

ROCAP SEMI-ANNUAL PROJECT STATUS REPORT

**October 1, 1992
to
March 31, 1993**

**Regional Office for Central American Programs
(ROCAP)**

June 1993

ROCAP SEMI-ANNUAL PROJECT STATUS REPORT

October 1, 1992
to
March 31, 1993

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Regional Office for Central American Programs

SEMI-ANNUAL REPORT

October 1, 1992
to
March 31, 1993

I. MISSION DIRECTOR'S ASSESSMENT

1. PORTFOLIO OVERVIEW

The ROCAP/Guatemala portfolio remains focused around its three approved Strategic Objectives. Considerable progress towards meeting those objectives was realized during the report period. There were no major implementation delays or problems. One "other" project terminated during the reporting period, leaving four remaining "other" active projects outside the S.O.s as the POCAP portfolio continues to become more focused. With the consolidation of the ROCAP and USAID Guatemala Missions into one Mission, we plan to closely review the S.O.s making changes where appropriate.

2. PIPELINE

During the reporting period, ROCAP's active project pipeline was reduced by over \$7.9 million to \$25.2 million, reflecting continuing implementation progress. The only projects in the pipeline that are of concern are the RENARM (596-0150) and CADCC (596-0176) projects. Neither is a major problem.

3. MORTGAGE

The ROCAP mortgage for active projects reflects a \$19 million reduction over the last report period from \$47.8 million to \$28.8 (\$16.8 million will not be obligated to the terminated Shelter and Urban Development project: 596-0143). The RENARM project (596-0150) mortgage (approximately \$13 million after the FY 93 OYB is obligated) is unlikely to be fully obligated by the current PACD of 9/95. A mid-term evaluation will provide input for a decision on extension of the PACD and possible follow-on Phase II activities. Given the probable decreased availability of unrestricted DA funds, the mortgages for the LOGROS (596-0167), EARTH school (596-0129), and EXITOS (596-0165) projects may prove problematical. Given that no new projects were approved or authorized during the period, and that only minor modifications to ongoing projects are planned, it is anticipated that the pipeline will continue to drawdown.

4. ACTIVITY HIGHLIGHTS

a) Regional Environmental and Natural Resources Management Project (596-0150):

b) Regional Development Support Project (596-0162):

The two person Regional Information Clearinghouse team arrived and initiated activities under the RDS project in February. They will be working closely with the other USAID Missions in the region as well as with regional institutions to facilitate information flow promoting regional cooperation /integration in Central America.

c) Export Industry Technology Support Project (EXITOS) (596-0165): The EXITOS project continues to be a major factor in promoting non-traditional exports from the region. It played a significant role in the expansion of the Guatemalan tradeshow, AGRITRADE, into a regional event. The EXITOS project implementation is proceeding at an accelerated level which will result in draw-down of project funding prior to the PACD of 9/30/95. The Mission is exploring ways to fund the project through that date, given its great success to date.

d) Partnership for Democracy and Development (596-0177):

PDD has emerged as a significant mechanism in strengthening a regional system of trade and investment information services and the preparation of a regional conference to promote investment. The active involvement of other donor countries working with the Central American countries is serving to provide a strong forum for future development.

5. SIGNIFICANT PROBLEMS AND DELAYS

a) Timeliness of OYB Allowances: This continues to be a problem, impacting on the achievement of project objectives. Receipt of budget allowances late in the second and third quarters delays funding of contracts and grants on a timely basis causing a scale-back of planned implementation activities. No doubt, this is an Agency-wide problem, but it needs to be addressed if A.I.D.'s overall program and credibility are not to be adversely affected.

b) Central American Development Coordination Commission Project (596-0177): There was virtually no implementation progress during the initial eighteen months of this two year project. It remains a "C" project even though activities are now underway. Objectives of the project now appear attainable, but will require an eighteen month extension to the PACD.

II.A

Exceptions Matrix

II-2

ROCAP/Guatemala
EXCEPTIONS MATRIX
(October 1, 1992 - September 30, 1993)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
PROJ. No. & NAME	DATE OF INIT. OBLIG.	PROJ. STATUS	SIZE OF AGE OF CP's	PIPE - LINE	PIPE - LINE	ACCRUED EXPEND.	UNCOMM. BALANCE	BOPS-A	BOPS-B	AUDIT-A	AUDIT-B	BVALUA-TION-A	BVALUA-TION-B
STRATEGIC OBJECTIVE NO. 1: AN OPEN AND COMPETITIVE REGIONAL ECONOMY													
1) 596-0123 Exp. Agribusiness Dev. Prom. (LAAD)	09/30/86	B	Met	1/		X			X	XX		X	
2) 596-0147 Economic Policy & Research	08/30/88	B	Met	XX		X			X		X		
3) 596-0149 Private Sector Initiatives	02/27/89	A	N/A							X			
4) 596-0165 Export Industry Technology Support (EXITOS)	08/29/91	B	N/A							XX		X	
5) 596-0177 Partnership for Democracy and Development (PDD)	08/25/92	B	N/A			X				XX		X	
STRATEGIC OBJECTIVE NO. 2: ENVIRONMENTALLY SOUND AND EFFICIENT PRACTICES IN NATURAL RESOURCE MANAGEMENT													
1) 596-0127 Regional Agricultural Technology Networks (PROCACAO)	09/28/87	A	Met	1/		X					XX 2/		
2) 596-0129A Regional Agricultural Higher Education (GUA)	08/10/85	C	Met						X		XX 2/		
3) 596-0150 Regional Environmental & Natural Resources Management	09/15/89	B	Met	XX							XX 2/	X	
STRATEGIC OBJECTIVE NO. 3: MORE EFFECTIVE AND DEMOCRATIC LOCAL GOVERNANCE													
1) 596-0167 Local Government Regional Outreach Strategy (LOGROS)	09/22/92	A	N/A			X						X	

1/ These projects have no obligations in FY '91, '92 & '93.

2/ This is a CATIE open audit recommendation.

**ROCAP/Guatemala
EXCEPTIONS MATRIX
(October 1, 1992 - September 30, 1993)**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
<i>PROJ. No. & NAME</i>	<i>DATE OF INIT. OBLIG.</i>	<i>PROJ. DESIG- NATION</i>	<i>STATUS OF CP's</i>	<i>SIZE OF PIPB- LINE</i>	<i>AGE OF PIPB- LINE</i>	<i>ACCRUED EXPEND.</i>	<i>UNCOMM. BALANCE</i>	<i>EOPS-A</i>	<i>EOPS-B</i>	<i>AUDIT-A</i>	<i>AUDIT-B</i>	<i>BVALUA-TION-A</i>	<i>BVALUA-TION-B</i>
IN SUPPORT OF ALL THREE OBJECTIVES													
1) 596-0162 Regional Development Support	02/28/90	B	N/A						X	X			
OTHER ACTIVITIES													
1) 596-0116 Technical Support for Food Assistance	03/28/85	B	Met						X			X	
2) 596-0130 C.A. Peace Scholarship Program	08/06/85	B	Met							X	X	XX	
3) 596-0146 Rural Electrification Support	05/05/87	A	Met	XX					X	XX			
4) 596-0169 INCAP Institutional Strengthening	06/28/91	B	Met	X						XX		X	
5) 596-0176 CA Development Coordination Commission (CADCC)	09/30/91	C	N/A	XX		X	X	X		XX		X	

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II.B

Financial Summary Table

**FINANCIAL SUMMARY OF ROCAP/GUATEMALA PORTFOLIO
(OCTOBER 1, 1992 - MARCH 31, 1993)
(\$000)**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
PROJECT NO.	PROGRAM PROJECT TITLE	CATE-GORY	DATE OF INIT. OBLIG.	LAST REVISED PACD	% OF LOP ELAP	% OBLIG. EXPEND.	AUTH. LOP AMOUNT	CURR FY OBLIG. TO DATE	CUMUL AMOUNT OBLIG.	MORTG.	BEGIN FY PIPELINE	PLANNED SEMEST EXPEND.	ACCRUED SEMEST EXPEND.	ACCRUED AS % OF PLANNED	CUMULAT ACCRUED EXPEND.	ENDING PIPELINE	PLANNED EXPEND. (NEXT SEM)
ACTIVE PROJECTS																	
STRATEGIC OBJECTIVE NO. 1: AN OPEN AND COMPETITIVE REGIONAL ECONOMY																	
1) 508-0123	Exp. Agribusiness Dev. Prom. (L) (LAAD)	B	30-Sep-88	31-Mar-94	87%	83%	\$20,751	\$0	\$20,751	\$0	\$3,254	\$2,300	(\$178)	-8%	\$17,318	\$3,432	\$950
2) 508-0147	Economic Policy & Research (C)	B	30-Aug-88	31-Aug-93 F 30-June-93 (INCAE)	81% 84%	78%	\$3,900	\$0	\$3,505	\$395	\$1,048	\$548	\$307	58%	\$2,783	\$742	\$380
3) 508-0148	Private Sector Initiatives (C)	A	27-Feb-88	30-Jun-93	84%	83%	\$3,732	(\$3)	\$3,722	\$10	\$807	\$580	\$532	92%	\$3,450	\$272	\$272 1/2
4) 508-0186	Export Industry Technology Support (EXITOS)	B	29-Aug-91	30-Sep-95	38%	58%	\$8,500	\$1,500	\$6,048	\$2,452	\$2,503	\$1,015	\$1,433	141%	\$3,478	\$2,570	\$925
5) 508-0177	Partnership for Democracy and Development (PDD)	B	25-Aug-82	24-Jun-97	15%	13%	\$450	(\$1)	\$448	\$2	\$448	\$150	\$58	37%	\$58	\$392	\$220
SUBTOTAL STRATEGIC OBJECTIVE NO. 1						78%	\$37,333	\$1,498	\$34,474	\$2,458	\$8,062	\$4,584	\$2,150	47%	\$27,068	\$7,408	\$2,747
STRATEGIC OBJECTIVE NO. 2: ENVIRONMENTALLY SOUND AND EFFICIENT PRACTICES IN NATURAL RESOURCE MANAGEMENT																	
1) 508-0127	Regional Technology Networks (C)	A	28-Sep-87	31-Dec-92	100%	84%	\$2,500	\$0	\$2,500	\$0	\$188	\$188	\$30	18%	\$2,340	\$180	\$0
2) 508-0129A	Regional Agricult. Higher Education GUIA	B	19-Aug-85	31-Dec-93 30-Sep-95 (C Fica)	91% 75%	88%	\$8,300	(\$7)	\$8,247	\$53	\$508	\$388	\$388	93%	\$8,108	\$138	\$0
3) 508-0150	Regional Environment/Natural Resources Management	B	15-Sep-88	30-Sep-95	58%	69%	\$50,200	\$724	\$32,836	\$17,291	\$13,588	\$5,300	\$3,875	75%	\$22,801	\$10,330	\$5,300
SUBTOTAL STRATEGIC OBJECTIVE NO. 2						78%	\$61,000	\$717	\$43,888	\$17,214	\$14,284	\$5,885	\$4,373	74%	\$33,050	\$10,838	\$5,300
STRATEGIC OBJECTIVE NO. 3: MORE EFFECTIVE AND DEMOCRATIC LOCAL GOVERNANCE																	
1) 508-0187	Local Government Regional Outreach Strategy (LOGROS)	A	22-Sep-92	30-Sep-98	7%	4%	\$8,000	\$114	\$278	\$5,722	\$158	\$100	\$7	7%	\$11	\$287	\$690
SUBTOTAL STRATEGIC OBJECTIVE NO. 3						4%	\$8,000	\$114	\$278	\$5,722	\$158	\$100	\$7	N/A	\$11	\$287	\$690

FINANCIAL SUMMARY OF ROCAP/GUATEMALA PORTFOLIO
(OCTOBER 1, 1992 - MARCH 31, 1993)
(\$000)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
PROJECT NO.	PROGRAM/PROJECT TITLE	CATE-GORY	DATE OF INIT. OBLIG.	LAST REVISED PACD	% OF LOP ELAP	% OBLIG. EXPEND.	AUTH. LOP AMOUNT	CURR FY OBLIG. TO DATE	CUMUL AMOUNT OBLIG.	MORTG.	BEGIN FY PIPELINE	PLANNED SEMEST EXPEND.	ACCRUED SEMEST EXPEND.	ACCRUED AS % OF PLANNED	CUMULAT ACCRUED EXPEND.	ENDING PIPELINE	PLANNED EXPEND. (NEXT SEM)
IN SUPPORT OF ALL THREE OBJECTIVES																	
1) 596-0182	Regional Development Support (G) A	B	28-Feb-90	30-Sep-90	47%	65%	\$5,000	(68)	\$2,324	\$2,878	\$1,320	\$613	\$514	64%	\$1,517	\$807	\$487
SUBTOTAL IN SUPPORT OF ALL THREE OBJECTIVES						65%	\$5,000	(68)	\$2,324	\$2,878	\$1,320	\$613	\$514	64%	\$1,517	\$807	\$487
OTHER ACTIVITIES																	
1) 596-0118	Technical Support for Food Assistance (G)	B	28-Mar-85	31-May-93	98%	99%	\$6,100	80	\$6,100	80	\$487	\$487	\$384	64%	\$6,027	\$73	\$0
2) 596-0130	C.A. Peace Scholarship Program (G)	B	10-Sep-85 (Zamorano)	30-Sep-93 (ZAMORANO)	94%	97%	\$8,892	(54)	\$8,805	\$47	\$362	\$142	\$118	64%	\$8,888	\$237	\$25
			08-Aug-85 (INCAE)		94%												
3) 596-0148	Rural Electrification Support (G)	A	05-May-87	31-Mar-94	65%	78%	\$10,000	80	\$10,000	80	\$3,892	\$1,725	\$1,463	65%	\$7,573	\$2,427	\$1,150
4) 596-0169	INCAP Institutional 1/ Strengthening (G)	B	28-Jun-81	30-Jun-94	58%	29%	\$4,400	80	\$4,211	\$189	\$3,885	\$888	\$882	78%	\$1,188	\$3,023	\$1,131
5) 596-0176	CA Development Coordination Commission (CADCC) (G)	C	30-Sep-91	30-Sep-93	75%	8%	\$498	80	\$498	80	\$498	\$110	\$39	35%	\$38	\$458	\$180
SUBTOTAL OTHER ACTIVITIES						77%	\$27,890	(64)	\$27,814	\$278	\$9,804	\$3,212	\$2,679	61%	\$21,395	\$6,218	\$2,488
SUBTOTAL ACTIVE PROJECTS						77%	\$157,223	\$2,313	\$108,378	\$28,847	\$32,738	\$14,805	\$9,722	67%	\$83,638	\$25,337	\$11,700
TERMINATED PROJECTS																	
1) 596-0115	ORT Growth Monitoring and Education (G)	B	14-Dec-84	31-May-92	100%	100%	\$9,850	(175)	\$9,475	\$175	\$250	80	\$70	N/A	\$9,470	\$5	\$0
2) 596-0117	Tree Crop Production	B	18-Aug-85	30-Jun-92	100%	100%	\$9,000	80	\$9,000	80	\$85	80	\$38	N/A	\$9,971	\$29	\$0
3) 596-0143	Shelter & Urban Development (G)	B	27-Aug-87	30-Jun-92	100%	100%	\$4,000	(248)	\$2,138	\$1,864	\$254	80	\$3	N/A	\$2,133	\$3	\$0
		C	27-Aug-87	30-Jun-92	100%	N/A	\$15,000	80	\$0	\$15,000	80	80	80	N/A	\$0	\$0	\$0
SUBTOTAL TERMINATED PROJECTS						100%	\$37,850	(423)	\$20,611	\$17,039	\$548	80	\$188	N/A	\$20,574	\$37	\$0
FINAL TOTAL						80%	\$174,873	\$1,990	\$128,987	\$45,886	\$33,307	\$14,505	\$9,832	65%	\$103,813	\$25,374	\$11,700

1/ This Project includes \$2,000,000 in Add-Ons

II.C

Pipeline Analysis Table

**PIPELINE ANALYSIS OF ROCAP/GUATEMALA PORTFOLIO
(AS OF MARCH 31, 1993)
(000)**

PROJECT NO. (1)	PROGRAM/ PROJECT TITLE (2)	CUMUL. OBLIG. (3)	FY Obligations (4)							Pipel. 3/31/93 (5)	Pipeline (6)							% Pip Old 3 yrs		
			1986	1987	1988	1989	1990	1991	1992		1993	1986	1987	1988	1989	1990	1991		1992	1993
ACTIVE PROJECTS																				
STRATEGIC OBJECTIVE NO. 1: AN OPEN AND COMPETITIVE REGIONAL ECONOMY																				
1) 598-0123	Exp. Agric. Dev. Prom. (G) (LAAD)	\$20,751	\$6,600	\$6,148	\$2,251	\$1,000	\$4,751	\$0	\$0	\$0	\$3,432	\$0	\$0	\$0	\$0	\$3,432	\$0	\$0	\$0	100.00%
2) 598-0147	Economic Pol. & Research (G)	\$3,505	\$0	\$0	\$730	\$699	\$804	\$705	\$567	\$0	\$743	\$0	\$0	\$0	\$7	\$80	\$220	\$436	\$0	11.71%
4) 598-0149	Private Sec. Initiatives (G)	\$3,722	\$0	\$0	\$0	\$880	\$1,368	\$729	\$745	\$0	\$274	\$0	\$0	\$0	\$0	\$2	\$52	\$220	\$0	0.73%
5) 598-0185	Export Industry Tech. Support (EXITOS) (G)	\$6,048	\$0	\$0	\$0	\$0	\$0	\$3,148	\$1,400	\$1,500	\$2,570	\$0	\$0	\$0	\$0	\$0	\$543	\$527	\$1,500	0.00%
5) 598-0177	Partnership for Democracy (G) and Development (PDD)	\$449	\$0	\$0	\$0	\$0	\$0	\$0	\$448	\$0	\$391	\$0	\$0	\$0	\$0	\$0	\$0	\$391	\$0	0.00%
STRATEGIC OBJECTIVE NO. 2: ENVIRONMENTALLY SOUND AND EFFICIENT PRACTICES IN NATURAL RESOURCE MANAGEMENT																				
1) 598-0129A	Regional Agric. Higher Education GUA (G)	\$8,247	\$4,147	\$1,000	\$1,000	\$800	\$0	\$1,300	\$0	\$0	\$136	\$0	\$50	\$35	\$10	\$0	\$43	\$0	\$0	68.84%
2) 598-0150	Regional Env./Natural Resources Management (G)	\$32,939	\$0	\$0	\$0	\$8,375	\$11,110	\$7,287	\$5,080	\$1,107	\$10,338	\$0	\$0	\$0	\$1,591	\$4,025	\$1,939	\$2,232	\$551	54.32%
STRATEGIC OBJECTIVE NO. 3: MORE EFFECTIVE AND DEMOCRATIC LOCAL GOVERNANCE																				
1) 598-0167	Local Government Regional Outreach Strategy (LOGROS) (G)	\$276	\$0	\$0	\$0	\$0	\$0	\$0	\$163	\$115	\$267	\$0	\$0	\$0	\$0	\$0	\$0	\$154	\$113	0.00%
IN SUPPORT OF ALL THREE OBJECTIVES																				
1) 598-0162	Regional Dev. Support (G)	\$2,324	\$0	0	\$0	\$0	\$455	\$791	\$1,078	\$0	\$806	\$0	\$0	\$0	\$0	\$33	\$143	\$630	\$0	4.09%

**PIPELINE ANALYSIS OF ROCAP/GUATEMALA PORTFOLIO
(AS OF MARCH 31, 1993)
(000)**

PROJECT NO. (1)	PROGRAM/ PROJECT TITLE (2)	CUMUL. OBLIG. (3)	FY Obligations (4)								Pipeline 3/31/93 (5)	Pipeline (6)								% Pip Old 3 yrs
			1986	1987	1988	1989	1990	1991	1992	1993		1986	1987	1988	1989	1990	1991	1992	1993	
OTHER ACTIVITIES																				
1) 596-0116	Tech Support for Food (G) Assistance	\$6,100	\$5,600	\$262	\$238	\$0	\$0	\$0	\$0	\$0	\$73	\$40	\$32	\$1	\$0	\$0	\$0	\$0	\$0	100.00%
2) 596-0130	C A Peace Scholarship (G) Program	\$6,805	\$800	\$1,695	\$799	\$1,468	\$2,042	\$0	\$0	\$0	\$236	\$0	\$51	\$58	\$129	\$0	\$0	\$0	\$0	100.00%
3) 596-0146	Rural Electrification (G) Support	\$10,000	\$0	\$5,000	\$0	\$0	\$5,000	\$0	\$0	\$0	\$2,427	\$0	\$158	\$0	\$0	\$2,269	\$0	\$0	\$0	100.00%
4) 596-0169	INCAP Institu. Streng (G)	\$4,211	\$0	\$0	\$0	\$0	\$0	\$1,798	\$2,415	\$0	\$3,023	\$0	\$0	\$0	\$0	\$0	\$828	\$2,195	\$0	0.00%
5) 596-0176	CA Dev. Coord. Comm. (G)	\$498	\$0	\$0	\$0	\$0	\$0	\$498	\$0	\$0	\$459	\$0	\$0	\$0	\$0	\$0	\$459	\$0	\$0	0.00%
TOTAL BY MISSION:		\$105,877	\$17,147	\$14,108	\$5,018	\$13,223	\$25,530	\$16,254	\$11,878	\$2,722	\$25,177	\$40	\$291	\$82	\$1,737	\$9,841	\$4,227	\$6,785	\$2,184	47.67%

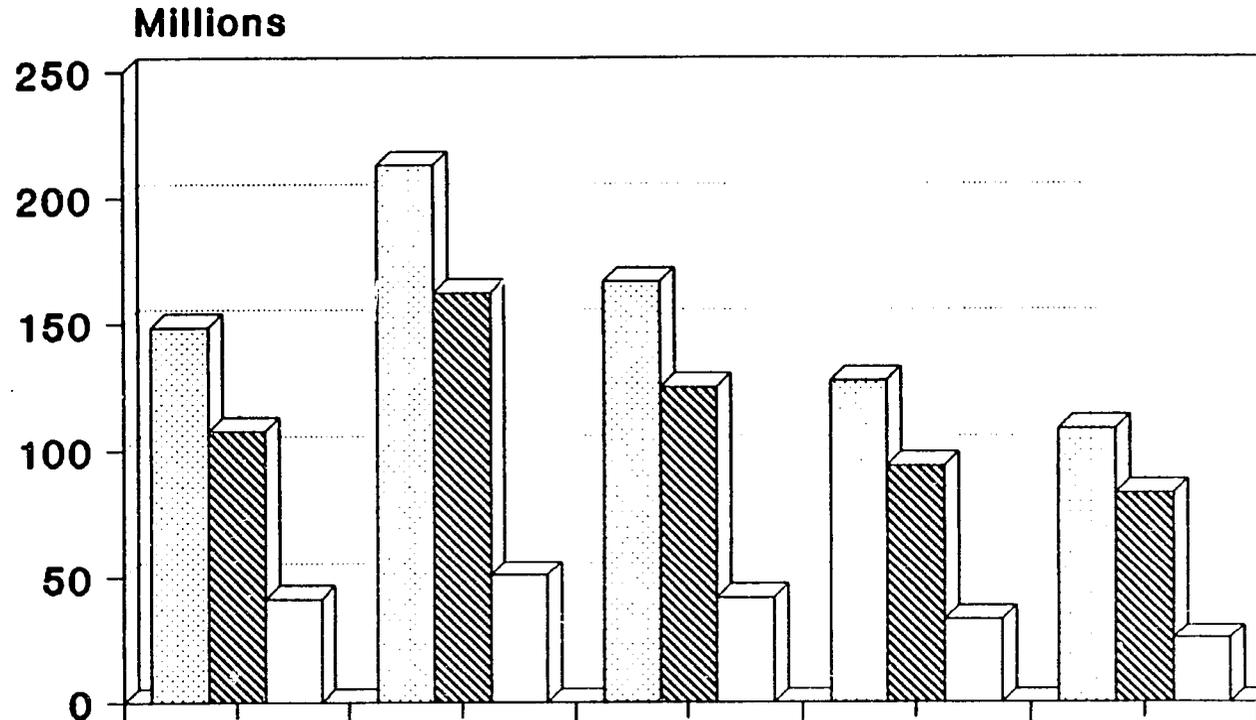
NOTE: Per SAR guidelines, this table does not include data for projects with PACDs falling during the reporting period.

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ROCAP PIPELINE ANALYSIS

CUMULAT. OBLIGAT., EXPEND. & PIPELINE



	3/31/91	9/30/91	3/31/92	9/30/92	3/31/93
OBLIGAT.	148.432	212.714	166.311	127.097	108.376
EXPEND.	107.301	162.127	124.491	93.785	83.039
PIPELINE	41.131	50.587	41.82	33.312	25.337

US DOLLARS

L.GIL

12

II.D

ABS Table IV

13

TABLE IV : PROJECT BUDGET DATA (U.S. \$000)

PROJECT NUMBER	FUND SRC	NPA IND	OBLIG DATE INIT/FINAL	--TOTAL COST-- AUTH PLAN	OBLIG THRU FY 1991	--FY 1992 EST.-- OBLIG ACTIONS	EXPEND ITURES	-----FY 1993 PLANNED----- OBLIG ACTIONS	EXPEND ITURES	YR END MORTGAGE	--FY 1994 PROP.-- OBLIG ACTIONS	EXPEND ITURES	FY 1995 OBLIG PROP		
596-0000			PROGRAM DEVELOPMENT AND SUPPORT												
	FN	G	75	C		10,618	75	259							
	HE	G	75	C		680		146							
	CS	G	75	C		281									
	EH	G	75	C		796	25	56							
	SD	G	75	C		5,760	257	319	131	201	178	248	200		
	PROJECT TOTAL:				0	0	18,135	357	780	131	201	0	178	248	200
596-0108			AGRICULTURAL EXPORT SUPPORT												
	FN	G	86	91	8,765	8,560	8,560		70						
	SD	G	86	91	235	235	235								
	PROJECT TOTAL:				9,000	8,795	8,795	0	70	0	0	0	0	0	
596-0114			REG ECONOMIC RECOVERY												
	FN	L	85	91	9,800	9,800	9,800		3,845						
	SD	L	85	91	5,200	5,200	5,200		2,789						
	ES	G	85	91	35,000	35,000	35,000		7						
	PROJECT TOTAL:				50,000	50,000	50,000	0	6,641	0	0	0	0	0	
596-0115			ORT, GROWTH MONITORING AND EDUCATION												
	FN	G	85	92	250	250	250		130						
	HE	G	85	92	9,000	9,000	9,000		260	255					
	CS	G	85	92	400	400	400		233						
	PROJECT TOTAL:				9,650	9,650	9,650	0	623	0	255	0	0	0	
596-0116			FOOD ASSISTANCE SUPPORT												
	HE	G	85	93	6,100	6,100	6,100		1,099		532				
596-0117			TREE CROP PRODUCTION												
	FN	G	85	92	9,000	9,000	9,000		131		120				
596-0123			EXPORT AGRIBUS DEVELOP. AND PROMOTION												
	FN	L	86	93	16,000	16,000	16,000								
	SD	L	86	93	4,751	4,751	4,751			2,680		909			
	PROJECT TOTAL:				20,751	20,751	20,751	0	0	0	2,680	0	0	909	0
596-0124			EXPORT MANAGEMENT TRAINING												
	EH	G	86	91	5,879	5,879	5,879		256						
	SD	G	86	91	921	921	921		216						
	PROJECT TOTAL:				6,800	6,800	6,800	0	472	0	0	0	0	0	
596-0127			REG. AGRIC. TECHNOLOGY NETWORKS												
	FN	G	87	90	2,500	2,500	2,500		530		200				
596-0128			D E L E T E D												
	SD	G	88	91	1,620	1,620	1,620								

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TABLE IV : PROJECT BUDGET DATA (U.S. \$000)

PROJECT NUMBER	FUND SRC	NPA IND	OBLIG DATE		--TOTAL COST-- AUTH PLAN	OBLIG THRU FY 1991	--FY 1992 EST.--		-----FY 1993 PLANNED-----			--FY 1994 PROP.--		FY 1995 OBLIG PROP	
			INIT/FINAL				OBLIG ATIONS	EXPEND ITURES	OBLIG ATIONS	EXPEND ITURES	YR END MORTGAGE	OBLIG ATIONS	EXPEND ITURES		
596-0129			REG. AGRIC HIGHER EDUCATION												
	FN G		85 95		16,910	16,910	10,910	2,900	4,765	1,500	2,000	1,600	748	3,000	418
	SD G		85 95		6,790	6,790	5,700		1,617		1,000	1,090			
	ES G		85 95		11,000	11,000	11,000		1,088						
	PROJECT TOTAL:				34,700	34,700	27,610	2,900	7,470	1,500	3,000	2,690	748	3,000	418
596-0130			CENTRAL AMERICA PEACE SCHOLARSHIPS												
	FN G		85 93		1,997	2,305	2,305				2				
	EH G		85 93		5,795	2,034	2,034				120				
	PROJECT TOTAL:				7,792	4,339	4,339	0	0	0	122	0	0	0	0
596-0134			D E L E T E D												
	SD G		85 90		3,000	3,000	3,000								
596-0143			CA SHELTER AND URBAN DEVELOPMENT												
	SD G		87 90		4,000	2,384	2,384		259		4				
596-0146			RURAL ELECTRIFICATION SUPPORT												
	SD G		87 94		10,000	11,000	10,000		1,665	1,000	2,875			2,046	
596-0147			ECONOMIC POLICY RESEARCH												
	SD G		88 95		3,900	4,380	2,952	567	536	634	884	227	580	511	500
596-0149			PRIVATE SECTOR INITIATIVES												
	FN G		89 92		819	819	819		268		67				
	SD G		89 92		2,913	2,905	2,160	745	667		820				
	PROJECT TOTAL:				3,732	3,724	2,979	745	935	0	887	0	0	0	0
596-0150			REG ENVIRONMENTAL & NATURAL RESOUC E MGT												
	FN G		87 95		38,500	38,500	20,713	4,443	5,033	6,200	9,275	7,144	5,030	8,500	6,755
	HE G		89 95		2,000	2,000	1,483				325	517			
	EH G		89 95		2,871	2,871	1,618	275	800		500	978			
	SD G		89 95		6,829	6,829	3,341	369	2,000		500	3,119		2,500	
	PROJECT TOTAL:				50,200	50,200	27,155	5,087	7,833	6,200	10,600	11,758	5,030	11,000	6,755
596-0161			D E L E T E D												
	SD G		92 94												
596-0162			REGIONAL DEVELOPMENT SUPPORT												
	FN G		90 95		250	250					250				
	HE G		90 95		918	918	343	185	158		309	390		200	
	EH G		90 95		1,293	1,293	85	340			300	868			
	SD G		90 95		2,539	2,539	828	552	383	443	500	716	900	1,300	1,325
	PROJECT TOTAL:				5,000	5,000	1,256	1,077	541	443	1,109	2,224	900	1,500	1,325

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TABLE IV : PROJECT BUDGET DATA (U.S. \$000)

PROJECT NUMBER	FUND SRC	NPA IND	OBLIG DATE INIT/FINAL	--TOTAL COST-- AUTH PLAN	OBLIG THRU FY 1991	--FY 1992 EST. OBLIG ATIONS	EXPEND ITURES	-----FY 1993 PLANNED----- OBLIG ATIONS	EXPEND ITURES	YR END MORTGAGE	--FY 1994 PROP. OBLIG ATIONS	EXPEND ITURES	FY 1995 OBLIG PROP	
596-0165			EXPORT INDUSTRY TECH SUPPORT (EXITOS)											
	FN G		91 95	5,000	5,000	1,540	1,400	522	732	2,111	1,328			
	EH G		91 95	1,000	1,000	375		175		625				
	SD G		91 95	2,500	2,500	1,232		919	1,268	440	2,402	1,889		
	PROJECT TOTAL:			8,500	8,500	3,147	1,400	1,616	2,000	2,551	1,953	2,402	1,889	0
596-0167			LOCAL GOV. REG. OUTREACH STR. (LOGROS)											
	FN G		92 97	200	200					200				
	HE G		92 97	200	200					200				
	EH G		92 97	2,377	2,377		159			159	2,218			
	SD G		92 97	3,223	3,223		5	730	700	2,488	1,360	1,500	2,000	
	PROJECT TOTAL:			6,000	6,000	0	164	0	730	859	5,106	1,360	1,500	2,000
596-0169			INCAP INSTITUTIONAL STRENGTHENING											
	FN G		91 93	510	400	400				310			90	
	HE G		91 93	2,390	1,550	1,396	15	209	139	183		1,158		
	CS G		91 93	1,500	2,450		2,400	50	2,250			200		
	PROJECT TOTAL:			4,400	4,400	1,796	2,415	209	189	2,743	0	0	1,448	0
596-0170			ASST FOR PROMOTION OF TRADE THRU REG ACT											
	FN G		93 96											
	SD G		93 96											
	PROJECT TOTAL:			0	0	0	0	0	0	0	0	0	0	
596-0172			D E L E T E D											
	FN G		92 94											
596-0176			CA DEVELOPMENT COORD. COMMISSION (CADCC)											
	ES G		91 91	498	498	498				498				
596-0177			PARTNERSHIP FOR DEMOCRACY & DEVELOPMENT											
	ES G	PA	92 95	1,235	1,234		447		787	800		434		
596-AAAA			STRATEGIC OBJECTIVE I											
	FN G	PA	94 99											
	SD G	PA	94 99											
	PROJECT TOTAL:			0	0	0	0	0	0	0	0	0	0	
596-BBBB			STRATEGIC OBJECTIVE II											
	FN G	PA	95 99											
	SD G	PA	95 99											
	PROJECT TOTAL:			0	0	0	0	0	0	0	0	0	0	
	REPORT TOTAL:			258,378	254,575	220,467	15,159	31,410	13,614	30,920	23,958	11,198	24,485	11,198

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TABLE IV : PROJECT BUDGET DATA (U.S. \$000)

PROJECT NUMBER	FUND SRC	NPA IND	OBLIG DATE INIT/FINAL	--TOTAL COST-- AUTH PLAN	OBLIG THRU FY 1991	--FY 1992 EST.--		-----FY 1993 PLANNED-----			--FY 1994 PROP.--		FY 1995
						OBLIG ATIONS	EXPEND ITURES	OBLIG ATIONS	EXPEND ITURES	YR END MORTGAGE	OBLIG ATIONS	EXPEND ITURES	OBLIG PROP.

APPROPRIATION SUMMARY

FN					8,818	15,553	8,432	14,085	10,522	5,778	11,590	7,173
HE					200	1,872	139	1,604	1,107	0	1,358	0
CS					2,400	233	50	2,250	0	0	200	0
EH					799	1,287	0	1,079	4,689	0	0	0
SD					2,495	11,370	4,206	10,604	7,640	5,420	10,903	4,025
ES					447	1,095	787	1,298	0	0	434	0
REPORT TOTAL:					15,159	31,410	13,614	30,920	23,958	11,198	24,485	11,198

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III
PROJECT STATUS REPORTS

III. A

ROCAP STRATEGIC OBJECTIVE No. 1: AN OPEN AND COMPETITIVE
REGIONAL ECONOMY

III-3

<u>Project</u>	<u>Number</u>	<u>Page</u>
Export Agribusiness Dev. Promotion	596-0123	III-7
Economic Policy Research	596-0147	III-10
Private Sector Initiatives	596-0149	III-14
Export Industry Technology Support	596-0165	III-18
Partnership for Democracy and Development	596-0177	III-23

**ROCAP Strategic Objective No. 1
An Open and Competitive Regional Economy
Assessment of Project Portfolio**

The projects in the portfolio continued to contribute directly and significantly to the objective of promoting an open and competitive regional economy. They did so at all levels--by influencing policy at the regional level, and by providing specific advice to entrepreneurs and technical officials. One of the key developments of the past few months has been the consolidation and increasing cross-fertilization among projects under this rubric. For example, the Central American Rural Electrification Support Project (CARES) worked closely with the Private Sector Initiatives Project in examining policies and specific private investment opportunities in infrastructure in the region as an input into the Conference on Investment and Trade in Central America (CITCA '93), which ROCAP is helping to organize under its support project for the Partnership for Democracy and Development in Central America (PDD). Of course, the experiences of the AGRITRADE regional trade show, assisted by the Export Industry and Technology Support Project (EXITOS), also shaped our approach to CITCA '93. Similarly, the EXITOS project, the Economic Policy Research Project working with SIECA, and the PDD support project all contributed to the program output of enhanced trade and investment information flows in the region.

- The EXITOS project has become the--widely recognized--key factor in promoting non-traditional agricultural exports from the region. It succeeded not only in identifying new opportunities and demonstrating their profitability--by shipping rambuttan to the UK, or by introducing sweet onions to Nicaragua (especially sweet to the exporter who got a rapid and highly attractive return on his investment). The project also played a central role in making AGRITRADE, originally a purely Guatemalan trade show, a regional event. Its success as a regional trade show in attracting buyers and putting Central America firmly on the map has inspired fresh looks at other trade shows that have regional potential--a cut-flower and ornamental-plants event in Costa Rica (FLORITRADE), and an annual symposium on aqua and mariculture in Honduras, inevitably now referred to as AQUATRADE.
- Lending to new ventures by the Latin American Agribusiness Development Corporation (LAAD) under our Export Agribusiness and Development Project continued apace. Although the relatively strong performance of the region in the last couple of years has eased the foreign exchange crunch somewhat, demand for LAAD's medium-term loans remains strong, reflecting the continuing weaknesses in the financial systems of the Central American countries.

- Under the Economic Policy Research Project, SIECA brought on two high-powered consultants, both former (recent) Ministers of Economy, to draft the new Treaty of Central American Integration. This new Treaty (technically as Protocol to the existing Treaty) is scheduled to be considered by the next summit meeting of the Central American Presidents. With EPR support, SIECA also took the lead in laying the groundwork for new initiatives in harmonizing fiscal policies. Working closely with the Central American Monetary Council, SIECA identified the priority areas that could benefit from more effective coordination of tax treatments.

- With support from the Private Sector Initiatives project, FEDEPRICAP continued to provide a strong private-sector voice in the regional dialogue on trade and investment policies. It put together some specific proposals for regional action to improve the investment climate in Central America, it convinced key decision makers to adopt or stay with policies of economic liberalization, and it used the concerns emerging in the U.S. over the alleged loss of jobs to the region to formulate a proposal for a new partnership that clearly recognized the need for responding to any U.S. trade concessions with further policy reform in critical areas, thereby putting more of a *quid pro quo* flavor into the pursuit of an extension of CBI benefits. FEDEPRICAP also is emerging as a leader in approaching the question of policies to promote industrial competitiveness more systematically.

- Although ROCAP's activities in the energy sector are now being regarded as falling outside of our strategic objectives set, the Central American Rural Electrification Support Project (CARES) registered a major accomplishment in promoting decentralization and privatization in the energy sector. With lead assistance from CARES/NRECA, the first privately owned utility in Honduras was established on the island of Roatán, purchasing some assets from the central, state-owned utility and setting up management and operating procedures that will enable it to respond more effectively and reliably to the electricity of the island.

- ROCAP's project in support of the Partnership for Democracy and Development in Central America (PDD) on the economic development side (596-0177) emerged as a powerful tool in pursuing Strategic Objective No. 1. Acting as the lead institution in the U.S. participation, ROCAP has focused on two elements--the strengthening of a regional system of trade and investment information services, and the preparation of a regional conference to promote investment. Considerable progress has been made

on both of these (the Conference on Investment and Trade in Central America is scheduled to take place at the end of June in San Pedro Sula, Honduras). We fully expect, therefore, that the PDD initiative will in fact contribute directly and significantly to the competitiveness of the regional economy.

Two developments will shape future approaches and the systematic monitoring of performance under the strategic objective of an open and competitive regional economy. First, ROCAP decided not to launch APERTURA as a new project at this time, given funding restrictions and uncertainties about U.S. development assistance policies regarding trade and investment. That removes the core element that had been expected to carry a major load in performance monitoring. Second, the reorganization in the wake of the absorption of ROCAP into USAID/Guatemala has resulted in a realignment of the project portfolio which may affect strategic approaches and performance in the future.

In any case, ROCAP has reexamined its strategic objective of an open and competitive regional economy in its Action Plan, now in review. It has greatly reduced the number of program outputs, and is focusing on a small set of very specific policy and performance targets.

Sector developments

The past months have seen continued gains in economic integration and coordination among the Central American countries. With the Northern Tier (El Salvador, Guatemala and Honduras) continuing to set the pace, policy harmonization has emerged as one of the key concerns. Nicaragua has joined the Northern Tier Agreement to create the "CA-4." The Economic Cabinets have taken the lead in drafting a new Protocol to the Treaty of Central American Economic Integration. This new treaty of integration in the context of outward-oriented policies has been supported by the CA-4 as well as Panama; only Costa Rica continues to have reservations because of clear risks and uncertain benefits.

Progress in economic cooperation has transcended the rhetorical. In 1992, intraregional trade boomed, growing by almost a third (in current dollar terms). While the integration and harmonization commitments reached at the highest levels of the Central American governments sometimes seem to outstrip the countries' technical and administrative capacity to follow up, many changes are taking place at the working level. They may be mundane rather than visionary, but they are changing the way Central America is doing business. Often, though, these changes reflect changes in administrative policies and procedures. They may be possible under existing legislation, but are not necessarily anchored in legislation or binding international or regional treaties. As a result, these--significant--changes at the "working level" may not always be perceived as permanent.

Perhaps the main challenge over the next few months and years will be twofold: to articulate better the economic rationale for cooperation and integration, and to consolidate the real gains in cooperation and mutual support through legally binding obligations. The economic rationale for policy harmonization, coordination and integration rests on potential gains in competitiveness. While other motives will continue to play a critical role in the regional integration process, the Central American polity needs to examine more closely how the direction and pace of cooperation can yield direct benefits in terms of increased efficiency and competitiveness. FEDEPRICAP, with support from both ROCAP and the IDB's PRADIC, has begun to examine these issues systematically. The policy debate on them needs to intensify to reach a consensus on the most important benefits and to set priorities for action.

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IA. BACKGROUND DATA

Project Title: Export Agribusiness and Development Promotion
 Project Number: 596-0123
 Date of Authorization: original 09/16/86 amendment 09/13/90
 Date of Obligation: original 09/30/86 amendment 09/13/90
 PACD: original 09/30/89 amendment 03/31/94
 Implementing Agencies: Latin American Agribusiness Development Corporation
 Main Contacts: Hunter Martin and Rolando Peralta
 Major Contractors: N/A
 AID Project Manager: Ulrich Ernst
 Status of CPs/Covenants: Initial CPs Met 12/16/86
 Date of Last Evaluation: 6/89 Next Evaluation: 11/93
 Planned Number of Non-Federal Audits during Fiscal Year: One
 The Number of such Audits Contracted for/Completed: 0
 Date of Last Audit: 10/89 Next Audit: 09/93
 Date of Last Site Visit: 3/93

IB. FINANCIAL DATA

Amount Authorized:	DA/ESF Grant: original	\$15,000,000	amended to \$20,751,000
Amount Obligated:	DA/ESF Grant: original	\$ 6,600,000	amended to \$20,751,000
Amount Committed:	Period:	\$ 0	
	Cumulative:	\$20,751,000	
Accrued Expenditures:	Period - Projected:	\$ 2,300,000	
	Period - Actual:	\$ (177,500)	
	Cumulative:	\$17,319,063	
	Period - Next:	\$ 950,000	
Counterpart			
Contribution:	Planned:	\$ 5,600,000	
	Actual:	\$ 3,288,438	
% LOP Elapsed:		87%	
% of Total Auth. Oblig.		100%	
% of Total Oblig. Exp.		83%	
% of Total Auth. Exp.		83%	

IIA. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES

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

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

IIB. PROJECT PURPOSE

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

III. PROJECT DESCRIPTION

ROCAP, through a loan with LAAD, continues to find and finance business ventures in Panama and Nicaragua directed towards non-traditional export agriculture, contributing to the rapid growth of exports from the region. Key areas of lending have been fruits and vegetables (both fresh and frozen/processed), beef processing, seafood cultivation and processing, cut flowers and ornamental plants, and wood products. LAAD's lending has the following characteristics: (1) all loans are made and repaid in dollars; (2) loans are made to new enterprises, expansions, or firms that are diversifying into new areas of production or market; (3) loan requests are processed rapidly; (4) loan decisions are based on entrepreneurial skills and management ability; and, (5) collateral requirements are realistic in terms of subproject capacity and generally lower than demanded by other sources of lending.

IV. PROJECT STATUS

	<u>Planned EOPS</u>	<u>Progress To Date</u>
1.	Foreign exchange generated from non-traditional export sales equals 1.5 times total project funding of 418 million, or approximately \$27 million over 8 year life of project.	For the approximately 40 projects financed under this amendment. It is estimated that current foreign exchange income will reach \$100 million and projected over the life of the loans will approximately \$200 million
2.	3,600 new jobs created based on formula of one job for every \$5,000 of project loan funds and total project funding of \$18 million.	Jobs created by LAAD loans continue to follow the ascribed formula.

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3. Income increase of: (a) Accomplished but not quantified.
 agribusiness sub-borrowers, (b)
 employees of agribusiness sub-
 borrowers, (c) small and medium
 producers supplying raw materials
 to sub-borrowers, (d) firms
 involved in indirect processing,
 transport, post-harvest packing
 and storage, and marketing.

B. Major Outputs

	LOP	Planned			Accomplished		
		Period	Cum.	Next Period	Period	Cum.	% of LOP
1. Average loan of \$400,000, 15 loans per year over 8 year period.	50	6	75	7	1	92	184%

C. Other Accomplishments and Overall Status

An additional \$200,000 was approved for a slaughterhouse in Nicaragua.

A loan was approved and initial funds disbursed for the purchase of lobster fishing ships in Nicaragua.

WID Statement

Although not quantified in the above employment figures, the vegetable and ornamental plant industry use women almost exclusively in packing and non-field operations.

D. Problems and Delays

All the criteria mentioned above that LAAD has used for financing projects remain the same under the existing agreement targeted specifically to find and finance business ventures in Panama and Nicaragua. However, given the unusual circumstances, particularly in Nicaragua (the years of Sandinista rule and beginnings of a new democracy), and to a lesser extent in Panama (a dollar driven non-agricultural economy), the traditional methods of LAAD's operation have been skewed.

The problems faced in Nicaragua are unique. Complicated business conditions caused by lack of clear land titles, burdensome banking procedures, political in-fighting, and other hinderance to "normal" business practices created during the Sandinista period have made the selection process for individual loans more complicated.

As of September 30, 1992, of the \$2,751,000 in loans contemplated for Nicaragua by the PACD, only \$400,000 had been disbursed. Given the situation in Nicaragua, LAAD would have been unable to meet the March 31, 1993 deadline. On November 9, 1992, ROCAP received a PACD extension request from LAAD and a no cost extension was given to March 31, 1994.

Every project in Nicaragua has to be evaluated politically as well as economically, and each client selected with particular care. As dismal as the situation seems, with only a slight improvement in Nicaragua's investment climate LAAD should be able to disburse funds relatively rapidly; it is hard to predict with the same certainty as with other loans in Central America.

The situation in Panama is different as the incentive to export agricultural products is not the same in Panama as it is in neighboring countries. Since the U.S. dollar is the nation's currency, the need for foreign exchange export markets does not motivate Panamanian agriculture. LAAD-CA, which deals with smaller non-traditional businesses, must normally finance projects which are in the process of evolving into export activities. Some do so more rapidly than others, and a more than average amount of LAAD staff attention must be given to encouraging and assisting this effort. However, funds will be disbursed by PACD - the extension gives the LAAD staff more time to pick and choose.

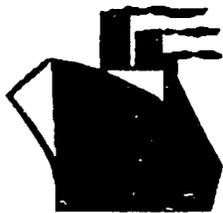
E. Major Activities or Corrective Actions During the Next Six Months

In Nicaragua: An old LAAD loan for sesame is being revised.

Five projects for Panama are planned including melons, shrimp farming, tubers, plantains and ornamental plants.

A draft scope of work for a LAAD evaluation has been prepared and an evaluation will take place during next reporting period.

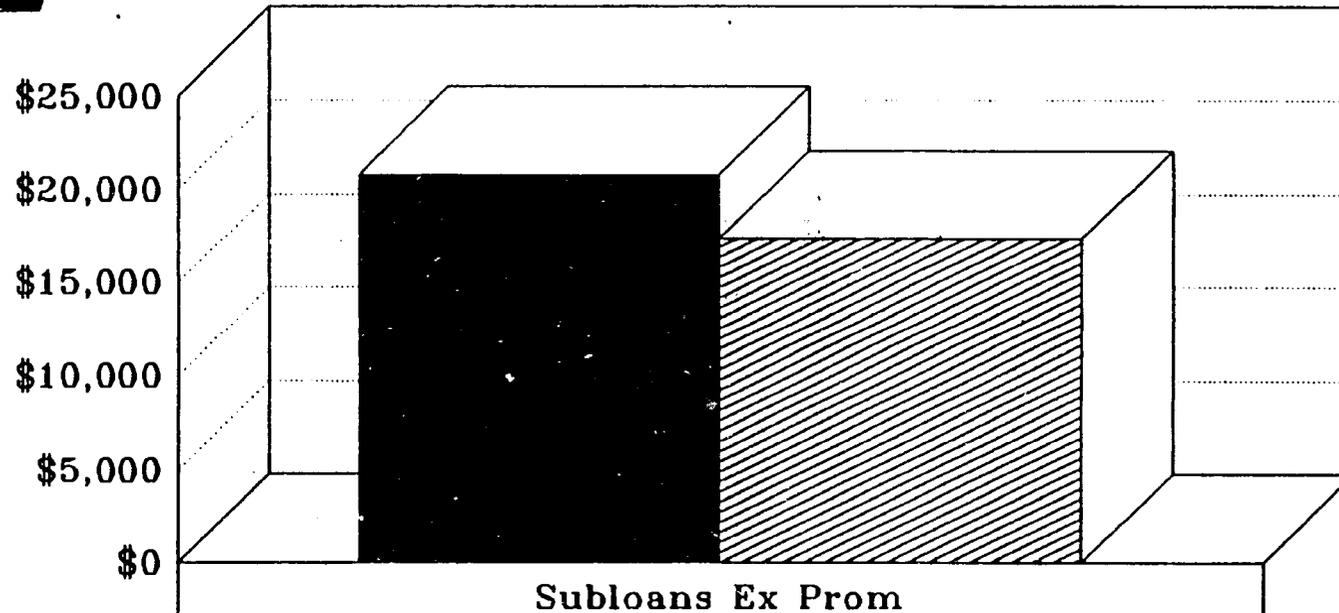
(U:\LGB\DOCS\LAAD)



EXPORT AGRIBUS. DEV. PROMOT. (0123)

Commit. Vrs. Expend. as of 3/31/93

(\$)(Thousands)



	Subloans Ex Prom	
Commitments		\$20,751
Expenditures		\$17,319

 Commitments  Expenditures

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Funds have been distributed among three entities as follows: a Grant Agreement with the Permanent Secretariat of the Central American General Treaty Organization for Economic Integration (SIECA), a Cooperative Agreement with the Central American Institute of Business Administration (INCAE), and a Grant to the Institute of Economic and Social Research of the Caribbean Basin (IESCARIBE). ROCAP is separately administering the balance.

IV. PROJECT STATUS

	<u>Planned EOPS</u>	<u>Progress To Date</u>
1.	Senior Policy Studies (SIECA & INCAE)	34 studies on External Trade Policy Tariffs, Fiscal Policy, etc., completed
2.	Published Studies (SIECA & INCAE)	20 studies published
3.	Policy Dialogue Seminars	6 high level seminars held successfully ⁵
4.	Research Seminars (INCAE)	5 seminars held
5.	Technical Training (INCAE)	9 seminars to train junior investigators held
6.	Institutional Strengthening (SIECA)	5 support activities (training, software, reorganizational structure, etc.) provided to SIECA.

B. Major Outputs

	<u>Planned</u>				<u>Accomplished</u>		
	LOP	Period	Cum.	Next Period	Period	Cum.	% of LOP
1. Economic Policy Research	28	4	34	4	4	34	121
2. Strengthening Inst.	4-6	1	5	0	1	5	100
3. Published studies	20	0	21	1	0	20	100
4. Policy Dialogue Seminars	6	0	6	0	0	6	100
5. Training	8	0	9	0	0	9	113
5a. Long Term	0	0	0	0	0	0	N/A
5b. Short Term	126	39	109	0	0	<u>M</u> 74 <u>P</u> 35	86
6. Research Seminars	4	1	5	0	1	5	125

C. Other Accomplishments and Overall Status

SIECA.

This project has continued supporting SIECA's activities as called for by the C.A. Economic Cabinets, on the basis of their First Action Program approved on March 1992. A mayor action being undertaken includes the preparation by two consultants, both former ministers of economy, of a protocol to amend the General Treaty of C.A. Economic Integration. The basis of this program is to adopt changes required for the modernization and opening of the C. A. economies, as decided at the Presidential Summits (Plan de Acción Económico para Centroamérica - PAECA - June 1990) and as implemented by the C.A. Cabinets. The proposal is under preparation and will be discussed by the Economic Cabinets in April 23-24, and with the C.A. private sector prior to presentation for approval at the next Presidential Summit in June, 1993.

Three studies/reports in the fiscal area have also been completed during this period. The decision to prepare these studies was made by the Executive Committee of the Council of Ministers of Finance, of which SIECA is also secretariat. The studies, which will provide the framework for discussions by the Regional Group of Technical support (GRAT), comprising the Directors of Internal Revenues of each country, consist of: 1) a Comparative Report on the Main Fiscal Laws in Central America; 2) Status of Fiscal Systems in C.A. Countries; and 3) Specific Consumption Taxes and the Fiscal Harmonization Processes in Central America. Additional research is under preparation by SIECA on other topics which are considered relevant

⁵ Includes 1 meeting to discuss the role of C.A. regional institutions in Policy Research (Antigua Guatemala, August 5-6/91), the C.A. Economic Cabinet meeting to discuss each C.A. country's position regarding economic policy (Roatan, September/19 and Montelimar Jan./92 co-sponsored by IDB, UNDP and ROCAP.

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by the GRAT (i.e. methodologies to analyze the impact of fiscal harmonization; technical proposals directed to address how to absorb negative financial impacts of harmonization, etc.).

Significant is the fact that, as a direct result of the positive impact of the studies mentioned above, SIECA and ROCAP/RHUDO considered timely to extend the analysis to the municipal fiscal systems in the C.A. region. Talks are now underway for the preparation of a report on those systems; this activity will be funded by the new ROCAP project LOGROS under a Purchase Order with SIECA.

Also under preparation are: a study on Macro-Economic Policies, a proposal on harmonization of such policies, and two case studies on the application of the anti-dumping code in a Central American import-export context. This last study is a joint ROCAP/UNDP effort, and when completed will be presented and discussed with interested private sector representatives at seminars to be held by SIECA in each C.A. country.

During this reporting period, ROCAP also approved a one-month contract with a former IDB/PRADIC consultant to complete training of technical personnel in charge of SIECA's Office of Information and Commercial Negotiations.

SIECA's internal reorganization was completed in March/93. The major recommendations that were made by the consulting firm Price Waterhouse, to help SIECA be better prepared to attend the increasing demands on its technical support services in its secretariat capacity for C.A. Economic Cabinets, Ministers of Finance, Transport and Communications, etc. were accepted. The Price Waterhouse report was contracted by ROCAP.

SIECA initiated the annual project audit and was authorized, at its request, to send the corresponding report to ROCAP by May 15, 1993.

Finally, two studies contracted by SIECA under this project in 1990 and 1992 (one on Non-Tariff Obstacles to Intraregional Trade and the other on Guidelines for a Joint Strategy in Economic International Negotiations) are helping SIECA staff prepare proposals and elicit advice to advance negotiations on both areas.

INCAE.

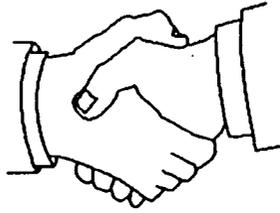
- Two pending activities were completed during the reporting period. One was the last training workshop for junior researchers in economic analysis. The different research methodologies in different areas were treated (e.g. implications of structural adjustment, monetary policy structure, regulations and reform of financial markets.) Also, a study on the Cost of Adjustment resulting from stabilization programs, contracted by INCAE was completed. Given the importance of the topic, INCAE has requested that the project fund publication of this study. ROCAP has reviewed the request and agrees that the study merits publication, depending on the availability of funds.
- PACD for this project component was extended through June 1993 (amendment No. 11) to permit the completion of pending activities, including the last audit. INCAE has been requested to prepare a project final report as soon as all activities are completed.

D. Problems and Delays

- A major delay is procurement of electronic equipment for SIECA's Trade and Investment Information System financed under the Support for Partnership for Democracy and Development (PDD) Project. A visit was made by ROCAP/MIS computer technicians to SIECA to assist in the decision of whether to approve the Token Ring topology.
- Given that the project's PACD is 08/31/93, SIECA activities under the 1993 Work Plan are delayed, and SIECA has been urged to accelerate implementation.
- The IDB/UNDP/ROCAP Coordinating Meeting planned for March/93 has not yet been held. SIECA plans to hold it the first half of May/93.

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

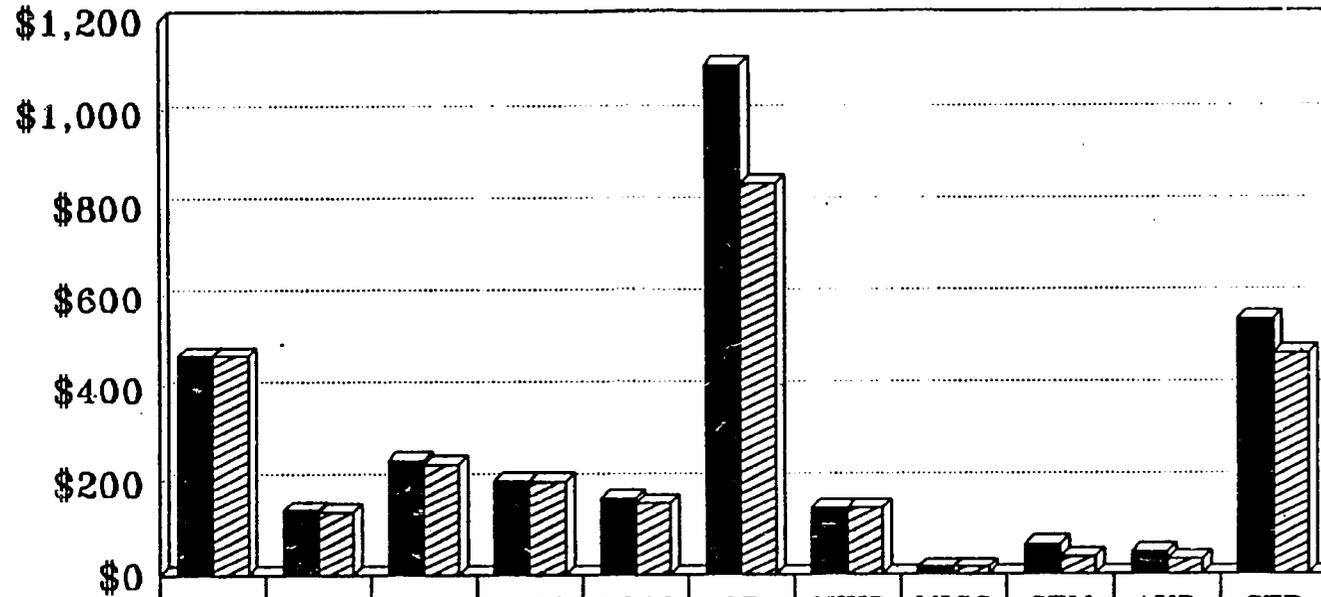
- Given the accelerated pace of activities supported by this project, we will continue supporting SIECA and other selected institutions (i.e. The C.A. Monetary Council) to respond effectively to mandates from the C.A. Economic Cabinets, Meeting of Ministers of Finance, and other regional fora, to provide them with the required, high-quality research on which to base their decisions.
- We will discuss with SIECA the scope of work for the project's final evaluation to be made by May or June, 1993. SIECA suggests that one evaluation combine the project impact assessment and the SIECA's performance evaluation.
- ROCAP will Approve INCAE's publication of the study on Cost of Adjustment, review the audit report and prepare the Project Closing Report.
- A seminar is planned for the selected negotiators of C.A. countries in free trade negotiations with Mexico, Venezuela and Colombia. The seminar will be held in Antigua, Guatemala in late May or early June, and will be co-sponsored by ROCAP and UNDP. Experts from the UN Center for Applied Studies On International Negotiation (CASIN) will lead the seminar.



ECONOMIC POLICY AND RESEARCH (0147)

Commit. Vrs. Expend. as of 3/31/93

Thousands



	SAL	TRV	PDIEM	COM	DCOS	GR	OVHD	MISC	SEM	AUD	CTR
Commitments	\$474	\$140	\$247	\$204	\$165	\$1,103	\$143	\$15	\$68	\$49	\$552
Expenditures	\$474	\$136	\$238	\$202	\$155	\$849	\$143	\$15	\$39	\$33	\$478

Commitments
 Expenditures

IA. BACKGROUND DATA

Project Title: Private Sector Initiatives Project
 Project Number: 596-0149
 Date of Authorization: original 02/27/89 amendment 09/29/92
 Date of Obligation: original 02/27/89 amendment 09/29/92
 PACD: original 02/15/92 amendment 06/30/93
 Implementing Agencies: Federation of Private Sector Entities of Central America and Panama (FEDEPRICAP)
 Main Contacts: Carlos M. Echeverria, FEDEPRICAP
 Major Contractors: CARANA Corporation (Contract ended July 1992)
 AID Project Manager: Albert L. Zucca
 Status of CPs/Covenants: N/A
 Date of Last Evaluation: May, 1991 Next Evaluation: June, 1993
 Planned Number of Non-Federal Audits during Fiscal Year: 1
 The Number of such Audits Contracted for/Completed: 1
 Date of Last Audit: 07/31/91 Next Audit: June, 1993
 Date of Last Site Visit: April 1, 1993

IB. FINANCIAL DATA

Amount Authorized:	DA/ESF Grant: original	\$1,900,000	amended to \$3,732,000
Amount Obligated:	DA/ESF Grant: original	\$ 600,000	amended to \$3,721,587
Amount Committed:	Period:	\$ (3,210) ¹	
	Cumulative:	\$3,721,587	
Accrued Expenditures:	Period - Projected:	\$ 579,733	
	Period - Actual:	\$ 532,068	
	Cumulative:	\$3,450,051	
	Period - Next:	\$ 271,536 ¹	
Outstanding Project Advances:		\$	
Counterpart Contribution:	Planned:	\$291,757	
	Actual:	\$217,423	
% LOP Elapsed:		94 %	
% of Total Auth. Oblig.		99 %	
% of Total Oblig. Exp.		93 %	
% of Total Auth. Exp.		92 %	

IIA. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES

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

Percent of LOP Funds Relating to Strategic Objectives: 100% of the funds of this Project are related to the S.O.

IIB. PROJECT PURPOSE

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

III. PROJECT DESCRIPTION

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

IV. PROJECT STATUS

	<u>Planned EOPS</u>	<u>Progress To Date</u>
1.	Developed strategic and business plan fully operational.	Annual strategic plans developed and operational; entity fully staffed.
2.	Comprehensive info referral system established for transport, trade and finance.	Electronic mail system in place; database prepared.
3.	Promoted negotiated settlements among regional countries.	Assumed regional private sector representation in formulating CA integration approaches.

¹This period amount is negative due to a 1311 review.

²This amount does not exceed the amount obligated.

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

A B C

4. Monitored relevant legislation in the region and elsewhere. Active in CBI II, Enterprise for the Americas and industry conversion initiatives; also regional capital and transport legislation.

B. Major Outputs

	LOP	Planned				Accomplished		
		Period	Cum.	Next Period	Period	Cum.	% of LOP	
1. Policy Analysis	60	6	42	6	7	45	75	
2. Training Workshops	141	15	130	15	20	125	89	
3. Mechanisms for more effective capital mobilization	20	3	19	3	0	17	85	
4. Information and Referral Network established	11	2	11	2	2	10	91	
5. TA Interventions in Institutional, Technical and Administration Capacity	105	15	87	15	15	97	92	
6. Training (Persons)								
6a. Long Term	0	0	0	0	0	0	0	
6b. Short Term								
Male	2,665	240	1,955	240	30	2,310	87	
Female	1,142	160	725	160	20	660	58	

C. Other Accomplishments and Overall Status

Trade and Integration: A delegation of FEDEPRICAP members, including its President, met in early December in Panama with the Central American Presidents during their 3th Summit, and presented and discussed with them the conclusions of two major studies prepared by the entity. One, entitled "U.S.-Latin American Relations in the 90's: A New Partnership for Development and Competitiveness- A Caribbean Basin Proposal" espoused steps to increase access into the U.S. market for Central American products while placing strong emphasis on programs to cooperate in science, technology, education and training; the proposal seeks commonalities in intellectual property right standards, in improved worker rights within the region and strengthened and enforced environmental measures. The analysis, representing business consensus, had earlier been presented by FEDEPRICAP in Brussels to the principal donor coordinating group for Latin America, the Regional Consultative Group of the Inter American Development Bank (IDB); the report and recommendations were well received. The second study presented to the Presidents was a candid assessment of what had and had not been achieved to meet the Economic Cabinets' targets of integration, announced as the Central American Action Agenda 9 months earlier. Major weaknesses were found in removing border obstacles to intra-regional trade. FEDEPRICAP also continued to strengthen its programs and ties with other donors: it moved into a second phase of work-studies with the IDB on Central American competitiveness and technology, comprising workshops and interviews with manufacturers on exogenous and endogenous factors affecting productivity including price-cost sensitivity analysis, comparative analysis of salary levels, and the organization of production; the Washington, D.C.- based Center for International Private Enterprise renewed its contract to work with the entity to further the principles of Central American integration by consensus-building and publications, distributing 2,500 copies of each issue of "Integracion en Marcha" centering, respectively, on the themes of the new Central American System (SICA) and Competitiveness; the EEC provided funding to continue FEDEPRICAP's analysis and consensus-building round-tables on increasing access to global markets and developing trade relationships with other blocs; and FEDEPRICAP expanded its collaborative ties with Canada and Spain in, respectively, technical assistance in trade development and sub-contracting within Central America for exports outside the region.

Capital Mobilization: Fewer resources were devoted to this area as regional trade and infrastructure development themes commanded the attention and interest of the membership; FEDEPRICAP participated actively in the annual meeting of the regional association of stock exchanges (BOLCEN) held in October in Panama, presenting a comparative analysis of requirements within the region for registration of share equities, and a new analysis of the regional potential for Central American deposit receipts.

Infrastructure, Including Transportation: The staff anticipated, correctly, increased interest in analysis, consensus-building, and demarches to policy-makers to overcome obstacles to trade and investment posed by weaknesses in physical infrastructure, and by the policy weaknesses influencing infrastructure development. Terms of references were prepared and reviewed with the members for studies designed to uncover and address weaknesses in telecommunications and energy policies with particular attention to be given to the role of private capital and technology. Work continued in transportation infrastructure, with a consultant made available to provide technical assistance to the Central American Users Association in such matters as seeking ways to obtain financing from national port charges, and examining options in opening alternate maritime routes from the region to northeast U.S. ports. Work has also begun in conducting a

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series of planned workshops and study groups to define investment opportunities/profiles in preparation for a breakthrough regional trade and investment conference (CITCA) to be held in June 1993 in San Pedro Sula, Honduras, funded under the ROCAP Partners for Democracy and Development Project.

Institutional Development: FEDEPRICAP regularly held meetings throughout the period of its Technical and Executive Committees to assess progress in major work programs; in September the PACD date was extended by six months from the end of December to June 30, 1993 with an addition of \$400,000 in funds. In December, 1992, the Executive Director submitted an Action Plan to the Committees, which was approved, covering the first six months of 1993. To improve its financial viability, FEDEPRICAP also initiated new programs: in October a nine-month course offering a diploma in foreign trade was begun for students in Honduras and Costa Rica, conducted via satellite by the Technology Institute of Monterrey; work was being completed on a Central America-wide consultants' directory; and negotiations in Canada were in train for the issuance of a FEDEPRICAP seal of good standing for products meeting environmentally sound standards of production.

D. Problems and Delays

No major delays were experienced during the period.

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

The Third Annual Congress for Free Enterprise, sponsored by FEDEPRICAP, will be held in September in Guatemala dealing with the themes "Infrastructure, Competitiveness, and Productivity, Based Upon Economic and Social Development";

An strategic planning session for the entity will be held by the Technical and Executive Committees meeting jointly on June 9-10 to discuss a new Annual Work Plan; conclusions and recommendations stemming from this exercise will be submitted to the new President, a Guatemalan, at his inauguration June 12.

A final cash payment of \$6,000 must be made before the PACD of June 30, to make up the balance owed for payment of taxes made with ROCAP funds during the LOP.

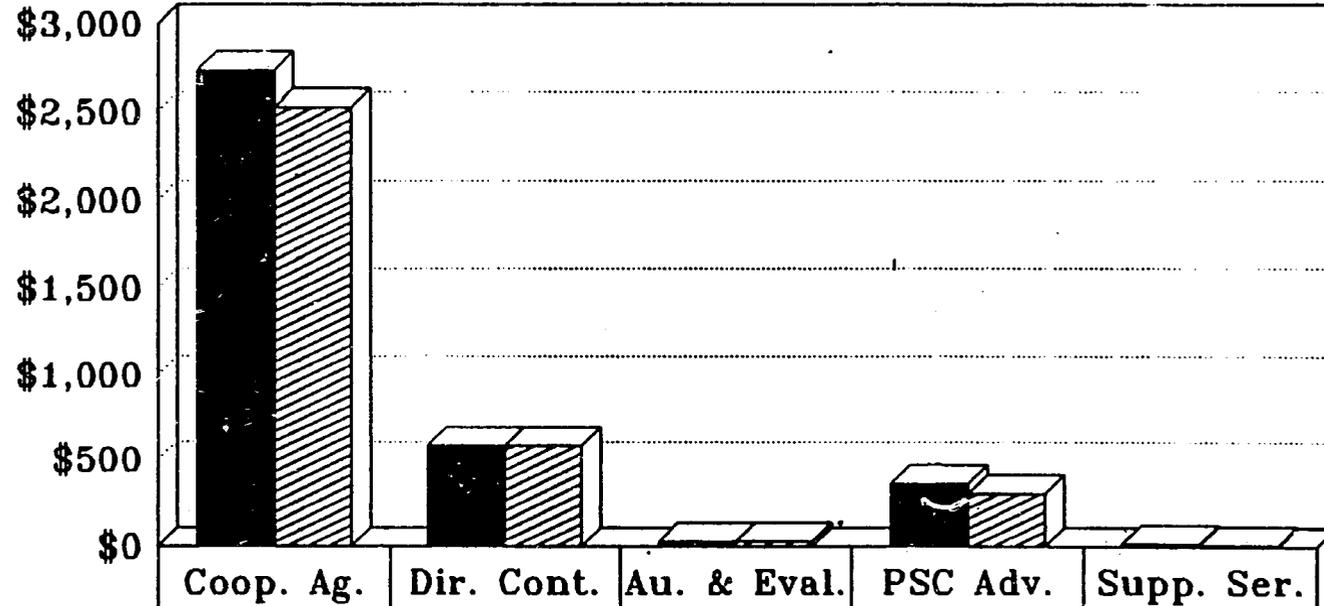
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PRIVATE SECTOR INITIATIV. (0149)

Commit. Vrs. Expend. as of 3/31/93

(\$)(Thousands)



	Coop. Ag.	Dir. Cont.	Au. & Eval.	PSC Adv.	Supp. Ser.
Commitments	\$2,730	\$582	\$30	\$367	\$13
Expenditures	\$2,522	\$582	\$30	\$308	\$8

Commitments
 Expenditures

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

A B X C

3. POE NTAE export volumes increase by 40% by EOP excluding bananas, pineapples, and citrus products. For the crops of asparagus, melons, onions, raspberries, and hard squash, volumes increased from March 1992 to March 1993 from 22.2 10,000 pound units to 26.4 or an 19% increase.

B. Major Outputs

	LOP	Planned			Accomplished		
		Period	Cum.	Next Period	Period	Cum.	% of LOP
1. Export Federation memberships increase by 30% by EOP.	30	2	2	0	0	0	0.00%
2. Revenue generation by export federation related to member services increases by 30% by EOP.	30	0	0	0	0	0	0.00%
3. 20 new crop associations established and still in operation by EOP.	20	0	3	1	2	6	30%
4. 250 NTAE businesses receive assistance	250	40	95	40	81	217	86.8%
5. 200 new export market opportunities convey to NTAE businesses	200	20	55	20	32	84	42%
6. 60 deals made over the LOP	60	10	35	10	10	49	81.6%
7. 50 adoptions of key production/marketing technologies by NTAE businesses	50	5	20	10	30	57	114%
<u>Commodity</u>							
8.. 50% decrease in rejection rates for designated NTAE clients over the LOP	-	-	-	-	-	-	0.00%
9. Weighted reduction of 10% of NTAE shipments rejected at or near POE due to phytosanitary problems over the LOP	-	-	-	-	-	-	0.00%
10. 20 new NTAE crops and/or crops product-country combinations exported for more than one season over LOP	20	0	2	0	3	3	15%
<u>Training</u>							
11. 7500 NTAE businessmen from 500 companies trained	7500	500	1500	500	1003	6856	91.4%

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PROJECT STATUS REPORT
October 1, 1992 - March 31, 1993 A B X C _

	M	F	M	F	M	F	M	F	M	F	M	F	M	F
Training (persons)	6375	1125	425	75	1275	225	425	75	814	189	5612	1244	88%	110.6
Short Term	6375	1125	425	75	1275	225	425	75	814	189	2999	677	47%	60.2%

NOTES: Major Outputs

- 1 & 2. During this period the organizational assessment of BEIPU was begun in Belize; the CEXPRONT self sufficiency study was started; the final presentation of the CINDE self-sufficiency study was made; and a consultancy by JAD of the Dominican Republic was given to APENN in Nicaragua. All of these actions will be a catalyst in providing the increases mentioned above, but no significant increases were noted over the previous reporting period.
- 8 & 9. As agreed to in the last SAR review it is very difficult if not impossible to monitor or quantify "decreases in rejection rates" and "weighted reductions." However, there is anecdotal evidence that supports PROEXAG efforts in this area. PROEXAG continues to implement programs specifically designed to deal with phytosanitary and pesticides related problems as well as quality control programs.
- For example: Continued work with CATIE, EAP (Zamorano), and University of Arizona on whitefly/geminis virus identification; with shipping lines working out of Nicaragua to educate them on the shipping requirements of onions, in anticipation of the onion export trials; with Cauque farms in post harvest, packaging, and marketing issues to export baby lettuce, swiss chard, baby carrots and green onions to the U.S. Assistance was also given on waxes and pesticides permitted on cantaloupes shipped from Guatemala to England and for disease diagnoses on Galia melons, ginger, malanga, limes, cucumbers, and papaya.
10. As May 1993 will be the end of the second full season the only real new crops have been onions; however, crops with one successful season are: rambutan, organic vegetables, asparagus, artichokes and squash. Including crop/country combinations as one new crop there is immediate potential for at least 23 new crops developed under EXITOS - not taking into account those crops introduced and exported for one season under PROEXAG.

C. Other Accomplishments and Overall Status

AGRITRADE

The fifth annual Agritrade exposition and convention took place December 5-8th, and was the first Agritrade to have a regional focus. It is evident that as a regional event Agritrade represents an expanded market place which is of much greater interest to buyers than a purely national event. EXITOS made a major contribution to Agritrade, including financing of several booths for export federations in the region, providing presenters, facilitating the participation of all NTAE export support organizations in Central America, and various promotional activities.

ONIONS

Onions continued as one of the project's successes, PROEXAG staff provided specific recommendations on onion agronomic management including soil fertility and liming, irrigation management, harvest, field curing; trained local personnel in mechanized packing station management and coordinated onion pungency analysis with the lab at University of Georgia. Export trials for onions was initiated by the project by paying the transport for the first three containers of onions. The results were spectacularly good which gave confidence to both sides of the deal, resulting in over of 35 containers of onions exported into the U.S. market.

TROPICAL FRUITS

Planned and executed a major training trip on tropical fruits to Hawaii. Following the contacts and arrangements made on these trips, the project began the introduction of tropical fruit cultivars to the region. Cultivars introduced during the period were carambolas and lychees.

QUALITY ASSURANCE PROGRAMS

Extensive assistance was provided to Guatemala, Costa Rica, and lesser assistance to other countries, to help establish melon and pineapple certification/quality assurance programs. This important effort is a preventative measure to lower the number of bad arrivals and non-conformance to U.S. phytosanitary or residue standards.

CENTRAL AMERICAN SHORT TERM CONSULTANTS:

During this period the project contracted Central Americans from one country as short term consultants in another. Consultants from Panama and Guatemala provided extensive assistance to Nicaraguan melon and onion producers. A Guatemalan ginger expert provided assistance in Belize and was later contracted by FPX in Honduras to help mount a ginger project; another Guatemalan provided assistance in berry production throughout the region. This type of consultants adds another very important tier to the level of effort under the project: Central Americans helping others. In fact, Hondurans are helping run melon packing sheds in Panama.

NTAE DOMESTIC MARKETS

Although the project is concerned with non traditional EXPORT crops, these same crops are opening new profitable domestic markets: partially from the seconds or culls, and recently from new crops introduced with assistance from EXITOS. Red onions planted in Panama for export were more profitable to sell on the local market, artichokes in Panama, raspberries in Guatemala and Panama, onions in Honduras, Solo papaya in El Salvador are also all examples of this phenomena. These domestic sales for crops deviated from export market for local market sales were well in excess of \$1 million during this reporting period. Intra regional trade of export quality produce has also begun: Nicaraguan onions to Guatemala, Panama onions to Costa Rica, etc.

STAFF CHANGES

Ricardo Frohmader, team marketing specialist, announced his decision to accept a position in the Philippines. A search is underway for a new team member. Approval was given for bringing in Diane Bejarano as the Project Assistant to carry some of the administrative burden so the Team Leader could do more in the way of technical work.

D. Problems and Delays

1. When the project was designed, it included a system of staggered staffing (four-year and two-year positions). It was decided that this design feature would seriously degrade the project performance, so all the positions will run concurrently to the end of the project resources. Preliminary indications are that the level of effort will be provided and the funds expended by September 30, 1994, one year ahead of schedule.
2. Agricultural Processing. The demand for assistance in processing is ever increasing. It is not part of the NTAE component of the project, although some assistance is being provided.
3. Information systems. One of the conference suggestions was that information dissemination represents an area for which a regional, economy of scale exists. It was suggested that we expand our role in that area.
4. The potential exists for two more regional trade shows, in flowers and fish products but require more start-up assistance than current funding allows. Planning is underway for the next EXITOS conference for September, but the accelerated frequency will mean that by this time next year, there will be no more conferences.

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

Complete the GEXPRONT self-sufficiency study and the organizational assessment of BEIPU.

Regional training in the use of Microdis and the Commodity Price Data base, with its programming updates.

Search for a replacement team member following the departure of Ricardo Frohmader.

Continue the dissemination of the tropical fruit cultivars.

Conduct an analysis of the results of the onion trials throughout the region.

Begin shipping trials of artichokes from Panama, and perhaps Nicaragua.

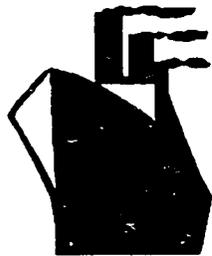
Conduct a ginger production workshop in El Salvador, in conjunction with CLUSA.

Worked on the initial design for a study to assess the land use environmental impact of non-traditional agricultural crops grown for export.

Initiate a PASA with USDA to continue supporting the Miami News Service.

Conduct an evaluation of the EXITOS project.

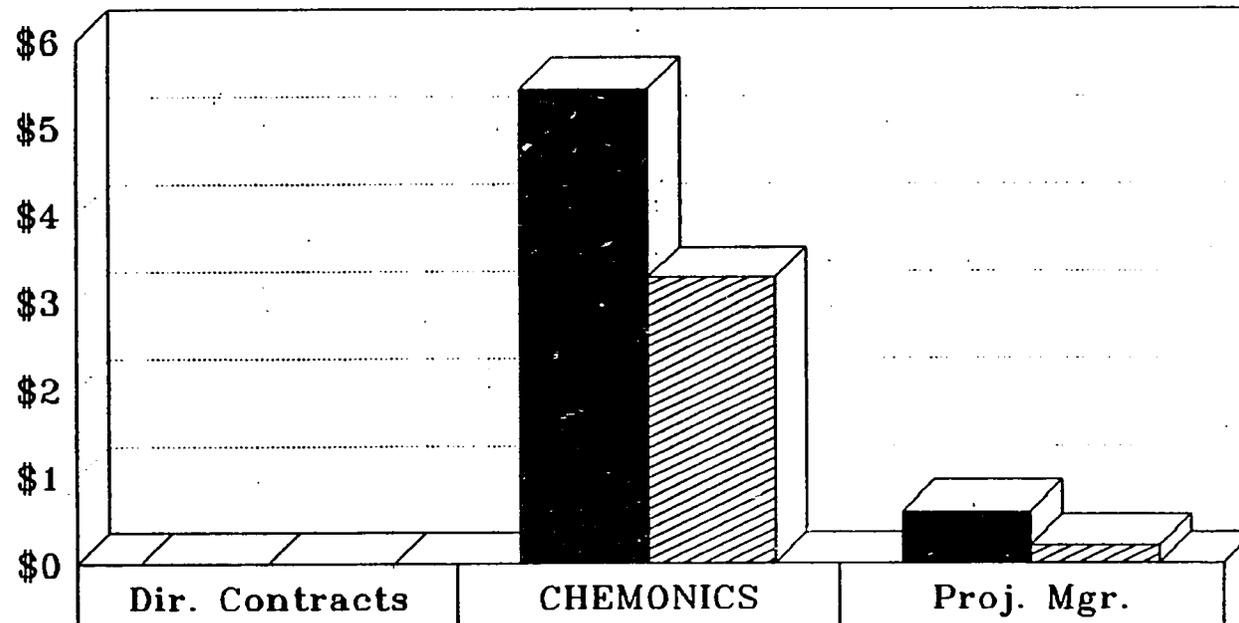
Begin the design of an amendment to EXITOS.



EXPORT INDUSTRY TECH. SUPPORT (0165)

Commit. Vrs. Expend. as of 3/31/93

Millions



	Dir. Contracts	CHEMONICS	Proj. Mgr.
Commitments	\$0	\$5	\$1
Expenditures	\$0	\$3	\$0

■ Commitments ▨ Expenditures

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

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IA. BACKGROUND DATA

Project Title: Support for Partnership for Democracy and Development
Project Number: 596-0177
Date of Authorization: original 06/10/92
Date of Obligation: original 08/25/92
PACD: original 06/24/97
Implementing Agencies: SIECA
Main contacts:
SIECA: Rafael Rodríguez Loucel, Secretary General
GON: María Isabel Zúñiga
GOES: Omar Orozco
GOH: Carlos Chahin, Minister of Economy
Major contractors: N/A
AID Project Manager: Gustavo Ruiz
Status of CPs/Covenants: N/A
Date of Last Evaluation: 00/00/00 Next Evaluation: 00/00/00
Planned Number of Non-Federal Audits during Fiscal Year: 5
The Number of such Audits Contracted for/Completed: 0
Date of Last Audit: 00/00/00 Next Audit: July 1993
Date of Last Site Visit: 03/12/93

IB. FINANCIAL DATA

Amount Authorized:	DA/ESF Grant:	original	\$ 1,000,000 ¹
Amount Obligated:	DA/ESF Grant:	original	\$ 447,642
Amount Committed:	Period:		\$ (223,603) ²
	Cumulative:		\$ 223,182
Accrued Expenditures:	Period - Projected:		\$ 150,000
	Period - Actual:		\$ 56,182 ³
	Cumulative:		\$ 56,182
	Period - Next:		\$ 220,000
Outstanding project Advances:		\$50,000	
Counterpart Contribution:	Planned:		\$ 100,000
	Actual:		N/A
% LOP Elapsed:			15%
% of Total Auth. Oblig.			99%
% of Total Oblig. Exp.			13%
% of Total Auth. Exp.			13%

IIA. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES

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

Percent of LOP Funds Relating to Strategic Objectives: 100% of LOP funds for ROCAP projects will be spent on the strategic objective.

IIB. PROJECT PURPOSE

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

III. PROJECT DESCRIPTION

The project has the following major components:

- Establishment of an Information System in Trade and Investment for Central America.
- Support the development of a conference on Trade and Investment for Central America
- Support the Third Plenary Session of the PDD.
- Follow-up on the various activities being undertaken under the PDD to fulfill the mandates as articulated in its several working groups.

¹ of which \$450,000 were allocated to ROCAP. Balance allocated to USAID/CR and other activities.

² \$446,785 were erroneously registered as commitment as of 9/30/92. Actual commitment to that date was 0.

³ Was not reflected or accrued in MACS.

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

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IV. PROJECT STATUS

	<u>Planned EOPS</u>	<u>Progress To Date</u>
1.	An established information system on T&I at SIECA and FEDEPRICAP.	Info systems being designed.
2.	A Conference on T&I carried out	1. A U.S. firm was contracted to promote the Conference outside the C.A. region. 2. Several preparatory meetings of the Task Force have been held. (Conference to be held June 28/July 1, 1993).
3.	The Third Plenary meeting of the PDD carried out.	Completed.
4.	Mandates from PDD's several fora fulfilled.	SOW of two basic studies were prepared.

B. Major Outputs

	<u>Planned</u>				<u>Accomplished</u>		
	LOP	Period	Cum.	Next Period	Period	Cum.	% of LOP
1. Information Systems on T&I	1	0	0	1	0	0	0
2. Conference on T&I	1	0	0	1	0	0	0
3. Third Plenary ⁴	1	1	1	1	0	1	100
4. Mandates	2	0	0	2	0	0	0
5. Training	M E 0 0	M E 0 0	M E 0 0	M E 0 0	M E 0 0	M E 0 0	M E 0 0

C. Other Accomplishments and Overall Status

I. Information System on Trade and Investment.

- A meeting of the PDD coordinating meeting was held in New York (September 1992), to review the reports that were presented for discussion at the Third Plenary Meeting in San Salvador. ROCAP was present at the meeting.
- The PDD Third Plenary Meeting, hosted by the government of El Salvador, was held in October/1992; all PDD country members participated. A major output of this meeting was the commitment made by all members to continue supporting the economic development of the Central American countries, as the basis for the strengthening of democracy in the region.
- A one-day seminar on Total Quality directed to Central American industrialists, was hosted by ICAITI (Guatemala) in October, 1992. This seminar, co-sponsored by the governments of Japan and Guatemala, was attended by 60 persons from all the C.A. countries. Our project funded the contracting of a U.S. expert on Total Quality, to address the participants at the seminar.
- The Government of Nicaragua hosted a meeting (December 1992) to discuss the steps to be taken in order to install an information system on trade and investment in Central America. Participants, which included representatives of 10 C.A. public and private regional institutions and of the C.A. governments, decided on the preparation of two basic studies (1. Sources of Information on Trade and Investment; and 2. User Needs on Trade and Investment Information) and established a Central American Trade and Investment Information Group, which will be in charge of follow up activities in this area. PIO/Ts for the contracting of the studies are under preparation.

II. Conference on Investment and Trade for Central America (CITCA'93).

- A Task Force to be in charge of organizing the conference, was appointed by the minister of economy of Honduras. This group includes representatives of the Ministry, CABEI, FIDE (Honduras), the Chamber of Commerce and Industry of Cortez (CCIC), an Honduran firm in charge of logistics for the conference and ROCAP. This group has met several times in Tegucigalpa and in San Pedro Sula.
- A U.S. firm was contracted by ROCAP to promote the conference outside Central America. A Major responsibility of the firm is the selection of qualified investors interested in participating in infrastructure projects in the C.A. region (both regional and national). The firm is already preparing pre-conference workshops, to be held in Mexico, U.S.A., Japan and Europe, to discuss investment opportunities in Central America's infrastructure and initiate the selection of investors. Discussions on investment opportunities will be based on project profiles prepared by FEDEPRICAP.

⁴ A special Plenary was additionally held in Tokyo by the end of March/93 to discuss PDD perspectives.

- A first visit to promote the conference with the Ministers of Economy and with the private sector entities of all C.A. countries (including Panama and Belize), was completed in February/93. Representatives of the GOH, ROCAP and the U.S. Firm participated in this visit.
- At ROCAP request, a FEDEPRICAP consultant, expert in infrastructure projects, prepared a portfolio of project profiles in the areas of transport, energy and telecommunications. These profiles are expected to provide the basis for the discussions on investment opportunities in the C.A. region at the pre-conference workshops, and during the conference. The document was circulated for comments to members of the task force in Tegucigalpa.

D. Problems and Delays

- At a meeting of the CITCA Task Force on April 15, 1993 -at which the PDD coordinator Ford Cooper, the economist of the US Embassy in Tegucigalpa and a representative of the Minister of Foreign Affairs of Honduras also attended- it was agreed to broaden the focus of the Conference to include Tourism and Mining. This decision changes what was agreed upon at the early stage of CITCA preparations. This change means to expand the SOW for the firm contracted for the promotion of the Conference, as well as to make several adjustments in the preparation for the Conference.
- As mentioned above, the preparation of the Conference was placed on the Task Force appointed by the Ministry of Economy of Honduras. However, at the meetings of April, it was evident that new actors (i.e. the Ministry of Foreign Affairs, etc.) had been participating in some preparatory actions (i.e. inviting speakers and investors) without any coordination with the CITCA official organizer (Ministry of Economy).

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

- Contract the consulting firms to carry out the two basic studies for the establishment of the Information System on Trade and Investment for Central America.
- Participate in a meeting of the Central American Trade and Investment Information Group to be held in Belize in June/93. The purpose of the meeting is to review the work being done by the consultants and to provide additional guidance for the preparation of useful studies.
- A meeting of the PDD Coordinating Committee planned to be held within the next 3 months.
- Continue the preparations for CITCA. This will include clarifications on roles of participants in working groups, as well as make the required adjustments to complete all preparatory activities.
- CITCA to be held in San Pedro Sula, Honduras, on June 28 - July 1, 1993.

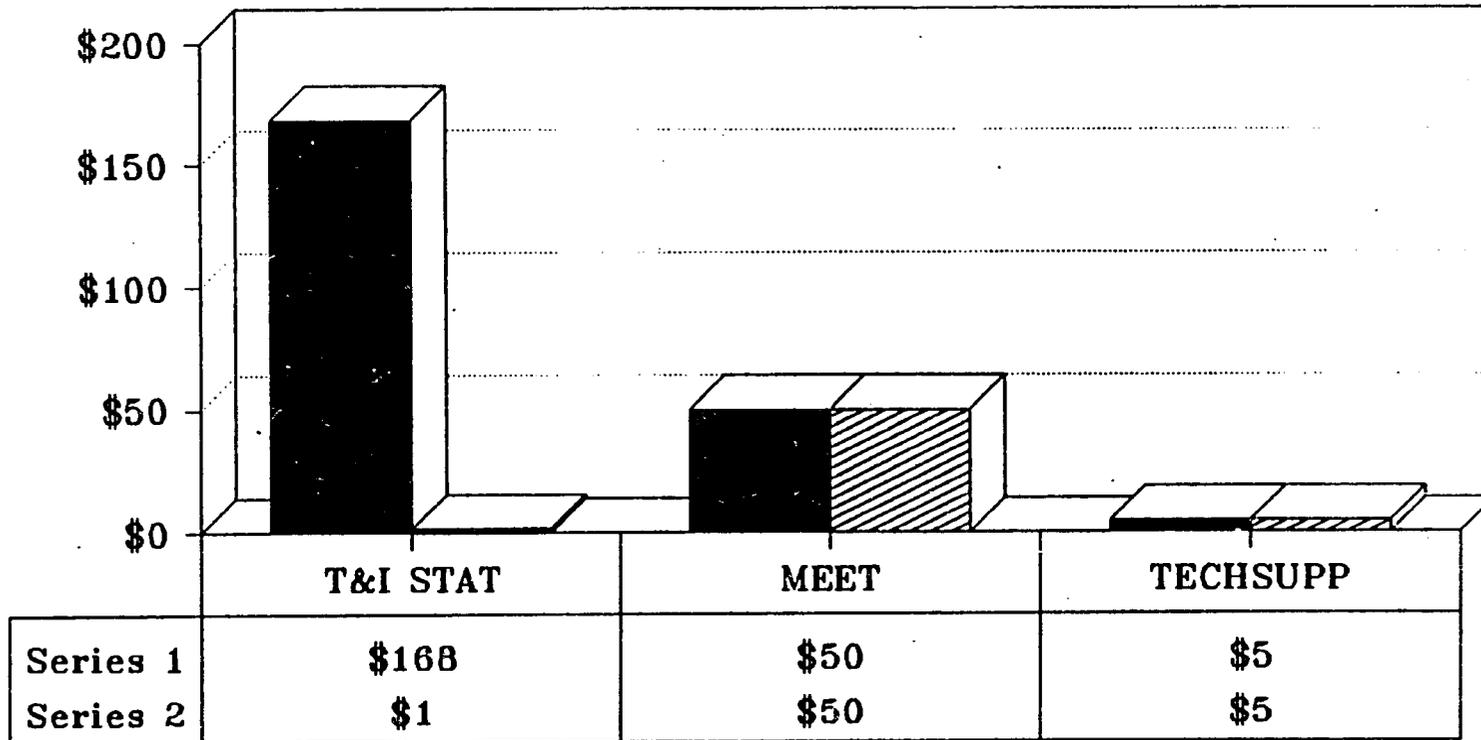
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PARTN. FOR DEMOCRACY & DEV. (0177)

Commit. Vrs. Expend. as of 3/31/93

Thousands



■ Series 1 ▨ Series 2

III. B

**ROCAP STRATEGIC OBJECTIVE No. 2: ENVIRONMENTALLY SOUND
AND EFFICIENT PRACTICES IN NATURAL RESOURCE MANAGEMENT**

III-28

<u>Project</u>	<u>Number</u>	<u>Page</u>
Regional Agricultural Technology Networks	596-0127	III-31
Regional Agricultural Higher Education	596-0129A	III-35
Regional Environmental & Natural Resources Management	596-0150	III-41

**ROCAP Strategic Objective No. 2
Environmentally Sound and Efficient Practices in
Natural Resource Management
Assessment of Project Portfolio**

ROCAP is addressing the strategic objective through three projects, the Regional Agricultural Higher Education project (RAHE), the Regional Development Support Project (RDS), and the Regional Environmental and Natural Resource Management Project (RENARM), which was designed explicitly to carry out, on a regional scale, AID's Central American Strategy for Environment and Natural Resource Management.

The widespread adoption of "environmentally sound and efficient practices" must precede and will help engender the environmental equilibrium in Central America which is the point of developing and promoting such practices. Although progress is being made in devising and promoting environmentally benign or enhancing practices, the context is that of continuing environmental decline. It is not all clear at which point factors favoring environmental stabilization will prove sufficient to arrest the process of environmental degradation. It is an implicit premise of ROCAP's E/NR program, those of other AID Missions and those of associated NGOs and Central American institutions, however, that this point will be reached.

The RAHE project, now in final stages of implementation during a one year no-cost PACD extension, has achieved significant success in expanding the Central American human resource base required to create the conditions under which the strategic objective can be achieved. Its counterpart institution has been CATIE, the premier Central American agricultural and natural resource research and education institution. In addition to being directly responsible for a dramatic increase in the number of Masters Degree students (in E/NR-related sciences) graduating from CATIE - one quarter of CATIE's one thousand graduates since 1947 have graduated during the six and a half year life of this project - the project has made significant progress in institutionalizing the capacity to provide high quality graduate education in fields essential to the attainment of the strategic objective.

Working with CATIE and other C.A. institutions and organizations, the RENARM project has greatly expanded on the success of the RAHE project and earlier ROCAP projects in the areas of Integrated Pest Management, Watershed Management, and Agroforestry and in the general areas of sustainable agriculture and forestry - both through continued education and training activities and in the widespread dissemination and practical application of technologies developed and refined. The RENARM project also works in close partnership with international environmental NGOs and, largely through them, with Central American NGOs in such areas as biodiversity conservation, wildlands management, environmental education, and buffer zone management.

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In the area of environmental policy analysis the RENARM project focuses on the tradeoffs among environmental conservation, economic growth, and social welfare; although analytical work continues, increasing attention is devoted to support of bi-lateral AID Missions, of regional organizations, and through them to other Central American institutions. Close collaboration with, and support for the Central American Commission on Environment and Development (CCAD), the regional presidential level forum on environmental issues, is a central element of RENARM's policy work.

Additionally, pesticide concerns associated with the promotion of non-traditional agricultural exports, as well as more general environmental and health considerations, are addressed through an ambitious program combining aggressive outreach efforts on safe pesticide management; training of health providers on recognition and treatment of pesticide intoxications; broad dissemination of bulletins, advisories and other up to date pesticide information from the Environmental Protection Agency and the Food and Drug Administration; and collaborative efforts with other donors which are paying dividends in more efficient provision of pesticide-related services.

The recently amended Regional Development Support project, via its information clearinghouse function, will bolster AID's regional and bi-lateral E/NR program by facilitating the gathering and dissemination of relevant information among AID and non-AID organizations and institutions within and without Central America.

An external Evaluation of the RENARM project will be initiated late in the next reporting period (April 1 - September 30, 1993) and will provide guidance on project implementation to the 1995 PACD of RENARM's first phase, and especially on adjustments indicated for the second phase leading to the originally planned 1999 PACD. Special attention will be directed to management efficiency and to achievement and possible modification of six year and ten year EOPS and major project Outputs.

Important obstacles to achievement of the regional E/NR program goal are reflected in the areas in which the program is concentrated: expansion and upgrading of the professional cadre, scientific inquiry, technological innovation and diffusion, strengthened organizations, appropriate policy regimes. The fundamental cause of the environmental degradation the program addresses, and the single most significant obstacle to success, is continued high population growth rates. Environmental stability, at any level of ecological degradation, is simply unthinkable in the absence of a stable population. None of these issues can be resolved by AID or by any combination of donor agency programs; the challenge is to help create the conditions under which the citizens of Central America will resolve them.

One important obstacle to success directly susceptible to AID - or at least USG - action is the very negative effect on program implementation of unpredictable but virtually always very late

budgetary allotments from Washington. This is much more than a nuisance; it is a serious determinant of the extent to which the program achieves what it is intended to achieve and is otherwise capable of achieving.

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IA. BACKGROUND DATA

Project Title: Regional Agricultural Technology Networks (PROCACAO)
 Project Number: 596-0127
 Date of Authorization: original 09/28/87 amendment 08/06/90
 Date of Obligation: original 09/28/87 amendment 12/30/88
 PACD: original 12/31/90 amendment 12/31/92
 Implementing Agencies: IICA, CATIE, FHIA, PADF
 Major Contractors: None
 AID Project Manager: Raymond W. Waldron
 Host Country Counterpart: Dr. Guillermo E. Villanueva
 Status of Cps/Covenants: All met

Date of Last Evaluation: Oct.-Nov.1992 Next Evaluation: None
 Planned Number of Non-Federal Audits during Fiscal Year: 1
 The Number of such Audits Contracted for/Completed: 1
 Date of Last Audit: March 1993 Next Audit: March 1994

Planned number of yearly non-federal audits of recipients for which the mission will respond under the Audit Management and Resolution Program (AMRP):

Number of such audits contracted for: 0
 completed: 0

IB. FINANCIAL DATA

Amount Authorized:	DA/ESF Grant: original	\$ 2,500,000	amended to \$ N/A
Amount Obligated:	DA/ESF Grant: original	\$ 500,000	amended to \$ 2,499,999
Amount Committed:	Period:	\$ 20,002	
	Cumulative:	\$ 2,499,997	
Accrued Expenditures:	Period - Projected:	\$ 89,482	
	Period - Actual:	\$ 29,783	
	Cumulative:	\$ 2,340,299	
	Period - Next:	\$ 0	
Counterpart Contribution:	Planned:	\$ 1,594,000	
	Actual:	\$ 1,465,000	
% LOP Elapsed:		100%	
% of Total Auth. Oblig.		100%	
% of Total Oblig. Exp.		24%	
% of Total Auth. Exp.		24%	

IIA. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES

Specific Linkage to Strategic Objectives: Environmentally Sound and Efficient Practices in Natural Resource Management:

The PROCACAO project contributes to the Strategic Objective "Environmentally sound and efficient practices in resource management" because cacao is a tree crop with environmental as well economic benefits. Through agroforestry techniques cacao is combined with other crops, and enhances their productivity while diminishing soil erosion. The project also promoted application of improved integrated pest management practices with minimum environmental risk.

Percent of LOP Funds Relating to Strategic Objectives: 100%

IIB. PROJECT PURPOSE

To improve the quality of and access to agricultural research in Central America and Panama (CA/P) through the establishment of regional technology development and transfer networks in cacao.

III. PROJECT DESCRIPTION

The PROCACAO project components include: 1) agricultural network management (coordination of all activities among participating countries) by the Inter-American Institute for Cooperation on Agriculture (IICA); 2) supplementing on-going cacao research activities in the Center for Tropical Agricultural Research and Education (CATIE) and Honduran Foundation for Agricultural Research (FHIA) in disease control, germplasm improvement and cultural practices; and 3) training/technology transfer of national personnel in production, research and extension by IICA, CATIE, FHIA, and the Panamerican Development Foundation (PADF). The PROCACAO network is a collaborative program involving national extension personnel, producers, PVO's, market-processing firms and research scientists. IICA has the overall responsibility for project implementation.

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IV. PROJECT STATUS

A. Planned POPS

Progress To Date

- | | |
|--|--|
| <p>1. Network research results are integrated into national research extension programs.</p> <p>2. Research conducted in member countries is complementary, not duplicative.</p> <p>3. On-farm validation trials effective. Member country extension and research personnel directly involved.</p> <p>4. Regional and national research institutions are more capable of designing and implementing programs.</p> <p>5. Country policies for cacao production reflect concerns of national and regional advisory groups.</p> | <p>Project network is an effective cacao research, technology transfer and extension program. Researchers from FHIA and CATIE provided training and technical assistance to national personnel. C.A. information exchange and collaboration network functioning smoothly.</p> <p>C.A. organizations received expanded training in uniform research methods. Planning by National Advisory Groups is coordinate with regional and national researchers. National cacao programs use PROCACAO mechanisms for monitoring and evaluating research under a wide range of agroecological conditions.</p> <p>Research and extension technicians are assisted by farmers in preparation of technical and economic analyses. Multi-year data show significant improvements in yields and net profitability of PROCACAO technology. Honduras more than doubled national cacao production, applying improved technologies.</p> <p>National institutions have benefited from technical assistance in research methods, training materials, and extension oversight. All countries are maintaining staff levels.</p> <p>National Advisory Groups work closely with respective ministries to assure communications from all sectors and constructive policy development.</p> |
|--|--|

B. Major Outcomes

	PLANNED				ACCOMPLISHED		
	LOP	Period	CUM.	Next Period	Period	CUM.	% OF LOP
1. Network of research, extension, and support institutions established.	1	0	1	0	0	1	100
a. Technical Committee meetings	12	1	14	0	1	18	142
b. National Advisory Groups formed	6	0	7	0	0	7	117
c. Regional Advisory Groups formed	1	0	1	0	0	1	100
d. Policy conferences	90	0	105	0	0	245	490
e. National Cacao Forum*	*	2	0	0	0	2	*
f. Bibliographic data bank (Vols. published)	1	1	6	0	0	8	100
2. Research: Regional Trials							
a. Clonal gardens	6	0	7	0	0	6	100
b. Hybrid validation	12	0	12	0	0	12	100
c. Improved practices	15	0	15	0	0	25	167
3. Valid./demo plots	3	0	3	0	0	3	100
4. Training materials*	*	0	0	0	0	52	*
5. Training**	M/E	M/E	M/E	M/E	M/E	M/E	
a. TOTAL	**	**	30/6	0	0	1456/2	**

* Not quantified in Project Paper

** Number of participants lower than actual, reporting begun in 1991.

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C. Other Accomplishments and Overall Status

1. Network Management: The Technical Committee held its 19th quarterly meeting to review the project final evaluation. The evaluation was prepared by an external consultant, who interviewed ministry of agriculture officials, researchers, technicians and cacao growers in Costa Rica, Panama, Nicaragua, Honduras, El Salvador, Guatemala and Belize. He also met with research scientists at PHIA and CATIE. The National Advisory Groups (NAGs) all consider the PROCACAO Network to be a very useful mechanism for establishing and reviewing research priorities, improving the development and dissemination of improved cacao production technologies. Because of funding limitations, however, the completion of PROCACAO project resource may mean that only Honduras, Nicaragua, and Belize will be able to maintain their NAGs.

PROCACAO continued to promote active private sector participation and supported national activities, including technical training, national cacao assessment, cacao forums, producer organization development, and in regional seminars and training on research methods and postharvest technologies.

An example of technical conferences was the Honduran organized one-day National Cacao Forum in which 74 producers, extension officers, researchers, development specialists, and businessmen discussed the results of the national cacao assessment and plans for cacao development. Further, at the initiative of PROCACAO, the NAG of Honduras, in collaboration with PHIA and the Association of Cacao Producers of Honduras (APROCACHO) has begun to promote a regional initiative to control the spread of moniliasis disease. PADP increased collaboration and training with PHIA on the cost-benefit field studies and continued to provide valuable advisory support to the NAGs in Guatemala, El Salvador, Costa Rica, and Honduras.

The NAGs of Panama, Nicaragua, and Belize completed compilation of the results of their national cocoa assessments, including production, marketing and consumption.

2. Research Activities: CATIE and PHIA continued their project sponsored research in germplasm evaluation for yield and disease resistance, phytopathology, field practices, and intercropping systems. The project continues to monitor performance of imported genetic materials from the U.S.A., France, Bolivia, and Brazil for research and clonal gardens, distributed by CATIE to participating countries (both public and private sectors). Regional field trials began to produce more comprehensive data for developing improved production recommendations.

3. Technology Transfer/Training: Regional in-service training courses were conducted. The number of national courses were maintained. The NAGs of Nicaragua and Panama each organized and implemented a PROCACAO sponsored national course on improved cacao production technologies for extensionists.

Regional seminar, such as "Cacao Production in Sustainable Agriculture" have involved C.A. scientists, economists, and development specialists from all network countries plus several agricultural development organizations. IICA, CATIE, PHIA, and PADP technicians in collaboration with local institutions have compiled and reported data on the national validation/demonstration plots in accordance with the method developed by PADP and IICA.

4. Publications: The project has prepared and distributed an impressive number of high quality documents, including: a) Training Instructor Guides (2) for the National Advisory Groups, b) Illustrated flip-charts (5), c) Videos/audio-visual (6), d) Inventory of Cacao Technology in Central America, e) Proceedings of the Seminars on Experimental Design and Statistical Methods and other topics (8), f) technical reports such as Cacao Adaptation in Central America: Evaluation Methods, Cacao Production in Panama, Cacao Production in Nicaragua, and Monilia Assessment in Nicaragua, g) regularly published Boletín Informativo PROCACAO and a special issue of Cacao: Servicio de Información Bibliográfica entitled "Sombras y Cultivos Asociados al Cacao." The project also forwards research and technology transfer results to the ICCO World Cocoa Guide and International Trade Center (UNCTAD/GATT).

D. Problems and Delays

During the last six months of the project ROCAP was advised that one of the implementing agencies, the Panamerican Development Foundation (PADF) had submitted vouchers to IICA for expenses incurred during 1991. IICA reported that unliquidated balances from 1991 had been reprogrammed to cover the 1992 work plan and they were not sure they would have funds remaining in the project to cover the approximate \$21,000 claimed by PADF. PADF's Deputy Director, Donald Finberg, met with IICA officials in November and subsequently formally requested that ROCAP not make any further disbursements to IICA until PADF is reimbursed. ROCAP/CONT prepared a reply to PADF stating "We are sympathetic to your problem but cannot legally interfere in this dispute." The reply was cleared by the Regional Legal Advisor and signed by the Acting ROCAP Director.

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

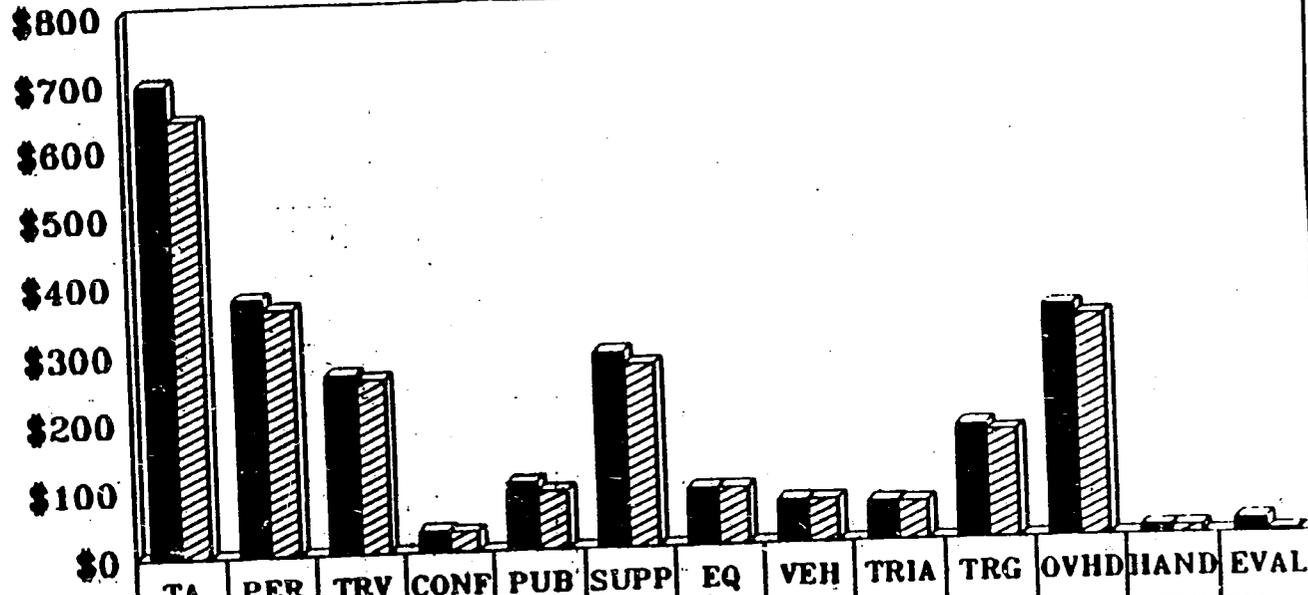
- Continue to monitor liquidations of pre-PACD expenses by IICA and its sub-grantees, CATIE, PHIA and PADF
- Review 1992 audit
- Prepare Project Assistance Completion Report (PACR)



REG. AGRICULT. TECH. NETWORKS (0127)

Commit. Vrs. Expend. as of 3/31/93

(\$)(Thousands)



	TA	PER	TRV	CONF	PUB	SUPP	EQ	VEH	TRIA	TRG	OVHD	HAND	EVAL
Commitments	\$697	\$377	\$264	\$32	\$100	\$286	\$84	\$63	\$58	\$168	\$338	\$12	\$20
Expenditures	\$643	\$361	\$256	\$29	\$85	\$269	\$84	\$63	\$56	\$157	\$323	\$11	\$3

Commitments
 Expenditures

III-34

75

IA. BACKGROUND DATA

Project Title: Regional Agricultural Higher Education (RAHE)
 Project Number: 596-0129A
 Date of Authorization: original: 08/09/85 amendment: 06/27/91
 Date of Obligation: original: 08/10/85 amendment: 06/27/91
 PACD: original: 08/31/91 amendment: 12/31/93
 Implementing Agencies: Tropical Agricultural Research and Training Center (CATIE)
 Major Contractors: None
 AID Project Manager: Raymond W. Waldron
 Host Country Counterpart: Dr. Ramon Lastra
 Status of CPs/Covenants: 10/16/85
 11/13/85
 Date of Last Evaluation: Oct.-Nov.1992 Next Evaluation: None
 Planned Number of Non-Federal Audits during Fiscal Year: 1
 The Number of such Audits Contracted for/Completed: 1
 Date of Last Audit: September 1992 Next Audit: May 1993

Planned number of yearly non-federal audits of recipients for which the mission will respond under the Audit Management and Resolution Program (AMRP):

Number of such audits contracted for: 1
 completed: 0

IB. FINANCIAL DATA

Amount Authorized:	DA/ESF Grant:	original	\$ 7,000,000	amended to	\$ 8,300,000
Amount Obligated:	DA/ESF Grant:	original	\$ 200,000	amended to	\$ 8,247,193
Amount Committed:	Period:		\$ 74,031		
	Cumulative:		\$ 8,196,532		
Accrued Expenditures:	Period - Projected:		\$ 395,575		
	Period - Actual:		\$ 368,282		
	Cumulative:		\$ 8,109,041		
	Period - Next:		\$ 50,000		
Counterpart Contribution:	Planned:		\$ 8,643,000		
	Actual:		\$ 8,072,625		
% LOP Elapsed:		91%			
% of Total Auth. Oblig.		99%			
% of Total Oblig. Exp.		98%			
% of Total Auth. Exp.		98%			

IIA. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES

Specific Linkage to Strategic Objectives: Environmentally Sound and Efficient Practices in Natural Resource Management:

The RAHE Project helps Central America develop a cadre of agricultural professionals trained in the concepts, tools and techniques of sustainable natural resources management. The project contributes to the Strategic Objective "Environmentally sound and efficient practices in resource management" because by definition, CATIE's "sustainable production" curriculum takes into account long term environmental, as well as economic efficiency, factors.

Percent of LOP Funds Relating to Strategic Objectives: 100%

IIB. PROJECT PURPOSE

To produce a professional human resource base with practical and educational experience needed to address the agricultural production problems of the Central America and Panama region.

III. PROJECT DESCRIPTION

Project resources are needed to develop the staff, curriculum and instruction, and the expansion in physical plant necessary for CATIE to become a fully functional, quality post graduate training institution.

1 Project 596-0129B, PACD 09/30/93, is reported by USAID/Costa Rica.
 2 \$15,134,000 is the total planned counterpart contribution, including \$6.5 million from the A.I.D./FEDECOOP Special Trust Fund.
 3 Total actual counterpart contribution: \$15,832,450 including \$7,759,825 from CATIE/COFISA Trust Fund.

5/1

IV. PROJECT STATUS

	<u>Planned EOPS</u>	<u>Progress To Date</u>	
		<u>In \$</u>	<u>In Units</u>
1.	30 new additional graduates per annum at CATIE	140%	42 students
2.	Up to 3,300 other professional trained by CATIE	186%	6,149 students

B. MAJOR OUTPUTS

	<u>PLANNED</u>				<u>ACCOMPLISHED</u>		
	<u>LOP</u>	<u>Period</u>	<u>Cum.</u>	<u>Next Period</u>	<u>Period</u>	<u>Cum.</u>	<u>% of LOP</u>
1a. Graduate Program strengthened in 11 subject areas:							
1. Teaching faculty.	19	-5	11	0	10	10 ¹	52
2. Curriculum for Ms. degree program developed/revised.	100%	0	100%	0	0	100%	100
3. Administration of M.S. programs strengthened	100%	0	100%	0	0	100%	100
4. Ref. material scientific periodical collection expanded	100%	0	100%	0	5%	110%	110
5. Additional M.S. degree granted	200 ⁶	37	220	42	35	238	119
1b. Non-degree train prog. strengthened							
1. In-service train completed	211	28	234	8	11	225	107
2. Capacity at CATIE to train graduate students and professionals expanded	3,500	108	5,714	299	383	6,149	175
2a. Development Office established an operation							
1. Fund raising activities	100%	0	45%	0	0	45%	45
2. Promotional activities carried out	100% ⁷	0	45%	0	0	45%	45
3. Outreach to alumni increased	100% ⁷	0	45%	0	0	45%	45
3a. Linkages CATIE & Int. Res. & Train. Inst. (New coop. & exchange agreements)	100%	0	100%	0	0	100%	100

⁴ Revised figure April 1992 - March 1993, progress measured in one year period.

⁵ CATIE absorbed five positions within their core budget, starting January 1st, 1993. The others: four finished their contract with CATIE, and one was absorbed by another project.

⁶ Figures in accordance with Amendment No. 5.

⁷ PIL No. 63 stopped this activity because of legal restriction.

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Sex Disaggregated:

	M	F	M	F	M	F	M	F	M	F	M	F
1. Degree Granted	156	44	26	11	164	56	36	6	24	11	83	55
2. In service	N/A		N/A		N/A		6	2	9	2	N/A	N/A

COLONES COMPONENT:

	PLANNED				ACCOMPLISHED				Cost Colones
	LOP	Period	Cum	Next Period	Period	Cum.	%		
1. Master plan for facilities expa. developed	1	0	1	0	0	1	100		3,412,756
2. Construction/renov. completed									
a. 40 room dormitories built	40	0	40	0	0	40	100		
b. Dormitories renov.	4	0	4	0	0	4	100		1,729,000
c. Houses renov.	0	12	33	0	1	27	N/A		27,300,000
d. Staff housing built	12	0	12	0	0	12	100		50,567,500
e. Married student (w/o child.) housing	20	0	20	0	0	20	100		55,154,000
f. Married student (w/child.) housing	32	0	32	0	0	32	100		74,693,135
g. Classroom/office building	1	0	1	0	0	1	100		22,554,199
h. Computer center	1	0	1	0	0	1	100		26,749,060
i. Primary school expanded	1	0	1	0	0	1	100		4,753,653
j. Building at La Lola rehabilitated/ Water and elec. systems at La Lola upgraded	1	0	1	0	0	1	100		34,993,989 ¹
k. Water and elec. systems upgraded at CATIE	1	0	1	0	0	1	100		14,730,436
3.									
a. Cafeteria	1	0	100	0	0	100%	100		90,827,600
b. Audio Vis. Center	1	0	100	0	0	100	10		
c. Facilities & Land-scape renovation	100%	25%	N/A	13%	12%	87%	87%		45,315,717

c. Other Accomplishments and Overall Status

1. MEETINGS

EL SALVADOR: Rubén Guevara Moncada attended the II Meeting of the C.A. Council of Ministers (CORECA) to discuss institutional and regional policies affecting the agricultural sector.

JAPAN: Rubén Guevara Moncada met with the head of JICA for Latin America and the head of the Agricultural Division JICA to discuss present and future collaboration. Attended the World Council on Tropical Timber in Yokohama, to explore possibilities of CATIE actions in the field of tropical woodlands. Also met with the head of Ministry of Foreign Affairs in charge of Japanese external cooperation.

¹ Includes a & e.

55

- HOLLAND:** Rubén Guevara Moncada and Ramón Lastra met in the Ministry of Foreign Affairs to review the scholarship program and new phase for 1994-1998. Visited with the President of the University of Wageningen to discuss possibilities of a joint Doctoral Degree and future relationship between the University of Wageningen and CATIE.
- GERMANY:** Rubén Guevara Moncada and Ramón Lastra met with representatives of BMZ Ministry of External Cooperation, German Program for Latin America to discuss collaboration. Met with the head of DAAD, German Federation of Universities which are supporting scholarship programs for Central America and CATIE. Meeting with GTZ Germany Technical Cooperation Institution to evaluate programs and future actions between GTZ and CATIE.
- PANAMA:** Rubén Guevara Moncada participated in the C.A. Presidential Meeting on the Environment and Agriculture. CATIE has been involved in coordinating this activity. He presented CATIE's strategy and involvement in the solution of agricultural problems of the region.
- DOMINICAN REPUBLIC:** Rómulo Olivo F. met with Minister of Agriculture to discuss collaborative efforts in the Dominican Republic and to request support for CATIE's endowment fund. Discussed possibilities to make effective the annual country contribution to CATIE as a member country and look for possibilities of further cooperation.
- Assafaw Teweide visited the Instituto Superior de Agricultura (ISA) to discuss possibilities of education and technical cooperation.

2. FACILITIES

In accordance with PIL 55, CATIE implemented renovation of facilities and landscape Section 8. Major Outputs includes a new item 3c. Buildings and installations renovated included:

1. Painting of the following buildings:
 - Orton Library
 - Academic Building
 - Students Residence
 - Apartment 88
 - Livestock Building
 - IPM Building
2. Renovation of lavatories in main building.

3. Staff Research and Curriculum Development

Faculty Research Activities:

1. José Arze: Development of generation and transfer of ag. technology expert systems. Participated as a conference speaker in the Latin American Symposium on Research and Extension in Agriculture, held in Quito, Ecuador. Advised two M.Sc. students, whose research area was in systems, and served as a committee member for two other M.Sc. students.
2. Jorge Benavides: Identification and evaluation of forage tree and bush species for improved goat production. Presented five papers during the Central American Congress on Agroforestry with Small Ruminants, in Guatemala. Also advised one M.Sc. student, working in this area of research.
3. Roberto Díaz: Conducted research on nitrogen mineralization in integrated tree and cattle production systems for the dry tropics of the region.
4. Pedro Ferrerira: Development of selection strategy and sampling frame for germplasm collection. Presented papers in three events held in San José, Quito and Louisiana State University. Produced a publication on Brazilian core collection for cassava. Has been a committee member for two M.Sc. student.
5. María Kase: Use of leguminous trees for cattle feed, animal nutrition laboratory analysis in support of agroforestry research.
6. Ramón Lastra: Director of the Graduate Program. Research on cacao Monilia resistance correlations, white fly control in tomato with biological insecticides, biology and transmission of a tomato geminivirus and citrus tristeza in the region. Developed research on "DNA analysis for fungal resistance in collaboration with Penn State University" and genomic and serological characterization of *Xylella fastidiosa*. Advised and directed an M.Sc. student, as well as a member of graduate student committee. Has participated in meetings as conference speaker in areas related to the indicated research area. Attended a workshop on Education of Agricultural Sciences in the context of the economic and technological transformations in Costa Rica.
7. Jorge Morera: Evaluation and selection of cacao germplasm, and description and evaluation of jicama, peach palm and other promissory species. Published one technical paper, two abstracts and four other technical papers that are in press. Also, advised one M.Sc. student and served as a committee member on another graduate student thesis.
8. Danilo Pezo: Population dynamics and nutrition quality of grass and legume mixes for cattle. On-farm evaluation of promising forage species for the humid tropics.
9. Gilda Piaqqio: Optimal statistical sampling frames, biometry support to graduate students and researchers.

10. Assefaw Tewelde: Management and conservation of animal genetic resources and determination of technology levels. Coordinated an LAC symposium on animal genetic resources held in CATIE. Senior author of the proceedings from this meeting. Senior author of the regional program document on conservation and management of animal genetic resources in LAC. Published a paper on this issue and submitted to the University of Florida for its publication. Three abstracts submitted and accepted by the Latin American Association of Animal Production. Advised two M.Sc. students, and served as a committee member for another graduate student.

4. Institutional Development/Financial Strengthening

A Proposal to amend rules and regulations of the graduate programs at CATIE was prepared by the Graduate School, presented and approved by CATIE Board of Directors. The approved changes reflect the new trends and procedures necessary to meet the human resource development needs of Central America.

At present, Five of ten professors hired by the Project are funded from CATIE's core budget and three of those are now in charge of the educational programs of CATIE in addition to their activities in the technical research and extension areas.

During the last board of Directors meeting March 1993, CATIE's foundation, FUNDATROPICOS was approved. This would be an independent institution with the future income from this endowment to be use for the maintenance of the infrastructure built with local currency funds.

An evaluation of the project, conducted by Chemonics International in November-December 1992, clearly shows the importance and the impact of the Project on the technical and physical capabilities of the educational activities in CATIE. CATIE is preparing a document to state it's point of view on different aspects of the evaluation. In general the evaluation considered the Project to be very successful. Based on findings of the evaluation NOCAP approved a request from CATIE to amend the PACD (no cost) to December 31, 1993.

D. Problems and Delays

- Expected resources to implement the evaluation recommendations are not available.

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

- Conduct joint CATIE/NOCAP review of the project Final Evaluation.
- Prioritized recommendations and corrective actions necessary in the Graduate program.
- Reprogram balance of funds in project to finance highest priority actions.
- Conduct 1992 annual project audit.
- Finalize charter for FUNDATROPICOS and select Board of Trustees.
- Amend AID Special Trust Fund Agreement and MOU with CATIE.

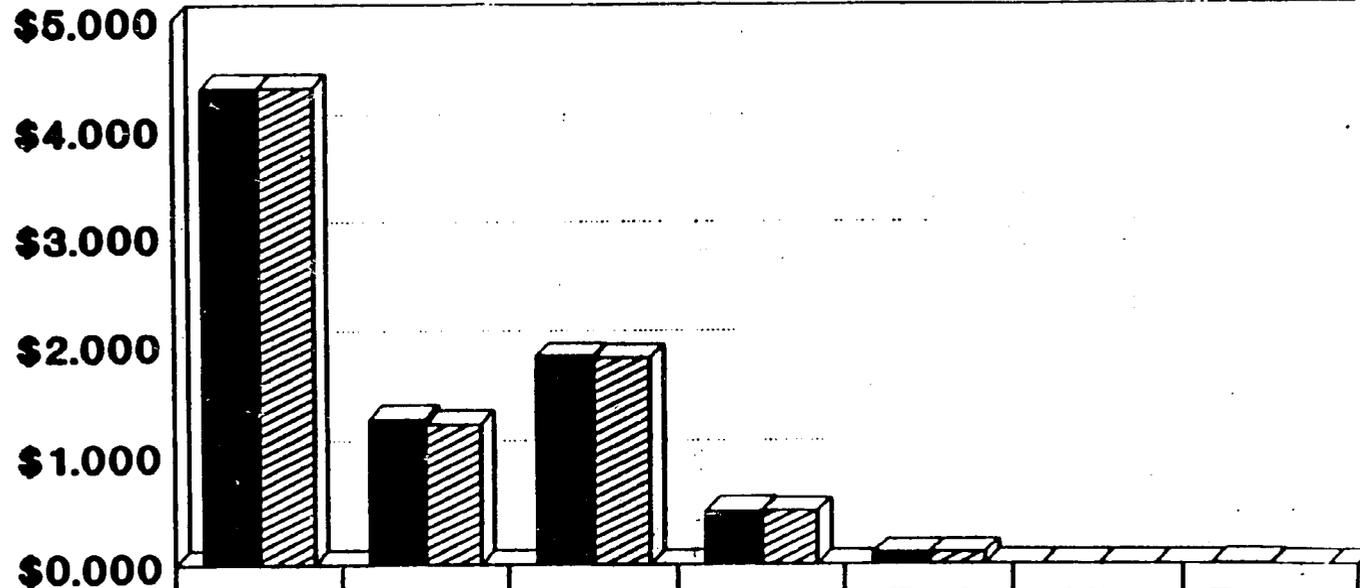
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REG. AGRIC. HIGHER EDUC. (0129)

Commit. Vrs. Expend. as of 3/31/93

Millions



	Staff	Fac	Cur	Net	Eval	Mis	Found
Commitments	\$4.377	\$1.322	\$1.888	\$0.497	\$0.102	\$0.001	\$0.010
Expenditures	\$4.377	\$1.270	\$1.868	\$0.491	\$0.102	\$0.001	\$0.000

Commitments
 Expenditures

07-III

IA. BACKGROUND DATA

Project Title: REGIONAL ENVIRONMENTAL & NATURAL RESOURCES MANAGEMENT
 Project Number: 596-0150
 Date of Authorization: original 09/11/89 amendment 09/04/92
 Date of Obligation: original 09/15/89 amendment 09/30/92
 PACD: original 09/30/95 amendment 00/00/00
 Implementing Agencies: CATIE, EAP, CCAD, CARE/TNC, WCI/CCC, Associated C.A. NGOs, Cultural Survival, Peace Corps, INCAP, EPA, FDA, USDA
 Major Contracts: MEE, Masters in Environmental Education
 Major Contractors: MSI, Univ. of Idaho
 AID Project Manager: William F. Sugrue
 Status of CPs/Covenants: Initial CP met 05/20/89 other CPs: N/A
 Date of Last Evaluation: None Next Evaluation: 09/93
 Planned Number of Non-Federal Audits during Fiscal Year: 4
 The Number of such Audits Contracted for/Completed: 1
 Date of Last Audit: CCAD 01/93 ('92 audit) Next Audit: CATIE & EAP 05/93 ('92 audit)
 CATIE 01/93 ('91 audit) INCAP 06/93 ('92 audit)
 EAP 04/93 ('91 audit) CCAD 01/94 ('93 audit)

IB. FINANCIAL DATA

Amount Authorized: DA/ESF Grant: original	\$ 40,000,000	amended to \$ 50,200,000	
Amount Obligated: DA/ESF Grant: original	\$ 8,549,000	amended to \$ 32,939,201	
Amount Committed: Period:	\$ 1,080,158		
	Cumulative:	\$ 32,920,299	
Accrued Expenditures: Period - Projected:	\$ 5,300,000	Buy-In Status:	
	Period - Actual:	\$ 3,974,614	Auth. \$6.3M, amended to \$10.9M
	Cumulative:	\$ 22,600,890	Oblig. \$1,491,088
	Period - Next:	\$ 5,300,000	Acc. Exp. \$397,517
Outstanding Project Advances:	\$ 1,275,405	% Auth. Oblig. %14	% Oblig. Exp. %27
Counterpart Contribution: Planned:	\$ 9,952,663		
	Actual:	\$ 4,308,786	
% LOP Elapsed:	% 58		
% of Total Auth. Oblig.	% 66		
% of Total Oblig. Exp.	% 69		
% of Total Auth. Exp.	% 45		

IIA. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES

Specific Linkage to Strategic Objectives: The RENARM project supports ROCAP's Strategic Objective "Environmentally sound and efficient practices in Natural Resources Management". The RENARM Project Purpose (see below) is more complex, and encompasses technologies, institutions, as well as natural resource practices. Foci are: 8 protected areas, 8 buffer zones, 10 watersheds, 15 natural forests, 25 multi-use distribution nodes, and widespread rational chemical use in agriculture.
 Percent of LOP Funds Relating to Strategic Objectives: 100 %

IIB. PROJECT PURPOSE

To create the conditions for public and private institutions to generate, transfer, and apply the information and technology essential for the sustained use of natural resources in Central America.

III. PROJECT DESCRIPTION

RENARM is a regional project which focuses the coordinated efforts of Central American and U.S. based environmental NGOs, public sector regional and national institutions, as well as private sector entities, on understanding and acting to reverse the already serious deterioration of the natural resource base of C.A. Major areas of emphasis include policy reform, environmental ed., biodiversity conservation, and sustainable ag. and forestry.

IV. PROJECT STATUS

	<u>Planned EOPS</u>	<u>Progress To Date</u>
1.	STRENGTHENED NATURAL RESOURCE ORGANIZATIONS. Strengthened regional institutions for environmental training, research and coordination.	-Nat'l. Eco-tourism Councils estab., approved in 3 countries. -More extension-oriented, proactive CATIE. -Environmentally oriented BS, MS programs at CATIE, Zamorano -CCAD capable of orchestrating Intl. fora and agreements. -Indigenous concerns incorp./TNC.
2.	NATURAL RESOURCE POLICY. Changed public policy conducive to sustainable natural resource use.	-2 new reserves declared in Belize -Biodiversity treaty signed by Presidents. -"Green-Book" policy tool applications in Nicaragua, Guatemala, El Salvador.

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

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- | | |
|---|--|
| <p>3. ENVIRONMENTAL KNOWLEDGE, ATTITUDES. Heightened public awareness of environmental concerns.</p> | <p><u>Regional Campaigns for:</u>
 1) large Rio Platano Reserve, Honduras.
 2) bio-control of pests.
 <u>Rural multi-media campaigns:</u>
 Sierra de Las Minas, Guatemala
 Cusuco/Merendon, Honduras
 Toledo, Belize
 Tempisque, Costa Rica
 <u>Intl. press campaign on C.A.:</u>
 biodiversity, eco-tourism</p> |
| <p>4. NATURAL RESOURCE PRACTICES. Effective management plans in national parks and nature reserves.</p> | <p><u>Mechanisms for setting standards:</u>
 -Central American Protected Areas Council.
 -Draft Eval instrument, some data.
 -Citizen patrol corps Tempisque, Costa Rica.
 -Nuclear/buffer zone collaboration mechanisms in 3 areas (Belize, Honduras and Costa Rica.</p> |

Abbreviations for Major Outputs

DI = Information and data collection, analysis, publication; SI = System installation, including infrastructure, software, etc.; OS = Organizations strengthened: technical, managerial, financial; Ed = Environmental Education via the media and schools; Ex = Field extension; Po = Policy dialogue campaigns; Ps = Practices adopted.

8. Major Outputs

	Planned				Accomplished		
	LOP	Period	Cum.	Next Period	Period	Cum.	% of LOP
<u>POLICY INIT. & TECH. SUPPORT</u>							
DI Country Policy Invent.	5	0	5	0	0	5	100
DI Policy matrix diagnosis tool	1	0.25	0.75	0	0.25	1	100
DI Inventory methodologies	2	1	1	0.25	0.5	1	50
DI Decision-maker package	2	1	1	1	1	1	50
DI Env. Policy baseline	5	1	2	1	1	2	40
Ex USAIDs	7	3	3	2	3	3	43
Ex CA orgs.	7	0	0	3	0	0	0
<u>ENV. AWARENESS, ED., & BIODIVERSITY CONSERV.</u>							
1. PACA (CARE/TNC)							
DI Inf. avail.	5	2	4	2	5	3	60
DI Inst. assess.	8	3	5	2	3	5	60
DI Ecol. assess.	5	1	3	2	1	3	60
DI Ecol. assess. manuals	1	0	1	0	0	1	100
SI Reg Data Base	1	0	1	0	0	1	75
SI Data repatriation	5	0	2	2	0	2	40
OS CDCs giving service	5	0	2	2	0	2	40
OS Park Mgt. strengthened	5	2	2	1	2	2	40
OS Env. Ed MOOs strengthened	5	2	2	2	2	2	40
Ed Env. Ed camp.	5	3	3	2	3	3	60
Ps Sust. buffer zone activities	5	1	1	2	1	1	20
2. PASO PANTEA (WCI/CCC)							
DI Studies	10	2	7	2	2	7	70
DI Books/manuals	5	1	3	1	1	3	60
OS Eco-tourism councils estab.	5	0	3	2	0	3	60
OS Env. Ed. Guide Centers	4	0	4	0	0	4	100
Ed Env. Ed. campaigns	2	0.5	2	0.5	0.5	2	100
Po Reserves declared	3		2	1		2	67
Po Biotic corridor policy/program	1		0.5	0.25		0.5	50

60

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

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3.	<u>CULT. SURVIVAL</u>							
	DI Needs assessments	6	2	4		2	4	67
	DI Major pub.		1	2		1	2	
	DI Audio-visual materials		2	2		2	2	
	Ed Nat. Geo. map distributed	7000	0	7000	7000	0	7000	100
	Pd Miskito coast land decisions & Talamanca, C.R. land decisions	1	0.5	0.5		0.5	0.5	50
	OS E/Panama land decisions	1	0.25	0.25		0.25	0.25	25
	OS E/Panama land decisions	1	0.25	0.25		0.25	0.25	25
	<u>SUST. AG. & FORESTRY</u>							
1.	<u>WATERSHED MGT. (CATIE)</u>							
	SI CATIE bibliographic system	1	1	1	1	1	1	100
	SI CATIE GIS operating	1	1	1	1	1	1	100
	SI Demo plots established	300	30	150	30	30	195	65
	DI Extension pack. validated	4	1	3	1	0	2	50
	OS Country GIS operating	6	2	6	1	2	3	50
	OS Country hydraulic modeling systems	4	1	3	0	2	2	50
	OS Orgs. able to design/implement	15	2	11	2	1	11	73
	OS Ext. services can design/impl.	9	2	4	2	1	4	44
	Ps Watersheds managed by Nat. Orgs.	6	2	4	0	1	3	50
	Ps Watershed work plans impl.	10	1	6	1	1	6	60
2.	<u>TREE CROP DIS-SEM. (CATIE)</u>							
	DI Tech. publications	150	10	23	15	19	49	33
	DI Experimental units monitored	338	100	81	100	169	169	50
	DI Socio-econ. units monitored	222	112	40	40	40	110	49
	OS Centers in Doc. network	50	10	16	10	10	33	66
	OS Orgs. with data/biblio bases	24	5	11	6	7	21	87
	OS Orgs. receiving MADEIRA collections	50	10	16	10	10	33	66
	Ex seed plots operating in countries	97	0	80	0	16	38	39
	Ex Buy-ins, joint ventures	9	2	2	1	3	7	78
3.	<u>NAT. FOREST MGT. (CATIE)</u>							
	SI Demo sites established	83	4	14	10	15	69	83
	SI Demo sites with data bases	15	4	6	2	2	12	67
	DI Forest Inv.	13	4	8	2	4	5	38
	DI Studies compd	20	3	4	1	1	3	15
	Ex 20 minute video completed	1	1	1	0	1	1	100
	Ex Intl. course	10	1	1	0	1	6	60
	Ps Plots under management	15	2	3	2	0	2	13
	Ps Hectares under Mgt.	10K	900	50	900	0	250	2.5

4.	<u>INT. PEST MGT.</u> <u>(CATTLE)</u>							
	DI IPM surveys	10	1	5	3	3	7	70
	DI IPM alterna- tive exper'm'ts	50	5	35	5	2	31	62
	DI Scientific papers published	100	8	58	19	11	58	58
	DI Validation of IPM packages	30	5	20	16	0	5	17
	OS Plant Prot. network Inst.	50	48	48	48	44	44	88
	OS Plant Prot. network Indiv.	300	310	310	30	294	294	98
	Ex Diagnostic Serv. for Exts.	5000	1250	3250	1250	1236	2423	48
	Ex Data base Req. answered	26000	4500	14900	4450	4493	10149	39
	Ex People Rec. Journal/Newslet- ter	750	900	900	900	831	831	110
	Ex People receiving IPM Biblog.	1600	1600	1600	1600	1643	1643	102
	Ex On farm plot demos conducted	50	5	25	25	3	18	36
	Ex Buy-Ins/Joint Ventures	6	8	8	5	6	6	100
5.	<u>INT. PEST MNGT.</u> <u>(EL ZAMORANO)</u> (Incomplete re- porting system)							
	DI MIP practices identified			15			15	
	DI Melon, Broc. validation trial series	2	2	2		2	2	
	DI Zero tillage Valid. series	1	1	1		1	1	
	DI Nat. pest enemies studies	6	10	10		10	10	
	DI Agroecolo- gical inventory	6	6	6		6	6	
	OS Agroecolo- gical data base	1	1	1		1	1	
	OS Citrus farm certification		1	1		1	1	
	Ed Bio-Control campaigns		1	3		1	3	
	Ex Major MIP workshops		1	10		1	10	
	Ex TA to Ag. associations		8			8		
	Ex Diagnostic services		500			500		
	Ex Natural enemy groups released		3			3		
6.	<u>PESTICIDE MANAGEMENT</u>							
	SI Improved Comm./Dissem. Sys. estab.	7	0	0		7	7	100
	OS improved lab testing capab.	15	0	0				
	OS C. A. public labs meet EPA/- FDA standards	4	0	0				
	Ed Posters published/dis- tributed	20000	20000	30000		20000	30000	150
	<u>MONITORING AND EVALUATION</u>							
	-Indicators developed	20	6	14	5	4	14	70
	-Program reviews	12	2	6	1	2	6	50
	-Studies, evaluations	8	3	3	3	1	1	12
	-Orgs. with some M&E capacity	15	4	10	3	2	5	33

TRAINING

A. MASTER'S LEVEL TRAINING

Courses given	105	2	58	8	1	57	54
M.S. Watershed	25	0	8	4	0	15	54
M.S. Tree Crop	24	7	7	6	14	32	133
M.S. Forest Ext.	9	2	2	0	4	4	44
M.S. IPH (CATIE/EAP)	55	13	38	0	12	48	97
Environmental Ed.	14	0	0	0	0	0	0

B. ALL COMPONENTS, GENDER- M/F DESEGREGATED

1. Long-term

TNC Fellowships	4/6	14 Fellows currently in training					
B.S. grads	30/10	7/5	23/9	0/0	5/1	35/5	117/50
M.S. grads	98/29	19/3	45/10	16/4	28/5	83/17	85/59
PhD/IPH	4/1	2/1	2/1	0/0	2/1	3/1	75/100

2. Short-term

PACA

Extensionists	LOP: 1385	Accomplished Period: 428	Accomplished to-date: 669
End-users	LOP: 2090	Accomplished Period: 561	Accomplished to-date: 1121

Sustain. Ag./Forestry

Extensionists	3197/732	548/207	1167/423	557/148	700/233	3255/660	102/90
End-users	1509/541	230/126	808/421	177/100	26/81	570/481	38/89
Dr. /Health Professe.	6500/500	0/0	0/0	0/0	3900/300	3900/300	60/60

C. Other Accomplishments and Overall Status

INTRODUCTION

RENARM activities are divided into three components: 1) Policy Initiatives and Technical Support; 2) Environmental Education and Awareness and Biodiversity Conservation; 3) Sustainable Agriculture and Forestry. A common thread uniting all RENARM activities is the introduction of economically attractive activities that require wise use of natural resources, such as ecotourism, sustainable agriculture and forestry.

I. POLICY INITIATIVES AND TECHNICAL SUPPORT

A. Objective of Policy Initiatives activity is to promote incentives and remove disincentives to sound management of forests, soils, coasts and bio-diversity. Strategy: create and institutionalize demand and supply of information and analysis to drive public participation and oversight. To that end, the Green Book (policy taxonomy, inventory matrix, and manual for updating inventories) was designed and produced. TA based on this package was provided to the Nicaragua, Guatemala and El Salvador Missions. Products for 1993: 1) free-standing document applying Green Book package to forestry sector; 2) revised and expanded edition of Green Book; 3) decision-maker workbook. Products disseminated through RENARM TA, PACA and WRI.

B. The Central American Commission for Environment and Development (CCAD):

RENARM provides primary operational support and TA to the CCAD, the only regional forum for the discussion of conservation issues at the presidential level. World Resources Institute (WRI) provides a portion of this TA through a cooperative agreement with RENARM. CCAD accomplishments this period:

- NASA Sun Center to be installed at Univ. del Valle; existing C.A. imagery to be given to CCAD. Requests to NASA for imagery/interpreted data will be referred to CCAD. Two computer experts (from CATIE and del Valle) received 2-week training at NASA Stennis Center. CCAD conducted preliminary visits and is negotiating with Univ. of Florida, Paseo Pantera, TNC, Univ. del Valle and CATIE.
- CCAD and UNDP to obtain RENARM/CATIE TA on forest policy and legislation.
- Negotiation nearly completed with Nordic group for support for op. expenses and establishing env. fund. IDB also expressed interest in support of CASBI regional fund.
- With R&D Bureau sponsored Man in the Biosphere meeting in Paten to focus on Belize-Guatemala-Mexico tri-national park.
- Received support from MacArthur Foundation for work negotiating tri-national park.
- Solicited and received info. from each C.A. country for CO2 proposal submitted with WRI assistance to World Bank/UNDP Global Env. Facility.
- Supporting proposal to State/Bureau of Climate Change. Initial meetings held in D.C.
- Quarterly CCAD meetings held October '92 and February '93.
- Endorsed Project Pays fund to address ozone layer and reduction of greenhouse gases. With CCAD support, Panama and CR have received funds, Guatemala submitted proposal.
- Working with Govt. of Mexico on dev. of model environmental legislation.
- Presented action plan for C.A. Protected Areas Council and promoted actions to ratify Biodiversity Treaty.
- CCAD endorsement led to C.A. Presidents agreement to create Sistema de Integración Centro Americano (SICA).
- Developed Forestry and Climate Change agreements for August '93 Pres. Summit.
- Signed coordination agreement with SITCA, C.A. Tourist Commission.
- Hosted meeting of all C.A. and Mexico Directors of Forestry.
- C.A. Presidents signed toxic waste agreement at December '92 Summit.
- With FEDEPRICAP is preparing basis for dev. of model environmental legislation.
- Attended Dec. '92 PAHO meeting in D.C. on NGOs and environment.

C. RENARM TECHNICAL STAFF provide support to USAID Bilateral Missions, NGO Project Participants, and Regional Institutions in areas of coordination and E/NR management.

1. TA by SOCAP/RENARM Foresters

- Continued to assist the USAID/Guatemala MAYAREMA Project, CONAP and CATIE/OLAPO Project to develop forest management guidelines, plans and financial feasibility study as part of the process of granting forest concessions for communities and industries, in the Multiple Use Zone of the Maya Biosphere Reserve.
- Helped USAID/El Salvador draft the PROMESA Project Paper.
- Helped CONAMA/Honduras design a PROLESA Project to supply cities with wood and fuel.

3

- At USAID/Nicaragua request helped prepare proposal for development of forest legislation.
- Designed extension of USAID/Honduras Forest Development Project for next four years.

2. TA by ROCAP/RENARM NGO Advisor

- El Salvador, assisted USAID in assessing Govt. strengthening opportunities under PROMESA project, Ministry of Agriculture in NGO-strengthening.
- Assisted local NGOs in Guatemala and Costa Rica in counterpart strengthening, and environmental education; Paseo Pantera in strategic planning workshop.
- Assisted Guatemalan NGOs in forest inventory design, workplans and strategies.
- Conducted project presentations to local NGOs and Govt. agencies in Guat., C. R. and Hond.
- Updating C.A. Institutional and Contact Directories.

11. ENVIRONMENTAL AWARENESS, EDUCATION AND BIODIVERSITY CONSERVATION

This activity is being carried out by two consortia of NGOs (PACA and Paseo Pantera) and additional arrangements which include a Grant with Cultural Survival, the TNC Fellowship Program, a Small Grants Program, and a M.S. Program in Environmental Education. The two consortia approach conservation from different perspectives: PACA's focus is on the protection and sustainable use of wildland habitats while Paseo Pantera's management plans and reserve designs are based on preservation of wildlife.

A. Conservation: Wildlands (PACA Consortium made up of CARE and the Nature Conservancy)

1. Support of CDCs and co-sponsorship of Regional Environmental Law Workshop
2. Site-specific:
 - a. Maya Mountains/Toledo District (Belize). Expanded GIS maps produced. Publications and posters on Toledo District distributed. Teachers Wildlife Manual produced. REA course/16 extensionists. Grant-writing training provided for local NGOs. School and village programs undertaken on forest ecology and wildlife, 12 schools/1,030 students.
 - b. Area de Conservacion Tempisque (Costa Rica). Watershed management workplan approved. Credit committees established. 3 more multi-purpose tree nurseries established, expected prod. 170,000 trees. Women's tree nursery to produce 20,000 trees. Outreach materials: 500 posters, 500 brochures for extensionists and 5,000 for farmers on fire prevention/control. Institutional Workshops: Fire prevention and control/56 participants; Agroforestry systems/31 participants; Community-based forest fire prevention/18 participants, Fire control for ACT staff; AGUADEPOR Management skills/13 participants. 111 hectares reforested.
 - c. Sierra de las Minas Biosphere Reserve (Guatemala). Agreements with FUNDEMANV for env. ed and FUNDAECO for env. ed and agroforestry. Watershed management plan completed. New field offices in Zacapa and Izabal. Park infrastructure improved in Salama. Trail re-design between Chilasco and Catarata. Overflights conducted. Forestry assessment completed. Workshops for Extensionists and teachers: Env. Ed. strategy; Community-base conservation; Alternatives to agrochemicals; Env. Ed. for future teachers; Teachers' Env. Ed. curricula; Env. Protection Responsibility of Local Authorities; Forest fire prevention and control; Agroforestry systems. Fire prevention radio campaign "El Quemador". Community-level courses: Fire prevention and control/23 participants.
 - d. Cusuco/Merendon (Honduras). MOUs and sub-contracts signed with Honduran counterparts. Collaboration formalized with Mun. of San Pedro Sula to carry out REA. Visitors center constructed and information brochure produced. Exhibit in EXPOCENTRO fair. Env. ed workshop held. 2,000 persons reached via talks on Fundacion Pastor.

B. Conservation: Biodiversity (Paseo Pantera Consortium made up of WCI and CCC)

1. Regional/Corridor Activities: C.A. Biotic Corridor Mapping Project (with Univ. of Fla.); C.A. Biodiversity Treaty Implementation Project: "A Model Legal Framework for the Central American Biological Corridor" (with North/South Center, Univ. of Fla.); Video on PP at NY25/WCS Annual Mtg (4,600 persons); Global Superprojects Conference, Singapore; Developed 3-panel exhibit on PP.
2. Regional Ecotourism Project: Regional Conference with SITCA, WTO and UNDP; C.A. Ecotourism Handbook; NEC, focus on achieving official status and sustaining funding; Guatemala-National Council for Sustainable Tourism outlined functions of ecotourism council. Costa Rica-Assisted CR National Parks Service develop plan for heavily used areas. Honduras-conference on ecotourism in La Ceiba, Honduras/75 participants.
3. Regional Buffer Zone Corridor Project: Conf./workshop on C.A. Border Parks; completed work USAID/H Buy-ins for La Marilla and COMDEPOR; Buffer Zone Management, Bay Islands - TR&D conducted four wkshps and final conf; Panama: wildlife-use study of Bocas del Toro; Bocas del Toro Natural Resources Management Planning Workshops: An Ecological and Social Agenda for Bocas del Toro Province, Panama.
4. Regional Strategic Planning: Conceptual feasibility study of multilateral mechanisms to implement a regional protected areas network.
5. Regional Environmental Education: distribution of env ed handbook; Bay Islands Honduras - Implement activities recommended by needs assessment by the Univ. of Fla.; Rio Plátano, Honduras - Field work Biosphere Reserve completed, booklet "Herencia de Nuestro Pasado: La Reserva de la Biosfera del Rio Plátano", slide show, cassette and posters; in support of Fundación Rio Plátano, produced "Photographic Documentation and Information Gathering Project in the Homeland of the Tawahka Sumu and the Surrounding Areas", presented at La Mosquitia Land Use Conference.

C. Cultural Survival

1. Regional Activities
 - Map produced by National Geographic into its second edition (7,000).
2. Site Specific Activities
 - a. Belize, prepared proposal for mapping the Toledo District.
 - b. Costa Rica, conducting land demarcation and legal assistance program in the Kekoldi Reserve, Talamanca area; three indigenous groups of Talamanca area included in Inter-Institutional Talamanca-Caribbean Corridor Commission; book Territorios Indios en Costa Rica, Origenes, Situación Actual y Perspectivas.
 - c. Guatemala: in monitoring grant to Bio-Itza.
 - d. Honduras, strengthening FITH; assisting MOPAMI in La Mosquitia legalization program. Nicaragua, coordinate with MIKUPIA on the Miskito Coast Protected Area Project with IIRC, WFP, and CCC; contracted the Centro de Investigación y Documentación de la Costa Atlántica for profile of indigenous peoples of Nicaragua.

f. Panama: financed participation of Guaymí Bribri and Teribe Indians to workshops organized by WCI; organization of a Congress on Indians Lands for Eastern Panama.

D. TNC Fellowship Program

Provides training and TA to C. A. Conservation Fellows from strategically-selected partners. Ten Fellows selected and being trained from Costa Rica (3), Honduras (3), Panama (2), Guatemala (1) and El Salvador (1). Program also to include 4 Fellows in INCAE M.S. N/R Program. Program held leadership workshop, and Panama NGO ANCON carried out membership course for other NGOs.

E. Small Grants to C. A. Environmental Scientists

Biodiversity conservation research grant program established with Paseo Pantera to support individual research projects that lead to conservation of threatened wildlife, communities and ecosystems. Program co-financed by WCI and ROCAP, will provide training, guidance and funds to C. A. scientists. Bi-lingual brochure prepared and distd. Initial proposals were evaluated and approved for total \$42,000. This period, projects will be implemented in Panama, Costa Rica and El Salvador.

F. Mauser's Program for Environmental Education

An application review and interview identified 20 finalists from 100 candidates for application to the University of Idaho program. 14 students will be selected by June.

G. Coastal Resources Management

Under Cooperative Agreement with LAC, University of Rhode Island completed final report on "C. A. Coasts: Profiles of an Agenda for Action", outcome of one year effort to formulate strategic approach to management of C. A. coastal ecosystems. Copies distributed to all C. A. countries.

H. Wildlife Preservation Trust

WPT presented final report of this captive breeding program for C. A. Zoo, managed by RENARM under a Cooperative Agreement.

III. SUSTAINABLE AGRICULTURE AND FORESTRY

A. Watershed Management (CATIE)

The objective is to put effective watershed management techniques into the hands of end-users throughout the region. Direct support is offered in GIS, and M.S. program, ongoing country and regional collaboration, problem-specific research, TA and publications leading to a sharing of experiences. Highlights this period:

Academic Training. Supervised thesis research for 7 M.S. students and 7 others guided in course work.

Plans and Agreements. Finished proposal to extend collaborative Rio Las Cafias work.

Installation of Systems. Geographic Info. System made operational in CEL in El Salvador and applications intensified in FUNDECOR in Costa Rica.

Institutional Strengthening. 21 decision maker and technicians trained through two courses.

Training of Technicians and Extensionists. Taught course on soil conservation for extensionists in Nicaragua. Taught course on sustainable agriculture in Panamá in preparation for establishment of demonstration watersheds in collaboration with MIDA. Course in Guatemala on Geographic Info Systems applications. Established 30 new demo. plots on farms.

B. Tree Crop Dissemination (CATIE)

The objective is to achieve wide-spread planting, management and utilization of multipurpose trees on small and medium-size farms. Activities include dissemination to farmers of information and technology and expansion of MIRA tree crop data base. Outreach accomplished through network of 25 national institutions.

Academic Training. Supervised thesis research of 14 M.S. students.

Plans and Agreements. Agreement signed with PINMIDA financed project permits merger with Tree Crops. Network of 26 collaborating institutions formalized with signature of 6 new agreements.

Installation of Systems. 18 institutions have installed MIRA information management system. Network of Bibliographic Documentation established in 33 institutions and at least one person trained in each.

Collection and Analysis of Info. Amplified research data base with new records derived from field plots and sent updated silvicultural data to countries, including 2328 new plot measurements. Preparation of 83 printed publications ranging from technical articles to extension materials. Extension and data base work evaluated by consultants. 169 silvicultural and 40 socioeconomic units being monitored.

Institutional Strengthening. Collaborating institutions have made strong contributions of resources. TA to IDA-FAO agroforestry project in Costa Rica.

Training of Technicians and Extensionists. With collaborating institutions, taught 25 courses for 414 extensionists. Taught regional course on technology transfer in silviculture.

C. Production from Natural Forests (CATIE)

The objective is to demonstrate the feasibility, profitability and sustainability of commercial forest management of C.A. humid lowland broadleaf forest. CATIE's outreach program establishes pilot areas of sustainable natural forest management, and gives TA to forest owners. Accomplishments for this reporting period:

Academic Training. 4 M.S., 6 B.S. students supervd. in thesis research; 4 scholarships awarded.

Plans and Agreements. Management plans supporting MAYAREMA/CONAP in Arrollo Colorado and in San Miguel/Petén prepared with OLAF/CATIE. Workplan prepared for Wood Utilization and Market Development activities. 39 institutions contacted for info. dissemination and establish working relationships.

Installation of Systems. Five new pilot work areas selected, totalling 17 in 4 countries; Five are commercial scale operations (>100 ha). Nat. Forest data base refined and staff trained in its operation. Data base of bibliographic references expanded. Field research in progress on wood preservation treatment for 3 species.

Collection and Analysis of Info. Five tech. reports prepared. Consultancies completed on Info./Forest Management in Petén. Four tech. publications and three presentations at C. R. Natural Forestry Congress. Video for forest owners on management of secondary forests.

Training of Technicians and Extensionists. Sixth Intl. Course in Silviculture and management of Nat. Tropical Forests. Two courses on operation of natural forest data base. Ten project staff members received training in dendrology, inventory, silviculture, management and

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computers. 94 participants in Costa Rica and Nicaragua trained via field days and workshops.

D. Plant Protection (CATIE and Pan American Ag. School - Zamorano)

The CATIE and Zamorano programs concentrate on formal degree training, pest management research, and outreach. Their efforts are complementary due to distinct areas of specialization and geographic focus. CATIE has the primary regional plant protection role. Its IPM activity has humid tropical focus, and includes M.S. degree training, exploratory and adaptive research, diagnostic services, and extension. Accomplishments this period:

M.S. Training. Nine students graduated, 42 overall. Ten currently enrolled.

Collaborative Agreements. USAID/Nicaragua buy-in for coffee IPM underway. USAID/Guatemala committed remaining funds in ongoing buy-in. EPA-supported Pest Bank data base established at CATIE. Agreement reached with El Salvador Coffee Foundation to expand current project. Joint ventures expanding with GTZ and CENTA in El Salvador and MAG and GTZ in Costa Rica. Major reg. proposal submitted to Nordics. 40 technical missions carried out.

Collection and Analysis of Information. Basic res. ongoing in aphid pop. dynamics, weed Mgt., macadamia nut borer. IPM Altern. explored/developed for nematode Mgt. in coffee, rice, legumes, plantain, tomato. Field trial data collected for coffee and tomato diseases and nematode control. Surveys Cond. for pests in tomato, peppers, plantain, coffee, macadamia, Ornam. plants. New insect species and families identified and introduced to entomological collection.

Regional Plant Protection Network. Honduras, Guatemala, Costa Rica and El Salvador chapters active. Honduras conducted training and pest surveys; Guatemala and Costa Rica coordinating info. gathering/dissemination. Chapters being organized in Panama and Nicaragua.

Assistance/Info./Training to Extensionists and Technicians. Total 423 professionals trained through courses, workshops, seminars, in-service. 154 plant disease lab diagnostic services provided. Reg. Information/Documentation Center served 1,643 professionals. IPM Journal, Newsletter, Current Contents and Pesticide Bulletin produced and distributed.

Demonstrations/Training for Farmers. Tomato validation plots established in El Salvador; literature for farmers on tomatoes produced with GTZ. 34 EARTH students trained.

The Zamorano program consists of B.S. training, sustainable IPM emphasizing biological control, and grass roots outreach and training including the development and validation of teaching materials and participative methods. Focus is on semi-arid areas.

Degree Training. Six students obtained IPM B.S. degree; 9 currently enrolled. Six received post-grad thesis support. 959 students attended 6 IPM undergraduate courses.

Systems Installation. 13,870 cases recorded to-date in Ag. Diagnostic Inventory Center.

Collaborative Agreements. Major Buy-in by USAID/Nicaragua for a melon IPM program underway. Hillside IPM technical assistance program with UNDP started. Plant protection assistance provided to the COM Natural Resources secretariat. IPM TA provided to FFX melon producer. Biocontrol project with REC underway.

Collection and Analysis of Information. IPM program for whitefly established; research started on control by use of natural extracts. 5 years of zero tillage research in corn and beans being validated. Pest and natural enemies inventories carried out in seven crops.

Assistance/Info./Training to Extensionists and Technicians. Pilot extension phase of Crucifer program brought to successful close. Cucurbit TA given to 8 Honduran melon companies; extensionists trained in Honduras and Guatemala. Rearing and release of biocontrol agents continued for water hyacinth and insect pests in corn, cabbage and sugarcane. Regular ag. supplement published major natl. periodical.

Training for Farmers. 27 courses given for 520 extensionists and farmers. Through Hillside IPM tech transfer program with World Neighbors, CRS etc. 25 courses on biocontrol were taught, leading to widespread use of IPM practices and decrease in pesticide use.

Pesticide Management

RENARM activities designed to reduce misuse for pesticides and improve pesticide management are carried out through agreements with EPA, FDA, USDA/OICD, Peace Corps and Zamorano.

1. The PASA with EPA provides TA on pesticide related matters with emphasis on export crops destined for the United States and has promoted various collaborative efforts in pesticide management among international donor agencies. A pesticide residue testing demand assessment is being carried out to determine the demand/need for residue testing on export crops in C. A. A Pesticide Inform. Center and annual Pest. bulletin has been established in CATIE to receive, disseminate and distribute relative EPA/FDA/USDA Pest. Info. to appropriate C. A. user groups.

2. Pest/pesticide Management and Safety Training through the RENARM USDA/OICD with Peace Corps is being implemented in Costa Rica and Guatemala with 133 volunteers and 367 host country nationals trained to date.

3. 4,200 doctors and health providers from 6 C.A. countries have started the INCAP correspondence course on recognition and treatment of pesticide intoxication.

4. Under the RENARM grant with Zamorano 458 extensionists and promoters, and 71 homemakers, were trained in specialized pesticide management and safety. 30,000 pesticide safety posters have been printed and distributed to date.

Monitoring and Evaluation

Project Review. Through contract with MSI, RENARM'S M&E Advisor has conducted most of an Internal Review including: 1) workshops with RENARM, PACA, Paseo Pantera, Cultural Survival, and CATIE, and 2) a draft of Part I which focuses on permanent effects and impacts. This analysis was used to brief new Mission management. Also the M&E Advisor has assisted preparation of draft scope of work for an External Eval. of RENARM scheduled for Fall of 1993.

Special Impact Studies. An impact studies program is taking shape. The studies will be undertaken by RENARM implementers with support from MSI. Studies with concrete plans and progress are: 1) A Parks inventory centered on IUCN, Paseo Pantera, TMC and the Central American Protected Areas Council; 2-4) Adoption of natural resources management practices with the Watersheds, Multi-Use Trees, and IPM departments at CATIE, respectively; 5) Tech. information use with the IPM department at CATIE, and the Guatemala Conservation Data Center; 6) Organizational strengthening with PACA; 7) The design, functioning, advantages, disadvantages of consortia in ecological/development projects with PACA; 8) the effects of demonstrations and training with Zamorano.

IV. Problems and Delays

CARE has reported difficulty in fully meeting its portion of the 1:1 match within the PACA Program. Its problem lies specifically in running short of sufficient cash funds (as opposed

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

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to in-kind contributions) to adequately sustain field operations. This situation is currently being addressed at CARE Headquarters.

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

1. Incorporation of RENARM management structure into combined ROCAP/USAID Guatemala.
2. Sixth RENARM Coordination Meeting to be held May 24-26 in San José.
3. External project evaluation to start before end of September 1993.
4. Third Donor's Agency Pesticide Management Meeting to take place September 1993.
5. Complete revised/expanded version of Green Book, and decision-making workbook.
6. CATIE Central American Pesticide Management Information System on line by July 1993.
7. Complete application of Green Book to forestry sector.
8. Pesticide Residue Demand Assessment to be concluded by June 15, 1993.
9. Environmental Education M.S. Program participants begin studies at Univ. of Idaho, September 1993.
10. MSI will carry out the Internal Review as it applies to Bilateral Missions.

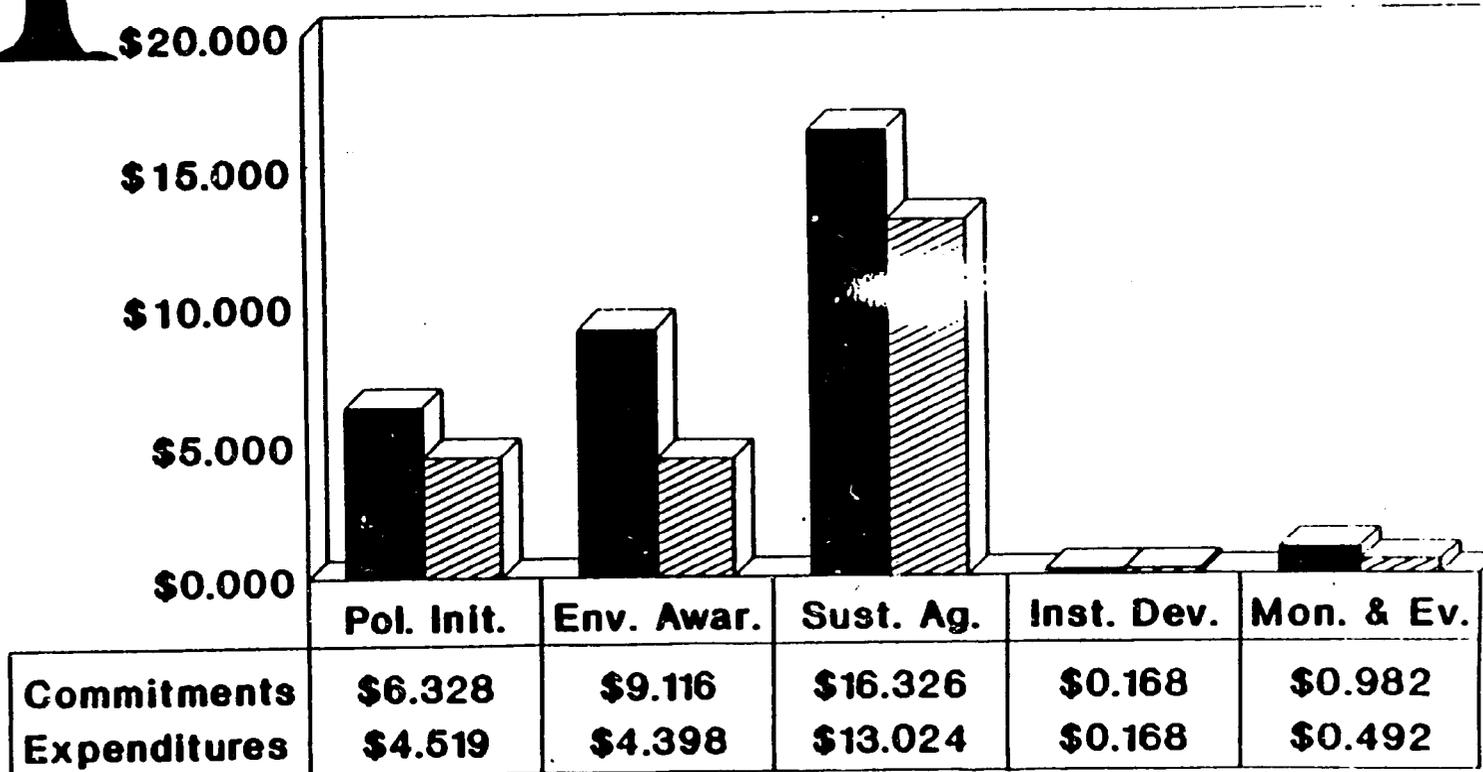
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REGIONAL ENV./NAT. RES. MGT. (0150)

Commit. Vrs. Expend. as of 3/31/93

Millions



■ Commitments ▨ Expenditures

III-50

III. C

ROCAP STRATEGIC OBJECTIVE No. 3: MORE EFFECTIVE AND
DEMOCRATIC LOCAL GOVERNANCE

III-52

<u>Project</u>	<u>Number</u>	<u>Page</u>
Local Government Regional Outreach Strategy (LOGROS)	596-0167	III-54
Central American Shelter and Urban Development	596-HG-008	III-58

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**ROCAP Strategic Objective No. 3
More Effective and Democratic Local Governance
Assessment of Project Portfolio**

The authorized \$6 million, 7 year Local Government Regional Outreach Strategy (LOGROS) is the main project in support of this strategic objective. However, during this reporting period funds from the Regional Development Support Project (RDS) (596-0162) were also employed to further this objective. In addition, funds from an on-going Central American Bank for Economic Integration (CABEI) Housing Guaranty Program (596-HG-006) are being channelled into the support of municipal development, and a new HG Project to provide sectoral support to municipalities moved into development as an amendment to the LOGROS Project.

A Technical Director was contracted and a Buy-in order to PRE/H's contract with the International City Management Association was executed this period. The Project team, supported as well by funds from the RDS Project, was active in providing TA to a series of bilateral efforts and to the management of activities under the International City Management Association contract for promoting improved local governance. CABEI HG resources were also directed towards the setting up of municipal funding mechanisms in Honduras and Guatemala.

Several activities were carried out both at the regional and bilateral levels. At the regional level, RHUDO in collaboration with the Federacion de Municipios del Istmo Centroamericano (FEMICA), staged an environmental seminar on the Municipality and Solid Waste in Costa Rica. Secondly, a group of high-level Central American officials related to the municipal sector was sent on an observation trip to become acquainted with the Chilean experience in decentralization. The exposure to that Country's innovations in the area of decentralization has broadened the views of some twenty high-level government officials with respect to local governance, and added important members to the Project's regional network. Thirdly, TA was provided to FEMICA in the area of accounting and administrative procedures. Lastly, the LOGROS team initiated its Regional Training Assessment through the preparation of a Workplan and visits to two countries for evaluating university efforts in municipal sector training.

On the bilateral side, LOGROS has provided continued support to Nicaragua in the creation of a National Decentralization Commission, its agenda and implementation plan. Also, RHUDO is assisting the Mission in its preparation of a municipal development project and a municipally oriented CAPS training program. It has also initiated LOGROS's first problem-solving exercise aimed at decentralizing primary education services. In Honduras, in response to Mission requests, TA has been provided to the national association of municipalities, AMHON, to the Mission itself in the establishing of a municipal development foundation and in the evaluation of the training potential local universities could bring

to the sector. The LOGROS team has had continual contact with the Mission in El Salvador, providing assistance to the Mission-supported Corporacion de Municipalidades de El Salvador (COMURES), being closely involved in a series of consensus-building exercises with high level government officials, supporting the formulation of a Mission sector strategy, and providing assistance in the preparation of a bilateral municipal development project. In Costa Rica, a consensus building group has been organized through the efforts of LOGROS. Planning has been initiated for a national seminar for political candidates in the election to be held next year.

With the execution of LOGROS' first Buy-in into the International City Management Association contract, several activities are planned for execution early into the next SAR period. A second Buy-in with the International City Management Association and other minor contracting actions are being put into place for upcoming activities, both in the consensus-building and problem-solving components of the Project. The Regional Training Assessment will continue the upcoming period and is programmed for completion before the end of the calendar year, 1993. Design work to link a new HG Project with CABEI to support municipal investment, via a LOGROS amendment, is underway.

As LOGROS proceeds with its activities, an indicator team has been contracted with ROCAP funds to specify the Strategic Objective level indicators that will enable the Project to measure the achievement of its outputs.

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IA. BACKGROUND DATA

Project Title: Local Government Regional Outreach Strategy
Project Number: 596-0167
Date of Authorization: original 08/21/92 amendment 00/00/00
Date of Obligation: original 09/22/92 amendment 00/00/00
PACD: original 09/30/99 amendment 00/00/00
Implementing Agencies: FEMICA
Main Contacts:
Major Contractors: ICMA, Harry Jager, John Fisher
AID Project Manager: Dianne Tsitsos, Director, RHUDO/CA
Status of CPEs/Covenants: N/A
Date of Last Evaluation: N/A Next Evaluation: 08/21/95
Planned Number of Non-Federal Audits during Fiscal Year: 0
The Number of such Audits Contracted for/Completed: None
Date of Last Audit: None Next Audit: TBD
Date of Last Site Visit:

IB. FINANCIAL DATA

Amount Authorized:	DA/ESF Grant: original	\$ 6,000,000	amended to \$ 000
Amount Obligated:	DA/ESF Grant: original	\$ 164,143	amended to \$ 278,259
Amount Committed:	Period:	\$ 114,917	
	Cumulative:	\$ 278,260	
Accrued Expenditures:	Period - Projected:	\$ 100,000	
	Period - Actual:	\$ 7,112	
	Cumulative:	\$ 11,172	
	Period - Next:	\$ 690,000	
Counterpart			
Contribution:	Planned:	\$ N/A	
	Actual:	\$ N/A	
Outstanding Project			
Advances:		\$ N/A	
% LOP Elapsed:		7 %	
% of Total Auth. Oblig.		5 %	
% of Total Oblig. Exp.		4 %	
% of Total Auth. Exp.		0.2 %	

IIA. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES

Specific Linkage to Strategic Objectives:

A. Specific Linkage to S.O.: LOGROS contributes directly to the support of ROCAP's S. O. of more effective and democratic local governance through fostering networking, consensus building, and technical support to promote policy reform for increased municipal autonomy.

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

IIB. PROJECT PURPOSE: To contribute to the transfer of authority and control over financial and human resources from central to local governments while helping to improve local governments' response to citizen demands for improved services and political enfranchisement.

III. PROJECT DESCRIPTION:

LOGROS has two components: The Consensus-Building component will establish a Network for purposes of generating a regional consensus on priority decentralization issues, processes, policies, priorities and problems; the Technical Component will address constraints to decentralization through problem-solving activities and promote replicable solutions throughout the region. Training will support both components.

IV. PROJECT STATUS

Planned EOPS

Progress To Date

1. Agreement of Regional Network on a policy agenda for greater municipal autonomy. Core membership is being defined; FEMICA has obtained endorsement of the President of Honduras of plan to put decentralization on Presidential Summit agenda in December, 1993.

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October 1, 1992 - March 31, 1993

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| Implementation of specific agenda items in participating countries. | Honduras has separated municipal from national elections; Nicaragua has formed National Decentralization Commission, approving an agenda and a pilot project for devolving primary education has been defined; El Salvador has reactivated its National Decentralization Commission; Costa Rica has organized a consensus group to promote a decentralization agenda; The Guatemalan municipal association has sent a law to Congress to devolve the property tax to local government. |
| 3. Improved financial management practices in selected municipalities. | No activity as yet. |
| 4. Greater citizen participation in municipal government affairs in selected municipalities. | FEMICA has prepared a discussion paper for FEDEPRICAP and met with them to discuss possible collaboration. A workshop for later in the year is planned. |
| 5. Improvements to be defined in selected municipalities in Central America. | SOW's have been prepared for two problem-solving exercises in education and water management. The LAC Bureau has agreed in principle to a WG, linked to the LOGROS policy agenda, to provide capital investment resources for municipalities. |

B. Major Outputs*

	Planned				Accomplished			
	LOP	Period	Cum.	Next Period	Period	Cum.	% of LOP	
1. Regional Network (activities)	7	1	1	1	1	2	29	
2. Regional policy framework	N/A							
3. Resolution of decentralization constraints	10	1	1	1	1	1	10	
4. Regional Training Capability	TBD							
5. Training	M F	M F	M F	M F	M F	M F	M F	
5a. Long Term	0 0	0 0	0 0	0 0	0 0	0 0	0 0	
5b. Short Term	240/120	47/23	49/25	150/75	47/17	49/19	20/16	

*Outputs, measures and indicators are being analyzed and defined with TA in the 3rd quarter and will be reported on in the next SAR.

C. Other Accomplishments and Overall Status

LOGROS has contracted a Technical Director and executed a Buy-in with ICMA for providing TA to FEMICA, an observation/exchange visit to the U. S. by municipal association officials, and the staging of a political conclave to elicit a high level consensus position on decentralization. The LOGROS team has been active in providing technical assistance to the Missions in Honduras, Salvador and Nicaragua. A consensus group has been organized in Costa Rica. The Regional Training Assessment has begun with a visit by the Project Training Coordinator to Honduras and Costa Rica for purposes of evaluating university level activity in the area of municipal sector training.

D. Problems and Delays

The delay in receiving this year's budget allotment--it arrived at the beginning of January, a full quarter delay--has caused delays in programming activities for this fiscal year.

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

Major activities planned for the next period are:

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REGIONAL

- 1 THE OBSERVATION/EXCHANGE TRIP TO THE U. S. FOR MUNICIPAL ASSOCIATION OFFICIALS
- 2 THE POLITICAL LEADER CONCLAVE
- 3 PRIVATE SECTOR WORKSHOP WITH FEDEPRICAP
- 4 THE ANNUAL FEMICA CONGRESS
- 5 THE PLANNING FOR A POLICY SEMINAR IN THE WASHINGTON, D.C. AREA FOR CENTRAL AMERICAN MAYORS AND THEIR U. S. COUNTERPARTS
- 6 CONTINUATION OF THE TRAINING RESOURCES ASSESSMENT
- 7 THE CONTRACTING OF A SECOND BUY-IN WITH ICMA

BILATERAL

- 8 A POLICY SEMINAR IN COSTA RICA
- 9 TA TO HONDURAS ON SECTOR TRAINING THROUGH PRIVATE UNIVERSITIES
- 10 THE BEGINNING OF A PROBLEM-SOLVING EXERCISE IN NICARAGUA
- 11 THE BEGINNING OF A PROBLEM-SOLVING EXERCISE IN EL SALVADOR

CORRECTIVE ACTIONS: None.

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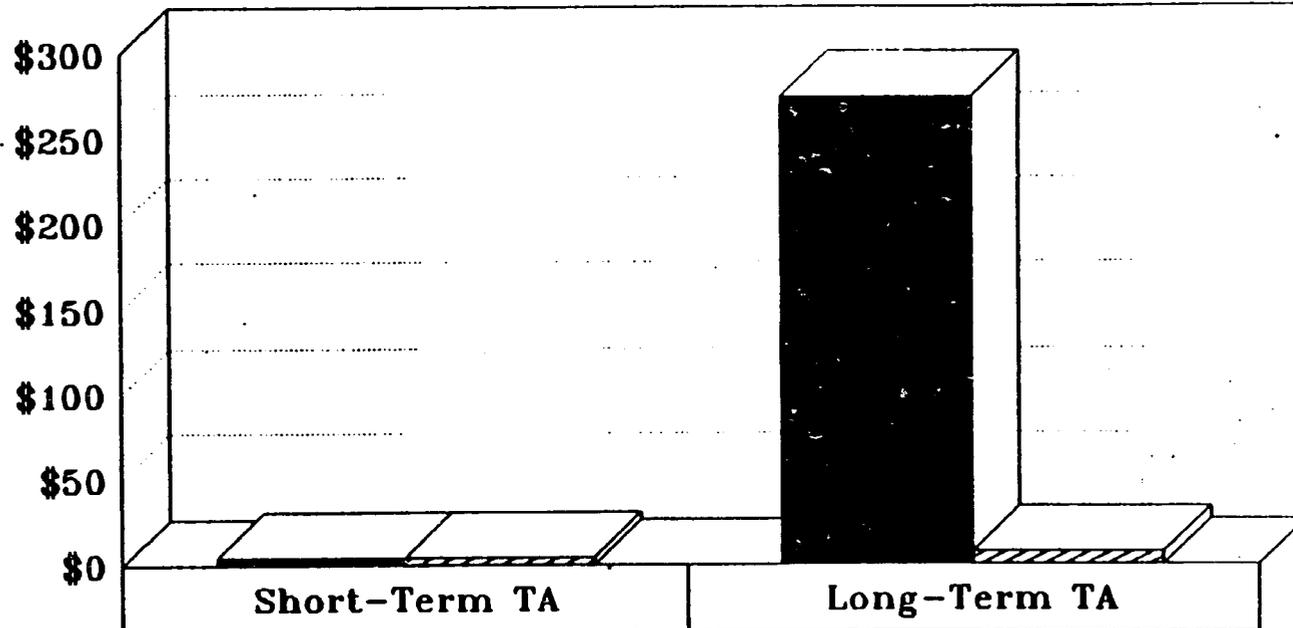
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LOCAL GOVT REG OUT STR-LOGROS (0167)

Commit. Vrs. Expend. as of 3/31/93

(\$)(Thousands)



	Short-Term TA	Long-Term TA
Commitments	\$4	\$274
Expenditures	\$4	\$7

 Commitments  Expenditures

III-57

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IA. BACKGROUND DATA

Project Title: Central American Shelter and Urban Development
 Project Number: 596-HG-008
 Date of HG Authorization: original 9/30/86 amendment 9/24/87 and 7/20/88
 Date of HG Borrowing: original 6/15/88 amendment N/A
 HG LOP: original 9/30/91 amendment 12/31/94
 Implementing Agencies: Central American Bank for Economic Integration (CABEI)
 Main Contacts: Federico Alvarez, President of CABEI; Leonel Rodriguez, Manager of Public Sector Division
 Major Contractors: National Mortgage Bank of Costa Rica; Central Bank of Honduras; and BANEX/FUNDAZUCAR of Guatemala
 AID Project Manager: Ronald Carlson, RHUDO/CA
 Status of CPs/Covenants: All CPs/Covenants met
 Date of Last Evaluation: 10/89 Next Evaluation: None scheduled
 Planned Number of Non-Federal Audits during Fiscal Year: 0
 The Number of such Audits Contracted for/Completed: 0
 Date of Last Audit: None scheduled Next Audit: None scheduled

IB. FINANCIAL DATA

Amount Authorized:	HG:	original	\$ 25M	amended to	\$ 45M
Amount Borrowed:	HG:	original	\$ 25M	amended to	\$ (N/A)
Amount Committed:		Period:			\$ 0
		Cumulative:			\$ 23,643,000
Accrued Disbursements:		Period - Projected:			\$ 2,800,000
		Period - Actual:			\$ 5,592,902
		Cumulative:			\$ 11,592,902
		Period - Next:			\$ 2,000,000
Outstanding Project Advances					(596-0143) \$355.32)
Counterpart					
Contribution:		Planned:			\$ 25,000,000
		Actual:			\$ 2,284,425
% LOP Elapsed:					78%
% of Total Auth. Oblig.					56%
% of Total Oblig. Exp.					46%
% of Total Auth. Exp.					26%

IIA. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES

Specific Linkage to Strategic Objectives: The current CABEI HG has been redirected to contribute to ROCAP's S.O. of more effective and democratic local governance in support of the Local Governance Regional Outreach Strategy (LOGROS) project. The redirected HG resources will improve local governments' response to citizen demands for basic urban services.

Percent of LOP Funds Relating to Strategic Objectives: 45% of obligation
 25% of authorization

IIB. PROJECT PURPOSE

To increase the availability of shelter and basic services to low income Central American families and to strengthen the existing capacity of CABEI and national and local public and private sector agencies to provide these services.

III. PROJECT DESCRIPTION

Under this \$85 million (\$45 million HG, \$15 million DA², and \$25 million in CABEI counterpart funds) investments would be made available to the region to finance low cost housing solutions and basic infrastructure for the urban poor in Costa Rica, El Salvador, Guatemala and Honduras.

² The \$15 million DA loan was subsequently deauthorized on 6/5/90.

IV. PROJECT STATUS

	<u>Planned EOPS</u>	<u>Progress To Date</u>
1.	Shelter production increases by 10,000 solutions.	3,903 solutions have been produced.
2.	Basic urban services extended to or improved for 145,000 families	Urban upgrading subprograms are being negotiated by CABEI in Honduras and Guatemala.
3.	Private sector participation on 100% of shelter construction contracts and at least 75% of infrastructure construction contracts.	100% of shelter construction contracts have been awarded to private sector developers. In the negotiations on the urban upgrading subprograms, CABEI is including infrastructure construction contracts with the private sector as a conditionality.

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

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4. Management and financial status of CABEI and participating institutions has been improved as a result of the project. Significant improvement has been realized by CABEI. These include: the incorporation of new extra-regional members; new capital contributions; loan repayment agreements with existing members; and approval of major recommendations for internal restructuring and reorganization.

B. Major Outputs

	LOP	Planned				Accomplished		
		Period	Cum.	Next Period	Period	Cum.	% of LOP	
1. New shelter units constructed	10,000	1,300	3,436	600	1,767	3,903	39	
2. Improve access to water and sanitation	145,000	0	-0-	-0-	-0-	-0-	-0-	
3. Person days of employment generated	5 million	400,000	710,000	78,000	230,000	507,000	10	

- Based on a 130 person days per shelter unit.

C. Other Accomplishments and Overall Status

- ROCAP/RHUDO processed two HG disbursement requests submitted by CABEI totaling \$5.5 million in eligible expenditures for 1,767 mortgagees generated in the Honduras and Guatemala shelter sub-programs.
- The median income levels for the Honduras and Guatemala sub-programs were adjusted to reflect the current affordability levels existing in each country.
- ROCAP/RHUDO defined in principle with CABEI and USAID/Honduras the objectives and procedures to channel \$10 million to support municipal development in coordination with Mission's bilateral program.
- CABEI de-committed Q21.6 million (\$4.3 million) from the Q36.6 million (\$7.3 million) shelter sub-program with BANEX/FUNDAZUCAR in Guatemala because of marketing problems. At this time BANEX/FUNDAZUCAR only want to commit to the remaining Q15.0 million (\$3.0 million) based on the sub-projects currently under construction in Escuintla and Santa Lucia Cotzumalguapa.
- CABEI proposed to direct the Q21.6 million to support an isolated shelter project, but because of the weak shelter policy environment in Guatemala at this time, ROCAP/RHUDO was able to convince CABEI to redirect the Q21.6 million in favor of municipal development.
- Consultants from the Urban Institute and PADCO started working with CABEI/Guatemala on the design of a municipal lending mechanism for the Q21.6 million through the private sector.
- The Central Bank of Honduras presented the second and third disbursement requests to CABEI under the shelter sub-program. The fourth and last disbursement under this sub-program component is scheduled for September 1993.
- BANEX/FUNDAZUCAR presented the first disbursement request to CABEI under the Guatemala shelter sub-program. As sub-projects are completed additional disbursements are scheduled to be presented to CABEI over the next six months.
- CABEI has now committed \$33.3 million (94.6%) of the total \$35.2 million (\$25 million HG and \$10.2 million counterpart) program resources available for shelter and urban infrastructure investment purposes. The remaining unprogrammed balance of \$1.9 million may be folded into the Honduras and/or Guatemala urban upgrading sub-programs.
- ROCAP/RHUDO presented a concept paper for a new HG with CABEI that would deauthorize \$10 million from the existing and still uncontracted \$20 million HG authorization, to use the remaining \$10 million HG authorization under pre-credit reform and a new \$10 million HG authorization with credit reform for a new \$20 million HG with CABEI to support and leverage ROCAP's local governance strategic objective as part of the LOGROS project. The concept paper was approved by LAC and design work has already begun to amend LOGROS and link this new HG.
- As part of determining the feasibility to proceed with a new CABEI HG, both a financial and an institutional assessment of CABEI was conducted. These assessments confirmed the positive institutional reforms CABEI is carrying out and an improved financial situation.

D. Problems and Delays

- There is a need to make corrections to the CABEI counterpart contributions. Of the three disbursements processed to date, the last two have included the proportionate share of HG and counterpart funding. The first disbursement processed back in 1990 did not deduct CABEI's counterpart. The counterpart contribution that still needs to be made is \$1.74 million. A letter has been sent to CABEI requesting a plan and proposal to make whole and properly balance out the proportionate share of HG and counterpart contributions.

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

- Process a final disbursement of \$1.775 million for the Honduras shelter sub-program and close out this activity.
- Process additional disbursements totaling \$225,000 in the Guatemala shelter sub-program.
- Approve Honduras and Guatemala urban upgrading sub-programs.
- Extend the HG life of project from 12/31/94 to 6/30/96 to coincide with the 36 month implementation period required to build and complete urban infrastructure investments in the Honduras and Guatemala urban upgrading sub-programs.
- Deauthorize the first \$10 million from the existing HG authorization and shift the second \$10 million authorization to the new \$20 million LOGROS HG.

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III. D

IN SUPPORT OF ALL THREE OBJECTIVES

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<u>Project</u>	<u>Number</u>	<u>Page</u>
Regional Development Support	596-0162	III-61

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

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IA. BACKGROUND DATA

Project Title: Regional Development Support
 Project Number: 596-0162
 Date of Authorization: original 09/04/90 amendment 08/03/92
 Date of Obligation: original 02/28/90 amendment 09/30/92
 PACD: original 07/31/95 amendment 09/30/96
 Implementing Agencies: ICAITI, INCAP, FEDEPRICAP, ICMA, ACADEMY FOR EDUCATIONAL DEVELOPMENT.
 Major Contacts: Steven Dorsey and Kathaline Horkan
 Major Contractors: Sandy Callier/PASA (Health and Nutrition Advisor), Mario Funes (GREAT Reg. Energy Advisor), Harry Jaeger (RHUDO Municipal Development Advisor), John Henry Fisher (RHUDO Training Coordinator), ICMA (Institutional support to FEMICA), Academy for Education Development (Regional Information Clearinghouse), Charles Connolly and Allen Hankins (Project Design Officers).
 AID Project Manager: Nancy Hooff
 Status of CPs/Covenants: N/A
 Date of Last Evaluation: 11/30/92 Next Evaluation: 11/30/94
 Planned Number of Non-Federal Audits during Fiscal Year: 3
 The Number of such Audits Contracted for/Completed: 1
 Date of Last Audit: 12/92 ICAITI Next Audit: 4/93 FEDEPRICAP
 8/93 INCAP
 Date of Last Site Visit: N/A

IB. FINANCIAL DATA

Amount Authorized: DA/ESF Grant: original	\$ 2,500,000	amended to \$ 5,000,000
Amount Obligated: DA/ESF Grant: original	\$ 68,000	amended to \$ 2,324,154
Amount Committed: Period:	(\$ 3,125)	
	Cumulative:	\$ 2,318,861
Accrued Expenditures: Period - Projected:	\$ 612,545	
	Period - Actual:	\$ 514,002
	Cumulative:	\$ 1,517,162
	Period - Next:	\$ 496,704
Outstanding Project Advances:	\$ 987	
Counterpart Contribution: Planned:	\$ N/A	
	Actual:	\$ N/A
% LOP Elapsed:	% 47	
% of Total Auth. Oblig.	% 46	
% of Total Oblig. Exp.	% 65	
% of Total Auth. Exp.	% 30	

IIA. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES

Specific Linkage to Strategic Objectives: This project supports all three of ROCAP's Strategic Objectives and promotes regional cooperation through provision of technical assistance, a regional information clearinghouse and a regional support fund.

Percent of LOP Funds Relating to Strategic Objectives: %30 Trade and Investment
 %30 Democratic Initiatives
 %20 Environment and natural resources
 %20 Outside of ROCAP's S.O. (H/N)

IIB. PROJECT PURPOSE

- 1) To improve regional initiatives in trade and investment (including energy development), environment and natural resource conservation, democratic initiatives, and health and nutrition.
- 2) To improve the access of regional institutions, fora participants, donors and USG development organizations in Central America to current and relevant regional information.

III. PROJECT DESCRIPTION

The project (as amended) is designed to promote regional cooperation in ROCAP's strategic areas of focus. A regional information clearinghouse and a regional support fund will help ROCAP carry out its program goal, viz. to promote a competitive, sustainable Central American economy in a stable democratic environment.

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IV. PROJECT STATUS

	<u>Planned EOPS</u>	<u>Progress To Date</u>
1.	Trade and Investment/Energy:	
	a) Regional electrification programs strengthened	a) Activities completed. The CARES project has been strengthened through the services of a Regional Energy Advisor who will continue through April 1994 and through the financing of regional energy audits and training (ICAITI).
	b) Private sector linkages strengthened	b) Activities completed. Private sector linkages strengthened through support to AUPRICA and FEDEPRICAP to improve private university networking in C.A.
	c) Women's participation in business strengthened	c) Activities completed. Women's participation in business strengthened through support to women's business associations and FEDEPRICAP in the provision of computer equipment and training.
2.	Environment activities designed and implemented	Project development and support has been provided to design and follow up activities in the Regional Agricultural Development Office (RADO).
3.	Democratic initiatives: Regional municipal development programs strengthened	Two buy-ins with the International City Managers Association (ICMA) have provided technical assistance to carry out FEMICA's Second Annual Congress and In-country workshops in which 74 people participated (57 men/ 17 women). Urban environmental conference on management of solid waste has helped orient several Central American cities with their solid waste problems and training of personnel. Studies on improving women's participation in the democratic process and regional municipal indicators are on-going. The observation course to Chile provided the opportunity for ministerial level leaders to experience the Chilean accomplishments and problems with decentralization. In addition, the trip opened up our burgeoning LOGROS network to new and high-level contacts. TA provided by the Regional Municipal Training Officer and Regional Municipal Development Advisor is on-going.
4.	Health and Nutrition: INCAP Institutionally strengthened.	TA to INCAP is on-going. Endowment and long term financial options have been explored in conjunction with project 596-0169 (INCAP I.S.)
5.	Regional Information Clearinghouse has improved access to regional information: Three state of the region reports (SORR) issued; Thirty regional information bulletins (RIBS) issued; fifteen tailored information packages (TIPS); one hundred ad-hoc information requests filled; and SORR's, RIBS and TIPS distributed to target user groups (TUG's).	AED/CDIE advance team TDY completed; Chief of Party and Information Analyst arrived at post on February; RIC office is in the final process of being installed at Edificio Plaza Maritima. Annual work plan as well as RIC brochure have been drafted.

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

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6. Under the Regional Support Fund, coordinating and networking activities accomplished (demand driven).

UNIAPRAVI: A request to finance (in part) a Regional Housing Finance Conference, which will explore new financing mechanisms for the shelter sector in C.A., has been approved.
 POLITICAL LEADERSHIP TRAINING: This activity was originally identified as a priority at the DI officers conference last July. A scope of work for the training activity and a request of interest has been sent to the C.A. missions

B. Major Outputs

	Planned				Accomplished		
	LOP	Period	Cum.	Next Period	Period	Cum.	% of LOP
1. Long Term TA in TI/Energy, democratic initiatives, health & nutrition. (P-MS)	102	24	73	12	24	73	72
2. Policy for workshops seminars, studies, observation trips	38	4	37	0	2	37	97
3. Short term TA (for project design, and in strategic areas) (TDY's)	9	2	9	2	2	.9	100
4. Regional Information Clearinghouse:							
SORR	3	0	0	0	0	0	0
RIBS	30	0	0	3	0	0	0
TIPS	15	0	0	0	0	0	0
Ad-hoc Requests	100	0	0	0	0	0	0
5. Regional Support Fund (demand driven)	dd	0	2	0	2	2	dd
6. Training (persons)	M F * *	M F * *	M F * *	M F * *	M F 57 17	M F 187 239	M F * *

* = Statistics on total number and gender of trainees not available.
 dd = Demand Driven

C. Other Accomplishments and Overall Status

A mid term evaluation which analyzed activities completed during the first phase of the project was completed in November 1992. Evaluation report and Evaluation summary form were submitted to AID/W on 2/24/93.

A three member team from CDIE and AED came in October 1992 to begin advance work for the RIC team. The chief of party and an information analyst were selected in November and began work in AID/W in December. Both arrived in country in February 1993. The team has moved into their new offices, they have received their computer equipment, they are hooked up into the E-mail system and have hired an administrative assistant. Mobilization of the RIC has been done in record time; the add-on to the AED contract was executed in late September 1992.

A study on women's participation in the democratic process was completed and will be utilized in the implementation of LOGROS.

A general study on DI strategic objective indicators was completed. Refinement and selection of indicators for the LOGROS project will be completed under PD&S funding.

TA to FEMICA was initiated under an ICMA buy-in.

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D. Problems and Delays

- The grant to ICAITI was made prior to the establishment of the recipient contracted audit program which stipulates auditing firms to be used which are acceptable to the USG. Last year ICAITI, under the terms of the LSCA, contracted and carried out an audit with a firm which is not on the USG prequalified list (Arroyo y asociados). The Controller is now analyzing the acceptability of this audit.

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

- Regional Information Clearinghouse: An annual work plan will be finalized in conjunction with the technical offices. The COP and Information Analyst will begin CA circuit trip to visit USAID's, regional institutions and counterparts with the project officer or the appropriate technical officers. The purpose of the trip is to carry out a needs assessment and inventory of information resources. The input will be essential in developing the Information Policy Statement for the operation and use of the RIC. An additional \$225,000 of incremental funding will be added to the RIC to carry the activity through December of 1993.

- Regional Support Fund: Regional Housing Finance conference will be obligated and take place in El Salvador.

- Health/Nutrition: The PASA amendment for the HN Advisor will be extended by six weeks to August 20, 1993. Contracts for an FSN H/N project officer and secretary in OH&E will be signed to assure the management of the INCAP project.

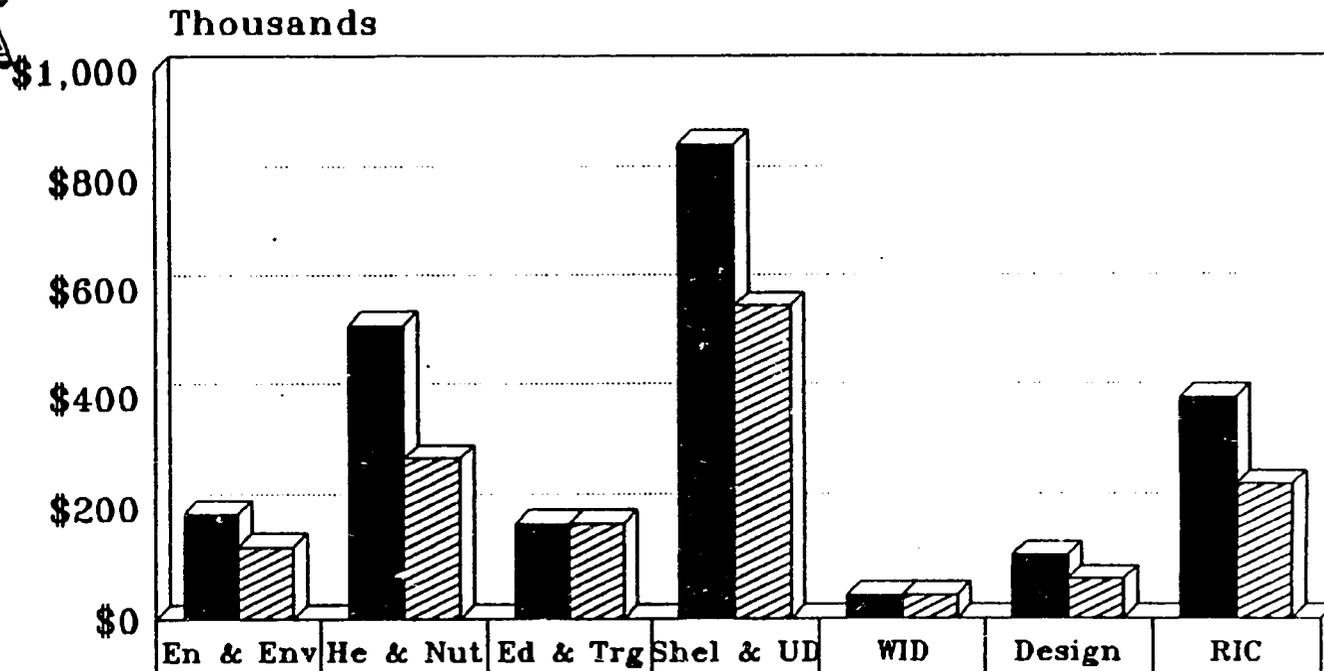
- Political Party Leadership training will take place for C.A. leaders.

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REGIONAL DEVELOPMENT SUPPORT (G162)

Commit. Vrs. Expend. as of 3/31/93



	En & Env	He & Nut	Ed & Trg	Shel & UD	WID	Design	RIC
Commitments	\$190	\$535	\$172	\$864	\$42	\$115	\$400
Expenditures	\$131	\$290	\$172	\$569	\$42	\$71	\$243

Commitments
 Expenditures

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III. E

OTHER ACTIVITIES

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<u>Project</u>	<u>Number</u>	<u>Page</u>
Technical Support for Food Assistance	596-0116	III-67
Central American Peace Scholarships	596-0130	III-71
Central American Rural Electrification Support	596-0146	III-75
INCAP Institutional Strengthening	596-0169	III-80
Central American Development Coordination Commission	596-0176	III-84

PROJECT STATUS REPORT
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IA. BACKGROUND DATA

Project Title: Technical Support for Food Assistance Programs
 Project Number: 596-0116
 Date of Authorization: original 03/28/85 amendment 09/24/87
 Date of Obligation: original 03/28/85 amendment 09/24/87
 PACD: original 03/31/90 amendment 05/31/93
 Implementing Agencies: Institute of Nutrition for Central America and Panama (INCAP)
 Main Contacts: Dr. Hernán Delgado, INCAP Director
 Dr. Arnulfo Noguera, Project Coordinator
 Major Contractors: Planning Assistance
 AID Project Manager: Sandra Callier
 Status of CPs/Covenants: All met.
 Date of Last Evaluation: 06/89 Next Evaluation: None scheduled
 Planned Number of Non-Federal Audits during Fiscal Year: 1
 The Number of such Audits Contracted for/Completed: 0
 Date of Last Audit: 07/92 Next Audit: June 1993
 Date of Last Site Visit: Project Manager visits INCAP twice a week.

IB. FINANCIAL DATA

Amount Authorized:	DA/ESF Grant: original	\$ 5,600,000	amended to \$ 6,100,000
Amount Obligated:	DA/ESF Grant: original	\$ 3,250,000	amended to \$ 6,100,000
Amount Committed:	Period:	\$ (3,795)	
	Cumulative:	\$ 6,095,673	
Accrued Expenditures:	Period - Projected:	\$ 466,861	
	Period - Actual:	\$ 393,607	
	Cumulative:	\$ 6,026,746	
	Period - Next:	\$ - 0 -	
Outstanding Project Advances:		\$ 17,327	(Planning Assistance)
Counterpart Contribution:	Planned:	\$ 1,733,000	
	Actual:	\$ 2,148,000	
% LOP Elapsed:		98%	
% of Total Auth. Oblig.		100%	
% of Total Oblig. Exp.		99%	
% of Total Auth. Exp.		99%	

IIA. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES

Specific Linkage to Strategic Objectives: Outside the Mission Strategic Objectives
 Percent of LOP Funds Relating to Strategic Objectives: N/A %

IIB. PROJECT PURPOSE

To improve the effectiveness of food assistance (FA) activities in the Central America/Panama region by helping to establish effective national coordination mechanisms and strengthening the technical, managerial and evaluation capabilities of INCAP and national public and private agencies in the region.

III. PROJECT DESCRIPTION

This project provides T.A., through INCAP, to public and private food programs and implementing agencies and ministries so as to strengthen their food aid planning, targeting, management, evaluation and community outreach capabilities. Through this assistance, INCAP promotes the use of food aid as a resource for improving the health, nutrition and food security of Central Americans.

IV. PROJECT STATUS

	<u>Planned EOPS</u>	<u>Progress To Date</u>
1.	Action plans for improving FA programs elaborated/implemented.	Achieved; implementation initiated in four countries.
2.	National strategies/policies for FA developed in three countries.	Achieved; verified in 6/89 evaluation.
3.	National inter-agency Coordination mechanisms functioning in the three countries.	Achieved as ver. in 6/89 evaluation.
4.	Better managed/more effective FA programs through: <ul style="list-style-type: none"> a. Dev't./use of recommended guidelines for design/monitoring/eval. of FA programs and for development norms and information systems. 	Achieved; 13 public. being distributed.

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

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- b. Improved technical/managerial capacity of regional/national staff responsible for planning, implementing, evaluating of FA programs. Achieved; per 6/89 evaluation.
- c. Better knowledge of costs, major problems, possible solutions in implem. evaluat. of FA programs. Achieved; prj. pub. disseminated.
- d. Improved knowledge/understanding of effects of FA programs. Achieved per 6/89 evaluation.
- e. Improved nat'l level FA targeting and beneficiary selection in programs. Achieved; lessons being used by other donors.

B. Major Outputs

	LOP	Planned			Accomplished			% of LOP
		Period	Cum.	Next Period	Period	Cum.		
1. STAC Meeting	6	0	5	0	0	5	83*	
2. Regional Seminar	3	0	2	0	0	2	67*	
3. Reg./National Donors Meeting	5/25	0/0	3/22	0/0	0/0	2/23	40*/92	
4. Task Force Mtgs.	16	0	16	0	0	15	94	
5. Reg. Guidelines/Methodologies	13	0	13	0	0	13	100	
6. Reg./Itinerant	11	0	11	0	0	11	100	
7. Reg'l Clearinghouse	1	0	1	0	0	1	100	
8. National Documentation Centers	5	0	26	0	0	26	520	
9. Tec'l Info. Diss.								
a. tech'l Docs.	10	0	21	0	0	24	240	
b. Biblio List	5	0	4	0	0	5	100	
c. Bulletins	15	0	14	0	0	16	107	
d. Documentaries	6	0	11	0	0	11	183	
10. Tech'l Assist. to nat'l progs. by INCAP (pers/mos.)	90	0	148	0	0	209	232	
11. Operations/ Applied Research: act's completed.	18	0	13	0	0	12	67	
12. Prticip. Trnd.	M F	M F	M F	M F	M F	M F	M F	
Long-Term	0 0	0 0	0 0	0 0	0 0	0 0	N/A N/A	
Short-Term	288	100	332	0	40	467	162	

* Remainder of STAC and regional donors/agency mtgs. and final Regional Seminar will not be held. Funds have been reprogrammed for activities that assist INCAP in strengthening its menu of technical services.

C. Other Accomplishments and Overall Status

The project was extended to May 31, 1993 in order to allow adequate time for completion of final commodity procurement under the project. INCAP and its suppliers made good faith efforts to complete the delivery and installation of all goods and equipment on time. However, in particular, the installation of wiring for INCAP's local area network (LAN) proved more complicated and time consuming than originally contemplated. There were also delays in the arrival of certain imported goods which were not foreseeable at the time orders were placed.

As of March 31, all major commodities had been received by INCAP. Local procurement of certain computer supplies and the testing of the LAN wiring is expected to be completed well before the PACD.

Also by March 31, INCAP had presented all the information requested by A.I.D. to respond to outstanding financial management review issues and to be prepared for a final financial management review. The latter is expected to begin by June 1, 1993.

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

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D. Problems and Delays

As agreed, INCAP contracted with a local auditing firm on A.I.D.'s approved list to assist the Institute in preparing financial documentation required for the final financial management review. Unfortunately, the firm did not comply completely with the scope of work, specifically with respect to determining INCAP's overhead rate. A.I.D. will need to work with INCAP and the contractor to ensure that the work is adequately completed. Initiation of the final financial management review is pending completion of this work.

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

1. Initiation of the final financial review in June, 1993.
2. Completion of Project Assistance Completion Report.
3. Deobligation of excess funds.

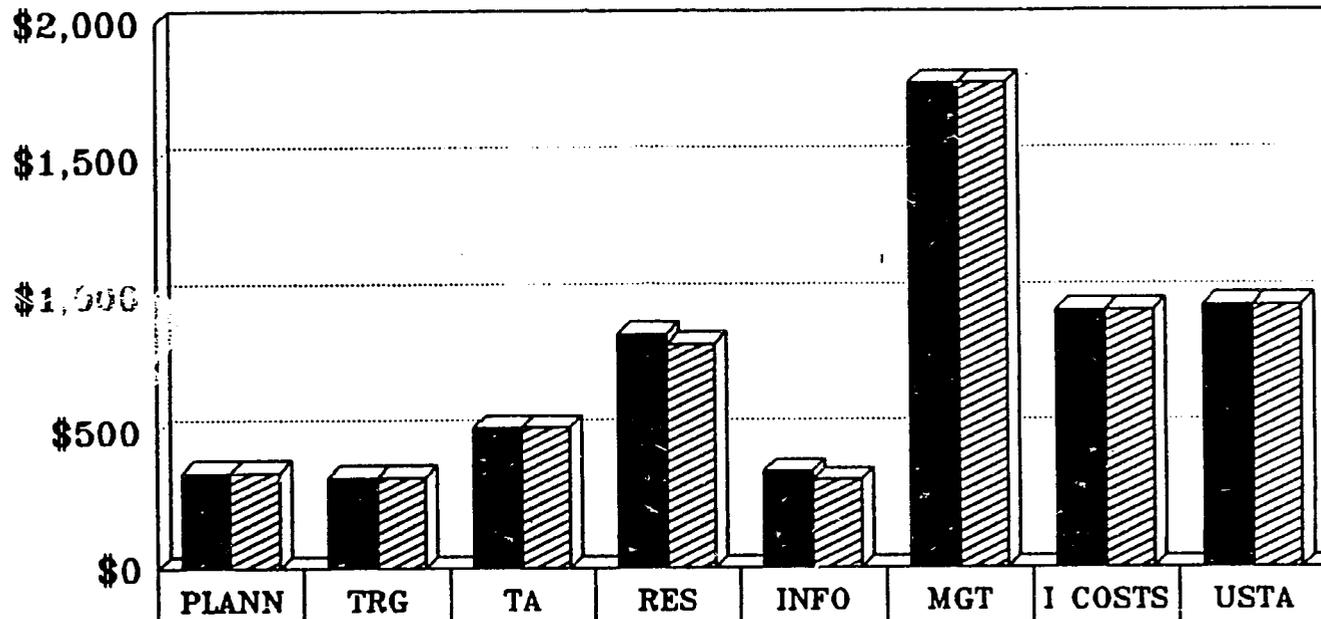
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TECH. SUPPORT FOR FOOD ASSIST. (0116)

Commit. Vrs. Expend. as of 3/31/93

Thousands



	PLANN	TRG	TA	RES	INFO	MGT	I COSTS	USTA
Commitments	\$350	\$330	\$514	\$859	\$351	\$1,781	\$946	\$965
Expenditures	\$350	\$330	\$514	\$823	\$319	\$1,781	\$946	\$965

Commitments
 Expenditures

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

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IA. BACKGROUND DATA

Project Title: Central American Peace Scholarships
 Project Number: 596-0130
 Date of Authorization: original 02/14/85 amendment 05/04/89
 Date of Obligation: original 09/10/85 amendment 07/07/89 (Zamorano)
 original 08/06/85 amendment 09/18/89 (INCAE)
 PACD: original 09/30/93 amendment --/--/--
 original 12/31/87 amendment 12/31/91 (Zamorano)
 original 12/31/87 amendment 07/31/93 (INCAE)
 Implementing Agencies: INCAE (Central American Institute for Business Administration),
 ZAMORANO (Pan American School of Agriculture)
 Main Contacts: Francisco Hidalgo, (INCAE) and Raul Zelaya (Zamorano)
 Major Contractors: None
 Project Manager: Nancy Hooff
 Status of CPs/Covenants: Completed
 Date of Last Evaluation: 04/05/90 Next Evaluation: None
 Planned Number of Non-Federal Audits during Fiscal Year: 1 (INCAE) 0 (ZAMORANO)
 The Number of such Audits Contracted for/Completed: 2/2 (INCAE) 1/1 (ZAMORANO)
 Date of Last Audit: 8/92 (INCAE) Next Audit: 8/93 (INCAE)
 8/90 (ZAMORANO) None (ZAMORANO)
 Date of Last Site Visit: 8/92 (INCAE)

* Includes one financial review for each one of the institutions.

1B. FINANCIAL DATA

Amount Authorized: DA/ESF Grant: original	\$ 6,892,000	amended to \$ N/A
Amount Obligated: DA/ESF Grant: original	\$ 800,000	amended to \$ 6,804,572
Amount Committed: Period:	\$ 0	
	Cumulative:	\$ 6,804,572
Accrued Expenditures: Period - Projected:	\$ 142,371	
	Period - Actual:	\$ 119,362
	Cumulative:	\$ 6,568,346
	Period - Next:	\$ 25,000
Outstanding Project Advances:	\$ -0-	(INCAE) -0- (Zamorano)
Counterpart Contribution: Planned:	N/A	
	Actual:	N/A
% LOP Elapsed:	94 %	
% of Total Auth. Oblig.	99 %	
% of Total Oblig. Exp.	96 %	
% of Total Auth. Exp.	95 %	

IIA. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES

Specific Linkage to Strategic Objectives: N/A

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

IIB. PROJECT PURPOSE

To increase the number of U.S.-trained public and private sector individuals, especially the disadvantaged, at the planning, implementation, technical and administrative levels.

III. PROJECT DESCRIPTION

The ROCAP CAPS project has focused on providing both long- and short-term development training opportunities for Central Americans. The training has supported the overall development goals of the countries and served to enhance friendly relations with the United States.

IV. PROJECT STATUS

<u>Planned EOPS</u>	<u>Progress To Date</u>
1. 113 Long-term and 585 short-term scholarships provided to Central Americans.	A total of 104 Central American have received long-term and 614 short-term training.
2. Governmental institutions or the private sector providing various development related services because of the contribution of better trained staff.	PYME-COOP groups have formed their association to increase non-traditional exports; CA Public Auditors working for the Controller General's Office have formed their association in order to solve common problems; Agricultural Teachers have formed their association to improve teaching techniques at agricultural schools.

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

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3. Closer business and friendship ties between LAC countries and the US because of relationships formed during training. Productive relations with US business have been established.

B. Major Outputs

	Planned				Accomplished			
	LOP	Period	Cum.	Next Period	Period	Cum.	% of LOP	
1. Technical Trg. Cooper. Mang.	90	0	90	0	0	90	100	
2. Technical Trg. Agric. Teachers	341	0	341	0	0	372	110	
3. Technical Trg. Small Business	50	0	50	0	0	47	94	
4. Technical Trg. Public Auditors	160	0	160	0	0	159	99	
5. Technical Trg. Zamorano Staff	10	0	10	0	0	10	100	
6. Academic Trg. INCAE Staff	5	0	5	0	0	5	100	
7. Academic Trg. (Zamorano grdts)	42	0	42	0	0	35	83	
8. Training	<u>M</u> <u>P</u>							
8a. Long Term	68 45	0 0	68 45	0 0	0 0	74 30	109	67
8b. Short Term	315 234	0 0	351 234	0 0	0 0	440 174	125	74

C. Other Accomplishments and Overall Status

- Final amount of allowable costs to Zamorano under Cooperative Agreement No. 596-0130-A-00-9574-00 have been paid. The remaining funds will be de-obligated through a Journal Voucher prepared by Controller's office after accounting close out process is finished.
- A voucher for the conferences (PYME-COOP and Public Auditors) held in 1992 was submitted by INCAE. It was applied to the last open advances left in the cooperative agreement. Both Zamorano and INCAE have finished liquidating their outstanding advances.
- After INCAE's reorganization process and the CAPS coordinator's resignation, INCAE considered discontinuing managing CAPS program, but ROCAP requested them to complete the Project. After reconsideration, INCAE relocated the program under one of their main fields: Enterprise Development Center (Centro de Desarrollo de la Empresa) and will continue to manage the program until the Cooperative Agreement expires in July 31, 1993.
- The PYME-COOP group held a Regional Coordinators' meeting for the period March 22-26, 1993; it was held at INCAE, Alajuela, Costa Rica; FEDEPRICAP participated. The purpose of the meeting was to consolidate the regional association and to search for both financial and planning support from other international organizations.
- Letters requesting integration of ROCAP ex-CAPS participants into national follow-up programs were sent to USAID/Guatemala, USAID/San Salvador, USAID/San Jose, and USAID/Panama. USAID/Tegucigalpa at their own initiative, requested a list of ex-participants in order to integrate them into their national programs. USAID/Panama is willing to integrate ROCAP Panamanian ex-participants into their national programs; USAID/Guatemala is not able to integrate ROCAP Guatemalan ex-participants, because of the difference in the fields of training.

D. Problems and Delays

1. There are \$ 236,855 of remaining questioned costs related to INCAE's overhead rate. An audit for FY 92 has been done by Arthur Andersen and a draft report has been submitted to the Controller's Office. The Mission has not yet received a final report which will make an opinion of the overhead rate methodology developed by Peat Marwick over a year ago. Based on a determination of the overhead rate, the remaining questioned costs will be settled by May 1993. This is a joint Controller/Contracts Officers action.
2. INCAE was to have their financial management system implemented in March 1993. The implementation of the system has been delayed until June 1993.

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

1. Based on the last audit of INCAE, overhead rates will be negotiated by the Contracts Office based on the Controller's determination; the outstanding recommendation on questioned costs will be closed.
2. The financial management system at INCAE will be implemented by June 1993. Then, a Financial Analyst from USAID/ROCAP's Controller's Office will be assigned to travel to INCAE to review and certify the new financial system. Certification is expected to be completed before the PACD. This will close the other outstanding recommendation under the Project.
3. As a result of a recommendation under the CAPS project, Zamorano is implementing a new financial management system which will be installed by June 1994. A Financial Analyst will be sent to visit Zamorano in the Third Quarter of 1993 to verify progress. A Financial Analyst from the USAID/ROCAP's Controller's office will be assigned to travel to Zamorano to certify the new financial system after June 1994. The only active project presently at Zamorano is RENARM (596-0150). Follow up on the certification of the financial management system is being tracked in the context of the RENARM project.
4. Final follow-up activities will be coordinated with INCAE, which includes a PYME-COOP Regional Meeting in early June to be held in Guatemala, and training for public auditors.
5. Final audit for INCAE will be done in August 1993 in order to close-out the Project.

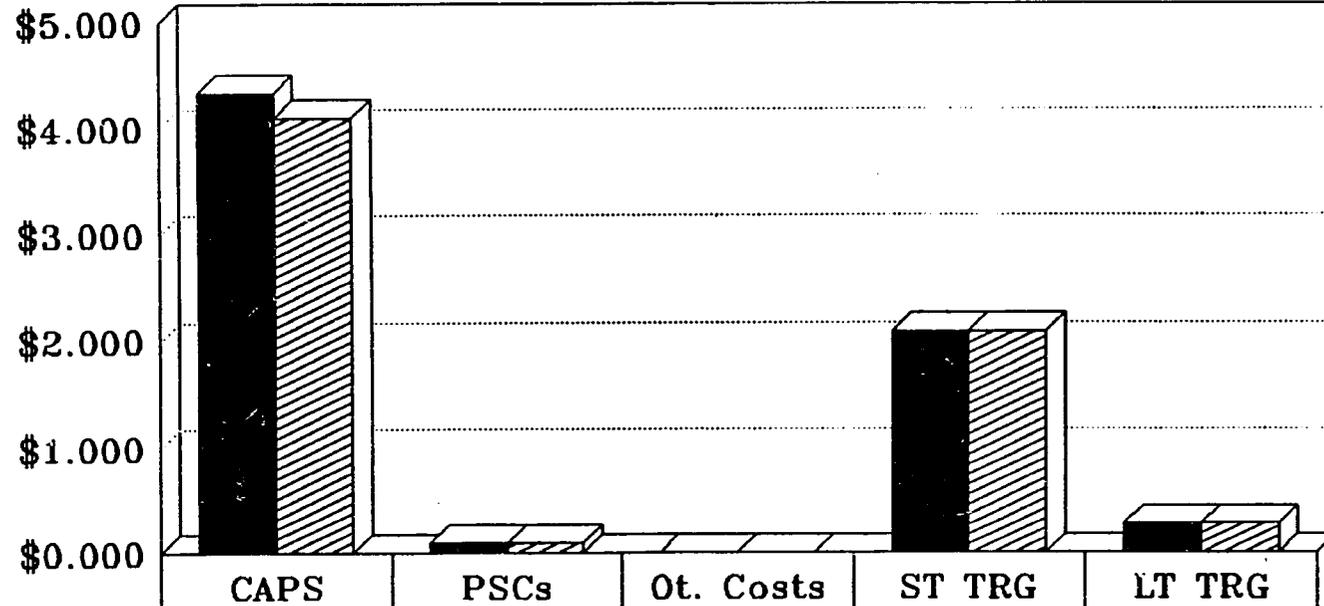
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C.A. PEACE SCHOLARSHIPS (596-0130)

Commit. Vrs. Expend. as of 3/31/93



Millions



	CAPS	PSCs	Ot. Costs	ST TRG	LT TRG
Commitments	\$4.338	\$0.095	\$0.004	\$2.086	\$0.281
Expenditures	\$4.102	\$0.095	\$0.004	\$2.086	\$0.281

Commitments
 Expenditures

IA. BACKGROUND DATA

Project Title: Central American Rural Electrification Support Program (CARES)
 Project Number: 596-0146
 Date of Authorization: original 05-05-87 amendment 08-07-90
 Date of Obligation: original 05-05-87 amendment 08-07-90
 PACD: original 09-30-92 amendment 03-31-94
 Implementing Agencies: NRECA
 Major Contractors: none
 Main Contacts: Pete Smith, NRECA
 AID Project Manager: Mario Funes
 Status of CPs/Covenants: Completed
 Date of Last Evaluation: 05-15-90 Next Evaluation: 10/15/93
 Planned Number of Non-Federal Audits during Fiscal Year: None.
 The Number of such Audits Contracted for/Completed: n/a
 Date of Last Audit: none Next Audit: none (NRECA is a none profit organization, therefore an audit is not requested).
 Date of Last Site Visit: Project Manager visits project once a week.

IB. FINANCIAL DATA

Amount Authorized:	DA/ESF Grant:	original	\$ 5,000,000	amended to \$ 10,000,000
Amount Obligated:	DA/ESF Grant:	original	\$ 4,610,000	amended to \$ 9,999,995
Amount Committed:	Period:		\$ - 0 -	
	Cumulative:		\$ 9,999,857	
Accrued Expenditures:	Period - Projected:		\$ 1,724,872	
	Period - Actual:		\$ 1,464,987	
	Cumulative:		\$ 7,572,818	
	Period - Next:		\$ 1,149,915	
Counterpart				
Contribution:	Planned:		\$ 1/	
	Actual:		\$	
% LOP Elapsed:			85%	
% of Total Auth. Oblig.			100%	
% of Total Oblig. Exp.			76%	
% of Total Auth. Exp.			76%	

1/ Not contemplated in Project Design

II. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES

A. Specific Linkage to Strategic Objectives: CARES is outside the Mission Strategic Objectives.

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

IIB. **PROJECT PURPOSE** To strengthen the institutional and technical base for improved electrification programs in order to increase rural access to electricity in Central America and Panama.

III. PROJECT DESCRIPTION The Project has the following major components:

- Dialogue on Policy and Institutional Reform, to support the adoption of policies and institutional reforms to strengthen the organizational and financial basis for rural electrification.
- Enhancement of Operational Efficiency, to raise and maintain levels of technical and managerial skills aimed at reducing technical and administrative losses and operating costs.
- Least-Cost Rural electric Systems, to promote the widespread adoption of standardized, appropriate designs and specifications for electric systems.
- Productive Uses of Electricity, to provide technical assistance and training to national programs of productive use promotion.

IV. PROJECT STATUS

<u>Planned EOPS</u>	<u>Progress To Date</u>
1. <u>Dialogue on Policy and Institutional Reform</u>	
National utility RE in CA countries	Over 150 villages selected by DAM for RE in two countries.
	Regional Seminar on DAM with follow-up in three countries.
	Feasibility study underway to create RE financing institutions.
Decentralized RE in four countries.	Underway in five countries.
At least two locally managed systems.	Private electric company legally established and operating in Honduras. Electric cooperative organized and operating in El Salvador. Revitalization of six municipal electric companies underway in Guatemala.

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2. Enhancement of Operational Efficiency:
 Effective training programs for up to 300 people to improve management and operations in RE. Training presented at all levels to over 100 persons this period.
 Improvement of utility operating Major seminar/workshop on energy efficiency with participants from all CA countries except Belize.
3. Least Cost Rural Electric Systems:
 RE standards adopted and demonstrated in a minimum of four countries. RE standards adopted and demonstrated in Guatemala and El Salvador.
 Minimum of two workshops in least cost design with minimum of four countries participating. Least cost RE computer aided design package nearly ready for field testing and workshops. Three workshops on renewable energy technology design for RE completed.
4. Productive Uses of Electricity Program:
 Establishment of Productive uses of electricity Programs in a minimum of four countries. Two PU programs established in Guatemala and one in El Salvador Program development underway in Honduras, Costa Rica, and Nicaragua.
 Credit Program established and used. Four credit programs operational in three countries.

B. Major Outputs

	LOP	Planned			Accomplished		
		Period	Cum.	Next Period	Period	Cum.	% of LOP
<u>Dialogue on Policy</u>							
1. DAM	1	0	1	0	0	1	100
2. DAM Applications	5	4	9	1	1	8	100+
3. Feasibility Studies	2	2	13	0	0	9	100+
4. Isolated Systems	18	3	15	0	2	10	56
5. Hydro Plant Rehab.	2	0	4	0	0	4	100+
<u>Least Cost</u>							
1. RE Standards	3	0	3	0	0	3	100
2. Surplus Equip.	500,000	100,000	600,000	0	100,000	733,000	100+
<u>Enhancement of Operating Eff.</u>							
1. PU Program	5	1	7	0	2	7	100+
2. Rate Initiatives	3	1	4	0	0	2	67
3. Training							
Short-Term	300						100
Male		70	522	35	70	738	
Female		10	106	10	27	139	

C. Other Accomplishments and Overall Status

1. Dialogue on Policy and Institutional Reform:

Demand Assessment and Site Selection Methodology (DAM). DAM evaluations completed for 75 villages under PER-III in Guatemala and for over 60 villages in Honduras to prepare a RE investment package.

Guatemala. Utility operations program institutionalized in six municipal electric companies.

Honduras. Roatan Electric Company (RECO), a private utility with broad based ownership, formally incorporated and in operation.

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Nicaragua. Equipment procured for Bluefields and Puerto Cabezas; power plants installed and in operation.

RE/Environment. La Castalia integrated watershed management plan completed.

Training. Comprehensive training program completed for the six municipal electric companies in Guatemala. Management training for all management staff at RECO. Regional workshop on energy efficient transformers completed in El Salvador. Utility regulatory training completed for SNE (Servicio Nacional de Electricidad), Costa Rica.

Rate Initiatives. Helped initiated to support a unified tariff methodology (Tarifa Unificada de CA) for CA.

Information Systems. Continued publication of brochures, executive summaries, and other informational documents for the region.

3. Least Cost Rural Electric System Design:

Rural Electric Distribution Standards. Completed review of engineering design and construction practices of villages electrified under PER-III program. Three workshops held on quality control on standards applications for PER-III personnel from INDE (Instituto Nacional de Electricidad-Guatemala).

Commodity Procurement. Three 40-foot containers of surplus equipment valued at over \$100,000 distributed to INDE and municipal electric utilities. Surplus equipment program set up in Honduras and Nicaragua.

Renewable Energy Electric Systems. A regional source database is being organized. Major workshop held to develop a renewable energy development plan for Central America.

4. Productive Uses of Electricity Programs:

Productive Uses Programs. Six productive uses (PU) workshops with representatives from counterpart organizations, private development organizations (PDOs), and utilities of Honduras, Costa Rica and Nicaragua were completed.

Productive Uses Credit program. The FUNDAP/INDE PER III PU credit program continues to grow in Guatemala with over 900 loans granted. A new PU credit program managed by Genesis and EEGSA (Empresa Electrica de Guatemala, S.A.) and a credit program in Honduras and Costa Rica are underway. Three videos were produced, one on new approach to rural electrification shows CARES activities in the region, another one Productive Uses of electricity and Women in Development shows CARES involvement in PU activities throughout the region.

D. Problems and Delays:

No major problems were encountered during the past six months. Expenditures were within budget and the milestones in the FY93 workplan for this period, in large part, were accomplished.

One milestone, the implementation of rural electric standards in Honduras has been dropped until the national utility of Honduras has been reorganized. The identification of an area for the second decentralization project in Honduras was delayed, but now is near completion.

CARES has hoped to identify a specific decentralization project in Guatemala and investigated both the Peten and Quetzaltenango. Neither proposed project appeared feasible in the near term, and consequently no new decentralized project is underway at this time in Guatemala.

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

1. Dialogue on Policy and Institutional Reform:

Decentralization Initiatives. Continue the development of a private utility in Ometepe, Nicaragua by establishing the necessary agreements between ICE/GON and the new utility. Set up the basic operating systems for the Ometepe utility. Begin the organization of a second private utility in Honduras. Continue support for the RECO, but at a much lower level of expenditure.

2. Enhancement of Operational Efficiency:

Complete a regional seminar on utility energy efficiency with emphasis on demand side management.

Complete the demand side management project at Costa Rican cooperatives.

Support the completion of TUCA.

3. Least-Cost RE System Design:

Standards. Hold a regional seminar on RE standards.

Commodity Procurements. Complete the publication of generic commodity specifications.

Renewable Energy Electrification Projects. Expand the wind resource data base to include Nicaragua. Complete two pilot projects in Guatemala.

4. Productive Uses of Electricity Programs:

Credit. Expand existing credit funds in already established credit programs.

Promotion. Initiate promotion programs in Honduras and Guatemala in at least 40 field demonstrations.

Women in Development. Complete ongoing studies on Women in Development.

5. Evaluations:

Continue case studies and baseline surveys of selected indicators for CARES final evaluation.

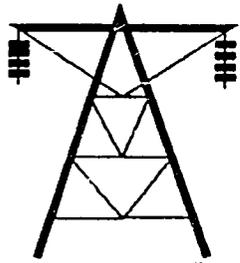
6. General:

Extend Project from March 1994 to March 1995, adding up \$ 1 million to LOP funding, bringing the total from \$10 to \$11 million. A new Project Paper Amendment (No. 7) will be prepared before July 1993.

List of Acronyms

CARES:	Central American Rural Electrification Support Program.
DAM:	Demand Assessment Model.
EEGSA:	Empresa Electrica de Guatemala, S.A.
ENEE:	Empresa Nacional de Energia Electrica-Honduras.
FUNDAP:	Fundacion Nacional para el Desarrollo y la Productividad.
ICE:	Instituto Costarricense de Electricidad.
INE:	Instituto Nicaraguense de Electricidad.
INDE:	Instituto Nacional de Electrificacion-Guatemala.
IRHE:	Instituto de Recursos Hidraulicos y Electricidad-Panama.
NRECA:	National Rural Electric Cooperative Association.
OPD:	Organizations for Private Development.
PER III:	Rural Electrification Project III.
PU:	Productive Uses.
RE:	Rural Electrification.
RECO:	Roatan Electric Company.
SNE:	Servicio Nacional de Electricidad.

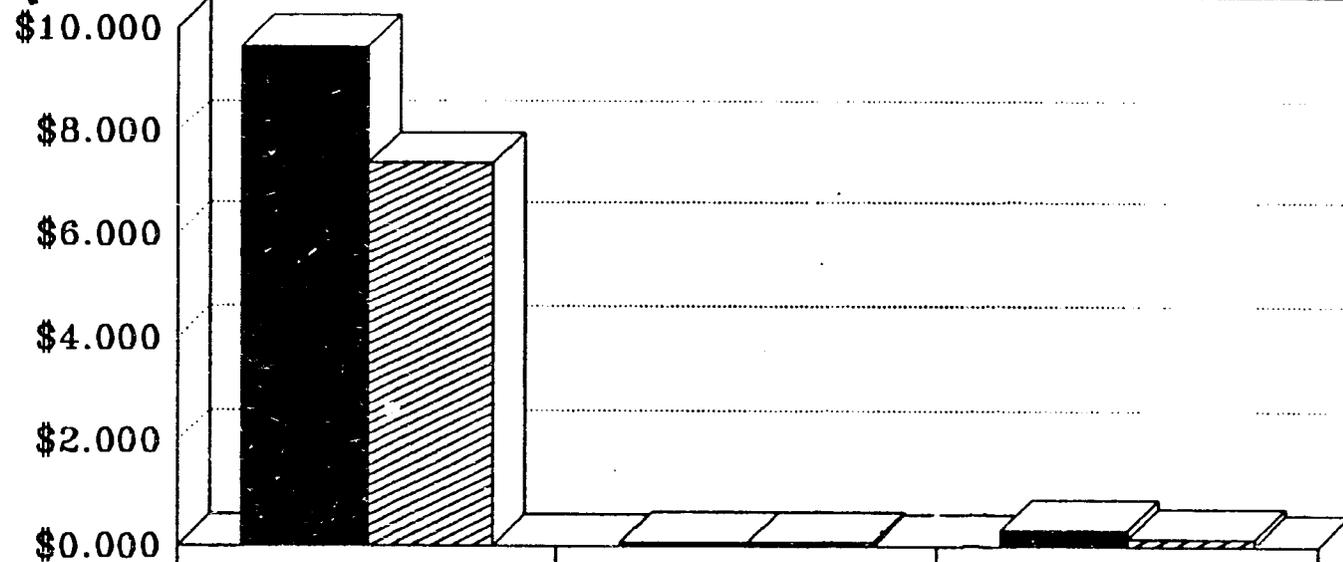
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RURAL ELECTRIFICATION SUPPORT (0146)

Commit. Vrs. Expend. as of 3/31/93

Millions



	NRECA	Furniture	PASA
Commitments	\$9.636	\$0.064	\$0.300
Expenditures	\$7.366	\$0.064	\$0.142

Commitments
 Expenditures

67-III

2

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

A B C

IA. BACKGROUND DATA

Project Title: INCAP Institutional Strengthening
 Project Number: 596-0169
 Date of Authorization: original 06/01/91 amendment 00/00/00
 Date of Obligation: original 06/28/91 amendment
 PACD: original 06/30/94 amendment 00/00/00
 Implementing Agencies: Nutrition Institute for Central America and Panama (INCAP)
 Main Contacts: Dr. Hernán Delgado, INCAP Director
 Major Contractors: N/A
 AID Project Manager: Sandra Callier
 Status of CPs/Covenants: All CPs met on 9/07/92
 Date of Last Evaluation: 00/00/00 Next Evaluation: 06/01/93
 Planned Number of Non-Federal Audits during Fiscal Year: 1
 The Number of such Audits Contracted for/Completed: 0
 Date of Last Audit: 00/00/00 Next Audit: 06/01/93
 Date of Last Site Visit: Project Manager visits INCAP twice a week.

IB. FINANCIAL DATA

Amount Authorized: DA/ESF Grant: original	\$ 4,400,000	amended to \$
Amount Obligated: DA/ESF Grant: original	\$ 1,398,000	amended to \$ 4,211,270
Amount Committed:	Period: \$ 1,830,761	
	Cumulative: \$ 3,394,661	
Accrued Expenditures:	Period - Projected: \$ 869,012	
	Period - Actual: \$ 662,089	
	Cumulative: \$ 1,187,868	
	Period - Next: \$ 1,130,572	
Outstanding Project Advances:	\$ - 0 -	
Counterpart Contribution:	Planned: \$ 2,134,000	
	Actual: \$	
% LOP Elapsed:	58%	
% of Total Auth. Oblig.	26%	
% of Total Oblig. Exp.	28%	
% of Total Auth. Exp.	27%	

IIA. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES

Specific Linkage to Strategic Objectives: Outside of Mission S.O.

Percent of LOP Funds Relating to Strategic Objectives: Outside of Mission S.O.

IIB. PROJECT PURPOSE

To strengthen INCAP so that it may be sustainable without further A.I.D. core financial support. (Note: "sustainability" defined in terms of organizational effectiveness, viability (including financial), and relevance.)

III. PROJECT DESCRIPTION

The INCAP Institutional Strengthening Project (IISP) is a three year, US\$8.534 million activity (US contribution: \$4.4 million plus US\$2.0 million in add-ons) designed to strengthen the Institute of Nutrition of Central America and Panama (INCAP) so that it can sustain itself as a relevant, effective and viable institution without A.I.D. core financial support through at least the Year 2000.

IV. PROJECT STATUS

A. Planned FOPs Progress to Date

Financial, technical and managerial resources, adequate for institutional sustainability through at least the year 2000 reasonably assured.

B. Major Outputs

<u>Planned</u>	<u>Accomplished</u>
1. Strategic Planning & Management system designed, institutionalized and implemented, including annual operating plans and monitoring and evaluation system.	INCAP reorganized to operate strategically. SPM unit as support to Director and program areas.
2. IMS meeting scientific/technical as well as management and financial needs for organizing, accessing, analyzing and communicating information.	IMS manager hired. Pilot LAN installed.

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- | | |
|---|---|
| 3. First class technical capabilities in five technical areas. | Strengthening plans in five key areas approved and being implemented. |
| 4. Trained and proficient staff in methods of technology transfer; all country teams trained in technology transfer by 1994. | Technology Transfer unit organized to link program areas with country teams. |
| 5. Staff upgraded in market/demand analysis and client-oriented needs assessments; promotion, communications and marketing; project development and negotiation; and fund raising and communications. | Market Analysis in food technology services and distance education underway. New communication portion established. |
| 6. Endowment fund feasibility analyses completed and endowment fund strategies developed. | Feasibility study completed and approved by Board. Establishment of fund in process. |

C. Other Accomplishments and Overall Status

INCAP developed and ROCAP approved a comprehensive program plan covering the remaining LOP as well as a specific plan and budget for 1993. A mid term external evaluation is planned for May-June, 1993. ROCAP is actively exploring whether and how A.I.D. could make a contribution to INCAP's endowment fund which is now being set up.

Strategic Planning and Management: INCAP continues to follow the strategic directions outlined in its 1990 Strategic Plan. As of January, 1993, a revised organizational structure was established. By design it is non-hierarchical and intended to encourage communications and collaboration across disciplines, program areas and organizational boundaries. A Strategic Planning and Management unit was created, combining functions in institutional planning, promotion, financial resource development and project development and monitoring.

In financial management, systems and procedures are being modified to deal more efficiently with non-traditional income sources such as sales of services to private food industries and royalties. Other important financial management challenges are just beginning to be addressed, including overhead policy and regulations; this work is being undertaken in partnership with INCAP's administrative Division and PAHO.

Wiring for INCAP's local area network (LAN) is completed and equipment for the pilot LAN operation purchased and installed. A survey of information system needs and priorities has been completed and a workshop to formalize an institutional information management plan will take place during the next reporting period.

Technical Strengthening and Technology Transfer: INCAP's professional and technical staff have been reorganized into multidisciplinary program teams corresponding to programmatic priorities determined in accord with INCAP's strategic objectives. Each group developed midterm (3-4 year) objectives and strategies as well as 12-18 month action plans, all of which include initiatives to secure future financing. IISP is supporting technical strengthening activities in four of these areas: (1) integrated local initiatives to improve the nutrition and health status of the most vulnerable groups; (2) prevention and control of micronutrient deficiencies; (3) food quality and safety and consumer education; (4) nutrition and diet-related chronic diseases.

The Vitamin A earmark funded strengthening plan was reviewed at the midpoint of its two year life with assistance from the central VITAL Project. The VITAL consultant gave high marks in terms of accomplishments to date especially in Honduras, Panama and Guatemala as well as INCAP's plans to integrate Vitamin A activities into a broader micronutrient focus and expand efforts especially in El Salvador and Nicaragua.

INCAP's revised Master's curriculum received formal approval from San Carlos University and will be initiated in Winter, 1994. IISP provided modest but critical support to the development of the revised curriculum which is both innovative and practical.

Headquarters activities to improve technology transfer are focussed on strengthening INCAP's capabilities in operations research and communications. Again, IISP's support is a modest but important complement to other resources. INCAP recently established a new position for a communications specialist as planned under IISP and has submitted a communications project for funding from R&D/E's Expanded Promotion of Breastfeeding initiative. INCAP's country teams or GTBs (grupos técnicos básicos) continue to be the focal point for INCAP's technology transfer activities within member countries.

Financial Resource Development: The idea of an endowment has catalyzed a strategic approach to resource development by INCAP, an achievement that has importance apart from any success in endowment fundraising. INCAP's resource development strategy now encompasses a range of initiatives, including the marketing and sale of services, exploration of various "Friends of INCAP" programs, plans for an INCAP donors' group and more systematic approaches to proposal and project development.

INCAP has initiated, albeit at a small scale, the provision of laboratory and technical services on a fee basis to food industries in Guatemala. Market and cost analyses now underway will provide a basis for more systematic outreach; an improved pilot plant facility will provide the basis for specialized assistance and training in product formulation and food technology. While integrated within the financial resource development strategy, this activity clearly also contributes to strengthening INCAP's capabilities in food science and technology.

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

A B X C

Negotiations are underway with the Central American Bank for Economic Integration with the expectation that CAAEI would manage INCAP's endowment fund as well as collaborate with INCAP in other ventures that support regional development objectives.

D. Problems and Delays

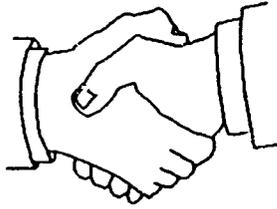
A meeting of the external advisory group identified in the Project Paper was projected for early in 1993. However, the concept behind such a group is being reexamined. While an INCAP advisory group could provide useful oversight of overall institutional directions, there is an equally important need for individual programs to have external advice and support. Consequently, program teams are attempting to build in mechanisms for external input and review, from both within and outside of Central America, as part of their action plans. In addition INCAP plans to convene an institutional level advisory group review in conjunction with or sometime after its annual anniversary commemoration in September.

While considerable efforts have been made and progress achieved on outstanding financial management issues related to previous A.I.D. projects, there has been a cost to IISP, especially in terms of progress toward expected improvements in financial management systems and practices. Also, the recipient contracted audit for IISP was delayed while INCAP was inundated with other audits. Similarly, progress toward establishing auditable records of counterpart contributions have been slowed although INCAP is instituting a new system to record personnel time by project or funding source, the major component of expected counterpart contributions for IISP.

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

1. Completion of external mid term evaluation and identification of modifications or corrective actions, within the project.
2. Conduct of delayed recipient contracted audit and presentation of counterpart contribution report.
3. Handover of A.I.D. project management responsibility from departing regional H/N advisor to ONE in restructure A.I.D. Mission in Guatemala.
4. INCAP endowment fund formally established.

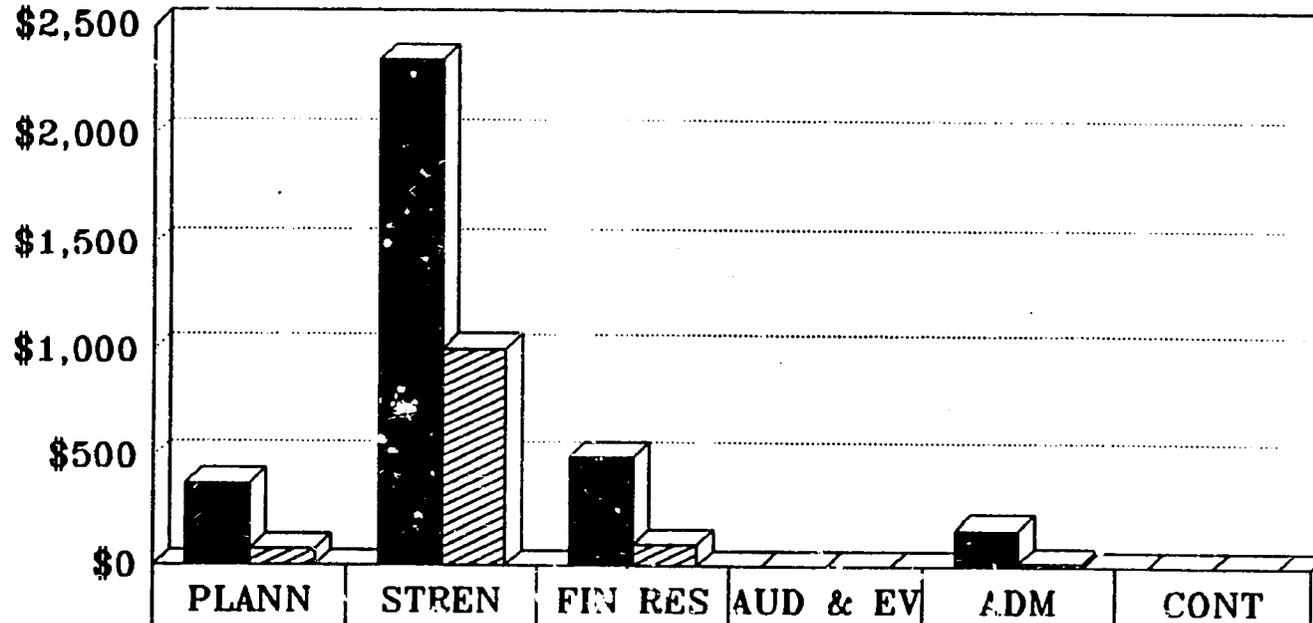
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INCAP INSTITUTIONAL STRENG. (0169)

Commit. Vrs. Expend. as of 3/31/93

Thousands



	PLANN	STREN	FIN RES	AUD & EV	ADM	CONT
Commitments	\$379	\$2,347	\$499	\$0	\$170	\$0
Expenditures	\$73	\$1,004	\$96	\$0	\$15	\$0

Commitments
 Expenditures

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

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IA. BACKGROUND DATA

Project Title: Establishment of the Central American Development Coordination Commission (CADCC)
 Project Number: 596-0176
 Date of Authorization: original 09/30/91
 Date of Obligation: original 09/30/91
 PACD: original 09/30/93
 Implementing Agencies: - The Permanent Secretariat of the General Treaty of Central American Economic Integration (SIECA)
 Main Contacts: Lic. Rafael Rodriguez Loucel, Secretary General
 Major Contractors: N/A
 AID Project Manager: Gustavo Ruiz/Carlos E. Gutiérrez
 Status of CPs/Covenants: N/A
 Date of Last Evaluation: N/A Next Evaluation: N/A
 Planned Number of Non-Federal Audits during Fiscal Year: 1
 The Number of such Audits Contracted for/Completed: 0
 Date of Last Audit: N/A Next Audit: N/A¹
 Date of Last Site Visit: 03/03/93

IB. FINANCIAL DATA

Amount Authorized: DA Grant: original	\$ 497,850
Amount Obligated: DA Grant: original	\$ 497,850
Amount Committed:	Period: \$ 49,097
	Cumulative: \$ 49,097
Accrued Expenditures:	Period - Projected: \$ 110,000
	Period - Actual: \$ 39,000
	Cumulative: \$ 39,000
	Period - Next: \$ 160,000
Outstanding project Advances:	\$ 25,000
Counterpart Contribution:	Planned: \$ 0
	Actual: \$ 0
% LOP Elapsed:	75%
% of Total Auth. Oblig.	100%
% of Total Oblig. Exp.	8%
% of Total Auth. Exp.	8%

IIA. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES

Specific Linkage to Strategic Objectives: CADCC is outside the Mission Strategic Objectives.

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

IIB. PROJECT PURPOSE

The Project purpose is two fold. The intraregional purpose is to support the creation of a Central American Development Coordination Commission as a forum for dialogue and consensus building on key regional issues and objectives among the public, private, labor, academic, cooperative, non-governmental and other sectors in Central America. The extraregional purpose is to create a coordinating mechanism for (1) development of regional positions on key issues and objectives and (2) channeling of those positions to Central American representatives to multilateral fora.

III. PROJECT DESCRIPTION

The Project will be implemented in two phases. Phase I will support the formal establishment of the CADCC focusing on the Commission's mandate, roles and responsibilities; administrative and legal structures; internal functioning; immediate goals and membership and representation. Phase II will put into operation the CADCC consultative mechanism. Specific mandates of CADCC will be to: 1) solicit ideas and perspectives on key issues of regional importance; 2) serve as a catalyst for forging consensus on those issues among key sectors; and 3) recommend and tender positions to representatives to key multilateral fora (e.g. PDD, EAI, PEC, CIREFCA).

IV. PROJECT STATUS

	<u>Planned ECPS</u>	<u>Progress To Date</u>
1.	Establishment of a forum to foster regional cooperation.	All members, including labor representatives, were appointed to the Commission.
2.	Greater multisectoral participation in formulating policy and building consensus on regional strategies and positions.	This process started in the III Plenary, March 4-5, 1993.

¹ Since the initial project expenditures were incurred during the SPR period; date for audit has not yet been determined.

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

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- 3. Improved intraregional communication and coordination. Of special relevance was the multisectoral representation in the III Plenary in which all representatives of the sectors involved participated.
- 4. Greater consensus on a more harmonized approaches to issues and objectives of regional concern. It will start to develop in the near future as the Commission strengthens its activities.

B. Major Outputs

	Planned				Accomplished		
	LOP	Period	Cum.	Next Period	Period	Cum.	% of LOP
1. CADCC Commission established	1	1	1	0	1	1	100
2. Plenary Meetings	1	1	1	1	1	1	100
3. Preparation of Studies	2	2	2	4	2	2	100
4. Executive Committee Meetings	1	1	1	2	1	1	100

C. Other Accomplishments and Overall Status

After eighteen months of virtually no progress in the implementation of CADCC, project implementation impetus accelerated during the report period.

On March 4-5, the III Plenary Meeting took place in Managua, with full multisectoral participation. In this meeting the draft CADCC by-laws were prepared; Dr. Francisco Mayorga (Nicaraguan) was appointed as Executive Director; the guidelines for an Action Plan were approved; and an Executive Committee was nominated. The perspectives of U.S. Central American relations under President Clinton, and Economic perspective of C.A. to the year 2,000 were analyzed.

Particularly important was the appointment of a Labor Sector Representative to the Commission by each member country.

D. Problems and Delays

- The establishment of the commission was delayed for a long time because of the resistance of some C.A. governments to appoint the labor representatives.
- Similarly a long process was faced to appoint the CADCC Executive Director. Both the establishment of the commission and appointment of Executive Director are now fulfilled.

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

Two meetings of the CADCC Executive Committee are planned for the next six months in order to decide on the final version of its by-laws and decide on the specific studies to be carried out. Four studies will be accomplished (topics to be determined).

A two year extension to the FACD will be prepared during the next period, in order to allow for the institutionalization of the Commission.

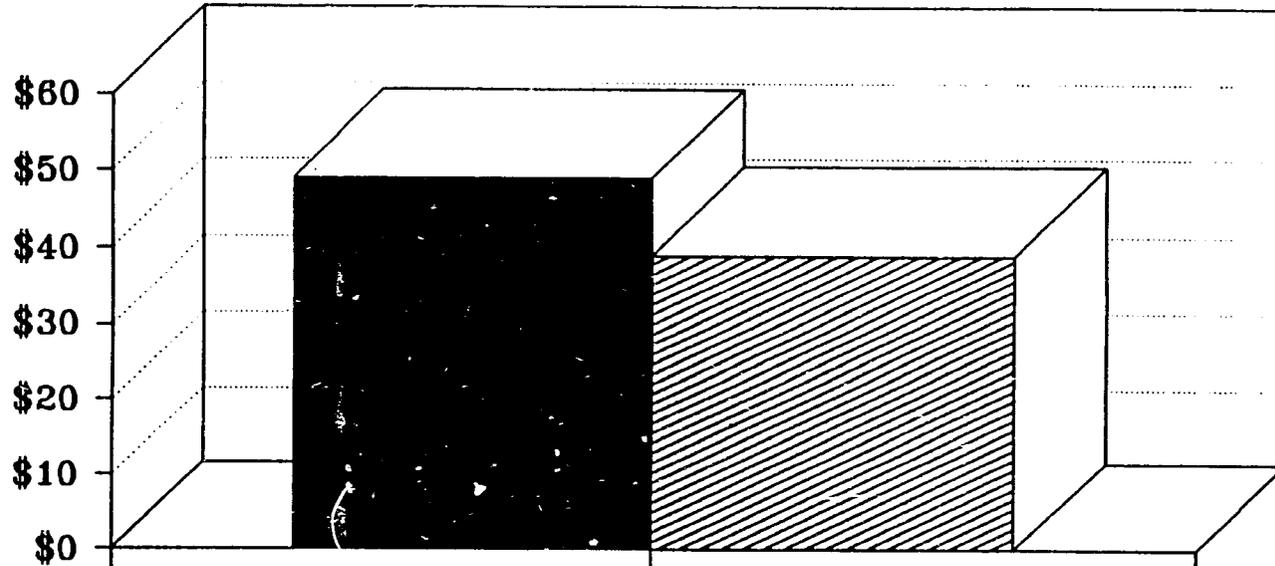
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CA DEVELOPMENT COORD. COMMISSION (0176)

Commit. Vrs. Expend. as of 3/31/93

Thousands



LSGA

Commitments	\$49
Expenditures	\$39

■ Commitments ▨ Expenditures

98-III

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