

PD-ABN-721

**Results Review**  
**Resources Request**  
**FY 1999**

**USAID/El Salvador**

March 10, 1997

## Table of Contents

---

List of Acronyms . . . . .	II
Factors Affecting Program Performance . . . . .	1
USAID/El Salvador 1996 Achievement Highlights . . . . .	3
Results Review . . . . .	4
Assist El Salvador to Make the Transition from War to Peace . . . . .	5
Expanded Access and Economic Opportunity for Rural Families in Poverty . . . . .	15
More Inclusive and Effective Democratic Processes . . . . .	28
Sustainable Improvements in Health of Women and Children . . . . .	39
Increased Use of Environmentally Sound Practices in Selected Fragile Areas . . . . .	51
Status of the Management Contract . . . . .	60
Resources Request . . . . .	63
Expanded Access and Economic Opportunity for Rural Families in Poverty . . . . .	64
More Inclusive and Effective Democratic Processes in El Salvador . . . . .	65
Sustainable Improvements in Health of Women and Children . . . . .	66
Increased Use of Environmentally Sound Practices in Selected Fragile Areas . . . . .	67
Prioritization of Objectives . . . . .	69
Operating Expense (OE) and Workforce . . . . .	70
Environmental Compliance . . . . .	72

## List of Acronyms

---

AIDS	Acquired Immunodeficiency Syndrome
CAM	Microenterprise Support Center
CMR	Child Mortality Rate
CSO	Civil Society Organization
EDUCO	World Bank-financed education program
FESAL	National Family Health Survey
FIAES	Initiative Fund for the Americas El Salvador
FINCA	Foundation for International Community Assistance
FIS	Social Investment Fund
GDP	Gross Domestic Product
GOES	Government of El Salvador
HIV	Human Immunodeficiency Virus
ICASS	International Cooperative Administrative Support System
IFM	Integrated Financial Management
IMCI	Integrated Management of Childhood Illnesses
IMR	Infant Mortality Rate
IUDOP	University of Central America Institute for Public Opinion
MEA	Municipalities in Action
MEO	Mission Environmental Officer
MIP	Microenterprise Innovation Project
MMR	Maternal Mortality Rate
MOE	Ministry of Education
MOH	Ministry of Health
NGO	Non-Governmental Organization
NRM	Natural Resources Management
NRP	National Reconstruction Program
OE	Operating Expenses
PAHO	Pan American Health Organization
PRIME	Global Bureau microenterprise activity
R4	Results Review and Resource Request
SDO	Strategic Development Office
SET	Supreme Electoral Tribunal
UN	United Nations
USDH	United States Direct Hire
USG	United States Government

## *Factors Affecting Program Performance*

---

The chapter of El Salvador's history devoted to the 1992 Peace Accords and its implementation neared an end last year. The United Nations (UN) closed its monitoring office but left a small contingent of technical representatives in country to oversee completion of commitments in the areas of police, judicial and constitutional reform. The GOES began dismantling the Secretariat for National Reconstruction and USAID, a key contributor to implementation of the Peace Accord commitments, began finalizing its activities under their War-to-Peace strategic objective, preparing for close-out.

The people of El Salvador have every reason to feel pride in the accomplishments of the past five years. Peace has held. The opposition has transformed its energies into a responsible political force. Democratic institutions have begun to consolidate. A dramatic economic reform program is in place, accompanied by robust growth and reduction of poverty. USAID, for its part, can demonstrate a long list of success stories arising from the mission's programs supporting the peace process. This R4 summarizes USAID's accomplishments.

With the end of the reconstruction process, the satisfaction felt in El Salvador is mixed with a feeling of vacuum. Implementation of the Peace Accords has been the unifying motif for El Salvador now for several years. A new national project of the same urgency has not yet materialized, although possible elements are emerging. The GOES is pursuing initiatives in the areas of modernization of the Salvadoran state, poverty reduction through local government development, and improving the country's competitiveness in global markets. They are important initiatives, but ones whose

parameters and logic have not been well communicated with the public. The non-governmental organization (NGO) community and civil society are engaged in a process of redefining their post-Peace Accords roles. Public discussion is raging about whether agriculture should be reactivated or abandoned, and whether juvenile offenders should be jailed or rehabilitated.

The rich variety of topics under debate, coupled with the noise of the approaching municipal and legislative elections, contributes to an unwarranted pessimism that El Salvador may be faltering and that old divisions may be reemerging. This is not the case. Nonetheless, El Salvador's future course is less clearly laid out, than a few years ago when the Peace Accords provided a widely agreed upon road map.

USAID assistance will make a useful contribution in helping El Salvador fulfill the few pending Peace Accords mandates, such as electoral and judicial reforms. Moreover, through active collaboration with the GOES and with civil society across the range of urgent issues--economic opportunity, democratic consolidation, environmental preservation, better access to health and education--USAID is uniquely positioned to help El Salvador realize the opportunities that peace offers.

Performance of the economy in 1996 showed a cyclical downturn, where real GDP growth slowed to about 2.4 percent. Notwithstanding the lower rate of growth, the medium-term outlook for El Salvador's economic performance remains good. The slowdown resulted from a combination of factors. During 1995, the authorities moved to improve tax revenues and restrain rapid

demand for credit by the private sector. At the same time, import demand from El Salvador's regional trading partners dropped and petroleum prices rose. El Salvador's economic fundamentals nonetheless remain sound, and the country is viewed as a leader in the region in pursuing reform.

Nonetheless, the cyclical slowdown in growth also dampened progress last year in combating rural poverty. Measurement of poverty, particularly rural poverty, remains an inexact science. The methodology used in El Salvador, while generally reliable, is very sensitive to changes in basic grain prices. In 1995, the official index of rural poverty based on income and consumption improved by an exaggerated margin, beyond what economic growth figures would suggest. This swing was due to the impact of low corn prices at the time the rural poverty survey was undertaken. Unusually high bean prices during the survey period in 1996 are expected to reverse the apparent 1995 gain. Official data on rural poverty for 1996 are not yet available. Indications are that despite the slowdown, past reductions in rural poverty as measured by the basic needs index were likely maintained.

In 1996, program performance was also affected by USAID/El Salvador's internal processes necessary to meet Agency requirements and position the mission for the next five years. In June, USAID/El Salvador's Strategic Plan for FY 1997 - 2002 was approved. The new strategy is a significant departure from the prior focus of USAID's program in El Salvador--a shift from implementation of the Peace Accords and macroeconomic reform to consolidating the peace process and alleviating rural poverty. The development of this strategy and the initial steps to re-align the existing portfolio, indicators and management structures to implement the new strategy

required significant staff time and effort.

The indicators presented in this R4 deserve comment. They were developed in accordance with the Automated Directives System and in close collaboration with USAID/W staff following the approval of the strategic plan. Most of the indicators changed from those reported in the last R4, reflecting changes in the strategy. Consequently, for many of the indicators, the baseline year is 1996. In other cases, the data for 1996 have not changed since the last R4 or are not yet available for submission to Washington.

## USAID/EL SALVADOR 1996 ACHIEVEMENT HIGHLIGHTS

---

### Assist El Salvador to Make the Transition from War to Peace

- All eligible beneficiaries of the land transfer program (34,000 ex-combatants and squatters) received title to land and had their debt forgiven. 90% of their are using the land productively.
- Approximately 17,000 ex-combatants received financial credit since 1992, more than double the planned figure.
- 73% male and 71% female heads of households reported increased income after receiving credit and technical assistance. Each realized an average annual increased income of 20%.
- 2,160 kilometers of rural roads (24%) have been rehabilitated; the planned figure was 23%.

### Expanded Access and Economic Opportunity for Rural Families

- USAID supported the design and distribution of 100,000 new sixth grade text books and curriculum guides for language and math that incorporate the cross-cutting themes of health, population, gender, democracy, consumer awareness, and environment.
- USAID-supported microfinance activities reached 30,109 active borrowers and 9,895 depositors.
- The number of depositors in credit unions participating in USAID-assisted savings mobilization effort increased by 30%; total savings in the credit union system increased by 36%.

### More Inclusive and Effective Democratic Processes

- NGOs mobilized a "get out the vote" campaign, and improved election results reporting; by February 1997, more women (50.6%) than men (49.4%) had registered to vote.
- The new criminal procedures code was approved by the legislature in December 1996. To pave the way for its implementation, the USAID-Salvadoran Supreme Court jointly sponsored case purging center processed some 51,000 backlogged cases, with the goal of resolving another 10,000 cases during 1997.
- A five-fold increase in the socio-economic development funds for municipalities resulted from the National Association of Mayors' more effective lobbying efforts.

### Sustainable Improvements in Health of Women and Children

- The infant mortality rate decreased to 11.6 per 1,000 and the maternal mortality rate decreased to 5 per 100,000 in the areas served by the network of 12 USAID-supported NGOs. The national rates were 41 per 1,000 in 1993 and 11 per 100,000 in 1994, respectively.
- The Ministry of Health rescinded its decision to eliminate all health promoters; and agreed to contract with some NGOs for health services.
- 37,328 additional rural residents gained access to potable water and 22,802 to sanitation facilities.
- Couple-years of protection, a measure of contraceptive use, rose nearly 100,000 in one year to 691,575.

### Increased Use of Environmentally Sound Practices in Fragile Areas

- Since 1993 awareness of environmental issues rosed from 15% to 55% for men, and from 12% to 52% for women.
- The number of women using sound environmental practices, such as improved cookstoves and safe pesticide handling more than doubled to 8,100 from 1995 to 1996.
- Five hundred copies of a radio and video series complementing the primary school environmental curriculum were distributed to 257 model schools and NGOs.

# ***RESULTS REVIEW***

---

## *Lives Saved, Suffering Reduced & Development Potential Reinforced*

### **Special Objective: Assist El Salvador to Make the Transition from War to Peace**

---

**After 12 years of civil conflict, El Salvador had to consolidate peace and reduce poverty. USAID supported this enormous task by: financing the Peace Accords' Land Transfer Program and distribution of land titles; reestablishing primary social services; repairing infrastructure to improve health and economic reintegration; and encouraging civic participation in democratic institutions. Eligible ex-combatant and civilian populations have received land, training, technical assistance, and credit for crop production and microenterprise business. Electricity is more widely available and rural roads greatly improved. The war-wounded have received rehabilitation services, and participation in community decision-making has increased. The special objective will close out in September 1997.**

#### **DEVELOPMENT HYPOTHESIS**

The special objective, assisting El Salvador to make the transition from war to peace, has been USAID's principal vehicle to help in the consolidation of peace following 12 years of civil conflict. It has also become the foundation for future efforts to reduce rural poverty and promote broader based economic growth. In 1996, the most notable achievement under this special objective was the completion of the Peace Accords-mandated land transfer program for ex-combatants and other war-affected groups. USAID negotiated the GOES' debt cancellation program for land transfer beneficiaries to provide them with titles free and clear of debt.

Major gains also were made in the rehabilitation of destroyed, productive and social infrastructure (schools, roads, water systems, electricity). The special objective's major efforts during the past five years have been the reintegration of ex-combatants into civil society, repairing basic infrastructure and reestablishing primary social services, stimulating economic opportunities through

agriculture production and microenterprise, increasing civic participation, and rebuilding democratic institutions. Under the new strategic plan, the last of these activities was transferred to the democracy strategic objective.

Activities under the special objective have focused on reducing poverty and rebuilding the 115 municipalities most affected by the war. These areas are characterized by poor soils, mountainous terrain, and low levels of public and private investment. They are markedly poorer than most of the country. And, they typically also have high concentrations of beneficiaries of the land transfer program.

With USAID encouragement, implementing institutions are working together to design regional development plans that more effectively alleviate poverty through coordinated activities. For example, many land transfer properties have also received support to repair farm-to-market roads, install electrical lines, upgrade health and educational facilities, and assure access to agricultural and microenterprise technical

assistance and credit.

## PERFORMANCE ANALYSIS

USAID has played a major role in El Salvador's transition from civil war to a timely completion of the Peace Accords and a sustainable peace.

The principal conclusion of an independent evaluation of this special strategic objective, conducted in mid-1996, stated that: "USAID has been very successful in implementing the assistance related to this objective and has achieved or exceeded the majority of the program's targets. Many key individuals interviewed during the evaluation credited USAID's assistance as crucial in helping El Salvador move from war to peace." The evaluation further states that "reinsertion of ex-combatants has been accomplished." By most accounts, the specific objectives of the Peace Accords supported by USAID, e.g., land transfer, assistance to ex-combatants and war wounded have been fulfilled. According to a survey of more than 1,000 program beneficiaries, four out of five ex-combatants consider themselves reintegrated into Salvadoran society.

The primary indicator for this special strategic objective is the total population living in *poverty* in the rural regions where the national reconstruction program (NRP) has been concentrated. To address the needs of those households at the poverty level, USAID/El Salvador has programmed the majority of remaining national reconstruction program funds to reduce poverty further in municipalities classified as poor.

### Factors of Production Reactivated

- Since 1992 more than 101,000 individuals have received agricultural or small business training and/or technical

assistance, approximately double the planned figure.

- Nearly 94,000 beneficiaries have received credit to increase crop production, or expand microenterprise businesses since the NRP began, exceeding the initial target by 7,000 individuals. Recent loan recuperation rates among microenterprise activities have averaged 90%.

- A second independent survey conducted in January 1997 measuring changes in family income resulting from ongoing credit and training programs, found that 73% of male and 71% of female heads of households reported increased income after receiving credit and technical assistance, consistent with planned targets. Each beneficiary realized an average annual increase in income of 20%. A control group, which received neither credit nor technical assistance, reported significantly lower levels of increased income.

#### Diversified Agriculture

When he was six years old, Jose Vargas traded his toys for a machete and began helping his father work in the fields. In those days, many people said, "*you can't eat letters,*" so attending school was unimportant. Consequently, Jose spent few days in school and proceeded with his life as a *landless laborer*. It was more important to be coaxing subsistence crops off the nearby eroded hillsides.

When he was 15, Jose exchanged his machete for scissors and became a tailor, a trade he followed for 14 years. But at 30, Jose returned to agriculture as his true vocational *love*. By this time, however, El Salvador was involved in a civil war and agriculture production was in shambles in his community. Jose lived in a highly conflictive area, El Cerrito, that was over-run again and again by both insurgents and government soldiers. The destruction was enormous.

Once the Peace Accords were signed, a number of families from El Cerrito formed a community development association to overcome some of the difficulties in their community. Jose was elected to the board of directors. Soon a USAID activity for sustainable agriculture began working with the association to bring credit and technical assistance to the community of El Cerrito.

Through the USAID project, association members, for the first time, had access to agricultural credit, which provided them the opportunity to diversify their agricultural products. In addition to corn and beans, Jose started growing vegetable crops for market. He planted nearly 2 hectares of tomatoes, green peppers, cucumbers, green beans, yucca, papayas, loroco, baby squash, and bananas, all with credit assistance and technical help. In less than four years, Jose's life changed from one of subsistence living to that of a commercial farmer producing high value cash vegetable crops.

At the end of the 1996, "We all celebrated the *Day of the Rural Family*, and broke a pinata with the children, rejoicing over our good fortune," said Jose. He went on to report that, "We are now able to teach our sons and daughters to be responsible and orderly. For once, we are able to make money in agriculture, and our children will have a secure future."

- By the end of January 1997, all eligible beneficiaries of the land transfer program (34,600 ex-combatants and squatters) had received title to land. GOES figures indicate approximately 90% of all beneficiaries are using their land productively. Access to land, identified as a major cause of the civil war, has enabled many ex-combatant families to return to their rural communities and begin a new life in civil society. Increased investment in the infrastructure needs of recipient land transfer communities, coupled with activities to resolve problems of joint title, will

further increase occupancy rates of these properties and the number of beneficiaries with land in production.

- USAID negotiated the full cancellation of the land transfer program debt, providing all beneficiaries with clear titles to their land. Removal of this debt burden will have a profound, positive impact on farm production and on ex-combatant reinsertion. USAID will contract an end-of-activity survey to measure the overall land transfer program impact.

### Infrastructure Reestablished

- Over one million people living in the NRP zone have benefited from more than 2,700 small infrastructure activities. These activities include infrastructure for municipal development, micro-enterprise, community development, and rural electrification. Three hundred kilometers of rural electric lines have been installed benefiting approximately 3,400 families in isolated towns and villages.

- 2,160 kilometers of rural roads have been rehabilitated, which accounts for 24% (planned figure 23%) of the roads identified as needing rehabilitation in the NRP area. Nevertheless, according to the 1996 USAID customer service survey, farm-to-market roads continue to be the priority need of rural Salvadorans.

### Ex-combatants Reintegrated

- More than 21,000 ex-combatants have received vocational or academic training, exceeding the target for the life of the activity by nearly 1,000 beneficiaries. A recent independent survey (1996) concluded that academic training had a greater impact on reintegrating recipients into civilian society than any other ex-combatant benefit.

- Nearly 8,000 war-wounded have received rehabilitation services, achieving more than 95% of the original target. Additional war wounded will receive benefits in FY 1997, fully achieving the activity target.
- Approximately 17,000 ex-combatants have received production credit since 1992, more than double the planned figure.

### **EXPECTED PROGRESS THROUGH FY 1999 AND MANAGEMENT ACTIONS**

The special objective will close out most activities by September 30, 1997. Uncompleted rural infrastructure activities will be merged into the economic growth strategic objective, **expanded access and economic opportunity for El Salvador's rural poor**. A close-out plan of ongoing and recently completed activities for the special strategic objective is being developed with GOES counterpart institutions.

To maintain a high degree of financial oversight for the local currency funded activities of the NRP during the close-out phase, USAID/El Salvador extended its contract with Price Waterhouse to provide ongoing financial auditing of all implementing entities, and assigned a financial analyst to work full-time within the Secretariat for External Financing until September 30, 1997.

In FY 1997, however, USAID/El Salvador still needs \$7.7 million to fulfill the U.S. Government's \$191 million commitment in support of the Salvadoran Peace Accords. These funds will provide critical rural infrastructure, such as access roads and bridges, rudimentary water systems, electrical lines, and health and education facilities to the areas of greatest poverty and ex-combatant populations in the national reconstruction program area.

## PERFORMANCE DATA TABLES

SPECIAL STRATEGIC OBJECTIVE: ASSIST EL SALVADOR TO MAKE THE TRANSITION FROM WAR TO PEACE			
APPROVED: 04/92		COUNTRY: ORGANIZATION: USAID/El Salvador	
<b>INDICATOR NO. 1: Population living in poverty (NRP rural)</b>			
UNIT OF MEASURE: People, percent	Year	Planned	Actual
SOURCE: MIPLAN Multi-household Survey	1993 (B)	N/A	10.46
INDICATOR DESCRIPTION: This indicator measures the change (decrease) in the spread between percent of population living in poverty in NRP rural areas and those living in poverty in rural areas nationwide.	1994	5.41	5.16
	1995	4.41	6.23
COMMENTS: Preliminary data for calendar year 1996 indicates that the spread between those living in poverty in NRP rural areas and rural areas countrywide has remained about the same as calendar year 1995.	1996 (T)	3.41	

SPECIAL STRATEGIC OBJECTIVE: ASSIST EL SALVADOR TO MAKE THE TRANSITION FROM WAR TO PEACE			
APPROVED: 04/92		COUNTRY/ORGANIZATION: USAID/El Salvador	
<b>INDICATOR No. 2: Population living in extreme poverty (NRP rural)</b>			
UNIT: People, percent	Year	Planned	Actual
SOURCE: MIPLAN Multi-household Survey	1993 (B)	N/A	14.8
INDICATOR DESCRIPTION: This indicator measures the change (decrease) in the spread between percent of population living in extreme poverty in NRP rural areas and those living in extreme poverty in rural areas nationwide.	1994	7.48	7.93
	1995	6.48	8.97
COMMENTS: Preliminary data for calendar year 1996 indicates that the spread between those living in poverty in NRP rural areas and rural areas countrywide has remained about the same as calendar year 1995. USAID has decided to concentrate remaining NRP funds in areas of extreme poverty in an attempt to decrease/reverse this trend. Additionally, USAID/El Salvador has designed and began implementation of a "Poverty Focus" for new activities within all SOs.	1996 (T)	5.48	

SPECIAL STRATEGIC OBJECTIVE: ASSIST EL SALVADOR TO MAKE THE TRANSITION FROM WAR TO PEACE							
APPROVED: 04/92		COUNTRY/ORGANIZATION: USAID/El Salvador					
RESULT No. 1: Factors of Production (Land, Labor, Capital) Reactivated to Respond to Economic Opportunities							
INDICATOR No. 1: People trained (by gender) under NRP							
UNIT: People	Year	Planned			Actual		
		Male	Female	Total	Male	Female	Total
SOURCE: NRP Database	1992 (B)	4,000	250	4,250	3,960	600	4,560
INDICATOR DESCRIPTION: Number of people trained (by gender) under NRP.	1993	11,800	3,000	14,800	17,927	2,489	20,416
COMMENTS: To improve results and impact, two program adjustments were made which substantially increased beneficiaries trained: (1) technical assistance/training to bank clients to increase the amount of land in production (see indicator 1.1.4) and (2) micro-enterprise and agricultural credit clients trained to improve credit recuperation rates and to increase income.  Through FY1996, 101,638 individuals have received training and/or technical assistance, more than double the cumulative planned figure.  Numbers are reported on a fiscal year basis.	1994	15,512	3,317	18,829	29,505	9,822	39,327
	1995	6,533	1,767	8,300	15,715	12,766	28,481
	1996	3,399	1,449	4,848	3,809	5,045	8,854
	1997 (T)	2,148	940	3,088			

SPECIAL STRATEGIC OBJECTIVE: ASSIST EL SALVADOR TO MAKE THE TRANSITION FROM WAR TO PEACE							
APPROVED: 04/92		COUNTRY/ORGANIZATION: USAID/El Salvador					
RESULT No. 1: Factors of Production (Land, Labor, Capital) Reactivated to Respond to Economic Opportunities							
INDICATOR No. 2: Clients receiving credit							
UNIT: People	Year	Planned			Planned		
		Male	Female	Total	Male	Female	Total
SOURCE: NRP Database	1991 (B)	6,500	900	7,400	6,650	6,200	12,850
INDICATOR DESCRIPTION: Number of NRP beneficiaries receiving credit.	1992	14,575	2,325	16,900	7,250	450	7,700
COMMENTS: Through FY1996, 93,937 individuals have received credit through the NRP, compared to a planned figured of 86,994.  Numbers are reported on a fiscal year basis.	1993	19,200	19,200	38,400	20,362	8,798	29,160
	1994	11,320	2,834	14,154	5,180	3,864	9,044
	1995	4,128	3,012	7,140	15,146	6,363	21,509
	1996 (T)	2,400	600	3,000	10,473	3,201	13,674

<b>SPECIAL STRATEGIC OBJECTIVE: ASSIST EL SALVADOR TO MAKE THE TRANSITION FROM WAR TO PEACE</b>					
<b>APPROVED: 04/92 COUNTRY/ORGANIZATION: USAID /El Salvador</b>					
<b>RESULT No. 1: Factors of Production (Land, Labor, Capital) Reactivated to Respond to Economic Opportunities</b>					
<b>INDICATOR No. 3: Beneficiaries with increased income after receiving both training and credit.</b>					
<b>UNIT: Survey respondents, percent</b>	<b>Year</b>	<b>Planned</b>		<b>Actual</b>	
<b>SOURCE: Independent Survey (Daniel Carr and Associates)</b>		<b>Male</b>	<b>Female</b>	<b>Male</b>	<b>Female</b>
<b>INDICATOR DESCRIPTION: Measures change in family income of male and female heads of household. Figures are taken from a random sample of ex-combatant and civilian beneficiaries families representative of all active credit recipients.</b>	1995 (B)	60	70	65	67
<b>COMMENTS: The second independent survey conducted in January 1997 found that 73% of male and 71% of female heads of households increased their family income after receiving credit and technical assistance, consonant with projections. Each beneficiary realized an average annual increase in income of 20%. A control group which received neither credit nor technical assistance, exhibited significantly lower levels of increased income (57%).</b>	1996	65	75	73	71
	1997 (T)	65	75		
A final survey will be conducted during the last quarter of 1997.					

<b>SPECIAL STRATEGIC OBJECTIVE: ASSIST EL SALVADOR TO MAKE THE TRANSITION FROM WAR TO PEACE</b>			
<b>APPROVED: 04/92 COUNTRY/ORGANIZATION: USAID/El Salvador</b>			
<b>RESULT No. 1: Factors of Productions (Land, Labor, Capital) Reactivated to Respond to Economic Opportunities.</b>			
<b>INDICATOR No. 4: Land Bank clients with land in production</b>			
<b>UNIT: Percent of people</b>	<b>Year</b>	<b>Planned</b>	<b>Actual</b>
<b>SOURCE: Coordinating Office for Agrarian Related Issues (OCTA) survey</b>	1993 (B)	100 <sup>1/</sup>	25 <sup>2/</sup>
<b>INDICATOR DESCRIPTION: Measures percentage of people cultivating land with annual crops, permanent crops, and/or pastures in use, as well as land used for agro-industrial purposes.</b>	1994	50	64
<b>COMMENTS: By the end of January, 1997 all eligible beneficiaries of the Land Transfer Program, (34,600 ex-combatants and squatters) had received title to land. GOES figures indicate approximately 90% of all beneficiaries are using the land productively. Our own estimates put the figure closer to 80%. USAID will contract an end-of-project survey in mid-1997 to evaluate calendar year 1997 results. Greater investment of resources for infrastructure needs of incipient land transfer communities, coupled with GOES support to divide up collectively-title land modeled on the USAID-funded pilot land parcelization activity to resolve problems of joint title will further increase occupancy rates of these properties and the number of beneficiaries with land in production.</b>	1995	60	64
	1996 (T)	75	80
1/ The original target of 100% by 1992 was established by the Peace Accords, without input from the USG. That target was obviously unrealistic; subsequent targets set in March 1994 reflect a more realistic expectation.			
2/ Actual figure revised from Action Plan 1994-1995, based on survey results in early 1993.			

<b>SPECIAL STRATEGIC OBJECTIVE: ASSIST EL SALVADOR TO MAKE THE TRANSITION FROM WAR TO PEACE</b>																																																																																														
APPROVED: 04/92		COUNTRY/ORGANIZATION: USAID/El Salvador																																																																																												
<b>RESULT No. 2: Access to Basic Social Services and Infrastructure Reestablished</b>																																																																																														
<b>INDICATOR No. 1: NRP population served by MEA infrastructure projects</b>																																																																																														
UNIT: People, cumulative percent																																																																																														
SOURCE: MEA Survey		Year	Planned	Actual																																																																																										
INDICATOR DESCRIPTION: This indicator tracks the overall impact of the NRP's most significant "basic services and infrastructure" activity (excluding 0320 and Caminos Vecinales road construction projects, which are tracked under indicator 1.2.2), as follows:		1992(B)	N/A	N/A																																																																																										
		1993	N/A	70																																																																																										
<p>COMMENTS: This indicator was approved under the FY96-97 Action Plan.</p> <p>As of FY96, "Projects Completed" include the Micro-Projects (MP) and SDA activities, which provide up to \$40,000 to community associations for small infrastructure projects primarily.</p> <table border="1"> <thead> <tr> <th></th> <th>1992</th> <th>1993</th> <th>1994</th> <th>1995</th> <th colspan="3">PROJECTS COMPLETED</th> <th>TOTAL</th> </tr> <tr> <th></th> <th></th> <th></th> <th></th> <th></th> <th>1996</th> <th>MP</th> <th>SDA</th> <th></th> </tr> </thead> <tbody> <tr> <td>educational facilities:</td> <td>246</td> <td>118</td> <td>67</td> <td>27</td> <td>1</td> <td>2</td> <td>1</td> <td>462</td> </tr> <tr> <td>community buildings:</td> <td>24</td> <td>20</td> <td>8</td> <td>4</td> <td>7</td> <td>--</td> <td>--</td> <td>63</td> </tr> <tr> <td>electrical projects:</td> <td>91</td> <td>76</td> <td>117</td> <td>49</td> <td>20</td> <td>--</td> <td>--</td> <td>353</td> </tr> <tr> <td>health posts:</td> <td>47</td> <td>8</td> <td>37</td> <td>21</td> <td>--</td> <td>6</td> <td>--</td> <td>119</td> </tr> <tr> <td>potable water systems:</td> <td>45</td> <td>15</td> <td>20</td> <td>12</td> <td>3</td> <td>5</td> <td>8</td> <td>108</td> </tr> <tr> <td>roads:</td> <td>606</td> <td>375</td> <td>318</td> <td>207</td> <td>16</td> <td>32</td> <td>21</td> <td>1575</td> </tr> <tr> <td>other:</td> <td>20</td> <td>6</td> <td>5</td> <td>25</td> <td>--</td> <td>2</td> <td>10</td> <td>68</td> </tr> <tr> <td><b>TOTAL</b></td> <td><b>1079</b></td> <td><b>618</b></td> <td><b>572</b></td> <td><b>345</b></td> <td><b>47</b></td> <td><b>47</b></td> <td><b>40</b></td> <td><b>2748</b></td> </tr> </tbody> </table>			1992	1993	1994	1995	PROJECTS COMPLETED			TOTAL						1996	MP	SDA		educational facilities:	246	118	67	27	1	2	1	462	community buildings:	24	20	8	4	7	--	--	63	electrical projects:	91	76	117	49	20	--	--	353	health posts:	47	8	37	21	--	6	--	119	potable water systems:	45	15	20	12	3	5	8	108	roads:	606	375	318	207	16	32	21	1575	other:	20	6	5	25	--	2	10	68	<b>TOTAL</b>	<b>1079</b>	<b>618</b>	<b>572</b>	<b>345</b>	<b>47</b>	<b>47</b>	<b>40</b>	<b>2748</b>	1994	N/A	73
			1992	1993	1994	1995	PROJECTS COMPLETED			TOTAL																																																																																				
							1996	MP	SDA																																																																																					
		educational facilities:	246	118	67	27	1	2	1	462																																																																																				
community buildings:	24	20	8	4	7	--	--	63																																																																																						
electrical projects:	91	76	117	49	20	--	--	353																																																																																						
health posts:	47	8	37	21	--	6	--	119																																																																																						
potable water systems:	45	15	20	12	3	5	8	108																																																																																						
roads:	606	375	318	207	16	32	21	1575																																																																																						
other:	20	6	5	25	--	2	10	68																																																																																						
<b>TOTAL</b>	<b>1079</b>	<b>618</b>	<b>572</b>	<b>345</b>	<b>47</b>	<b>47</b>	<b>40</b>	<b>2748</b>																																																																																						
This indicator is tracked on a fiscal year basis.		1995	80	75																																																																																										
		1996(T)	80	79																																																																																										

<b>SPECIAL STRATEGIC OBJECTIVE: ASSIST EL SALVADOR TO MAKE THE TRANSITION FROM WAR TO PEACE</b>				
APPROVED: 04/92		COUNTRY/ORGANIZATION: USAID/El Salvador		
<b>RESULT No. 2: Access to Basic Social Services and Infrastructure Reestablished</b>				
<b>INDICATOR No. 2: Roads improved which required rehabilitation in the NRP.</b>				
UNIT: kilometers of road, cumulative percent		Year	Planned	Actual
SOURCE: Project 0320, MEA, NRP "caminos vecinales" Project, Micro-Projects activity		1992 (B)	N/A	N/A
INDICATOR DESCRIPTION: "Roads" includes roads, bridges, overpasses, etc. "Improved" means any type of physical improvement as well as extensions, widening, etc.		1993	N/A	10
		1994	N/A	17
<p>COMMENTS: To date, 2,188 kilometres of roads have been rehabilitated, constituting 24% of the roads in the NRP in need of repair.</p> <p>The formerly conflictive zone has a population of 1.4 million, according to 1992 census data. Of this population it is estimated that 95% will benefit from road improvement over the life of the project.</p> <p>FY97 unobligated funds will be programmed for rural road improvement, enabling the Mission to meet its planned target of 25% of the NRP roads rehabilitated.</p>		1995	21	20
		1996	23	24
		1997 (T)	25	
This indicator is tracked on a fiscal year basis.				

<b>SPECIAL STRATEGIC OBJECTIVE: ASSIST EL SALVADOR TO MAKE THE TRANSITION FROM WAR TO PEACE</b>			
APPROVED: 04/92		COUNTRY/ORGANIZATION: USAID/El Salvador	
<b>RESULT No. 2: Access to Basic Social Services and Infrastructure Reestablished</b>			
<b>INDICATOR NO. 3: Health facilities assisted and functioning</b>			
<b>UNIT: Health facilities, number</b>	<b>Year</b>	<b>Planned</b>	<b>Actual</b>
<b>SOURCE: Ministry of Health data</b>	1993	N/A	31
<b>INDICATOR DESCRIPTION: Number of health facilities assisted and functioning</b>			
<b>COMMENTS: This activity was completed in 1993.</b>			

<b>SPECIAL STRATEGIC OBJECTIVE: ASSIST EL SALVADOR TO MAKE THE TRANSITION FROM WAR TO PEACE</b>			
APPROVED: 04/92		COUNTRY/ORGANIZATION: USAID/El Salvador	
<b>RESULT No. 4: Ex-Combatants Reintegrated</b>			
<b>INDICATOR No. 1: Ex-combatants receiving vocational or academic training</b>			
<b>UNIT: Ex-combatants, number</b>	<b>Year</b>	<b>Planned</b>	<b>Actual</b>
<b>SOURCE: NRP database</b>	1992 (B)	N/A	N/A
<b>INDICATOR DESCRIPTION: This indicator measures the number of ex-combatants who have completed their vocational or academic training. This data do not reflect short-term training which was held in the areas of troop concentration immediately after the Peace Accords were signed in 1992.</b>	1993	10,000	11,710
<b>COMMENTS: The increase in actual numbers (21,358) over planned figures (20,428) of ex-combatants receiving vocational or academic training is due to more ex-combatants choosing academic training over other benefit packages. Numbers are reported by fiscal year.</b>	1994	6,192	5,071
	1995	2,473	4,519
	1996	432	58
	1997 (T)	1,331	

SPECIAL STRATEGIC OBJECTIVE: ASSIST EL SALVADOR TO MAKE THE TRANSITION FROM WAR TO PEACE APPROVED: 04/92 COUNTRY/ORGANIZATION: USAID/El Salvador			
RESULT No. 4: Ex- Combatants Reintegrated			
INDICATOR No. 2: Ex-combatants receiving rehabilitation services			
UNIT: Number of people	Year	Planned	Actual
SOURCE: NRP database	1992 (B)	2,600	1,400
INDICATOR DESCRIPTION: Measures the number of beneficiaries who have received rehabilitation services. Starting in June 1994, the target population includes both ex-combatants and civilian war wounded. Beneficiaries may receive more than one service (e.g., rehabilitation, orthotic care) but are counted only once. These services include: physical and occupational therapy; prosthetic and orthotic care; professional rehabilitation; and specialized medical interventions.	1993	975	1,397
COMMENTS: As of the close of FY 96, 95% of the target had been achieved. It is projected that in FY97 an additional 1,800 beneficiaries will receive rehabilitation services, surpassing the original cumulative target.	1994	1,500	882
	1995	1,800	722
	1996 (T)	1,500	3,545

SPECIAL STRATEGIC OBJECTIVE: ASSIST EL SALVADOR TO MAKE THE TRANSITION FROM WAR TO PEACE APPROVED: 04/92 COUNTRY/ORGANIZATION: USAID/El Salvador			
RESULT No. 4: Ex-Combatants Reintegrated			
INDICATOR No. 3: Ex-combatants receiving credit			
UNIT: Number of ex-combatants	Year	Planned	Actual
SOURCE: NRP database	1993 (B)	N/A	8,085
INDICATOR DESCRIPTION : Indicator measures agricultural and micro-enterprise credit recipients who are ex-combatants.	1994	6,794	2,234
COMMENTS: Target has been exceeded.	1995	1,500	4,362
	1996 (T)	N/A	3,088

SPECIAL STRATEGIC OBJECTIVE: ASSIST EL SALVADOR TO MAKE THE TRANSITION FROM WAR TO PEACE APPROVED: 04/92 COUNTRY/ORGANIZATION: USAID/El Salvador			
RESULT No. 4: Ex-combatants Rreintegrated			
INDICATOR No. 4: Ex-combatants and tenedores receiving land			
UNIT: Number of ex-combatants and tenedores	Year	Planned	Actual
SOURCE: Land Bank, ISTA and FINATA	1993 (B)	N/A	2,635
INDICATOR DESCRIPTION: Measures number of beneficiaries who have received land. Beneficiaries reported include both FMLN and ESAF ex-combatants and <i>tenedores</i> (squatters) who have received land from the Land Bank, ISTA and FINATA. Tenedores are included because they are an important population group served by the Land Transfer Program. "Actual" figures report USAID-funded beneficiaries only.	1994	7,200	8,621
COMMENTS: As of October 15, 1996, 34,339 beneficiaries have received land (USAID: 21,750; EEC: 2,065; GOES/Others: 10,524), exceeding cumulative planned beneficiaries.  The land titling program is scheduled to end in early 1997.	1995	7,200	6,310
	1996 (T)	3,600	4,184
Numbers are reported by fiscal year.			

## *Broad-Based Economic Growth Achieved*

### **Strategic Objective: Expanded Access and Economic Opportunity for Rural Families in Poverty**

---

USAID encourages expanded access and economic opportunity through education, financial services, technical assistance, and improved policy. Since education is fundamental for economic growth, a major activity supports basic changes in elementary education, especially improvements that benefit marginalized rural children. For rural households, particularly women, to accumulate capital, they need easier access to credit and other financial services. Agriculture and small business productivity is improving as a result of USAID technical assistance. There is on-going support for community-based infrastructure projects. And, USAID continues to encourage a GOES policy environment that reduces rural poverty.

#### **DEVELOPMENT HYPOTHESIS**

A necessary condition for poverty reduction is economic growth. El Salvador is well advanced in the implementation of policies leading to sustainable growth, achieving macroeconomic stability and initiating important sector reforms to raise productivity. USAID's efforts, therefore, toward poverty reduction can take a longer view focused on **expanding access and opportunity for rural poor families**. Greater economic opportunity for the rural poor also contributes to the consolidation of the peace process and is vital to the sustainable achievement of the other strategic objectives.

This strategic objective will be achieved through five intermediate results. USAID's resources will be devoted primarily to two of them: basic education, and microfinance and agricultural services. The other three intermediate results--related to land, infrastructure and policy--are essential to the strategic objective. It is expected, however, that other partners, especially the international banks, will provide the bulk of the funding required.

Investment in human capital represents the heart of USAID's strategy to raise living standards in rural areas, where improved basic education will be fundamental for future growth. USAID has been a key contributor to an impressive reform of kindergarten through grade six education in El Salvador. Continued support for this sector will maintain the momentum for primary education reform through improvements in teacher training systems, education research and policy dialogue, and by addressing the basic education needs of marginalized rural children.

While improved availability and quality of basic education will offer the next generation of the Salvadoran work force the skills for higher incomes, there remains an urgent need to expand economic opportunities for today's rural poor families. Survey evidence strongly suggests that rural households whose members engage in off-farm activities, or who combine agriculture with non-agricultural production, achieve higher incomes.

Accordingly, USAID will promote expanded opportunities for off-farm income through

access to financial services. The benefits of access to credit for the poor, and especially for women, are well documented. Access to secure savings is equally important as a means for poor rural households to accumulate capital.

There is also substantial potential to raise rural household incomes by making agriculture more productive. Key to this outcome is small farmer access to marketing, technology and productive services. Sustainable access will depend on service delivery institutions that are well-managed and financially viable. USAID/El Salvador will work to improve the capability of primary (producer groups, cooperatives) and secondary (cooperative federations) organizations to provide services to small-scale farmers. At the same time, USAID will increase credit availability for agriculture through microfinance activities.

For land, most of the effort to develop a land market that serves the needs of the poor will be undertaken by the GOES collaborating with the World Bank in its \$60 million Land Registry Project. USAID's role in support of greater land access will be to work on issues of special interest to the U.S. Chief among such interests is resolving problems of common tenure holdings by providing individual titles, and addressing other second generational problems arising from the recently completed Land Transfer Program.

Infrastructure (especially roads, electricity and potable water systems) has consistently ranked as the highest priority need in recent USAID customer surveys. USAID will address demand for rural productive infrastructure in three ways. First, USAID will increase the number of small, community-based infrastructure projects funded. Consideration will be given to increasing the size of the grants and

broadening the criteria for eligible communities to allow for greater synergy with other economic growth activities. Second, the economic opportunity strategic objective will absorb pending infrastructure activities of the special strategic objective, to ensure full completion and follow-up. Third, USAID has assigned high priority within its policy reform agenda to promote improvement of rural infrastructure, for example, by helping the GOES to build that concern into privatization efforts.

Finally, success in expanding economic opportunity and access--whether through education, microfinance or improved agricultural productivity--demands a supportive policy environment. USAID will work with the GOES, NGOs and local "think tanks" to increase public discussion and implementation of a policy environment that, while market-oriented, at the same time promotes rural poverty reduction.

## PERFORMANCE ANALYSIS

USAID's economic opportunity strategy takes a substantial departure from the prior emphasis on macroeconomic reforms and stability. The previous strategy had a national rather than rural focus, and was based on much higher levels of funding. Progress within the new strategy will be evaluated against indicators much different from those used in the past. In this transition year, the following evidence of progress is reported.

The economic opportunity strategy assumes the GOES will maintain macroeconomic stability and continued economic growth. The GOES achieved real GDP growth of about 2.4% in 1996 and reduced inflation to 7.4%.

In addition, the GOES took steps to reorganize institutions and policies related to

poverty reduction. For example, the GOES is promoting a permanent and enhanced role for the FIS (Social Investment Fund) to increase local government participation in national development efforts. Quantitative poverty measures, such as the proportion of the rural population in poverty and the basic needs index, are not yet available for 1996.

### **Basic Education and Training**

El Salvador has implemented a top-to-bottom reform of basic education whose achievements the Minister of Education credits as being "sixty percent" due to USAID's support. The World Bank, with its EDUCO program, and the Ministry of Education itself share the remaining credit. USAID's basic education activities continued to show impressive results during 1996.

At the beginning of 1996, the Ministry of Education delivered 100,000 newly-designed sixth grade textbooks and curriculum guides for language and math. The texts were developed by the ministry with USAID technical assistance and purchased with USAID funds. In addition, the ministry financed and distributed approximately \$5 million in newly designed science and social studies texts for the first through sixth grades. These new texts incorporate cross-cutting issues such as gender, health and environmental awareness that have been promoted by USAID.

For the fourth successive year, the Ministry of Education conducted end-of-year achievement testing, one of the evaluation techniques promoted by USAID. Of four testing indicators, two went up. One achievement indicator fell, but this result was due to higher student retention rates this year. Marginal students who otherwise would have dropped out of school stayed in class. The testing results also reflect the priority given by the Ministry of Education

to expanding educational access for large populations of girls and boys from the country's poorest and most isolated regions.

With USAID assistance, El Salvador made impressive progress toward decentralization of primary education. Beginning in 1997, all schools are now managed by school direction councils. Parents serve as treasurers. The councils will hire teachers, buy materials and decide how the school budget will be spent. School supervisors now work out of departmental centers, and teachers are paid from departmental offices rather than from the ministry's offices in the capital.

Performance is on track for USAID's short-term training efforts, contributing to the achievement of results across all strategic objectives. For example, local NGOs, legislators, and public sector officials received training in topics related to public education reform.

### **Expanded Equitable Access to Financial, Technological and Marketing Services by the Rural Poor**

#### **Agricultural Technology, Marketing and Production Services**

Improved delivery of services by local institutions to farmers is a new focus for USAID under this strategy. Results from this new emphasis are off to a promising start. By the end of 1996, USAID was supporting eight secondary-level organizations and 283 primary-level organizations providing services to 36,450 small farmers. For example, the Cooperative Association of Cashew Producers was founded, whose membership includes a cooperative union, five cashew-producing cooperatives, an international cashew broker and another bilateral foreign aid agency (Canada). USAID's activities

will continue to make a concerted effort to assist women farmers.

### Microfinance

Another new emphasis is to increase access to financial services by rural poor households, and sustainability of financial institutions providing such services. USAID has developed indicators of success reflecting this dual intent. USAID supported initiatives by the Microenterprise Support Center (CAM) and the Federation of Savings and Loan Cooperatives to conduct write-off exercises for their credit portfolios, to improve financial accounting and eliminate old or nonperforming accounts. As a result, the numbers of customers reported as a baseline for these two activities are lower than figures previously cited, but the baseline is now more accurate for measuring progress under the new strategy.

At the end of 1996, USAID-financed activities reached 30,109 active borrowers and 9,895 depositors. The number of depositors in credit unions participating in USAID-assisted savings mobilization efforts

#### **HORTENSIA AND THE VILLAGE BANK STORY**

**"I did not have a bed to sleep in," said Hortensia Contreras Linares as she described her situation in 1991, when she first heard about the USAID-supported village bank program. "I was selling small cakes on a table at the side of the road barely making enough money to feed myself at the end of the day."**

**Then she attended a meeting about loans for small business people. At first, Hortensia was fearful of the loan, worried that she would never be able to re-pay it. She finally did apply for a \$46 loan, of which 20 percent was**

retained as savings. She used the money to expand her products from cakes to sodas and ice. She also purchased better baskets and other equipment for the road-side market. Three weeks later her entire stand was robbed--she lost everything: current supplies, new baskets, and equipment. All she had left were the \$10 in savings from her first loan. Hortensia was not about to quit.

She re-established the shop inside her house on a main road one kilometer from the old bus stop where she sold her first cakes. With profits from the new shop, she continued to expand the number of items in her store and make improvements to her one-room home.

One cannot miss the sparkle of pride in Hortensia's eyes as she points out the improvements to her house/shop financed by profits from her business. In five years these improvements totaled more than \$8,000. She purchased *two real beds*. She added a second room, paid for the electric hook up, a cement patio for cooking, two refrigerators for the store, a television, and finally a new stereo. This year Hortensia, who is practically illiterate, was elected president of her village bank group which has great confidence in her leadership abilities, and appreciates her enthusiasm for business. "Courage is half of life," sighs this single mother of seven.

increased by 30% during 1996. Total savings in the credit union system grew by 36% during the same period.

The CAM, whose clients are mostly women, made further progress toward improving its performance and financial viability through technical assistance from the Foundation for International Community Assistance (FINCA). The Microenterprise 2000 activity received a matching grant from the Global Bureau PRIME fund, and started a feasibility analysis. This activity involves creation of an NGO financial institution, which will absorb and manage small microenterprise credit portfolios of a group of NGOs too small to individually become viable as lending institutions.

USAID continued to support the Microenterprise Innovation Project (MIP), a group of donors and microfinance institutions working together to improve efficiency and access. Through MIP, a common methodology for NGO reporting on credit clients was agreed upon. Some members of the MIP, including USAID, were part of the public, private and NGO group of institutions collaborating on the "White Book" analysis of microenterprise needs. The report was recently presented to the president and will serve as the basis for USAID's continuing effort to gain GOES support for the microfinance sector.

### **Economic Policy Environment Supporting Greater Equity**

Progress was excellent last year in the two areas of policy concern emphasized in the economic opportunity strategic objective. First, to support an eventual national strategy toward rural poverty reduction, a major World Bank rural poverty study was completed with USAID co-financing, with dissemination and consensus building planned for early 1997. Second, toward modernization of the Salvadoran state, USAID contributed technical assistance for groundbreaking reforms initiated during 1996, including passage of laws to privatize telecommunications, electricity and social security (pensions).

### **EXPECTED PROGRESS THROUGH FY 1999 AND MANAGEMENT ACTIONS**

The economic opportunity strategic objective's quantitative targets for FY 1999 appear in the attached indicator tables. Underlying these targets are several management actions planned through FY 1999. These actions are discussed by result package.

*Education/Training:* In FY 1998, USAID/El Salvador will develop a new start in basic education as a follow-on to the current education activity. Initial analysis and consultation with partners suggest that USAID can capitalize on its leadership role in basic education by addressing the issue of special needs of marginalized girls and boys in rural areas. The Harvard Study (1993) of El Salvador's education system showed that nearly half of all primary school teachers surveyed believed that all or nearly all of their students had no supervision at home, reflecting parental disinterest, wartime death and dislocation, migration of family members, and other factors that are a feature of the Salvadoran rural landscape.

USAID/El Salvador's new FY 1997 training activity was purposely designed as an accordion, able to work with very low levels of funding but easily able to absorb training needs "buy-ins" from the other strategic objectives. During 1997, USAID will test the viability and demand for training under this mechanism. USAID/El Salvador is one of the first missions to redesign its training activities for full consistency with the new Automated Directive System, Global Bureau training buy-in mechanisms, and the New Management System.

*Agricultural Technology and Marketing:* The planned FY 1998 new start in technology and marketing will continue support to organizations serving small farmers producing coffee, organic vegetables and nontraditional export crops. The special strategic objective infrastructure portfolio (principally the small community grants) will be added to the management responsibilities of this results package team before the end of FY 1997.

*Microfinance:* The FY 1997 new start will be a competitive grant mechanism for small awards to financial service providers

benefiting poor rural borrowers. This new activity will award its first grants in late FY 1997. Proposals will be selected according to institutions' projected contribution toward meeting USAID targets in microfinance.

In 1997, USAID/El Salvador will review the business plan developed for Microenterprise 2000, the proposed NGO financial institution, and will make a decision together with Global Bureau about further USAID funding.

*Policy:* USAID will develop a new policy activity for FY 1998, as a follow-on to USAID's umbrella technical assistance activity.

## PERFORMANCE DATA TABLES

<b>STRATEGIC OBJECTIVE 1 : EXPANDED ACCESS AND ECONOMIC OPPORTUNITY FOR EL SALVADOR'S RURAL POOR FAMILIES</b> <b>APPROVED: 06/07/96 COUNTRY/ORGANIZATION: USAID/El Salvador</b>			
<b>INDICATOR No. 1: Rural population with access to potable water</b>			
<b>UNIT OF MEASURE:</b> Household percent  <b>SOURCE:</b> Multipurpose Household Surveys  <b>INDICATOR DESCRIPTION:</b> Ratio of rural households with access to water to total rural households.  <b>COMMENTS:</b>  Is the percentage of the population with reasonable access to water, including water-main, wells or public fountains. This indicator is a proxy measuring availability of basic infrastructure in rural areas.	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	1995 (B)		35.8
	1996	36.9	
	1997	38.0	
	1998	39.1	
	1999	40.3	
	2000	41.5	
	2001	42.7	
	2002 (T)	44.0	

<b>STRATEGIC OBJECTIVE 1: EXPANDED ACCESS AND ECONOMIC OPPORTUNITY FOR EL SALVADOR'S RURAL POOR FAMILIES</b> <b>APPROVED: 06/07/96 COUNTRY/ORGANIZATION: USAID/El Salvador</b>			
<b>INDICATOR No. 2: Rural population with children aged 7-10 attending school.</b>			
<b>UNIT OF MEASURE:</b> Household percent  <b>SOURCE:</b> Multipurpose Household Surveys  <b>INDICATOR DESCRIPTION:</b> Ratio of rural households with children 7-10 attending school to the total number of rural household with children aged 7-10 years of age.  <b>COMMENTS:</b>  This indicator is a proxy measuring improvement in access to public sector services in rural areas.	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	1995 (B)		79.4
	1996	80.6	
	1997	81.8	
	1998	83.0	
	1999	84.3	
	2000	85.5	
	2001	86.8	
	2002 (T)	88.1	

**STRATEGIC OBJECTIVE 1: EXPANDED ACCESS AND ECONOMIC OPPORTUNITY FOR EL SALVADOR'S RURAL POOR FAMILIES**

**APPROVED:** 06/07/96 **COUNTRY/ORGANIZATION:** USAID/El Salvador

**INDICATOR No. 3:** Rural active borrowers with access to the formal financial system.

**UNIT OF MEASURE:** Percentages

**SOURCE:** Multipurpose Household Surveys

**INDICATOR DESCRIPTION:** The numerator is the number of households that received credit from the formal sector; the denominator is the number of households that requested credit for their economic activities.

\* Real GDP growth in 1996 was less than half of the growth registered in 1995 affecting overall economic activity including rural active borrowers.

**COMMENTS:** Active borrowers are defined as those seeking credit for their economic activities in any sector, be it agricultural, manufacturing or services.

YEAR	PLANNED	ACTUAL
1995 (B)		53.6
1996*	51.9	
1997	54.5	
1998	57.1	
1999	59.9	
2000	62.9	
2001	65.9	
2002 (T)	69.2	

<b>STRATEGIC OBJECTIVE 1: EXPANDED ACCESS AND ECONOMIC OPPORTUNITY FOR EL SALVADOR'S RURAL POOR</b>									
<b>APPROVED: 06/07/96 COUNTRY/ORGANIZATION: USAID/El Salvador</b>									
<b>RESULT No. 1.1: Better Educated/Trained Rural Residents</b>									
<b>INDICATOR No. 1: Annual achievement test scores in 3rd grade LANGUAGE. (rur=rural, nat=national, m=male, f=female, T=total)</b>									
<b>UNIT OF MEASURE:</b> Test score (expressed as a number from 0 to 9)	<b>YEAR</b>	<b>PLANNED</b>		<b>ACTUAL</b>					
		rur T	nat T	rural		national			
				m	f	T	m	f	T
<b>SOURCE:</b> Ministry of Education (MOE)	1995 (B)			2.0	1.7	<b>1.9</b>	2.1	1.9	<b>2.0</b>
<b>INDICATOR DESCRIPTION:</b> The average mastery of critical language skills taught in 3rd grade.  <b>COMMENTS:</b> The decrease of .2 in the rural areas is most probably explained by the fact that the MOE has made a priority of increasing the number of new EDUCO schools in the country's most rural, isolated area in an effort to increase access to education for El Salvador's poorest. This is an extremely important policy development, with far reaching positive implications that more than compensate for the temporary negative effects on rural test scores as large populations of unprepared and poorly prepared rural children are introduced to mainstream education.	1996	<b>2.0</b>	<b>2.1</b>	1.7	1.7	<b>1.7</b>	1.8	2.0	<b>1.9</b>
	1997	<b>2.2</b>	<b>2.3</b>						
	1998	<b>2.4</b>	<b>2.5</b>						
	1998	<b>2.6</b>	<b>2.7</b>						
	2000 (T)	<b>2.8</b>	<b>2.9</b>						

STRATEGIC OBJECTIVE 1: EXPANDED ACCESS AND ECONOMIC OPPORTUNITY FOR EL SALVADOR'S RURAL POOR									
APPROVED: 06/07/96 COUNTRY/ORGANIZATION: USAID/El Salvador									
RESULT No. 1.1: Better Educated/Trained Rural Residents									
INDICATOR No. 2: Annual achievement test scores in 3rd grade MATHEMATICS. (rur = rural, nat = national, m = male, f = female, T = total)									
UNIT OF MEASURE: Test score (expressed as a number from 0 to 9)	YEAR	PLANNED		ACTUAL					
		rur T	nat T	rural			national		
		m	f	T	m	f	T		
SOURCE: Ministry of Education (MOE)	1995 (B)			3.6	3.4	3.5	3.9	3.5	3.7
INDICATOR DESCRIPTION: The average mastery from 0(low) to 9(high) of critical MATHEMATICS skills taught in 3rd grade.  COMMENTS: Changes in test scores from 1995 to 1996 represent statistically significant increases.	1996	3.7	4.0			3.8			4.0
	1997	3.9	4.2						
	1998	4.1	4.4						
	1999	4.3	4.6						
	2000 (T)	4.5	4.8						

STRATEGIC OBJECTIVE 1: EXPANDED ACCESS AND ECONOMIC OPPORTUNITY FOR EL SALVADOR'S RURAL POOR									
APPROVED: 06/07/96 COUNTRY/ORGANIZATION: USAID/El Salvador									
RESULT No. 1.1: Better Educated Rural Residents									
INDICATOR No. 3: % of school children completing 6th grade in six years. (rur = rural, nat = national, m = male, f = female, T = total)									
UNIT OF MEASURE: Percent school children	YEAR	PLANNED		ACTUAL					
		rur T	nat T	rural			national		
		m	f	T	m	f	T		
SOURCE: Ministry of Education (MOE)									
INDICATOR DESCRIPTION: Percentage of school children completing sixth grade in only six years.  COMMENTS: Data for 1996 is based on samples of 6th grade student ages, in which students ages 12 or less in 6th grade are considered to have completed 6th grade in six years.	1996 (B)			35	42	38	47	53	50
	1997	39	51						
	1998	40	52						
	1999	41	53						
	2000 (T)	42	54						

<b>STRATEGIC OBJECTIVE 1: EXPANDED ACCESS AND ECONOMIC OPPORTUNITY FOR EL SALVADOR'S RURAL POOR FAMILIES</b>			
<b>APPROVED: 06/07/96 COUNTRY/ORGANIZATION: USAID/El Salvador</b>			
<b>RESULT No. 1.3:</b> Expanded equitable access to financial, technological and marketing services by the rural poor.			
<b>INDICATOR No.1:</b> Active Borrowers			
<b>UNIT OF MEASURE:</b> Number of people <b>SOURCE:</b> Credit Unions, Centro de Apoyo a la Microempresa (CAM), Catholic Relief Services (CRS)-Microenterprise 2000 and new activity. <b>INDICATOR DESCRIPTION:</b> People that have an outstanding loan with the aforementioned financial institutions. These data will be disaggregated by gender. <b>COMMENTS:</b> Active borrowers from rural areas will be reported. Rural is considered all the country with the exception of San Salvador and the metropolitan area. (It includes the following "Municipios": San Salvador, Mejicanos, San Marcos, Ayutuxtepeque, Cuscatancingo, Ciudad Delgado, Ilopango, Soyapango, Antiguo Cuscatlán, Nueva San Salvador).	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	6/96* (B)		24,936
	1997	35,253	
	1998**	43,743	
	1999	54,879	
	2000	67,852	
	2001	69,919	
	2002 (T)	71,985	

\* Baseline for Microenterprise 2000 and CRECER is June 96. For the CAM is September 96. The CAM went through a write-off process during the month of September 96 reducing the number of active clients from 27,398 in August 96 to 14,557 in September 96.

\*\* Includes new activities: One beginning in 1997 projecting 16,965 active borrowers for 1998; and another new start for 1998, reporting 2,500 for the same year.

<b>STRATEGIC OBJECTIVE 1: EXPANDED ACCESS AND ECONOMIC OPPORTUNITY FOR EL SALVADOR'S RURAL POOR FAMILIES</b>			
<b>APPROVED: 06/07/96 COUNTRY/ORGANIZATION: USAID/El Salvador</b>			
<b>RESULT No. 1.3:</b> Expanded equitable access to financial, technological and marketing services by the rural poor.			
<b>INDICATOR No. 2:</b> Depositors			
<b>UNIT OF MEASURE:</b> Number of people <b>SOURCE:</b> Credit Unions and CRS-Microenterprise 2000 <b>INDICATOR DESCRIPTION:</b> <b>COMMENTS:</b> Indicator represents number of depositors in legal financial institutions. Savings in NGOs not being supervised by the Superintendency are not being reported. These data will be disaggregated by gender. <b>* USAID activities end in the year 2000. After such date the number of depositors has been kept constant.</b>	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	6/96 (B)		8,910
	1997	12,526	
	1998	15,810	
	1999	26,294	
	2000 *	33,636	
	2001	33,636	
	2002 (T)	33,636	

<b>STRATEGIC OBJECTIVE 1: EXPANDED ACCESS AND ECONOMIC OPPORTUNITY FOR EL SALVADOR'S RURAL POOR FAMILIES</b>			
APPROVED: 06/07/96 COUNTRY/ORGANIZATION: USAID/El Salvador			
<b>RESULT No.1.3:</b> Expanded equitable access to financial, technological and marketing services by the rural poor.			
<b>INDICATOR No. 3:</b> Active clients			
<b>UNIT OF MEASURE:</b> Number of people <b>SOURCE:</b> Credit Unions, Centro de Apoyo a la Microempresa (CAM), CRS-Microenterprise 2000 and New Activities. <b>INDICATOR DESCRIPTION:</b> An Active Client is a person who has an outstanding loan, a savings account, or both. <b>COMMENTS:</b> Active clients from rural areas. Rural is considered all the country with the exception of San Salvador and the metropolitan area. (It includes the following "Municipios": San Salvador, Mejicanos, San Marcos, Ayutuxtepeque, Cuscatancingo, Ciudad Delgado, Ilopango, Soyapango, Antiguo Cuscatlán, Nueva San Salvador). These data will be disaggregated by gender.	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	6/96 (B)		28,642
	1997	39,427	
	1998	51,647	
	1999	63,857	
	2000	78,052	
	2001	80,119	
	2002 (T)	82,185	

<b>STRATEGIC OBJECTIVE 1: EXPANDED ACCESS AND ECONOMIC OPPORTUNITY FOR EL SALVADOR'S RURAL POOR FAMILIES</b>			
APPROVED: 06/07/96 COUNTRY/ORGANIZATION: USAID/El Salvador			
<b>RESULT No. 1.3:</b> Expanded equitable access to financial, technological and marketing services by the rural poor.			
<b>INDICATOR No. 4:</b> Number of Male (m) and Female (f) direct beneficiaries receiving services (i.e., management, agricultural technical assistance, bulk input supply, processing, or produce marketing).			
<b>UNIT OF MEASURE:</b> Number of people <b>SOURCE:</b> CLUSA, Technoserve, PROCAFE, Chemonics <b>INDICATOR DESCRIPTION:</b> <b>COMMENTS:</b> This indicator will measure how access to services by rural inhabitants is being increased.	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	1996 (B)		31425 (m) 4925 (f)
	1997	34000 (m) 5100 (f)	
	1998	39000 (m) 5500(f)	
	1999	45000(m) 6500(f)	
	2000	55000(m) 7500(f)	
	2001	65000(m) 8500(f)	

	2002 (T)	70000(m) 10000(f)	
--	----------	----------------------	--

<b>STRATEGIC OBJECTIVE 1: EXPANDED ACCESS AND ECONOMIC OPPORTUNITY FOR EL SALVADOR'S RURAL POOR FAMILIES</b>			
APPROVED: 06/07/96 COUNTRY/ORGANIZATION: USAID/El Salvador			
<b>RESULT No. 1.5:</b> Economic Policy environment supporting greater equity			
<b>INDICATOR No.1 :</b> GOES investment budget allocated for poorest Departments: Morazán, Cabañas, Chalatenango			
<b>UNIT OF MEASURE:</b> Percentage <b>SOURCE:</b> Ministry of Finance <b>INDICATOR DESCRIPTION:</b> <b>COMMENTS:</b> Inadequate statistical coverage of state and local governments requires the use of central government data. This may understate or distort the allocation of resources for various purposes.	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	1995 (B)		2.8
	1996	3.1	
	1997	3.4	
	1998	4.1	
	1999	4.5	
	2000	4.9	
	2001	5.5	
	2002 (T)	6.0	

<b>STRATEGIC OBJECTIVE 1: EXPANDED ACCESS AND ECONOMIC OPPORTUNITY FOR EL SALVADOR'S RURAL POOR FAMILIES</b>			
APPROVED: 06/057 7/96 COUNTRY/ORGANIZATION: USAID/El Salvador			
<b>RESULT No. 1.5:</b> Economic Policy environment supporting greater equity			
<b>INDICATOR No. 2:</b> Modernization of the State Index			
<b>UNIT OF MEASURE:</b> Percentage <b>SOURCE:</b> Various <b>INDICATOR DESCRIPTION:</b> This is an index based on 8 weighted indicators. The weights were given taking into account the number of instrument and resources that the Policy Package has available to influence the different indicators. <b>COMMENTS:</b> The index includes the following components: 1)Privatization which includes power and telecommunications sector and CENTA and ENA institutions from the Minister of Agriculture; 2)The concessions law; 3)Modernization of financial public sector system; 4)Pension reform; 5)Fiscal Deficit/Surplus as percentage of GDP; 6)Social expenditures as percentage of budget; 7)Fiscal and monetary institutions such as Superintendency of bank, Central Reserve Bank and the Ministry of Finance; 8)Neutral incentives to traded sector.	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	1996 (B)	10%	10%
	1997	21%	
	1998	34%	
	1999	48%	
	2000	54%	
	2001	72%	
	2002 (T)	85%	

El Salvador is in the early stages of democratic consolidation and is struggling to develop more inclusive and effective democratic processes. Through the help of NGOs, citizens are increasingly involved in public policy making, particularly in the area of legal rights for women and youth. Larger numbers of local citizens are participating in municipal decision making activities. The judicial system, beginning with family, juvenile and criminal courts, is being modernized through the introduction of oral and adversarial proceedings. A new integrated financial management system is being introduced across the country to encourage a stronger commitment to improved stewardship of public finances. Electoral reforms, however, lag behind.

### **Strategic Objective: More Inclusive and Effective Democratic Processes in El Salvador**

#### **DEVELOPMENT HYPOTHESIS**

A recently completed democracy assessment places El Salvador in the very early stages of democratic consolidation, or transition to a mature, sustainable democracy. While noting considerable gains in the area of legislation (e.g., approval of a new criminal procedures code, support for a law creating a new civil registry, establishment of the National Civilian Police and the Human Rights Ombudsman, constitutional reforms, and approval of authority for municipalities to set their own user fees), the passage of key legislation constitutes only a first step in the complex process of implementing policy change. Successful implementation of the policy and legal reforms promulgated remains a challenge. In the context of this strategic objective, the desired policy changes include the electoral, judicial, and other democratic reforms mandated in the Peace Accords and subsequent agreements.

Salvadorans must still complete the difficult tasks of building a broad indigenous constituency for the reforms, creating the

incentives within the reformed institutions to foster change in the ways things are done, and identifying sufficient financial and human resources to enable policy makers to carry through with the reforms.

The development hypothesis for democracy and governance is that democratic consolidation must occur both within institutions and within individual and group behavior. Democratic consolidation has been achieved when the following conditions are met:

Institutionally, a democracy is consolidated when competitive elections for public office are regularly held, the rule of law is pervasive, there is a separation between the public and private spheres, individual liberties are guaranteed, there are effective means for citizen participation and/or means of representing popular sectors, and the state is functional. Behaviorally, a democracy is consolidated when no significant group attempts to take political control by force or coercion; elements in civil society--including the media--can and do organize to express their interests and keep watch over the government, and no significant group continues to resolve conflicts outside the means of the state.<sup>1</sup>

As noted in the "Civil Society Annex" approved in fall 1996, the statement of the strategic objective reflects the focus of USAID's program on both the demand side (inclusivity), and response side (effectiveness) of key democratic processes. This objective will be achieved through five intermediate results that will advance the process of democratic consolidation. These intermediate results are: *a more politically active civil society; an impartial and more effective electoral administration; increased participation in strengthened local governments; more effective legal/judicial protection for all citizens; and improved and transparent stewardship of public finances.*

Two intermediate results, *a more politically active civil society* and *an impartial and more effective electoral administration* were previously combined under one intermediate result, *increased participation in the electoral process.* Recognizing that democratic participation doesn't end with elections, the strategy gives equal importance to the strengthening of civil society as a means by which traditionally disenfranchised or under-represented groups can obtain genuine representation.

The existence of a *more politically active civil society* depends on meeting four conditions: relative ease in forming citizen alliances and associations, effective advocacy skills, opportunities for civil society to influence decision-makers, and an educated and informed citizenry. USAID's focus includes training for community and NGO leaders in leadership, advocacy, and policy analysis skills; and training for policy makers--i.e., municipal council members and legislators--to encourage them to increase access by citizens to basic information and to conduct open decision making processes.

In the area of an *impartial and more effective electoral administration*, the strategy identifies three areas for improvement: a transparent more accessible voter registration process, voting made easier and more accessible to the majority, and improved transparency and timeliness of election results reporting. To this end, USAID activities have included technical assistance in the area of electoral procedures, support for policy reforms such as a new civil registry and residential voting, and financial assistance for local NGOs to conduct voter registration campaigns.

The results framework also includes the intermediate result: *increased participation in strengthened local governments*, reflecting the belief that the best schoolroom for democracy is the municipality. Improved administration of municipal affairs encourages greater public confidence. USAID encourages broad-based representation at open municipal town meetings, increased participation in municipal decision-making and improved local government resource management. Training is being offered in administration and strategic planning for mayors and municipal council members, and for local community groups to accept increased responsibilities.

USAID's approach to strengthen local government and citizen participation focuses on three separate efforts: development of a credible, consistent policy, shared by national and local leaders, for effective, democratic local governance; expanding the quality of municipal services through efforts to improve municipal finances; and encouraging effective grassroots participation in municipal decision-making. USAID supports activities that include the strengthening of community organizations to work with local government to meet

articulated needs, technical assistance to improve municipal financial and administrative capabilities, and support for the development of a municipal policy agenda.

The fourth intermediate result, *more effective legal/judicial protection for all citizens*, responds to one of the greatest continuing threats to democracy in El Salvador--the failure of the legal system to provide for the public's security and protect individual liberties. With the perceived erosion of public security, the government responded to public pressure to provide order with passage of the controversial Emergency Law, clearly reflecting a decision to give precedence to "order" over the protection of "liberties." While this law had very little practical impact on both crime and the denial of due process,<sup>2</sup> its passage demonstrates the urgent need for improvements in this area.

USAID's analysis suggests five conditions are needed to achieve this result: effective citizen pressure for rule of law and due process, effective citizen access to the legal system, a more effective police force, a more responsive judicial system that meets the highest ethical standards, and increased timeliness in the administration of justice. In addition to technical assistance and training for implementation of the new criminal procedures code and the multi-donor police strengthening program, continuing assistance will seek to foment public advocacy for improvements in the performance of the justice system, and promote efforts to broaden access to the legal system, including the development of alternative dispute resolution mechanisms.

The fifth intermediate result for democratic consolidation is *improved and transparent stewardship of public finances*. Abuses of the public's trust lead to the loss of citizen

confidence and support for democratic processes. The Interamerican Development Bank's program builds upon prior USAID policy reform efforts supporting more effective use of audit as a mechanism to ensure sound stewardship of resources, and improved public sector financial management systems. Use of audits and improved financial management systems is insufficient, however, unless there is effective prosecution of corruption and an increase in citizen demands for public officials to be accountable. USAID will look for opportunities to work with citizen groups and the judicial system to encourage requirements for accountability.

## PERFORMANCE ANALYSIS

The United Nations Verification Mission officially ended on December 31, 1996, with substantial progress by the Government of El Salvador on the major commitments of the peace process. The adoption of constitutional reforms related to *habeas corpus*, redress for persons denied the right to a speedy trial, increased autonomy of the National Council on the Judiciary, the passage of the new criminal procedures code, and passage of a law creating a new civil registry are examples of such progress. While improvement continues, the legislative front fell short of all donor expectations for progress with the criminal code and the sentencing law still languishing in the Assembly. Electoral reforms are still pending and the Government has yet to name the Registrar for the new civil registry.

On the "demand" side of civil society, performance was equally mixed. The coalition of NGOs which lobbied effectively for the passage of the new family code has continued to support its implementation. NGOs have disseminated information about the family code to tens of thousands of rural

**PARTICIPATORY DEMOCRACY IN ACTION - A STEP BEYOND "CABILDOS ABIERTOS"**

Teodosio Salvador Rodriguez is the mayor of San Julian, a small town in western El Salvador. In 1995, he along with 74 other Salvadoran mayors, attended a six week course for mayors in Las Cruces, NM, financed by USAID. A year later, Mayor Rodriguez had a chance to demonstrate what he had learned.

A rehabilitated and expanded water project was proposed for his community that would provide water to 2,762 beneficiaries. USAID offered to help Rodriguez with technical assistance for securing the loan and for constructing the system. The rest was up to him and his community.

Past operating procedure for new municipal projects in rural El Salvador has been to call public meetings and *appoint* citizens to serve on committees, often close friends or family members. Rodriguez broke with tradition. He sent personal invitations to all citizens urging them to participate in two town meetings to hear about the project and to elect--in a democratic and transparent manner--a supervising water committee. The committee would be charged with the important responsibility of overseeing the construction of the project, establishing a schedule for user fees, and developing a set of by-laws to guide future user-committee decision-making.

Twelve citizens, including three women, were nominated for the four committee positions. Since a majority of citizens in San Julian are illiterate, symbols were used on the ballots to identify the candidates and to provide for full democratic participation. Each candidate was assigned a different symbol. The candidates lined up in front of the room holding their symbols in front of them for public view as the ballots were handed out. The 146 voters, half of whom were women, were instructed to put an "X" through the symbols corresponding to the four candidates they wanted to vote for,

and each ballot was dropped into a box along the wall. Nearly everyone followed the instructions correctly. Once everyone had voted, the ballots were tallied by the mayor and a municipal trustee with everyone observing the process. The four winning candidates, whose symbols were the piano, trumpet, padlock, and auto, were announced before the meeting ended.

Through the mayor's initiative, the people of San Julian gained a voice in the decision-making process. Rodriguez credits his USAID sponsored training with giving him the confidence to share power and delegate some of the authority of his office to a democratically elected decision-making committee.

women, raising their awareness about new legal protections available to them and their children under this new law, e.g., increased protections of property and individual rights to children born out of wedlock and women in common-law unions.

A second NGO consortium has also been formed, and during the last quarter of 1996 carried out an effective media campaign in support of passage of the new criminal procedures code. In area of elections, some 22 NGOs have come together and, with USAID support and the Supreme Electoral Tribunal's (SET) collaboration, are carrying out a voter registration campaign focused on rural residents, women and youth. Collaboration among NGOs continues, as evidenced by their participation in analyzing and discussing a new law regulating NGOs that raises concern about the potential for excessive government intervention and control.

Some specific examples of USAID's contribution toward results follow:

**A More Politically Active Civil Society**

- NGOs participated in legislative committee hearings on higher education, NGO regulations, criminal procedures, and environmental law. Through this public comment process, substantive changes were made to improve laws prior to passage (the environmental law is still pending, but was vastly improved through the NGO input). The Legislative Assembly, through USAID's support, has also published a guide to the legislative process and a compilation of laws passed during the 1995-96 term.

- USAID is supporting training in community organization and advocacy through a series of workshops for local NGO leaders. The workshops discussed public security, among other topics, and put forth a series of recommendations for what local and national level institutions could do to address the serious crime problem.

- Fifty-nine rural women leaders from the national reconstruction program areas were trained in the participatory planning and management of community projects.

### **An Impartial and More Effective Electoral Administration**

To date, only one of the four electoral reforms recommended by the Presidential Commission on the Electoral Process has been passed by the Assembly, and even this one (the new civil registry) will not affect the 1997 electoral process. While USAID continues to press for reforms, particularly the opening of the municipal councils to opposition representation, it also extends technical assistance and support on voter registration. NGO efforts stress citizen education, "get out the vote" efforts, and improved election results reporting. NGO efforts to "get out the vote" have focused particularly on encouraging participation by rural women and youth; one encouraging result is as of February 1997, more women

than men have registered to vote (50.6% vs. 49.4%). Additionally, negotiations have concluded with the Government of Japan providing nearly \$500,000 for NGO voter identification and mobilization of citizens, and training by SET for poll workers.

### **Increased Participation in Strengthened Local Governments**

As a consequence of a broad participatory consultation process undertaken in preparation for the annual mayoral congresses, the National Association of Mayors has significantly improved the effectiveness of its lobbying efforts, and has achieved a five-fold increase over the past three years in the socio-economic development fund for municipalities--from less than 3 million dollars to over 14 million dollars. The association has also established a special legal procedure for mayors accused of malfeasance.

In the seven pilot municipalities receiving direct technical assistance and training, five councils have added new mechanisms for communicating with their constituents, including newsletters, municipal information centers, suggestion boxes and community development divisions targeting rural residents. In four of the seven pilot municipalities, locally generated revenues have already increased by at least 25%. Innovative models for local community government services are being developed in all seven municipalities. One such innovative model is the introduction of mixed public and private management commissions for water systems in several municipalities, which are proving to be very effective. To the extent that water is made available to more homes at affordable rates, women's lives are improved immeasurably as the total hours formerly spent fetching water can now be re-directed to more productive enterprises.

### **More Effective Legal/Judicial Protection for All Citizens**

Reliable judicial statistics, produced by a system developed with USAID's assistance, demonstrate remarkable improvements in performance of the family and juvenile courts in terms of productivity, and the reduction of delay and backlog. Both systems were reformed in 1995, providing a tangible demonstration of how orality and modern trial court procedures can dramatically affect judicial system performance. Through the USAID-Salvadoran Supreme Court jointly sponsored case purging center, some 51,000 backlogged cases have been processed with the goal of resolving another 10,000 cases during 1997. Priority is being given to backlog reduction in the criminal courts to "clean the slates" for the introduction of the reformed criminal judicial procedures beginning in February 1998. Improved case management procedures have been adopted in all trial courts throughout the country. A computerized system will be piloted mid-1997, prior to application nationwide through the help of a \$22.2 million Inter-American Development Bank loan for juvenile justice and justice sector strategic planning and management systems.

### **Improved and Transparent Stewardship of Public Finances**

The Ministry of Finance and the independent audit agency (Court of Accounts) have both demonstrated strong commitment to the modernization of financial management and audit systems. With the support of USAID, the Ministry of Finance has trained over 2,200 individuals in the law creating a new, integrated financial management system (IFM). Twenty-five managers have received more in-depth training in IFM in three key

ministries (Agriculture, Public Works and Finance). In coordination with the Court of Accounts and a local NGO, an extensive training program for 400 public sector auditors has been initiated. The number of audits performed and wider dissemination of audit findings demonstrate evidence of an increased commitment to stewardship of public finances.

### **EXPECTED PROGRESS THROUGH FY 1999 AND MANAGEMENT ACTIONS**

Progress toward the achievement of results under this strategic objective, with the exception of electoral administration, are on track, and will be sustained provided funding levels are maintained. The following management actions will be taken in FY 1997-1999.

Following the 1997 elections, USAID will undertake an in-house, participatory assessment of past and ongoing activities designed to further civil society participation in public policy-making. Initial analysis suggests the needs of civil society organizations are twofold: training in policy analysis and planning of effective advocacy programs, and financial support for communication costs.

A new activity will be initiated in early FY 1998 to provide this type of support for local NGOs. Criteria for the selection of local NGO recipients will include the ability of applicants to show the potential for civil society organizations to coalesce around topics of importance to USAID customers and undertake a joint advocacy program. The new activity will integrate the topic of citizen responsibility and monitoring of public finances, as the principal means for USAID contributing to the achievement of the result, improved stewardship of public resources.

In the area of electoral administration, USAID will phase out direct support to the Supreme Electoral Tribunal following the 1997 elections. Instead, USAID will work with civil society organizations interested in electoral reform to foster the mobilization of a constituency for substantive change in the electoral process.

Finally, USAID will begin a new rule of law activity in FY 1997. The design analysis suggests an emphasis on specific geographic areas similar to the "focus areas" approach developed in Guatemala. In addition to targeting the new criminal procedures code, the possibility of USAID assistance for a wide range of NGOs and private organizations to broaden access to legal services and provide conflict management training to community leaders, is being studied. If approved, these activities could address a range of legal issues of importance to USAID customers, such as land tenure, consumer rights and administrative law.

1. Barr, Robert R., (1996) *Politics in El Salvador: A Framework for Analysis*.
2. In February 1997 seven articles were determined to be unconstitutional by the Supreme Court and prior to this decision, most judges chose to ignore the law.

## PERFORMANCE DATA TABLES

<b>STRATEGIC OBJECTIVE 2: MORE INCLUSIVE &amp; EFFECTIVE DEMOCRATIC PROCESSES</b> <b>APPROVED: 11/19/96 COUNTRY/ORGANIZATION: USAID/EI Salvador</b>			
<b>INDICATOR No. 1:</b> Status of reforms to: a) electoral; b) legal/judicial; and c) local development and participation processes.			
<b>UNIT OF MEASURE:</b> Significant, Moderate, Little, or No progress. (cumulative measure) <b>SOURCE:</b> Qualitative assessment to be carried out annually with members from the SO Extended Team. <b>INDICATOR DESCRIPTION:</b> In each of the three areas, a listing of the key reform goals, drawn primarily from the Peace Accords, has been developed, as well as an expected timetable for compliance/execution of key stages. The evaluation will look at these stages/factors, which include: legitimization of the reform, strength of domestic reform constituency, financial commitment, and pace/extent of implementation coverage. <b>COMMENTS:</b> By the year 2002, continued, sustainable progress is expected in all areas. The Democracy Sector Assessment has been used to establish the baseline data.	<b>YEAR</b>	<b>PLANNED</b> a) b) c)	<b>ACTUAL</b> a) b) c)
	1996 (B)		N M L
	1997	L M L	
	1998	M M M	
	1999	M M M	
	2000	M S M	
	2001	M S S	
	2002 (T)	S S S	

<b>STRATEGIC OBJECTIVE 2: MORE INCLUSIVE &amp; EFFECTIVE DEMOCRATIC PROCESSES</b> <b>APPROVED: 11/19/96 COUNTRY/ORGANIZATION: USAID/EI Salvador</b>			
<b>INDICATOR No. 2:</b> Behavioral changes which demonstrate democratic values and attitudes taking root in a) the general population and b) the political elite/system operators			
<b>UNIT OF MEASURE:</b> Frequency behavior is practiced: Always, Frequently, on Occasion, Rarely, Never <b>SOURCE:</b> Qualitative assessment to be carried out biennially with Extended Team using stratified random sample survey data and focus group data. <b>INDICATOR DESCRIPTION:</b> USAID's program is promoting specific behavioral changes in our target population, which are conditioned by the responsiveness/openness of public officials to these behaviors, for example, the petitioning of public officials and/or access to budget/financial information, on the one hand, and the receptivity and responsiveness of public officials to such requests, on the other. <b>COMMENTS:</b> Baseline data were established using information drawn from responses to the question "have you solicited assistance or presented a petition to the mayor or member of the municipal council during the past 12 months," which was included in 1994 and 1995 national surveys. In both years, only 12% of respondents answered yes (which we equate to rarely). Future surveys will include a wider range of questions. No data are yet available for political elite/system operators.	<b>YEAR</b>	<b>PLANNED</b> a) b)	<b>ACTUAL</b> a) b)
	1995 (B)		R
	1997 (B)		
	1998	O R	
	2000	F O	
	2002 (T)	F F	

**STRATEGIC OBJECTIVE 2: MORE INCLUSIVE & EFFECTIVE DEMOCRATIC PROCESSES**

**APPROVED:** 11 /19/96 **COUNTRY/ORGANIZATION:** USAID/EI Salvador

**RESULT No. 2.1:** More politically active civil society

**INDICATOR:** Citizen participation in civil society organizations (NGOs, professional associations, religious groups, neighborhood groups)

**UNIT OF MEASURE:** Percentage of population

**SOURCE:** CID-Gallup Omnibus and stratified random sample national surveys and focus groups with operators on a biennial basis.

**INDICATOR DESCRIPTION:** This biennial indicator measures both participation in CSOs which articulate citizen demand, as well as the impact of the organizations on the policy-making process.

**COMMENTS:** This is a new intermediate result. Additional indicator measuring elite/system operators' reporting CSO influence in a specific policy outcome or resource allocation process will be added in 1997. Baseline data will be established for this new indicator in 1997.

YEAR	PLANNED		ACTUAL	
	m	f	m	f
1994 (B)	n/a	n/a	9.5 4.0	
1995	9.5 4.0		n/a	n/a
1996	10.0 5.0		*	11%
1997	12.0 12.0			
1998				
2000				
2002 (T)				

\* seeking disaggregation-to be provided.

**STRATEGIC OBJECTIVE 2: MORE INCLUSIVE & EFFECTIVE DEMOCRATIC PROCESSES**

**APPROVED:** 11/19/96 **COUNTRY/ORGANIZATION:** USAID/EI Salvador

**RESULT No. 2.2:** An impartial & more effective electoral administration

**INDICATOR:** a) Electorate voting in national elections; and b) Impact of political or administrative problems on credibility and openness of electoral process

<p><b>UNIT OF MEASURE:</b> a) percentage of total electorate; b) Significant, Moderate, Little, or No impact</p> <p><b>SOURCE:</b> SET records, CID-Gallup, IUDOP, and/or national stratified random sample surveys to be carried out in elections years.</p> <p><b>INDICATOR DESCRIPTION:</b> While USAID's efforts are designed to stimulate participation in the electoral process, a number of external variables (e.g., political will to improve electoral process, political party credibility) affect the participation rates and are outside the scope of our program.</p> <p><b>COMMENTS:</b> a) Historic trends indicate that participation is lower in municipal elections, so our targets reflect the nature of the elections (i.e., 1997 and 2000 are municipal/legislative elections; 1999 Presidential). Polling data also indicate that women participate less than men, 60%, as compared to 72%. While polling data obviously overstate participation, we have used it to establish targets for female participation. b) Survey data from the 1991 and 1994 elections indicated that lack of confidence in the electoral process and electoral registry problems accounted for as much as 70% of absenteeism.</p>	YEAR	PLANNED		ACTUAL		
		a)	b)	a)	b)	
	1991			44%	S	
	1994 (B)			53%	S	60%
	1997	50%	M			
		60%	Fem			
1999	55%	L				
	65%	Fem				
2000 (T)	55%	L				
	65%	Fem				

<p><b>STRATEGIC OBJECTIVE 2: MORE INCLUSIVE &amp; EFFECTIVE DEMOCRATIC PROCESSES</b></p> <p><b>APPROVED:</b> 11 /19/96 <b>COUNTRY/ORGANIZATION:</b> USAID/EI Salvador</p>						
<p><b>RESULT No. 2.3:</b> Increased participation in strengthened local government</p>						
<p><b>INDICATOR:</b> a) Coverage of the selected municipal services, and b) satisfaction with municipal services in USAID Target Municipalities (TM) and Nationwide.</p>						
<p><b>UNIT OF MEASURE:</b> percentage of population</p> <p><b>SOURCE:</b> Project reports and national stratified random sample surveys carried out every 2 years</p> <p><b>INDICATOR DESCRIPTION:</b> The coverage and quality of the selected services depends on targeted municipalities' success in generating revenues, investment, and community participation, as well as in effectively identifying, reaching a consensus over, and providing such services. Focus groups indicate that Salvadorans' evaluation of democratic reform is based on changes in their quality of life.</p> <p><b>COMMENTS:</b> In USAID target municipalities, a selected service will be identified through the municipal agenda process. Baseline data for b) are based on survey data from 1994, which showed satisfaction levels in El Salvador were higher than any other Central American country. Data on satisfaction with municipal services will be collected biennially.</p>	YEAR	PLANNED		ACTUAL		
		TM	N	TM	N	
	1996 (B)	a)		na		
		b)		na	40%	
	1998	a) 50	42%			
		b) 50	42%			
2000	a) 83	45%				
	b) 75	XX%				
2002 (T)	a) 100	50%				
	b) 80	XX%				

<p><b>STRATEGIC OBJECTIVE 2: MORE INCLUSIVE &amp; EFFECTIVE DEMOCRATIC PROCESSES</b></p> <p><b>APPROVED:</b> 11 /19/96 <b>COUNTRY/ORGANIZATION:</b> USAID/EI Salvador</p>					
---	--	--	--	--	--

<b>RESULT No. 2.4:</b> More effective legal/judicial protection for all citizens			
<b>INDICATOR:</b> a) general perception of fairness of justice system and b) access to legal information/services related to the criminal jurisdiction in a timely fashion			
<b>UNIT OF MEASURE:</b> Total, Significant, Moderate, Little, None <b>SOURCE:</b> CID/Gallup, IUDOP, and national stratified random sample surveys carried out every 2 years <hr/> <b>INDICATOR DESCRIPTION:</b> The focus of b) on criminal justice is based on the human rights impact of the lack of access to information/services by the accused and victims, and USAID's substantial investment in this area. The level of citizen confidence in the justice sector will influence usage by citizens. Effective legal protection begins with citizen knowledge and/or access to legal information on a timely basis. <hr/> <b>COMMENTS:</b> Baseline data for a) is based on responses to a 1995 survey question asking respondents "To what extent do they believe that the courts guaranteed a just trial?" The courts scored 3.2 on a 7-point scale and were ranked lowest among 6 institutions. Baseline data for b) is based on results of the January 1997 CID-Gallup Omnibus Poll and quantitative data from judicial actors (e.g., access to public defense).	<b>YEAR</b>	<b>PLANNED</b> a) b)	<b>ACTUAL</b> a) b)
	1996 (B)		L L
	1998	L L	
	2000	M M	
	2002 (T)	M M	

**STRATEGIC OBJECTIVE 2: MORE INCLUSIVE & EFFECTIVE DEMOCRATIC PROCESSES**

**APPROVED:** 11 /19 /96 **COUNTRY/ORGANIZATION:** USAID/El Salvador

**RESULT No. 2.5:** Improved and transparent stewardship of public finances

**INDICATOR:** a) Effective implementation of integrated financial management systems at municipal level, and b) frequency of dissemination of information on budget, procurement, and audit processes at National level and in targeted Municipalities

**UNIT OF MEASURE:** a) number of municipalities; and b) Consistently, Occasionally, Rarely, or Never

**SOURCE:** Qualitative assessment to be carried out based on the review of newspapers and other media, discussions with CSOs, and system operators, focus group and survey data, and Municipal Project Records

**INDICATOR DESCRIPTION:** The disclosure of information concerning resource allocation and uses constitutes one aspect of stewardship, which USAID is affecting on the municipal level through the local agenda process, and at the national level through assistance to CSOs, the legislature and executive branch agencies such as the Court of Accounts. "Consistently" is defined as at least quarterly and whenever requested.

**COMMENTS:** Progress has been made on the policy front at the national level with the passage of the law on Integrated Financial Management (IFM) and the Court of Accounts law; implementation of these laws will improve public sector accountability. USAID is developing an IFM system for municipal use, with the IDB supporting implementation of the IFM law at the national level. USAID will keep apprised of progress at the national level through IDB reports and meetings.

YEAR	PLANNED		ACTUAL	
	N	M	N	M
1996 (B)	a) --- b)		a) --- b) R	R
1997	a) O b) R	O		
1998	a) 3 b) O	O		
1999	a) 6 b) O	C		
2000	a) 10 b) O	C		
2001	a) 15 b) C	C		
2002 (T)	a) TBD b) C	C		

## *World's Population Stabilized and Human Health Protected*

### **Strategic Objective: Sustainable Improvements in Health of Women and Children**

---

Primary health services to fertile women and children under five are delivered by the Ministry of Health (MOH), local health NGOs, and their community health promoters. The services include prevention and treatment of childhood illnesses, reproductive health services, and promotion of a sustainable policy environment. Long-term trends show decreasing infant and child mortality rates, improvement of children's vaccination coverage, and reduction in the percent of children suffering from diarrhea. Fertility rates are declining and contraceptive prevalence increasing. Improvement is still needed in the percent of women receiving tetanus toxoid and timely postnatal visits. Growth was documented in rural access to potable water and sanitation facilities. Progress was made by MOH facilities towards cost recovery of patient fees.

#### **DEVELOPMENT HYPOTHESIS**

In El Salvador, sustainable improvements to the health of women and young children are essential for the achievement of USAID's goal to stabilize population and protect human health. Through this strategic objective, USAID is also addressing one of the most visible indications of rural poverty in El Salvador: the high incidence of disease and death in the rural areas of this densely populated country.

This strategic objective is inter-dependent with the achievement of other strategic objectives. For example, increased income and education facilitate access to health services and reduce the unhealthy living conditions associated with rural poverty. Similarly, healthy children are more likely to survive to be able to attend school and, once there, retain what they learn.

Some of the greatest health threats to children and mothers result from grossly inadequate pre- through postnatal care, closely spaced and unwanted pregnancies.

Fifty percent of Salvadoran infants who die before age one, do so in the first month of life. Likewise, the maternal mortality ratio for El Salvador--158 per 100,000 live births--is high like Mexico and most of Central America.

For infants and young children, diarrheal diseases and acute respiratory infections are the most frequent causes of illness and death, 23,000 die each year from these causes. These illnesses stem from lack of potable water, sanitation infrastructure and domestic air pollution from cooking fires, and are exacerbated by inadequate breastfeeding and poor nutrition.

High infant and child mortality rates encourage parents to have more children than they want and, consequently, undermine efforts to stabilize population growth. When parents are confident that their children will survive, more progress can be made towards stabilizing population growth.

Health improvements among poor women and children in El Salvador can be achieved through *increased use of appropriate child*

*survival practices and services and increased use of appropriate reproductive health practices and services.* Sustaining these improvements will require a policy environment supportive of primary, preventive health care delivery. USAID/El Salvador is pursuing these results through support for community-based, primary health care, expanded access to potable water and sanitation, increased use of family planning services, and a more supportive policy environment.

In 1996, 84% of Salvadoran rural communities were served by health promoters, sponsored by the MOH or NGOs. USAID continues to finance, through a bilateral agreement with the GOES, the MOH health promoter program. USAID is also financing an NGO network of health promoters to serve almost half a million rural Salvadorans women and children and to improve the quality of care they receive. After twelve weeks of intensive training, the community health promoters often work alone in isolated rural communities with periodic supervisory visits and inservice "refresher" classes to insure that they are providing quality care.

The Pan American Health Organization (PAHO) and USAID have developed an Integrated Management of Childhood Illnesses (IMCI) protocol, and USAID will support the use of this protocol in El Salvador at the community clinical level in some areas. The protocol will also be adapted to health promoters' training materials to improve early recognition of symptoms of common childhood diseases, appropriate and timely responses, and referrals to suitable health facilities.

The lack of access to water and sanitation is a major constraint to improving health in rural areas. The large difference in infant and child mortality rates between urban and

rural areas is closely connected to the lack of an adequate water and sanitation infrastructure. USAID/El Salvador continues to support activities that increase the availability of potable water and sanitation facilities in El Salvador's rural communities. USAID will use a participatory approach to encourage community committees and local government authorities to collaborate in the construction, and administration of the systems. Health education activities will continue to be an integral and vital part of the process.

Access to family planning services will be expanded to reduce the number of unwanted pregnancies and enable couples to space the birth of their children. USAID will give particular attention to increasing the availability of modern, temporary contraceptives methods. Special educational campaigns will target men to increase their support for family planning use. A public education campaign about HIV and AIDS and condom availability also is being supported, in collaboration with the USAID Regional HIV/AIDS Activity.

The chief policy concern in providing health care in the rural areas is the long-term sustainability of the NGOs delivering primary, preventive health care and family planning services to the rural poor. The strong role of the NGOs evolved to the rural poor out of GOES' inability to provide a public health system benefiting this segment of the population. The NGOs have filled an urgent gap by providing health and family planning services for customers with no alternative. Sustainability depends, in part, on the efficiency and effectiveness of the NGOs' operations and their ability to raise funds through donations or fees. In this area the NGOs, with USAID assistance, have made significant progress.

Despite this progress, the major constraint facing these NGOs continues to be the inability of customers to pay the full cost of services. Outside financing, beyond what the NGOs can raise themselves, will be needed for the foreseeable future. Direct or indirect financing by USAID, or other international donors, is not sustainable. Consequently, USAID, the other donors and the NGOs are looking to the GOES to take a larger role in financing health services for underserved, particularly rural, populations. Since the NGOs have a successful track record, it is likely more efficient for the GOES to contract them to provide these services, rather than trying to replace their efforts with direct government services.

In a promising arrangement begun in 1996, eighteen high performing NGOs graduated from direct USAID support and moved to GOES financing from USAID-generated local currency funds with oversight from the Ministry of Health. Given declining USAID-generated local currency resources, this arrangement does not ensure sustainability. While the GOES has pledged to increase social sector spending from the current one-third of the budget to one half, constraints such as El Salvador's low tax effort make sustainability a difficult task.

The policy environment must change in order for the basic health care needs of poor women and children to be met. This will demand collaboration among the Ministry of Health, other GOES entities and non-governmental health providers. The GOES must increase or reallocate public funds in favor of the rural health sector, and must improve targeting so that public subsidies go to those most in need. USAID, working with other partners, will continue to pursue such collaboration and other important health sector reforms.

## PERFORMANCE ANALYSIS

Long-term trends in the health status of women and children have been improving for over a decade, in part due to USAID's assistance. While specific, nationwide data for the strategic objective indicators will not again be available until 1998, proxy data for 1996, from a network of 12 USAID-supported NGOs, substantiate that improvement in trends continue. The NGOs serve approximately 174,000 persons, including 28,340 children under five, in 11 of El Salvador's 14 departments. For example, infant mortality decreased to 11.6 per 1,000 live births in 1996 (the overall national rate was 41 per 1,000 in 1993). And the maternal mortality rate in this NGO group decreased to .05 per 1,000 in 1996 from .11 per 1,000 in 1994 (the overall national rate was .21 per 1,000 in 1993). These data demonstrate that a network of well-managed health delivery NGOs does improve the quality of life for rural citizens.

### Reduced Incidence of Preventable Childhood Diseases

Nationwide, diarrheal incidence, measured by percentage of children under five with diarrhea during the prior two weeks, continues to decrease. Likewise, treatment for diarrheal diseases, as measured by the percentage of children under five with diarrhea in the past two weeks, who were treated with oral rehydration salts, continues to increase.

Data from the 12 USAID-sponsored NGOs noted above show that the incidence of dehydration decreased from 10.3% in 1994 to 5.6% in 1996 in those communities. In the same regions, the incidence of acute diarrheal diseases also decreased from 800 cases per 1,000 children under five in 1994 to 511 in 1996. The incidence of acute respiratory infections in children under five

### HEALTH PROMOTERS: MAKING A DIFFERENCE

People in the rural community of El Paterno agree that baby Carlitos owes his life to Orbelina Gutierrez, the local health promoter. Carlitos was born prematurely, weighing just under 3 pounds, to 14 year old Susana, in an isolated Salvadoran village. Orbelina carefully monitored Susana's pregnancy through regular two week pre-natal appointments, and then diligently followed Carlitos' post-natal progress with frequent visits. "Lucky for us, neither the mother nor baby had any serious post-birth problems," reported Orbelina. "He was born during the rainy season when the river was high. The trail was impassable, even by burro."

Four years ago, the community of El Paterno built a one-room structure for a community health promoter. When no local person would agree to accept the position and go for the training, the sponsoring NGO asked Orbelina to take the job. She accepted, despite the 45 minute trek each day through a rocky river bed from her home to her *office*, the one-room community building with no windows and no electricity. "I wanted to share what I knew about health care, and help improve the quality of life for these rural families," said Orbelina when asked why she agreed three years ago to accept the \$200 a month position.

Her isolated, mountainous region covers three small communities with 180 families, some of whom are more than two hours walk from her clinic. She usually spends two hours each morning in the office seeing patients. And the rest of the day she walks through the countryside with a bag of essential equipment and pharmaceuticals visiting families and answering questions about basic health care and household sanitation. Orbelina will meet with any sick person, but she concentrates her efforts on children and mothers. "Diarrhea is the most frequently treated illness in children," commented Orbelina. "Respiratory problems are second, and malnutrition third."

In addition to her busy days, she also volunteers to teach literacy classes several evenings a week at the local school near her health care building. And, "When I get home at night, I am greeted by my own four children ages seven to thirteen, who also need some of my time," said Orbelina. "I may be tired, but I am very happy." The community of El Paterno appears to be happy as well. Recently they gave her 20 pounds of their scarce beans as evidence of their appreciation for all that she does for them.

decreased from 1.6 episodes in 1995 to 1.0 in 1996, compared to 4 to 6 episodes per year documented by the Pan American Health Organization. Clearly, the services from these NGOs are having a positive effect on the lives of rural Salvadoran children.

One of the most notable advances toward the health strategic objective targets in 1996 was the 37,328 rural residents who gained access to potable water; and the 22,802 who gained access to sanitation facilities. In these communities, the incidence of diarrhea among children under five markedly decreased by at least 25%; and, in some communities by as much as 71%.

Increasing rural access to potable water and sanitation infrastructure has also contributed to community participation, especially for women. The participation rate of women on community water committees was 38% in 1995 and 35% in 1996. On the health committees, more than 50% of the members are women (57% for 1995 and 54% for 1996).

### Reduced Reproductive Health Problems

Notable advances also occurred in reproductive health. Couple-years of

protection, a measure for the use of contraceptives, rose nearly 100,000 in one year, from 601,448 in 1995 to 691,575 in 1996. Numbers of new HIV infections per 100,000 people decreased from 5.9 in 1994 to 4.8 in 1996. This number is reported with caution since there may be a reluctance to report HIV infections.

For some indicators, however, results level were less positive. For example, the percentage of pregnant women receiving at least two doses of tetanus toxoid decreased from 34% in 1995 to 30% in 1996. Similarly, the proportion of women receiving postnatal visits from trained Ministry of Health personnel decreased from 30% in 1993 to 16% in 1996. The 12 USAID-financed health NGOs that provide services to approximately 40,660 women of reproductive age reported, on the other hand, an increase in prenatal registration from 58% in 1994 to 73% in 1996, and that 45.7% of all pregnant women received two doses of tetanus toxoid. Nearly 100 percent of post-partum mothers received four visits within the first month. USAID will work with the MOH to determine why the national statistics declined and identify needed interventions.

### **Policy Environment More Supportive of Sustainability**

Important progress in the policy arena in 1996 was also reflected in the expansion of the cost recovery system to 18 Ministry of Health facilities, an increase of ten from 1995. Patient fee collections have significantly increased, without any reduction in access to care. Moreover, the fees collected were used to address customer identified problems at each of the Ministry of Health's facilities. The ministry has stated its plans to begin nationwide expansion of the cost recovery system in 1997.

Two other policy advances occurred in 1996 that involve the community health promoters and the NGOs, reflecting the achievements of USAID's activities. The Ministry of Health rescinded its decision to discontinue all of its health promoters, and, instead, recognized their positive contributions to improved health care, expanding their duties. Eighty-four percent of Salvadoran communities were served by a health promoter in 1996, up from 83% in 1995.

Also, the Ministry of Health, which has not strongly supported the idea of health care provided by local NGOs, agreed to oversee the performance of 18 USAID-funded health NGOs for the year. Late in 1996, the Ministry of Health became a supporter of NGO-provided health care, and stated that it would soon be ready to contract with several NGOs to do so.

In addition to GOES changes in policy the NGOs are making achievements in the area of sustainability. The NGOs participating in the health promoter network have formed a company for buying and selling generic pharmaceutical. UNICEF has provided them with training and initial supplies to establish rotating medicine funds pharmaceutical distribution points for their service areas. The NGOs have also secured new funding from private U.S. organizations, and the European Union. Other efforts have included fund-raising events, health clinics, and improved fee structures and collections for health services. The Salvadoran Demographic Association, which provides approximately 25% of El Salvador's family planning services along with other primary health care for mothers and children, has also made significant strides toward financial sustainability. Its social marketing program, for example, is almost completely self-financing

## **EXPECTED PROGRESS THROUGH FY 1999, AND MANAGEMENT ACTIONS**

USAID/El Salvador expects to meet all strategic objective and intermediate results targets through FY 1999. The Ministry of Health has requested, however, that USAID focus efforts in selected departments to test health sector reform measures prior to nationwide implementation. USAID has agreed with the expectation that the successful efforts will be implemented nationwide as rapidly as possible. The gradual introduction of health sector reforms may slow the rate of accomplishment. If a lag does occur, targets still should be achieved later in the strategy schedule.

Over the next two and a half years the health portfolio will undergo significant change. The seven current activities will be closed out and replaced with two new activities that directly support the new strategy's rural poverty focus. In FY 1997, a new water and sanitation activity will be initiated to reduce the incidence of mortality from diarrheal diseases among children. A new activity to support community-based primary health care and address all three intermediate results will begin in FY 1998.

In 1998, USAID El Salvador will finance a demographic and health survey for the country, one in an ongoing services since 1973. This survey is essential for measuring progress since 1993 and for identifying areas requiring continued attention.

## PERFORMANCE DATA TABLES

<b>STRATEGIC OBJECTIVE 3: SUSTAINABLE IMPROVEMENTS IN HEALTH OF WOMEN AND CHILDREN</b> <b>APPROVED: 06/07/96 COUNTRY/ORGANIZATION: USAID/El Salvador.</b>			
<b>INDICATOR No. 1: Maternal mortality ratio (MMR).</b>			
<b>UNIT OF MEASURE:</b> Number <b>SOURCE:</b> National Demographic and Health Survey (FESAL)	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
<b>INDICATOR DESCRIPTION:</b> Number of women in fertile age who died from pregnancy and delivery complications per 100,000 live births per year <b>COMMENTS:</b> FESAL should be carried out every five years to measure program impact at this level. A new survey is planned for early to mid 1998. Most recent FESAL carried out in 1993 was fully funded by USAID. Funding constraints and need to improve donor coordination necessitates cofinancing for future surveys. The surveys are the only means to adequately measure this and other indicators.  MMR is particularly difficult to accurately determine. The 1993 MMR of 158 has a plus or minus error of 56. It is not certain that this level of accuracy can be improved upon in the 1998 FESAL and for this reason a new methodology may be used to measure the MMR. The projected MMR targets will be adjusted as better data becomes available.	1993 (B) 2)		158
	1998	142	
	2002 (T) 3)	128	

<b>STRATEGIC OBJECTIVE 3: SUSTAINABLE IMPROVEMENTS IN HEALTH OF WOMEN AND CHILDREN</b> <b>APPROVED: 06/07/96 COUNTRY/ORGANIZATION: USAID/El Salvador.</b>			
<b>INDICATOR No. 2: Infant mortality rate (IMR).</b>			
<b>UNIT OF MEASURE:</b> Number. <b>SOURCE:</b> FESAL	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
<b>INDICATOR DESCRIPTION:</b> Number of children under one year who die per 1000 live births per year. <b>COMMENTS:</b> See comments for Indicator No.1. A 1994 mid-term PROSAMI Project evaluation found an IMR of 16.5/1000 live births in project areas compared to 1993 National IMR of 41.	1985 (B)		65
	1988		50
	1993	51	41
	1998	35	
	2002 (T)	30	

**STRATEGIC OBJECTIVE 3: SUSTAINABLE IMPROVEMENTS IN HEALTH OF WOMEN AND CHILDREN**  
**APPROVED: 06/07/96 COUNTRY/ORGANIZATION: USAID/El Salvador.**

**INDICATOR No. 3: Child mortality rate (CMR).**

<b>UNIT OF MEASURE:</b> Number	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
<b>SOURCE:</b> FESAL	1985 (B)		98
<b>INDICATOR DESCRIPTION:</b> Number of children one through five years who die per 1000 live births per year <b>COMMENTS:</b> See comments for Indicator No.1. A 1994 mid-term PROSAMI Project evaluation found a CMR of 6.5/1000 live births compared to the 1993 national CMR of 52	1988		66
	1993		52
	1998	44	
	2002 (T)	35	

**STRATEGIC OBJECTIVE 3: SUSTAINABLE IMPROVEMENTS IN HEALTH OF WOMEN AND CHILDREN**  
**APPROVED: 06/07/96 COUNTRY/ORGANIZATION: USAID/El Salvador**

**INDICATOR No. 4: Total fertility rate (TRF).**

<b>UNIT OF MEASURE:</b> Number	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
<b>SOURCE:</b> FESAL	1978 (B)		6.30
<b>INDICATOR DESCRIPTION:</b> Number of children that would be born alive during the life of a woman (or cohort of women). <b>COMMENTS:</b> See comments for Indicator No.1.	1985		4.50
	1988		4.60
	1993	4.00	3.85
	1998	3.50	
	2002 (T)	3.20	

**STRATEGIC OBJECTIVE 3: SUSTAINABLE IMPROVEMENTS IN HEALTH OF WOMEN AND CHILDREN**  
**APPROVED: 06/07/96 COUNTRY/ORGANIZATION: USAID/El Salvador.**

**RESULT No. 3.1: Increased use of appropriate child survival practices and services.**

**INDICATOR No. 1: Percent of children under one year vaccinated for DPT3 .**

<b>UNIT OF MEASURE:</b> Percent.	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
<b>SOURCE:</b> FESAL and MOH service statistics	1975 (B)		71
<b>INDICATOR DESCRIPTION:</b> DPT3 includes three doses each of the vaccine for diphtheria, pertussis and tetanus <b>COMMENTS:</b> 1975, 1985, 1988 and 1993 data are from FESALs of the same years and will be recollected in the 1998 FESAL. Beginning in 1996, annual MOH service statistics will also be used.  MOH reported that in 1996, 100% of children were vaccinated. However, the Mission believes that 100% is overstated and that the 1996 rate is closer to the projected target of 64%.	1985		64
	1988		61
	1993		62
	1996	64	100 See comments
	1997	66	
	1998	69	
	1999	72	
	2000	75	
	2001	78	
	2002 (T)	81	

<b>STRATEGIC OBJECTIVE 3: SUSTAINABLE IMPROVEMENTS IN HEALTH OF WOMEN AND CHILDREN</b>			
APPROVED: 06/07/96 COUNTRY/ORGANIZATION: USAID/El Salvador			
RESULT No. 3.1: Increased use of appropriate child survival practices and services			
INDICATOR No. 2: Incidence of diarrhea in the last two weeks among children under five years			
<b>UNIT OF MEASURE:</b> Percent <b>SOURCE:</b> FESAL <b>INDICATOR DESCRIPTION:</b> <b>COMMENTS:</b> Contractor reported diarrheal incidence data in three clusters of communities that received potable water systems and latrines, indicated the following decreases: 112/1,000 to 45/1,000 from 1994 to 1995; 14/1,000 to 4/1,000 from 1994 to 1995; and 16/1,000 to 12/1,000 from 1995 to 1996.	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	1985 (B)		36
	1988		29
	1993		24
	1998	21	
	2002 (T)	18	

<b>STRATEGIC OBJECTIVE 3: SUSTAINABLE IMPROVEMENTS IN HEALTH OF WOMEN AND CHILDREN</b>			
APPROVED: 06/07/96 COUNTRY/ORGANIZATION: USAID/El Salvador.			
RESULT No. 3.2: Increased use of appropriate reproductive health practices and services			
INDICATOR No. 1: Percent of deliveries attended by trained personnel.			
<b>UNIT OF MEASURE:</b> Percent <b>SOURCE:</b> FESAL Beginning 1997, MOH and NGOs service statistics will also be used <b>INDICATOR DESCRIPTION:</b> <b>COMMENTS:</b> Data includes deliveries in hospitals and those attended by midwives. National data is not available for 1996. However from 1995 to 1996, the MOH reported an increase in hospital deliveries from 47% to 60%, all attended by trained personnel.	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	1993 (B)		87
	1997	88	
	1998	89	
	1999	90	
	2000	91	
	2001	92	
	2002 (T)	93	

**STRATEGIC OBJECTIVE 3: SUSTAINABLE IMPROVEMENTS IN HEALTH OF WOMEN AND CHILDREN**  
**APPROVED: 06/07/96 COUNTRY/ORGANIZATION: USAID/El Salvador.**

**RESULT No. 3.2:** Increased use of appropriate reproductive health practices and services.

**INDICATOR No. 2:** Contraceptive prevalence rate (CPR) .

**UNIT OF MEASURE:** Percent.

**SOURCE:** FESAL

**INDICATOR DESCRIPTION:**

**COMMENTS:**

YEAR	PLANNED	ACTUAL
1975 (B)		21
1978		34
1985		46
1988		47
1993	51	53
1998	57	
2002 (T)	61	

**STRATEGIC OBJECTIVE 3: SUSTAINABLE IMPROVEMENTS IN HEALTH OF WOMEN AND CHILDREN**  
**APPROVED: 06/07/96 COUNTRY/ORGANIZATION: USAID/El Salvador.**

**RESULT No. 3.3:** Enhanced policy environment to support sustainability of child survival and reproductive health programs.

**INDICATOR No. 1:** Percent of USAID-funded NGOs whose budget show 50% or less dependency on USAID funds.

**UNIT OF MEASURE:** Percent.

**SOURCE:** NGO and USAID budget data

**INDICATOR DESCRIPTION:**

**COMMENTS:** The baseline data is based on 12 PROSAMI Project funded NGOs, 18 SETEFE funded former PROSAMI NGOs, five PROCIPOTES funded NGOs and the SDA, totalling 36 NGOs. 12 NGOs work in the four test departments funded by USAID. The list of NGO names is available from the SO3 Team.

Decreased dependency on USAID should not result in reduced services. From 1995 to 1996, two of the PROSAMI NGOs increased their absolute contribution, one maintained the same level and nine have decreased contributions. Of the 18 SETEFE funded NGOs, 13 increased their absolute contribution, as did three of the five PROCIPOTES NGOs. SDA contributes 48% of the cash costs and 62% of all costs, if volunteer hours are included.

YEAR	PLANNED	ACTUAL
1995 (B)		See comments
1996		See comments
1997	2	
1998	4	
1999	8	
2000	25	
2001	42	
2002 (T)	50	

<b>STRATEGIC OBJECTIVE 3: SUSTAINABLE IMPROVEMENTS IN HEALTH OF WOMEN AND CHILDREN</b>			
APPROVED: 06/07/96 COUNTRY/ORGANIZATION: USAID/El Salvador.			
RESULT No. 3.3: Enhanced policy environment to support sustainability of child survival and reproductive health programs.			
INDICATOR No. 2 : Percent of "cantones" served by MOH and/or NGO health promoters.			
<b>UNIT OF MEASURE:</b> Percent. <b>SOURCE:</b> 1995 Health Promoter Study and MOH and NGO service statistics. <b>INDICATOR DESCRIPTION:</b> <b>COMMENTS:</b> The baseline data is based on 1,732 "cantones" out of a total of 2,056 "cantones" in the country.	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	1995 (B)		83
	1996		84
	1997	85	
	1998	86	
	1999	87	
	2000	88	
	2001	89	
	2002 (T)	90	

<b>STRATEGIC OBJECTIVE 3: SUSTAINABLE IMPROVEMENTS IN HEALTH OF WOMEN AND CHILDREN</b>			
APPROVED: 06/07/96 COUNTRY/ORGANIZATION: USAID/El Salvador.			
RESULT No. 3.3: Enhanced policy environment to support sustainability of child survival and reproductive health programs.			
INDICATOR No. 3 : Percent of MOH facilities implementing cost recovery systems.			
<b>UNIT OF MEASURE:</b> Percent. <b>SOURCE:</b> MOH service statistics. <b>INDICATOR DESCRIPTION:</b> <b>COMMENTS:</b> The baseline data is based on a total of 375 MOH facilities (30 hospitals and 345 Health Units and Posts) and 75 MOH facilities in the four test departments.  The cost recovery system was developed and tested by the MOH and the APSISA Project implementing entity in 1994 - 1996.	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	1995 (B)		8
	1996		18
	1997	25	
	1998	40	
	1999	55	
	2000	70	
	2001	85	
	2002 (T)	100	

**STRATEGIC OBJECTIVE 3: SUSTAINABLE IMPROVEMENTS IN HEALTH OF WOMEN AND CHILDREN**  
**APPROVED: 06/07/96 COUNTRY/ORGANIZATION: USAID/El Salvador.**

**RESULT No. 3.3:** Enhanced policy environment to support sustainability of child survival and reproductive health programs.

**INDICATOR No. 4 :** Percent of USAID-funded NGOs implementing cost recovery systems.

**UNIT OF MEASURE:** Percent.

**SOURCE:** NGOs service statistics.

**INDICATOR DESCRIPTION:**

**COMMENTS:** See comments for Indicator No. 3.3. The baseline data is based in 12 PROSAMI-funded NGOs, 18 SETEFE funded former PROSAMI NGOs, and the SDA; totalling 31 NGOs.

As of 1995, most of NGOs had a form of cost recovery, but do not have a well researched and unified system; the indicator here refers to NGOs implementing a new unified cost recovery system.

YEAR	PLANNED	ACTUAL
1995 (B)		3
1997	3	
1998	10	
1999	25	
2000	50	
2001	75	
2002 (T)	100	

## *Environment Managed for Long-term Sustainability*

### **Strategic Objective: Increased Use of Environmentally Sound Practices in Selected Fragile Areas**

---

A healthy environment and sustainably managed natural resources are essential to alleviate rural poverty, consolidate peace and democracy, reduce disease, and increase food and potable water supplies, particularly for rural citizens. USAID environmental efforts focus on raising the awareness of all citizens about environmental issues through mass communication, schools, NGOs; increasing knowledge related to environmental technologies and procedures through training and education; encouraging the adoption of sound environmental practices with field days and demonstration areas; and supporting national environmental policy through broad-based participation in the development of environmental laws.

#### **DEVELOPMENT HYPOTHESIS**

A healthy environment and sustainably managed natural resources are critical to alleviating rural poverty and consolidating peace and democracy, as well as to achieving USAID's other strategic objectives. Consequently, USAID's environmental strategic objective is to **increase the use of environmentally sound practices in selected fragile areas.**

These operations and procedures can be achieved by increasing awareness, knowledge, and understanding of the importance of environmental issues, and by encouraging the adoption of sound technologies and practices. This development hypothesis asserts that increased consciousness of environmental issues among citizens and policy makers will lead to greater demand for the government, NGOs, and the private sector to take positive corrective actions. Once the level of understanding becomes pervasive in the society, pressure for environmental quality will be sustained. Awareness of environmental problems alone, however, is not enough. Individuals, municipalities, and

private sector industries must also be knowledgeable about environmentally sound and financially attractive practices that they

can use to address key environmental problems.

A favorable policy climate is the final critical factor for the successful achievement of the environment strategy objective, in addition to awareness and knowledge, if massive change in the use of environmentally sound practices is to occur. USAID, at this time, sees some commitment by the GOES to environmental policy reform and, therefore, assumes that a conducive environmental policy climate is in place for the achievement of the strategic objective. This treatment of policy as an assumption does not preclude support for activities that increase policymakers' awareness of environmental issues and understanding of appropriate options for addressing them. The strategy further assumes that USAID's leadership will serve as a catalyst for other international donors and development partners to become more active in this sector.

## PERFORMANCE ANALYSIS

Awareness about environmental issues nationwide among the general public in El Salvador has risen dramatically over the years: among men from 15% in 1993 to 55% in 1996; and for women during the same time period, from 12% to 52%.

Newspaper articles and television coverage of environmental problems is now pervasive in the San Salvador metropolitan area, and most people understand the general terminology and/or have some idea of the importance of the topic. During 1995, the average number of articles per month about the environment was 80, and for 1996 the average was 150. In January 1997, an independent Gallup poll reported that 91% of the respondents replied "Yes" to the question, "In your opinion, do activities related to the protection of natural resources merit attention at the community and national level?"

In the rural focus area, during 1996, thousands of Salvadorans were using natural resource management (NRM) technologies and practices. The number of women using sound practices, such as improved cookstoves and safe pesticide handling, more than doubled to 8,100 from 1995 to 1996. By late 1996, 14,000 men were using improved cultivation practices, soil conservation methods, including minimum tillage, green composting, and agroforestry techniques. The actual users of natural resources are learning to utilize those resources in a sustainable way.

To increase national interest in the political basis for sustainable management of the Salvadoran environment and natural resources, USAID supported a participatory process to involve citizens across the entire

country in discussions about a forestry incentive law and a law for protected areas. USAID also assisted the GOES to develop legislation to consolidate environmental functions under the vice president.

Progress was also made through an activity to demonstrate pollution prevention and abatement technologies to private enterprises and communities. Two local enterprises and seven communities, which had initiated pollution prevention programs, are now participating in USAID's promotion of environmentally sound technologies to reduce hazardous and domestic waste. A seminar, financed by USAID, used as an example the country's largest automotive battery company that has implemented a recycling program for 20,000 batteries a month. Re-cycling saves the company money, and reduces the discharge of waste products--lead, sulfuric acid, and plastic--into the environment to nearly zero. An immediate health impact from the battery factory's actions is the reduction of lead poisoning in children.

Since USAID's primary customers are rural women and youth, this strategic objective emphasizes equitable access for women to participate in the interventions and to receive the benefits of all activities. For example, the strategic objective sponsored a forum in September 1996 on women and the environment, in which 152 participants (126 women) from the GOES, NGOs, and cooperatives discussed women's needs as they relate to natural resource management. A second forum is scheduled for April 1997.

### **Increased Awareness and Understanding of the Importance of Environmental Issues**

Environmental education is the key to achieving this strategic objective; and the successful education of children will

determine the long-term future for sustainable environmental management nationwide. In 1996, the environment became one of the six cross-cutting issues in the new national education curriculum for elementary school children. New textbooks for kindergarten through grade six, using environmental examples, were distributed to all 1.1 million children in the primary school system.

Also during 1996, USAID provided information, motivation, and training activities around environmental themes for the mass media and public awareness about the importance of environmental issues has clearly increased. A resounding 32,000 primary school students responded to a national environmental contest in one of the major newspapers. This participation reflects both the awareness and interest of children, and their teachers, in environmental issues.

Other important actions during 1996 to increase awareness about the environment include:

- Five hundred copies of a radio and video series complementing the primary school environmental curriculum were distributed to 257 model schools and environmental NGOs. Now over 180,000

**Children's Sunday Supplement  
Stimulates Interest in Environment**

Nancy Isabel Escalante Hernandez, age twelve, is one of 32,000 primary school children who submitted a story to an essay contest on the theme, "Defenders of the Environment." Her story titled, *Disappearing Trees Endanger the Life of Wildlife*, won the first place prize of a

thousand school-age children have access to

bicycle. The contest was offered nationwide by one of El Salvador's two largest daily newspapers to youngsters ages three to twelve with prizes awarded for the best stories. Six times more children participated in the 1996 contest than in 1995, when 5100 children submitted drawings and environmental proposals as part of the newspaper's "Working for Our Environment." The contest began in 1994, when 1500 children submitted entries to the newspaper's "We Are Going to Color El Salvador GREEN" contest.

The environmental contests for children are part of the newspaper's Sunday supplement dedicated to children and titled, *Guaquin* (Little Salvadoran). *Guaquin* is a small "child" who investigates issues related to the world around him. Each month, one of the adventures is dedicated to the environment.

The environmental themes for *Guaquin* are written by Cristina Alvarado, a reporter with the newspaper, who was given a scholarship by an USAID-funded project to study environmental education and communication in the U.S. Alvarado has developed the environmental stories of *Guaquin* into the most popular section of the Sunday supplement. 86% of recently interviewed school teachers said they read the supplement, and 60% reported that they discuss its contents with their students in the classroom. The supplement also contains interactive exercises and activities, which help the teachers to integrate the environment into their teaching.

additional information about the environment.

- Environmental education training was given to 3,039 teachers (1,047 men and 1,992 women) at the elementary and senior high school level. This aggressive training program resulted in a dramatic increase in the number of students choosing "the environment" as their topic for the social service project required for high school graduation. Seventy percent of the graduating students (approximately 100,000) chose environmentally related topics.

- Four hundred technicians (212 men and 188 women) from 55 environmental NGOs, 133 extensionists (98 men and 35 women), and 364 journalists (211 men and 153 women) participated in five training sessions for Journalism and Environment. This training has resulted in a doubling of the articles in the mass media in one year.

- The first annual National Environmental Journalism Award, initiated in 1996 and sponsored by three private companies, resulted in twenty-two projects being submitted for consideration in the three categories of press, radio, and television.

- Coverage of environmental themes has begun on a regular basis in the mass media and one major newspaper donates space worth \$14,000 for each monthly feature about the environment in a children's Sunday supplement.

### **Increased Knowledge of Environmentally Sound Technologies and Practices**

Models for the use and transfer of environmental technologies have been tested in the field. Environmentally sound technologies and practices were demonstrated to 2,761 men and 1,854 women who also participated in training for their application. In addition, 222 rural families were trained in practices for environmental resources management and improvement. Other advances include:

- Increasing numbers of farmers (288) are using Vetiver grass to control hillside erosion and run-off. They are also using the cover crop Velvet bean to control weeds, build up organic matter and control run-off and erosion. As a result, they are reducing purchased inputs of fertilizer and pesticides. Their soil resource will now be available for their children.

- Increasing numbers of families (507) are using improved cookstoves that reduce the consumption of firewood and pressure on the forests. The stoves also reduce indoor air pollution which, nationwide, is the greatest cause of respiratory illness.

- Residents in two towns are involved in the design of their water and sanitation systems. The new supply of water is linked to maintaining the watershed above the town, and low-cost sewage treatment will reduce contamination downstream.

- An environmental pollution profile for the greater metropolitan area of San Salvador was initiated to diagnose the critical deterioration of water, soil and air resources. The profile will serve as the basis for the GOES, USAID, and other international donors to carry out future decontamination programs in a more focused and effective way.

In 1996, over 400 mid- and upper-level government officials from various ministries and sectors participated in the formulation of new forestry sector policies and incentives programs. This activity is building a capacity that not only did not exist a year ago, but which is also slowly redefining the way the GOES makes environmental policy. After the four-day training, one Minister stated that policies can no longer be developed by four people sitting in a room, but rather that they require that the interdisciplinary analysis be conducted in such a way that citizens at large have the opportunity to express their inputs to the process.

After the end of FY 1996, several significant actions occurred in support of the strategic objective's results:

- In October 1996, USAID financed a National Forestry Sector Forum to discuss

the proposed forestry sector incentives in which the banking sector, NGOs, private business, and government officials participated. The incentive program is now being prepared as a draft law to be presented to the Legislative Assembly in mid-1997.

- In November 1996, USAID financed a National Environmental Education Strategy Conference to validate the national strategy and to define actions for 1997. These fora serve to educate policymakers about environmental issues, and to give the public at large an opportunity to participate in environmental policy making.

- In October 1996, USAID was awarded the GOES' 1996 Environmental Award for International Donors because of its leadership in the field of environmental and natural resources management during the past five years.

### **EXPECTED PROGRESS TO 1999 AND MANAGEMENT ACTIONS**

Budget allocations for this strategic objective in FY 1997, and current projections for FY 1998, and beyond make it impossible to continue with the strategic objective and framework as presented in the Strategic Plan that was approved in June 1996. The funding allocated for the environment is well below the threshold that USAID said was required without making major changes. While these budget projections are not "cast in concrete," it appears unrealistic to plan on receiving even the minimum threshold levels needed to implement this strategic objective.

Despite these low budget projections, USAID/El Salvador strongly believes that close attention must still be given to addressing El Salvador's most serious

environmental problems. Furthermore, a healthy environment in El Salvador is critical to the sustainable achievement of the other strategic objectives (economic growth, health, and democracy). USAID has, therefore, decided that the strategic objective for the environment will become a *special objective*, and will serve a leadership role in coordinating the environmentally-related activities under the other strategic objectives. The original framework will be modified and the indicators adjusted to the new funding reality.

The unifying theme of environmental activities across strategic objectives will be *water*. Safe drinking water is essential for child survival, but its source must be guarded through reforestation and watershed protection. Municipalities must make decisions democratically about sewage and garbage, but the proper handling of both will also improve water quality. The economy must continue to grow, but without degrading the environment. Coffee production and processing, for example, can be organic and non-polluting, further contributing to increasing the supply of non-contaminated water.

USAID/El Salvador has begun the process of restructuring this strategic objective. At the R4 review, a document describing the direction of this objective will be presented for discussion. With USAID/W's concurrence with this new direction, a more complete document, including a new framework with indicators and illustrative approaches, will be submitted by August 1997 for review and approval.

## PERFORMANCE DATA TABLES

<b>STRATEGIC OBJECTIVE 4: INCREASED USE OF ENVIRONMENTALLY SOUND TECHNOLOGIES AND PRACTICES IN SELECTED FRAGILE AREAS</b> <b>APPROVED: 06/07/96 COUNTRY/ORGANIZATION: USAID/El Salvador</b>			
<b>INDICATOR No. 1: Salvadorans using NRM technologies and practices in selected areas.</b>			
<b>UNIT OF MEASURE:</b> Number of Salvadorans participating, by gender, per year (thousands M/F). Cumulative <b>SOURCE:</b> Environment SO activities and FIAES reports	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
<b>INDICATOR DESCRIPTION:</b> Number of Salvadorans in selected areas using sound environmental NRM technologies and practices.  Environmentally sound technologies and practices include: reforestation, soil conservation, organic crops, crops with integrated pest management, and protected areas under effective management. <b>COMMENTS:</b>	1993 (B)		2.8 / 0.9
	1994		6.3 / 2.8
	1995		12.2 / 4.1
	1996		13.0 / 8.7
	1997	13.3 / 8.9	
	1998	13.7 / 9.2	
	1999	14.3 / 9.6	
	2000	15.1 / 10.3	
	2001	15.9 / 11.0	
	2002 (T)	17.2 / 12.2	

<b>STRATEGIC OBJECTIVE 4: INCREASED USE OF ENVIRONMENTALLY SOUND TECHNOLOGIES AND PRACTICES IN SELECTED FRAGILE AREAS</b> <b>APPROVED: 06/07/96 COUNTRY/ORGANIZATION: USAID/El Salvador</b>			
<b>INDICATOR No. 2: Salvadoran households using pollution prevention and abatement technologies and practices.</b>			
<b>UNIT OF MEASURE:</b> Number of households per year. Cumulative. <b>SOURCE:</b> Environment SO activities	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
<b>INDICATOR DESCRIPTION:</b> Count of households (families) using sound technologies such as improved efficient woodstoves, covered wells, and latrines. <b>COMMENTS:</b> Count is only of households in the Demonstration area.	1996 (B)		1053
	1997	2000	
	1998	3000	
	1999	4000	
	2000	6000	
	2001	8000	
	2002 (T)	10,000	

**STRATEGIC OBJECTIVE 4: INCREASED USE OF ENVIRONMENTALLY SOUND TECHNOLOGIES AND PRACTICES IN SELECTED FRAGILE AREAS.**

**APPROVED:** 06/07/96 **COUNTRY/ORGANIZATION:** USAID/El Salvador

**INDICATOR No. 3:** Salvadoran private enterprises and communities using pollution prevention and abatement technologies and practices.

**UNIT OF MEASURE:** Number of enterprises and communities per year. Cumulative (Enterprises/communities)

**SOURCE:** Environment SO activities

**INDICATOR DESCRIPTION:** Count of private enterprises and communities using sound technologies and practices of pollution prevention and abatement in selected areas. United States Environmental Protection Agency, and Environmental Pollution Prevention Project will provide technical assistance and support to guide the basic studies and the private enterprises strategy design and implementation.

Count of communities using sound technologies and practices of pollution prevention and abatement. Local Environmental Planning Program Initiative activity, Guatemala - Central America/Panama Regional Activities Office (G-CAP) will provide technical assistance and support to do the basic studies and to guide the strategy design and implementation.

**COMMENTS:**

YEAR	PLANNED	ACTUAL
1996 (B)		2 / 7
1997	3/9	
1998	5/12	
1999	7/15	
2000	10/18	
2001	13/21	
2002 (T)	17/24	

**STRATEGIC OBJECTIVE 4: INCREASED AWARENESS AND UNDERSTANDING OF THE IMPORTANCE OF ENVIRONMENTAL ISSUES.**

**APPROVED:** 06/07/96 **COUNTRY/ORGANIZATION:** USAID/El Salvador

**RESULT No. 4.1:** INCREASED AWARENESS AND UNDERSTANDING OF THE IMPORTANCE OF ENVIRONMENTAL ISSUES.

**INDICATOR No. 1:** Salvadorans aware and understanding the importance of environmental issues.

**UNIT OF MEASURE:** % OF SURVEY RESPONDENTS, BY GENDER, PER YEAR, (M/F)

**SOURCE:** CID Gallup, Omnibus polls

**INDICATOR DESCRIPTION:** Survey respondents will be considered as aware and understanding of the importance of environmental issues if they say that local/national environmental issues merit attention.

**COMMENTS:** The term "environment" needs to be investigated to determine how to best ask the question to both a rural illiterate Salvadoran as well as an urban dweller.

YEAR	PLANNED	ACTUAL
1993 (B)		69 / 61
1994		80 / 79
1995		69 / 63
1996 (B)		65 / 66
1997	67/ 67	
1998	68/ 68	
1999	70/ 70	
2000	72/ 72	
2001	74/ 74	
2002 (T)	76/ 76	

<b>STRATEGIC OBJECTIVE 4: INCREASED AWARENESS AND UNDERSTANDING OF THE IMPORTANCE OF ENVIRONMENTAL ISSUES.</b>			
APPROVED: 06/07/96 COUNTRY/ORGANIZATION: USAID/EI Salvador			
<b>RESULT No. 4.1: INCREASED AWARENESS AND UNDERSTANDING OF THE IMPORTANCE OF ENVIRONMENTAL ISSUES.</b>			
<b>INDICATOR No. 2:</b> Salvadorans able to name three environmental protection activities being implemented by the GOES, NGOs, schools, private sector enterprises, and/or community groups at national or local level.			
<b>UNIT OF MEASURE:</b> % of survey respondents, by gender, per year (M/F) <b>SOURCE:</b> CID Gallup, Omnibus Polls <b>INDICATOR DESCRIPTION:</b> The customer ability to name three or more local or national level environmental activities will be considered that he/she is aware and understanding of the importance of environmental issues. <b>COMMENTS:</b> The term "environment" needs to be investigated to determine how to best ask the question to both a rural illiterate Salvadoran as well as an urban dweller.	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	1993		15 / 12
	1994		43 / 31
	1995		53 / 43
	1996 (B)		55 / 52
	1997	57 / 54	
	1998	58 / 56	
	1999	59 / 57	
	2000	60 / 58	
	2001	61 / 59	
2002 (T)	62 / 60		

<b>STRATEGIC OBJECTIVE 4: INCREASED KNOWLEDGE OF ENVIRONMENTALLY SOUND TECHNOLOGIES AND PRACTICES.</b>			
APPROVED: 06/07/96 COUNTRY/ORGANIZATION: USAID/EI Salvador			
<b>RESULT No. 4.2: INCREASED KNOWLEDGE OF ENVIRONMENTALLY SOUND TECHNOLOGIES AND PRACTICES.</b>			
<b>INDICATOR No. 1:</b> Salvadorans participating in training, demonstrations, field days, and pilots of environmentally sound technologies and practices.			
<b>UNIT OF MEASURE:</b> Number of Salvadorans, by gender, per year. Cumulative (M/F) <b>SOURCE:</b> Environment SO activities <b>INDICATOR DESCRIPTION:</b> Number of Salvadorans exposed to and participating in environmentally sound technologies and practices: <b>COMMENTS:</b>	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	1996 (B)		2761/1854
	1997	3000 / 2000	
	1998	4000 / 3000	
	1999	6000 / 5000	
	2000	8000 / 7000	
	2001	10000 / 9000	
	2002 (T)	12000 / 11000	

**STRATEGIC OBJECTIVE 4: INCREASED KNOWLEDGE OF ENVIRONMENTALLY SOUND TECHNOLOGIES AND PRACTICES.**

**APPROVED:** 06/07/96 **COUNTRY/ORGANIZATION:** USAID/El Salvador

**RESULT No. 4.2: INCREASED KNOWLEDGE OF ENVIRONMENTALLY SOUND TECHNOLOGIES AND PRACTICES.**

**INDICATOR No. 2:** Salvadorans with increased knowledge of environmentally sound technologies and practices.

**UNIT OF MEASURE:** Number of Salvadorans, by gender, per year. Cumulative.

**SOURCE:** Environment SO activities and special survey

**INDICATOR DESCRIPTION:** Number of Salvadorans with increased knowledge of environmentally sound technologies and practices.

**COMMENTS:**

YEAR	PLANNED	ACTUAL
1996 (B)		300 / 300
1997	400/400	
1998	600/600	
1999	1000/1000	
2000	2000/2000	
2001	3000/3000	
2002 (T)	5000/5000	

***STATUS OF  
MANAGEMENT  
CONTRACT***

---

On June 7, 1996, USAID/El Salvador's Strategic Plan for FY 1997 - FY 2002 was approved by the Assistant Administrator for Latin American and the Caribbean. The approval cable (STATE 145302) specified areas that required additional follow-up. One of these, an addendum, supplement to the democracy strategy--the "Civil Society Annex"--was approved by USAID/W in November 1996 (STATE 238847). As required by the Automated Directives System, all strategic objectives have established performance monitoring plans, including indicators and targets. Other concerns raised in the strategy approval cable are addressed in this document.

In the nine months since the strategy was approved, budget planning levels have dropped precipitously. Frameworks, approaches, indicators and targets have had to be reconsidered and adjusted repeatedly, even before prior decisions could be adequately recorded. The effect has been a slow down in implementation of the new strategy as teams wait to see the latest budget projections before committing themselves to a course of action.

As a result of the budget cuts, the process of refining indicators and targets, and in response to the strategy approval cable, three of the strategic objective frameworks have been modified. The changes are described below.

### **Democracy**

A revised framework was submitted with the "Civil Society Annex" in October. Additional adjustments have been made subsequently. In some cases these changes were made to the framework to reflect the original intention to address both the

"demand" side and the "response" side of key democratic processes. Other wording changes were made for improved clarity. Comparing the current framework with the one submitted with the strategic plan, the following changes were made:

- The strategic objective has been changed from "More Accountable Government Institutions" to "More Inclusive and Effective Democratic Processes in El Salvador."
- The intermediate result "increased participation in the electoral process" was replaced with two results: "more politically active civil society" and "an impartial and more effective electoral administration."
- The intermediate result "more access to effective legal/judicial protection" is now "more effective legal/judicial protection for all citizens."
- The intermediate result "strengthened local government-citizen interaction" is now "increased participation in strengthened local government."
- The intermediate result "a legislature more responsive to constituents" was dropped; instead, our continued limited program of assistance to the Legislative Assembly will support all five intermediate results.
- "Central integrated financial management implemented" was replaced with "improved and transparent stewardship of public finances."

## Health

Changes to this strategic objective framework reflect discussions between the strategic objective team and USAID/W technical staff to clarify the logic of the framework. The following changes were made to the top-level intermediate results:

- "Reduced incidence of preventable childhood illnesses" was changed to read "increased use of appropriate child survival practices and services."
- "Reduced reproductive health problems" is now "increased use of appropriate reproductive health practices and services."
- "Policy environment more supportive of sustainability" became "enhanced policy environment to support sustainability of child survival and reproductive health programs."

## Environment

The framework for the environment strategic objective was refined during the process of establishing indicators and targets. Adjustments were made to only one of the intermediate results:

- "Increased awareness of the importance of environmental issues" was modified to read "increased awareness and understanding of the importance of environmental issues."

However, as discussed previously, the drastic cuts in the projected budget for this strategic objective have forced the mission to conclude that the current framework is not viable. USAID/El Salvador proposes to recast the strategic objective as a special objective to complement and coordinate activities across all strategic objectives related to the environment. The focus of this cross-cutting objective will be on

improving access to potable water in rural areas. The special objective will close out at the end of FY 1999.

A brief concept paper with discussion of the proposed special objective will be presented during program week in April 1997. With USAID/W concurrence, USAID/El Salvador will then proceed to finalize a new framework, indicators and targets to be submitted for approval.

# ***RESOURCES REQUEST***

---

## **Expanded Access and Economic Opportunity for Rural Families in Poverty**

The economic opportunity strategic objective will be funded during USAID/El Salvador's strategy period from four earmark/directive funding sources within the development assistance (DA) account, and from economic support funds (ESF). The four earmark and directive areas are:

- Basic education, funding to be used within the education/training results package;
- Environment, funding to be used within the technology and marketing results package;
- Microfinance, funding to be used within the microfinance results package; and
- Other economic growth funding to be used within the education/training results package (for training and policy reform), the technology and marketing results package (for community-based infrastructure), the microfinance results package (for microfinance activities) and the policy results package (for economic policy). Other economic growth funding is also used for program development and support activities and for the Peace Corps.

The economic growth strategic objective will also receive ESF funding, to be used for the same purposes as other economic growth. In addition, funding used for cooperative development as part of microfinance and technology/marketing activities qualifies to

be counted against the cooperative directive if DA is used.

Within this complicated funding panorama, there is no simple answer to a question about priorities in the face of funding cuts. Funding cuts to any of the directive or earmark areas will translate into a scaling back of activities in the corresponding results package, and a reduction in planned results from outcomes shown in the attached indicator tables.

The exception relates to other economic growth funding, which feeds into all results packages. Other economic growth funding has proven to be the most scarce category of foreign assistance.

The estimate of the threshold level of funding for this strategic objective, as shown in the table, is the minimum necessary to maintain the strategic objective's integrity. The threshold level is roughly 15 percent below the funding scenario given in the mission strategy presented last year; the threshold level reduced activities in infrastructure to an amplified community-based infrastructure activity only, and scales back slightly funding to all other results packages. Hence, the indicators presented in the R4 generally reflect the goals and aims outlined in the strategy with the exception that USAID's future involvement in infrastructure will be smaller.

At funding levels below the threshold, support for a new activity, community-based infrastructure, policy initiatives and microfinance would be curtailed. Cuts in any of these areas will limit the mission's ability to address customer needs. For example, each \$100,000 cut in the community infrastructure activity will leave

eight poor communities without critically needed infrastructure. Each \$200,000 cut in funding for microfinance activities will result in one fewer microfinance institution receiving assistance--affecting 500 to 5,000 new rural, poor customers.

Reiterating points made earlier, USAID/El Salvador has made the case for a strong economic opportunity strategic objective as part of its strategy, as necessary to ensure the permanence of peace in El Salvador. The activities our threshold level of funding make possible are essential to this strategy. At lower levels, USAID will find it difficult to fully accomplish the three "higher cost" results packages (education/training, microfinance and agriculture/infrastructure), and will be forced to redesign and scale back its strategy.

#### **Linkage of Field Support, Non-emergency Title II and Title III**

During FY 1998 and 1999, USAID/El Salvador's economic opportunity strategic objective will rely on the technical and financial resources available from the Global Bureau in several ways. USAID has approached the Global Bureau Microenterprise Office regarding the possible use of PRIME funds as a buy-in to our new microfinance initiative. In addition, a Global Bureau credit guarantee program with a local bank supplements our microfinance activities. In the area of policy, USAID is hoping to collaborate with the factor markets Collaborative Research and Support Project, which is looking at El Salvador as a possible site. In the area of education, USAID has used Global Bureau technical resources for the design and evaluation of activities in both basic education and training, and hopes this collaboration will continue.

USAID/El Salvador also collaborates with

the U. S. Embassy Country Team in the programming of local currency from the USDA-managed P.L. 480 Title I program. In the past, USAID has influenced use of local currencies for counterpart as well as for worthy activities falling outside of USAID's direct scope of interest, but supportive of USAID's objectives for El Salvador.

#### **More Inclusive and Effective Democratic Processes in El Salvador**

The democracy strategic objective's framework and targets were based on total estimated USAID funding of \$41 million over the strategy period, including \$23 million for FYs 1997-99. The actual FY1997 and threshold levels for FYs 1998-99 total only \$16 million. The FY 1997 budget alone is more than \$3 million less than the lowest scenario presented in the strategic plan. At these levels, USAID will not be able to fully realize its democracy objective as planned. Specifically, the impact will be felt in two areas: technical assistance to the SET to improve the electoral "apparatus" will be eliminated (indicated as well for reasons of insufficient public support and political will), and the scope of the new rule of law activity will be curtailed. Instead, to pursue electoral reform, USAID will continue to work with CSOs to promote substantive changes in the electoral process through activities grouped under the *more politically active civil society* result. If these efforts prove successful and movements progress to initiate the civil registry, single identity document, and residential voting, however, the Salvadoran government will have to rely on domestic resources or other donor funding for implementation of these reforms. This could mean that none of the reforms will be in place in time for the 1999 presidential elections. With regard to the new rule of law activity, the major area of curtailment

will be expatriate technical assistance, which is likely to have a negative impact on the pace of transformation of the family, juvenile and criminal proceedings to oral and adversarial procedures.

Further reductions below the planning threshold levels shown herein for FYs 1998-1999 would have an impact on program results in the areas of civil society advocacy/small grants and expanding access to legal services. For advocacy training/small grants, USAID would have to forego support to promising initiatives for participation by historically marginalized groups in the public policy making process, on issues such as revitalization of the agricultural sector, privatization, and administrative law. Cuts to the rule of law program would require USAID to scale back support for training in conflict management and resolution and legal services to be provided by local NGOs, law schools, bar associations and community leaders.

While USAID understands the serious financial constraints facing the Agency overall, and democracy activities in particular, opportunities are available for utilizing directive funding in addition to the minimum funding requirements discussed above, to support democratic reform. For example, if an additional \$500,000 in basic education funding could be made available for this strategic objective, the development and printing of curricula, teacher manuals and texts could increase the impact of the "Kids Vote" program implemented by a private university with approximately 5,000 primary school age children. Similarly, the availability of additional environmental directive resources could be used to allow target municipalities to address critical problems such as pollution of water sources and waste management.

#### **Linkage to Field Support, Non-emergency**

#### **Title II and Title III**

During FY 1997, the Global Bureau's Democracy and Governance Center will collaborate in: a) the design of USAID/El Salvador's new rule of law program, providing technical support through an agreement with the Department of Justice; and b) a series of workshops with the directors and stakeholders of the FIS, to ensure that the redesigned program is more supportive of democratic decentralization goals. The workshops are also intended to assist the FIS meet conditionality for the a new IDB/World Bank loan planned for FY 1998. While USAID/El Salvador is exploring other possibilities for expanding collaboration, concern over the management intensive nature of buy-ins to Global IQCs must be addressed before joint activities can be developed.

#### **Sustainable Improvements in Health of Women and Children**

The health strategic objective requires a minimum of \$10.0 million each year for FY 1998 and FY 1999 to carry out the planned activities and obtain the desired results. The full funding is necessary to have an immediate and lasting health impact on the most vulnerable groups in society: infants, young children and women in reproductive age among the rural poor.

Budget reductions below this will result in a reduction in the strategic objective's geographical scope and coverage. A cut in population funds would clearly affect the family planning activities. If the Child Survival funds are cut, support for the introduction of the Integrated Management of Childhood illnesses protocol would be dropped. Support for water and sanitation activities, as well as health sector reform, might also have to be curtailed. These changes would necessitate adjustments to the

health framework and the indicators. More importantly, a reduction in resources for the health strategic objective would have rapidly apparent negative impact on the health status of poor, rural Salvadorans.

### **Linkage of Field Support, Non-Emergency Title II and Title III**

The health strategic objective will require the following assistance from the Global Bureau, assuming the requested level of funding is received.

In FY 1998 and FY 1999, assistance is planned from the Basic Support for Institutionalizing Child Survival (BASICS) Project (936-6006) to implement the IMCI in a specific area. BASICS will also work in the adoption of this protocol to apply to health promoters. This assistance will improve the promoters' skills and techniques in their delivery of health care in rural communities. These activities are based on a technique developed and only now being tested by BASICS/USAID and the Pan American Health Organization.

The Partnerships for Health Reform Project (936-5974.13) may be asked to provide assistance to the Ministry of Health and other GOES entities to identify health policy needs and formulate and implement appropriate responses.

Contraceptives, procured through the Contraceptive Procurement Project (936-3057), will be required each year from FY 1997 through FY 1999 to meet family planning needs.

In FY 1997, USAID/El Salvador requires additional services from the Center for Disease Control, through the Family Planning Logistics Management Project (936-3038), to assist the Salvadoran Demographic Association to conduct the

1998 National Health and Demographic Survey. The survey is the primary source of the most reliable health data for El Salvador for the GOES, NGOs, USAID and other donors. For USAID, this survey is critical for monitoring of the impact of the health strategy.

### **Increased Use of Environmentally Sound Practices in Selected Fragile Areas**

USAID/El Salvador's approved strategic plan included \$29 million over six years for the environment strategic objective. This was the minimum amount of funding required to achieve effective and lasting changes in awareness and knowledge of environmental issues and practices to increase the use of environmentally sound technologies and practices in selected areas.

Budget discussions with USAID/W indicate that actual funding levels for this strategic objective will fall far short of the requested level. In addition, the budget guidance for this R4 stated that no new starts should be planned for FY 1997 or FY 1998. As discussed earlier, USAID/El Salvador consequently concluded that the environment strategic objective must be recast as a special objective with a final obligation year of FY 1999. Over the next three fiscal years, total funding for the objective would total \$10.5 million; \$3.7 million obligated in FY 1997 and \$3.4 million in both FY 1998 and FY 1999.

This minimum level of funding is essential if USAID/El Salvador is to effectively address some of the serious environmental obstacles to alleviating poverty. These resources will be devoted to educational activities, technical assistance and policy reform targeted at USAID/El Salvador's poverty focus areas.

More specifically, in policy reform, USAID will emphasize work at the municipal level to assist local officials to design local ordinances to support initiatives in water supply, low-cost sewage treatment, and disposal of solid waste. Awareness campaigns will also be coordinated to reinforce the message that the supplies of water must be guarded through watershed protection, that water must be used efficiently in homes and industries, and that contamination of water must be avoided downstream whenever possible.

These funds will also be used to complement and leverage greater impact on the environment through activities in other strategic objectives.

## Prioritization of Objectives

---

1. **SPECIAL OBJECTIVE: ASSIST EL SALVADOR MAKE THE TRANSITION FROM WAR TO PEACE**
2. **STRATEGIC OBJECTIVE: EXPANDED ACCESS AND ECONOMIC OPPORTUNITY FOR RURAL FAMILIES IN POVERTY**
3. **STRATEGIC OBJECTIVE: MORE INCLUSIVE AND EFFECTIVE DEMOCRATIC PROCESSES IN EL SALVADOR**
4. **STRATEGIC OBJECTIVE: SUSTAINABLE IMPROVEMENTS IN HEALTH OF WOMEN AND CHILDREN**
5. **STRATEGIC OBJECTIVE: INCREASED USED OF ENVIRONMENTALLY SOUND PRACTICES IN SELECTED FRAGILE AREAS**

## Operating Expense (OE) and Workforce

---

### Summary

USAID/El Salvador continues to pursue downsizing exercises, however at a more accelerated rate than previously anticipated. Between January 1993 and the end of FY 1999, staffing levels will drop from 292 positions to 156, a 47% reduction, reflecting USAID's commitment to rightsizing efforts that began three-and-a-half years ago. This represents a reduction of eight more positions than originally projected in the 1998 R4 submission.

Excluding ICASS, the OE requirements for fiscal years 1998 and 1999 remain below the FY 1997 level. The OE Trust Fund is expected to last through the end of FY 1999; however, beginning in FY 2000 the Mission will require full dollar funding.

### Workforce

USAID/El Salvador's projected budgets through FY 1999 are based on the reductions to the assigned workforce levels taking place by the beginning of each fiscal year. The Mission has requested an extension of the date for meeting the target in FY 1998. Nevertheless, since only two FSN OE positions are involved, granting of the extension will have no material impact on the FY 1998 OE requirement.

Staffing levels will be reduced by 20 positions by the end of FY 1997 even though El Salvador has assumed regional financial, accounting and contracting responsibilities for Panama, Costa Rica (residual), Mexico and the Regional Inspector General Operations. Assumption of these activities, cost effective as they are,

has increased the workload for the remaining staff, especially as mission support offices also provide full New Management System support to the client missions.

OE-funded personnel of the support offices have been assigned to strategic objective teams. As the preponderance of their work on the teams is related to their technical backstops--i.e., controller, contracting, program/project support-- their time has not been allocated to the teams in the accompanying tables.

The R4 narrative notes that the environmental strategic objective will be recast as a special objective. The associated workforce is thus shown under special objective 1 in the workforce resources tables.

### OTHER FACTORS AFFECTING THE BUDGET

During FY 1998 and FY 1999, twelve USDHs will complete their tours in USAID/El Salvador. It is anticipated that, of the twelve, nine will transfer to other missions, and three will transfer to USAID/Washington. Consequently, we have budgeted for nine post assignments and three assignments to Washington.

The travel budget includes \$25,000 in each fiscal year in travel costs for staff that will provide regional support to missions in Panama and Mexico.

Local currency costs are calculated at the current rate of exchange and the budget assumes that the exchange rate remains fixed

through the year 1999.

The budget reflects the share of operating costs funded by the Regional Inspector General.

In light of the anticipated reduction of personnel in future years, the manpower contracts have been successfully renegotiated, as is reflected in the significant cost reduction from FY 1997 to FY 1998.

#### **INTERNATIONAL COOPERATIVE ADMINISTRATION SUPPORT SYSTEM (ICASS)**

The FAAS cost for FY 1996 was \$107,000.00. The same amount is included in FY 1997 for ICASS as El Salvador is a pilot mission. The cost of ICASS in FY 1998 is \$532,500 of which \$478,900 is OE related and \$53,400 is identified with program operations.

It is also important to note that the ICASS amounts for both fiscal years 1998 and 1999 do not include Building Operating Expenses

(an ICASS cost-center) as USAID has agreed to continue with the direct-charge mechanism utilized in previous years. The FY 1997 estimated direct-charge amount of \$314,000 is less than the \$400,000 which would have been charged if the ICASS software had been used. The \$314,000 includes costs such as grounds maintenance, office building maintenance, and custodial services.

At present, there is no firm commitment for USAID/El Salvador to provide additional ICASS-related services in the next two fiscal years. However, we will continue to actively pursue service agreements which are cost effective to the USG in general and to USAID specifically. USAID/El Salvador does not anticipate relinquishing the provision of any services which it currently provides. It should be noted that ICASS could necessitate personnel-related changes not currently anticipated as the process evolves.

## Environmental Compliance

---

As part of re-engineering, USAID/El Salvador is now organized under four strategic objectives and a special strategic objective which, combined, have 18 results packages. In order to ensure full compliance with the provisions of 22 CFR 216, the Mission Environmental Officer (MEO) has undertaken a complete environmental review of all activities ongoing or contemplated in the near term for the six results packages with new starts in FY 1997. The review was completed in December 1996 and the documents were submitted to Washington. Approved Bureau Threshold Decisions on five of the six packages have been received. Review of the remaining 12 results packages is scheduled to take place during the third quarter of FY 1997.

As a result of the review process gaps were discovered in the Mission's record-keeping.

Some offices were unaware of their responsibility for alerting the MEO about all new activities so that initial environmental examinations can be filed. The problem was resolved with the issuance of a sub-chapter in the Mission Operations Manual specifying the responsibilities of the MEO, strategic objective teams, and the Strategic Development Office (SDO). SDO is charged with ensuring all environmental documentation is in order before funds are obligated. That office is also responsible for ensuring that strategic objective teams provide updates of mitigations required by active environmental assessments in the semi-annual portfolio review process.

In FY 1998, an initial environmental evaluation or an environmental assessment will be required for new activities in women's reproductive health, agriculture and basic education.

USAID FY 1997 Budget Request by Program/Country  
(\$000)

12-Mar-97  
08:44 AM

Country/Program: El Salvador

S.O. #	Title	Est. SO Pipeline at end of FY 96	FY 1997 Request										Est Expend. FY 97	Est Total cost life of SO	Mortgage at end of 1997	
			FY 1997 Total Request	Basic Education for Chldrn	Other Economic Growth	Population	Child Survival	HIV/AIDS	Other Health	Environ	D/G					
SO 1: Expanded access and economic opportunity for rural families in poverty																
DA	Bilateral	14,214	8,705	3,000	5,705	0	0	0	0	0	0	0	11,554			
	Field Spt	283	0	0	0	0	0	0	0	0	0	0	96			
	<b>Total</b>	<b>14,497</b>	<b>8,705</b>	<b>3,000</b>	<b>5,705</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>11,650</b>	<b>166,228</b>	<b>33,194</b>	
SO 2: More accountable government institutions																
DA	Bilateral	2,939	1,055	0	0	0	0	0	0	0	0	1,055	2,186			
	Field Spt		0	0	0	0	0	0	0	0	0	0				
	<b>Total</b>	<b>2,939</b>	<b>1,055</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,055</b>	<b>2,186</b>	<b>53,000</b>	<b>29,545</b>	
SO 3: Sustainable improvement in health of women and children																
DA	Bilateral	12,534	12,800	0	0	6,200	6,050	250	300	0	0	0	13,377			
	Field Spt	185	1,050	0	0	600	450	0	0	0	0	0	885			
	<b>Total</b>	<b>12,719</b>	<b>13,850</b>	<b>0</b>	<b>0</b>	<b>6,800</b>	<b>6,500</b>	<b>250</b>	<b>300</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>14,262</b>	<b>164,578</b>	<b>8,243</b>	
SO 4: Increased use of environmentally sound practices in selected fragile areas																
DA	Bilateral	4,210	3,703	0	0	0	0	0	0	0	3,703	0	5,008			
	Field Spt		0	0	0	0	0	0	0	0	0	0				
	<b>Total</b>	<b>4,210</b>	<b>3,703</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,703</b>	<b>0</b>	<b>5,008</b>	<b>20,450</b>	<b>3,545</b>	
SO 1: Expanded access and economic opportunity for rural families in poverty																
ESF	Bilateral	4,037	2,000	0	2,000	0	0	0	0	0	0	0	3,184			
	Field Spt		0	0	0	0	0	0	0	0	0	0				
	<b>Total</b>	<b>4,037</b>	<b>2,000</b>	<b>0</b>	<b>2,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,184</b>	<b>35,962</b>	<b>0</b>	
SO 2: More accountable government institutions																
ESF	Bilateral	6,267	3,000	0	0	0	0	0	0	0	3,000	0	5,219			
	Field Spt		0	0	0	0	0	0	0	0	0	0				
	<b>Total</b>	<b>6,267</b>	<b>3,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,000</b>	<b>0</b>	<b>5,219</b>	<b>37,150</b>	<b>0</b>	
<b>Total Bilateral</b>			<b>31,263</b>	<b>3,000</b>	<b>7,705</b>	<b>6,200</b>	<b>6,050</b>	<b>250</b>	<b>300</b>	<b>3,703</b>	<b>4,055</b>					
<b>Total Field Support</b>			<b>1,050</b>	<b>0</b>	<b>0</b>	<b>600</b>	<b>450</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>					
<b>TOTAL PROGRAM</b>			<b>44,669</b>	<b>32,313</b>	<b>3,000</b>	<b>7,705</b>	<b>6,800</b>	<b>6,500</b>	<b>250</b>	<b>300</b>	<b>3,703</b>	<b>4,055</b>	<b>41,509</b>	<b>477,368</b>	<b>74,527</b>	

FY 97 Budget Request by Appropriation - (\$000's)	
Development Assistance	27,313
Development Fund for Africa	0
Economic Support Funds	5,000
SEED	0
FSA	0
PL 480 Title II	0
PL 480 Title III	0
Micro & Small Ent. Dev. Credit Program	0
Housing Investment Guarantee Program	0
Enhanced Credit Program	0
Disaster Assistance	0

USAID FY 1998 Budget Request by Program/Country  
(\$000)

12-Mar-97  
08:44 AM

Country/Program: El Salvador

S.O. #	Title	Approp Acct	Bilateral/Field Spt	Est. SO Pipeline at end of FY 97	FY 1998 Request							Est Expend. FY 98	Est Total cost life of SO	Mortgage at end of 1998		
					FY 1998 Total Request	Basic Education for Childrn	Other Economic Growth	Population	Child Survival	HIV/AIDS	Other Health				Environ	D/G
<b>SO 1: Expanded access and economic opportunity for rural families in poverty</b>																
	DA	Bilateral	11,365	15,500	4,000	11,500	0	0	0	0	0	0	17,033			
		Field Spt	187	0	0	0	0	0	0	0	0	0	187			
		<b>Total</b>	<b>11,552</b>	<b>15,500</b>	<b>4,000</b>	<b>11,500</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>17,220</b>	<b>118,624</b>	<b>37,034</b>	
<b>SO 2: More accountable government institutions</b>																
	DA	Bilateral	1,808	6,000	0	0	0	0	0	0	300	5,700	4,762			
		Field Spt		0	0	0	0	0	0	0	0	0				
		<b>Total</b>	<b>1,808</b>	<b>6,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>300</b>	<b>5,700</b>	<b>4,762</b>	<b>35,000</b>	<b>23,745</b>	
<b>SO 3: Sustainable improvement in health of women and children</b>																
	DA	Bilateral	11,957	9,150	0	0	3,350	5,100	200	500	0	0	14,306			
		Field Spt	350	850	0	0	450	400	0	0	0	0	1,020			
		<b>Total</b>	<b>12,307</b>	<b>10,000</b>	<b>0</b>	<b>0</b>	<b>3,800</b>	<b>5,500</b>	<b>200</b>	<b>500</b>	<b>0</b>	<b>0</b>	<b>15,326</b>	<b>169,960</b>	<b>18,801</b>	
<b>SO 4: Increased use of environmentally sound practices in selected fragile areas</b>																
	DA	Bilateral	2,905	3,400	0	0	0	0	0	0	3,400	0	5,400			
		Field Spt		0	0	0	0	0	0	0	0	0				
		<b>Total</b>	<b>2,905</b>	<b>3,400</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,400</b>	<b>0</b>	<b>5,400</b>	<b>20,450</b>	<b>587</b>	
<b>SO 1: Expanded access and economic opportunity for rural families in poverty</b>																
	ESF	Bilateral	2,853	0	0	0	0	0	0	0	0	0	2,185			
		Field Spt	0	0	0	0	0	0	0	0	0	0	0			
		<b>Total</b>	<b>2,853</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,185</b>	<b>35,962</b>	<b>0</b>	
<b>SO 2: More accountable government institutions</b>																
	ESF	Bilateral	4,048	0	0	0	0	0	0	0	0	0	2,969			
		Field Spt		0	0	0	0	0	0	0	0	0				
		<b>Total</b>	<b>4,048</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,969</b>	<b>15,000</b>	<b>0</b>	
<b>Total Bilateral</b>				34,050	4,000	11,500	3,350	5,100	200	500	3,700	5,700	46,655			
<b>Total Field Support</b>				850	0	0	450	400	0	0	0	0	1,207			
<b>TOTAL PROGRAM</b>				<b>35,473</b>	<b>34,900</b>	<b>4,000</b>	<b>11,500</b>	<b>3,800</b>	<b>5,500</b>	<b>200</b>	<b>500</b>	<b>3,700</b>	<b>5,700</b>	<b>47,862</b>	<b>394,996</b>	<b>80,167</b>

FY 98 Budget Request by Appropriation - (\$000's)	
Development Assistance	34,900
Development Fund for Africa	0
Economic Support Funds	0
SEED	0
FSA	0
PL 480 Title II	0
PL 480 Title III	0
Micro & Small Ent. Dev. Credit Program	0
Housing Investment Guarantee Program	0
Enhanced Credit Program	0
Disaster Assistance	0

USAID FY 1999 Budget Request by Program/Country  
(\$000)

12-Mar-97  
08:44 AM

Country/Program: El Salvador

S.O. #	Title		Est. SO Pipeline at end of FY 98	FY 1999 Request									Est Expend. FY 99	Est Total cost life of SO	Mortgage at end of 1999	
	Approp Acct	Bilateral/Field Spt		FY 1999 Total Request	Basic Education for Childrn	Other Economic Growth	Population	Child Survival	HIV/AIDS	Other Health	Environ	D/G				
<b>SO 1: Expanded access and economic opportunity for rural families in poverty</b>																
	DA	Bilateral	9,832	15,500	4,000	11,500	0	0	0	0	0	0	15,285			
		Field Spt		0	0	0	0	0	0	0	0	0				
		<b>Total</b>	<b>9,832</b>	<b>15,500</b>	<b>4,000</b>	<b>11,500</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>15,285</b>	<b>49,841</b>	<b>21,256</b>	
<b>SO 2: More accountable government institutions</b>																
	DA	Bilateral	3,046	6,000	0	0	0	0	0	300	5,700	4,921				
		Field Spt		0	0	0	0	0	0	0	0					
		<b>Total</b>	<b>3,046</b>	<b>6,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>300</b>	<b>5,700</b>	<b>4,921</b>	<b>35,000</b>	<b>17,945</b>		
<b>SO 3: Sustainable improvement in health of women and children</b>																
	DA	Bilateral	6,801	9,350	0	0	3,000	5,100	250	1,000	0	9,497				
		Field Spt	180	650	0	0	250	400	0	0	0	600				
		<b>Total</b>	<b>6,981</b>	<b>10,000</b>	<b>0</b>	<b>0</b>	<b>3,250</b>	<b>5,500</b>	<b>250</b>	<b>1,000</b>	<b>0</b>	<b>10,097</b>	<b>108,960</b>	<b>9,509</b>		
<b>SO 4: Increased use of environmentally sound practices in selected fragile areas</b>																
	DA	Bilateral	905	3,400	0	0	0	0	0	0	3,400	3,300				
		Field Spt		0	0	0	0	0	0	0	0	0				
		<b>Total</b>	<b>905</b>	<b>3,400</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,400</b>	<b>3,300</b>	<b>28,450</b>	<b>4,600</b>		
<b>SO 1: Expanded access and economic opportunity for rural families in poverty</b>																
	ESF	Bilateral	668	0	0	0	0	0	0	0	0	668				
		Field Spt		0	0	0	0	0	0	0	0					
		<b>Total</b>	<b>668</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>668</b>	<b>35,962</b>	<b>0</b>		
<b>SO 2: More accountable government institutions</b>																
	ESF	Bilateral	1,079	0	0	0	0	0	0	0	0	1,079				
		Field Spt		0	0	0	0	0	0	0	0					
		<b>Total</b>	<b>1,079</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,079</b>	<b>15,000</b>	<b>0</b>		
<b>Total Bilateral</b>				34,250	4,000	11,500	3,000	5,100	250	1,000	3,700	5,700				
<b>Total Field Support</b>				650	0	0	250	400	0	0	0	0				
<b>TOTAL PROGRAM</b>				<b>22,511</b>	<b>34,900</b>	<b>4,000</b>	<b>11,500</b>	<b>3,250</b>	<b>5,500</b>	<b>250</b>	<b>1,000</b>	<b>3,700</b>	<b>5,700</b>	<b>35,350</b>	<b>273,213</b>	<b>53,310</b>

FY 99 Budget Request by Appropriation - (\$000's)	
Development Assistance	34,900
Development Fund for Africa	0
Economic Support Funds	0
SEED	0
FSA	0
PL 480 Title II	0
PL 480 Title III	0
Micro & Small Ent. Dev. Credit Program	0
Housing Investment Guarantee Program	0
Enhanced Credit Program	0
Disaster Assistance	0

# GLOBAL FIELD SUPPORT

Objective Name	Field Support: Activity Title & Number	Priority *	Duration	Estimated Funding (\$000)					
				FY 1997		FY 1998		FY 1999	
				Obligated by:		Obligated by:		Obligated by:	
				Operating Unit	Global Bureau	Operating Unit	Global Bureau	Operating Unit	Global Bureau
S.O. 3: Sustainable improvement in health of women and children	936-3038 Family Planning Logistics Management	High	1-1/2 years (1998-99)		20		0		0
	936-3057 Central Contraceptive Procurement 1/	High	3 years (1997-99)		700		250		250
	936-5974.13 Partnerships for Health Reforms	High	3 years (1998-00)		330		400		200
	936-6004.50 Displaced Children and Orphans Funds 2/	Medium	2 years (3/97-12/98)	750		900			
	936-6006 BASICS	Medium	2 years (1998-99)				200		200
<b>GRAND TOTAL.....</b>				750	1,050	900	850	0	650

1/ Mission has a balance of \$500,000 on account

2/ Funds from DCOF, not part of our OYB

\*For Priorities use high, medium-high, medium, medium-low, low

7

OVERSEAS MISSION BUDGET REQUEST

Org. Title: USAID/EL SALVADOR

Org. No:

OC

25,519.0

	FY 97			FY 98			Requested FY 99			Targeted FY 99		
	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total
11.1 Personnel compensation, full-time permanent	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
11.1 Base Pay & pymt. for annual leave balances - FNDH		847.0	847.0		839.0	839.0			0.0		864.3	864.3
<b>Subtotal OC 11.1</b>	0.0	847.0	847.0	0.0	839.0	839.0	0.0	0.0	0.0	0.0	864.3	864.3
11.3 Personnel comp. - other than full-time permanent	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
11.3 Base Pay & pymt. for annual leave balances - FNDH			0.0			0.0			0.0			0.0
<b>Subtotal OC 11.3</b>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
11.5 Other personnel compensation	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
11.5 USDH			0.0			0.0			0.0			0.0
11.5 FNDH		5.5	5.5		6.4	6.4			0.0		6.1	6.1
<b>Subtotal OC 11.5</b>	0.0	5.5	5.5	0.0	6.4	6.4	0.0	0.0	0.0	0.0	6.1	6.1
11.8 Special personal services payments	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
11.8 USPSC Salaries	243.9		243.9	321.0		321.0			0.0	336.6		336.6
11.8 FN PSC Salaries		1,559.1	1,559.1		1,373.7	1,373.7			0.0		1,352.4	1,352.4
11.8 IPA Details-In.PASAs RSSAs Salaries			0.0			0.0			0.0			0.0
<b>Subtotal OC 11.8</b>	243.9	1,559.1	1,803.0	321.0	1,373.7	1,694.7	0.0	0.0	0.0	336.6	1,352.4	1,689.0
12.1 Personnel benefits	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
12.1 USDH benefits	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
12.1 Educational Allowances	168.9		168.9	183.2		183.2			0.0	186.0		186.0
12.1 Cost of Living Allowances	13.6		13.6	13.6		13.6			0.0	6.8		6.8
12.1 Home Service Transfer Allowances			0.0			0.0			0.0			0.0
12.1 Quarters Allowances	12.0		12.0	12.0		12.0			0.0			0.0
12.1 Other Misc. USDH Benefits	5.3		5.3	4.2		4.2			0.0	6.0		6.0
12.1 FNDH Benefits	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
12.1 Payments to the FSN Separation Fund - FNDH	16.3	49.9	66.2	10.0	60.0	70.0			0.0	7.1	45.3	52.4
12.1 Other FNDH Benefits		96.5	96.5		91.7	91.7			0.0		94.4	94.4
12.1 US PSC Benefits			0.0			0.0			0.0			0.0
12.1 FN PSC Benefits	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
12.1 Payments to the FSN Separation Fund - FN PSC	31.0	74.7	105.7	45.0	39.7	84.7			0.0	17.0	67.8	84.8
12.1 Other FN PSC Benefits		172.7	172.7		138.4	138.4			0.0		136.7	136.7
12.1 IPA/Detail-In/PASA/RSSA Benefits			0.0			0.0			0.0			0.0
<b>Subtotal OC 12.1</b>	247.1	393.8	640.9	268.0	329.8	597.8	0.0	0.0	0.0	222.9	344.2	567.1
13.0 Benefits for former personnel	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
13.0 FNDH	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
13.0 Severance Payments for FNDH			0.0			0.0			0.0			0.0
13.0 Other Benefits for Former Personnel - FNDH			0.0			0.0			0.0			0.0
13.0 FN PSCs	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
13.0 Severance Payments for FN PSCs			0.0			0.0			0.0			0.0
13.0 Other Benefits for Former Personnel - FN PSCs			0.0			0.0			0.0			0.0
<b>Subtotal OC 13.0</b>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

28

OVERSEAS MISSION BUDGET REQUEST

Org. Title: USAID/EL SALVADOR

Org. No:

25,519.0

OC

21.0 Travel and transportation of persons

21.0 Training Travel

21.0 Mandatory/Statutory Travel

21.0 Post Assignment Travel - to field

21.0 Assignment to Washington Travel

21.0 Home Leave Travel

21.0 R & R Travel

21.0 Education Travel

21.0 Evacuation Travel

21.0 Retirement Travel

21.0 Pre-Employment Invitational Travel

21.0 Other Mandatory Statutory Travel

21.0 Operational Travel

21.0 Site Visits - Headquarters Personnel

21.0 Site Visits - Mission Personnel

21.0 Conferences Seminars Meetings Retreats

21.0 Assessment Travel

21.0 Impact Evaluation Travel

21.0 Disaster Travel (to respond to specific disasters)

21.0 Recruitment Travel

21.0 Other Operational Travel

Subtotal OC 21.0

22.0 Transportation of things

22.0 Post assignment freight

22.0 Home Leave Freight

22.0 Retirement Freight

22.0 Transportation Freight for Office Furniture Equip.

22.0 Transportation Freight for Res. Furniture Equip.

Subtotal OC 22.0

23.2 Rental payments to others

23.2 Rental Payments to Others - Office Space

23.2 Rental Payments to Others - Warehouse Space

23.2 Rental Payments to Others - Residences

Subtotal OC 23.2

23.3 Communications, utilities, and miscellaneous charges

23.3 Office Utilities

23.3 Residential Utilities

23.3 Telephone Costs

23.3 ADP Software Leases

23.3 ADP Hardware Lease

23.3 Commercial Time Sharing

23.3 Postal Fees (Other than APO Mail)

23.3 Other Mail Service Costs

23.3 Courier Services

Subtotal OC 23.3

	FY 97			FY 98			Requested FY 99			Targeted FY 99		
	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total
21.0 Travel and transportation of persons	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
21.0 Training Travel	80.0		80.0	50.0		50.0			0.0	55.0		55.0
21.0 Mandatory/Statutory Travel	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
21.0 Post Assignment Travel - to field	28.8		28.8	22.2		22.2			0.0	31.2		31.2
21.0 Assignment to Washington Travel	6.0		6.0	9.6		9.6			0.0	3.0		3.0
21.0 Home Leave Travel	28.9		28.9	14.2		14.2			0.0	35.0		35.0
21.0 R & R Travel	14.6		14.6	25.6		25.6			0.0	12.4		12.4
21.0 Education Travel	14.6		14.6	8.4		8.4			0.0	8.4		8.4
21.0 Evacuation Travel	5.0		5.0	6.0		6.0			0.0	5.4		5.4
21.0 Retirement Travel			0.0			0.0			0.0			0.0
21.0 Pre-Employment Invitational Travel			0.0			0.0			0.0			0.0
21.0 Other Mandatory Statutory Travel			25.0	20.0		20.0			0.0	27.0		27.0
21.0 Operational Travel	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
21.0 Site Visits - Headquarters Personnel	15.2		15.2	12.7		12.7			0.0	16.2		16.2
21.0 Site Visits - Mission Personnel	20.0	19.7	39.7	31.7	10.9	42.6			0.0	32.2	10.5	42.7
21.0 Conferences Seminars Meetings Retreats	30.0	14.0	44.0	26.8		26.8			0.0	32.4		32.4
21.0 Assessment Travel			0.0			0.0			0.0			0.0
21.0 Impact Evaluation Travel			0.0			0.0			0.0			0.0
21.0 Disaster Travel (to respond to specific disasters)			0.0			0.0			0.0			0.0
21.0 Recruitment Travel			0.0			0.0			0.0			0.0
21.0 Other Operational Travel	16.8		16.8	10.5		10.5			0.0	17.3		17.3
Subtotal OC 21.0	284.9	33.7	318.6	237.7	10.9	248.6	0.0	0.0	0.0	275.5	10.5	286.0
22.0 Transportation of things	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
22.0 Post assignment freight	165.0		165.0	132.0		132.0			0.0	165.0		165.0
22.0 Home Leave Freight	24.4		24.4	8.8		8.8			0.0	22.6		22.6
22.0 Retirement Freight			0.0			0.0			0.0			0.0
22.0 Transportation Freight for Office Furniture Equip.	16.9		16.9	29.3		29.3			0.0	28.0		28.0
22.0 Transportation Freight for Res. Furniture Equip.	6.6		6.6	4.7		4.7			0.0	7.0		7.0
Subtotal OC 22.0	212.9	0.0	212.9	174.8	0.0	174.8	0.0	0.0	0.0	222.6	0.0	222.6
23.2 Rental payments to others	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
23.2 Rental Payments to Others - Office Space			0.0			0.0			0.0			0.0
23.2 Rental Payments to Others - Warehouse Space	68.2	30.4	98.6	76.8		76.8			0.0	76.8		76.8
23.2 Rental Payments to Others - Residences	337.6	102.7	440.3	443.3		443.3			0.0	443.3		443.3
Subtotal OC 23.2	405.8	133.1	538.9	520.1	0.0	520.1	0.0	0.0	0.0	520.1	0.0	520.1
23.3 Communications, utilities, and miscellaneous charges	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
23.3 Office Utilities	189.4	5.5	194.9	256.6	5.4	262.0			0.0	257.0	5.4	262.4
23.3 Residential Utilities	5.0	82.0	87.0		99.4	99.4			0.0		99.4	99.4
23.3 Telephone Costs	34.3	13.2	47.5	1.7	42.5	44.2			0.0	1.9	40.2	42.1
23.3 ADP Software Leases			0.0			0.0			0.0			0.0
23.3 ADP Hardware Lease			0.0			0.0			0.0			0.0
23.3 Commercial Time Sharing			0.0			0.0			0.0			0.0
23.3 Postal Fees (Other than APO Mail)			0.0			0.0			0.0			0.0
23.3 Other Mail Service Costs			0.0			0.0			0.0			0.0
23.3 Courier Services		9.0	9.0		8.5	8.5			0.0		9.2	9.2
Subtotal OC 23.3	228.7	109.7	338.4	258.3	155.8	414.1	0.0	0.0	0.0	258.9	154.2	413.1

OVERSEAS MISSION BUDGET REQUEST

Org. Title: USAID/EL SALVADOR

Org. No:

OC

25,519.0

24.0 Printing and Reproduction

Subtotal OC 24.0

25.1 Advisory and assistance services

25.1 Studies, Analyses, & Evaluations

25.1 Management & Professional Support Services

25.1 Engineering & Technical Services

Subtotal OC 25.1

25.2 Other services

25.2 Office Security Guards

25.2 Residential Security Guard Services

25.2 Official Residential Expenses

25.2 Representation Allowances

25.2 Non-Federal Audits

25.2 Grievances Investigations

25.2 Insurance and Vehicle Registration Fees

25.2 Vehicle Rental

25.2 Manpower Contracts

25.2 Records Declassification & Other Records Services

25.2 Recruiting activities

25.2 Penalty Interest Payments

25.2 Other Miscellaneous Services

25.2 Staff training contracts

25.2 ADP related contracts

Subtotal OC 25.2

25.3 Purchase of goods and services from Government accounts

25.3 ICASS

25.3 All Other Services from Other Gov't. accounts

Subtotal OC 25.3

25.4 Operation and maintenance of facilities

25.4 Office building Maintenance

25.4 Residential Building Maintenance

Subtotal OC 25.4

25.6 Medical Care

Subtotal OC 25.6

25.7 Operation/maintenance of equipment & storage of goods

25.7 ADP and telephone operation and maintenance costs

25.7 Storage Services

25.7 Office Furniture Equip. Repair and Maintenance

25.7 Vehicle Repair and Maintenance

25.7 Residential Furniture Equip. Repair and Maintenance

Subtotal OC 25.7

	FY 97			FY 98			Requested FY 99			Targeted FY 99		
	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total
24.0 Printing and Reproduction			0.0			0.0			0.0			0.0
Subtotal OC 24.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
25.1 Advisory and assistance services	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
25.1 Studies, Analyses, & Evaluations			0.0			0.0			0.0			0.0
25.1 Management & Professional Support Services	5.0		5.0	5.0		5.0			0.0	5.0		5.0
25.1 Engineering & Technical Services			0.0			0.0			0.0			0.0
Subtotal OC 25.1	5.0	0.0	5.0	5.0	0.0	5.0	0.0	0.0	0.0	5.0	0.0	5.0
25.2 Other services	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
25.2 Office Security Guards	47.2		47.2			0.0			0.0			0.0
25.2 Residential Security Guard Services	120.0		120.0	117.5		117.5			0.0	129.8		129.8
25.2 Official Residential Expenses	2.5		2.5	2.5		2.5			0.0	2.5		2.5
25.2 Representation Allowances	1.4		1.4	1.4		1.4			0.0	1.4		1.4
25.2 Non-Federal Audits			0.0			0.0			0.0			0.0
25.2 Grievances Investigations			0.0			0.0			0.0			0.0
25.2 Insurance and Vehicle Registration Fees		8.0	8.0		7.4	7.4			0.0		8.1	8.1
25.2 Vehicle Rental			0.0			0.0			0.0			0.0
25.2 Manpower Contracts	38.3	318.4	356.7		314.8	314.8			0.0		354.4	354.4
25.2 Records Declassification & Other Records Services			0.0			0.0			0.0			0.0
25.2 Recruiting activities			0.0			0.0			0.0			0.0
25.2 Penalty Interest Payments			0.0			0.0			0.0			0.0
25.2 Other Miscellaneous Services	42.5	12.5	55.0	3.2	58.5	61.7			0.0	3.5	63.1	66.6
25.2 Staff training contracts			0.0			0.0			0.0			0.0
25.2 ADP related contracts			0.0			0.0			0.0			0.0
Subtotal OC 25.2	251.9	338.9	590.8	124.6	380.7	505.3	0.0	0.0	0.0	137.2	425.6	562.8
25.3 Purchase of goods and services from Government accounts	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
25.3 ICASS	107.0		107.0	478.9		478.9			0.0	521.3		521.3
25.3 All Other Services from Other Gov't. accounts			0.0			0.0			0.0			0.0
Subtotal OC 25.3	107.0	0.0	107.0	478.9	0.0	478.9	0.0	0.0	0.0	521.3	0.0	521.3
25.4 Operation and maintenance of facilities	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
25.4 Office building Maintenance	4.6	7.4	12.0		5.0	5.0			0.0		5.4	5.4
25.4 Residential Building Maintenance	20.0	17.3	37.3		31.2	31.2			0.0		33.8	33.8
Subtotal OC 25.4	24.6	24.7	49.3	0.0	36.2	36.2	0.0	0.0	0.0	0.0	39.2	39.2
25.6 Medical Care			0.0			0.0			0.0			0.0
Subtotal OC 25.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
25.7 Operation/maintenance of equipment & storage of goods	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
25.7 ADP and telephone operation and maintenance costs			0.0			0.0			0.0			0.0
25.7 Storage Services			0.0			0.0			0.0			0.0
25.7 Office Furniture Equip. Repair and Maintenance	32.8	38.4	71.2		39.9	39.9			0.0		43.2	43.2
25.7 Vehicle Repair and Maintenance	7.4	4.3	11.7		6.0	6.0			0.0		6.5	6.5
25.7 Residential Furniture Equip. Repair and Maintenance		15.8	15.8		27.1	27.1			0.0		29.3	29.3
Subtotal OC 25.7	40.2	58.5	98.7	0.0	73.0	73.0	0.0	0.0	0.0	0.0	79.0	79.0

80

OVERSEAS MISSION BUDGET REQUEST

Org. Title: USAID/EL SALVADOR

Org. No: 25,519.0

OC

25.8 Substance and support of persons (by contract or Gov't.)

Subtotal OC 25.8

26.0 Supplies and materials

Subtotal OC 26.0

31.0 Equipment

31.0 Purchase of Residential Furniture Equip.

31.0 Purchase of Office Furniture Equip.

31.0 Purchase of Vehicles

31.0 Purchase of Printing Graphics Equipment

31.0 ADP Hardware purchases

31.0 ADP Software purchases

Subtotal OC 31.0

32.0 Lands and structures

32.0 Purchase of Land & Buildings (& construction of bldgs.)

32.0 Purchase of fixed equipment for buildings

32.0 Building Renovations/Alterations - Office

32.0 Building Renovations/Alterations - Residential

Subtotal OC 32.0

42.0 Claims and indemnities

Subtotal OC 42.0

TOTAL BUDGET

	FY 97			FY 98			Requested FY 99			Targeted FY 99		
	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total
25.8 Substance and support of persons (by contract or Gov't.)			0.0			0.0			0.0			0.0
Subtotal OC 25.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
26.0 Supplies and materials	96.6	53.2	149.8	83.6	92.0	175.6			0.0	99.7	72.5	172.2
Subtotal OC 26.0	96.6	53.2	149.8	83.6	92.0	175.6	0.0	0.0	0.0	99.7	72.5	172.2
31.0 Equipment	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
31.0 Purchase of Residential Furniture Equip.	66.2		66.2	44.7		44.7			0.0	70.3		70.3
31.0 Purchase of Office Furniture Equip.	43.1		43.1	24.3		24.3			0.0	16.7		16.7
31.0 Purchase of Vehicles	25.0		25.0	152.0		152.0			0.0	105.8		105.8
31.0 Purchase of Printing Graphics Equipment			0.0	25.3		25.3			0.0	27.6		27.6
31.0 ADP Hardware purchases	96.6		96.6	62.0		62.0			0.0	70.0		70.0
31.0 ADP Software purchases			0.0	30.0		30.0			0.0	60.0		60.0
Subtotal OC 31.0	230.9	0.0	230.9	338.3	0.0	338.3	0.0	0.0	0.0	350.4	0.0	350.4
32.0 Lands and structures	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
32.0 Purchase of Land & Buildings (& construction of bldgs.)			0.0			0.0			0.0			0.0
32.0 Purchase of fixed equipment for buildings			0.0			0.0			0.0			0.0
32.0 Building Renovations/Alterations - Office			0.0			0.0			0.0			0.0
32.0 Building Renovations/Alterations - Residential			0.0			0.0			0.0			0.0
Subtotal OC 32.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
42.0 Claims and indemnities			0.0			0.0			0.0			0.0
Subtotal OC 42.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL BUDGET	2,379.5	3,557.2	5,936.7	2,810.3	3,297.5	6,107.8	0.0	0.0	0.0	2,950.2	3,348.0	6,298.2

The following line is to be used to show your estimate of FY 98 and FY 99 Program Funded ICASS costs.

Enter dollars in thousands - same format as above.

	FY 98 Est.	FY 99 Est.
ICASS - Program Funded	53.4	53.3

81

**Workforce Resources  
FY 1997 Position Allocation of Staff Ceilings**

**Organization: USAID EL SALVADOR**

Staff	Strategic Objective 1: (title)	Strategic Objective 2: (title)	Strategic Objective 3: (title)	Special Objective 1: (title)	Special Objective 2: (title)	Special Objective 3: (title)	Subtotal S.O. Staff	Support Offices							Subtotal Support Staff	Grand Total Staff
								Mission Mgt.	Con- troller	EXO	Con- tracts	Legal	Program	Other		
USDH	2	2	2	1	1		8	2	3	1	1	1	3		11	19
USPSC (OE/TF) Internationally Recruited	0	0	0	0	0		0	1	0	0	0	0	0		1	1
USPSC (OE/TF) Locally Recruited	0	0	0	0	0		0	0	2	0	0	0	0		2	2
USPSC (Program Funded)	2	1	0	0	0		3	0	0	0	0	0	0		0	3
FSN/TCN Direct Hire (OE/TF) Internationally Recruited	0	0	0	0	0		0	0	0	0	0	0	0		0	0
FSN/TCN Direct Hire (OE/TF) Locally Recruited	3	1	1	1	2		8	1	9	4	1	0	2		17	25
FSN/TCN Non-Direct Hire (OE/TF) Internationally Recruited	0	0	0	0	0		0	0	0	1	0	0	0		1	1
FSN/TCN Non-Direct Hire (OE/TF) Locally Recruited	4	2	1	3	3		13	1	18	39	6	0	9		73	86
FSN/TCN Non-Direct Hire (Program Funded)	10	6	4	0	0		20	0	0	0	0	0	0		0	20
Other (RSSA, PASA, IPA) (OE/TF Funded)							0								0	0
Other (RSSA, PASA, IPA) (Program Funded)							0								0	0
<b>Total Staff by Objective</b>	21	12	8	5	6	0	52	5	32	45	8	1	14	0	105	157
TAACs*																
Fellows*																

22

## Totals by Staffing Category - FY 1997 Ceiling

Staff	Strategic Objective 1: (title)	Strategic Objective 2: (title)	Strategic Objective 3: (title)	Special Objective 1: (title)	Special Objective 2: (title)	Special Objective 3: (title)	Subtotal S.O. Staff	Support Offices							Subtotal Support Staff	Grand Total Staff
								Mission Mgt.	Con- troller	EXO	Con- tracts	Legal	Program	Other		
USDH	2	2	2	1	1	0	8	2	3	1	1	1	3	0	11	19
USPSC (OE/TF)	0	0	0	0	0	0	0	1	2	0	0	0	0	0	3	3
USPSC (Program Funded)	2	1	0	0	0	0	3	0	0	0	0	0	0	0	0	3
Total USPSCs	2	1	0	0	0	0	3	1	2	0	0	0	0	0	3	6
FSN/TCN Direct Hire (OE/TF)	3	1	1	1	2	0	8	1	9	4	1	0	2	0	17	25
FSN/TCN Non Direct Hire (OE/TF)	4	2	1	3	3	0	13	1	18	40	6	0	9	0	74	87
FSN/TCN Non Direct Hire (Program Funded)	10	6	4	0	0	0	20	0	0	0	0	0	0	0	0	20
Total FSN/TCN Non Direct Hire	14	8	5	3	3	0	33	1	18	40	6	0	9	0	74	107
Total FSN/TCN (OE/TF)	7	3	2	4	5	0	21	2	27	44	7	0	11	0	91	112
Total FSN/TCN (Program Funded)	10	6	4	0	0	0	20	0	0	0	0	0	0	0	0	20
Total FSN/TCN Staff	17	9	6	4	5	0	41	2	27	44	7	0	11	0	91	132
Total Other (RSSA, PASA, IPA) (OE/TF)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Other (RSSA, PASA, IPA) (Program Funded)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total FSN/TCN Staff	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total OE/TF Staff (includes USDH)	9	5	4	5	6	0	29	5	32	45	8	1	14	0	105	134
Total Program Funded Staff	12	7	4	0	0	0	23	0	0	0	0	0	0	0	0	0
Grand Total All Staff	21	12	8	5	6	0	52	5	32	45	8	1	14	0	105	157

**Notes:**

\* TAACs and Fellows count against G ceilings only and thus are "below the line" for field operating units. Service in the capacity of TAACs should be reported as TAACs regardless of the hiring mechanism. They should not be reported under PSCs, PASAs, RSSAs, etc.

The data in the table reflects positions, NOT, on-board strength or FTEs. You can divide the positions of people working on more than one SO, but do not subdivide in units of less than a half (0.5).

Provide separate tables for FY 97, 98, and 99.

83

**Workforce Resources  
FY 1998 Position Allocation of Staff Ceilings**

**Organization: USAID EL SALVADOR**

Staff	Strategic Objective 1: (title)	Strategic Objective 2: (title)	Strategic Objective 3: (title)	Special Objective 1: (title)	Special Objective 2: (title)	Special Objective 3: (title)	Subtotal S.O. Staff	Support Offices							Subtotal Support Staff	Grand Total Staff
								Mission Mgt.	Con- troller	EXO	Con- tracts	Legal	Program	Other		
USDH	3	2	2	1			8	2	3	1	1	1	3		11	19
USPSC (OE/TF) Internationally Recruited	0	0	0	0	0		0	1	0	0	0	0	0		1	1
USPSC (OE/TF) Locally Recruited	0	0	0	0	0		0	0	2	0	0	0	0		2	2
USPSC (Program Funded)	2	1	0	0	0		3	0	0	0	0	0	0		0	3
FSN/TCN Direct Hire (OE/TF) Internationally Recruited	0	0	0	0	0		0	0	0	0	0	0	0		0	0
FSN/TCN Direct Hire (OE/TF) Locally Recruited	5	1	1	1	0		8	1	9	4	1	0	2		17	25
FSN/TCN Non-Direct Hire (OE/TF) Internationally Recruited	0	0	0	0	0		0	0	0	1	0	0	0		1	1
FSN/TCN Non-Direct Hire (OE/TF) Locally Recruited	7	2	1	3	0		13	1	18	39	6	0	9		73	86
FSN/TCN Non-Direct Hire (Program Funded)	10	6	4	0	0		20	0	0	0	0	0	0		0	20
Other (RSSA, PASA, IPA) (OE/TF Funded)							0								0	0
Other (RSSA, PASA, IPA) (Program Funded)							0								0	0
<b>Total Staff by Objective</b>	<b>27</b>	<b>12</b>	<b>8</b>	<b>5</b>	<b>0</b>	<b>0</b>	<b>52</b>	<b>5</b>	<b>32</b>	<b>45</b>	<b>8</b>	<b>1</b>	<b>14</b>	<b>0</b>	<b>105</b>	<b>157</b>
TAACs*																
Fellows*																

*df*

## Totals by Staffing Category - FY 1998 Ceiling

Staff	Strategic Objective 1: (title)	Strategic Objective 2: (title)	Strategic Objective 3: (title)	Special Objective 1: (title)	Special Objective 2: (title)	Special Objective 3: (title)	Subtotal S.O. Staff	Support Offices							Subtotal Support Staff	Grand Total Staff
								Mission Mgt.	Con- troller	EXO	Con- tracts	Legal	Program	Other		
USDH	3	2	2	1	0	0	8	2	3	1	1	1	3	0	11	19
USPSC (OE/TF)	0	0	0	0	0	0	0	1	2	0	0	0	0	0	3	3
USPSC (Program Funded)	2	1	0	0	0	0	3	0	0	0	0	0	0	0	0	3
<b>Total USPSCs</b>	2	1	0	0	0	0	3	1	2	0	0	0	0	0	3	6
FSN/TCN Direct Hire (OE/TF)	5	1	1	1	0	0	8	1	9	4	1	0	2	0	17	25
FSN/TCN Non Direct Hire (OE/TF)	7	2	1	3	0	0	13	1	18	40	6	0	9	0	74	87
FSN/TCN Non Direct Hire (Program Funded)	10	6	4	0	0	0	20	0	0	0	0	0	0	0	0	20
<b>Total FSN/TCN Non Direct Hire</b>	17	8	5	3	0	0	33	1	18	40	6	0	9	0	74	107
<b>Total FSN/TCN (OE/TF)</b>	12	3	2	4	0	0	21	2	27	44	7	0	11	0	91	112
<b>Total FSN/TCN (Program Funded)</b>	10	6	4	0	0	0	20	0	0	0	0	0	0	0	0	20
<b>Total FSN/TCN Staff</b>	22	9	6	4	0	0	41	2	27	44	7	0	11	0	91	132
<b>Total Other (RSSA, PASA, IPA) (OE/TF)</b>	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Other (RSSA, PASA, IPA) (Program Funded)</b>	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total FSN/TCN Staff</b>	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total OE/TF Staff (includes USDH)</b>	15	5	4	5	0	0	29	5	32	45	8	1	14	0	105	134
<b>Total Program Funded Staff</b>	12	7	4	0	0	0	23	0	0	0	0	0	0	0	0	0
<b>Grand Total All Staff</b>	27	12	8	5	0	0	52	5	32	45	8	1	14	0	105	157

**Notes:**

\* TAACs and Fellows count against G ceilings only and thus are "below the line" for field operating units. Service in the capacity of TAACs should be reported as TAACs regardless of the hiring mechanism. They should not be reported under PSCs, PASAs, RSSAs, etc.

The data in the table reflects positions, NOT, on-board strength or FTEs. You can divide the positions of people working on more than one SO, but do not subdivide in units of less than a half (0.5).

Provide separate tables for FY 97, 98, and 99.

85

**Workforce Resources  
FY 1999 Position Allocation of Staff Target Levels**

Organization: \_\_\_\_\_

Staff	Strategic Objective 1: (title)	Strategic Objective 2: (title)	Strategic Objective 3: (title)	Special Objective 1: (title)	Special Objective 2: (title)	Special Objective 3: (title)	Subtotal S.O. Staff	Support Offices							Subtotal Support Staff	Grand Total Staff
								Mission Mgt.	Controller	EXO	Contracts	Legal	Program	Other		
USDH	3	2	2	1	0		8	2	3	1	1	1	3		11	19
USPSC (OE/TF) Internationally Recruited	0	0	0	0	0		0	1	0	0	0	0	0		1	1
USPSC (OE/TF) Locally Recruited	0	0	0	0	0		0	0	2	0	0	0	0		2	2
USPSC (Program Funded)	2	1	0	0	0		3	0	0	0	0	0	0		0	3
FSN/TCN Direct Hire (OE/TF) Internationally Recruited	0	0	0	0	0		0	0	0	0	0	0	0		0	0
FSN/TCN Direct Hire (OE/TF) Locally Recruited	5	1	1	1	0		8	1	9	4	1	0	2		17	25
FSN/TCN Non-Direct Hire (OE/TF) Internationally Recruited	0	0	0	0	0		0	0	0	1	0	0	0		1	1
FSN/TCN Non-Direct Hire (OE/TF) Locally Recruited	7	2	1	3	0		13	1	18	39	6	0	9		73	86
FSN/TCN Non-Direct Hire (Program Funded)	9	6	4	0	0		19	0	0	0	0	0	0		0	19
Other (RSSA, PASA, IPA) (OE/TF Funded)							0								0	0
Other (RSSA, PASA, IPA) (Program Funded)							0								0	0
<b>Total Staff by Objective</b>	26	12	8	5	0	0	51	5	32	45	8	1	14	0	105	156
TAACs*																
Fellows*																

98

## Totals by Staffing Category - FY 1999 Target

Staff	Strategic Objective 1: (title)	Strategic Objective 2: (title)	Strategic Objective 3: (title)	Special Objective 1: (title)	Special Objective 2: (title)	Special Objective 3: (title)	Subtotal S.O. Staff	Support Offices							Subtotal Support Staff	Grand Total Staff
								Mission Mgt.	Con- troller	EXO	Con- tracts	Legal	Program	Other		
USDH	3	2	2	1	0	0	8	2	3	1	1	1	3	0	11	19
USPSC (OE/TF)	0	0	0	0	0	0	0	1	2	0	0	0	0	0	3	3
USPSC (Program Funded)	2	1	0	0	0	0	3	0	0	0	0	0	0	0	0	3
Total USPSCs	2	1	0	0	0	0	3	1	2	0	0	0	0	0	3	6
FSN/TCN Direct Hire (OE/TF)	5	1	1	1	0	0	8	1	9	4	1	0	2	0	17	25
FSN/TCN Non Direct Hire (OE/TF)	7	2	1	3	0	0	13	1	18	40	6	0	9	0	74	87
FSN/TCN Non Direct Hire (Program Funded)	9	6	4	0	0	0	19	0	0	0	0	0	0	0	0	19
Total FSN/TCN Non Direct Hire	16	8	5	3	0	0	32	1	18	40	6	0	9	0	74	106
<b>Total FSN/TCN (OE/TF)</b>	<b>12</b>	<b>3</b>	<b>2</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>21</b>	<b>2</b>	<b>27</b>	<b>44</b>	<b>7</b>	<b>0</b>	<b>11</b>	<b>0</b>	<b>91</b>	<b>112</b>
<b>Total FSN/TCN (Program Funded)</b>	<b>9</b>	<b>6</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>19</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>19</b>
<b>Total FSN/TCN Staff</b>	<b>21</b>	<b>9</b>	<b>6</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>40</b>	<b>2</b>	<b>27</b>	<b>44</b>	<b>7</b>	<b>0</b>	<b>11</b>	<b>0</b>	<b>91</b>	<b>131</b>
Total Other (RSSA, PASA, IPA) (OE/TF)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Other (RSSA, PASA, IPA) (Program Funded)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total FSN/TCN Staff	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total OE/TF Staff (includes USDH)</b>	<b>15</b>	<b>5</b>	<b>4</b>	<b>5</b>	<b>0</b>	<b>0</b>	<b>29</b>	<b>5</b>	<b>32</b>	<b>45</b>	<b>8</b>	<b>1</b>	<b>14</b>	<b>0</b>	<b>105</b>	<b>134</b>
<b>Total Program Funded Staff</b>	<b>11</b>	<b>7</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>19</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Grand Total All Staff</b>	<b>26</b>	<b>12</b>	<b>8</b>	<b>5</b>	<b>0</b>	<b>0</b>	<b>51</b>	<b>5</b>	<b>32</b>	<b>45</b>	<b>8</b>	<b>1</b>	<b>14</b>	<b>0</b>	<b>105</b>	<b>156</b>

**Notes:**

\* TAACs and Fellows count against G ceilings only and thus are "below the line" for field operating units. Service in the capacity of TAACs should be reported as TAACs regardless of the hiring mechanism. They should not be reported under PSCs, PASAs, RSSAs, etc.

The data in the table reflects positions, NOT, on-board strength or FTEs. You can divide the positions of people working on more than one SO, but do not subdivide in units of less than a half (0.5).

Provide separate tables for FY 97, 98, and 99.

## Workforce Resources

### FY 1999 Position Allocation of Staff Target Levels vs. Request Level

Organization: USAID EL SALVADOR

Staff	Strategic Objective 1: (title)	Strategic Objective 2: (title)	Strategic Objective 3: (title)	Special Objective 1: (title)	Special Objective 2: (title)	Special Objective 3: (title)	Subtotal S.O. Staff	Support Offices							Subtotal Support Staff	Grand Total Staff
								Mission Mgt.	Con- troller	EXO	Con- tracts	Legal	Program	Other		
USDH							0								0	0
USPSC (OE/TF) Internationally Recruited							0								0	0
USPSC (OE/TF) Locally Recruited							0								0	0
USPSC (Program Funded)							0								0	0
FSN/TCN Direct Hire (OE/TF) Internationally Recruited							0								0	0
FSN/TCN Direct Hire (OE/TF) Locally Recruited							0								0	0
FSN/TCN Non-Direct Hire (OE/TF) Internationally Recruited							0								0	0
FSN/TCN Non-Direct Hire (OE/TF) Locally Recruited							0								0	0
FSN/TCN Non-Direct Hire (Program Funded)							0								0	0
Other (RSSA, PASA, IPA) (OE/TF Funded)							0								0	0
Other (RSSA, PASA, IPA) (Program Funded)							0								0	0
<b>Total Staff by Objective</b>	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TAACs*																
Fellows*																

## Totals by Staffing Category - FY 1999 Request

Staff	Strategic Objective 1: (title)	Strategic Objective 2: (title)	Strategic Objective 3: (title)	Special Objective 1: (title)	Special Objective 2: (title)	Special Objective 3: (title)	Subtotal S.O. Staff	Support Offices							Subtotal Support Staff	Grand Total Staff	
								Mission Mgt.	Con- troller	EXO	Con- tracts	Legal	Program	Other			
USDH	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
USPSC (OE/TF)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
USPSC (Program Funded)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total USPSCs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
FSN/TCN Direct Hire (OE/TF)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
FSN/TCN Non Direct Hire (OE/TF)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
FSN/TCN Non Direct Hire (Program Funded)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total FSN/TCN Non Direct Hire	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total FSN/TCN (OE/TF)</b>	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total FSN/TCN (Program Funded)</b>	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total FSN/TCN Staff</b>	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Other (RSSA, PASA, IPA) (OE/TF)</b>	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Other (RSSA, PASA, IPA) (Program Funded)</b>	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total FSN/TCN Staff</b>	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total OE/TF Staff (includes USDH)</b>	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Program Funded Staff</b>	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Grand Total All Staff</b>	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

**Notes:**

- TAACs and Fellows count against G ceilings only and thus are "below the line" for field operating units. Service in the capacity of TAACs should be reported as TAACs regardless of the hiring mechanism. They should not be reported under PSCs, PASAs, RSSAs, etc.

The data in the table reflects positions, NOT, on-board strength or FTEs. You can divide the positions of people working on more than one SO, but do not subdivide in units of less than a half (0.5).

Provide separate tables for FY 97, 98, and 99.

89

TRUST FUNDS & FSN SEPARATION FUND

Orgno.: 25519  
 Org. Title: USAID EL SALVADOR

Foreign National Voluntary Separation Account

Action	FY 97			FY 98			FY 99		
	OE	Program	Total	OE	Program	Total	OE	Program	Total
Deposits	47.3	15.4	62.7	56.0	7.9	63.9	24.1	8.5	32.6
Withdrawals	43.0	68.8	111.8	17.2	25.8	43.0	8.6	0.0	8.6

Local Currency Trust Funds - Regular (\$000s)

	FY 97	FY 98	FY 99
Balance Start of Year	7.8	5.4	3.0
Obligations	3.6	3.3	3.3
Deposits	1.2	0.9	0.3
Balance End of Year	5.4	3.0	0.0

Trust Funds in Dollar Equivalents, not in Local Country Equivalents

Local Currency Trust Funds - Real Property (\$000s)

	FY 97	FY 98	FY 99
Balance Start of Year		0.0	0.0
Obligations			
Deposits			
Balance End of Year	0.0	0.0	0.0

Trust Funds in Dollar Equivalents, not in Local Country Equivalents

RP

/tel1/. /96/07/12/01452m

UNCLASSIFIED

PAGE 01 STATE 145302 122113Z  
ORIGIN AID-00

-----  
ACTION OFFICE(S): !LASP  
INFO OFFICE(S): AAG AALA AAM ACIS ASOM BAA BHR DAAM DUTY  
DUTY2 ES GAFS GCLA GENR GEO GPP ICIS IG  
IGLC IRMO LACE LACEA LADP AAID LDHR LEHR  
LPHN LRSD MB MBPA MPI PAUL PDSP POP PPCE  
PPDC PVC REEN WID  
-----

INFO LOG-00 AGRE-00 TEDE-00 /000R

145302

SOURCE: AID.006702  
DRAFTED BY: AID/LAC/SPM:CADAMSON:JMEADOWCROFT:CA  
APPROVED BY: AID/AA/LAC:NPARKER:NP AID6702  
AID/DAA/LAC:EZALLMAN AID/LAC/SPM:JWEBER (DRAFT)  
AID/LAC/RSD:TJOHNSON (DRAFT) AID/LAC/DPB:DCHIRIBOGA (DRAFT)  
AID/LAC/CEN:NLEVINE (DRAFT)

-----4E029E 122116Z /38

P 122114Z JUL 96  
FM SECSTATE WASHDC  
TO AMEMBASSY SAN SALVADOR PRIORITY

UNCLAS STATE 145302

ADM AID

E.O. 12958: N/A

TAGS:

SUBJECT: USAID/EL SALVADOR FY 1997-1998 RESULTS REVIEW  
AND RESOURCE REQUEST (R4) AND FY 1997-2002 STRATEGIC PLAN  
--- STRATEGY GUIDANCE/MANAGEMENT CONTRACT

1. SUMMARY. THE USAID/EL SALVADOR FY 1997-98 R4 WAS  
REVIEWED ON JUNE 7, 1996, AT THE DAEC MEETING CHAIRED BY  
AA/LAC MARK L. SCHNEIDER. THE R4 WAS PRESENTED BY  
USAID/EL SALVADOR MISSION DIRECTOR CARL LEONARD AND  
STRATEGY DEVELOPMENT CHIEF PETER KRANSTOVER. THE USAID

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 STATE 145302 122113Z  
CHIEF OF STAFF, AS WELL AS REPRESENTATIVES OF THE GLOBAL  
BUREAU, M, PPC, ALL APPROPRIATE LAC BUREAU OFFICES, AND  
STATE ARA/CEN PARTICIPATED IN THE DAEC REVIEW. AA/LAC  
SCHNEIDER COMPLIMENTED THE MISSION ON ITS R4 AND RE-  
ENGINEERING WORK. THE MISSION WAS PRAISED BY THE AA/LAC

91

FOR THE USE OF FOCUS GROUPS, PARTICULARLY RURAL GROUPS IN THE DEVELOPMENT OF CUSTOMER SERVICE PLANS. THE STRATEGIC PLAN AND THE R4 WERE APPROVED BY THE BUREAU, SUBJECT TO SUBMISSION OF REQUESTED ADDITIONAL INFORMATION IN THE FORM OF AN ADDENDUM TO THE STRATEGIC PLAN PER GUIDANCE PROVIDED BELOW. END SUMMARY.

2. IN HIS OPENING STATEMENT, THE MISSION DIRECTOR OUTLINED THE SUCCESSES AND CHALLENGES FACING EL SALVADOR BY FOCUSING ON THE FOLLOWING TOPICS:

A. TRANSITION FROM WAR TO PEACE. USAID/EL SALVADOR HAS MADE A SIGNIFICANT CONTRIBUTION TOWARDS SUPPORTING THE

PEACE PROCESS DURING THE PAST FOUR YEARS SINCE THE PEACE ACCORDS WERE SIGNED. THERE HAS BEEN A MARKED REDUCTION IN SOCIAL AND ECONOMIC SUFFERING AMONG THE POPULATION HARDEST HIT BY 12 YEARS OF CIVIL WAR. ADDITIONALLY, AS OF MARCH 1996, 32,000 EX-COMBATANTS, REPRESENTING 95 OF THE TOTAL BENEFICIARY POPULATION HAD RECEIVED LAND.

B. ECONOMIC GROWTH. ECONOMIC GROWTH IS THE MAIN FACTOR FOR THE REDUCTION IN THE PROPORTION OF HOUSEHOLDS IN POVERTY OVER THE LAST FOUR YEARS. IN 1995 EL SALVADOR'S REAL GDP GREW AT AN ANNUAL RATE OF 6.1 PERCENT AND PER CAPITA GDP ROSE BY MORE THAN 4 PERCENT. DESPITE

UNCLASSIFIED

UNCLASSIFIED

PAGE 03 STATE 145302 122113Z  
IMPROVEMENT IN MACROECONOMIC INDICATORS, CHRONIC RURAL POVERTY REMAINS A CRITICAL PROBLEM.

C. DEMOCRACY. PROGRESS IN THIS SECTOR HAS INCLUDED: THE IMPLEMENTATION OF A JUVENILE OFFENDERS LAW WHICH PROVIDES FOR IMPROVED PROTECTION TO YOUNG OFFENDERS; REDUCTION OF COURT TIME IN CRIMINAL COURTS FROM 32 MONTHS IN 1993 TO 26 MONTHS IN 1995; AND REDUCTION OF CASE BACKLOGS AND THE NUMBER OF DETAINEES WITHOUT SENTENCE.

D. HEALTH AND EDUCATION. THE MISSION HAS PLAYED A CENTRAL ROLE IN THE EDUCATION SECTOR. A TEN YEAR EDUCATION REFORM PLAN, BASED ON USAID'S PROGRAM ACHIEVEMENTS, WAS RECENTLY RELEASED BY THE GOES AND FORMS THE BASIS FOR DEVELOPING AN \$80 MILLION WORLD BANK FUNDED EDUCATION REFORM PROGRAM. ANOTHER ACCOMPLISHMENT HAS BEEN THE DEVELOPMENT OF A MODEL SCHOOL PROGRAM WHICH HAS EMPOWERED LOCAL COMMUNITIES AND STRENGTHENED THE QUALITY OF EDUCATION. USAID FAMILY PLANNING ACTIVITIES HAVE SIGNIFICANTLY INCREASED THE USE OF VOLUNTARY FAMILY PLANNING PRACTICES.

E. ENVIRONMENT. PROGRESS IN THIS SECTOR HAS INCLUDED: AS OF MARCH 1996, OVER 16,300 PEOPLE USING ENVIRONMENTALLY

gr

SOUND AGRICULTURE PRACTICES; ENVIRONMENTAL AWARENESS RISING IN 1995 TO 10.6 PERCENT AMONG MALES AND 12.1 PERCENT AMONG FEMALES FROM 1994 LEVELS; AND A PARTICIPATORY APPROACH THROUGH USAID-SPONSORED WORKSHOPS RESULTING IN THE ADOPTION OF 33 OUT OF 49 SUB-STRATEGIES CONTAINED IN THE NATIONAL ENVIRONMENT STRATEGY.

F. THE MISSION DIRECTOR DISCUSSED EXTENDED USE OF FOCUS  
UNCLASSIFIED

UNCLASSIFIED

PAGE 04 STATE 145302 122113Z  
GROUPS IN ORDER TO SOLICIT INPUT FROM DEVELOPMENT PARTNERS. THE AA/LAC COMPLIMENTED THE MISSION ON ITS EFFORTS AND LAC/CEN NOTED THAT IT HAD ALREADY RECEIVED POSITIVE FEEDBACK ON THESE EFFORTS FROM NGOS IN EL SALVADOR AND WASHINGTON.

3. RICHARD MCCALL, USAID CHIEF OF STAFF, PREFACED THE DAEC DISCUSSION BY COMMENDING THE MISSION FOR ITS WORK WHICH ADDRESSES THE FUNDAMENTAL PROBLEMS OF THE COUNTRY. HE ALSO EXPRESSED GRAVE CONCERN OVER THE CURRENT POLITICAL CLIMATE IN EL SALVADOR WHICH COULD AFFECT USAID'S PROGRAM. MCCALL NOTED THAT ELEMENTS WITHIN SALVADORAN SOCIETY WERE ATTEMPTING TO DERAIL THE PEACE PROCESS AND UNDERMINE THOSE IN THE SALVADORAN GOVERNMENT WHO WANTED TO COMPLETE IMPLEMENTATION OF THE ACCORDS. FOR THIS REASON, MCCALL STATED THAT THERE WAS AN URGENT NEED FOR ALL LEVELS OF THE UNITED STATES GOVERNMENT TO SUPPORT CONSOLIDATION OF DEMOCRACY IN EL SALVADOR.

4. THE DAEC DISCUSSED THE MISSION'S STRATEGIC AND OTHER ISSUES: (A) ELECTORAL REFORMS; (B) JUDICIAL REFORMS; (C) FOCUS OF THE DEMOCRACY SO PRIMARILY ON ACCOUNTABILITY OF GOVERNMENT INSTITUTIONS; D) THE RESPONSE TO VIOLENT CRIME; E) THE FULFILLMENT OF A \$17 MILLION USG COMMITMENT TO FUND IMPLEMENTATION OF THE PEACE ACCORDS; AND A REQUEST FOR DE-OBLIGATION/RE-OBLIGATION AUTHORITY.

A. ELECTORAL REFORMS. CONCERN WAS EXPRESSED OVER THE GOVERNMENT OF EL SALVADOR'S (GOES) APPARENT LACK OF POLITICAL WILL TO IMPLEMENT NEEDED ELECTORAL REFORMS. THE USE OF POLITICAL ADVOCACY ACTIVITIES WAS RAISED AS ONE  
UNCLASSIFIED

UNCLASSIFIED

PAGE 05 STATE 145302 122113Z  
POSSIBLE MEANS OF STIMULATING CIVIC DEMAND. HOWEVER, CHIEF OF STAFF MCCALL CAUTIONED THAT POLITICAL PARTY DEVELOPMENT, GIVEN THE NATURE OF PARTY DEVELOPMENT, IS NOT THE SOLUTION TO EL SALVADOR'S CURRENT PROBLEMS. THE DAEC RECOMMENDED THAT MORE EMPHASIS BE PLACED ON ENCOURAGING

93

GRASSROOTS NGOS TO BECOME MORE ENGAGED IN THE ELECTORAL REFORM PROCESS. IT WAS SUGGESTED THAT THE MISSION, THROUGH A MULTI-DONOR CONSULTATIVE GROUP, HAVE A SEMI-ANNUAL REVIEW OF EL SALVADOR'S PROGRESS IN ELECTORAL AND JUDICIAL REFORMS. IT WAS ALSO RECOMMENDED THAT USAID/EL SALVADOR CONTINUE TO ASSIST THE SUPREME ELECTORAL TRIBUNAL MAKE THE NECESSARY INSTITUTIONAL CHANGES. THE AA/LAC NOTED THAT THESE REFORMS ARE CONDITIONS FOR RECEIVING THE LAST TRANCHE OF \$10 MILLION IN FY 1995 ESF AND THAT WE SHOULD STAND FIRM UNTIL THEY ARE FULFILLED.

THE DAEC CITED THE DEVOLUTION OF POWER TO THE MUNICIPAL LEVEL AS A CRITICAL ELEMENT TO THE PEACE PROCESS AND TO THE AGENCY'S GOAL OF SUSTAINABLE DEVELOPMENT. IT WAS STRESSED THAT THE GOES BUDGET TRANSFERS TO MUNICIPALITIES WERE QUITE LOW AND NEEDED TO BE RAISED. THE AA/LAC SUGGESTED THAT THE MISSION EXPLORE THE POSSIBILITY OF DEVELOPING USER FEES FOR MUNICIPAL SERVICES. ADDITIONALLY, THE MISSION WAS ENCOURAGED TO DEVELOP AN

INDICATOR TO MONITOR THE TRANSFER OF NATIONAL GOVERNMENT REVENUE TO MUNICIPALITIES.

B. JUDICIAL REFORMS. CONCERN WAS RAISED OVER HOW THE MISSION'S STRATEGY WOULD ADDRESS THE LACK OF PROGRESS ON THE PASSAGE OF A CRIMINAL PROCEDURE CODE AND JUDICIAL

UNCLASSIFIED

UNCLASSIFIED

PAGE 06 STATE 145302 122113Z  
REFORMS. THE MISSION POINTED OUT THAT THE UPSURGE IN CRIME AND CONSTANT MEDIA BLITZ ON THIS CRIME WAVE HAVE OVERSHADOWED THE ASSEMBLY'S ATTENTION TO JUDICIAL REFORMS. THE MISSION MAINTAINED THAT THERE ARE MANY COUNTERPARTS WHO SUPPORT THE EFFORT TO PUSH THROUGH NEEDED REFORMS AND, THEREFORE, THE MISSION WILL CONTINUE ITS EFFORTS. THE AA/LAC RECOMMENDED THAT USAID/EL SALVADOR CONSIDER WAYS OF SUPPORTING ALTERNATIVE MEDIA SOURCES IN ORDER TO REFOCUS ATTENTION ON THE ISSUE OF JUDICIAL AND ELECTORAL REFORMS. ADDITIONALLY, THE AA/LAC SUGGESTED THAT THE MISSION EXPLORE WAYS TO DEVELOP NON-PARTISAN, CIVIL SOCIETY ORGANIZATION ACTIVITIES AIMED AT PROMOTING RECONCILIATION, REDUCING POLITICAL POLARIZATION AND CONSOLIDATING THE DEMOCRATIC PROCESS.

IT WAS NOTED THAT THE MISSION IS PHASING OUT OF LEGISLATIVE SUPPORT AND FINANCIAL MANAGEMENT, AND THE IDB AND WORLD BANK WILL BE PROVIDING SUPPORT IN THESE AREAS. IN ORDER TO ENSURE SOME DEGREE OF CONTINUITY IN PROGRAM ACTIVITIES, IT WAS RECOMMENDED THAT A FORUM BE CREATED TO ENSURE THAT THERE ARE NO GAPS IN ACTIVITIES, AS WELL AS TO PINPOINT AREAS WHERE INTERVENTION IS NEEDED.

97

C. ACCOUNTABLE GOVERNMENT INSTITUTIONS. THE MISSION EXPLAINED THAT IT USES ACCOUNTABILITY IN A BROAD SENSE, SO THAT IT IS CONGRUENT WITH THE STRATEGIC OBJECTIVE GROUPINGS FROM THE AGENCY. THE AA/LAC ACCEPTED THE DEFINITION BUT POINTED OUT THE NEED FOR CLEAR ARTICULATION OF THE CONNECTION BETWEEN THE PROBLEM (ACCOUNTABLE GOVERNMENT INSTITUTIONS), USAID/EL SALVADOR ACTIVITIES, AND THE RESULTS OF THESE ACTIVITIES. SINCE A KEY

UNCLASSIFIED

UNCLASSIFIED

PAGE 07 STATE 145302 122113Z  
COMPONENT IN THIS CONNECTION IS CIVIL SOCIETY, THE AA/LAC RECOMMENDED THAT THE MISSION STRONGLY CONSIDER INCORPORATING CIVIL PARTICIPATION MORE EXPLICITLY INTO THE STRATEGY, NOTING THAT DEVELOPMENT OF CIVIL SOCIETY WAS BOTH A MEANS AND AN END TO THE ACHIEVEMENT OF THE DEMOCRACY STRATEGIC OBJECTIVE. IT WAS SUGGESTED THAT THE PROPOSED INDICATORS BE REVISED, IF POSSIBLE, TO MAKE THEM MORE IMPACT-ORIENTED.

D. VIOLENT CRIME. SINCE THE RISING RATE OF VIOLENT CRIME WAS CITED IN THE STRATEGIC PLAN AS A SERIOUS PROBLEM, CONCERN WAS RAISED REGARDING HOW THE MISSION WILL ADDRESS

THIS ISSUE. THE USG IS ADDRESSING VIOLENT CRIME THROUGH THE ICITAP PROGRAM. TO GAIN A BETTER UNDERSTANDING OF THE CRIME SITUATION, THE DAEC SUGGESTED THAT THE MISSION CONSIDER DISAGGREGATING THE CRIME STATISTICS IN ORDER TO DISTINGUISH BETWEEN COMMON AND POLITICAL CRIME. THE MISSION WAS ADVISED TO CONTINUE TRAINING ACTIVITIES UNDER THE DOJ ICITAP PROGRAM AND THE JUSTICE SECTOR REFORM PROGRAM AND TO EXPLORE THE FEASIBILITY OF DEVELOPING ADDITIONAL TRAINING INTERVENTIONS.

E. FUNDING. IN ORDER TO HELP MEET THE SHORTFALL OF \$17 MILLION IN THE USG PLEDGE OF \$300 MILLION FOR THE PEACE PROCESS, THE MISSION REQUESTED DEOBLIGATION/REOBLIGATION AUTHORITY FOR \$9.2 MILLION OBLIGATED PRIOR TO FY 94, SO THAT THESE FUNDS COULD BE REPROGRAMMED. LAC/W IS SUBMITTING A REQUEST FOR THIS AUTHORITY TO THE M BUREAU.

5. THE MISSION IS REQUESTED TO SUBMIT TO M/B A REPORT  
UNCLASSIFIED

UNCLASSIFIED

PAGE 08 STATE 145302 122113Z  
CLARIFYING ITS PLANS TO REDUCE ITS OLDER PIPELINE. AS OF MARCH 31, 1996 USAID/EL SALVADOR'S OLDER PIPELINE (I.E., PIPELINE OBLIGATED PRIOR TO FY 1994) TOTALED \$33.8 MILLION, WHICH WAS 31 PERCENT OF THE MISSION'S TOTAL PIPELINE OF \$108.8 MILLION. AGENCY GUIDANCE HAS BEEN THAT

95

OLDER PIPELINE SHOULD BE LESS THAN 20 PERCENT OF THE TOTAL. FOR THE FOLLOWING PROJECTS, THE MISSION SHOULD ESPECIALLY CLARIFY THE REASONS FOR THE PIPELINE AND ITS PLANS TO REDUCE IT: HEALTH SYSTEMS SUPPORT, INDUSTRIAL RECONSTRUCTION, ENVIRONMENTAL PROTECTION, TECHNICAL SUPPORT POLICY ANALYSIS TRAINING, FAMILY HEALTH SERVICES, AND PUBLIC SERVICES IMPROVEMENT.

6. THE FOLLOWING GUIDANCE AND SUGGESTIONS REGARDING USAID/EL SALVADOR STRATEGY AND R4 ISSUES WERE PROVIDED DURING THE REVIEW PROCESS:

A. TRANSITION FROM WAR TO PEACE. THERE WAS CONCERN RAISED REGARDING THE SUSTAINABILITY OF ACTIVITIES AFTER THE CLOSE-OUT OF THIS STRATEGIC OBJECTIVE (SO) IN FY1997. THE MISSION EXPLAINED THAT ACTIVITIES UNDER THIS SO WERE NOT DESIGNED SPECIFICALLY FOR SUSTAINABILITY BUT RATHER AS DISCRETE ACTIVITIES THAT WOULD FACILITATE THE TRANSITION FROM WAR TO PEACE. THOSE ACTIVITIES THAT ARE NOT CONCLUDED BY THE CLOSE-OUT WILL BE ADMINISTERED UNDER THE OTHER STRATEGIC OBJECTIVES.

B. ECONOMIC OPPORTUNITY. THERE WAS DISCUSSION OVER WHETHER THE MISSION'S DECISION TO FOCUS ON "EXPANDED ACCESS AND ECONOMIC OPPORTUNITY FOR RURAL FAMILIES IN POVERTY" WAS AN APPROPRIATE WAY TO ADDRESS THE ISSUE OF

UNCLASSIFIED

UNCLASSIFIED

PAGE 09 STATE 145302 122113Z

POVERTY REDUCTION. THE MISSION EXPLAINED THAT SINCE IT DEFINES POVERTY IN A BROAD MANNER, CUTTING ACROSS ALL STRATEGIC OBJECTIVES, POVERTY ALLEVIATION WAS CHOSEN AS A SUB-GOAL. IT WAS AGREED THAT THE MISSION WOULD KEEP THE STRATEGIC OBJECTIVE AS STATED AND WOULD TRACK POVERTY RATES, PARTICULARLY RURAL POVERTY.

C. EDUCATION. THE MISSION CLARIFIED ITS POSITION ON BASIC EDUCATION AND CONFIRMED ITS INTENTION TO CONTINUE TO SUPPORT BASIC EDUCATION ACTIVITIES, BUT AFTER 1998 IT WILL NO LONGER SUPPORT RECURRENT COSTS IN THIS SECTOR. THROUGH ITS SOCIAL SECTOR ACTIVITY GRANT, THE MISSION WILL WORK ON BASIC EDUCATION POLICY ISSUES, DONOR COORDINATION, AND POLICY STUDIES. THE MISSION WILL ALSO CONTINUE TO WORK DIRECTLY WITH LOCAL NGOS, UNIVERSITIES, AND PARENTS' GROUPS TO BOLSTER PARTICIPATION IN THIS SECTOR. THE DAEC COMMENDED THE MISSION FOR ITS SUCCESSFUL MODEL SCHOOL PROGRAM AND REQUESTED THAT THE MISSION EXPLORE THE POSSIBILITY OF USING IT IN OTHER AREAS.

D. HEALTH. THE MISSION WAS PRAISED FOR ITS PROPOSED INNOVATIVE APPROACH TO REDUCING THE INCIDENCE OF

96

PREVENTABLE CHILDHOOD ILLNESSES AND REPRODUCTIVE HEALTH PROBLEMS. HOWEVER, THE FOLLOWING CONCERNS WERE RAISED: (A) THE INFLUENCE OF THE MISSION'S ACTIVITIES ARE NOT WELL CAPTURED IN THE RESULTS FRAMEWORK; (B) MEASURING OVERALL IMPACT WILL BE DIFFICULT GIVEN THE INDICATORS CHOSEN; (C) NO STRATEGY HAS BEEN ARTICULATED REGARDING THE PROGRAMMATIC AND FINANCIAL SUSTAINABILITY OF PROSAMI NGOS AND THE PHASE-OUT PLAN FOR THE SALVADORAN DEMOGRAPHIC

UNCLASSIFIED

UNCLASSIFIED

PAGE 10 STATE 145302 122113Z  
ASSOCIATION. IT WAS AGREED THAT THE MISSION WOULD SEEK ASSISTANCE FROM THE USAID/W EL SALVADOR PHN GROUP TO STRENGTHEN THE FRAMEWORK AND TO REFINE INDICATORS. CLARIFICATION WAS MADE THAT A RESOURCE TABLE WHICH OMITTED CHILD SURVIVAL WAS MISLABELLED AND THE MISSION CONFIRMED THAT CHILD SURVIVAL WAS, INDEED, A COMPONENT OF THEIR STRATEGY.

E. ENVIRONMENT. THE MISSION WAS PRAISED FOR ITS WELL-WRITTEN ENVIRONMENTAL SECTION, AS WELL AS ITS EFFORTS TO LINK ENVIRONMENTAL CONCERNS ACROSS ALL STRATEGIC OBJECTIVES. CONCERN WAS EXPRESSED THAT THE PUBLIC AWARENESS APPROACH PROPOSED IN THE STRATEGIC PLAN NEEDED TO INCLUDE A POLICY APPROACH. THE MISSION ACKNOWLEDGED THE IMPORTANCE OF POLICY REFORM AND NOTED THAT, ALTHOUGH POLICY REFORM IS NOT EXPLICIT IN THE RESULTS FRAMEWORK, IT IS INCORPORATED WITHIN THE MISSION'S STRATEGY. THE MISSION WILL EXPLORE THE POSSIBILITY OF INCLUDING BENCHMARKS FOR POLICY REFORM.

F. SUMMARY GUIDANCE ON ADDENDUM TO THE STRATEGY AND THE NEXT R4 SUBMISSION. THE DAEC ADVISED THE MISSION TO INCORPORATE THE FOLLOWING IN THE ADDENDUM TO ITS STRATEGIC PLAN: (A) THE ROLE OF CIVIL SOCIETY WITHIN THE DEMOCRACY STRATEGY FRAMEWORK; AND (B) INDICATORS FOR THE DEMOCRACY SO THAT BETTER REFLECT THE RELATIONSHIP BETWEEN CIVIL SOCIETY AND GOVERNMENT INSTITUTIONS. THE MISSION WAS ADVISED TO SUBMIT ITS ADDENDUM TO THE STRATEGIC PLAN BY DECEMBER 1996.

THE MISSION WAS ALSO ADVISED THAT THE FOLLOWING SHOULD BE  
UNCLASSIFIED

UNCLASSIFIED

PAGE 11 STATE 145302 122113Z  
INCORPORATED INTO THE NEXT R4 DOCUMENT: (A) DISCUSSION OF THE DEVELOPMENT HYPOTHESES WHICH LEAD TO THE STRATEGIC OBJECTIVES CHOSEN; (B) ILLUSTRATIVE APPROACHES SPECIFYING TOOLS AND TACTICS FOR ACHIEVING THE SOS, INCLUDING THE RELATIONSHIPS AND LINKAGES AMONG THE RESULTS FRAMEWORKS

91

FOR THE SOS; AND (C) UTILIZATION OF IMPACT-ORIENTED INDICATORS FOR ALL STRATEGIC OBJECTIVES. FURTHER, PER PARA 6 ABOVE, THE NEXT R4 SHOULD ALSO INCLUDE: (A) DISCUSSION OF HOW THOSE ACTIVITIES CURRENTLY UNDER THE TRANSITION FROM WAR TO PEACE SO, WHICH ARE NOT CONCLUDED BY THE SO CLOSE-OUT, WILL BE ADMINISTERED UNDER OTHER SOS; (B) DISCUSSION OF POVERTY ALLEVIATION UNDER THE ECONOMIC SO, INCLUDING INDICATORS TO TRACK POVERTY RATES; (C) INDICATORS TO MONITOR THE EDUCATION SO, INCLUDING AT LEAST ONE ON EDUCATION POLICIES; (D) REFINEMENT OF THE HEALTH RESULTS FRAMEWORK AND INDICATORS, INCLUDING STRATEGY FOR PROGRAMMATIC AND FINANCIAL SUSTAINABILITY OF PROSAMI NGOS AND FOR PHASE-OUT OF THE SALVADORAN DEMOGRAPHIC ASSOCIATION; AND (E) A MORE EXPLICIT STATEMENT OF ROLE OF POLICY REFORM IN THE ENVIRONMENT RESULTS FRAMEWORK.

7. CONCERNS REGARDING INDICATORS AND REPORTING PERFORMANCE WERE RESOLVED IN SIDE MEETINGS PRIOR TO THE DAEC. SUGGESTIONS TO FURTHER IMPROVE ATTENTION TO GENDER WERE PROVIDED IN A MEMO DATED JUNE 20, 1996, FROM LAC/SPM TO THE MISSION. WHEREVER POSSIBLE, THOSE SUGGESTIONS SHOULD BE INCORPORATED INTO THE ADDENDUM.  
ADDITIONAL CLEARANCE PAGE

AID/LAC/SPM:PTHORN (DRAFT) DATE 6/17/96  
AID/LAC/CEN:KBARRETT (DRAFT) DATE 6/24/96  
UNCLASSIFIED

UNCLASSIFIED

PAGE 12 STATE 145302 122113Z  
AID/M/B:BGREENE (DRAFT) DATE 6/26/96  
AID/PPC/PCV:VCUSUMANO (DRAFT) DATE 6/2