



Peru Alternative Development Project

Contract No. 527-C-00-04-00043-00

Annual Report (April 2005-March 2006)

Submitted to:
U.S. Agency for International Development/Peru

Submitted by:
Chemonics International Inc.

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Annual Report #1

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Report presented to:
USAID Peru/Ms. Jennifer Vernooy
Presented by:
Chemonics International, Inc.
July, 2006

Executive Summary

Chemonics International Inc. is pleased to submit the second Annual Report for the period April 1, 2005 through March 31, 2006 in accordance with Section F.2 of Contract No. 527-C-00-04-00043-00: Peru Participatory Alternative Development (PDA) program. The objective of this contract is to promote the sustained reduction of illicit coca production in Peru. It follows a previous contract No. 527-C-00-03-00001, known as PDA I, which was awarded to Chemonics in October 2002 for the implementation of pilot alternative development activities in Peru and concluded August 30, 2004. The current contract, referred to as the PDA II, project runs through September 2007.

The principal geographic foci of the contract are the four main Peruvian coca producing valleys: the Apurimac and Ene River Valleys (VRAE); the Upper Huallaga area of Tingo Maria; the Huallaga River basin from Tarapoto to Tocache; and the Aguaytia corridor to the city of Pucallpa. To ensure the permanence of coca eradication in the project intervention areas, contract programmatic and financial resources are directed to assist beneficiary communities improve living standards and long term social, economic and productive viability based on licit activities. Project assistance includes priority social and productive infrastructure improvements such as roads, schools, bridges, community centers, and health centers, as well as short and long-term crops, such as corn, bananas, rice, coffee, cacao, and palm oil. Contract activities are designed to enable participating communities to establish viable and sustainable licit livelihoods following the voluntary eradication of their coca crops.

During the reporting year, the PDA II project secured the voluntary eradication of 3,281.86 hectares of coca plantations, surpassing the USAID/Peru mission target of 3,000 hectares. The project also completed the pre-registration work for titling 4,522 individual farmer plots in the Aguaytia area. The PDA negotiated the signing of framework agreements (signators include USAID, DEVIDA, and the individual communities) with 217 new communities during the year (the R-217). Along with the 379 communities previously committed to the project (the R-379), PDA was working with close to 600 communities by the end of this reporting period.

As of March 31, 2006, PDA completed or was in the process of completing 460 infrastructure projects out of a grand total of 496 projects negotiated in the R-379 framework agreements, and completed or was completing the implementation of 38,000 hectares of crops in the four coca producing valleys. As of the preparation of this report, all R-379 productive projects were implemented or were in the process of implementation. Total amounts invested and committed as of the second contract year include US \$10,598,926 for infrastructure and US\$ 2,367,998 for productive and forestry projects.

In addition to the infrastructure and productive projects that are part of the community framework agreements, the PDA provided cash grants of \$180 to families signing framework agreements in the R217 communities for a total investment of \$734,671 during the reporting period.

This report, presented by chapters associated with the appropriate CLINs of the contract, summarizes the key activities undertaken during this year, identifying results, key lessons learned and activities projected for the second year of the contract (Note: there is no chapter on CLIN 1, Start Up Activities, as activities in this CLIN have been finalized). We welcome suggestions for the improved organization of the report to ensure that it serves all intended purposes.

Essentially, contract staff approached potential participating communities through concentrated dialogue leading to the signing of a basic framework agreement detailing a community's commitment to eradicate the totality of its coca plantations. In turn, the PDA project agreed to a specific set of social and economic programs to assist the communities in building sustainable livelihoods based on licit crops and activities. An important part of this benefit entails linking productive activities, both existing and implemented by the PDA, to local and regional markets.

**Highlights of Second Contract Year
April 1, 2005 – March 31, 2006**

- 3,281.86 hectares of coca voluntarily reduced
- 11 contract awards to private enterprises and producers' associations for investment in productive projects totaling approximately \$800,000 to implement 38,000 hectares of crops
- 457 infrastructure projects completed; 30 underway; and 135 under design
- 284 productive projects completed; 85 underway
- agreements with 34 producer associations, 23 municipalities and 47 independent contractors
- pre-registration work completed for titling 4,522 plots in Aguaytia and presented to PETT

Second year Contract Performance:

Project design for activities in the R-217 communities began and implementation of activities agreed upon with the 379 communities that signed the framework agreements continued. The PDA commissioned private contractors as well as municipal governments to implement infrastructure projects. Both producer associations and private businesses were engaged to help establish crops and begin market linkages. Land titling work begun under PDA I was completed in the Aguaytia region.

The PDA M&E system is now fully operational, with databases containing information on infrastructure, productive projects, and socialization fully integrated into the central data base and processes in place to ensure their automatic and continuous updating. Furthermore, work began with DEVIDA, USAID and other partners to integrate their project information into the system.

Advances in Contract Activities

- (1) Coca Eradication. A total of 11,686.32 hectares of coca has been voluntarily eradicated since the beginning of the PDA, including 3,281.86 hectares in 2005.
- (2) Infrastructure. A total of 457 infrastructure constructions have been completed so far under the R-379 agreements. Presently 23 more constructions are underway and another 4 are in the planning stage. Considerable progress has been made in completing the design for the R-217 framework agreements. The PDA implemented revised and streamlined contracting processes to expedite project implementation and improve the supervision of the infrastructure projects.
- (3) Productive Projects. 76 projects supporting 15 varieties of crops, of which 80 percent are for long-term production, such as coffee, cacao and palm oil are under implementation. Total new crops being implemented cover approximately 38,000 hectares. Sub-contracts have been signed with 11 private sector firms to provide technical assistance and supplies for production and marketing for cacao, coffee, banana and pastures. The total investment and cost sharing with the private contractors is approximately \$800,000.

- (4) Natural Resources. Work continued in environmental monitoring of productive projects and regulations were established to ensure the use of permitted pesticides. More efficient mechanisms to ensure compliance with environmental conditions in the surroundings of productive projects were also implemented. R-379 projects for local forest management in native communities and privately owned plots continued as did reforestation projects.
- (5) Land Titling. PDA completed its land titling goals and successfully negotiated agreements with PETT and INRENA to validate the land classification reports and to proceed with the registration of the eligible titles.
- (6) Communications. The PDA developed a common communications strategy with DEVIDA and USAID. Regional Operation plans are being executed in Tingo María, Tocache, Aguaytia and San Francisco (VRAE). PDA staff promoted the establishment of the Regional Technical Committees for communications (RTCs) with the participation of PDA, DEVIDA, CEDRO and other associates and allies. These committees are now installed and functioning in Tingo María, Tocache, Aguaytia and San Francisco.

Contract Management:

Performance of the PDA II contract during the second year was characterized by the continued work in the R-379 communities as well as the design of activities to be implemented in the R-217 communities. Other efforts also involved developing policies and procedures, implementing the M&E systems, negotiating the implementation of sub-contract agreements with the U.S. and local sub-contractors, and establishing administrative and financial control mechanisms.

A significant factor complicating implementation during this period was the discovery that the satellite imagery used to identify coca fields did not provide sufficient detail to confirm location and quantity of coca, leading to the use of manual efforts for this purpose (involving increased time and staff requirements). There were also uncertainties regarding number of beneficiaries per community due to inadequate community rosters, and the ultimate number of hectares of coca to be eradicated in each locality. Some localities had significant amounts of coca, while others had marginal quantities when finally measured.

Another major activity during this second period involved the identification of new communities willing to voluntarily eradicate their coca during the 2006 budget year. A plan for 2006 eradication activities was developed and agreed to by USAID and DEVIDA.

The Security Environment

A major difficulty affecting the implementation of the contract during the first year was the overall security environment. The principal effect of the security situation was to disrupt operations at various times for periods lasting well over a month in the four target valleys. Disruptions were caused by demonstrations and road blocks by the main coca producer organizations that remain active and strong in the valleys. Isolated incidents of lawlessness and banditry, including several thefts suffered by contract grantees and sub-contractors, also caused setbacks in the timeliness of the implementation of activities.

Key Lessons Learned This Year:

Lessons learned this year include:

- (1) Reduced costs based on stricter standards for negotiating framework agreements is of paramount importance. This involves the identification of community rosters that firmly prevent inclusion of non-community members and limits on the number of infrastructure benefits that can be reasonably offered in benefit packages. Greater importance is also being given to co-investment by the community and local municipality, as well as in-kind contributions of labor and materials.
- (2) Increased authority for PDA regional offices to undertake most aspects of contract management facilitates overall implementation. Clear lines of authority provided by the Lima office to the regional offices limit conflicting instructions or messages, wasted efforts, and resultant inefficiencies.
- (3) Close, agile, complementary and fluid implementation strategies and relationships with DEVIDA and other collaborating institutions (PRODES, CADA, CEDRO, PRISMA, ASF, UN, etc.) contribute to improved implementation.
- (4) Access to and relationships with participating communities must be carried out in conjunction (to the extent possible) with district governments, mayors, city councilmen, and community leaders (*teniente alcalde and gobernadores*). Benefit packages provided by PDA will then clearly reflect community and district priorities identified through participatory planning processes. Community ownership and supervision of project implementation is key to sustainability.
- (5) Grants to municipal governments for implementing public works are a viable option to the use of private sector subcontractors, but the grants must be incorporated into the municipal budget and be subject to government supervision. Producer associations, while important links to economic and social sustainability, are often weak and ineffective (and sometimes corruptible) providers of technical assistance and crop implementation for beneficiary farmers. Alternatives, such as NGOs with proven track records, universities or applied research centers are potential alternatives. Private businesses with links to markets are also key, but often lack the skill to provide technical assistance to farmers.
- (6) Community centered events promoting alternative development, healthy communities, family values, education, and community self-worth are very important complements to helping build sustainable coca free environments.

A regular PDA presence in the target valleys is contributing to good relations with beneficiary communities and permits a constant flow of information that helps address immediate concerns before they become major issues or contribute to the spread of false rumors concerning PDA activities. Coordination with other entities and implementing partners encourages the sharing of ideas and maximizes human and financial resources in the intervention areas.

As implementation proceeds in 2006, the following will be priorities for PDA:

- Better integration of socialization and communication activities. The roles of each need to be well defined to avoid duplication of effort and maximize the contribution of both the communicators and the *facilitadores*. This communication-socialization nexus will aid in strengthening the regional approach of the program.

- Frequent visits to communities that signed framework agreements. The purpose will be to maintain contact and ensure that communities remain coca free. This will demonstrate the seriousness of the commitment on part of the communities and instill the discipline necessary to maintain a licit livelihood.
- Use of supervision mechanisms for productive projects that employ several levels of verification, from community promoters to technicians and a regional coordinator. These levels are flexible, non-bureaucratic and provide mobile technical supervision units with frequent visits to various communities and a constant flow of information and PDA supervision.
- Community-level communication. This is crucial to provide information regarding status of all project activity and to alleviate community tensions that develop when problems in execution arise—either from private contractors or municipalities.
- Inter-institutional coordination. This is also crucial for effective and consistent communications messages to reach beneficiary communities. Good communications will aid in the behavioral change process through which coca communities will shift to a licit livelihood.
- Coordination and communication between entities. This will result in better information for selecting implementation agents (private or public) for project activities.
- Improved coordination with local authorities. The intent will be to ensure that both productive and infrastructure projects coincide with local plans and needs, marshal/mobilize local resources and cooperation, build local ownership and sustainability, and help deflect negative propaganda regarding the actions and intent of the PDA.

CHAPTER I: CONTEXT AND CHALLENGES

A. Introduction

Security remains a constant factor affecting implementation of PDA activities in that personnel and assets are permanently exposed to hazardous situations and threats. Security concerns will take on an increased importance in 2006 as PDA implements “post eradication” activities in communities that were subjected to forced eradication.

PDA staff in Lima and the regional offices include security experts tasked with analyzing and evaluating potential dangers to the staff and making recommendations at different administration and operation levels, including deciding when activities in the field are to be suspended. Their analysis examines all external factors related to sociopolitical, subversive and delinquent activities, identifying dangerous areas and preparing and sending out security reports and warnings to the PDA’s management and other relevant entities. Permanent training is also given year-round to all PDA staff on a series of preventive security measures.

B. General Socio-Political Framework for the Reporting Period

During the reporting period, strong opposition by coca-farmer organizations continued against the government of Peru’s coca eradication programs. In addition, the rate of delinquency increased dramatically, with more reports of armed robberies and kidnappings. Sendero Luminoso also strengthened its presence in Tingo Maria and Aguaytia.

The opposition by coca farmers was highlighted by the June 27 – July 12, 2005 general strike organized by the National Association of Peruvian Coca Producers (CONPACCP). Representatives of most of the 14 coca producing valleys in Peru took an active part in the strike, which was designed to achieve the total suspension of forced and voluntary eradication of illegal coca crops as well as the deactivation of the PDA and DEVIDA. Although disruptive, the strike was not successful in achieving its objectives. Nonetheless, as a precaution, PDA’s four regional offices suspended activities during the strike.

Splinter groups of Sendero Luminoso also engaged in disruptive activities and political propaganda. Their modus operandi has changed as evidenced by their safeguarding the interest of coca growers and by being respectful to local residents.

During the third quarter, Sendero Luminoso held 9 PDA staff captive for several hours and made dozens of threats against PDA personnel, as well as employees of Prisma, and DEVIDA in the Tingo Maria- Tocache area. Attacks against the Peruvian National Police killed 13 policemen in Palmapampa (VRAE) and Angashyacu (Aucayacu-Leoncio Prado-Huanuco). In response to these attacks, a State of Emergency was declared in six provinces of the Huallaga valley and Aguaytia, which has recently been extended through June 20, 2006.

Also during this period, coca-leaders sought to form alliances with political parties, particularly with the Partido Nacionalista del Perú, led by Ollanta Humala.

C. Review of PDA Target REgions

C.1 Regional Office of Ucayali

- **Socio-political Situation**

There were two major strikes in the city of Aguaytia during the beginning of the period, followed by a period of relative calm as political parties prepared for the upcoming presidential elections. The first strike was organized by the coca growers of Padre Abad (AAAPHCPPA) to express the opposition to the violent confrontations that had taken place between the PNP and coca growers which resulted in injury to several farmers during eradication efforts. The second was the general strike organized by CONPACCP which demanded an end to coca-crop eradication measures and the withdrawal of DEVIDA and PDA from all coca valleys. Both forced a temporary interruption to PDA activities in the field.



Increased political activity in anticipation of the April, 2006 presidential elections helped to usher in a period of calm in the region. The rural population generally supports nationalist candidate Ollanta Humala who has spoken out against alternative development activities and coca eradication.

- **Subversive Situation**

In the Province of Padre Abad, in the Ucayali Region, Sendero Luminoso is stirring up clandestine activities and disseminating its ideology through propaganda. Sendero Luminoso sympathizers in the regions were deployed to stand guard along the roads and overnight stops in the city of Aguaytia where the PDA still has a small regional office. Recent deployments of the Peruvian Armed Forces have limited Sendero Luminoso's activity in the region, and the death of one of its leaders has limited the organizations operating capacity.



- **Situation of Common Delinquency and Narcotrafficking**

Armed robbery along the Federico Basadre Highway has been a common occurrence, but has subsided tremendously after the construction of the Aguaytia- Pucallpa stretch of the highway. Increased patrols by the National Police along this highway has cut-back the rate of delinquency, although there are still occasional night time attacks targeting public transport vehicles.

There is a notable reduction of drug dealing activities in the region as a result of the State of Emergency in the area. Increased patrols by PNP and MGP officers have forced many drug dealers and terrorists to move to other areas where they can operate more freely.

C.2 Regional Office of San Martin

- **Socio-political Situation**

Action taken by coca-growers' organizations opposing PDA lost force during the year although two local political leaders, Nancy Obregón and Nancy Zamora, continue to organize against the project.



Road blocks along the Fernando Belaunde Terry highway continued during the year. They often take place to divert attention and resources from shipments of narcotics that are being exported from the area.

Tocache's inhabitants on the whole did not support the general strike, but road blocks totally cut off traffic for 7 days to the cities of Tingo Maria and Juanjui. Since then the activities of the PDA have continued without interruption. However,

a series of management problems by mayors in the municipalities of Juanjui, Tarapoto, and Chazuta gave rise to internal marches and protests.

On the whole, alternative development activities were only minimally effected by the disturbances in the region and carried on normally.

- **Subversive Situation**

Terrorist activities activity increased from last year, although the death of a Sendero Luminoso leader has led to a new decline in activity. Most activity seems to be limited to small break away factions with no institutional link to the larger organization. An attack on a privately owned vehicle in which three people were killed (a policeman, a civilian, and a justice of the peace) took place in the second quarter of this reporting period. Three PNP helicopters were fired on when carrying out interdiction measures near Alto Huanuco and Nuevo Progreso and terrorist groups continue to move along the frontier with the Huanuco department.

- **Situation of Common Delinquency and Narcotrafficking**

At the end of the reporting period, delinquency declined considerably along the Fernando Terry Highway near Juanjui, Tocache, Tarapoto, Yurimaguas, and Moyobamba due to constant patrolling by the police and military. However, earlier in

the year there was a considerable increase in the number of assaults and deaths along this stretch of highway.

Anti-Narcotics Police and CORAH made positive headway, inflicting serious blows to narcotraffickers by locating and destroying maceration pits, confiscating chemical inputs, and eradicating coca crops in the areas of Santa Rosa Mishollo and Peruto Pizana.

The programmed eradication being carried out in the southern sector of the San Martin Region, Province of Tocache, and District of La Polvora resulted in a change of route by drug traffickers to export large amounts of drugs produced in these communities. The change of route to Tocache-Juanjui-Tarapoto-Moyabamba-Chiclayo corridor, exposed them to a greater risk of drug interventions and the police made notable confiscations.

C3. VRAE Office

- **Socio-Political Situation**

The election of a new leader of the principal coca producer association in the region, FEPAVRAE, has not necessarily helped to strengthen the organization. Coca growers are becoming frustrated at not finding solutions to their problems and are creating a climate of rejection towards institutions charged with coca eradication.

The second half of the reporting period saw coca farmers totally absorbed in preparing and presenting their lists of candidates with the hope of getting them elected to Congress. It is clear that UPP candidate Ollanta Humala is by far the favored presidential candidate in this region and his group of followers has grown in strength. During the March presidential campaign Humala encouraged farmers to plant more coca in the area.

- **Subversive Situation**

The VRAE is considered to be one of the areas with the most narcotraffickers and the highest number of terrorists in Peru.

The absence of government authorities in the northern sector of the region, especially in the areas of Sivia and Llochegua in the north, along with a rugged landscape, extreme poverty, lifestyles typical of a long history of illegal activities, and the total lack of road infrastructure have turned this area into a free zone for terrorists.

Apart from protecting narcotraffickers and illegal logging activities, the Sendero Luminoso is recruiting members and advocating terrorist practices in schools. The Central Regional Committee has established itself in the VRAE and is considered to be the main pillar of Sendero Luminoso.

Sendero Luminoso killed five DIRANDRO policemen in an attack in Palpapampa in the third quarter.

- **Situation of Common Delinquency and Narcotrafficking**

During the reporting period, there were a series of assaults committed by common delinquents using long-range firearms to attack their victims along the main roads leading to the VRAE. Most of the attacks took place at night. The access roads to the VRAE and the communities are still not safe, although the situation has improved in relation to the previous year. The second quarter of the period saw the involvement of members of the CAD (Self Defense Committee) in delinquent organizations.

The VRAE is considered to be one of the major coca-growing areas with the highest volumes of drug production. Its main production centers are located in San Francisco, Santa Rosa, Marintari, Palmapampa and Pichihuilca in the Province of La Mar, and in Mayapo, Lohegua and Sivia in the Province of Huanta. Drug trafficking activities have increased significantly in the districts of Anco, San Miguel, Santa Rosa, Kimbiri, Ayna, Sivia, Pichari, and Lloheguaito.

Drugs are taken out of the area by “burriers” and “caletas” who use the existing country roads connecting the basins of the Apurimac, Ene and Mantaro rivers to avoid Police suspicion and control. This is all done under the protection of terrorists posted at strategic watch-points.

C4. Regional Office of Tingo María

- **Socio-Political Situation**

The general strike organized by CONPACCP forced the suspension of PDA activities in Tingo Maria from June 27 to July 12. After the strike, coca growers from the Monzon Valley mobilized 2,000 people to the city of Huanuco for an entire week. They managed to secure the support of the Regional President of Huanuco, who issued a regional decree declaring coca farming to be a legal activity in his jurisdiction on the grounds that it was part of the peoples’ cultural heritage.



More recently, coca farmers have considerably scaled down their protest activities against development programs due to the judicial processes against coca leaders, Nancy Obregón Peralta and Elsa Malpartida Jara for the disturbances caused by the coca-farmer protests that they led in 2004-2005.

The social environment for the reporting period was marked by a number of protests by the Alto Huallaga coca-growers. They mainly protested against the National Police Force, who had allegedly been spraying illegal coca crops with toxic pesticides to eradicate them.

- **Subversive Situation**

Sendero Luminoso propaganda activity increased at the beginning of this reporting period as preamble to the 25th anniversary of the beginning of its armed struggle. Frequent visits to towns and villages are used to spread their propaganda. Attacks against the police responsible for eradicating illegal coca, and an attack against the NGO Prisma, located in Aucayacu were reported. Local authorities have been warned against signing agreements with PDA.

During the third quarter of this reporting period, the Sendero Luminoso became more active and organized armed attacks against U.S. government sponsored institutions, most notably the detention of 9 PDA staff on November 6. They were liberated after five hours of captivity after being coerced to resign from PDA. On December 20, an armed SL squadron attacked a police vehicle in the village of Angashyacu in the district of José Crespo y Castillo, resulting in the death of eight policemen. In view of the resurgence of SL activity, a state of emergency was declared in six provinces including Leoncio Prado and Tocache.

Subsequently there was an effort by part of the Sendero Luminoso to indoctrinate various towns along the left bank of the Huallaga river. SL members met with local residents to try and convince them to reject the presence of PDA in the area. During the reporting period, terrorist activities involved the deployment of a group of Sendero Luminoso members under the command of “Artemio”, “Flor” and then “Lee.” These three individuals command groups of approximately 40 terrorists each, and live in different towns in the area.

The last quarter of the reporting period saw a decline in terrorist aggression but according to reports, they were in the planning stages of further attacks against the police, armed forces, and NGO’s implementing coca eradication activities. Moto-taxis distributed flyers openly threatening PNP and DINCOTE personnel. Propaganda activities continued promoting unrest in remote villages. In addition several suspected police informants were found murdered in the vicinity of Aucayacu. The Peruvian government responded by extending the State of Emergency in the six provinces for another 60 days.

- **Situation of Common Delinquency and Narcotrafficking**

The National Police Force, through the Antinarcotics Directorate, has been pursuing a series of activities in certain areas of the Monzón valley identified as centers dedicated to the production of cocaine paste (PBC). As a result, the Police managed to locate and destroy pits used for maceration and production of narcotics. Additional interventions led to the arrest of a number of individuals involved in PBC trafficking and the confiscation of chemical supplies used to process the narcotics. In response, the coca-growers of the Valle del Monzón took to the streets in Tingo María as a sign of protest. It is clear that the drug dealers are supporting these protests as they want to stop all Police intervention against illegal activities.

In response to increased armed robbery, kidnappings and rapes, the National Police Force established a plan of action to attack common delinquency. Despite this,

kidnapping and rape are the two most common felonies registered in the area. In the third quarter, 5 anti-narcotics police were attacked and robbed of their firearms.

Highway robberies occur almost daily in the area, especially on the roads which connect Tingo Maria with Aucayacu and Divisoria Ucayali with Pumahuasi-Huanuco.

CHAPTER II: Voluntary Eradication Activities

Voluntary eradication activities are the principal components of the PDA that are directly associated with the framework agreements signed with participating communities. They include Socialization, Infrastructure, Productive Projects, Natural Resource Management and Land Titling. Each activity has its respective section in this chapter detailing activities during the reporting year.

Socialization



Objective and Response to Intermediate Results. The key functions of the socialization activities are to implement the first level of the communications strategy through community visits designed to encourage participation in the voluntary reduction of illicit coca crops. This involves the PDA regional offices working with local and regional authorities to engage their support for PDA activities, including facilitating access by

CADA to measure the amount of illicit coca crops before and after eradication, and collaborating in the supervision of community level implementation to ensure the reduction of illicit coca crops to zero.

In addition, socialization activities contribute to the intermediate objectives of the contract (IR1 to IR4) by introducing the PDA as an option through which the communities may adopt a legal lifestyle oriented towards sustainable development. In this context, the mobilization of local authorities (including, where possible, Municipal Agents, Lieutenant Governors and District Mayors) to participate and take ownership of the activities of the PDA substantially favors institutional and democratic strengthening.

1. QUARTERLY SUMMARY

Trends. The following section presents trends in community relations as well as activity focus during the reporting year.

- 1.1. **April – June 2005:** The Socialization Area concentrated its efforts and actions on (a) consolidating the application of the new multi-community



approach in the regional areas of Tocache and Aguaytia; (b) eradicating the remaining balance of coca crops; and (c) continuing with the “control” in communities with non-declared coca crops. Contact was made with the district authorities of Sauce and Shapaja to enter those communities under the new multi-community approach and to incorporate them into the PDA. Likewise a framework agreement was signed with the Development Unit of Bajo Huallaga 1.

1.2. July – September 2005:

Visits were organized to PDA beneficiary communities designed to reinforce the communications and sensitizing process. In addition, efforts focused on reversing the negative opinion of some of the beneficiaries and local authorities. These visits were mainly carried out by the VRAE and Tingo Maria Regional Offices. The



offices in San Martin and Aguaytia focused more on identifying communities for intervention efforts as well as obtaining letters from the selected communities inviting CADA to measure the amount of illicit coca present.

1.3. October – December 2005:

Technical and operational resources were focused on complying with the voluntary eradication target for 2005. This required increased coordination with CADA and DEVIDA. Socialization activities included providing information and undertaking sensitization talks with the communities to persuade them to participate in the PDA as well as coordination with municipal and local authorities. Community members were organized to carry out the coca eradication activities and community registers were revised and updated to make sure no non-community members were registered. Additionally members of the PDA team accompanied personnel from CADA in the measurement efforts.



carry out the coca eradication activities and



1.4. January – March 2006: A major challenge for PDA personnel during this period was negotiating with the communities regarding the bonus payment of US\$ 180 per household head. The PDA proposal was to discontinue the bonus payment but, following vigorous discussions with the communities it was jointly agreed to reduce this payment to US\$ 100. The communities agreed to this reduction because they recognized that the major benefit of the PDA was support of productive projects. Ninety communities accepted the reduction of the original bonus payment and undertook eradication efforts according to the modified benefit plan. Productive projects were generally accepted as the primary focus of socioeconomic advancement. In addition, the socialization teams educated many communities on the benefits of becoming more involved in the execution of planned projects through communal labor.

2. Voluntary Eradication Achievements

Voluntary Reduction and Community Participation. The following section summarizes the progress in voluntary reduction of illicit coca crops as well as the inclusion of new communities in the PDA.

- 2.1. April – June 2005:** Voluntary eradication totaled 117 hectares. The San Martin office was responsible for 52% of this amount.
- 2.2. July – September 2005:** Voluntary reduction of 308.27 hectares was achieved. The main contributor was the Regional Office of San Martin which accounted for 56% of the reduction. The remaining 136.2 hectares were eradicated in Aguaytia.
- 2.3. October – December 2005:** Total achievement for the quarter was the voluntary eradication of 2,833 hectares, 51% of which were eradicated in San Martin.
- 2.4. January – March 2006:** Total achievement for this period reported 142 hectares. The pace fell due to heavy rainfall in the work areas. In addition, there were some delays in finalizing CADA's participation at the beginning of the new year which slowed the pace from that originally established for the quarter.

Summary: The total illicit coca crops eradicated from the beginning of the PDA program in October 2002 through December 2005 is 11,686.32 hectares.

3. Multi-Community Approach

Activities related to the application of the multi-community approach continued to be implemented into 2006. This approach increased the willingness of communities to participate in voluntary eradication. Available information shows a clear trend towards greater acceptance of the program and rejection of coca crops, particularly in Tocache and Aguaytia.

4. Lessons Learned

- Use of a qualitative diagnosis for formulating multi-community development plans enabled PDA to identify the interests of the communities and to understand which problems they consider to be a priority.
- Work should begin as early as possible in the year both to maximize time available for implementation and to facilitate coordination with DEVIDA and CADA as to coca crop measurement.
- PDA staff in the regional offices would benefit from specialized training on the role, objectives, expected results, and goals of Local Development (i.e., community development) so that they have a clearer understanding of how their respective tasks contribute to achieving these objectives and results.
- Substantial time was spent traveling from one community to another which contributed to implementation delays. Further decentralization and streamlining will resolve this problem and facilitate implementation in the future.
- The presence of PDA teams to convey information to the communities on the situation of advancement made with respect to the commitments helps to ease tension and justify reasons for delays, hence improving credibility.

5. Recommendations

At community level

- Reinforce the message through sensitizing activities to encourage beneficiary families to change their attitude and understand that the PDA contributes to integral socio-economic development (material and personal) and that sustainability requires the active participation of the communities themselves along with local authorities and political leaders.
- Continue with the control visits on a permanent basis to achieve zero coca.
- Establish a norm to be applied in cases where beneficiaries grow coca crops outside of the community in which they live.

At the policy level

- Continue diagnostic work within the framework of the multi-community approach in order to make interventions viable.
- Improve CADA's measurement methodology in order to expedite the intervention in the environments contemplated for the new approach.

Contracts and Grants

The contracts and grants issued by PDA are indispensable for success of eradication activities. The table below details investments made by PDA. During this year of the project, 92 subcontracts and 24 work orders were signed, totaling S/.20,520,169 (\$6,218,233).

Fixed Price Subcontracts	No	S/.	US \$
Infrastructure	59	6,796,796.20	2,059,635.21
Finance & Management	1	63,337.75	19,193.26
Communication	12	1,941,551.14	588,348.83
Productive Activities	2	581,306.86	176,153.59
Natural Resources & Environment	6	213,290.18	64,633.39
Total	80	9,596,282.13	2,907,964.28

IQS (Work Orders) - Infrastructure	No	S/.	US \$
Work Orders – Construction	24	5,140,522.91	1,557,734.22
Total	24	5,140,522.91	1,557,734.22

Cost Reimbursable Subcontracts	No	S/.	US \$
Sustainable Development	1	1,295,985.00	392,722.73
Infrastructure	1	483,812.17	146,609.75
Productive Activities	9	2,418,952.53	733,015.92
Security	1	1,584,614.66	480,186.26
Total	12	5,783,364.36	1,752,534.65

Additionally, 58 grant agreements valued at S/.9,476,697 (\$2,871,726) were signed, as shown below:

Grant Agreements	No	S/.	US \$
Infrastructure	43	5,834,644.56	1,768,074.11
Productive Activities	15	3,642,052.83	1,103,652.37
Total	58	9,476,697.39	2,871,726.48

Infrastructure

1. Introduction

The objective of the infrastructure component is to provide communities that have signed PDA framework agreements with infrastructure projects that:

1. Improve the social and economic conditions of beneficiary populations.
2. Generate employment by utilizing construction firms in the coca areas for the design, evaluation, execution and/or supervision of projects.
3. Provide temporary income in beneficiary communities through labor requirements associated with the construction of the infrastructure works.
4. Increase the degree of interrelation between local, regional and national producers from the respective coca basins.
5. Increase beneficiary community access to local markets by way of improved road and bridge infrastructure.
6. Improve local governance by way of strategic alliances with local governments resulting from construction grants awarded to municipalities.
7. Increase household income in beneficiary communities through sustainable economic activities.
8. Strengthen the institutional capacity of community organizations.
9. Through a spill-over effect from participating communities, increase “buy-in” and as a result broaden program impact
10. Sensitize communities to promote sustainable use of natural resources



2. Activity

The infrastructure component is guided by overarching PDA objectives and by commitments derived from community-level voluntary eradication framework agreements. Infrastructure activities during the April 2005 – March 2006 period centered around:

- Development of guiding technical principles
- Design of internal procedures
- Technical oversight of project design
- Design evaluation
- Oversight of technical field staff
- Supervision of construction of infrastructure works
- Transfer of completed infrastructure projects to beneficiaries (line ministries, local governments, communities)

To implement infrastructure projects, PDA works directly with municipal governments - as grantee/executors of infrastructure works – which helps municipalities gain legitimacy and credibility in participating communities. This also promotes better local governance and greater local government presence while at the same time solidifying strategic alliances.

Moreover, by helping link communities with local markets through road rehabilitation and bridge construction, the infrastructure component develops critically important market access and, therefore, plays a key role in maximizing benefits derived from the productive projects component.

Finally, the infrastructure component has a significant spillover effect as neighboring, non-participating, communities are able to observe, first-hand, the results of infrastructure intervention: increased access to markets, improved social services, enhanced economic infrastructure, temporary job creation, and overall improvement in living conditions, among other benefits. Through a spread effect, the infrastructure component is able to increase “buy-in” thereby broadening program impact.

a. Quarter 1: April – June 2005

During this quarter, 69 construction contracts were awarded associated with R-379 commitments. At the end of the period, 19 works remained in the pre-implementation stage (undergoing project design) while 20 projects required the negotiation of changes in technical specifications with communities.

b. Quarter 2: July – September 2005

During this quarter, 21 works remained in the pre-implementation stage, 3 of them belonging to the new PDA intervention phase, while 4 projects required the negotiation of changes in technical specifications. During this

period, 9 construction contracts associated with the remaining R-379 communities were awarded. The infrastructure office deployed direct-hire supervisors to monitor the timeliness and exercise quality control for works in progress.

Infrastructure staff also participated in the process of incorporating 26 new communities in the program.

c. Quarter 3: October – December 2005

At the end of this period, 8 works remained in the pre-implementation stage. In addition, 14 new construction contracts were awarded for remaining R-379 commitments. Designs for two rice storage and distribution centers were initiated, the design for a electrification project was completed, and the execution of one road rehabilitation and one potable water rehabilitation were completed.

d. Quarter 4: January – March 2006

At the end of this period, four works in the R-379 communities remained in pre-implementation stage, three of which are approved and waiting start up in May, and one of which is undergoing design. Inter-institutional level coordination with the communities is currently being negotiated and the only issue remaining is the definition of a commitment, such as in the case of Multiple Use Hormiga Facility.

In the R-217 communities, procedures to regulate the infrastructure component were drafted to ensure that works will be supported by funding from other entities and even from the communities themselves. During this period, most R-217 projects were still in the pre-implementation stage, although three were in execution, two have been completed, and five of the projects initiated in the previous quarter have made significant progress.

3. Quarterly Achievements

1. Quarter 1: April – June 2005

- 64 infrastructure projects completed.
- 63 projects in startup phase.
- 69 projects awarded.

2. Quarter 2: July – September 2005

- 77 infrastructure projects completed.
- 8 projects in startup phase.
- 9 projects awarded.

3. Quarter 3: October – December 2005

- 31 infrastructure projects completed.
- 17 projects in startup phase.
- 14 projects awarded.

4. Quarter 4: January – March 2006

- 16 infrastructure projects completed.
- 5 projects in startup phase.

4. Successes

- Levels of project activity were relatively high, considering that it took time for communities to accept new practices such as assuming partial responsibilities in financing and labor.
- A total of 172 infrastructure projects were completed during this reporting period, and an additional 88 projects moved into startup phase
- Marked decrease in the time requirements of internal procedures, effectively reducing the project cycle and improving response time to communities
- Consolidation of working relationships and strategic alliances with municipal governments throughout PDA areas of intervention. Agreements were signed with 26 municipal governments, one regional government, and one township.
- Considerable increase in access to local markets (roads and bridges); sizeable provision of absent basic infrastructure (electricity, water, and sewage) in participating communities:

Project Type	Initiated during Year	Completed During Year
Roads	82 kilometers	61 kilometers
Bridges	40	28
Power (Electrification)	15 grids	21 grids
Water & Sewage	82 systems	103 systems

- Substantial improvement in access to social services in participating communities:

Project Type	Initiated during Year	Completed During Year
Schools	154 classrooms	106 classrooms
Health Posts	17 posts	12 posts
Community Centers	13 units	6 units

Productive Projects

A. Introduction

This component focuses on the design and implementation of productive projects that promote jobs and sustainable income as communities shift from illicit coca production to participation in the licit economy.

During the reporting period, the most difficult challenge faced was establishing the conditions for the installation of 35,915 ha out of the 37,875.88 hectares programmed, involving a total of 30,026 heads of households. This was accomplished in an environment of constant opposition on the part of the coca-grower leaders who seek to discredit the PDA as well as other entities involved in the program.

As of March 31, 2006, out of a total of 37,875.88 ha of crops, work was completed on 10,186.25 ha while 27,689.63 ha continued receiving technical assistance. The remaining 2,260 ha will be dealt with in the following two months. There are 39 recipients who implement grant agreements and 10 subcontractors providing technical assistance. The main crops grown are cacao (14,987 ha), coffee (2,859 ha), cotton (4,968 ha), corn (1,998) and bananas (1,140), among others.

B. Results

The following sections describe two processes: organization and planning activities related to productive and business projects, directly benefiting 30,026 families within PDA's area of intervention and the results of the assistance.

B.1. Planning and Organization

In the first quarter, PRA and PDA staff were integrated to incorporate the business focus and draw up operation plans to support productive projects. This improved the quality of the field work and provision of services provided to fulfill the obligations contracted under the framework agreements.

In the third quarter, emphasis centered on implementing the productive projects in the field. The decision was made for PDA to purchase part of the needed supplies, mainly seeds and tools, while the rest was secured through grant agreements executed with the recipients.

In the fourth quarter, implementation of productive¹ and business² activities in the field continued. In particular, special efforts were made to improve field supervision and monitoring, based on a new system which was designed and put into practice, to supervise productive projects.

The supervision system ensures that PDA productive project experts have all the grant agreement and technical assistance subcontract information they need to design the work plan to be carried out by the field supervisors. This plan entails visiting each of the communities to check the work and quality of the technical assistance service, delivery and use of materials, supplies and tools and to evaluate the progress made and/or constraints hindering the advancement of the productive projects.

As of March 2006, a total of 5,080.5 hectares have been committed to receive assistance under the Plan 2005 (R217) framework agreements. Following last year's purging of registered beneficiaries, the number of beneficiaries attended with productive projects under this was settled at 30,026 heads of households and 37,875.88 hectares. 10,186.25 hectares of short term crops such as peanuts, cotton and yellow corn, have been successfully installed.

The final annual balance for 2005 reported 93% of planned hectares were receiving assistance (36,993.88 ha). The remaining 2,379.5 ha correspond to commitments assumed with R379 communities, many of which took part in community negotiations conducted at the end of 2004 and beginning of 2005.

Implementation of productive projects in the areas of Tingo Maria, Tocache, and to a lesser extent Padre Abad, have been effected by the constant threats from the Sendero Luminoso who oppose the PDA, and supervisors are often unable to visit the communities in these areas.

In Tingo María, general violence and threats against PDA hindered alternative development in the area and field work was postponed in early 2006. However, 278 hectares related to R379 activities will be installed in May.

During the last quarter, the bid process for contracting technical assistance for cacao projects was completed to replace Exportaciones Sierra y Selva. The new subcontractors are gradually catching up with the execution of the project.

B.3. Productive Activities concluded as of March 2006

Approximately 6,697 ha of crops were installed during the reporting period. These included cotton, camu camu, corn, papaya, rice, grasses, and peanuts.

¹ These are attended through Grant Agreements made with producer associations and Technical Assistance Sub Contracts co-executed mainly with private companies.

² These are attended to on the basis of business plans, by client (private enterprises) and by product.

Table 4. No. of ha crops installed as of March 2006

Area	Total		Crops
	Ha	Beneficiaries	
Ucayali	4,941.25	4,234	cotton, camu camu, corn, grasses
Tingo María	373	481.00	Corn, papaya, rice
San Martín	1,107	1107	corn
VRAE	275.75	304	peanuts
TOTAL	6,696.75	6,126	

B.4. Productive Activities Currently in Execution

During the reporting period, installation of 29,507 ha of crops were supported. The area where most hectares of crops were installed is Aguaytía (9,984 ha), followed by Tocache (8,460 ha), VRAE (6,149 ha) and finally Tingo María (4,714 ha). 24,361 farmers were benefited throughout the 4 valleys.

Out of the 13 crops receiving PDA assistance, 6 account for 98% of the total area, and have been planted in 28,889 ha. The most common crop is cocoa, which accounts for 17,774 ha (60% of the total area). Cocoa is followed by grasses which cover 4,446 ha (15%) and coffee, covering 3,514 ha (12%). Other important crops, not only in terms of extension of land covered, but also in the business context, are bananas (1125 ha), cotton (725 ha) and pineapple (52 ha).

All of these crops are receiving technical assistance which is provided by experts and peasant promoters hired by the private companies involved. In the four valleys, the objectives are to increase knowledge in installation and seed hybridization so that the farmers can learn how to install and manage their fields efficiently and thereby obtain higher yields.

B. Lessons Learned

- The formation of a Center for Economic Services (CSE) at PDA level as well as the establishment of Sub CSEs in each of the Regional Offices (Aguaytía, Tingo María, Tocache and VRAE), with staff specialized in productive and business projects, has made it possible for us to incorporate a business and market focus that is solid and reliable. This in turn, has set down favorable conditions for the sustainability of the investments made in the different productive activities.
- It is important to prioritize all of the productive activities as part of the socialization, and negotiation processes carried out with communities, prior to signing the frame agreement and addenda. These must first be extensively reviewed by the experts so that they may determine their technical, economic, social, environmental, financial and business feasibility.
- All of the environmental conditions revealed by the grassroots EIA must be taken into consideration during the productive project formulation stage (i.e. grant agreements and technical assistance sub contracts), in order to guarantee compliance with all of the effective environmental laws and regulations. The final list of beneficiaries should also be included.

- During the productive project formulation stage, we should seek to obtain the contribution of the beneficiaries and analyze whether or not we should continue paying them for their labor as we have been doing to date, in order to ensure that the crops are installed correctly.
- The implementation of the productive activities should be carried out with observance of the farming calendar.
- The time periods for grant agreements and subcontracts should be checked and if necessary, reformulated chronologically so as to avoid disbursement delays.

Natural Resource Activities

A. Application of Environmental Regulations

The objective of this component is to guarantee that both PDA-financed infrastructure and productive projects are executed in strict compliance with the environmental regulations in force in Peru and USAID. USAID's environmental regulation (Regulation 216) requires the decision process to consider every possibility of environmental impact that could potentially arise from these projects.

PDA's Programmatic Environmental Assessment (PEA) was approved in July 2004. It establishes the environmental process to be followed by all PDA activities. Compliance with the conditions set forth in the PEA not only seeks to satisfy the legislation in force, but also to attain better quality works and ensure that the entire development of the productive projects, from the moment of design onwards, is carried out in observance of the effective environmental regulations.

This component contributes towards the compliance of strategic result 3, which not only strives to establish more and better opportunities for legal economic activities, but that this is done through the establishment of a solid base of environmental considerations.

A1. Main activities

The activities carried out by this component are related to monitoring compliance of the environmental process established under the PEA. The section below describes the main activities:

- Preparation of Initial Environmental Assessments (IEA): every project, whether related to civil works or productive projects, has its own IEA. The IEA serves to classify the project according to its environmental category and specifies the environmental conditions to be considered for its design and implementation. Moreover, the IEA can determine the need for further and more detailed environmental studies or reports.
- Environmental inspections: these inspections are conducted on all projects in order to ensure compliance of environmental regulations and to carry out any necessary adjustments as the project advances.
- Training: training courses are given at different levels so that PDA, DEVIDA and contractor staff are optimally trained to comply with environmental regulations. Training is also given to project beneficiaries and includes

establishing and training the committees charged with maintaining the projects.

- Reports: These are drawn up summarizing the activities carried out and the results of implementing the environmental process.

Coordinated work with the Infrastructure Unit and Regional Offices has been important for achieving the design and approval of the projects to be executed in the beneficiary communities. It is important to note the fact that experience has shown that compliance with environmental regulations does not necessarily delay project implementation.

In addition, coordination with the productive projects has resulted in standardized minimum environmental conditions for cocoa, banana, corn, bean and pineapple crops. This is perhaps one of the most important steps forward for executing productive projects in compliance with basic environmental principles.

A2. Main Achievements

The following section offers a description of the main achievements in connection with the application of PDA's environmental process.

1. An internal PDA structure responsible for implementing the environmental process specified in the PEA was established.
2. The PEA was implemented and PDA activities are now executed under the framework of compliance with Peru's and USAID's environmental regulations.
3. Four workshops, directed to environmental specialists working for subcontractor companies, were conducted on Environmental Impact Assessments in Alternative Development Projects.
4. Coordination with DEVIDA and USAID's environmental component has been very beneficial and contributes to better implementation of PEA requirements. Information is being integrated into Corvu to help monitor the environmental assessments, inspections, compliance, and Environmental Management Plans.
5. Field work carried out prior to the execution of road projects, determined that it was not recommendable to carry out a number of intended activities, in view of their inherent environmental risk.
6. Environmental issues have been integrated into PDA's agenda, and not as a mere appendix or supplementary component with little bearing on its activities.

B. Forest Resources Projects

Many of the communities that signed framework agreements are located in forest lands or in forest lands bordering farming areas and are partially covered by forests. The objective of this component, therefore, is to encourage those communities to develop projects based on the sustainable use of forest resources.

This component generates job opportunities and economic activity and promotes economic activities designed according to the specific local conditions of each place and developed under the criteria of sustainable use of the natural resources available to the signatory communities.

B1. Main activities

This component has developed forest management projects with native communities (areas measuring over 20000 hectares) and with peasant communities in areas declared as local forests, covering areas of less than 500 hectares.

In addition, a series of reforestation and agro-forestry projects have been developed with peasant communities. Support is also being provided for the installation and start-up of rubber production modules. These involve trees found naturally in the forest (not plantations).

As a means of complementing the forest management projects in local forests, PDA supported the installation of saw-milling modules, so that the local communities can also add value to the product by carrying out initial wood-processing on site. These modules have been designed according to the available forest land and the volume of timber estimated in those areas.

Activities include:

- Promoting forest projects: historically, forest projects have not been considered as an economic alternative to illegal coca crops. Promotion work includes selling the idea not only to PDA beneficiaries but also to PDA staff (socializing agents, communicators, agronomists, civil population, administrators, etc.)
- Design: Projects are designed on the basis of the specific conditions of each of the communities involved.
- Implementation: projects are executed directly by PDA staff or through contractors.
- Monitoring: projects undergoing execution are permanently monitored so as to ensure that the communities receive the attention that they require to deal with a number of different problems that may potentially arise during commissioning and project implementation.

The table below shows the forest projects implemented in each of the regional offices. It also includes information as to their present status of execution. Often, forest management projects have to obtain approval from state entities such as INRENA, and this process has significantly delayed their implementation.

Forest projects developed by PDA

Project	Regional office			Current status			
	T. María	Aguaytía	Tocache	Design stage	Initial stage	Undergoing execution	Concluded
Alto Santa Cruz management plan			X				X
Nuevo Oriente management plan			X				X
Playa Hermosa management plan			X				
San Juan de Abiseo management plan			X				
Mantención management plan			X			X	
Sinchi Roca forest management plan		X				X	
Unipacuyacu forest management plan		X				X	
Santa Martha forest management plan		X				X	
Gosén forest management plan	X						X
Sortilegio agroforestry system	X						X
Shumanza management plan			X		X		
Honolulu agroforestry system	X						X
La Colorada agroforestry system	X						X
Plantation of 6 hectares in Alto San Juan	X						X
Plantation of 45 hectares of bolaina, in the communities of San Pedro de Guinea, Santa Rosa de Guinea and Virgen del Carmen	X						X
Production of Unipacuyacu rubber module		X		X			
Production of Santa Martha rubber module		X		X			
Technical assistance and monitoring of production and operation of rubber module in the communities of Unipacuyacu and Santa Marta		X		X			
Fprest management in privately owned plots in Alto Santa Cruz	X		X				
Forest management in privately owned plots in Pijuayo Winston	X		X				X
Forest management in privately owned plots in Nueva Bellavista	X		X				
Forest management in privately owned plots in Nueva Libertad de Neshuya	X		X				
Forest management in privately owned plots in Miguel Grau	X						
Achinamiza rubber module			X			X	
Alto Santa Cruz industrial module			X	X			
Nuevo Oriente industrial module			X	X			
Gosén industrial module	X						X

B2. Main Achievements

Main environmental achievements for the period include:

1. Forest projects have been successfully incorporated as an alternative legal economic activity.
2. Productive projects such as rubber modules were successfully implemented with the support of PDA and secured markets for these products have been identified. They are already operating independently.
3. Productive projects have been designed on the basis of existing conditions and resources available to the different communities.
4. Local forest projects have been set in place. These not only contribute to preserve community forests but also to generate income, jobs, and serve to mitigate environmental impact caused by road refurbishment projects.

Land Titling

Introduction

This PDA activity was established as a pilot to generate a minimum of 4,300 land titles in the Province of Padre Abad, department of Ucayali, with communities that signed framework agreements with DEVIDA for the sustained auto eradication of illicit coca crops.



Through these framework agreements, PDA is committed to providing assistance for undocumented titleholders and their families to obtain their DNI (National Identity Cards). The Government of Peru's Land Titling Program (PETT) assumed implementation responsibility for this process to help the beneficiary farmers access the land titling process.

E1. Execution of the Land Titling 2005 Work Plan

This section highlights events for each quarter to chart the progress of the titling effort both in the field and at the policy level.

April-June 2005

During the quarter, demarcation of 310 land parcels was completed using submetric GPS technology in the districts of Padre Abad and Irazola, (province of Padre Abad). In terms of policy work, 1,185 files were delivered to PETT and 415 files were submitted to SUNARP.

July-September 2005

A total of 881 files belonging to participating property owners in the province of Padre Abad were submitted to SUNARP. These are all properties that lie outside of the Permanent Production Forest. The official daily “El Peruano” published the registration of the possession rights for these files. Efforts continued in the municipalities of Padre Abad and Irazola to help community members obtain their identity cards.

October-December 2005

Demarcation was carried out on 6,127 land parcels. PETT officially handed over 881 property titles to the framework agreement beneficiaries whose lands are located outside the Permanent Production Forests of Ucayali in a public ceremony in the municipality of Padre Abad.

January-March 2006

During this quarter, USAID and PDA attended a ceremony to mark the submission of 4,942 land title packets to PETT. The public ceremony was held in Pucallpa to formally transfer the authority of title processing and assignment to the PETT. Currently these 44,942 packets are in the process of being registered with SUNARP. These title registry packets correspond to land parcels in sectors: Padre Abad (1,451 parcels), Curimaná (1,181 parcels), and Irazola (2,202 parcels). Furthermore PETT has presented 920 land titles whose cadastral taxes will be financed by the PDA.

E3. LESSONS LEARNED

- The existing thematic information on the rights granted by the competent institutions as well as any other rights created should be gathered and compiled prior to carrying out the physical delimitation of the land parcels and the respective legal curing work. This would help to provide an integral territorial diagnostic for future areas of intervention.
- Sweep measurement over basins or micro-basins is more efficient than conducting measurement by isolated communities. It would also ensure compliance of the goals and objectives.

Chapter 3: COMMUNICATIONS

Introduction

The challenges associated with the PDA communications component required decisive, broad and extensive action throughout the reporting period.

For example, reconnaissance work carried out in 2004 revealed an extensive network of corruption involving the media, local authorities, political leaders, and even segments of coca-growing farmers with more organic links to drug traffickers (i.e. entire families who are dedicated to multiply maceration pits). This was an important factor to consider in the design and implementation of communication activities in 2005.

Due to this situation, this component emphasized building inter-institutional working relationships to form a dedicated team for component activities. It has also been important to continually articulate the three levels or dimensions involved in the PDA communications strategy: national level (Lima and other cities), the regional level (Tingo María, Tocache, Aguaytía, etc.) and community.

Communications programs and activities were consolidated, and emphasis was placed on coordination with DEVIDA, USAID and other partners to ensure a coherent and combined strategy that furthers the goal of helping families and communities opt for a licit lifestyle through a variety of education and communications campaigns.

A. Strategic Planning

The inter-institutional (USAID, PDA, DEVIDA, US Embassy, among others) effort to develop a strategical planning process continued during the reporting period. As a result, a common communications strategy agreed to by DEVIDA, USAID and the PDA is in place and forms the basis for all communications activities. In addition, emphasis has been given to determining and responding to the operational needs at the regional level and to strengthening the capacity of the Regional Technical Committees.

A1. Public Opinion and Community Platform

The specific dynamics of the target communities were incorporated into the communication messages delivered by PDA. At the same time, the objectives of the PDA program were promoted in the target regions at community fairs and similar events that provided an opportunity for community members to learn about the program in an environment that facilitated information exchange among the participants.

During the last quarter of the reporting period, progress was made in consolidating a public opinion platform in all PDA areas of intervention. This entailed linking the efforts of the Amazonian Network of Communicators with those of CEDRO's network of young journalists, the efforts of women leaders through radio programs, and strategic alliances with the leading media channels.

A2. MAIN ACHIEVEMENTS

- During the first quarter, a unified technical group was established under which DEVIDA, USAID, and PDA communications staff work together to design and supervise implementation of more ambitious communications projects.

- Community activities continued to be developed in close coordination with PDA's implementation processes in all of the intervention areas.
- During the third quarter, strategic alliances were strengthened through informative meetings with authorities and opinion leaders.
- In the fourth quarter, a forum on coca and the Amazon was held for congressional candidates throughout the region. PDA supported the efforts of the Amazon Network of Communicators to carry out the event.

A3. LESSONS LEARNED

- The lack of spokespersons supporting the PDA objective of achieving a shift to licit economic activities at the regional and local levels makes it critical to maintain permanent community intervention for promoting behavioral change.
- In view of the current political situation in Peru, it is essential that the PDA create a public opinion platform in each of its intervention areas, integrating the efforts of the communications component with those of different organizations associated with PDA and USAID.
- Developing information poles capable of nourishing media understanding of PDA objectives and contributions is a challenge. Work on this issue was started in San Martin and Aucayacu during the second quarter.
- It is necessary to strengthen the Regional Technical Committees by linking them with the work of Local Development staff, while simultaneously creating special communications working groups involving DEVIDA, PDA and CEDRO among others.

B. National Level Campaign

The national sensitizing campaign was disseminated by the country's main media networks.

The national level campaigns were formed as a means of influencing the country's public opinion, starting with the government, media, and political leaders, then passing through public opinion at national and regional level and finally reaching the farmers themselves. The National level Campaign began on the country's main medial networks in the first half of September and remained on air until the end of November. This campaign was oriented towards the acknowledgement of the PDA's contributions and emphasized the change of farmer behavior in the coca valleys, despite the strong presence of narcotraffickers and terrorism. It is estimated that it was seen by some 14 million Peruvians.

C. PDA dissemination at the regional level

Radio programs proved to be extremely useful for the development of the PDA program since they served to encourage new communities to participate in the program and contributed to changing the attitude many people have towards PDA activities.

Achievements of the regional programs during the reporting period included:

C1. RADIO PROGRAMS

- More than 12,500 radio spots were aired in all of PDA's areas of intervention.
- 1,898 one hour programs were produced and aired throughout the intervention areas.
- During the first quarter, 12 weekly radio programs produced by the PDA were aired in the city of Tarapoto. An additional 5 programs were aired in July.
- 230 locally produced spots supported by PDA were broadcast to warn people of the consequences of laissez-faire coca-crop policy.
- 280 locally produced spots supporting PDA's activities were broadcast in Aguaytia and Pucallpa.
- Major radio stations in regional urban centers aired 50 fourteen-minute long micro-programs containing informative notes.

C2. THE ROLE OF WOMEN ON THE RADIO

- Projects were designed to involve the participation of women leaders by granting them 1 hour of radio time.
- Radio dramatizations based on the six winning stories of the "Mujeres, historias de vida" contest were produced and aired in the context of celebrations of the feast of San Juan as part of a program to strengthen the capacity among women leaders.

C3. LOCAL TV SPOTS

- Over 6,400 TV spots were designed and aired in PDA's area of intervention.
- A documentary on productive projects was completed and aired at the national and regional levels. A 10-minute documentary was produced showing how economic service centers function and how they connect farmers with potential buyers and markets. This documentary was designed for a target audience of businessmen and authorities, locally and nationally (mayors, ministers, congressmen, among others).
- Several editions of the video news program, *EL PDA Informa* were distributed to the media, opinion leaders, and public and private institution representatives.
- Negotiations were initiated with Iguana Producciones for the production of a 10 chapter mini-series, consisting of 48 minute episodes on drug trafficking in Peru.

C4. RADIO SOAP OPERAS

PDA has utilized one of the most efficient radio genres: the radio soap opera. This was extremely successful both in terms of rating and in participation.

- The radio soap opera *Almendra Corazón de Selva* was aired and impact was assessed in Aguaytia and Pucallpa, with promising results during the first quarter.
- During the last quarter production was completed on the radio soap opera, *Por Un Amor*. Thirty chapters lasting 20 minutes each were broadcasted in 11 cities within the intervention areas.

C5. IMPORTANT ACHIEVEMENTS

- The National Level Campaigns were heard by 14 million people, which implies mass dissemination of pro-PDA messages.

- Regional advertising strategies have been modified to better suit the target coca-basin populations.
- Advertising and sponsoring at the regional level was reorganized and media plans are now prepared under appropriate technical criteria.
- Regional production was formalized by organizing a bid for the production of 9 one-hour long programs in all of areas of intervention.
- Communication teams in PDA regional offices began to produce their own audiovisual and information products locally. This is an achievement that will be consolidated and expanded during the next period.
- The program now has audiovisual products (documentaries and news programs) and graphic materials (leaflets per area of intervention and facilitation materials) which are very effective in bringing across PDA's contribution to development.

C6. LESSONS LEARNED

- Preparation of audiovisual and radio products, as well as the production of other communication products must be coordinated among the PDA regional offices in order to maximize their dissemination.
- More emphasis should be placed on promoting local production.
- Local audiovisual production (local TV) has turned out to be an excellent product for publicizing our information to opinion leaders, officers and authorities.

C7. RECOMMENDATIONS AND FUTURE ACTIONS

- Prepare a production program for the development and advancement of the program in conformity with the objectives and results of PDA's communications strategy.
- Design a production plan for the permanent development and broadcasting of PDA news, including recording audiovisual and graphic material for the year.
- Produce a documentary film on the PDA program.
- Create a travelling photographic exhibition in each area of intervention.
- Produce a radio series on 'Coca Crops: the Biggest Fallacy'.
- Produce a TV miniseries on the theme of illegal coca crops and their association with violence and narco-trafficking.

D. Communications at the Community Level

The emphasis on community issues for the communications activities also resulted in improved coordination with PDA's socialization component. New roles for PDA staff were designed consistent with the synergy from messages and strategies promoting an integrated and sustainable vision for development. The activities originally developed for this component surpassed expectations in terms of results and, therefore, they will be increased significantly during the next period.

D1. Main Activities

Design of the Technical Approach for the Community Communications Platform

The objectives, lines of action, strategies and mechanisms that guide the implementation of community communications activities were technically defined and approved by the

Technical Communications Committee composed of DEVIDA, USAID and PDA representatives.

Rural Leader Meetings

This activity helped identify key leaders from signatory communities who could potentially become community communication promoters. Meetings were held in the cities of Tocache, Aguaytía and Tingo María to confirm the selection of these leaders.

Recreation and Cultural Activities

Communication activities were carried out at the community level to introduce the PDA as a promoter for integral and sustainable development. These activities were fundamentally recreational (e.g., community fairs) and PDA staff used this time to provide information on the program and the different services it offers.

Educational Communication and Information Activities

Support material was produced for these activities which were carried out by PDA's socialization component. Guides and manuals for facilitator agents and the community coordination committees were also prepared.

D2. Main Achievements

- A technical proposal known as the Community Communications Platform was approved and the first stages of implementation were initiated.
- Three meetings of leaders from signatory communities enabled the identification of 271 community communication promoters from 150 signatory communities in Aguaytía, Tocache and Tingo María.
- Pilot plans for community communications in Aguaytía and Tingo María began implementation.
- A technical proposal for the implementation of a training program in community and intercultural communication skills was developed.
- A community and intercultural communications module was incorporated in the training programs given by Acción Sin Fronteras to personnel working at PDA regional offices.

D3. Lessons Learned

- The implementation of the Community Communications Platform is fundamental to promoting a change of attitude away from a coca economy and towards licit economic activities to achieve sustainability of PDA objectives.
- The development of community and intercultural communication skills by PDA's internal networks is vital to reducing the occurrence of community conflicts originated by the dissemination of half-truths or otherwise misleading information by opponents of the PDA program.
- It is indispensable to coordinate PDA's communications component with the socialization component.
- The identification and participation of community leaders in the community information system is essential to achieve adequate communication of PDA's objectives, processes and results.

D4. Recommendations and Future Actions

- Implement monthly community communications plans in each regional office as set out in the regional operation plan.
- Start-up the community communications system as part of the communications platform.
- Design and produce community communications materials directed at informing communities on PDA's objectives, processes and advancement.
- Train personnel working in PDA regional offices in community and intercultural communications.

Chapter 4: Performance Monitoring and Evaluation

The primary objectives of the PDA Performance Monitoring and Evaluation (M&E) component are to (a) measure and provide reliable information on the status and progress of PDA initiatives, and (b) facilitate managerial decision-making based on accurate and up-to-date information. The database of the M&E system is also designed to incorporate information from other USAID-financed projects, thereby providing a large and integrated source of program information for maximizing efficient operations of USAID projects.

A. Information System (SM&E)

The information system is the backbone of the M&E component. It serves as a tool to help ensure compliance with PDA objectives by providing an easy way to capture and store information that, in turn, supports the analysis required for decision-making purposes. The information also serves as the basis for monitoring the indicators used to measure progress against the intermediate results specified in the contract.

During the reporting period, the Information System became fully operational, stable and produced reliable data. It is now decentralized and configured to update information on-line from each of the PDA Regional Offices. In addition, a Performance and Monitoring Committee was created composed of representatives from DEVIDA, USAID, and PDA. The Committee held regular meetings to review technical elements of the system to ensure that it meets the information demands of stakeholders. With the system fully operational, information requests are promptly met.

The following summarizes the accomplishments related to the Information System during the reporting year:

Quarter 1: April – June 2005

- The central database was improved and expanded to integrate information on technical assistance for productive projects and inputs provided in support of those projects.
- The CorVu software package was installed in USAID's AD office; it was regularly used to respond to information requests from DEVIDA and USAID.
- A module for information on subcontracts and grants awarded to local implementing partners was incorporated as was a module to track progress of infrastructure projects.
- Databases containing baseline information on participating communities were standardized.
- Updated information files were generated for DEVIDA's M&E system (SISMED).

Quarter 2: July – September 2005

- PDA staff from the M&E, finance, infrastructure and productive projects offices were trained to use new templates for collecting data for the M&E system.

- Land Titling and Natural Resource information was incorporated into database.
- CADA measurements at a farmer level in participating communities and information from USAID's Aprendes and Title II projects were incorporated into the M&E system on a pilot basis to assess the ability of the system to receive that information.

Quarter 3: October – December 2005

- An interface and pilot program were developed for the Subcontract and Grants staff to generate contracts and grants using the Internet.
- Workshops were held to define the standards of information managed by USAID, DEVIDA and PDA.
- Maintenance of the WEB's data-capturing applications was supported to integrate new ways to manage the Information System.
- The CorVu ABA Server was installed and configured in the database cluster.

Quarter 4: January – March 2006

- Consolidation of the Information System began to increase its efficiency to monitor PDA activities.
- New variables were integrated into the information system to handle PDA activities included in the 2006 Plan, as well as aspects related to the joint administration of local government-community participation.
- A module was developed for the productive project activities that will enable management to keep control of related grant and technical assistance agreements.
- Executive alerts for monitoring critical PDA activities were developed.

In addition to these highlights, the Information System also progressed in its work on the WEB portal and the use of GIS for the system. For the WEB portal:

- final adjustments of cluster servers for hosting the Web page, applications and the systems database were completed
- a new web site image of the M&E system was designed
- a security process was implemented to restrict access to the point of entry for information products generated by the system
- Interactive Map and Shape files storage areas were modified and new interactive maps added to the digital mapping section, including a method to calculate altitude for the participating communities
- A section containing SHAPE files was created to enable WEB users to access the files needed to complete customized mapping work.
- A server was activated to disseminate multimedia content on-demand

For the GIS:

- System information with mapping elements (GIS) were integrated and published on the WEB for reference consultation.
- The GIS server was configured with ARC-SDE for dynamic online maps.

- Additional information was compiled and entered into the system, including boundaries of protected areas, native communities, forest concessions, production forests, coca crop density, thematic maps, and environmental baseline maps.
- Thematic maps were developed showing coca blocks measured by CADA, blocks eradicated by CORAH, and maps of new intervention territorial units.

B. Performance and Monitoring

Monitoring is as an ongoing and systematic process used to track PDA activities. It is fundamental for correcting or improving implementation and ensure that feedback is provided on the implementation status of individual activities, budgets, and lessons learned. It also provides the information required to analyze results. Performance is a transformation tool since it not only records actions but also the reasons for such actions. Taken together, this assists managers in identifying issues and alternatives to improve implementation.

During the reporting period, this component of the M&E system:

Quarter 1: April – June 2005

- Prepared weekly reports on the progress against voluntary eradication targets.
- Updated information from the PDA regional offices in real time.
- Prepared management alerts on PDA activities.
- Prepared 12 diagnostic reports for the Sauce and Shapaja geographic areas.
- Evaluated CEDRO's performance under its PDA-financed subcontract.
- Prepared general reports and presentations on overall PDA progress.

Quarter 2: July – September 2005

- Monitored progress on coca-crop eradication and the implementation status of the infrastructure and productive projects in the R-379 communities.
- Conducted a study to evaluate how bonus payments given to R-379 signatories were being used; the results informed USAID and PDA management in revising the approach to payment of the bonus in communities that join the program in 2006.
- Inter-institutional meetings of the Performance and Monitoring staff of USAID, DEVIDA, PDA (including its subcontractor, CAMRIS) were held to define the annual survey objectives to measure PDA impact.

Quarter 3: October – December 2005

- Activities to monitor coca-eradication efforts and implementation of projects in R-379 communities continued. Measurement and eradication activities were also monitored.
- The Performance and Monitoring staff participated in a series of community negotiations focused on reaching the 2005 voluntary eradication target.

Quarter 4: January – March 2006

- Monitoring continued of coca-eradication efforts and implementation of projects in R-379 communities, and R-217 communities were added to the system.
- Measurement and eradication activities under Plan 2006 were monitored and weekly reports prepared on the advancement of PDA activities based on the start-up of field work.
- Field monitoring activities known as “Feedback on the impact and/or effects of PDA activities in R-379” were carried out by the Ucayali regional office. The extent to which PDA activities impacted on improving conditions in the signatory communities was evaluated, and the performance of grantees and subcontractors was monitored.

Human Resources and Personnel

Contracts per Period		
	April 2005	March 2006
LP LIMA OFFICE	54	50
LP REGIONAL OFFICES	75	136
PETT PERSONNEL	3	0
SHORT TERM CONSULTANTS	136	26
	268	212

Contracts and Grants

During this year of the project, we signed 92 subcontracts and 24 work orders, totaling S/.20,520,169 (\$6,218,233), as shown in the table below:

Fixed Price Subcontracts	No	S/.	US \$
Infrastructure	59	6,796,796.20	2,059,635.21
Finance & Management	1	63,337.75	19,193.26
Communication	12	1,941,551.14	588,348.83
Productive Activities	2	581,306.86	176,153.59
Natural Resources & Environment	6	213,290.18	64,633.39
Total	80	9,596,282.13	2,907,964.28

IQS (Work Orders) - Infrastructure	No	S/.	US \$
Work Orders – Construction	24	5,140,522.91	1,557,734.22
Total	24	5,140,522.91	1,557,734.22

Cost Reimbursable Subcontracts	No	S/.	US \$
Sustainable Development	1	1,295,985.00	392,722.73
Infrastructure	1	483,812.17	146,609.75
Productive Activities	9	2,418,952.53	733,015.92
Security	1	1,584,614.66	480,186.26
Total	12	5,783,364.36	1,752,534.65

Additionally, we signed 58 grant agreements valued at S/.9,476,697 (\$2,871,726) as shown below:

Grant Agreements	No	S/.	US \$
Infrastructure	43	5,834,644.56	1,768,074.11
Productive Activities	15	3,642,052.83	1,103,652.37
Total	58	9,476,697.39	2,871,726.48

Annex 2

Main Coca-Related Incidents – VRAE

N°	Started	Ended	Cause	Action taken
1	06/10/2004	06/15/2004	Coca growers' strike.	Office was closed; road blocks
2	12/03/2004	12/06/2004	Meeting organized by FEPAVRAE, demanding the withdrawal all NGO's out of VRAE.	Office was closed, road blocks
3	12/27/2004		FEPAVRAE threat: document N° 30 dated 12/23/04.	Recommendations to personnel
4	03/10/2005		The FEPAVRAE sends a letter to President Alejandro Toledo informing him of forced eradication measures and demanding the withdrawal of all NGOs from VRAE.	Recommendations to personnel
5	03/18/2005		FEPAVRAE threat: document No 65 dated 03/17/05, on final withdrawal of the institution	Recommendations to personnel
6	03/21/2005		DEVIDA receives document 56/2005, informing it on agreements taken during the strike's plenary meeting (March 14, 15 and 16), demanding withdrawal of operators; DEVIDA operators are denied permission to work.	Recommendations to personnel
7	03/28/2005	03/30/2005	Strike organized by the Frente de Defensa del Pueblo de Ayacucho and FEPAVRAE; supported in VRAE.	Personnel was evacuated; offices were closed; road blocks.

Main Coca-Related Incidents – Tingo María

Nº	Started	Location	Cause	Action taken
01	02/02/2004	Tingo María	Meeting of coca growers' unions of Alto Huallaga, Aguaytía, Aucayacu and Tocache, to propose supporting the strike scheduled for the 20th. The meeting was held at the offices of the Coca Growers' Association of the Alto Huallaga.	None
02	04/16/2004	Monzón	Press conference of Monzón area leaders announcing that they have decided "Not to support the coca growers' strike" arguing that they do not form part of CONPACCP.	None
03	04/20/2004	Tingo Maria	Coca-growers' march numbered 500 participants. In the main square, the Provincial Mayor encouraged coca-growers to continue their fight and not give in. He lobbied for resources obtained by international communities should be administered by the Provincial Municipality.	Personnel and equipment were evacuated.
04	04/22/2004	Tingo Maria	Coca-growers jointly with those from Tocache and Aguaytía, started a peaceful march through the streets of this city; along the way, shops closed their doors. This Friday they would be making a sacrificial march to the city of Lima with the objective of putting pressure on the government to address the five points on their agenda.	Personnel and equipment were evacuated.
05	04/26/2004	Huanuco	August 15: coca-growers are in Huánuco, gathered in the coliseum. There, Samuel Mendoza (a 63 year old coca farmer) died in an accident. He was from the village of Bello Oriente, La Pólvora-Tocache.	None
06	05/13/2004	Tingo Maria	The coca growers' rally took place in the streets of this city, but unlike other occasions, most participants carried sticks; in a menacing gesture they burned an effigy in front of the Municipality. About 400 individuals took part in this march.	Personnel and equipment were evacuated.
07	05/22/2004	Tingo Maria	A group of coca-growers confronted the National Police in an attempt to enter the police headquarters with sticks and stones. The police had to fire shots into the air in order to reestablish order. Twelve individuals were arrested. During the coca growers' strike, the Peruvian Army attempted to reopen the Tingo Maria - Aguaytia road. Five policemen guarded the DEVIDA/CHEMONICS installations around the clock.	None

Main Coca-Related Incidents - TOCACHE

N°	Started	Ended	Cause	Action taken
1	02/15/2004	02/22/2004	Narcotics congress to be carried out February 17 – 20 in Lima.	Personnel were evacuated. Part of the personnel worked in Juanjui and Tarapoto. Assets were all removed from offices.
2	04/17/2004	04/25/2004	Coca-grower's strike (CONPACCP), supported by the different worker's unions of Tocache, represented by FREDIPPT. Its political platform was centered on: Unity between the coca growing farmers and other farmers in Tocache. - The deactivation of DEVIDA and CHEMONICS. – USA's policy in Peru, which President Toledo agrees to. – Removal of President Toledo from power.	Office was closed; road blocks. Personnel were instructed to cease all field work.
3	05/15/2004	05/31/2004	As from this date and due to the coca growers' strike, all employees working in this office were given 7 days vacation, by decision of the Lima Office. Employees residing in the city of Lima and those who traveled to Tarapoto arrived safely.	Office was closed, road blocks. Personnel and equipment were evacuated.
4	07/09/2004	07/14/2004	Agrarian National Strike and National Strike organized by the CGTP	Personnel, equipment and all files were evacuated.
5	02/14/2005	03/02/2005	Coca growers' strike due to prohibition measures applied in the Sta. Rosa de Mishollo and Pólvora zones.	Personnel and equipment were evacuated.

Main Coca-Related Incidents - Aguaytia

N°	Date	Cause	Action taken
1	02/16/2004	II CONPACCP National Congress 18 – 20 February	Personnel were evacuated.
2	04/16/2004	National Strike organized by CONPACCP	Personnel and equipment were evacuated.
3	03/17/2004	Mobilizations in the city of Aguaytía by an average of 200 protesters affiliated to the AAAPHCPPA	Posters were placed on the facade of PDAP offices
4	05/30/2004	Delegates of the AAAPHCPPA agreed to suspend the National Strike organized by CONPACCP.	Trading activities returned to normal in the city of Aguaytía
5	07/06/2004	Agrarian National Strike and National Strike organized the CGTP	Personnel and equipment were evacuated.
6	11/19/2004	Peru's Marines confirm payment of US\$5,000 from <i>'traqueteros'</i> of the Aguaytia area to the coca-grower's leader Flavio Sánchez Moreno as financial support for protests.	This information was handled by the MGP
7	12/05/2004	AAAPHCPPA affiliated demonstrators marched through the city of Aguaytía and threw rotten pineapples which hit and broke a window on the second floor of PDA offices.	The corresponding denouncement was made in Aguaytia's police station.
8	01/12/2005	24 hour strike organized by the AAAPHCPPA	Activities were suspended and personnel was evacuated out of the city of Aguaytia
9	03/16/2005	48 hour strike organized by the AAAPHCPPA	Personnel were evacuated to the city of Pucallpa and all equipment was removed.

Translator's note: dates are expressed in mm/dd/yy.

Annex 3

NUMBER OF WORK DAYS LOST - REGIONAL OFFICE TINGO MARÍA

N°	Started	Ended	Cause	Action taken	N° of days
01	04/19/2004	04/25/2004	CONPACCP coca growers' National Strike	Equipment, files and materials were removed; personnel was evacuated.	07
02	05/16/2004	05/31/2004	The National coca- growers Strike intensified, facade of building was burnt.	Equipment, files and materials were removed; personnel was evacuated	16
03	07/06/2004	07/07/2004	Monzón coca growers march	All work was suspended.	02
04	07/10/2004	07/14/2004	National Agrarian Strike	Equipment, files and materials were removed; personnel was evacuated.	05
05	02/23/2005	02/25/2005	48 hour strike organized by the Association of Coca Leaf Producers of the Leoncio Prado Province	All activities were suspended; work teams were evacuated	02
06	03/21/2005	03/22/2005	24 hour strike carried out by the Monzón coca-growers marched through the streets of Tingo María.	All activities were suspended; work teams were evacuated.	01
07	05/16/2005	05/18/2005	Anniversary of Sendero Luminoso, threats against institutions	Personnel was evacuated as a precautionary measure.	02
Total number of work days lost					26

NUMBER OF WORK DAYS LOST - REGIONAL OFFICE VRAE

N°	Started	Ended	Cause	Action taken	N° of days
01	05/27/2004	06/02/2004	Coca-growers threaten to take over PDA Office. Talks with a high ranking government commission were postponed until a later date since protesters demanded the presence of State Ministers (Agriculture and Internal Affairs)	Equipment, files and materials were removed; personnel were evacuated.	06
02	06/10/2004	06/15/2004	Agrarian Strike organized by coca-growers from the Apurímac and Ene river valleys June 12 –14; also supportive of the National Strike declared by the CGTP	Equipment, files and materials were removed; personnel was evacuated	06
03	12/03/ 2004	12/06/2004	Meeting called by the FEPVRAE asking for the withdrawal of all NGOs in response to the interdiction actions carried out in the area.	On Friday 3, personnel were evacuated to Ayacucho; they returned to work on Monday 6.	04
04	01/05/2005	01/07/2005	FEPVRAE meeting in the Pichari district.	All activities were suspended; work teams were evacuated	03
05	03/11/2005	03/16/2005	72-hour strike organized by FEPVRAE coca-growers.	All activities were suspended; work teams were evacuated.	06
06	03/28/2005	03/30/2005	Strike organized by the Frente de Defensa del Pueblo de Ayacucho and FEPVRAE; support in VRAE.	Personnel were evacuated as a precautionary measure.	03
Total no. of work days lost					26

NUMBER OF WORK DAYS LOST - REGIONAL OFFICE VRAE

N°	Started	Ended	Cause	Action taken	N° of days
1	02/15/2004	02/22/2004	II National Congress - CONPACCP February 17 -20	Equipment, files and materials were removed; personnel was evacuated.	8
2	04/17/2004	04/25/2004	CONPACCP National Strike	Equipment, files and materials were removed; personnel was evacuated.	9
3	05/15/2004	05/31/2004	Threats against program workers after attack against installations in Tingo Maria.	Equipment, files and materials were removed; personnel was evacuated.	17
4	07/09/2004	07/14/2004	Agrarian National Strike and National Strike organized by the CGTP	Equipment, files and materials were removed; personnel was evacuated.	6
5	02/14/05	02/03/05	Coca-growers' strike motivated by the prohibition measures applied in the Sta. Rosa de Mishollo and Pólvara areas.		20
6	04/23/05	02/0505	SL threats against PDA personnel and offices; this was communicated to us through a letter of warning received by National Police in Santa Lucía.	Personnel and equipment were evacuated.	10

Total no. of work days lost

70

NUMBER OF WORK DAYS LOST - REGIONAL OFFICE AGUAYTIA

N°	Started	Ended	Cause	Action taken	N° of days
01	02/16/2004	02/23/2004	CONPPAC National Congress on February 18- 20	Equipment, files and materials were removed; personnel was evacuated.	08
02	03/16/2004	03/19/2004	Protest march on March 17 rejecting the presence of NGOs	Equipment, files and materials were removed; personnel was evacuated.	04
03	04/16/2004	06/02/2004	CONPACCP National Strike	Equipment, files and materials were removed; personnel was evacuated.	48
04	07/09/2004	07/16/2004	Agrarian National Strike and National Strike organized by the CGTP.	Equipment, files and materials were removed; personnel was evacuated.	08
05	11/04/2004	11/04/2004	Protest in front of the PDA's offices carried out by the Nuevo Progreso community.	Partial evacuation.	01
06	01/12/2005	01/12/2005	24-hour strike organized by the Association of Coca-Growers and threats against PDAP personnel and installations.	Activities were suspended; personnel evacuated to other locations in the city of Aguaytia itself.	01
07	03/16/2005	03/27/2005	48-hour strike organized by AAAPHCPPA; threat against PDAP personnel and installations.	Equipment was removed; personnel were evacuated to the city of Pucallpa; operates from there.	11
08	05/13/2005	05/13/2005	Beginning of Armed Struggle OT, SL.	No field trips involving personnel and vehicles. Work was carried out as usual.	01
09	05/17/2005	05/17/2005	XXV-Anniversary of Sendero Luminoso; threats against institutions	No field trips involving personnel and vehicles. Work was carried out as usual.	01
10	05/19/2005	05/19/2005	S.L: Penitentiary Massacre Day.	No field trips involving personnel and vehicles. Work was carried out as usual.	01
Total no. of work days lost					84

Translator's note: dates are expressed in mm/dd/yy.