reduction	34.80 Total reduction	116
2. Reduction in malnutrition by 20% in 160 communities.	20	6 % reduction	20 Total reduction	0	8 % reduction	20.4 Total reduction	102
3. Increase immunization coverage in children to 80%.	80	10 % increase	80 Coverage	0	7.7 % increase	72.0 Coverage	90

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 (KAP) 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 34% reduction in comparison to 1991. During this period only 537 children were rehydrated (compared with 414 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.

Following are the KAP survey results up to date, carried out in the project communities in relation to mothers' perceptions regarding their children diarrhea incidence:

August/92 29 % of the people interviewed said that their children had diarrhea in the last week.

May/93 30 % of the people interviewed said that their children had diarrhea in the last two weeks.

Sept./92 29 % of the people interviewed said that their children had diarrhea in the last two weeks.

April/94 20.5 % of the people interviewed said that their children had diarrhea in the last week.

October/94 18.9 % of the people interviewed said that their children had diarrhea in the last week.

- (2) The calculation for the reduction of malnutrition is the following:
 $1 - [(1 - 0.0068) \times (1 - 0.0082)] \times (1 - 0.0040) \times (1 - 0.024) = 20.4\%$; this positive impact in the reduction of malnutrition is for more remarkable considering that the overall national trends go in the opposite direction; that is, toward increased malnutrition levels.

(3) During this period 1,358 children were vaccinated. The lack of vaccines reported last quarter was solved and now activities are back to normal.

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	160/0	44	160	0	44	156	98
2. Number of latrines installed	8,000/0	200	8,000*	0	575	8,733	109
3. Percentage of 10-24 months olds with complete vaccinations	80/NA	10	80	0	8	72	90
4. Number of household gardens functioning:							
Total family	4,000/0	0	4,000	0	212	3,936	98
Continuous family		500		0	212	2,567	
Community		0		0	4	17	
5. Training	M 440/0 F 200/0	10 20	440* 200*	0 0	17 0	457 183	104 92
6. Number of functioning community organization	160/0	0	160	0	0	156	98

Notes:

- (1) With the reduction of funding, CARE and USAID agreed on reducing the number of Water Systems from the original 160 to 156; therefore, CARE met 100% the revised target of 156 Water Systems.
- (2) The project completed 733 latrines more than the original target, during the no-cost extension period a key activity for community promoters will be to promote the correct use of these latrines.
- (3) Current coverages of complete vaccination schemes in children less than two years of age is 72% and 53% of women between 15-49 years of age have received Tetanus Toxoid.
- (4) The rainy season caused some reduction in the gardens in the valleys and Yungas which was more than compensated with an increase in the number of gardens in the Altiplano region.
- (5) Training exceeded the original targets in male promoters. Female promoters fall short of the original target but health education and training in household gardening for women was extensive, more than 2,100 women received training during this period, formal workshops and informative session were conducted in 128 communities.
- 6) None.

* The project has reached already or is very close to reaching, its LOP target. Planned cumulative figures will not exceed the LOP planned target figure, but cumulative accomplished may exceed original LOP targets.

C. Overall Status

1.- In March 1995, the project completed its final external evaluation. The overall findings of the evaluation team show a project that has attained the purpose objectives and the output targets initially planned. The evaluation team believes that the project has contributed with some important and innovative ways of approaching health and nutrition activities in the rural areas, some of which are outstanding such as: the complementary use of standard health and nutrition national information systems with periodic KAP studies (knowledge, attitudes and practices); the introduction of locally made and community accepted nutrition supplements (the so-called home-made-cerelac); and, technically sound water & sanitation systems that are a characteristic of CARE's projects. CARE's cost effective water systems in the rural areas of Bolivia, were recognized by the HPN-WASH assessment conducted in August-September 1994.

Some other areas were found to be weak such as the operational linkages with the GOB's Regional Secretaries of Health where the project was active; and, deficient sustainability prospects for the project's activities and processes, especially those related to community organization and local empowerment. The evaluation team also noted that the project had a slow start, attaining full implementation of project activities only during the last two and a half years of project activity.

2.- The reduction of child malnutrition in the project areas has been a major success for this project. It not only exceeded its purpose objective of 20% reduction of children malnourished by two standard deviations from the mean, but it also introduced similar nutrition education practices among women and mothers. The participation of women in project activities was high. And it seems that mothers and young women, in areas where powder-food stuff is generally used, have internalized the new habits of preparing and consuming the highly nutritional home made preparation, not only for the children but for themselves as well. However, the project will have to work more in the early detection of malnourishment signs and not wait until the problem is detected in the health posts when mothers take their children for growth monitoring check-ups.

3.- Community Development was found to be the weakest of all four project components (health, nutrition, water & sanitation, and community development). The two main reasons for the reduced impact in this area are the late start of the Community Development activities and new legislation that affected the community organization of the entire country in 1994 (Popular Participation Law). This Law created new demands on how municipal governments should be organized. Such demands altered the efforts of a Community Development component that was barely starting to function and re-directed its efforts into new and sometimes not very clear routes. The project contributed with some explanations, training and discussions about the new municipality-based organization but the time remaining was not enough, to fully implement the Community Development component.

4.- Another finding of the project's final evaluation is the importance of an integrated approach. Whereas it was a difficult task for CARE to overcome the tendency of handling each component as a separate unit or a separate sub-project, at the end CARE was able to integrate all components in a single and integrated package of community development activities. The evaluation team was positive about the importance of integrated projects, which despite their apparent high costs, show better and greater results than the sectoral, vertical or independent component approaches.

D. Problems and Delays

1.- The main problem the project had to endure was the reduction of project funding. It was reduced by \$800,000 from \$7.0 Million to \$6.2 Million. Despite that cut, virtually all the purpose objectives and output targets were met. It was a problem because intimation of the cuts caused havoc among CARE's personnel that had to re-hired. It also affected the disbursement schedule.

2.- The delay in the start of the Community Development component and the radical nature of the Popular Participation Law contributed to an unfinished process of community empowerment. However, by the PACD, March 31, 1995 there are \$ 225,000 of project un-expended funds. CARE requested a no-cost extension until December 31, 1995 to continue assisting rural communities in community development activities through a minimum cadre of community promoters. The extension has been granted and it will serve to fund the salaries of about 15 community promoters for 9 months in the three regions where the project is operative.

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

1.- CARE will prepare an Operational Plan for the no-cost extension period and will sent it to USAID for approval, by April 30, 1995.

2.- In the areas where the project was operational, some potential complementarities with other USAID health care projects (Community and Child Health, Andean Rural Health, etc.) will be sought and if possible formalized in agreements to incorporate former CARE teams. The idea is to take advantage of the teams that are already deployed in rural areas and not to loose the training, good work and rapport they have established during the last four years. If such complementarity agreements are possible, they should be signed by May 1995.

3.- By May or early June 1995, the Project Evaluation Summary, PES, will be completed.

Rating: A

PROJECT STATUS REPORT
October 1, 1994 - March 31, 1995

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
AID Project Manager:	N/A
Status of CPs/Covenants:	none
Date of Last Evaluation:	10/01/95
Date of Next Evaluation:	
Audit:	

Organization	Audit Responsibility	Last Audit Completed	Next Audit Begin Date	Total Audits Completed to Date
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:		4,293
c) Amount Committed:	Period:		75
	Cumulative:		4,293
d) Accrued Expenditures:	1) Period-Projected:		550
	2) Period-Actual:		1,004
	3) Next Period Projected:		700
	4) Cumulative to date:		3,856

e) Pipeline (b-d,4):	437
% LOP Elapsed:	50
% of Total Auth. Oblig. (b/a):	86
% of Total Oblig. Exp. (d,4/b):	90
% of Total Auth. Exp. (d,4/a):	77

Counterpart Contribution (GOB)

f) Counterpart Planned LOP:	1,670
g) Counterpart Cumulative Planned as of 3/31/95:	255
h) Actual Counterpart Expenditures as of 3/31/95:	2,189
i) Accrued Expenditures 9/30/94 - 3/30/95:	350
j) Total Counterpart Actual and Accrued Expenditures as of 3/31/95 (h+i):	2,539
k) Counterpart Planned Next Period: 3/31/95:	378
l) % of LOP Expended (j/f):	152%

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 and health 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 the 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 control groups (baseline comprehension)	25	25	25	(A)	34 %	136 %
2. Demonstrated understanding of health concepts presented in pilot health curriculum	25 % Improvement over control groups (baseline comprehension)	25	25	25	12.2	23 %	92 %
3. Expanded delivery of radio math in 9 Departments under direct supervision of the MEC (now SNE)	9	9	9	(B)	0	9	100 %
4. Implementation and validation of the Radio Health Pilot Curriculum in at least 3 departments.	3	5	5	3	0	5	167 %
5. National infrastructure of trained school teachers, directors, and supervisors in interactive radio methodology.	7,500	1,400	9,913	250 in the rural areas (C)	1,601 (D)	13,638	182 %

(A) Data not available at this time. Cumulative based on previous SAR.

(B) The project is already working in all nine departments, but is expanding into the rural areas with Mathematics, in particular in the departments of Chuquisaca and Tarija.

(C) Due to the strikes this school year we have trainings pending in five sites.

(D) Actual number of attendees to the training seminars was 3203 but we estimate up to 50% are people who have participated in other trainings and are coming back for a refresher course, hence we have revised this number downward.

* These were over reported in previous SAR.

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	187,000	648,430	(E)	(F)	451,013	224%
TOTAL MATH	150,000	127,000	455,335			335,476	224%
- Boys	75,000	63,500	227,667			167,180	
- Girls	75,000	63,500	227,668			168,296	
TOTAL HEALTH	50,000	60,000	193,095			115,537	231%
- Boys	23,500	28,200	90,755			55,955	
- Girls	26,500	31,800	102,340			59,582	
2. Teacher Guides:							
- Developed:							
Math	4	0	4		0	4	100%
Health	3	0	3	0	0	3	100%
- Revised:							
Math	4	0	4		0	4	100%
Health	3	3	6	0	3	6	200%
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	5	35	0	5	30	100%
-Revised							
Grade 3	30	5	45	0	5	30	100%
Grade 4	30	5	65	0	5	30	100%
Grade 5	30	30	30	0	30	30	100%
Stories for school break	20	0	21	-	-	21	105%
Bilingual Pilot, Quechua	10	0	10	-	10	10	100%
Promotional VIDEO TAPES	3	1	3	0	1	3	100%

(E) This is the last period of funding under the LEARNTECH project; the school year will continue and we plan to have a 10% increase in enrollment.

(F) Due to the teacher strikes, which have been running for 4 weeks, we are unable to provide accurate statistics on the enrollment; based on the number of teachers trained we can estimate that the numbers provided in the column entitled "Planned this Period" will be achieved. This will be confirmed in the next project status report.

1. International Board Meeting , November 1994, Boston MA

The final Technical Advisory Group (TAG) meeting was held in Boston Massachusetts at the EDC headquarters with members of PARI's international board, EDC officers and representatives from the Secretariat of Education and PER attending the meetings. Highlights of the meeting include:

- Verbal commitment on the part of the Secretary of Education to assign, 25 SNE paid supervisors to work exclusively with the PARI program.
- Development of a strategy for analyzing the project data and for dissemination of the information.

2. Commitment of additional funds

In response to the commitment on the part of the Secretariat of Education, USAID committed additional funds for technical assistance to the PARI project.

3. Completion of the production activities for the project

As of March 31, 1995, all of the health lessons are ready for distribution and airing and the teacher's guides were reviewed and revised for the 1995 school year. The fifth grade curriculum was restructured into two modules, the first dealing with maternal child health messages and the second module is an interactive dramatization of basic nutrition, immunization and self esteem building messages.

4. Activities related to sustainability

PARI implemented a public relations effort and met with central authorities, regional authorities and international entities to inform them about the project's results and to solicit support for future strategies.

During this period, PARI submitted proposals to Save the Children, Plan International Altiplano and in conjunction with PROSALUD, to FIS, in the implementation of a strategy to develop formal ties with NGOs working in health. The Save the Children project will be funded and is scheduled to begin in May. We are waiting for a response from the other groups.

Representatives of CCH in the Chiquitania region have asked us to develop an agreement with the Community and Child Health Project (CCH) in order to expand our activities with the community health workers in the region. Anecdotal evidence indicates that diarrhea cases in the neighborhoods where the community health workers are implementing the PARI project are greatly lower than in the neighborhoods where the program is not being implemented.

5. Institutionalization Activities

- a. As of March 31, the regional offices are staffed only by representatives from the Secretariat of Education, as part of our strategy to institutionalize the project.
- b. The Health program has been extended to 6 new cities: POTOSI, ORURO, THE MINING REGIONS, GUAYAMERIN, COBIJA, and once the strikes end, to TRINIDAD, ROBORÉ and perhaps VILLA TUNARI, if the political situation permits it.
- c. 3203 persons participated in training activities in over 25 sites in a four week training period.

D. Problems and Delays

1. Lack of funding for SNE operational costs

The dissolution of DIFEM monies and the inability to fund the National Secretariat of Health (NSH) at expected levels this year necessitated that the EDC LEARNTECH TA monies be redistributed in order to cover radio transmission costs for the 1995 school year. NSH is waiting for approval from DIFEM of the budget submitted; USAID has agreed to allow EDC to pay for radio transmissions during the 1995 school year.

2. Teacher Strikes; General Social Unrest

The 1995 school year, which is only 8 weeks old, has been on strike for 4 weeks. PARI continues to broadcast the programs and we plan to re-air programs once the strikes have ended. We are unable to observe classroom activities or realize the planned seminar with the 25 supervisors to be assigned to the project. This is causing staffing difficulties as well in the field offices.

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

Activities until the termination of the LEARNTECH contract, June 30, 1995:

1. Midterm evaluation:

Due to delays in the issuing of a Delivery Order from the AID Contracts office in Washington, the midterm evaluation, scheduled for May 8, may have to be delayed until August or September, 1995. The consultants recommended by the Bolivia Mission are very probably no longer available for the assignment in May.

2. Formal meetings with the Education Reform

PARI has scheduled meeting for this month with technical personnel from the Education Reform in order to present the methodology and establish closer links with the reform activities. In addition, PARI has approached the group training the 600 "asesores pedagogicos" assigned to implement the reform and has received the green light to deliver a three day training course to the group.

3. **Design and begin the implementation of a training strategy for the SNE**

We hope to train 25 supervisors in the implementation of the IRL methodology before the end of April.

4. **Establish an agreement with the Ministry of Human Development** to include IRL as a methodology to be used in the education reform.

5. **Contract close out**

The month of June will be dedicated to closing down the LEARNTECH funded activities of the project.

ONGOING ACTIVITIES, not financed by LEARNTECH funds.

6. The additional TA monies channeled through the ABEL II project will be dedicated to supervisor training and the development of a core technical team within the SNE, to carry on program implementation in 1996.

7. EDC will develop a train the trainer manual for the "Cuidemos Nuestra Salud" health program.

8. The 5th grade health curriculum will continue to be evaluated under this project.

9. PARI teacher newsletters will be published and distributed to PARI program participants and others.

**PROJECT STATUS REPORT
OCTOBER 1, 1994 - MARCH 31, 1995**

Rating: B

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 02/17/95¹
 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	04/15/95	2

II. Financial Data (\$000)

a) Amount Authorized: DA Grant: original \$8,000
 b) Amount Obligated: DA Grant: original \$2,600 amended to \$8,000
 c) Amount Committed: Period: \$533
 Cumulative: \$7,991
 d) Accrued Expenditures: 1) Period-Projected: \$400
 2) Period-Actual: \$596
 3) Next Period Projected: \$443
 4) Cumulative to date: \$7,557
 e) Pipeline: \$443
 % LOP Elapsed: 71
 % of Total Auth. Oblig. (b/a): 100
 % of Total Oblig. Exp. (d,4/b): 94
 % of Total Auth. Exp. (d,4/a): 94

Counterpart Contribution (GOB and Private Sector)

f) Counterpart Planned LOP: 2,667
 g) Counterpart Cumulative Planned as of 3/31/95: 2,200
 h) Actual Counterpart Expenditures as of 3/31/95: 2,667
 i) Accrued Counterpart Expenditures to 10/1/94 to 3/31/95: 0
 j) Total Counterpart Actual and Accrued Expenditures as of 3/31/95 (h+i): 2,667
 k) Counterpart Planned Next Period: 0
 l) % of LOP Expended (j/f): 100%

¹ A PIO/T requesting an OPG amendment to modify the project purpose and indicators and to set up procedures for the administration of the debt-swap endowment, was approved by the Mission on 01-30-95. A grant agreement amendment is in process with USAID/RCO. Changes will be incorporated in the next SAR.

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 a network formed by twelve U.S. and nine Bolivian Private Voluntary Organizations (PVOs) involved in child survival and maternal health activities benefiting over 400,000 people in isolated areas of Bolivia. PROCOSI has participated in a debt-for-development exchange that retired \$32 million of Bolivian commercial debt and resulted in the creation of a \$8.0 million endowment for the network. The endowment covers operational costs for PROCOSI through the year 2,004 and provides funding for the network's members. PROCOSI is 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. Gender Issues

Special attention is given to women's health and access to services through PROCOSI's subgrants. PROCOSI's beneficiaries are primarily children and women of fertile age. PVO personnel trained by PROCOSI is 51% female.

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 PVOs (affiliates and associates) will have increased from 10 to 32	32/10	4	28	2	4	21	66
2. The beneficiary population (direct and indirect) will reach 70,000 people, through the projects that receive sub-grants.	70,000/0	96,000	190,500	50,000	103,988	409,638	585
3. PROCOSI will have covered its administrative and support costs with non-USAID sources of income by 50% by July of 1995 and by 98% by September 1997 subject to successful conclusion of the debt-swap. ²	98%/0	20%	47%	3%	0%	25%	26
4. PROCOSI will have been able to provide sub-contracts to PVOs from at least two non-USAID sources of income. ³	2/0	0	4	1	1	5	250
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. ⁴	32/0	17	85	17	10	94	294

² PROCOSI has opted for accumulating all interest on the debt swap to build up a financial cushion this year. USAID disbursement of OPG II funds will be completed during the second part of 1995. At that time, PROCOSI will start using endowment funds, including interest accrued, to finance administrative costs.

³ Additional funds from "Médicos Mundi Navarra" for SERVIR.

⁴ Additional services provided to: APSAR, DJC, Esperanza, FFH, FHI, CSRA, PCI, Plan Internacional, QUIPUS. 465 additional services (not accounted) were demanded from Documentation Center. This number includes non-PROCOSI members.

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	16/0	1	15	1	5	14	88
2. Medium subgrants (\$15,001-60,000) under execution or concluded	16/0	2	12	4	3	10	63
3. Small subgrants (\$3,001-15,000) under execution or concluded	33/0	1	17	1	1	11	33
4. Number of times TA provided to PVOs to improve Child Survival	60/0	5	56	13	14	53	88
5. Collaborative projects between PROCOSI PVO's and/or other organizations	5/0	1	7	3	4	18	360
6. Interest earned through debt-swap	1,715,000/0	245,613	491,226	370,000	342,639	617,652	36
7. Personnel of PVOs trained	M 707/0 F 1052/0	60 30	349 417	15 15	34 26	357 368	50 35

C. Overall Status

1. During the reporting period the Bolivian Government culminated payment to PROCOSI of the debt-swap premium. Between January and March of 1995, three payments totaling \$1,648,289 were paid by the GOB. The total premium received is \$2,500,000 plus \$254,289 in interest. Payment of the above amount successfully completes the debt-for-development retirement of Bolivian commercial debt that benefitted PROCOSI with the creation of a \$7,750,000 endowment.
2. A financial consulting firm, Berthin Amengual/Panamerican, has been hired to assist PROCOSI's Board and its Financial Committee in the administration of the debt-swap endowment investment fund.
3. PROCOSI's General Assembly met in December and selected four new members:
 - . Asociacion de Proteccion a la Salud, PROSALUD
 - . Centro de Promocion Agropecuaria, CEPAC
 - . Fundacion San Gabriel
 - . Servicios de Asesoria a Cooperativas Agrarias, SACOA

The above brings to nine the number of Bolivian PVOs, and to twenty-one the total number of members. There are four additional membership slots that will be filled this year.

4. PROCOSI's Technical Committee started functioning this reporting period. The Committee is made up of all the technical representatives of the member agencies and is chartered with development and strengthening the technical capability of member PVOs through research, information and exchange of experience. The Committee is focusing on a technical exchange among PROCOSI's members and has scheduled a series of workshops to disseminate health findings.
5. PROCOSI hired a consulting firm to assist in the development of the 1995 Operational Plan and to develop job descriptions and procedures manuals. These documents are now ready for review by USAID.
6. A public competition was held to identify an office building for PROCOSI, a purchase authorized under OPG II. A suitable property was identified and evaluated with assistance from the USAID/Engineer in late March. PROCOSI is currently negotiating a sales contract for the building.

D. Problems and Delays

1. A PIO/T to amend the current OPG was approved by the Mission on January 30, 1995 but has not yet been processed by USAID. This amendment modifies the purpose, output indicators, limits the number of member to 25, and establishes procedures for the administration of the endowment. These changes will only be incorporated into PROCOSI and USAID documentation once the grant agreement amendment is signed by both institutions.

2. New USAID financial regulations changing quarterly advances/disbursements to a monthly basis will affect PROCOSI's ability to track financial management by sub-grantees. Many of the network PVOs operate in isolated areas of the country and PROCOSI feels everybody, the PVOs and PROCOSI, will be unable to budget appropriately and disburse funds on a monthly basis. A meeting with Controller's Office is programmed to discuss this issue.

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

1. A General Assembly is scheduled for mid-April to review applications for membership.
2. The new logical framework and indicators approved in Amendment 9, currently in process, will be incorporated by PROCOSI as soon as the grant agreement amendment is signed.
3. PROCOSI will identify four health policy issues to assist the National Health Secretariat during this period.
4. PROCOSI will concentrate on technical analysis of health issues that are important to the network's PVOs, and will organize dissemination of PVO findings in the field of child survival.
5. PROCOSI will also focus on seeking new financing to continue child survival interventions.
6. The yearly audit will commence in April of 1995.

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 : 0
- j) Total Counterpart Actual and Accrued Expenditures as of 9/30/94 (h + i): \$449,896
- k) Counterpart Planned Next Period: \$12,000
- 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 to 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 3/31/95	260	0	435	0	0	386	148
2. Workshops 50% self- financing by 3/31/95	7	0	14	0	0	17	243
3. Institutional maintenance costs lowered by 10%	6	0	8	0	0	6	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. Vocational workshops constructed and operating by September 1993	7	0	16	0	0	20	286
2. Children trained in voca- tional skills by 9/93	430	0	500	90	0	665	155
3. Interns and new children trained in self management and business skills	650	0	950	0	0	665	102
4. Accounting and Manage- ment skills improved within institutions	8	0	11	0	0	12	150
5. Educators trained in work- ing w/displaced children	35	0	35	0	0	35	100

* Accomplished cumulative figure revised according to final grantee reports to Peace Corps. Proposed follow-on activity is being reviewed by PC/B and USAID/B. A revised log frame with well defined indicators will be developed. This definition should avoid future confusion on definition of indicators.

NOTE:

There were several difficulties in collecting the information needed for this SAR. During the three years since the initiation of the PASA, the indicators and outputs have been monitored and the resulting numbers reported on previous SARs, but these numbers have changed for a variety of reasons listed below. Now that all projects financed by grants are officially closed, the project can be better evaluated

and the numbers presented here are more accurate than the numbers collected during different stages of the project. Following are the reasons that have caused these data to fluctuate.

- The first difficulty is that many projects were funded in one year, constructed during a second year with training implemented during a following year and production just beginning. This has caused difficulty in collecting data and reporting data.
- As pointed out in the Program Evaluation that took place in June, the indicators are vague and lack a quantitative definition. Based on the recommendations of the evaluation team the indicators have been changed for FY95 to become better defined and thus more easily measured. As pointed out by the evaluation team, different organizations and PC Volunteers have had different definitions of the terms "employed", "trained", "operating", etc. and have therefore reported this data differently. For FY 95 this data will be better monitored based on these more measurable and practical indicators.

C. Overall Status

Following is a complete 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	4,255	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
Hogar Jesús Infante	Vallegrande	1,295	Garden Production	
TOTAL GRANTS		263,865		
P U B L I C A T I O N S				
Coordinadora del Menor		3,000	Inventory	95
Chicalle		10,730	Visual Aids	75

As can be seen by the above table, 21 grants used to finance income generating vocational projects have been completed and are being operated by the beneficiaries but not all financial reports to Peace Corps have been completed. A new subproject has been approved and it is beginning its implementation process. Three more subprojects are pending. In the following three months the project may approve two more subprojects: "Comedor para el Centro de Educación" in Huacareta and "Capacitación Agropecuaria" in Comarapa.

Two subprojects were financed under the publications item: "Coordinadora Nacional del Menor" that has recently received a disbursement from UNICEF to complete and finish the project. In the next two weeks the publication titled "Inventario de Instituciones que Trabajan con Menores" will be printed. "Chicalle" received a \$10,700 grant to produce audiovisula materials, children's newspapers and a magazine to aid children in the process of familiar insertion.

A no-cost PACD extension through June 30, 1995, was signed on February 6, 1995. This new extension will allow project management to complete the process of close out and audit of all project grants, and close out project operations. Meanwhile the Peace Corps' FY95-96 proposal for a new Displaced Childrens project is being reviewed by USAID/B.

D. Problems and Delays

At this moment Chicalle has experienced some difficulties managing the funds and processing accurate accountability documents, although they have advanced to 75% of the project completion. The only delay that exists is in closing this publication project with Chicalle that is still outstanding.

There is a considerable delay in the process of appraisal and negotiation of a follow-on project for 95-96 due to the fact that operational procedures need to be defined. After several months of grappling with this issue it now appears that the Global Bureau will obligate and commit Displaced Children and Orphans Earmark funds for the new project directly to Peace Corps Washington through an existing PASA. PC/Washington will then pass the funds to Peace Corps/Bolivia for project implementation. USAID/B will assist PC/B in project monitoring and evaluation.

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 covered by the current PASA.
3. Appraisal and negotiation in Washington of a new agreement with the Peace Corps for a follow-up project for 1995-96 for \$170,000. Definition of a new implementation mode.