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USAID/BOLIVIA

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**USAID/BOLIVIA
SEMI-ANNUAL REPORTS
(FOR THE PERIOD OCTOBER 1, 1993 - MARCH 31, 1994)
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I.

MISSION DIRECTOR'S OVERVIEW

5/13/94

A. Portfolio Overview

1. Summary

The Mission's FY94 first semester semi-annual portfolio review was again framed by the Agency's budget realities and its new strategic focus. With regard to the Agency's budget limitations, USAID/Bolivia (USAID/B) management informs the LAC Bureau that efforts continue to be made to achieve U.S. assistance objectives with fewer projects and at lower resource levels. Plans for amendments and new projects were canceled and four projects will be carried to completion at current obligation levels, despite the fact that these levels are below authorized amounts or previously planned LOP increases.

With regard to the Agency's new strategic focus, and projected reduced fund availability, we have abandoned the Strategic Objective of transforming the Bolivian Economy from its dependence on cocaine and changed to a more modest Program Outcome of increasing non-coca economic opportunities in the Chapare and associated areas under the Expanded Economic Opportunity and Access Strategic Objective, thus making the four Strategic Objectives the same as those articulated in the Agency's October 1993 Strategy Papers. USAID/B's new Strategic Objectives are: Expanded Economic Opportunity and Access, Family Health, Strengthening Democracy, and Environment.

USAID/B characterizes its portfolio as healthy with nineteen projects of thirty-two total active projects (plus two that terminated this period), ESF programs, PL480 programs and centrally funded projects under Mission management receiving a "B" rating. Thirteen projects received an "A" rating, and two projects were given a "C" rating because of implementation delays. (See the attached table for these ratings.) It should be noted that these delays are attributable to factors fully outside USAID/B's control. In one case, namely the FY93 ESF Economic Recovery Program, implementation is behind schedule because of the GOB's failure to meet the coca eradication targets on which program disbursements are conditioned. Unfortunately and because of this, ESF local currency generated by these programs suffered a substantial reduction, significantly lowering the amount of GOB counterpart contributions to a number of USAID projects. The Mission's second "C" project is Child Survival PVO Network II (511-0620). After three years of efforts by the host country NGO (PROCOSI) and USAID/B, the GOB has not paid the \$2.5 million premium promised as part of the debt swap. Although the \$5 million allocated to the debt swap by USAID has retired \$31 million in Bolivian commercial debt, the premium has not been paid, even though budgeted by the GOB. Consequently, this project requires special attention. However, the \$5 million principal has been returned with interest and this will still allow PROCOSI to achieve self-sufficiency, though not as quickly as if the premium had been paid in a timely fashion. After the end of the reporting period the GOB signed a promissory note, wherein they promise to pay the premium in five installments between now and March 1995.

Under the "Expanded Economic Opportunity and Access" Strategic Objective projects focus on increasing employment and exports, providing financial services for microenterprises and poor households, and increasing non-coca employment and production capabilities in the Chapare and associated areas, all of which support the four modified program outcomes. The Mission has narrowed its role and sees microenterprise development for low income groups as an area in which it enjoys a comparative advantage. The Mission has and will continue to focus projects in support of pension reform, credit union stability and micro finance. Three projects which supported the previous Trade and Investment Strategic Objective have already been phased out or are being phased out-though the latter not as soon as planned.

Achievements under the Family Health Strategic Objective continue, and USAID assistance has made a significant contribution to this progress both at the policy and project levels. At the policy level, USAID/B's advocacy and support of health, policy reform increased with the new Government of Bolivia administration, particularly with the Ministry of Human Development and the Secretariats of Health and Education. Of particular note, the new government adopted contraceptive prevalence targets in its national plan. Mission projects continue progress in improving institutional capabilities within the public and private sectors to deliver preventive and curative health services and in improving health knowledge, attitudes and practices among Bolivians.

The Mission continues to make progress in achieving its Strengthening Democracy Strategic Objective through both assistance to institutions at the national level and grassroots initiatives at the local level. Over the course of this reporting period the Mission provided continued support for Bolivia's free and successful national elections through technical assistance provided to the National Electoral Court resulting in the administrative weaknesses of the June 1993 general elections being overcome for the December 1993 municipal elections. Electoral process management was significantly improved with the training of more than 53,000 persons as polling jurors. The legislative branch also received USAID/B support during the course of the reporting period, resulting in the establishment of the Technical Budget Office and establishment of bill drafting and information and research units. The judicial branch received assistance resulting in the expansion of the geographic coverage and training levels of the Office of Public Defense and the establishment of a new National Technical Judicial Police. Significant progress was made in the consolidation of Bolivia's first three commercial arbitration and conciliation centers. Mission training projects continue to prepare the human resource base necessary for establishing transparent and accessible democratic institutions.

Progress overall in the Environment Strategic Objective has been good, with increasing GOB emphasis on this area and with several high-level visits from Washington. With the BOLFOR project start-up Bolivia now has strong capabilities in this area, and the foundations for increasing forest value to discourage forest conversion are now being successfully laid. However, the research required to meet these objectives has just begun so it will be some time before progress can be documented. Progress has been faster in improving public and private sector capacity for sustainable resource use and environmental protection and increasing public awareness of sound environmental management.

At the end of the reporting period, the Mission was implementing thirty-two projects and programs. During this reporting period, three projects successfully terminated¹. In six months, the mortgage decreased from \$114 million over twenty-four active projects to \$104.6 million over twenty active projects, or 28% of LOP funding.

The pipeline decreased by 14% over the last reporting period to \$62.8 million, 1.3 years of FY94 obligations.

The financial analysis indicates that obligated funds are being expended rapidly. Active Mission-managed projects expended almost \$18.5 million during the reporting period. This is almost 10% of the currently obligated value of these projects, which indicates that the expenditure rate is on track.

2. Status of Strategic Objectives

During the course of this semester, due to declining resources and the curtailed emphasis of direct USAID support for macroeconomic reduce, investment promotion and export promotion activities USAID/B reduce its number of Strategic Objectives from five to four and also modified their statement. The resulting four Strategic Objectives directly support the Agency's new strategic framework. (The Portfolio Fit Table shows the project relationships with the Agency's objectives) This was done by abandoning the Strategic Objective of transforming the Bolivian economy from its dependence on coca/cocaine and adopting a more modest Program Outcome of increased non-coca economic opportunities in the principal coca supply area under the Expanded Economic Opportunity and Access Strategic Objective. Transformation of the Bolivian economy from significant dependence on coca/cocaine was dropped as a Strategic Objective because such a transformation is no longer within the management control of USAID/B due to the precipitous decline of funding from over \$164 million in 1992 to \$80.6 million in 1994. Increased non-coca economic opportunities in the Chapare and High Valleys is kept as a Program Outcome, however, since we anticipate continuance of substantial ESF/INM funding which would permit achieving that Program Outcome. This consolidation of Strategic Objectives continues the trend of the last several years. In 1994 USAID/B has four objectives compared to the fifteen in 1988.

The Mission eliminated plans for a \$10 million amendment to the Export Promotion Project and eliminated plans for an additional \$3.1 million in already authorized funding. We curtailed plans to provide the final \$3.4 million to the Industrial Transition Project and reduced plans to fully fund the authorized Electrification for Sustainable Development Project. Finally, we reduced the LOP funding to the CARE Community Development Project by \$580,000.

¹ Includes the Justice Sector Project (511-0609) for which there is no Project Status Report (PSR) this period since it terminated only one month after the beginning of the period. That is, the previous PSR was the last.

As stated in the 1995-96 Action Plan, USAID/B now has four Strategic Objectives which are:

- ◆ Expanded Economic Opportunity and Access.
- ◆ Improved Effectiveness and Accessibility of Key Democratic Institutions and Practices (Strengthening Democracy).
- ◆ Improved Family Health Throughout Bolivia (Family Health).
- ◆ Reduced Degradation of Forest, Soil and Water Resources and Biological Diversity Protected (Environment).

The Project Status Reports (PSRs) which follow are organized by these Strategic Objectives. The following is a discussion of the status of each Strategic Objective, including highlights of successes and problems.

a. **Expanded Economic Opportunity and Access**

Under the renamed "Expanded Economic Opportunity and Access" Strategic Objective (formerly Trade and Investment) the Mission has narrowed its role and sees microenterprise development for low income groups as an area in which it enjoys a comparative advantage. The Mission has and will continue to focus projects in support of pension reform, credit union stability and micro finance. The Mission is in the process of reviewing corresponding program outcomes and indicators, and has reported refinements to these in more detail in the 1995-96 Action Plan. In addition, the Mission plans to see its very successful export promotion activity to completion, although no additional funding will be obligated for this effort. Some additional projects which supported the Trade and Investment Strategic Objective have already been phased out (Market Town Capital Formation) or will be phased out (Strengthening Financial Markets and Management Training), though the latter not as soon as planned.

Because of the combination with the former Alternative Development Strategic Objective, the program outcomes have been modified. Projects under this Strategic Objective focus on increasing employment and exports, providing financial services for microenterprises and poor households, and increasing non-coca employment and production capabilities in the Chapare and associated areas all of which support the four modified program outcomes.

Under Program Outcome Number One, "Increased employment opportunities in non-coca industries", the successful Market Town Capital Formation project was responsible for almost \$60 million in exports and over 6,000 jobs during the life of project. It was closed out during the period.

Under Program Outcome Number Two, "Increased non-coca economic opportunities in the Chapare and associated areas", the economic transformation of the Chapare and the Valleys of Cochabamba is proceeding at an accelerated pace. USAID efforts in improvement of transport infrastructure, dissemination of market information and direct support in the marketing of a variety of products have resulted in significant increases in farm gate prices. These efforts plus support to producers' associations and NGOs have improved the lives of thousands of area residents by creating 25,420 jobs and increasing exports.

These same USAID investments plus those of other donors like UNDCP have created conditions that are proving attractive to a number of private firms in the produce marketing and processing industries. Presently two plants are under construction in the Chapare, both adjacent to project financed packing facilities - a multiproduct canning plant and a pineapple canning facility. With the increased plantings of palm hearts in the Chapare, there are four firms now positioning themselves to begin canning this product as plantations mature. Another small firm has established its own, streamlined banana packing facility north of Chimore, aimed at the "carriage trade" in Bolivia. Another firm is routinely exporting bananas to Buenos Aires where the product enjoys good acceptance despite strenuous competition from Ecuadorian bananas. A Coca Cola distributor has entered into an agreement with an Argentine firm to export bananas and pineapple as well, and it is also opening a multiproduct fresh produce operations in the Chapare and the High Valleys. A local NGO has established a strong program for the production and marketing of passion fruit. They have established some processing facilities in Ivirgarsama where they are producing two very attractive products that enjoy ready acceptance in markets of the principal cities. Private buyers of black pepper have been lined up to take all of that product that can be produced as it becomes available. The Electrification for Sustainable Development project contributed to this outcome by connecting 98% (6,853) of the projected users in the Cochabamba region during the reporting period, of which 90% are in the Chapare and associated areas.

Under Program Outcome Number Three, "Increased competitiveness of the non-coca export sector", there was an acceleration in the rates of exports and foreign investment due to the Export Promotion project. A mid-term evaluation concluded that the project compared well with the best of USAID's similar projects elsewhere, and that its impact on income and employment has been significant.

Under Program Outcome Number Four, "Broadened access to financial markets", on the micro credit front, USAID was responsible under the Micro Enterprise project for the creation of over 7,000 new jobs and a 21 percent increase in savings in the credit union system. In addition, much progress has been made in pension reform under the Industrial Transition project. Over 90% of the legal framework has been accomplished and it is estimated that the Pension Reform Law will be introduced to Congress by June 1994.

In line with the Agency's new strategic guidance, the portfolio under this objective is being streamlined. We have closed out the Market Town Capital Formation project as indicated. It was not possible to close out the Management Training and Strengthening Financial Markets projects, since our plans to establish an endowment fund for each project

(to permit the achievement of self-sufficiency) was not approved by USAID/Washington. These projects will be closed out by 3/95 and 12/96 respectively, but have only limited management responsibilities at this point. These steps have freed up staff time to intensify Mission focus -- subject to resource constraints -- on financial services for poor households and micro-businesses. This is an area in which Bolivia presents exceptional opportunities, and in which Mission staff have unusually strong technical background and contacts. Consequently, a new project in Microfinance will be designed during the next semester. In terms of Strategic Objective performance, this signifies a greater Mission emphasis on realizing Program Outcome Number Four.

b. **Family Health**

Improvements in the Family Health Strategic Objective continue, and USAID assistance has made a significant contribution to this progress. During this period the second Demographic and Health Survey was initiated and preliminary results which measure performance on indicators should be available by June 1994.

USAID/B's advocacy and support of health policy reform increased with the new Government of Bolivia administration, particularly with the Ministry of Human Development and the Secretariats of Health and Education, demonstrating continued advances in realizing progress on Program Outcome Number One, "Improved development and implementation of health policy". Most notably, at the request of the GOB, USAID/B provided key support to the government for its social sector presentations at the Donor's Consultative Group meetings on Bolivia. There was wide donor agreement on the excellent quality of this presentation, and increased donor resources were mobilized as a result. USAID/B technical assistance is playing a key role in assisting the National Secretariat of Health in conceptualizing and defining sector reform plans, specifically in the areas of decentralization to increase participation, and new financing mechanisms. The Interactive Radio Project has successfully incorporated the mathematics and preventive public health messages into the Education Reform package of the GOB. This success with health education through radio lessons was noted in the 1993 World Development Report: "Investing in Health".

Almost all projects, namely, The Community and Child Health, Reproductive Health Services, Self Financing Primary Health Care (PROSALUD), CARE, Interactive Radio Learning and Child Survival PVO Network (PROCOSI), saw important gains in achieving Program Outcome Number Two, "Improved institutional capabilities within the public and private sectors to deliver preventive and curative health services". Some supportive activities included the training of physician-managers from the GOB in epidemiology and administration to further strengthen GOB decentralization efforts, planning for a national communication campaign on reproductive health with emphasis on increasing family planning and reducing maternal mortality. Through a \$5 million debt-swap, PROCOSI will finance about seventeen new indigenous and international PVOs providing child survival services to the rural areas.

Although all Family Health projects continue to impact positively on Program Outcome Number Three, "Improved health knowledge, attitudes and practices among Bolivians", of particular note during the reporting period was the dissemination of study findings on the spread of STDs that alerted GOB key health officials of the public health implications for the near future. There has never been a more positive environment which presents some exceptional opportunities to rapidly expand reproductive health services. These services include not only maternal and child health but also family planning and STD services. In 1994 for the first time, the new government adopted a contraceptive prevalence target in its national plan. Accelerated demand for contraceptives in general and for condoms for AIDS/STDs in particular resulted in the need to reprogram contraceptive supplies.

Mission management has decided to include the Drug Awareness and Prevention Project under this Strategic Objective as it impact upon the problems of mental and physical health.

c. **Strengthening Democracy**

In support of Program Outcome Number One, "Improved quality and speed of the conflict resolution process" under the Administration of Justice project, assistance is being continued with the new Ministry of Justice (MOJ) to improve human rights and access to justice by expanding the geographic coverage and training levels of the Office of Public Defense. In addition, USAID technical assistance will help to consolidate the MOJ's organizational and functional structure and to prepare new legislation to reform Bolivia's outdated criminal procedures code. Over 200 prosecutors, judges, public defenders and police participated in DOJ/OPDAT three-day workshops on the new public prosecution law, and in a major breakthrough, the GOB established a new National Technical Judicial Police designed and advised by DOJ/ICITAP. In Alternative Dispute Resolution assistance, the Bolivia office of the Inter-American Bar Foundation (IABF) made significant progress in the consolidation of Bolivia's first three commercial arbitration and conciliation centers - now handling a steadily increasing number of cases, and moved toward the establishment of neighborhood conflict resolution centers accessible to the poor.

In support of Program Outcome Number Two, "Upgraded legislative functions and enhanced accountability in national and local government", under the Democratic Institutions Project the Technical Budget Office was established in the Bolivian Congress in late 1993, and it played a strong role in assuring more effective congressional review of the Executive Branch budget for FY 1994. Bill drafting and information and research units were established within the Congress, and they began functioning towards the end of this reporting period. The Human Resources for Development project, which is just beginning implementation, will contribute to accountability in government by training public sector officials in accounting and financial control.

Progress in Program Outcome Number Three, "Increased citizen participation in local government and civil society" was made during the period through the assistance under the DI Project provided to the National Electoral Court. This TA once more proved effective, with the administrative weaknesses of the June 1993 general elections being overcome during

the December 1993 municipal elections. Electoral process management was significantly improved with more than 53,000 persons trained as polling jurors, using an election procedures handbook prepared with project assistance. In the sub-projects of the Special Development Activities there is participation by community members in project development and implementation/administration. All projects include the active participation of women. An additional 30 socially and economically disadvantaged leaders were trained under the Bolivian Peace Scholarship Project.

d. **Environment**

The promulgation of important environmental legislation, the continued consolidation of the Ministry of Sustainable Development and Environment (the hemisphere's first), and high level USG visits by Presidential and Vice Presidential Environment Advisors were important reporting period development supporting this Strategic Objective. The strong and evolving GOB focus on the forestry sector confirms the Mission's foresight and sound judgement in concentrating its environmental efforts in this sector. Measuring success on this Strategic Objective, especially forest product harvesting aspects through the Sustainable Forestry Management Project indicators, has been delayed due to slow project start-up and the time required to comply with the project's environmental assessment. As a result, target dates for certain indicators have been revised.

As expected, progress with Program Outcome Number One, "Increased forest value to discourage forest conversion," has been modest. This is because the key to increasing forest value lies with development, production, and marketing of sustainable harvested, eco-certifiable timber and non-timber forest products, and the research required to meet these objectives has just begun. With the BOLFOR project start-up Bolivia now has strong capabilities in this area, and the foundations for increasing forest value to discourage forest conversion are now being successfully laid.

Progress with Program Outcome Number Two, "Improved public and private sector capacity for sustainable resource use and environmental protection" and Program Outcome Number Three, "Increased public awareness of sound environmental management" has been faster, in particular with improving public and private sector capacity for sustainable resource use and environmental protection and increasing public awareness of sound environmental management. For example, the ESD Project (which includes GEF funding) is now taking the lead in Bolivia in renewable energy technologies, working with local energy cooperatives to deliver clean energy to key clients outside the national grid. The CORDEP project is working successfully with local NGOs to introduce new technologies to improve soil and water management, and to reduce chemical use in agriculture. The Bolivian Peace Scholarship Program is training disadvantaged men and women in fields ranging from environmental quality to environmental education, helping to meet the country's desperate need for qualified personnel. The Enterprise for the Americas Initiative now has 22 field projects underway, ranging from support for indigenous peoples' management of forest resources to sanitary education in poor urban areas. And the Community and Child Health and CARE Community Development Projects are also improving local capacities for sound environmental management.

USAID/B's environmental program is strong and growing, and the GOB sees it as a critical asset in its drive for sustainable development. At the request of the GOB, USAID/B is now developing additional technical assistance instruments to increase support to the new Ministry of Sustainable Development and Environment. This will help the USG maintain its special relationship with Bolivia on matters of sustainable development, and enable these two countries to better learn from one another.

3. Portfolio Consolidation²

USAID/B began the period with thirty-five active projects and programs. During the reporting period, three projects terminated³. As a result, the Mission was implementing thirty-two projects and programs by the end of the reporting period. As currently planned, two more projects should terminate during the upcoming reporting period. As the Mission tentatively plans to obligate one new project (Special Development Activities, 511-0633) in the upcoming reporting period, the number of active projects and programs should decrease to thirty-one by the end of FY94.

4. Mortgage Analysis⁴

USAID/B began the first semester of FY94 with eight of thirty-two active projects fully funded. The mortgage of these eight projects was \$114 million or 28% of LOP funding. At the end of the semester, twelve of thirty projects were fully funded and the mortgage had decreased to \$104.6 million or still 28% of LOP funding.

5. Pipeline Analysis⁴

At the beginning of FY94, \$72.6 million or 29% of the active and terminated obligated portfolio (including centrally funded projects managed by the Mission) was in the pipeline. At the end of the current reporting period, the pipeline had decreased about 14% to \$62.8 million, representing about 24% of the active and terminated obligated portfolio. The major portion of the pipeline is attributable to ongoing obligations associated with funding for the Andean Initiative, the obligations of the new forestry project, the CCH project which has a high expenditure rate, and the Microenterprise project which will use the excess for an amendment with no increase in the LOP level. The fact that 92% percent of the pipeline represents obligations made in the last three years indicates that the Mission has expended

² In this section, the statistics relate to projects managed by USAID/Bolivia. As compared to the previous SAR, these statistics also include the two ESF Economic Recovery Programs (511-0604 and 0605), the PL480 (Title II & III) programs and three centrally funded projects (Environmental Support & Wetlands for the Americas, 598-0780 and Enterprise for the Americas environmental fund), which were not included in these sections in the last SAR. They are now included because they do require Mission management time.

³ Market Town Capital Formation, 511-0573, Justice Sector, 511-0609, and PVO Management Support, 511-0578.

⁴ Excludes the two PL 480 programs (Title II & III) because they include no undisbursed dollars, but does include active ESF programs.

funds obligated before 1991 (older than three years) at a satisfactory rate. Nevertheless, some terminated projects still have a small pipeline. During the next semester the Mission will make a concerted effort to deobligate the balances reflected in these terminated projects.

6. Expenditures⁵

Almost \$18.5 million was expended on Mission-managed projects active during the reporting period. This is almost 10% of the currently obligated value of these projects. If we assume that most projects have a five year LOP, expenditures each fiscal year should be approximately 20% of the total obligated amount. Since 10% was expended during this semester, we can conclude that the expenditure rate is on track. CORDEP accounted for about \$6.2 million (almost 33%) of total expenditures for the period, while four projects (CORDEP, Export Promotion, Electrification for Sustainable Development and Reproductive Health Services) accounted for over 60% of accrued semester expenditures.



Carl H. Leonard
Mission Director
USAID/Bolivia

Attachments

- A) Financial Summary Table
- B) Pipeline Analysis Table
- C) Rating of Projects
- D) Portfolio Fit with Program Priorities Table
- E) Project Development Schedule

⁵ Does not include ESF or centrally funded projects.

B. FINANCIAL SUMMARY OF USAID/BOLIVIA PORTFOLIO
(October 1, 1993 - March 31, 1994)
(\$000)

(by Strategic Objectives)

(1) Project No.	(2) Program/ Project Title	(3) Rating	(4) Date Of Init. Oblig.	(5) Last Revised PACD	(6) % OF LOP Elap.	(7) % Oblig. Expend.	(8) Auth LOP Amount	(9) Current FY Oblig. To Date	(10) Cumul Amount Oblig.	(11) Mort- gage	(12) Begin- ning FY Pipeline	(13) Planned Semester Expend	(14) Accrued Semester Expend	(15) Accrued As % Of Planned	(16) Cumulat Accrued Expend	(17) Ending Pipeline	(18) Planned Expend (Next Sem)
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I. ACTIVE MISSION MANAGED PROJECTS

A. Expanded Economic Opportunity and Access (1)

511-0577 Industrial Transition (G)	B	06-24-87	08-31-95	82%	73%	6,569	0	6,569	0	1,880	750	108	14%	4,797	1,772	500
511-0580 Management Training (G)	A	08-30-85	07-31-95	86%	93%	6,000	0	5,287	713	737	300	389	130%	4,939	348	400
511-0584 Training for Development (G)	A	08-28-85	06-30-95	87%	83%	4,720	0	4,720	0	1,169	446	351	79%	3,902	816	446
511-0585 Export Promotion (G)	A	11-09-88	09-30-95	78%	83%	23,500	0	17,384	6,116	4,772	3,000	1,829	61%	14,441	2,943	2,000
511-0590 Micro & Small Enterprises Development (G)	B	08-31-88	09-30-97	61%	57%	13,850	500	11,849	2,201	5,307	1,963	352	18%	6,664	4,955	1,720
511-0598 Strengthening Financial Markets (G)	B	05-13-88	12-31-96	68%	88%	6,200	0	6,200	0	811	90	41	46%	5,430	770	355
511-0614 Electrification for Sustainable Development	A	07-26-91	09-30-96	58%	50%	19,200	0	14,200	5,000	7,117	1,900	1,992	105%	7,083	7,117	2,120
511-0616 Technical Support for Policy Reform	B	07-20-92	09-30-97	30%	19%	8,000	0	2,900	5,100	2,526	400	174	44%	548	2,352	420
511-0617 Cochabamba Regional Development (G)	B	07-05-91	09-30-97	44%	61%	80,000	0	38,518	41,482	21,328	4,500	6,166	137%	23,358	15,160	5,600

SUBTOTAL I (B):

168,039	500	107,427	60,812	45,845	13,349	11,402	85%	71,192	36,235	13,761
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B. Improved Family Health Throughout Bolivia

511-0568 Reproductive Health Services (G)	A	07-31-90	12-31-97	64%	67%	19,550	1,205	10,385	9,165	4,566	1,500	1,140	76%	6,959	3,426	2,000
511-0594 Community & Child Health (G)	B	07-28-88	09-30-95	78%	81%	20,000	1,750	17,244	2,756	3,916	2,036	667	33%	13,995	3,249	1,000
511-0607 Self-Financing Primary Health II (G)	A	05-09-91	05-08-96	58%	58%	6,500	900	4,314	2,186	2,238	900	445	49%	2,521	1,793	900
511-0608 AIDS Prevention & Control (G)	B	07-28-88	09-30-95	79%	67%	4,000	797	3,601	199	1,823	600	550	92%	2,528	1,273	400
511-0613 Drug Awareness & Prevention (G)	B	09-12-91	10-31-96	55%	69%	9,220	0	6,500	2,720	2,917	1,000	874	87%	4,457	2,043	966
511-0618 CARE Community Development (G)	B	03-28-91	03-28-95	75%	83%	7,000	1,250	5,800	1,200	1,383	961	383	40%	4,800	1,000	698
511-0619 Interactive Radio Learning (G)	A	09-29-91	09-30-96	50%	85%	5,000	0	2,966	2,034	1,251	600	617	136%	2,532	434	434
511-0620 Child Survival PVO Network II (G)	C	06-27-91	09-30-96	55%	69%	8,000	500	7,467	533	1,261	480	443	92%	6,649	818	818
511-0624 Displaced Children (G)	B	09-30-91	09-30-94	66%	85%	460	0	460	0	290	80	222	278%	392	68	68

SUBTOTAL I (D):

79,730	6,402	58,937	20,793	19,645	6,157	5,541	68%	44,833	14,104	7,482
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C. Improved Effectiveness and Accessibility of Key Democratic Institutions and Practices

511-0603 Andean Peace Scholarship (G)	A	07-28-88	09-30-94	100%	99%	3,766	0	3,604	162	74	20	47	235%	3,577	27	27
511-0610 Democratic Institutions (G)	A	09-08-88	12-31-94	88%	82%	3,000	0	2,950	50	996	700	477	68%	2,431	519	300
511-0611 Bolivian Peace Scholarship Program (G)	B	06-05-91	06-30-97	48%	39%	4,500	443	2,843	1,657	1,657	300	355	118%	1,096	1,745	800
511-0623 Special Development Activities (G)	A	06-28-91	09-30-95	65%	78%	500	-	500	0	189	30	70	233%	381	119	50
511-0626 Bolivia Administration of Justice	B	9-30-92	12-31-97	30%	29%	10,000	-	3,150	6,850	2,716	500	479	96%	913	2,237	700
511-0631 Human Resources for Development	B	08-05-93	03-30-99	11%	1%	6,500	500	1,500	5,000	1,500	150	16	12%	18	1,482	670

SUBTOTAL I (B):

28,266	943	14,547	13,719	7,132	1,700	1,446	85%	8,418	6,129	2,347
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D. Protecting the Environment (3)

511-0621 Sustainable Forestry Management	B	06-26-93	12-30-99	1%	2%	15,000	1,433	5,476	9,524	5,476	1,000	104	10%	104	5,372	800
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SUBTOTAL I (C):

15,000	1,433	5,476	9,524	5,476	1,000	104	10%	104	5,372	800
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TOTAL - MISSION'S ACTIVE PROJECTS (A THRU D):

291,035	9,276	186,367	104,646	77,898	24,206	18,463	76%	124,547	61,840	24,390
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(1) Project No.	(2) Program/ Project Title	(3) Rating	(4) Date Of Init Oblig.	(5) Last Revised PACD	(6) % OF LOP Elap.	(7) % Oblig. Expend.	(8) Auth. LOP Amount	(9) Current FY Oblig. To Date	(10) Cumul. Amount Oblig.	(11) Mor- gage	(12) Begin- ning FY Pipeline	(13) Planned Semester Expend	(14) Accrued Semester Expend	(15) Accrued As % Of Planned	(16) Cumulat Accrued Expend	(17) Ending Pipeline	(18) Planned Expend (Next Sem)
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II. CENTRALLY FUNDED PROJECTS (3)

598-0640 LAC Training Initiatives II (G)	N/A	04-19-85	09-30-94	99%	100%	866	0	866	2	0	0	0	0%	866	0	0
598-0640.D1 Andean Peace Scholarship	N/A	04-19-85	09-30-94	100%	100%	2,900	0	2,884	16	0	0	0	0%	2,884	0	0
598-0780 Environmental Support (G)	B	09-08-90	12-31-94	93%	93%	216	0	216	0	0	0	200	0%	200	16	16
598-0780 Wetlands for the Americas	B	09-27-93	03-31-95	25%	25%	150	0	150	0	113	37	37	100%	37	113	50

TOTAL (II)

4,134	0	4,116	18	113	37	237	0%	3,987	129	66
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III. TERMINATED PROJECTS

511-T-071 Market Town Capital Formation (L)	N/A	07-22-86	01-23-94	100%	100%	12,003	0	12,003	0	0	0	0	0%	12,003	0	0
511-0573 Market Town Capital Formation (G)	A	07-22-86	01-23-94	100%	100%	6,493	0	6,493	0	0	0	0	0%	6,493	0	0
511-0578 PVO Management Support (G) (2)	B	06-30-88	03-30-94	100%	100%	2,385	0	2,385	0	122	122	122	100%	2,385	0	0
511-0609 Justice Sector (G)	B	09-06-88	10-31-93	100%	96%	2,036	0	2,036	0	149	30	55	0%	1,994	0	0

TOTAL (III)

22,919	0	22,919	0	271	152	177	0%	22,875	0	0
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IV. ACTIVE PROGRAMS

511-0604 FY 92 Economic Recovery Program BOP	B	06-21-92	N/A	100%	100%	46,324	46,324	46,324	0	0	0	0	0%	46,324	0	0
511-0605 FY 93 Economic Recovery Program BOP	C	06-25-93	N/A	100%	50%	40,000	40,000	40,000	0	30,000	20,000	10,000	50%	20,000	20,000	20,000

TOTAL (IV)

86,324	86,324	86,324	0	30,000	20,000	10,000	50%	66,324	20,000	20,000
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SOURCES: - Program Fin Operation Status Reports as of 9/30/93 and 3/31/94 USAID/B/CONT, Project Status Reports (SARS) for period October 1, 1993 through March 31, 1994

- Although the PL-480 Titles II and Title III programs support the Mission's Alternative Development Strategic Objective, they are not reported here because they include no undisbursed dollars.
- The original grant to Planning Assistance entitled "PVO Management Support" with the same Project Number (511-0578), was terminated successfully as of 3/31/92 and was reported in previous SARs. This is another grant, which began implementation in June 1992, to continue supporting Title II Cooperating Sponsors specifically for the Urban Food for Work Program with the major emphasis on strengthening democratic processes at the municipal level as explained in this report. This project terminated successfully this period.
- Mission did not assign rating to two Centrally Funded Projects as these are beyond Mission Management Control.

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C. PIPELINE ANALYSIS
(8000's)

As of March 31, 1994

PROJECT NUMBER	PROJECT TITLE	CUMM OBLIG	FY OBLIGATIONS										TOTAL PIPELINE	PIPELINE										% Over 3.5 Years
			86**	87	88	89	90	91	92	93	94	86**		87	88	89	90	91	92	93	94			
MISSION MANAGED PROJECTS:																								
511-0543	Chapare Regional Development	38,338	16,030	858	5,394	3,087	12,069	--	--	--	--	44	0	0	0	0	44	--	--	--	--	100%		
511-0568	Reproductive Health	10,385	--	--	--	--	2,276	1,580	4,299	1,678	555	3,427	--	--	--	--	194	371	983	1,324	555	6%		
511-0569	Self Fin. Primary Health CARE	2,285	1,010	985	90	200	--	--	--	--	--	68	0	0	0	68	--	--	--	--	--	100%		
511-0571	Polcy Reform	3,932	3,769	--	163	--	--	--	--	--	--	43	0	--	43	--	--	--	--	--	--	100%		
511-0573	Market Town Capital Formation	18,500	8,600	951	5,700	2,236	1,104	--	--	--	--	0	--	--	--	0	--	--	--	--	--	0%		
511-0577	Industrial Transition	6,569	--	1,669	2,400	--	--	--	1,500	800	--	1,772	--	29	114	--	--	--	1,108	523	--	8%		
511-0578	PVO Management Support	2,385	--	--	535	900	200	--	400	350	--	0	--	--	0	0	0	--	0	0	--	0%		
511-0580	Management Training	5,287	2,700	300	--	--	500	679	608	500	--	348	0	0	--	--	0	1	88	259	--	0%		
511-0584	Training for Development	4,720	2,451	--	--	--	505	884	900	--	--	818	--	--	--	--	68	200	550	--	--	8%		
511-0585	Export Promotion	17,384	--	--	--	2,399	2,207	4,776	4,500	3,500	--	2,643	--	--	--	59	5	106	811	1,982	--	2%		
511-0589	Private Agricultural Organization	6,148	550	1,265	1,157	1,227	1,100	--	847	--	--	124	0	0	0	23	0	--	101	--	--	19%		
511-0594	Community & Child Health	17,244	--	--	2,700	2,282	6,309	--	1,453	2,750	1,750	3,249	--	--	0	93	174	--	298	936	1,750	8%		
511-0598	Micro & Small Enterprise	11,649	--	--	2,540	2,478	440	2,043	1,500	2,150	500	4,855	--	--	5	645	200	200	1,255	2,150	500	17%		
511-0597	Radio Learning	1,847	--	--	282	1,012	257	250	46	--	--	100	--	--	0	100	0	0	0	--	--	100%		
511-0598	Strengthening Financial Markets	6,200	--	--	1,000	1,670	1,774	1,766	--	--	--	770	--	--	0	68	178	504	--	--	--	35%		
511-0603	Andean Peace Scholarship	3,604	--	--	1,000	1,770	792	42	--	--	--	47	--	--	3	35	9	0	--	--	--	100%		
511-0607	Self Financing Primary Health II	4,314	--	--	--	--	--	563	1,651	1,200	900	1,794	--	--	--	--	--	1	132	761	900	0%		
511-0608	AIDS/STD Control	3,801	--	--	100	225	175	504	1,000	1,000	797	1,273	--	--	0	39	49	0	58	330	797	7%		
511-0609	Justice Sector	2,031	--	--	500	--	1,037	244	250	--	--	86	--	--	0	--	68	0	18	--	--	79%		
511-0610	Democratic Institutions	2,950	--	--	450	--	--	500	1,000	1,000	--	519	--	--	0	--	--	121	169	229	--	0%		
511-0611	Bolivia Peace Scholarship	2,843	--	--	--	--	--	1,000	1,400	--	443	1,746	--	--	--	--	--	457	846	--	443	0%		
511-0612	National Rural Household Survey	1,000	--	--	--	--	350	650	--	--	--	326	--	--	--	--	0	326	--	--	--	0%		
511-0613	Drug Awareness	6,500	--	--	--	--	--	2,500	2,500	1,500	--	2,043	--	--	--	--	--	122	661	1,200	--	0%		
511-0614	Electrification Alternative Development	14,200	--	--	--	--	--	1,000	6,700	6,500	--	7,116	--	--	--	--	--	0	632	6,484	--	0%		
511-0616	Technical Support Polcy Reform	2,900	--	--	--	--	--	--	1,800	1,100	--	2,352	--	--	--	--	--	--	1,265	1,087	--	0%		
511-0617	Cochabamba Regional Development	38,518	--	--	--	--	--	7,180	20,315	11,023	--	15,194	--	--	--	--	--	388	6,677	8,129	--	0%		
511-0618	CARE Community Development	5,800	--	--	--	--	--	2,000	1,250	1,300	1,250	1,000	--	--	--	--	--	0	0	0	1,000	0%		
511-0619	Interactive Radio Learning	2,968	--	--	--	--	--	415	1,300	1,251	--	434	--	--	--	--	--	0	38	396	--	0%		
511-0620	Child Survival PVO II	7,487	--	--	--	--	--	3,185	3,000	802	500	818	--	--	--	--	--	120	10	188	500	0%		
511-0621	Sustainable Forestry Management	5,476	--	--	--	--	--	--	4,043	1,433	--	5,372	--	--	--	--	--	--	--	3,939	1,433	0%		
511-0623	Special Development Activities	500	--	--	--	--	--	300	150	50	--	119	--	--	--	--	--	48	44	27	--	0%		
511-0624	Displaced Children	460	--	--	--	--	--	210	250	--	--	68	--	--	--	--	--	7	61	--	--	0%		
511-0626	Bolivia Administration of Justice	3,150	--	--	--	--	--	--	700	2,450	--	2,236	--	--	--	--	--	--	232	2,004	--	0%		
511-0631	Human Resources for Development	1,500	--	--	--	--	--	--	1,000	500	--	1,482	--	--	--	--	--	--	--	982	500	0%		
Total Mission Managed Projects		262,851	35,019	6,228	24,011	20,384	31,094	32,223	59,319	45,945	8,628	62,686	0	29	165	1,150	989	2,972	16,033	32,970	8,378	4%		
Centrally Funded Projects																								
598-0780	Environ. Support	216	--	--	--	--	75	141	--	--	--	16	--	--	--	--	16	0	--	--	--	100%		
598-0780.01	Wetlands for the Americas	150	--	--	--	--	--	--	--	150	--	112	--	--	--	--	--	--	--	112	--	0%		
936-0580	Sandflies Research	121	--	--	--	--	121	--	--	--	--	41	--	--	--	--	41	--	--	--	--	100%		
936-5970	AIDS&Child Surv.	65	--	--	--	--	--	--	65	--	--	62	--	--	--	--	--	--	--	62	--	0%		
Total Central Funded Projects		552	0	0	0	0	196	141	65	150	0	231	0	0	0	0	57	0	62	112	0	25%		
TOTAL CENTRALLY FUNDED + MISSION MANAGED		263,403	35,019	6,228	24,011	20,384	31,290	32,364	59,384	46,095	8,628	62,917	0	29	165	1,150	1,046	2,972	16,095	33,082	8,378	4%		

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

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D. RATING OF PROJECTS

SEMI-ANNUAL REPORT, OCTOBER 1, 1993 TO MARCH 31, 1994

EXPANDED ECONOMIC OPPORTUNITY AND ACCESSRATING RATING

1.	511-0573	Market Town Capital Formation	A
2.	511-0577	Industrial Transition	B
3.	511-0580	Management Training	A
4.	511-0584	Training for Development	A
5.	511-0585	Export Promotion	A
6.	511-0596	Micro & Small Enterprises	B
7.	511-0598	Strengthening Financial Markets	B
8.	511-0604	FY 92 Economic Recovery Program BOP	B
9.	511-0605	FY 93 Economic Recovery Program BOP	C
10.	511-0614	Electrification for Sustainable Development	A
11.	511-0616	Technical Support for Policy Reform	B
12.	511-0617	Cochabamba Regional Development	B
13.	PL 480	Title II Regular Program and Monetization	B
14.	PL 480	Title III	B

IMPROVED EFFECTIVENESS AND ACCESSIBILITY OF KEY DEMOCRATIC INSTITUTIONS AND PRACTICES

*	1.	511-0578	PVO Management Support	B
	2.	511-0603	Andean Peace Scholarships	A
	3.	511-0610	Democratic Institutions	A
	4.	511-0611	Bolivian Peace Scholarships	B
	5.	511-0623	Special Development Activities	A
	6.	511-0626	Administration of Justice	B
	7.	511-0631	Human Resources for Development	B

PROTECTING THE ENVIRONMENT

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

IMPROVED FAMILY HEALTH THROUGHOUT BOLIVIA

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

* Terminated project, this is final report/// A = 13; B = 19; C = 2

E. USAID/BOLIVIA – PORTFOLIO FIT WITH PROGRAM PRIORITIES

(\$ MILLION)

EXPANDED ECON OPPTY & ACCESS					ENVIRONMENT				FAMILY HEALTH				DEMOCRACY						
A) Strong Fit	FY92	FY93	FY94*	LOP	A) Strong Fit	FY92	FY93	FY94	LOP	A) Strong Fit	FY92	FY93	FY94	LOP	A) Strong Fit	FY92	FY93	FY94	LOP
T071 – Market Towns Cap. Form (L)				12.00	0621 – Sust Forestry Mgmt		4.04	1.43	15.00	0568 – Repro Hlth Services	4.30	1.68	2.41	19.55	0578 – Support for Title II Pl	0.40	0.35	0.00	2.44
0573 – Market Towns Cap For	0.00	0.00	0.00	6.50	598–0780: Environment Supp	0.00	0.00	0.00	0.22	0594 – Community & Child	1.45	2.75	2.75	20.00	0603 – Andean Peace Scholsh	0.00	0.00	0.00	3.77
0577 – Industrial Transition	1.50	0.80	0.00	6.60	598–0780.1: Wetlands for the	0.00	0.00	0.00	0.15	0607 – Self Pla Primary Hlth	1.65	1.20	0.90	6.50	0609 – Justice Sector	0.25	0.00	0.00	2.04
0580 – Management Trng	0.60	0.50	0.71	6.00						0608 – AIDS Prev & Contr	1.00	1.00	0.80	4.00	0610 – Democratic Inst.	1.00	1.00	0.00	3.00
0584 – Trng for Dev.	0.90	0.00	0.00	4.72						0613 – Drug Awareness	2.50	1.50	2.72	9.22	0611 – Bol Peace Scholshp	1.40	0.00	0.71	4.50
0585 – Export Promotion	4.50	3.50	3.00	23.50						0618 – CARE Community I	1.25	1.30	1.65	7.00	0623 – Special Dev Act	0.15	0.05	0.10	0.50
0596 – Micro & Small Ent. D	1.50	2.15	0.50	13.85						0619 – Interactive Radio L	1.30	1.25	0.90	5.00	0626 – Admin of Justice***	0.70	3.20	3.90	10.00
0598 – Strag Financial Merit	0.00	0.00	0.50	6.20						0620 – Child Surv. FVO ac	3.00	0.80	0.50	8.00	0631 – Human Resources for	0.00	1.00	0.50	6.50
0604 – FY92 BOP	22.00	24.32	0.00	46.32						0624 – Displaced Children	0.25	0.00	0.00	0.46					
0605 – FY93 BOP	0.00	10.00	30.00	40															
0614 – Elect for Sustain Dev	6.70	6.50	0.00	19.20															
0616 – Tech Sup for Pol Ref	1.80	1.10	3.10	8.00															
0617 – Cochabamba Reg. De	20.32	11.02	18.28	80.00															
PL480 – Title II																			
PL480 – Title III	22.37	20.00	20.00	62.30															
B) Secondary Fit																			
Sub – Total	82.19	79.89	78.09	335.19		0.00	4.04	1.43	15.37		16.70	11.48	12.61	79.73		3.90	5.60	5.21	32.74
Percent	80%	79%	80%	72%		0%	4%	1%	3%		16%	11%	13%	17%		4%	6%	5%	7%

PL480 BOP FY92 62.30

TOTAL LOP ALL ACTIVITIES **: \$463.03

TOTAL OBLIGATIONS: FY92 FY93 FY94
102. 101. 97.34

* All FY94 numbers are estimates

** Does not include amounts for PL 480 Title II as this is quantified in metric tons of food.

*** FY93 obligation includes OYB transfers to ICITAP for \$750,000

F. Project Development Schedule for FY 94 and FY 95
(As of May 7, 1994)

Project Name	Project Number	1994										Authoriz Date	Initial Obligation Date	CN Req'd?	In FY 94/95 Action Plan?	Design Committee	
		May	June	July	August	Sep	Oct	Nov	Dec	PDI	Tech. Office						
FY95 Economic Recovery BOP	511-0630			CP		PAAD						11/94	01/95	Yes	Yes	LL	ECON:KBeasley
Special Development Activities	511-0633	PP										07/94	09/94	Yes	No	JV	DP:HDMedina
Democratic Development & Citizen Participation	511-0634					PP	CN					10/94	01/95	Yes	No	PN	DID:WGuevara
Microfinance	511-0637		PP		CN							08/94	10/94	Yes	No	LB	EO:SSmith

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COUNTRY: Bolivia
 Date As of: March 31, 1994
 Date Completed:

USAD/BOLIVIA PORTAFOLIO REVIEW: ANNUAL REPORT MATRIX FOR MARCH 31, 1994

1	2	3	4	5	6	7	8	9	10	11	12	13	14
PROJECT NAME AND NUMBER	DATE OF INITIAL OBLIG.	PROJ. DESIG. (A/B/C)	STATUS OF CP'S (>18MOS)	SIZE OF PIPELINE (YEARS)	AGE OF PIPELINE (>50%>4YRS)	ACCRUED EXPENDITURES (<60% PLAN)	UNCOMMITTED BALANCE	EOPS A BEHIND	EOPS B ACCELERATED	AUDIT ONE (NONE 18 MOS)	AUDIT TWO (IG>6MOS)	EVALUATION ONE (NOT 3YRS)	EVALUATION TWO (PES REC > 6MOS)
EXPANDED ECONOMIC OPPORTUNITY AND ACCESS						94 (1)	94 (2)						
511-0573 Market Town Capital Formation	07-23-89	A				X			X			X	
511-0577 Industrial Transition	08-24-87	B		X X		X				X		X	
511-0580 Management Training	08-30-85	A							X				
511-0584 Training for Development	08-28-85	A		X X						N/A		X	
511-0585 Export Promotion	11-09-88	A							X	X			N/A
511-0596 Micro & Small Enterprises	08-31-88	B		X X					X				
511-0598 Strengthening Financial Markets	05-13-88	B											N/A
511-0604 FY 92 Economic Recovery Program BCP	N/A	B		X **		N/A						N/A	
511-0605 FY 93 Economic Recovery Program BCP	N/A	C						X				N/A	
511-0614 Electrification for Sustainable Development	07-26-91	A		X *					X	N/A		N/A	
511-0616 Technical Support for Policy Reform	07-20-92	B						X		N/A		N/A	
511-0617 Cochabamba Regional Development	07-05-91	B							X				N/A
PL 480 Title II Regular Program and Monetization	N/A	B											
PL 480 Title III	N/A	B											
IMPROVED EFFECTIVENESS AND ACCESSIBILITY OF KEY DEMOCRATIC INSTITUTIONS AND PRACTICES													
511-0578 PVO Management Support	06-30-88	B							X				
511-0603 Andean Peace Scholarships	07-28-88	A		X **		X			X	N/A			
511-0610 Democratic Institutions	09-08-88	A										X	
511-0611 Bolivian Peace Scholarships	08-05-91	B		X X					X	N/A		X	
511-0623 Special Development Activities	06-28-91	A		X *						N/A			N/A
511-0626 Bolivia Administration of Justice	09-30-92	B				X		X		N/A		X	
511-0631 Human Resources for Development	03-30-93	B											
PROTECTING THE ENVIRONMENT													
511-0621 Sustainable Forestry Management	08-26-93	B											
598-0780 Environmental Support	09-08-90	A											
598-0780 Wetlands for the Americas	09-27-93	B		X *									
Enterprises for the Americas Environmental Account	11-26-91	B											
IMPROVED FAMILY HEALTH THROUGHOUT BOLIVIA													
511-0588 Reproductive Health Services	07-31-90	A		X **				X					
511-0594 Community and Child Health	07-28-88	B						X					N/A
511-0607 Self Financial Primary Health Care II	05-09-91	A				X		X				X	
511-0608 AIDS/STD Prevention and Control	07-28-88	B											N/A
511-0613 Drug Awareness and Prevention	09-12-91	A											
511-0618 CARE Community Development	03-28-91	B						X					N/A
511-0619 Interactive Radio Learning	09-23-91	A				X		X				X	
511-0620 Child Survival PVO Network II	06-27-91	C		X **									
511-0624 Displaced Children Earmark	09-30-91	B		X *		X			X				

* as of March 1994 no check

** as of 9/92

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MISSION DIRECTOR NARRATIVE

I. STATUS OF THE PORTFOLIO - SPRING PORTFOLIO REVIEW RESULTS

The Mission's FY94 first semester semi-annual portfolio review was again framed by the Agency's budget realities and its new strategic focus. With regard to the Agency's budget limitations, efforts continue to be made to achieve U.S. assistance objectives with fewer projects and at lower resource levels. Plans for amendments and new projects were canceled and four projects will be carried to completion at current obligation levels, despite the fact that these levels are below authorized amounts or previously planned LOP increases.

With regard to the Agency's new strategic focus, and projected reduced funding availability, we have consolidated our Strategic Objectives from five to four. We have changed the Strategic Objective of transforming the Bolivian Economy from its dependence on coca to a more modest Program Outcome of increasing non-coca economic opportunities in the Chapare and associated areas under the Expanded Economic Opportunity and Access Strategic Objective. Thus the four new Strategic Objectives are the same as in the Agency's October 1993 Strategy Papers: Expanded Economic Opportunity and Access, Family Health, Strengthening Democracy, and Environment.

USAID/B characterizes its portfolio as healthy with nineteen projects of thirty-two total active projects (plus two that terminated this period), ESF programs, PL480 programs and centrally funded projects under Mission management receiving a "B" rating. Thirteen projects received an "A" rating, and two projects were given a "C" rating.

II. SIGNIFICANT PROBLEMS

Two projects were given a "C" rating because of implementation delays attributable to factors fully outside USAID/B's control. In the case of the FY93 ESF Economic Recovery Program, implementation is behind schedule because of the GOB's failure to meet the coca eradication targets on which program disbursements are conditioned. Delays occurred during the negotiation of FY 93 ESF Agreement with the previous Bolivian administration and in reaffirming that agreement with the new administration. Near the end of FY 1993, the Mission moved quickly to start the consultation process with USAID/Washington to extend the FY 93 ESF program further into 1994, i.e., beyond the CP termination date of 3/31/94. The justification is that this extension would allow the new GOB administration to fully "buy in" to counternarcotics conditions and not be punished for failure to fully meet eradication targets. Currently, a USG interagency group is considering possible conditions for extension of the final date for meeting the CPs for the third and fourth tranches.

The Mission's second "C" project is Child Survival PVO Network II (511-0620). After three years of efforts by the host country NGO (PROCOSI) and USAID/B, the GOB has not paid the \$2.5 million premium promised as part of the debt swap even though the \$5 million allocated to the debt swap by USAID has retired \$31 million in Bolivian commercial debt. However, the \$5 million principal has been returned with interest and this will still allow PROCOSI to achieve self-sufficiency, though not as quickly as if the premium had been paid in a timely fashion. After the end of the reporting period the GOB signed a

a

promissory note, wherein they promised to pay the premium in five installments between now and March 1995.

The Micro and Small Enterprise Development (MSED) and Industrial Transition Projects show relatively large pipelines. MSED has had a large pipeline because the credit union federation proved to be insolvent and funds for loans were not disbursed, but rather used for the establishment of a stabilization fund which is just getting started. Disbursements under the Industrial Transition Project for privatizations were delayed with the change of government and because a buy-in contract was canceled.

A number of projects are achieving EOPS at a faster rate than planned.

III. MISSION VIEWS AND COMMENTS ON CENTRAL SYSTEMS

Our HHR Office makes extensive use of centrally-funded contracts. To access these services, HHR provides funding through either buy-ins or add-ons, depending on whether the cooperating agency is centrally funded through a contract or cooperative agreement. In either case, a PIO/T must be processed through OP.

Our experience to date is that the centrally funded projects offer an excellent means of obtaining highly specialized technical assistance. This mechanism has been particularly valuable in our Reproductive Health Services Project, which works with many institutions with limited experience in the field. Our major problem is the inordinate delays in receiving FY budget allocations complicated by the long delays by OP in processing our PIO/Ts. Even simple incremental funding actions have been delayed for months to the detriment of project implementation. A current example: two PIO/Ts have been languishing in OP since early January.

Once the contract is awarded, when country-specific activities are being planned, we are forced by present procurement regulations to act as though the Mission, in its preparation for a "buy-in" to the project, has developed the scope of work totally independently of the contractor. There are situations where, for various reasons, usually due to the technical nature and required detailed technical knowledge of the implementation of programs on the ground, the Mission needs assistance from contractor technical personnel to develop future plans for local projects. Given the nature of the tasks required of a USAID project manager in the field, it cannot be any other way. Contractor technical personnel have already been recognized by USAID (through competition) as the best in their field, and the Mission should be allowed to make the first critical review of the contractor's in-country activities and suggestions, and decide what merits continued and future funding accordingly.

However, once a PIO/T is completed by the Mission, it goes back to Washington, where a central contracts officer outside the Mission "negotiates" country-specific activity with the contractor. There must be a better way to meet project implementation realities within procurement regulations than to have to go through this two step process. What would be wrong with contractor personnel preparing in-country proposals for review and negotiation by the Mission which would then form the basis for the PIO/T submitted to OP?

In addition, the myriad of mechanisms - contracts, cooperative agreements, Q contracts, IQCs, etc - all with their different requirements in terms of "buy-ins, "add-ons", "incremental funding", etc, create a nightmare of bureaucracy for Mission project managers. If these procedures were simplified, the project manager would have more time to do field work and monitor project activities.

Regarding other central systems, one of the key technical roles that should be played by USAID/Washington is research, dissemination and training. More could be done. Although some projects may have this mandate, they are not complying. The GEMINI project, for instance, is a central project designed to give technical support to field missions and to conduct research and dissemination in the microenterprise field. It has completed much relevant research, but has been timid about passing results on to field missions. Perhaps the project could better pull together lessons learned in this dynamic sector for the consumption of field development officers. Such an exercise would make an enormous contribution to the quality of future programming. The GEMINI project, with the huge body of current information it is collecting, could also design and implement a series of training activities for field officers. GEMINI is probably not unique in that many other similar projects live similarly isolated lives. In the same vein, but in a broader context, CDIE does much good research and has lots of information that field officers could use to better design and implement projects. However, we believe CDIE could do a better job of disseminating this information. More effort should be made to provide funding and personnel specifically for pulling together and disseminating recent development lessons that we all should know.

Regarding regional projects, the Parks in Peril Project with The Nature Conservancy has been helping local NGOs develop the capacities necessary to help manage parks and protected areas and conserve biological diversity. TNC, through the project, has provided such groups with limited, but important, financial assistance, as well as with training in a broad range of technical and administrative fields.

The Environmental Support Project has also been important, having provided funding for three grants in recent years. These three tug-boat like grants have played an important role in shaping the Mission's environment and natural resources management program, despite the small levels of resources, by attracting the best and the brightest to do this kind of work in Bolivia. Both projects are regional activities that clearly help us meet local needs while, at the same time, helping to advance our state of knowledge or address some of the big issues in natural resources management.



Carl H. Leonard
Mission Director

I. MISSION DIRECTOR'S OVERVIEW

A. PORTFOLIO OVERVIEW

- 1. Summary**
- 2. Status of Strategic Objectives**
- 3. Portfolio Consolidation**
- 4. Mortgage Analysis**
- 5. Pipeline Analysis**
- 6. Expenditures**

B. FINANCIAL SUMMARY

C. PIPELINE ANALYSIS

D. RATING OF PROJECTS

E. PORTFOLIO FIT WITH PROGRAM PRIORITIES

F. PROJECT DEVELOPMENT SCHEDULE

II. PROJECT STATUS REPORTS

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

A. EXPAND ECONOMIC OPPORTUNITY AND ACCESS

1. 511-0573 Market Town Capital Formation
2. 511-0577 Industrial Transition
3. 511-0580 Management Training
4. 511-0584 Training for Development
5. 511-0585 Export Promotion
6. 511-0596 Micro & Small Enterprises
7. 511-0598 Strengthening Financial Markets
8. 511-0604 FY 92 Economic Recovery Program BOP
9. 511-0605 FY 93 Economic Recovery Program BOP
10. 511-0614 Electrification for Sustainable
Development
11. 511-0616 Technical Support for Policy Reform
12. 511-0617 Cochabamba Regional Development
13. PL 480 Title II Regular Program and
Monetization
14. PL 480 Title III

PROJECT STATUS REPORT
October 1, 1993 - March 31, 1994

I. Background Data

Project Title: **Market Town Capital Formation**
 Project Number: 511-0573
 Date of Authorization: original 07/23/86 amended 11/03/89
 Date of Obligation: original 07/23/86 amended 07/31/90
 PACD: original 07/22/91 amended 01/23/94
 Implementing Agencies: Ministry of Planning and Coordination
 (MPC)/Project Coordination Unit (PCU)
 Financial Credit Unions (FCU) of
 Departmental Development Corporations (DDC)
 Intermediate Credit Institutions (ICIs)
 Major Contractors: Development Associates, Inc.
 AID Project Manager: Richard P. Rosenberg
 AID Project Coordinator: Gabriela de Santa Cruz (FSN-PSC)
 Status of CPs/Covenants: All CPs have been met.
 Date of Last Evaluation: 08/01/90
 Audit:

Organization	Audit Responsibility	Last Audit Completed	Next Audit Begin Date	Total Audits Completed to Date
PCU	USAID/Bolivia	01/05/93*	N/A	7**

- * Not originally included in Recipient Audit Universe; however, since project funds exhausted in 1992, the agreement was redrafted following the AID Audit Regulations to provide for a close-out audit.
- ** Consists of 1 federal audit 1 recipient audit for the period 1986-89 and 5 internal audits contracted with PCU's own resources.

II. Financial Data (\$000)

a) Amount Authorized: Original 18,500
 DA Grant 3,500
 DA Loan 15,000
 b) Amount Obligated: 18,496
 DA Grant 6,497
 DA Loan 12,003
 Cumulative: 18,496
 c) Amount Committed: Period: -2
 Cumulative: 18,496
 d) Accrued Expenditures: 1) Period-Projected: 2
 2) Period-Actual: 0
 3) Next Period Projected: 0
 4) Cumulative to date: 18,496
 e) Pipeline: 0*

- * \$2,099 have been deobligated as of January 31, 1994
- % LOP Elapsed: 100
- % of Total Auth. Oblig.: 100
- % of Total Oblig. Exp.: 100
- % of Total Auth. Exp.: 100

Counterpart Contribution (GOB):

f) Counterpart Planned LOP*:	42,900
g) Counterpart Cumulative Planned as of 3/31/94:	42,900
h) Actual Counterpart Expenditures as of 12/31/93:	42,900
i) Accrued Counterpart Expenditures 1/1/94 to 3/31/94:	0
j) Total Counterpart Actual and Accrued Expenditures as of 3/31/94:	42,900
k) Counterpart Planned Next Period:	0
l) % of LOP Expended:	100

* Counterpart contribution is comprised of PL-480 support (\$6,500,000), Departmental Development Corporations support (\$400,000) and Owners Equity (\$36,000,000).

III. Project Goal/Strategic Objective

The Project goal is to achieve a higher standard of living, through increased employment and production in Bolivia's rural and semi-urban areas.

It contributes to the Mission's strategic objective of "Expanding Economic Opportunity and Access" by creating and expanding opportunities for employment.

IV. Project Purpose

The Project purpose is to increase the level of productive private sector investment in Bolivia's rural and semi-urban areas.

V. Project Description

The Project provides loan and grant funds to: a) further develop a decentralized investment financing system, b) support domestic investment promotion activities, and c) improve the capabilities of the institutions involved in the Project.

VI. Project Status

A. Purpose Indicators/ EOPS	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1. Non-traditional exports sales attributable to USAID assistance (\$000)	60,000	500	62,565	0	3,671	56,085	93
2. Number of permanent male jobs created by firms/individuals receiving USAID supported services	3,640	250	4,895	0	317	6,201	170
3. Number of permanent Female jobs created by firms/individuals receiving USAID supported services	1,560	115	2,135	0	56	2,472	158

B. Major Output Indicators	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1. Productive private sector loans approved (\$000s)	21,500	400	28,200	0	755	31,057	144
2. A self-sufficient system of financing and promoting investments	1	0	N/A	N/A	0	1	100
3. Regional Offices with an improved capability to promote investments	8	0	0	0	0	8	100
4. Training							
Male	700	0	780	0	0	816	117
Female	300	0	260	0	0	246	82

C. Overall Status

This will be the last Project Status semi-annual report since the project assistance completion date was January 23, 1994.

Major activities during the reporting period include:

1) Through Project Implementation Letter No. 96, dated January 4, 1994, the Government of Bolivia (GOB) and USAID made the final provisions for the close-out of the Project Agreement, as follows:

- The PCU would complete the transfer of the MTCF project resources to FUNDA-PRO by PACD; and
- The GOB and AID might jointly agree to a different use of the Departmental Development Corporations Project (DDCs) resources than that already established in PIL No. 87 if any of the Departmental Development Corporations request the relevant portion of the DDCs Project portfolio assigned before March 31, 1994. Otherwise the resources that are not authorized and assigned for other purposes would be transferred to FUNDA-PRO.

At the request of the Minister of Finance USAID/Bolivia agreed to extend the term to define the use of the DDCs Project portfolio, as established on PIL No. 96, from March 31, 1994 to May 31, 1994.

2) A Letter of Understanding between USAID/Bolivia and the Foundation for the Production (FUNDA-PRO), the private, non-profit foundation that will institutionalize the MTCF Project, was signed on January 14, 1994 to establish the stipulations that will apply until January 31, 1999, which consist of:

- FUNDA-PRO will provide to USAID in January of each year a concise report of future targets and performance against past targets.

- In the event that USAID should believe that FUNDA-PRO is deviating from the effective fulfillment of its original purposes, USAID shall raise its concern in a consultation with FUNDA-PRO's Board of Directors.

3) During the reporting period the MTCF Project financed 13 sub-projects totalling \$755,000, which brings the total number of sub-projects financed to 504 sub-projects financed for \$31,056,823.

4) For administrative and accounting purposes the relationship between the Financial Credit Units (FCUs) and PCU-MTCF ended on December 31, 1993. In January the PCU limited its activities to the project close-out.

5) Close-out audit is in its final stage.

6) FUNDA-PRO, using resources from the FOCAS portfolio and elsewhere, is carrying out several programs to expand the scope of financial services to under-served clientele:

- a) FOCAS-PRO: a credit line which provides extra incentives for commercial banks to finance projects in under-served regions.
- b) BHN: an innovative program under which a local commercial bank will use FUNDA-PRO's investment plus funds of its own to open a special department to finance small business projects which do not have the normally-required guarantees.
- c) LAAD: finance for small exporters
- d) Micro finance: FUNDA-PRO is providing millions of dollars of loans deposits to Banco-Sol, PRODEM and SARTAWI, to finance rural and urban microcredit.

D. Problems and Delays

None.

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

Project Assistance Completion Report 6/30/94

Rating: B

PROJECT STATUS REPORT
October 1, 1993 - March 31, 1994

I. Background Data

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

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

II. Financial Data (\$000)

a) Amount Authorized: 6,569
b) Amount Obligated: 6,569
c) Amount Committed: Period: 33
Cumulative: 5,841
d) Accrued Expenditures: (2) 1) Period-Projected: 750
2) Period-Actual: 108
3) Next Period Projected: 500
4) Cumulative to date: 4,797
e) Pipeline (b-d,4): (3) 1,772
% LOP Elapsed: 82
% of Total Auth. Oblig. (b/a): 65
% of Total Oblig. Exp. (d,4/b): 73
% of Total Auth. Exp. (d,4/a): 47

- (1) U.S. based for-profit institutions are subject to the same audit requirements established under OMB A-133, under the responsibility of OP/PS/OCC. Project specific audits of contractor performance are not required.
- (2) The difference between Period-Projected and Period-Actual is primarily due to GOB delays after the elections in continuing with new transactions.
- (3) Pipeline does not accurately reflect true level of expenditures to date. These figures should come down substantially for the next reporting period.

Counterpart Contribution (GOB)

f) Counterpart Planned LOP:1	2,300
g) Counterpart Cumulative Planned as of 3/31/94:	2,300
h) Actual Counterpart Expenditures as of 12/31/93:	1,803
i) Accrued Counterpart Expenditures 1/1/94 to 3/31/94:	497
j) Total Counterpart Actual and Accrued Expenditures as of 3/31/94 (h+i):	2,300
k) Counterpart Planned Next Period:	0
l) % of LOP Expended (j/f):	100

1 Due to recent DIFEM budget cuts, the planned LOP has been reduced by \$50,000. Said reduction will be reflected in the next Project Implementation Letter.

III. Project Goal/Strategic Objective

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

IV. Project Purpose

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

V. Project Description

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

VI. Project Status

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

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

C. Overall Status

Progress under this project has been significant over the past six months, particularly under components of the Social Security Pension Reform Initiative. As a result of the GOB's decision to combine the share distribution component of its ongoing Capitalization Program with that already designed for the Pension Reform Initiative, most TA related to this effort has been accelerated.

Over 90% of the work required for the legal framework has been accomplished. Current estimates indicate that the Pension Reform Law will be introduced to Congress by mid June 1994, and its subsequent approval is expected shortly thereafter. The start-up of the new system is slated for early 1995.

Evaluation of the GOB's privatization program is best accomplished if viewed as two components. The first, which is primarily supported with World Bank funding, is the government's Capitalization Program. This initiative basically consists of the decision (the Capitalization Law was approved on March 21, 1994) to sell up to 49% of the stock value of the GOB's largest assets to strategic investors whom would in turn assume management and control of those companies. Among these are the National Oil (YPFB), Electricity (ENDE) and Telecommunication (ENTEL) companies. The remaining stock value will be distributed to every Bolivian citizen over the age of 21, potentially providing long-term social security benefits to over 3.2 million Bolivians. The share distribution mechanism will be based on that already designed for the Pension Reform initiative, i.e. the use of individual investment accounts.

The other component which has received direct USAID support, has been the privatization of smaller state-owned-enterprises. To date this effort has produced the sale of 13 companies, not including the closure or transfer of another 27 entities**. During this last reporting period no new transactions have taken place, primarily due to government re-structuring and the emphasis placed on Capitalization. The Mission anticipates that progress in this area will improve as the GOB consolidates its overall privatization/capitalization program.

D. Problems and Delays:

As mentioned above, the pace of smaller company divestitures has slowed, but only temporarily as the Mission is convinced that the GOB is firmly committed to this process. Any delays should be viewed as a necessary re-ordering of priorities, but by no means the end of the program. The Mission anticipates that this loss of momentum will be regained during the second semester of 1994.

(*) The estimated number of SOE's privatized for this period, may appear to have been overstated, but the lack of progress was in fact due to protracted post-electoral/GOB restructuring.

(**) We have not taken credit for these transactions as they were supported by IDB funding.

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

The long awaited Public Information campaign for the Pension Reform initiative is about to get under way. The campaign as currently envisioned will have three major components. The first will focus on the preparation and presentation of several nationwide seminars, as well as smaller group meetings, tailored to specific audiences, particularly politicians and opinion leaders. The second will be designed around mass media vehicles such as TV commercials, and documentaries, as well as radio interviews and jingles. Finally, there will be a strong press component, that will act as a link between the Secretaría Nacional de Pensiones (SNP) and the public, via the larger newspapers of the country.

In regards to the GOB's privatization program, this effort is expected to resume once the capitalization initiative gets well under way.

Rating: A

PROJECT STATUS REPORT
October 1, 1993 - March 31, 1994

I. Background Data

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

Organization	Audit Responsibility	Last Audit Completed	Next Audit Begin Date	Total Audits Completed to Date
IDEA	Recipient	08/18/92	04/30/94	1

* This will be amended to 3/95.

II. Financial Data (\$000)

a) Amount Authorized: 6,000
 b) Amount Obligated: 5,287
 c) Amount Committed: Period: 117
 Cumulative: 5,045
 d) Accrued Expenditures: 1) Period-Projected: 300
 2) Period-Actual: 389
 3) Next Period Projected: 406
 4) Cumulative to date: 4,939
 e) Pipeline: 348

% LOP Elapsed: 86.5
 % of Total Auth. Oblig.: 88
 % of Total Oblig. Exp.: 93
 % of Total Auth. Exp.: 82

Counterpart Contribution (GOB):

f) Counterpart Planned LOP:	3,883
g) Counterpart Cumulative Planned as of 3/31/94:	3,338
h) Actual Counterpart Expenditures as of 12/31/93:	3,546
i) Accrued Counterpart Expenditures 1/1/94 to 3/31/94:	156
j) Total Counterpart Actual and Accrued Expenditures as of 3/31/94:	3,702
k) Counterpart Planned Next Period:	355
l) % of LOP Expended:	95

III. Relationship to Mission Strategic Objective

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

IV. Project Purpose

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

V. Project Description

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

VI. Project Status

A. Purpose Indicators/ EOPS	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumula- tive	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1. Cost Recovery (Financial Sustainability) ¹	.65	.63	N/A	.74	.93	N/A	143
2. Overhead Rate (Program Efficiency) ²	1.95	1.88	N/A	1.73	2.17	N/A	111
3. Deposits to Trust Fund ³	1,659,000	213,170	1,192,342	331,870	263,046	1,085,285	65

B. Major Output Indicators	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1. Number of Training Activities	1,750	150	1,380	200	182	1,494	85
2. Number of Participants							
Male	24,636	2,079	19,299	2,904	3,445	25,858	105
Female	12,134	1,071	9,681	1,496	1,984	12,560	103
3. Participant Training Hours							
Male	448,900	35,640	345,600	43,560	67,798	467,482	104
Female	221,100	18,360	173,340	22,440	34,370	216,026	98

C. Overall Status

1. In this period, we worked to accelerate the self-sufficiency of IDEA and to get this project off our books as an active project. By using the authority of Section 534 of the FY 94 Appropriations Act, it was decided to authorize IDEA to deposit the grant funds into a separate interest bearing account, for continuation of activities after the PACD, which would be changed to March 31, 1994. IDEA was also going to be authorized to utilize such USAID project funds deposited in the trust fund account and the interest earned thereon for IDEA program purposes described in the Cooperative Agreement, before applying its own earnings or other funds, which would continue to be deposited in the existing separate endowment fund account. In order to accomplish this, deviations from the refund provision and the payment-periodic advance provision were needed. However, AID/W rejected the approach as in conflict with the draft Endowment Guidelines developed for Sec. 534,

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

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

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

which require an endowment to have a duration of at least 15 years. Therefore, it was decided to continue project implementation as scheduled.

2. In compliance with Amendment No. 6 to the Cooperative Agreement, IDEA continued to deposit all the income generated to the Trust Fund, thus ensuring self-sustainability after PACD. Fee income generated during the reporting period was higher than planned mainly due to successful activities that had not been budgeted and the number of participants was higher than expected. In addition, IDEA started improved cost control. As a result, the cost recovery ratio was significantly better than planned.

However, the overhead rate was higher than planned, mainly because the remodelling expenses of the Santa Cruz new office building almost doubled the budget. IDEA will submit a plan to AID indicating how they intend to correct the situation to meet the target of 1.73 in during the next period.

On March 3, 1994, the new office building in Santa Cruz was inaugurated. Presently, the three regional offices have their own premises.

3. An agreement was reached with the World Bank through the Technical Assistance Service (SAT) to offer courses to micro-entrepreneurs in the cities where IDEA does not have regional offices. SAT subsidized 50% of the course costs thus allowing lower income regions to have access to IDEA's training activities. Under this program IDEA offered courses in Oruro, Potosí, Tarija, Sucre, Trinidad and Cobija, mainly to micro-entrepreneurs. This program also sponsored a special activity for women, which was held in Cochabamba.

In addition, the Implementation and Financial Agreement signed between the GOB/DIFEM and IDEA for the In Country Seminars Program was amended and several training activities were held in cities other than La Paz, Cochabamba and Santa Cruz.

In November, IDEA organized and coordinated the Latin American Marketing Congress held in La Paz and Santa Cruz, with 260 participants in both cities.

During the reporting period, there were five seminars given by international instructors.

D. Problems and Delays

A tourism program that was supposed to start during this period could not be started because of changes in the GOB Department of Tourism.

The remodelling of the new office building in Santa Cruz was two months behind schedule because there were several changes that were not authorized by AID and which almost doubled the originally agreed upon budget. DIFEM will reimburse IDEA only for the original amount authorized. IDEA Santa Cruz borrowed money from the trust fund to cover the expenses that DIFEM would not cover. The building has sufficient space to allow for an increase in training activities that will enable IDEA to repay the borrowed money more rapidly.

E. Major Activities for the next period

- . Seminar on Program and Project Design, Evaluation and Implementation, by Pittsburgh University May/94
- . Begin new activities in other cities of Bolivia, according to the projected needs of each region May/94
- . Begin more seminars with international instructors June/94

Counterpart Contribution (GOB and Participants):	In Kind	Cash
f) Counterpart Planned LOP:	1,920 (2)	170
g) Counterpart Cumulative Planned as of 3/31/94:	1,073	86
h) Actual Counterpart Expenditures as of 12/31/93:	1,145	86
i) Accrued Counterpart Expenditures 1/1/94 to 3/31/94:	35	0
j) Total Counterpart Actual and Accrued Expenditures as of 3/31/94 (h+i):	1,180	86
k) Counterpart Planned Next Period:	100 (3)	73
l) % of LOP Expended (j/f):	62%	51

(1) Spending on long-term master's training is spread over 12 to 24 month periods, thus the pipeline tends to decrease slowly.

(2) Host-country contribution consisting of cash, payment of airline tickets by participants or sponsors, plus paid leave of absence was revised down in the previous SAR to reflect more realistic numbers.

(3) In-Kind contribution for the next period will account for registration fees for in-country seminars paid by participants in addition to salaries earned while in training.

III. Project Goal/Strategic Objective

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

IV. Project Purpose

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

V. Project Description

The project provides training to Bolivian professionals in areas such as business administration, finance, marketing, economics, agricultural economics and public administration through three components: a) Master's degree training in the U.S. and third countries; b) Short-term technical training in the U.S; and c) In-country seminars.

During FY 1993, USAID/Bolivia revised the project and notified the GOB of its new LOP targets of 63 long-term and 160 short-term. This decision was made as a result of the fact that the new Human Resources for Development project will implement a masters and short-term training program in-country. The LOP funding was reduced by approximately \$1.7 million. In addition, expenditure plans and currently obligated funding targets were revised and we will be deobligating approximately \$ 150,000 by the PACD to correspond to these new targets.

VI. Project Status

NUMBERS ARE BEING REVISED

A. Purpose Indicators/ EOPS Returned/Trained	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1.LT Masters Degree- Male	43	0	32	15	1	33	77
2.LT Masters Degree-Fe- male	20	0	11	2	0	11	55
3.ST Technical-Male	120	0	110	16	0	107	89
4.ST Technical-Female	40	0	31	4	0	33	83
5.Democracy Awareness Program Discontinued 1/89	30	0	0	0	0	30	100
6.In-Country Seminars-Male	80	0	141 (1)	45	0	147	184
7.In-Country Seminars-Fe- male	80	0	75 (1)	30	0	74	93

(1) Correction made in cumulative planned to reflect 21 + 120 planned males and 25 + 50 planned females reflected in previous SAR's.

* With next period's long-term returnees the project will have a returned total of 48 males and 14 females equalling 62 returned participants, plus one non-returnee trained in Costa Rica, totalling the 63 targeted for the LOP.

** With the next group of 20 short-term participants the project will have reached its LOP target of 160 participants.

B. Major Output- Indicators Participants in Train- ing NEW STARTS	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1.LT Masters Degree (de- grees begun)	M 43	0	43	0	0	48	112
	(1) F 20	0	20	0	0	15	75
2.ST Technical (new starts)	M 120	0	110	16	0	107	89
	F 40	0	31	4	0	33	83
3.Democracy Awareness Program (Discontinued in 1/89)	M 30	0	30	0	0	30	100
	F 30	0	30	0	0	30	100
4.In-country Seminar ST	M 80	0	141 (2)	45	0	147	184
	F 80	0	75 (2)	30	0	74	99

Notes:

(1) Correction to 20 to reflect typographical error in previous SAR which read 208.

(2) Correction made in cumulative planned to reflect 21 + 120 planned males and 25 + 50 planned females reflected in previous SAR's.

C. Overall Status

Short-term training

Selection of the last FY 94 targeted short-term courses has been completed. The courses selected are: **IV Taller de Evaluacion Administrativa en el Contexto Latinoamericano, Medio ambiente en Desarrollo comunal, Manejo de Agua en la Finca and Workshop on Performance Contracts.** Emphasis was made in selecting Spanish language seminars to benefit a good number of participants from the private and public sectors. Twenty participants will enroll in these courses.

With this last group of short-term courses the project completes its short-term training target.

Long-term training

Under the masters program, one participant returned with a Master's degree in irrigation. There are 18 participants still in training.

Follow-on program

Under the Follow-on program, returned participants have organized regional committees to design and implement high-impact activities, such as seminars and conferences on capital formation, privatization and management issues. A contractor to manage the funds and logistics is being recruited.

During the reporting period one of our female returned participants has been appointed to a cabinet post as Secretary of the Treasury. Another returned participant has been appointed as President of the Central Bank of Bolivia. This represents an important accomplishment since to date, the project has supplied four cabinet level professionals and 25 top executives to the public and private sectors.

D. Problems and Delays

None

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

1. An estimated six high-impact seminars and workshops will be implemented during calendar year 1994. These seminars will be organized by highly qualified ex-trainees from the project and will be addressed primarily to middle and upper management level executives from the private and public sectors. The multiplier effect of these activities will contribute to further increase the human resource base of highly trained professionals in Bolivia.
2. Twenty applicants, 16 males and four females, will participate in four short-term courses in the U.S. during the next period.
3. There are still eighteen participants in master's training, of which 17 are scheduled to return by August 30, 1994. One participant who has a special waiver will continue training through 1995.
4. Under the in-country training component, four seminars have been scheduled for calendar year 1994 beginning in May. With this last group of seminars, the original target of 160 participants will have been exceeded by 136 participants, making a total of 296 trained participants. Women participation has been emphasized for in-country training.

Rating: A

PROJECT STATUS REPORT
October 1, 1993 - March 31, 1994

I. Background Data

Project Title: **Export Promotion**
Project Number: 511-0585
Date of Authorization: original 11/15/88 amended 06/27/91
Date of Obligation: original 11/18/88 amended 07/19/91
PACD: original 11/16/93 amended 09/30/95
Implementing Agencies: Ministry of Planning and Coordination;
National Export Promotion Institute (INPEX);
Bolivian Institute for Foreign Commerce (IBCE)
Foundation for the Production (FUNDA-PRO)
Major Grantees: CARANA Corporation
AID Project Manager: Joy W. Lucke
Status of CPs/Covenants: CPs met. Covenant in force
Date of Last Evaluation: 01/10/94 Next Evaluation: 09/95
Audit:

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

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

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

II. Financial Data (\$000)

a) Amount Authorized: DA/ESF 23,500
b) Amount Obligated: DA/ESF 17,384
c) Amount Committed: Period: 2,602
Cumulative: 17,098
d) Accrued Expenditures: 1) Period-Projected: 3,000
2) Period-Actual: 1,829
3) Next Period Projected: 2,000
4) Cumulative to Date: 14,441
e) Pipeline: 2,943*
% LOP Elapsed: 78
% of Total Auth. Oblig.: 74
% of Total Oblig. Exp.: 83
% of Total Auth. Exp.: 61

* \$ 1 million of pipeline is for export credit program. Other project components disburse funds at approximately \$250,000 per month.

Counterpart Contribution (GOB):

f) Counterpart Planned LOP:	9,900
g) Counterpart Cumulative Planned as of 3/31/94:	3,032
h) Actual Counterpart Expenditures as of 12/31/93:	1,636
i) Accrued Counterpart Expenditures 1/1/94 to 3/31/94:	2,506*
j) Total Counterpart Actual and Accrued Expenditures as of 3/31/94:	4,142
k) Counterpart Planned Next Period:	796
l) % of LOP Expended:	42

* Significant increase in counterpart due to new equity contribution of export finance clients. These results are under audit and may be subject to revision.

III. Project Goal/Strategic Objective

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

IV. Project Purpose

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

V. Project Description

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

VI. Project Status

A. Purpose Indicators/ EOPS	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative **	% of LOP *
1. Cumulative non-traditional exports (\$000)	100,000	14,160	50,260	13,770	17,842	69,743	70
2. New jobs created	10,500	1,575	5,980	1,770	827	**5,153	49
3. Foreign investor generator export capacity (\$000)	50,000	8,000	23,200	9,900	9,075	***32,445	65

Jobs reported are actual. Committed unrealized investments are expected to generate 1,065 additional jobs over the figures reported above. Temporary jobs during construction/expansion phase have resulted in 15,174 person months of employment.

* % of LOP EOPS accomplished do not match % LOP elapsed because, based on experience in similar projects, targets are set higher for each successive period as the project matures.

** Independent field audit will be conducted during next period on results reported from April 1, 1993-March 31, 1994.

*** Reflects downward adjustment to 9/30/93 figures.

B. Major Output Indicators	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1. Companies strengthened	250	30	175	30	29	163	65
2. Investor visits	220	31	124	36	19	134	61
3. Loan Portfolio (\$000s)*	8,000	1,200	2,400	1,200	1,300	2,500	31
4. Export reference libraries established	3	0	3	0	0	3	100

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

C. Overall Status

This period has been devoted to the examination, strategic planning, refocusing, and fine tuning of the implementation of the Export Project as it reaches maturity. A mid-term evaluation was completed which included a survey on the impact of the employment generated and a financial analysis of the economic impact of the Project. Evaluation results show that the Project is having a positive impact on the Bolivian economy as measured in terms of net value added, total income effect and employment. For every dollar spent on assisting Bolivian non-traditional export companies, \$7.5 of exports and about \$7.8 in total net value added is being generated. Since investments take time to mature, and thus generate significant value added, the benefits of the investment promotion component are less striking, but are still highly positive. For every dollar spent on investment promotion to date, \$3.45 is being generated in investments and about \$3.9 in total economic activity. Since the foreign investment is mainly in export markets, the export capacity is estimated to be 1.45 greater than their value, thus contributing to the expansion of non-traditional, value added exports.

Both components have generated some 8,633 direct permanent jobs (includes full-time equivalent jobs from temporary employment, tracked since 1993, and an estimation for prior years.) and about 13,302 of total direct and indirect employment. By employing large numbers of production workers, the Project has benefitted one of the poorest segments of the labor force. The employment survey revealed worker's salaries in Project assisted activities are 43% higher than the national average for workers in the same occupational category.

The Project is well ahead of export and foreign investment targets. A total of \$69.7 million of non-traditional exports has been generated. Of this amount, \$58.5 million is directly attributable* to Project assistance. On the investment side, current gross investment of \$32.5 million is 38.6% above target and net investment attributable to Project assistance stands at \$25.2 million. It is also interesting to note that growth in the service sector is increasing. Recently, several businesses have been established to provide an increasingly wider range of investor services.

Both the export and investment divisions of Bolinvest are seeing great interest in Bolivia by Brazilian entrepreneurs. A minimum of ten itineraries are planned for investors interested in setting up production facilities for exports to Brazil. Exports of mineral salt for livestock began and a second stage is

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

planned to double production for a value of \$.5 million which will generate income for 180 families belonging to 6 cooperatives in one of the poorest areas of the country.

In close cooperation and with logistical support of the export chambers of commerce, the Cochabamba office reopened in March. Cochabamba is attracting investment in the leather sector, especially in increasing and expanding exports in shoe manufacturing. Another growing sector in the Cochabamba area is wood products. A German company is installing a wood flooring plant and a Bolivian investor is opening a factory to produce wood doors for export which will employ 75 people.

To date, domestic investment (figures not audited by USAID) has reached \$49.7 million, of which approximately \$8.2 million has gone towards the purchase of U.S. made machinery. (This same local investment, it is estimated, has provided temporary employment in the period July 93 to March 94 of 13,461 person/months.) Another important success this period is the role Bolinvest played in helping to establish a bar code system in Bolivia. This will greatly assist exporting to certain countries.

On both the export and investment sides, the pipeline is very large and promising. USAID has begun discussions with other donors, including the World Bank, who may be interested in continuing components of the project once our assistance ends. The belief locally is that elements of this Project are so critical to the Bolivian economy, in terms of employment and economic growth generated, that they must be continued.

In January, the decision was made to close the Miami office of Bolinvest in response to the guidance concerning Section 599/547. This action will have only a minimal effect on Project results, since the bulk of Bolivia's foreign investment comes from the South American region.

During this period, the Cooperative Agreement with the GOB National Institute for Export Promotion (INPEX) ended and is being closed out. The future of INPEX is looking more secure, but the GOB is still trying to determine the role it will play.

The export financing component is hitting stride and exceeded its targets for the period. The reason for this improved performance has been the greater demand for loans in the market and increased knowledge of LAAD within the private sector. 251 full time jobs have been generated and another 56 are certain. Gross export sales are at \$1.5 million and will grow considerably over the next year as the projects reach full production capacity.

D. Problems and Delays

1. Indications are that the Project will suffer a \$3 million funding cut in its authorized amount of \$23.5 million. This reduction will effect the export finance component which was designed to generate a large amount of the counterpart contribution.
2. Still pending is the final obligation (FY94) for this Project. In order to continue the highly successful T. A. component through FY 95 (project PACD), the Project will require this final obligation.
3. Ministerial changes by the GOB have taken place recently and the new teams are becoming more adjusted to their roles. Nevertheless, bureaucratic impediments in the GOB and the threat of further changes in regulations related to investment and exports has hindered promotion activities.

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

1. USAID/Bolivia will continue to dialogue with other donors to find a way to allow this Project to continue in some fashion once AID funding ends. The momentum which has been achieved, the local expertise which has been developed, should continue in order to meet Bolivia's needs.
2. A review of the counterpart contribution to this Project will be conducted to determine the actual levels achievable with the reduction in funding levels.

PROJECT STATUS REPORT
October 1, 1993 - March 31, 1994

I. Background Data

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

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

(a) As U.S.-based non-profit institution, OMB Circular A-133 establishes a cognizant Federal Agency responsible for institution-wide audits which are requested, renewed and tracked by OP/PS/OCC. Project specific audits at the Mission level are not required.
 (b) Financial review conducted by the Controller's Office 09-10-93.

II. Financial Data (\$000)

a) Amount Authorized: 10,000 amended to 13,850
 b) Amount Obligated: 11,649
 c) Amount Committed: Period: 1,919
 Cumulative: 10,665
 d) Accrued Expenditures: 1) Period-Projected: 2,900
 2) Period-Actual: 352
 3) Next Period Projected: 1,720
 4) Cumulative to date: 6,694
 e) Pipeline (b-d/4): 4,955 (c)
 % LOP Elapsed: 61
 % of Total Auth. Oblig. (b/a): 84
 % of Total Oblig. Exp. (d,4/b): 57
 % of Total Auth. Exp. (d,4/a): 48
 (c) See D. Problems and Delays.

Counterpart Contribution (GOB and Private Sector):

	<u>GOB</u>	<u>PS</u>
f) Counterpart Planned LOP*:	2,850	2,725
g) Counterpart Cumulative Planned as of 3/31/94:	2,343	1,575
h) Actual Counterpart Expenditures as of 12/31/93:	1,599	1,514
i) Accrued Counterpart Expenditures 1/1/94 to 3/31/94:	476	0
j) Total Counterpart Actual and Accrued Expenditures as of 3/31/94 (h+i):	2,075	1,514
k) Counterpart Planned Next Period:	500	575
l) % of LOP Expended (j/f):	73	56

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

III. Project Goal/Strategic Objective

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

IV. Project Purpose

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

V. Project Description

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

VI. Project Status

A. Purpose Indicators/ EOPS	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1. Employment created thru PRODEM-BancoSol (a)	1,525	4,000	8,450	6,000	8,876	30,315	1,987
2. Number of paying affiliates in FEBOPI (b)	3,000	100	2,036	50	N/A	1,727	58
3. Number active borrowers PRODEM-BancoSol: Male (35%) Female (65%)	1,750 3,250	2,200 5,000	6,403 13,150	5,000 9,000	6,688 12,380	24,376 45,269	1,393 1,393
4. No. of Credit Unions (c) stabilized (or in process)	30	8	9	9	9	11	36
5. 75% increase in savings among assisted CUs(c)	75%	7%	10%	18%	21	21	28

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

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

(b) Final figures for the project activity. See D. Problems and Delays for % of LOP.

(c) Credit union stabilization program started September 30, 1993.

B. Major Output Indicators	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1. PRODEM/BancoSol loan portfolio (50%) (a)	2,450,000	2,000,000	3,100,000	4,000,000	6,045,603	14,204,499	579
2. FEBOPI: Number of Training courses (b)	420	55	313	N/A	N/A	456	108
3. FEBOPI: Number of Policy studies (b)	6	1	7	N/A	N/A	8	133
4. No. of Credit Unions under supervision of Superintendency of Banks	30	5	5	3	1	11	36

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

(b) Final figures for the project activity.

C. Overall Status

WOCCU: The WOCCU component of the project successfully met or surpassed planned objectives for this period. Nine credit unions signed Stabilization Contracts with WOCCU, which exceeded the original target of eight. Public confidence in credit unions dramatically increased, reflecting a 21% increment in savings in the 11 credit unions participating in the program. Planned expenditures were lower than expected due to delays in the signing of stabilization program.

During the reporting period WOCCU signed Financial Stabilization Program Agreements with the following credit unions: San Roque (Sucre), San Gerardo (Oruro) and Eucaliptos (rural). Under the Institutional Development Component, WOCCU signed agreements with El Alto (El Alto), Vinto (Oruro), Via y Obras (Oruro), Agua de Castilla (Oruro), Pablo Sexto (Oruro) and Aspipac (Cochabamba). A local financial and marketing advisor was contracted, and successfully initiated a media campaign to publicize all WOCCU activities in strengthening credit unions.

The activities carried out in the Supervision Component with the Superintendency of Banks included the completion of the credit unions' census performed by five inspectors from the Superintendency. The census expanded its original scope to include a preliminary examination and rating of the credit unions in Bolivia. WOCCU conducted training programs around the country for examiners from the Superintendency of Banks and Financial Institutions. Examiners from Costa Rica and Ecuador also attended this training, which covered examination techniques and basic analysis of credit unions.

The Chiefs of Party from WOCCU and the DGRV (The German Credit Union Association) met with the President of Bolivia, Mr. Gonzalo Sánchez de Lozada, to inform him of the importance of credit unions and exhort that in the upcoming amendment to the Bolivian Banking Law, that not only open credit unions be regulated and supervised, but that all credit unions be regulated and supervised by the Superintendency of Banks. The President expressed approval for this.

PRODEM: The PRODEM component of the project successfully met or surpassed planned objectives for this period. 8,876 jobs were created through PRODEM-BancoSol. PRODEM-BancoSol reported 19,048 active borrowers for this six month period, which was more than double the target amount.

Under the training activities, 18 PRODEM officers in charge of agencies and extensionists travelled to Colombia, Costa Rica and Dominican Republic to learn about lending and management experiences in rural areas.

PRODEM forms part of FINRURAL, an entity of ONGs engaged in rural financing. FINRURAL is lobbying the Superintendency of Banks for licensing privileges which would enable them to provide savings services to their clients and leverage their equity base for more credit activities. USAID/Bolivia and other donors are collaborating in a show of support for expanding the licensing window at the Superintendency to license a few strong ONGs with proven track records in microfinance.

PRODEM expiration date will be extended for one year through March 31, 1995. This extension will not represent additional funding to the project, but will maintain reporting requirements and pending audit activities.

FEBOPI: Activities were channelled to regularize the records before the start of the audit, and the records have been reconstructed. ADEPIs records need to be reorganized by FEBOPI soon or the audit will have to be conducted with the present, inadequate documentation. No other project activities were conducted. The expiration date for FEBOPI Cooperative Agreement was March 31, 1994.

D. Problems and Delays

The large pipeline in this project applies to two new project components which we expect to implement rapidly in the near future. It includes \$1,150,000 of an AID centrally funded project -APPLE- which was recently incorporated into the MSED project. This rural anti-poverty lending component will start disbursing funds during the next reporting period. WOCCU, under the Stabilization Fund, expects to disburse over \$2.5 million this fiscal year.

FEBOPI's records were reorganized to initiate the audit; but ADEPI's remain unacceptable. If the reorganization does not occur within the next month, the audit will start with the available documentation. The audit coverage period was extended to allow it to be a close-out audit.

Article 5 (e) of the Project Agreement established that within the principal implementation agreements, USAID had to sign "agreements with FENACRE and FEBOPI by which the credit union system will collect a technical assistance fee (currently estimated at 2.5%) on each loan. These funds will be transferred to the ADEPIs to cover costs of business plan preparation, financial analysis of participating businesses and other technical assistance provided to loan participants". This requirement of the project was never implemented because the credit component with FENACRE was not initiated, using the financial resources from this component in developing the Stabilization Program. Article 5 (e) was deleted in Amendment No. 9 to the Project Agreement. The above situation had to some degree influenced the provision of services to the membership, causing a low affiliation in the ADEPIs which accomplished 58% of the planned membership recruitment.

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

1. The PRODEM Cooperative Agreement will be extended for one year until March 31, 1995.
2. WOCCU will issue a periodic technical newsletter.
3. WOCCU will assist in the design and implementation of a checking account system for large credit unions.
4. WOCCU will work with the Superintendency of Banks to achieve integration of the WOCCU inspectors, by designing a fee structure for credit unions that will allow them to pay for their own supervision and examination by the end of 1995.
5. WOCCU will continue with the stabilization and technical assistance activities for the credit unions.
6. USAID will likely amend the project to provide resources to strong microfinance institutions so they may expand their services to a wider base of poor clients. The amendment will not involve an increase in project LOP funding.

Rating: B

PROJECT STATUS REPORT
October 1, 1993 - March 31, 1994

I. Background Data

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

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

<u>Organization</u>	<u>Audit Responsibility</u>	<u>Last Audit Completed</u>	<u>Next Audit Begin Date</u>	<u>Total Audits Completed to Date</u>
PROCAF	Recipient	05/14/93	04/30/94	1

II. Financial Data (\$000)

a) Amount Authorized: 6.200
b) Amount Obligated: 6.200
c) Amount Committed: Period: (42)
 Cumulative: 5.525
d) Accrued Expenditures: 1) Period-Projected: 90
 2) Period-Actual: 41
 3) Next Period Projected: 355
 4) Cumulative to date: 5.430

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

e) Pipeline:	770
% LOP Elapsed:	68.3
% of Total Auth. Oblig.:	100.0
% of Total Oblig. Exp.:	87.6
% of Total Auth. Exp.:	87.6

Counterpart Contribution (GOB):

f) Counterpart Planned LOP:	1,765
g) Counterpart Cumulative Planned as of 3/31/94:	1,765
h) Actual Counterpart Expenditures as of 12/31/93:	1,242
i) Accrued Counterpart Expenditures 1/1/94 to 3/31/94:	0
j) Total Counterpart Actual and Accrued Expenditures as of 3/31/94 (h+i)	1,242
k) Counterpart Planned Next Period:	39
l) % of LOP Expended:	70

III. Project Goal/Strategic Objective

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

IV. Project Purpose

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

V. Project Description

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

VI. Project Status

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

A. Purpose Indicators/ EOPS	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1. Cost recovery (Financial Sustainability)*	0.5	0.42	N/A	0.63	0.63	N/A	N/A
2. Overhead rate (Program Efficiency)**	1	1.53	N/A	1.30	1.24	N/A	N/A
3. Deposits to Trust Fund	598,181	76,170	160,164	126,720	90,284	174,278	29

* Cost recovery is the ratio between Fee Income and Total Costs.

** The overhead ratio refers to PROCAF's indirect costs over its course costs (the lower the better)

B. Major Output Indicators	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1. Number of Training activities	230	32	98	55	30	98	43
2. Number of Participants							
Male	4,312	432	2,815	692	568	2,924	68
Female	1,438	144	938	230	183	1,017	71
3. Participant Training hours							
Male	100,000	10,800	55,523	19,020	18,173	60,575	61
Female	33,500	3,600	18,507	6,340	5,907	21,906	65

C. Overall Status

1. With the purpose of accelerating the self-sufficiency of PROCAF and to get this project off our books as an active project, by using the authority of Section 534 of the FY 94 Appropriations Act we amended the Project Authorization to authorize ASOBAN/PROCAF to deposit the grant funds into a separate interest bearing account. This was to be followed by an early PACD of March 31, 1994. In order to accomplish this, deviations from the refund provision and the payment-periodic advance provision were needed. However, AID/W rejected the approach described in Authorization Amendment No.3, dated February 2, 1994 and Amendment No. 4 canceled Amendment 3 in its entirety. However, we still plan an early PACD of March 1995.

PROCAF will submit to AID a detailed budget for 1994. Grant funds will cover 100% of the allowable and reimbursable operating costs, so that program income and the support of the ASOBAN member banks may be deposited in the PROCAF Trust Fund almost in its entirety. Once this budget is reviewed, the Cooperative Agreement will be amended to reflect this change. To date we have been covering around 40% of PROCAF's budget. In this context, the remaining grant funds consisting of \$531,000 are expected to be exhausted in one year.

2. During the reporting period PROCAF offered 30 courses with 751 participants of which 24.4% were women.

- PROCAF offered a 6-month course on securities markets with 30 participants. This course was successfully completed in March.
- A very successful seminar on Privatization was held in La Paz with participants from the public and private sectors.
- PROCAF has budgeted to increase the number of activities and number of trained people for 1994. The academic plan for 1994 includes five programs:
 - Basic Banking Program for high school graduates
 - Program for Operating Level personnel
 - Program for Executive Development
 - Credit Officer Program
 - Securities Market Program

PROCAF will start the basic banking program (12-month program) in Cochabamba and Santa Cruz and the Securities Market and Corporate Management Programs in Santa Cruz, also long term courses.

3. LOP targets for the trust fund, number of activities and number of participants will be reviewed once the new Project PACD is set.
4. ASOBAN agreed to transfer to PROCAF's trust fund the \$22,000 remaining from the technical assistance to ASOBAN member banks on a 50-50 cost shared basis, provided by Nathan Associates under the SFM Project.

D. Problems and Delays

Ten member banks of ASOBAN committed to support PROCAF with monthly contributions. During 1993, ASOBAN disbursed only part of the contribution to PROCAF by year end and the rest in February of 1994. However, this problem has been solved and contributions for the first quarter of 1994 have already been disbursed as scheduled.

The activities in Santa Cruz and Cochabamba were below planned levels. Targets were not met, mainly due to lack of support by ASOBAN in those cities. This year PROCAF has decided to hire coordinators for both cities and has started marketing the program more aggressively.

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

1. Amend the Cooperative Agreement 5/94
2. Begin long-term activities in Cochabamba and Santa Cruz 5/94

PROJECT STATUS REPORT
Oct. 1, 1993 - March 31, 1994

Rating: B

I. Background Data

Project Title: **FY 1992 Economic Recovery Program**
Project Number: **511-0604**
Date of Authorization: **original 08/14/92**
Date of Obligation: **original 08/21/92**
PACD: **N/A ⁽¹⁾**
Implementing Agencies: **Ministry of Finance and Economic Development/Directorate of External Financing and Monetization (MFED/DIFEM)**
Major Contractors: **N/A**
AID Project Managers: **Lewis W. Lucke; Jaime Vizcarra C.**
AID Project Coordinator: **N/A**
Status of CPs Covenants: **CPs for 1st tranche met on 8/28/92 as per POL No.1. CPs for 2nd tranche met on 12/22/92 as per POL No.8. GOB qualified for a proportional 3rd tranche disbursement of \$2.3 million totalling \$46.3 million under the FY 92 ESF agreement (POL #10 dated 2/3/93). CPs for 3rd tranche met on 7/14/93 as per POL No.12. All covenants have been sufficiently complied with as per Mission Director's memorandum PD&I-M-264/93 dated 5/13/93.**
Date of Last Evaluation: **none** Next Evaluation: **N/A**

Audit:

<u>Organization</u>	<u>Audit Responsibility</u>	<u>Last Audit Completed</u>	<u>Next Audit Begin Date</u>	<u>Total Audits Completed to Date</u>
DIFEM	Recipient	12/31/92	5/94	1

II. Financial Data (\$000's)

a) Amount Authorized: **\$66,000 Amended to:\$46,324**
b) Amount Obligated: **\$46,324**
c) Amount Committed: Period: **\$0**
 Cumulative: **\$46,324**
d) Accrued Expenditures: 1) Period-Projected **\$0**
 2) Period - Actual: **\$0**
 3) Next Period Projected: **\$0**
 4) Cumulative to date: **\$46,324**
e) Pipeline: (b-d,4): **\$0**
% LOP Elapsed: **100%**
% of Total Auth. Oblig.: **70% (b/a)**
% of Total Oblig. Exp.: **100% (d,4/b)**
% of Total Auth. Exp.: **70% (d,4/a)**

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

Counterpart Contribution (GOB)

f) Counterpart Planned LOP:	\$34,743
g) Counterpart Cumulative Planned as of 3/31/94	\$34,743
h) Actual Counterpart Expenditures as of 12/31/93: ⁽²⁾	\$29,424
i) Accrued Counterpart Expenditures 1/1/94 to 3/31/94:	\$ 1,810
j) Total Counterpart Actual and Accrued Expenditures as of 3/31/94 (h+i)	\$31,234
k) Counterpart expenditures Planned Next Period:	\$ 3,509
l) % of LOP Expended (j/f)	<u>89%</u>

III. Project Goal/Strategic Objectives

The Economic Recovery Program supports the Mission strategic objective for Expanded Economic Opportunity and Access (i.e. transformation of the Chapare and associated valleys from significant dependance on coca & cocaine production) by providing balance of payments (BOP) support to finance official U.S. and multilateral debt repayment which in turn frees up resources for investing in non-coca activities (i.e. \$46.3 million under this program). In addition, the ESF LC program supports this and other Mission strategic objectives by providing counterpart funding to various USAID/B and other donor projects (i.e., \$34.7 million under this program).

IV. Project Purpose

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

V. Project Description

The dollars provided in the amount of \$46.3 million were used to finance payment of U.S. official bilateral debt or multilateral debt owed by the GOB. The local currency proceeds of the program are being used to finance local currency counterpart to selected USAID and multilateral development organizations' (MDOs) projects in support of the alternative development program and the USAID Trust Fund.

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

VI. Project Status

A. Purpose Indicators/EOPS: The macroeconomic indicators for this 92 Program were reported in previous SARs. For the 1993 related indicators, please refer to the 1993 ESF BOP Program.

B. Major Outputs Indicators	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumulative	Next Period	This Period (6 mo.)	Cumulative	% of LOP
1. Counterpart to USAID projects	8,297 ⁽³⁾	2,500	4,505	1,292	2,362	5,688	68
2. Counterpart to MDO projects	20,447 ⁽³⁾	3,786	15,000	1,661	2,882	19,543	95
3. USAID/B Trust Fund	6,000	0	6,000	0	0	6,000	100
4. External debt repayment - in 000's of Dollars used (US official and multilateral debt)	46,324	2,103	47,000	0	2,427 ⁽⁴⁾	46,589 ⁽⁵⁾	101

C. Overall Status

As reported earlier, GOB satisfactorily complied with the all CPs for the third tranche except that coca eradication reached only 4,626 Has.(72% of the target) of a planned 6,400 HAS total. Therefore, USAID/Bolivia approved only a proportionate disbursement of \$2.3 million (of the planned \$22.0 million total) to the GOB's Bolivian Central Bank (BCB) Dollar Separate Account.

A total of \$46.6 million dollars was used by the BCB for official debt service to the U.S. and MDOs by 3/31/94 (\$2.5 million during the reporting period) leaving a small balance of \$0.385 million plus interest to be earned. It is expected that during the next few weeks, all of the FY 92 ESF dollars will have been used.

As reported in the prior SARs, the LC generation under this program was reduced substantially (i.e., the equivalent loss of \$14.7 million) due to a very small \$2.3 million third tranche disbursement. This LC reduction was distributed between USAID/B and GOB/MDO projects through a joint reprogramming exercise based upon an analysis of each project's contribution to the Mission's strategic objectives, spending performance, existing pipeline and LC requirements through the end of CY 1993. In addition, based upon current prospects for future ESF LC availabilities, LC project mortgages were very closely scrutinized and reduced as much as possible.

It is worth mentioning that LC generations under this program were completed during this reporting period. In fact, a total of \$34.7 million of LC was deposited by the GOB/Treasury to BCB's Boliviano Separate Account, as of 3/31/94 (\$0.239 million during the reporting period). The equivalent of \$31.2 (89%) million was disbursed from DIFEM to implementing agencies as of 3/31/94 (\$5.3 million during the reporting period) leaving a small balance of \$3.5 million (i.e., 11%) to be disbursed to projects which is expected to be mostly disbursed during the upcoming reporting period.

⁽³⁾ Due to only a \$2.3 million third tranche (out of \$22.0 million), LC generations suffered a substantial reduction, therefore, these LOP figures were reprogrammed as shown.

⁽⁴⁾ Under the previous SAR as of 09/30/93, the cumulative figure was adjusted to \$44.162 million as per DIFEM revised figures.

⁽⁵⁾ Target figure surpassed LOP baseline due to interest earned in the Dollar Separate Account.

Regarding DIFEM's 1992 audit, the report was submitted to USAID by DIFEM on July 28, 1993. In general, the accounting of LC and dollars fairly reflect the financial situation of the FY 93 Economic Recovery Program. However, one of the major audit findings was that there were large unliquidated LC advances as of 12/31/92. USAID/CONT is closely following up on this audit recommendation. Under the dollar component of AID Grant 511-0576, there is \$2.2 million which was erroneously posted under this program instead of to AID Grant 511-0575. Final correction to this situation took place on 01/26/94.

D. Problems and Delays

As indicated earlier, actual eradication fell behind target, reaching only 4,626 Has. by December 31, 1992, qualifying for disbursement of only \$2.3 million of the \$22.0 million third tranche. Consequently, LC generations have suffered a substantial reduction, impacting significantly all projects being funded with FY 92 ESF LC funds.

In addition, the GOB has confronted some problems in opportunely generating the LC under this program which minimally affected subproject implementation. By the middle of CY 1993, it was anticipated that the GOB would complete the deposit, (the equivalent of \$34.7 million) into the GOB/BCB's Boliviano Separate Account. However, the GOB has not complied with the agreed upon LC deposit schedule, and as indicated above, the GOB/Treasury completed the LC deposits during this reporting period.

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

ACTIONS	TARGET DATE
1. Completion of use of the dollars for repayment of \$ U.S. official and multilateral debt (i.e., \$0.385 million.)	May 1994
2. Carrying out of DIFEM's 1993 audit	May/June 1994
3. Completion of LC disbursements from DIFEM to implementing entities (i.e., \$3.5 million)	September 1994

As all program dollars have been disbursed and only local currencies remain, this will be the last report for this project.

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PROJECT STATUS REPORT
October 1, 1993 - March 31, 1994

Rating: C*

I. Background Data

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

Audit:

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

II. Financial Data (\$000's)

a) Amount Authorized: \$40,000
 b) Amount Obligated: \$40,000
 c) Amount Committed: Period: \$0
 Cumulative: \$40,000
 d) Accrued Expenditures: 1) Period-Projected \$10,000
 2) Period - Actual: \$10,000
 3) Next Period Projected: \$20,000
 4) Cumulative to date: \$20,000
 e) Pipeline: (b-d,4): \$20,000
 % LOP Elapsed: 100
 % of Total Auth. Oblig.: 100 (b/a)
 % of Total Oblig. Exp.: 50 (d,4/b)
 % of Total Auth. Exp.: 50 (d,4/a)

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

* Rating C because actual coca eradication fell considerably behind target, a factor outside the control of program management.

Counterpart Contribution (GOB)

f) Counterpart Planned LOP:	\$30,000
g) Counterpart Cumulative Planned as of 3/31/94	\$30,000
h) Actual Counterpart Expenditures as of 12/31/93: ⁽²⁾	\$ 4,011
i) Accrued Counterpart Expenditures 1/1/94 to 3/31/94: ⁽²⁾	\$ 3,811
j) Total Counterpart Actual and Accrued Expenditures as of 3/31/94 (h+i)	\$ 7,822
k) Counterpart Planned Next Period:	\$ 7,000
l) % of LOP Expended (j/f)	\$ 26

III. Project Goal/Strategic Objectives

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

IV. Project Purpose

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

V. Project Description

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

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

VI. Project Status

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

A. PURPOSE INDICATORS/EOPS (Economic Recovery Program CY 1993)	ACCOMPLISHED
<p>The GOB shall maintain a comprehensive program of economic stabilization and recovery, including adherence to a market based exchange rate regime and an overall appropriate macroeconomic framework in order to stimulate trade and investment necessary to sustain economic growth and GOB's alternative development plan.</p>	<p>GDP growth averaged 4.0 percent during 1991 and 1992, declining to an estimated 3.2 percent during CY 1993. Current projections for CY 1994 are on the order of 3.8%. The value of all exports rose at the rate of about 16.6% percent during CY 1993 due to a 50 percent surge in non-traditional exports, particularly to the U.S. (i.e., \$218 million in 1992 against \$327 million in 1993). Even so, the current account deficit of the balance of payments was high and unsustainable at near 11.2 percent of estimated GDP for CY 1993 compared to 7.7 percent in CY 1991 and 11.9 percent in CY 1992. During CY 1993, the fiscal deficit exceeded 6 percent of GDP compared to the target of 3.5 percent of GDP.</p> <p>The exchange rate has been competitive, with an average difference of less than 0.5 percent between the official exchange rate and the parallel market exchange rate. Fixed private investment during CY 1993 appears to have increased from about 6.8 percent of GDP in 1992 to some 7.8 percent of GDP. Overall, the GOB has substantially adhered to the economic program supported by this project, except for the high fiscal deficit.</p>

B. Major Output Indicators	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1. Counterpart to USAID projects (in \$000's)	8,000 ⁽³⁾	2,000	2,000	2,000	359	359	4
2. Counterpart to MDO projects	18,000 ⁽³⁾	4,000	4,000	4,000	3,463	3,463	19
3. USAID/B Trust Fund	4,000	2,000	4,000	0	2,000	4,000	100
4. Coca Eradicated: Number of Hectares (forced and voluntary, LOP from 1/1/93 to 3/31/94)	5,000	2,000	5,000	0	568	2,601	52
5. Coca seedbeds in m2 (during LOP, from 1/1/93 to 3/31/94)	20,000	8,000	20,000	0	7,001	15,345	76
6. Counternarcotics Law Enforcement Covenants(5.5): No. of labs destroyed (from 1/1/93 to 3/31/94)	N/A	0	0	0	489	1,049 ⁽⁴⁾	N/A
7. GOB implementing Law 1008: No. of seizures of airplanes (from 1/1/93 to 3/31/94)	N/A	0	0	0	8	23 ⁽⁴⁾	N/A
8. GOB implementing Law 1008: No. of seizures of vehicles (from 1/1/93 to 3/31/94)	N/A	0	0	0	20	73 ⁽⁴⁾	N/A
9. GOB implementing Law 1008. No. of seizures of drugs/paste (MTons) (from 1/1/93 to 3/31/94)	N/A	0	0	0	2.58	8.18 ⁽⁴⁾	N/A
10. External debt repayment - Dollars used (US official and multi-lateral debt)	40,000	20,000	40,000	0	5,970 ⁽⁵⁾	12,236	30

⁽³⁾ LOP figures based on total planned LC generations (i.e., \$30 million), however, only two tranches have been generated so far (i.e., \$15 million) distributed as follows:
 \$2.3 million for USAID/B projects
 \$8.7 million for MDO/GOB projects, and
 \$4.0 million for the USAID Trust Fund.

⁽⁴⁾ Estimates based on cumulative figures as of 2/28/94 as per NAS reports.

⁽⁵⁾ Under the previous SAR on 9/30/93, the cumulative figure was adjusted to \$6.266 million as per DIFEM revised figures.

Narrative on Covenants Progress (Section V of AID Grant 511-0605)

1. Economic Stabilization and Recovery program maintained:
 - USAID's assessment indicates that GOB stabilization program keeps being on track. Data is being received regularly.
2. Narrative on Flexible Exchange Rate - Real value of Boliviano maintained:
 - In CY 1994 the GOB has maintained the Boliviano's value in real terms with a 0.5% difference between the official and parallel rate.
3. Narrative on Public Reform Covenants:
 - a) GOB program to privatize state-owned enterprises (SOEs) reaffirmed:
 - During CY 1993, the GOB continued an aggressive privatization program having privatized 16 SOEs as follows: ALBAPOR; ALBAT; Fábricas de Ceramica de Trinidad y Cobija; Hoteles Prefecturales de Tarija, Liriuni, Caranavi y Pando; Centros de Acopio Yamparaez, Redención Pampa, Tomina, Totora/Lourdes y Betanzos; Hacienda Ganadera Santa Martha; Cabaña Lechera Todos Santos Paz, e Ingenio Azucarero de Guabirá.
 - b) Continued implementation and financing of the SAFCO Program by the GOB:
 - The GOB/DIFEM has disbursed the equivalent of \$3.3 million as counterpart funds for the World Bank/SAFCO Project (from 1/1/93 to 3/31/94). Only \$1.8 million was provided for this project in CY92.
 - c) Increased GOB resources to the judicial sector:
 - During CY 1993, the GOB/Treasury has disbursed the equivalent of \$13.7 million to the judicial sector which is significantly higher than the \$12.8 million provided for this purpose in the previous year.
4. Narrative on Alternative Development Covenants:
 - a & b) Emphasized GOB public investment for projects promoting alternative development, including timely support of the CY 1993 PDAR's operating plan:
 - DIFEM has disbursed the equivalent of \$9.4 million to finance the Alternative Development Program from 1/1/93 to 3/31/94 (i.e., CORDEP/PDAR, FONADAL, SUBDESAL, NRECA, AGROCAPITAL, SEAMOS, CESE, DINAPRE). This amount compares very favorably with the \$5.3 million provided for the same purpose in CY 1992.
5. Narrative on Counternarcotics Law Enforcement covenants:
 - a) Effective and vigorous enforcement of the voluntary surrender decree:
 - As reported in previous SARs, all seven "arrepentidos" (i.e. Winstone Rodriguez D., Edwin Guzman G., Alcides Guardia I., Antonio Naciff I., Hugo Rivero V., Jorge Flores M. & Oscar Roca V.) have been sentenced by the Superior District Court and/or the Supreme Court with sentences from 4 to 7 years. Most of them must complete their sentences at the "San Pedro Jail" in La Paz.

Other selective indicators of this covenant section are reported under Section VI (B).

6. Narrative on Progress of Anti-terrorism efforts:

In CY 1993, 2 terrorists were arrested and their sentences are in process at the La Paz Superior District Court.

7. Narrative on Progress of No Taxation of the Agreement & Grant Covenant:

- GOB has complied with the terms of this covenant.

C. Overall Status

As a result of satisfactorily meeting all CPs for the second tranche, USAID/Bolivia approved disbursement of \$10.0 million to the GOB's Bolivian Central Bank (BCB) Dollar Separate Account as per POL No. 4 dated 2/9/94. These CPs included eradication of 2,375 Has. of coca and 10,000 square meters of coca seedbeds starting from January 1st, 1993 which were complied with by 1/18/94 (letter GOB/Stria. Gral. No. 070/94 dated 1/18/94.) Therefore, the GOB qualified for the second tranche of \$10.0 million which were disbursed on 2/21/94, based on Section 3.4 (a-h) of the FY 93 BOP Agreement.

A total estimated \$12.2 million dollars were used by the BCB for official debt service to the U.S. and MDO's by 3/31/94 (\$5.9 million during the reporting period.) It is expected that during the next reporting period, they will have used most of the FY 93 ESF dollars, disbursed to date.

Regarding the LC generations, a total of \$15.0 million have been deposited by the GOB/Treasury into the BCB's Bolivianos Separate Account by the end of March 1994 (\$7.5 million in the reporting period). These LC generations under the two tranches were jointly programmed by GOB/DIFEM and USAID through POLs 3 and 6 dated 12/1/93 and 3/16/94, respectively. In addition to this joint programming exercise, during the 1st quarter of CY 94, USAID and the GOB's recently created Local Currency Administration Committee jointly reviewed LC requirements for CY 94 for all USAID/B and MDO/GOB projects receiving ESF LC counterpart funds. As a result of these joint reviews, CY 94 budget levels were determined based upon projected future LC availabilities to be generated from the 3rd and 4th tranches (i.e., the equivalent in LC of \$15.0 million) under the FY 93 ESF LC Program and existing pipelines from previous ESF programs in order to include these levels into the GOB's 94 general budget. Also, projects receiving ESF LC were closely prioritized based on the GOB's and USAID's strategic objectives.

A total of \$7.8 million (52%) in LC has been disbursed by DIFEM to implementing agencies as of 3/31/94 (\$5.8 million during the reporting period) leaving a balance of \$7.2 million (48%) to be disbursed to projects of the generations to date under this program.

Following the updated LC guidelines, USAID/CONT will carry out an institutional review of DIFEM's operations to assess how the transition to the new DIFEM administration (from September 1993 to March 1994) including significant personnel changes has affected and/or is affecting its management capabilities. Results of this analysis will be shared with the recently named DIFEM Director (Mr. Mario Candia).

Please refer to the 1992 ESF LC Program SAR for current status on DIFEM's outstanding FY 92 audit actions.

D. Problems and Delays

Actual eradication is significantly behind target, reaching only 2,601 Has. (52%) by March 31, 1994, final date for completion of CPs for this program. Currently, Washington agencies are considering possible conditions for extension of this final date for meeting the CPs for the third and fourth tranches.

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

ACTIONS	TARGET DATE
1. Carrying out of DIFEM's 1993 and 1994 audits	May/June
2. Institutional Review of DIFEM's management capability.	June 1994
3. Completion of LC disbursements from DIFEM to implementing entities	December 1994

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Rating: A

PROJECT STATUS REPORT
October 1, 1993 - March 31, 1994

I. Background Data

Project Title: **Electrification for Sustainable Development (ESD)¹**
Project Number: 511-0614
Date of authorization: 07/26/91 Amended: 09/02/93
Date of Obligation: 07/26/91 Amended: 09/23/93
PACD: Original: 09/30/96
Implementing Agencies: Ministry of Finance and Economic Development; Ministry of Sustainable Development
Major Grantees: National Rural Electric Cooperative Association (NRECA)
AID Project Manager: Lewis Lucke
AID Project Coordinator: Belinda Román
Status of CPs/Covenants: N/A
Date of Last Evaluation: N/A Next Evaluation: 06/01/94²
Audit:

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

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

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

²The date for midterm evaluation was moved to June 1994 to allow for incorporation of more reliable income and employment data.

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II. Financial Data (\$000)

a) Amount Authorized:	Grant: original	15,000	Amended to 19,200
b) Amount Obligated:	Grant: original	1,000	Amended to 14,200 ³
c) Amount Committed:	Period:	0	
	Cumulative:	14,200	ESF: 1,000
d) Accrued Expenditures:	1) Period - Projected	1,900	
	2) Period - Actual	1,991	
	3) Period - Next	2,120	
	4) Cumulative:	7,084	
e) Pipeline (b - d,4):		7,116 ⁴	
% LOP Elapsed since (07/26/91):		58% ⁵	
% of Total Auth. Oblig. (b/a):		74%	
% of Total Oblig. Exp. (d,4/b):		50%	
% of Total Auth. Exp. (d,4/a):		37%	
Local Contribution (GOB and Private Sector):		DIFEM	Other Counterpart
f) Counterpart Planned LOP:		2,000 ⁶	9,242
g) Counterpart Cumulative Planned as of 3/31/94:		1,499	9,242 ⁷
h) Actual Counterpart Expenditures as of 12/31/93:		1,204	5,111 ⁸

³This amount includes \$4.2 million in renewable energy funding of which \$3.6 are Global Environmental Facility (GEF) funds.

⁴Construction commodity procurements require this pipeline. The total amount is expected to be disbursed during FY '94.

⁵Project inception on 07/26/91.

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

⁷For third party estimates, other counterpart contributions are based on the fact that these entities consider planned contributions as cumulatives.

⁸Estimate based on information available from counterparts reporting; several counterparts not accounted for.

i) Accrued Counterpart Expenditures from 1/1/94 to 3/31/94:	295	0 ⁹
j) Total Actual and Accrued Expenditures as of 03/31/94 (h+i):	1,499	5,111
k) Planned Next period:	501	1,500
l) % of LOP Expended (j/f):	75 %	55 %

III. Project Goal/Strategic Objectives

This Project supports the Mission's Expanded Economic Opportunity and Access Strategic Objective through increased non-coca economic opportunity in the Chapare and associated areas.

IV. Project Purpose

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

V. Project Description

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

⁹Actual counterpart expenditures were not available at the time this report was prepared.

VI. Project Status

A. Purpose Indicators /EOPS	PLANNED				ACCOMPLISHED		
	LOP /Baseline	Period (6 mo.)	Cum.	Next Period	Period (6 mo.)	Cum	% of LOP
1. Incremental growth in rural electric service connections	15,000	1500	2750	3000	6852	7030	47
2. Growth in annual Bolivian energy sales (GWH)	3.6 GWH	.165	.165	.30 ¹⁰	.30 ¹¹	3.43	8
3. Growth in Bolivian electricity line capacity.	800 km 5,000 KVA	700 3075	770 3975	434.50 ¹² 3,012.5	515.79 5,000 ¹³	515.79 5,000	65

B. Major Outputs	PLANNED				ACCOMPLISHED		
	LOP /Baseline	Period (6 mo.)	Cum.	Next Period	Period (6 mo.)	Cum	% of LOP
1. RE expansion outside of Cochabamba	10	3	10	0	0	13	130
2. RE expansion sites evaluated in Cochabamba region	10	2	11	0	0	11	110
3. RE pilot projects selected outside of Cochabamba	6	2	9	0	0	11	183
4. RE pilot projects selected in Cochabamba region.	6	1	6	0	0	9	150

¹⁰This is an estimate that includes Mizque-Aiquile only.

¹¹This estimate is based on the Mizque/Aiquile and Valles Cruceños subprojects only. Other subprojects are still gathering data and are expected to report within the month of April.

¹²The figures in this cell reflect data reported by ELFEC and CRE only. Other subprojects are still in the process of gathering data.

¹³Estimate based on Valles Cruceños only.

B. Major Outputs	PLANNED				ACCOMPLISHED		
	LOP /Baseline	Period (6 mo.)	Cum.	Next Period	Period (6 mo.)	Cum.	% of LOP
5. New RE customers connected outside of Cochabamba	8,000	0	0	4,900	8	148	1.75
6. New RE customers connected inside Cochabamba region	7000	1500	2500	2,000	6,853	6,853 ¹⁴	98
7. RE Productive Users (PU) developed outside of Cochabamba region	1200	0	0	500	0	0	0
8. RE Productive Users in Cochabamba region	1,000	0	250	450	576	623	62
9. Number of RE loans approved outside of Cochabamba	6,200	20	20	52	148	148	2
10. Number of RE loans approved in Cochabamba region	4,300	25	225	2,840	6,871	6,918	161
11. Value of RE loans (\$) approved outside Cochabamba	550,000	10000	10000	33,000	94,276	94,276	16
12. Value of RE loans approved in Cochabamba region	650,000	0	10000	117000	229038 ¹⁵	2335682	359
13. Personnel trained outside of Cochabamba	M 380 F 6	20 5	42 17	135 5	134 ¹⁶ 10	435 43	115 717

¹⁴This figure has been adjusted from the previous reporting period due to double counting. The previous PSR reported 38 new customers. However, the actual number was 0.

¹⁵This estimate is based on \$40 'derecho de conexión' for new connections proposed by CRE and \$35 proposed by ELFEC for new connections in the Mizque/Aiquile project.

¹⁶Estimates due to actual figures not currently verifiable with counterpart agencies and organizations.

B. Major Outputs	PLANNED				ACCOMPLISHED		
	LOP /Baseline	Period (6 mo.)	Cum.	Next Period	Period (6 mo.)	Cum.	% of LOP
15. PUs of electricity trained outside Cochabamba region	M 400 F 300	0 0	40 5	10 2	6 0	48 3	12 1
16. PUs of electricity trained in Cochabamba region.	M 500 F 300	20 5	45 9	45 15	62 20	211 27	42 9

C. OVERALL STATUS

ESD made major advances towards completing project outputs this reporting period with the completion of the Mataral isolated generation and distribution project, and the Mizque-Aiquile line extension project. The Valles Cruceños subproject includes over fifteen (15) communities in the so-called Valles Mesotérmicos region of Santa Cruz department, on the border between Santa Cruz and Cochabamba. Due to its proximity to the Valles Altos and being one of the expulsion zones in the high valleys, the project was included in this and previous reports as part of the greater Cochabamba region for reporting purposes. The generation and major trunk line part of the project were completed in early February, 1994. A total of 217.2 km of medium tension and 74.5 km of low tension lines were installed with a capacity of 512.5 kVA. The initial startup of this project led to 5,511 connections in the various communities in the Valles; an additional 850 connections are expected to be accomplished with the completion of the outerlaying distribution systems.

The line extension subproject in the Valles Altos of Cochabamba, including the townships of Rodea, Mizque, Aiquile, Tin-Tin, and others resulted in similarly successful outputs. The line was energized in late March, 1994. A total of 1,341 RE connections were achieved and an additional 285.74 km of line extended for the first and most important phase of the project. An additional 800 connections are expected to be completed within three to four months during the next reporting period. With the completion of these two construction projects, approximately 50% of project outputs were achieved.

With regard to overall output targets, the completion of these two construction projects advances ESD in several significant output categories. ESD has now completed over 65% of LOP baseline in terms of growth in line capacity. Overall incremental growth in rural electric service connections has reached 47% of LOP. More significantly, project outputs in the Cochabamba region are at 98% of targets, signifying that ESD will go beyond its original estimates in the final two years of the project. Concomitantly, ESD has developed over 50%

of its targeted productive users in the same area.

Training seminars and programs continue to be another successful aspect of ESD both inside and outside the Cochabamba region. Personnel trained outside Cochabamba is now 124 percent above targeted levels and within Cochabamba the number of trained personnel is 152 percent above LOP. More importantly, ESD has been able to extend its training programs to include over 716.67 percent of its targeted number of women trained outside Cochabamba and 100 percent of its LOP for women trained in the Cochabamba region.

Several other subprojects that will lead to significant outputs in the next period include Capinota, Bermejo, and the 16 Communities projects. Procurement actions have been taken and construction is expected to start-up shortly. Additionally, the procurement of transformers for the Chapare will add industrial productive users to current outputs.

ESD has been very fortunate to attract significant other counterpart contributions from participating electric utilities in the execution of project activities. In Santa Cruz, CRE has provided close to \$5.1 million for the Valles Crucenos project; approximately \$935,000 for the Camiri project, and will contribute over \$1.0 million in counterpart contributions for the renewable energy activities in San Julian and Concepcion. ENDE, for its part, is contributing \$900,000 for the Bermejo project; ELFEC has contributed over \$450,000 for the Mizque-Aiquile project, and will maintain at a minimum, a 20 percent contribution against all other projects funded in Capinota, Vinto, and the Chapare.

NRECA has also reached an agreement with the Fondo Nacional de Desarrollo Regional (FNDR) whereby they will finance 80 percent of the distribution system construction costs of projects in Riberalta, Bermejo, Trinidad, and Guayaramerin. The estimated contribution from FNDR for these projects is \$1,680,000. Also contributing to the Riberalta project will be the Cooperación Regional de Desarrollo del Beni (CORDEBENI), with \$340,000 in counterpart funds.

In La Paz, NRECA is working with COBEE under a 50-50 cost sharing relationship for at a minimum one project near La Paz with a total of \$320,000. NRECA is also working with Plan Internacional in an electrification project using solar energy systems whereby Plan will finance 100% of all costs, up to \$150,000 for the first phase.

The total estimated other counterpart contribution for the life of the project to date will be \$9.2 million. To date, taking into account the completed projects in Valles Crucenos and Mizque-Aiquile only, the verified counterpart contribution totals \$5.1 million. ESD continues hold discussions with other potential contributors such as Dutch, German and Italian NGO energy concerns.

D. PROBLEMS AND DELAYS

The primary problems encountered during this reporting period have been related to Productive Uses outputs in the Vinto and Chapare subproject areas. In general, the process of approving rural credits under the PRODEM agreement has been slow for a number of reasons, including perceived restraints on eligibility which have been addressed through an amendment to the original NRECA-PRODEM agreement. This is expected to increase the flow of funds. Another significant delay has been the lag time between DIFEM local currency disbursements. Finally, dollar shortages in the fifth year of the project have caused a rearrangement of priorities which has severely hampered funding for the Productive Uses program, the mainstay of rural electrification projects.

Another rural credit agreement was signed with AGROCAPITAL and was supposed to be active as of one month ago, but questions regarding the requirements of both NRECA and USAID for management of these funds has delayed the progress of AGROCAPITAL. This rural credit program is expected to start up during the early part of the next reporting period.

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

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

1. Construction and completion of Capinota subproject.
2. Acquisition of 2,500 solar photovoltaic water systems.
3. Installation of solar photovoltaic water pumping systems in the Altiplano, La Paz department and in the Department of Cochabamba. Continued collaboration with the Radio Learning Project.
4. Continuation of training and technical assistance programs for large and small electric utilities. Continue participation and coordination of the electrification portion of the new electricity law currently being drafted by GOB, and finally, continued rehabilitation of the large rural electric cooperative in the Altiplano (CORELPAZ), La Paz Department.
5. Project evaluation to assess the extent to which the project has progressed in terms of meeting project outputs. This evaluation is scheduled for June, 1994 and will include income and employment statistics.
6. Environmental Assessments for Riberalta and Concepción.
7. ESF funding disbursement and clarification of dollar funding shortages.

Rating: B

PROJECT STATUS REPORT
October 1, 1993 - March 31, 1994

I. Background Data

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

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

1/ Subject to requirements established under Circular A-133.

II. Financial Data (\$000)

a) Amount Authorized: \$8,000
 b) Amount Obligated: \$2,900
 c) Amount Committed: Period: \$ 72
 Cumulative: \$ 1,773
 d) Accrued Expenditures: 1) Period-Projected: \$ 400
 2) Period-Actual: \$ 174
 3) Next Period Projected: \$ 420
 4) Cumulative to date: \$ 548
 e) Pipeline (b-d,4): \$ 2,352

% LOP Elapsed: 30
 % of Total Auth. Oblig. (b/a): 36
 % of Total Oblig Exp. (d,4/b): 18
 % of Total Auth. Exp. (d,4/a): 7

Counterpart Contribution (GOB):

f) Counterpart Planned LOP:	7,100
g) Counterpart Cumulative Planned as of 3/31/94:	3,347
h) Actual Counterpart Expenditures as of 12/31/93:	1,487
i) Accrued Counterpart Expenditures 1/1/94 to 3/31/94:	465
j) Total Counterpart Actual and Accrued Expenditures as of 3/31/94 (h+i):	1,952
k) Counterpart Planned Next Period:	930
l) % of LOP Expended (j/f):	27

III. Project Goal/Strategic Objective

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

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

IV. Project Purpose

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

V. Project Description

The project has three components:

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

VI. Project Status

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

B. Major Output Indicators	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumulative	Next Period	This Period (6 mo.)	Cumulative	% of LOP
<p>1. Social policy unit established.</p>	1	N/A	1	N/A	N/A	1	100%
<p>2. Policy studies submitted to GOB ministries, in areas of: - stabilization - reactivation - human capital - development</p>	<p>UDAPE 90 UDAPSO 25 PRS 15</p>	<p>9 3 0</p>	<p>29 11 0</p>	<p>8 4 0</p>	<p>6 16 0</p>	<p>25 20 0</p>	<p>28 80 0</p>

B. Major Output Indicators	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
3. Social sector data base established and maintained.	UDAPSO 1	1	1	1	0	0	0
4. Institutional reform analyses to enhance policy effectiveness.	100	15	41	14	26	81	81
5. Policy seminars and work shops held.	12	4	5	3	5	8	66
6. Staff capability to formulate and implement policy improved.	40 (15 WOMEN)	8 (0)	23	10	6	16	40
7. Dissemination of study findings to public and private sectors.	10	6	10	8	25	23	230

C. Overall Status

1. UDAPE

- During the reporting period, UDAPE continued with its tasks of monitoring and evaluating the Bolivian economy, of the follow-up of the structural reforms and the targets agreed with the IMF. In doing this, UDAPE worked together with the Ministry of Finance and Economic Development, the Central Bank and the IMF.
- Within the capitalization process, UDAPE participated in the preparation of assessments, studies and valuation of the principal public enterprises belonging to the sectors of energy, transportation, and communications. In addition, models to measure the macroeconomic impact of the proposed capitalization actions were developed. UDAPE also participated in the evaluation of the macroeconomic impact of the various reforms being carried out in the country.
- UDAPE participated in the preparation of studies and of a model to quantify the macroeconomic impact and the costs associated with the implementation of the reform of the social security system. Several seminars to discuss the topic were organized.
- Special emphasis was given to develop a medium-term model containing projections to allow measuring the macroeconomic impact of the education, civil service and pension reform, of the popular participation law, and of energetic projects. The model will also serve the purpose of improving the capacity of the Government when negotiating with the IMF, WB, IDB and other international donors.
- The following sectoral tasks have been completed: up-dating and adjustment of a cluster of agricultural prices, revision of the agrarian reform law, assessment of the Bolivian airline

(LAB), evaluation of the tax regulations for the new mining code, and of the fiscal impact of delaying the payment of mining rights.

- During the reporting period, 26 analytical documents, 6 methodological papers, 20 aide-memoirs and two statistical documents had been prepared.
- UDAPE's Executive Director resigned at the end of March 1994, in order to assume the position of National Secretary of Finance. The Deputy Director was appointed as Executive Director.
- UDAPE continued to participate in the two more important economic councils of the country: the Macro Economic Group and the National Council for Economic Development.
- The technical assistance of high ranked, prestigious, and well known professionals, provided under the contract with the Harvard Institute for International Development, (HIID) were instrumental in accomplishing the above tasks. Senior economists, tax attorneys, custom specialists, tax advisors, capitalization, and pension reform experts provided excellent services. The services, in many cases, were praised by high rank officials of the Bolivian Government. During the period, 146 days of technical assistance services were rendered to UDAPE by HIID consultants.
- UDAPE representatives participated in a fiscal seminar organized by CEPAL Chile; in the Tax Exemption and Export Seminar organized the Council of the Cartagena Agreement in Lima; in the Eighth Andean Meeting on Prices in Caracas; and, in the round table organized by the FAO and the World Bank related to Price Mechanisms and Stabilization.

2. UDAPSO

- The HIID long-term Resident Advisor, Mr. Charles Myers arrived and started working with UDAPSO in reviewing the working program, papers, and plans.
- In coordination with the Advisory Team to the Ministry of Human and Social Development, UDAPSO organized a closed Higher Education Forum. Attending were businessmen, university students, trade union leaders. The purpose was to discuss major issues related to the higher education reform, in a non-partisan way, and budgetary issues.
- In coordination with the Secretary of Health, UDAPSO prepared a report that the Bolivian Government presented to the Pan American Health Organization.
- UDAPSO participated with the National Statistics Institute in a national seminar on social statistics to pursue the work started in 1993 and to set up the national system of social indicators.
- The results of the Higher Education Seminar were published.
- The Poverty Map, Mapa de la Pobreza, a 414 page document was published and distributed. This document has had high demand within the Government, the international community and other donors.
- The second Research Notebook "Participating in Growth, Economic Expansion, Income distribution and Urban Poverty" was published in March.
- The technical assistance services provided by HIID focussed on the following: evaluate UDAPSO's overall work; a training workshop on analytical techniques; introduction to

LOGIT/PROBIT; design a social sector data base; develop an overall rural development assessment; and, develop a methodology to evaluate the Child Care Health and Nutrition Program. During the reporting period, HIID provided a total of 108 days of technical assistance to UDAPSO.

3. PRS FUND

Health Policy Dialogue

- Two contracts for the provision of technical services have been signed, one a buy-in with Health and Nutrition Sustainability and one with the Executive Secretariat.
- The initial outline of the substantive aspects to be affected by the reform has been completed, and approved.
- Two mechanisms to capture public opinion have been established. (Focus group and strategic analysis).
- A proposal to coordinate all USAID funded activities that may contribute to the reform has been completed.

D. Problems and Delays

- Disbursement of funds from DIFEM to UDAPE and UDAPSO continue to be very slow. During the reporting period these institutions faced the problems of lack of funds and were unable to pay salaries and other costs.
- The negotiation and signing process of the two contracts was extremely lengthy, and delayed project implementation.

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

1. UDAPE

- Continue monitoring the IMF negotiated financial program, the evolution of the structural reforms, and of the Bolivian economy.
- The Macroeconomic Division in coordination with the National Secretary of Finance and the Central Bank will work in developing a new agreement with the IMF. Within the same framework, it will work in developing the necessary documentation for the Paris Club meeting.
- The Macrosectoral Division will concentrate its efforts in the agriculture area, doing an analysis of public investments in agriculture, developing new tax and commercialization policy, assessing credit policies and evaluating the sector's strategy. In the industrial sector guidelines for the medium and small industry will be developed and an alternative proposal for the temporary import policy will be developed. In the energetic sector, studies related to tariffs, transportation, warehousing, and distribution of liquid gas and hydrocarbons will be prepared. The transport sector will also be studied, methodologies to set tariffs will be developed, and studies will be conducted to integrate the telecommunication enterprises of the country.

- In the tax area, an UDAPE official will attend the International Financial Fraud Training Program. In addition, financial assistance will be provided to partially cover the costs of an IRS technical assistance team.
- An up-dated statistics booklet will be published, containing data as of December 31, 1994.

2. UDAPSO

- The emphasis of the research agenda will be concentrated in six areas, as follows:
- Secondary education. A study on secondary education, including technical training, will be carried in order to evaluate the state of knowledge and to determine further studies to help bridge the understanding of the whole educational system, with special emphasis in those factors affecting higher education.
- Health Care Reform. UDAPSO will assist in establishing a Health Accounting Matrix and in the preparation of studies to estimate health demand functions and income elasticities.
- Labor and Employment. UDAPSO will continue with the study of the structure of the urban labor market.
- Rural development. Studies and other related work will be carried out to determine the migration and employment patterns in the rural areas of Cochabamba. A policy discussion workshop on this topic will be held.
- Evaluation and follow-up. This is a new area in UDAPSO, as requested and supported by the Ministry of Social and Human Development. The first program to be evaluated is the Child Health Care and Nutrition Program (PIDI).
- Poverty. In conjunction with the World Bank, UDAPSO will continue developing a program to put together all previous work carried out in this field. A concept paper will be developed.
- Social Indicators Data Base. A data base will be developed and implemented to help automate and standardize handling of information.

3. PRS

Health Policy Dialogue

- Draft of a policy reform paper will be completed.
- Establishment of a forum for Health Care Policy Reform.
- Establishment of a consultative board for technical support for policy dialogue.
- Development and establishment of a system for the improvement of management of health care programs and for policy dialogue.

Rating: B

PROJECT STATUS REPORT
October 1, 1993 - March 31, 1994

I. Background Data

Project Title: Cochabamba Regional Development
 Project Number: 511-0617
 Date of Authorization: original 07/02/91
 Date of Obligation: original 07/05/91 Amended 09/30/93
 PACD: original 09/30/96 Amended 09/30/97
 Implementing Agencies: National Fund for Alternative Develop. (FONADAL)
 Program for Alternative Regional Development (PDAR)
 National Roads Service (SNC); Bolivian Institute of Agricultural Technology
 of Chapare (IBTA/Chapare).
 Major Grantees: Development Alternatives, Inc. (DAI); A.C.D.I.; Planning Assistance
 AID Project Manager: Charles T. Hash
 AID Project Coordinator: David J. Lozano
 Status of CPs/Covenants: CPs are all met. The GOB is in compliance with all covenants. Among covenants was coca eradication by Chapare farmers to benefits from community social infrastructure works and credit.
 Date of Last Evaluation: None

Organization	Audit Responsibility	Last Audit Completed	Next Audit Begin Date	Total Audits Completed to Date
DAI	OP/PS/OCC	(1)	n/a	n/a
ACDI	OP/PS/OCC	(1)	n/a	n/a
PLANN. ASSIST.	OP/PS/OCC	(1)	n/a	n/a
PDAR	Recipient	4/15/93 (2)	April 1994 (3)	1
IBTA/Chapare	Recipient	4/15/93 (2)	April 1994 (3)	1
S.N.C.	Recipient	4/15/93 (2)	April 1994 (3)	1

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

II. Financial Data (\$000)

a) Amount Authorized: \$ 80,000
 b) Amount Obligated: \$ 38,518
 c) Amount Committed: Period: \$ 3,880
 Cumulative: \$ 34,381
 d) Accrued Expenditures: 1) Period-Projected: \$ 6,800
 2) Period-Actual: \$ 6,133
 3) Next Period Projected: \$ 5,800
 4) Cumulative to date: \$ 23,324
 e) Pipeline (d,4/b): \$ 15,194
 % LOP Elapsed: 44
 % of Total Auth. Oblig. (b/a): 48
 % of Total Oblig. Exp. (d,4/b): 61
 % of Total Auth. Exp. (d,4/a): 29
Counterpart Contribution (GOB):
 f) Counterpart Planned LOP: \$ 40,000
 g) Counterpart Cumulative Planned as of 3/31/94: \$ 27,800
 h) Actual Counterpart Expenditures as of 12/31/93: \$ 20,055
 i) Accrued Counterpart Expenditures 1/1/94 to 3/31/94: \$ 650
 j) Total Counterpart Actual and Accrued Expenditures as of 3/31/94 (h+i): \$ 20,705
 k) Counterpart Planned Next Period: \$ 5,284
 l) % of LOP Expended (j/f): 52

III. Project Goal/Strategic Objective

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

IV. Project Purpose

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

V. Project Description

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

VI. Project Status

A. Purpose Indicators/ EOPS	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cum	Next Period	This Period (6 mo.)	Cum	% of LOP
Export Market Sales (\$) ¹	10,590,250	200,000	417,780	300,000	360,403	530,906	5%
National Mark.Sales (\$) ²	8,121,895	150,000	200,400	350,000	895,869	1,698,809	21%
Ha. Cultivated of Alt. ³ Crops, Chapare	13,000	500	1,761	500	1,338	34,230	263%

¹ Value to consumer. These figures represent only products marketed with support of CORDEP, they do not correspond to the total value of all products exported from the area included in "Ha. Cultivated of Alt. Crops, Chapare" (see footnote # 3). For the next reporting period, using structured field observations, official GOB reports and output of a survey being conducted in May, 1994, to estimate the volume of formal and informal exports of banana and pineapple, we will include those figures. This applies also to National Market Sales. (See footnote # 2).

² Products marketed with support of CORDEP including Chapare and High Valley Products.

³ The areas reported this period reflect the area of agriculture production with planting material provided by IBTA and an estimated area of agriculture production with planting material from other sources. IBTA provided planting material for 298 Ha. and IBTA estimates that 1,040 Ha. were cultivated with other sources of planting material. This estimate will be verified with the next Agriculture Survey to be conducted by INE, DAI and PDAR in May 1994.

B. Major Output Indicators	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cum	Next Period	This Period (6 mo.)	Cum	% of LOP
CHAPARE: ⁴ Product lines Implemented	12	2	6	1	1	7	58%
HIGHLANDS: ⁵ Product lines Implemented	13	0	3	1	0	4	31%
CHAPARE: No. Farmers Trained or receiving TA	30,000	3,000	14,577	1,400	903	23,853	79%
HIGHLANDS: No. Farmers Trained or receiving TA	13,400	2,500	6,663	2,500	3,962	19,121	143%
CHAPARE: Productive Projects in Operation ⁶	370	30	72	20	18	78	21%
INFRASTRUCTURE - TRANSPORT							
CHAPARE: Rural Roads Upgrading Km.	750	36	145	40	29.13	198.13	26%
HIGHLANDS: Rural Roads Upgrading Km.	250	9.5	59	0	0	45.5	18%
CHAPARE: Bridges	10	0	3	0	2	6	60%
HIGHLANDS: Bridges	11	0	9	0	0	9	82%

C. Overall Status

Project Evaluation and Implementation Adjustments:

During the reporting period an extensive internal project evaluation was conducted involving the Mission Director and the directors of DP and PD&I. This effort led to a number of mid-course corrections in terms of the primary and secondary products and the roles of the various agencies involved in project implementation. A further description of the impact of these revisions on the following products/activities will be elaborated in the next SAR.

BANANA

Two banana ripening facilities were established in Santa Cruz and La Paz to promote the independence goal set for UNABANA. A series of post harvest management courses were presented to four of the five associations working with UNABANA. The objective of the courses is the preparation and certification of competent packers to be associated with the presentation of export

⁴ Includ. Pineapple, Banana, Plantaine, Guineo Banana, Tumeric, Passion Fruit, Palm Hearts.

⁵ Garlic, Peach, Fava Beans, Onions.

⁶ Livestock production centers, packing sheds, cold storage plants, community nurseries.

bananas. The Argentine government gave approval for export of fruit to their country during this reporting period, which led to an increase in sales of export quality fruit.

54,174 Grand Nay vitroplants were imported and as of the date of this report 44,450 of these have been distributed to community nurseries

PINEAPPLE

The two most significant developments in the Pineapple Program were a) the creation of Emcofrut to pack and ship fruit from the Mariposas growing area and b) the establishment of a "Zero Defect" quality control program in the three Chapare packing centers in Mariposas, German Busch and Eterazama.

Emcofrut, a joint venture between Agrocapi and Aspropi (the pineapple producer's association in Mariposas) began operations in October 1993 and quickly became the most important "buying and selling post" for pineapples in the Chapare. For the first time Chapare farmers could sell their pineapples for cash to a marketing entity in their locale. And for the first time prospective customers could make a "one-stop" trip to the Chapare to make their purchases. As a consequence, the farmers were motivated to improve the quality of the fruit harvested and customers increased their orders based on reliable, hassle-free delivery.

Because of quality control campaign stressing zero defects in the packout, there were no customer complaints about product quality during this shipping season. Random inspections resulted in a clean bill of health for all fruit shipped to demanding fruit processors. Each packing center was assisted in the layout of its operation from fruit reception to final packing, in the training of its packing personnel and in inspection procedures prior to shipping.

The packing facility at Mariposas came into operation in November and has functioned successfully. This packing facility has been given approval by the Argentine government for the export of fruit to their country.

Imports of Cayena Lisa pineapple plants totalled 688,929. These have been distributed to individual farm families for reproduction of planting material.

PALM HEARTS

A census was conducted by IBTA and DAI to find out the area of palm hearts cultivated in the Chapare. The census was promoted by a private company interested in the establishment of a canning facility for exporting processed palm hearts to Argentina and Chile. The Facultad of Agronomía has 70,000 palm heart plants available for planting. Unapega, a farmers' association has requested this material as credit and will pay for the planting material after the first harvest.

185,000 pre-germinated seeds were imported and distributed to community nurseries.

OTHER CROPS

Funds were allocated for the importation of 10,000 black pepper plants from Brazil.

The marketing group established two new products using processed passion fruit. For the first time farmers are processing Passion Fruit in the Chapare, and at the farmers' initiative the area cultivated with Passion fruit is expanding.

EXTENSION

- a) 8,328 farmers received technical assistance and/or training during this reporting period in the Chapare and Valleys from IBTA/Chapare and NGOs.
- b) In addition, IBTA/Chapare extension agents provided T.A. to 47 community nurseries, livestock production centers, packing sheds and cold storage centers.

CREDIT

During this reporting period, primarily due to funding limitations, no new loans were approved for production or processing of Chapare products. Total credit approved for the Chapare and Yapacani to date: \$2,374,449, which represents 63% of all funds approved for credit by Agrocapital to date.

NGOs

During the current reporting period a total of 20 NGO's were funded, providing financing for 16 Agricultural production projects and 4 Agricultural support projects, impacting at last count on 5,069 families in over 222 communities.

STATUS OF DATA TRACKING SYSTEM

For management purposes an activity monitoring system has gone into effect, providing monthly updates on the status of 77 separate activities. The monitoring is being carried out by USAID/ARD and DAI technical personnel.

The system for collection and verification of SAR data provides for DAI information management section collecting the required SAR data from the appropriate implementing agencies (SNC, PDAR, IBTA, Planning Assistance, Agrocapital, DAI marketing division and DAI post harvest division). This information is reviewed by ARD/Cochabamba and supplied to ARD/La Paz. Given the time constraints, the verification of the data provided by implementing agencies is carried out by ARD/Cbba technical staff during the two weeks period after receiving the information. A random sample check of no less than 10% of the information is carried out. If errors are detected, a complete check of the information will be carried out and appropriate adjustments will be made within the context of the next SAR.

D. Problems and Delays

1. Progress and road construction has been adversely effected by the requirement of community reduction certificate renewal prior to initiation of any road improvement activity in the Chapare.

Campesino Federation leadership has forbidden any Sindicato to allow the inspection required by DIRECO for obtaining or renewing such certificates.

2. As a direct result of forced eradication of coca in the immediate vicinity of coca maceration pits, a series of protest activities resulted in an 18 day delay in distribution of Palm Heart plants to community nurseries, extension work by IBTA and NGO's, as well as the loss of approximately 15 tons of fresh passion fruit.
3. Continued ambiguity regarding positioning of CORDEP in the new government throughout this reporting period has detracted substantially from the attention which upper level Project Staff, both in the GOB as well as AID, have been able to devote to project management.

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

1. A major revision of IBTA/Chapare will be carried out which will involve a staff reduction of 40% to 60% and transfer of major extension activities to the private sector. Soil/Fertility programs and Integrated Pest Management will be strengthened.
2. Effective mechanisms will be established to provide appropriate support to private business, growers associations and NGOs in order to set in motion sustainable extension services for producers of alternative crops.
3. 75,000 black pepper plants, 800,000 palm heart (Pejibaye), and 1,000,000 pineapple plants will be imported.
4. On the basis of the project evaluation and Project Paper Supplement, adjustments will be made in the indicators for Purpose Level EOPS and Major Outputs.
5. Estimates of formal and informal Export Market Sales and National Market Sales for CORDEP High Valley Products, as well as those Alternative Crops produced in the total area cultivated in the Chapare will be provided in the next P.S.R. These estimates will be based on structure field observations, official GOB reports, marketing business reports and output of a survey being conducted in May, 1994.

PROJECT STATUS REPORT
October 1, 1993 - March 31, 1994

Rating: B

I. Background Data

Project Title: FY 1994 PL-480 Title II Regular Program and Monetization
Project Number: None
PACD: September 30, 1995
Implementing Agencies: Cáritas Boliviana, Adventist Development and Relief Agency (ADRA), Food for the Hungry, Int. (FHI), Project Concern International (PCI)
Major Contractors: Planning Assistance
AID Project Manager: Jonathan A. Sleeper
AID Project Coordinators: Salvatore Pinzino, Luis F. Moreno
Status of CPs/Covenants: None
Date of Last Evaluation: Cáritas: 08/92, ADRA: 08/92, FHI: 08/92, PCI: None, Monet: 08/92
Date of Next Evaluation: Cáritas: 08/94, ADRA: 08/94, FHI: 08/94, PCI: 09/94, Monet: 08/94
Date of Last Audit: Cáritas: 03/94, ADRA: 06/93, FHI: 08/93, PCI: 07/93 Monet: 09/93
Date of Next Audit: Cáritas: 10/94, ADRA: 05/94, FHI: 05/94, PCI: 05/94, Monet: 10/94

II. Financial Data

A. Cáritas Boliviana

Date of Obligation:	August 26, 1993
Program Quantities (\$000):	Program Inventories (Metric Tons):
Commodities: 4,483	Prior Balance 9/30/93: 3,639
Ocean Transport: 2,665	Received by 2/28/94: 4,456
Inland Transport: 2,132	Distributed by 2/28/94: 5,306
Total 9,280	Balance on Hand 2/28/94: 2,789

FY 94 Monet. ¹	(\$000)
Carryover FY 93:	153
Projected Income:	2,412
Disbursements:	831
Balance:	1,581

¹ Project Income is used instead of actual income because not all the flour programmed for FY 94 has been sold. The actual income for all agencies will be reported in the next SAR.

B. Adventist Development and Relief Agency

Date of Obligation:	August 26, 1993
Program Quantities (\$000):	Program Inventories (Metric Tons)
Commodities: 3,745	Prior Balance: 9/30/93: 2,581
Ocean Transport: 2,258	Received by: 2/28/94: 3,862
Inland Transport: 1,806	Distributed by: 1/28/94: 1,929
Total 7,809	Balance on Hand: 2/28/94: 4,514

FY 94 Monet. ¹ (\$000):
Carryover FY 93: 163
Projected Income: 2,004
Disbursements: 825
Balance: 1,179

C. Food for the Hungry, Int'l.

Date of Obligation:	August 26, 1993
Program Quantities (\$000):	Program Inventories (Metric Tons)
Commodities: 1,265	Prior Balance: 9/30/93: 2,247
Ocean Transport: 731	Received by: 2/28/94: 234
Inland Transport: 585	Distributed as of: 2/28/94: 512
Total 2,581	Balance on Hand: 2/28/94: 1,969

FY 94 Monet. ¹ (\$000)
Carryover FY 93: 104
Projected Income: 1,406
Disbursements: 531
Balance: 875

D. Project Concern International

Date of Obligation:	August 26, 1993
Program Quantities (\$000):	Program Inventories (Metric Tons)
Commodities: 1,143	Prior Balance 9/30/93: 753
Ocean Transport: 690	Received by: 2/28/94: 0
Inland Transport: 552	Distributed as of: 2/28/94: 289
Total 2,385	Balance on Hand: 2/28/94: 464

FY 94 Monet. ¹ (\$000):
Carryover FY 93: 54
Projected Income: 582
Disbursements: 272
Balance: 318

III. Program Purposes

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

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

IV. Relationship to Mission's Strategic Objectives

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

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

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

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

V. Project Descriptions

A. Caritas

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

ADRA carried out its food-for-work program in 3 major cities and 11 towns. In the first half of FY 94 ADRA completed 147 projects, with 412 projects to be completed in the remainder of the year. ADRA reports that these projects have a value of \$2.7 million. The program provides jobs for an average of 7,561 workers per month, of which 35 percent are men and 65 percent women. Like Cáritas, ADRA buys tools for the program to improve worker productivity and has reduced the tasks required to earn a ration, and mayors' offices in Trinidad, El Alto, and La Paz are paying all beneficiary contributions. ADRA is providing meals to some workers in El Alto, one of the poorest cities in Bolivia. Child care centers for children of women workers will be organized this fiscal year on a pilot basis. All of these activities are designed to increase food security in accordance with the WINS evaluation.

ADRA's school feeding program served 13,959 students in 157 schools in four provinces. The agency has recently begun receiving requests from schools for the 1994 school year, which begins in February in Bolivia. School principals report that the attendance rate in the year ended in October was 86 percent, with a dropout rate of 10 percent and an absentee rate of 4 percent.

In the maternal and child health program ADRA uses monetization funds to immunize mothers and children in 122 remote rural communities against contagious diseases. ADRA's goal is to immunize 1,918 children and 2,522 mothers in FY 94. So far, 34 percent of children and 23 percent of mothers have been immunized. The agency immunized 596 children against polio, 512 against diphtheria, 632 against measles, and 644 against tuberculosis.

ADRA also uses monetization money to fund rural development in the Departments of Beni, Cochabamba, and La Paz, reaching 35 communities and 3,635 families. ADRA provides these communities with health and sanitation services, agriculture and marketing technical assistance, and training. In addition, ADRA helps the communities plant trees and build homes, schools, latrines, roads, and bridges.

In another monetization project, 655 women are enrolled in an economic development project, of which 149 have received small loans to start or improve small businesses. This project has not been evaluated, but ADRA reports that the women's income and savings have been increased and that 117 new small businesses have been started.

C. Food for the Hungry, International (FHI)

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

With monetization funds, FHI works in 159 rural communities with a total population of 15,500 people in nine provinces in the Departments of La Paz, Oruro, and Potosí. In the past six months it completed 46 principal activities, benefitting 755 families.

It has successful food-for-work programs in 5 major cities and 81 small towns throughout Bolivia. During the last six months, 700 infrastructure projects were completed, and 245 projects will be completed by the end of FY 94. Cáritas reports that these projects have a total value of \$3.7 million. An average of 17,927 workers per month have been employed, of which 65 percent are men, 35 percent women. To improve productivity Cáritas supplies tools to workers and is shortening the time a participant has to work to receive a ration. Cáritas reports that the provision of tools and construction materials has improved the efficiency of the projects. In Cochabamba, on an experimental basis, the program serves hot meals to the workers. This experiment will be extended to Tarija, Potosí, Sucre, and Oruro by the end of FY 94. Day care for the children of women workers will be offered in a pilot program in the second half of the year. These new services are designed to enhance food security in accordance with the August 1992 Women and Infant Nutrition Security (WINS) evaluation.

Cáritas also sponsors a rural school feeding program that reached an average of 72,858 primary school children in 910 schools throughout the country. During the last six months, Cáritas La Paz surveyed 10 percent of the schools it serves and discovered that school attendance has risen by 35 percent. This means that the dropout rate was reduced from about 30 percent to 18 percent. Although 10 schools, or 40 percent of those surveyed, reported dropouts, in none of the schools was the rate significant.

Using monetization income, Cáritas funds maternal and child health programs. The program, which served 6,224 mothers and 11,816 children in 270 communities during the last six months, is reaching its targets in prevention and treatment of diarrhea, respiratory infections, and growth monitoring. The agency immunized 7,782 children against polio, 7,761 against diphtheria, 7,297 against measles, and 9,245 against tuberculosis. Although reaching only 65 percent of its immunization target of 9,453 children, Cáritas has significantly improved its performance over last year, when it achieved 40 percent of its goal.

Monetization income is also used to support 24 income-generating small production projects in rural areas. Four projects propose to produce crops such as coffee, beans, maracuya, and vegetables. Twelve projects propose to increase production of hogs, dairy cattle, and milk. Eight projects construct infrastructure such as greenhouses and irrigation canals. Although Cáritas reports that all of the projects are reaching some of their objectives, no data yet exists to measure their impact on small farmers' incomes.

B. Adventist Development and Relief Agency (ADRA)

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

The agency's major emphasis is providing technical assistance and training to 6,632 people to increase subsistence production and to improve the health of mothers and children under five. FHI operates 15 training and demonstration centers where small farmers get hands-on training in agricultural production, animal husbandry and water resource management. According to the latest evaluation, it has a very successful program that builds potable water wells, micro-irrigation systems and greenhouses, which produce vegetables for household consumption in the highlands.

FHI has a school feeding program that reached an average of 92,074 students in 2,253 schools in the Departments of La Paz, Oruro, and Potosí during the end of the 1993 school year. Since the program began, FHI reports that the dropout rate has fallen from 30 percent to 1.5 percent. Further, the attendance rate in schools subscribing to the program has reached 98.3 percent. FHI dedicated itself in the past six months to improving community organization and participation as well as program administration and evaluation. Each community provides food produced locally to improve nutritional quality.

Using funds from monetization, AID/Washington, and Procosi, FHI works closely with the Bolivian Ministry of Health, completing a five-year child survival project at the end of FY 93 that included oral rehydration, health and nutrition education, and immunization campaigns. The program served 134 extremely isolated and impoverished communities in the highlands. FHI is now designing a follow-up program for 72 more communities and has completed a base-line study. A December 1993 evaluation found that the program exceeded most of its goals. The incidence of children under 5 with diarrhea was reduced to 5.5 percent, and 97.8 percent of those children were treated with ORT, exceeding the target of 75 percent. The percentage of completely immunized children under 2 rose to 87 percent, exceeding the targeted 80 percent, and 93 percent of mothers were inoculated against tetanus. The project used Title II food supplements as an incentive to enroll in the Mothers' Centers. There was initial concern that the activities would cease when the supplements ended, but instead the centers have become established community institutions. According to the evaluation, the project was "remarkably successful," and served "highly motivated communities which unanimously now consider the projects their own."

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

D. Project Concern International (PCI)

Project Concern International has been a cooperating sponsor for two years, implementing programs in food for work in four cities in the Department of Santa Cruz. In the last six months PCI in coordination with the Mayor's Offices of Santa Cruz and Montero carried out 59 food-for-work

projects employing an average of 567 workers, of which 59 percent were men and 41 percent women. During the second half of the year, 33 projects are in process.

In addition to its programs in the cities of Santa Cruz and Montero, in the last six months PCI has begun programs in Mineros and Portachuelo and has addressed food security and nutrition of the program's beneficiaries. In the first phase, PCI surveyed the beneficiaries' nutritional status and began a nutritional education and training program. The design of the food security component was based on the Women and Infant Nutrition Support evaluation. The initial baseline data for the food security project has been collected, but results are inconclusive. However, PCI reports that data shows that malnutrition in workers' children has been diminished.

The program focussed on streets, drainage canals, soccer fields, and parks in poor neighborhoods and also experimented with planting of trees, garbage collection, and sediment disposal.

E. Inter-Agency Monetization Program

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

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

As of the end of March, 6,123 metric tons of wheat flour have been sold at an average price of \$294 per metric ton, generating an after tax income of \$1,800,612. The average price per ton obtained is competitive on the local market and approximates the landed value of the wheat flour.

Price Waterhouse affiliate Moreno Muñoz finished its concurrent audit of the Monetization Program on February 18. It found that the financial statements issued by the Monetization Program as of September 30, 1993, are acceptable. However, the auditors highlighted the Bolivian Income Tax Office's bill of collection against the Monetization Program for \$233,000 in unpaid 1992 taxes and advised that an additional \$444,000 in taxes will be claimed for fiscal years 1989-1991. The accountants made several recommendations to improve the operating procedures in the accounting system. The tax problem will be discussed further in section VI.D., Problems and Delays.

The program's technical staff reviews data presented by the agencies to monitor each project's feasibility and periodically visits project sites to oversee accountability and implementation. The program also administers Economic Support Funds for special projects linked to the food-for-work program. Through the cooperating sponsors the program will invest \$1.9 million in FY 94 local currency funds in seven major water, sewage, and street improvement projects in Santa Cruz, La Paz, Coroico, Santa Ana del Yacuma, and Sucre.

VI. Project Status

A. Purpose Indicators /EOPS	PLANNED				ACCOMPLISHED		
	LOP	Period (6 mo)	Cumulative	Next Period	Period (6 mo.)	Cumulative	% of LOP
1. Food-for-work Program							
a. Improved food security (Number of beneficiaries)	211,511	105,755	211,511	105,756	123,440	123,440	58
b. Temporary employment (person-months equivalent to 9 days of work/month)	455,556	227,778	455,556	227,778	123,439	123,439	27
2. School Feeding							
a. Beneficiaries							
FHI	90,000	90,000	90,000	90,000	92,074	92,074	102
Cáritas	94,200	94,200	94,200	94,200	72,858	72,858	77
ADRA	13,907	13,907	13,907	13,907	13,959	13,959	100
b. School dropout rates							
FHI	Reduce to 10%	Reduce to 10%	Reduce to 10%		Reduced to 1.5%	Reduced to 1.5%	
Cáritas	Reduce to 15%	Reduce to 15%	Reduce to 15%		Reliable data n/a	Reliable data n/a	
ADRA	Reduce to 15%	Reduce to 15%	Reduce to 15%		Reduced to 10%	Reduced to 10%	
B. Major Outputs	PLANNED				ACCOMPLISHED		
	LOP	Period (6 mo.)	Cumulative	Next Period	Period (6 mo.)	Cumulative	% of LOP
Food-for-work Program							
1. Workers' person months							
Cáritas	192,000	96,000	192,000	96,000	82,230	82,230	42
ADRA	193,956	96,978	193,956	96,978	37,805	37,805	19
PCI	69,600	34,800	69,600	34,800	3,404	3,404	2

B. Major Outputs	PLANNED				ACCOMPLISHED		
	LOP	Period (6 mo.)	Cumulative	Next Period	Period (6 mo.)	Cumulative	% of LOP
b. No. of Projects							
Cáritas							
Forestation	87	43	87	44	63	63	72
Garbage Collection	2	1	2	1	1	1	50
Housing Construction	83	41	83	42	66	66	80
Latrines and Public Bathrooms	15	7	15	8	11	11	73
Parks and Plazas	45	22	45	23	35	35	78
Potable Water and Sewerage	191	95	191	96	136	136	71
Streets and Roads	283	141	283	142	212	212	75
Other Community Projects	239	119	239	120	176	176	74
Total	945	469	945	476	700	700	74
Adventist Development & Relief Agency (ADRA)							
Forestation	44	22	44	22	1	1	2
Garbage Collection	41	20	41	21	11	11	27
Housing Construction	13	7	13	6	5	5	38
Latrines	14	7	14	7	0	0	0
Parks and Plazas	14	7	14	7	8	8	57
Potable Water and Sewerage	57	28	57	29	14	14	25
School Repairs	23	11	23	12	2	2	9
Storm Drainage Canals	29	15	29	14	23	23	79
Streets and Roads	254	127	254	127	55	55	22
Other Community Projects	70	35	70	35	28	28	40
Total	559	279	559	280	147	147	26

B. Major Outputs	PLANNED				ACCOMPLISHED		
	LOP	Period (6 mo.)	Cumulative	Next Period	Period (6 mo.)	Cumulative	% of LOP
Project Concern International (PCI)							
Latrines and Public Bathrooms	23	11	23	12	0	0	0
Parks, Plaza, Forestation	7	3	7	4	7	7	100
Potable Water and Sewerage	23	11	23	12	1	1	4
School Repairs	26	13	26	13	10	10	38
Storm Drainage Canals	27	13	27	14	10	10	37
Streets and Roads	10	5	10	5	2	2	20
Other Community Projects	18	9	18	9	29	29	160
Total	134	65	134	69	59	134	44
Food for the Hungry Int. (FHI) (Monetization Funds)							
Greenhouses	90	45	90	45	9	9	10
Irrigation Systems	16	8	16	8	6	6	38
Latrines	60	30	60	30	0	0	0
Potable Water Systems	11	6	11	5	3	3	27
Wells	140	70	140	70	28	28	20
Other Community Projects	60	30	60	30	0	0	0
Total	377	189	377	188	46	46	12

C. Overall Status

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

Planning Assistance, an NGO operating in Bolivia, was awarded a grant in June 1992 to strengthen democratic processes in 3 major cities and 9 towns by training citizen leaders, cooperating sponsor representatives, and municipal officials in citizen participation in planning, financing, and implementing projects in poor neighborhoods. The project ended in December 1993, and an evaluation conducted by the Mission showed that Title II food gives cash-strapped municipalities extra resources for services and infrastructure in poor neighborhoods. It also gives community members an incentive to engage in public works that benefit their neighborhoods. Planning Assistance helped officials of the Ministry of Human Development establish Bolivia's national popular participation program, using experience gained from this project.

Under the maternal and child health program financed by monetization, FHI, ADRA, and Cáritas continue to provide child survival services, which can dramatically improve the health of mothers and children and which contribute to families' food security. As stated earlier, FHI has measurable evidence of the impact of this program on reducing malnutrition rates and deaths due to dehydration.

The school feeding programs of FHI, Cáritas, and ADRA are reducing student dropout rates. FHI reports dropout rates have been reduced from 30 percent to 1.5 percent in its program. Cáritas conducted an assessment of its program in the Department of La Paz, which also showed that attendance rates of primary school students were significantly higher in schools with school feeding. ADRA reduced the dropout rate to 10 percent as compared to its goal of 15 percent.

All four cooperating sponsors support agricultural production projects with monetization funds. However, although they can report output, they lack adequate systems to measure impact.

D. Problems and Delays

As reported in the last SAR, USAID personnel discovered during an inspection in July that Project Concern International's Santa Cruz facilities had serious administrative irregularities. Delivery orders, lists of workers, and progress reports contained forged signatures and fraudulent information. The program was immediately suspended by mutual consent of the Mission and PCI. The Regional Inspector General conducted an initial investigation of the misuse, but to date has

found no conclusive evidence to establish guilt. In the meantime, PCI and the Mayor's office have reorganized the project's control system to minimize further misuse, and the program will be reinstated in Santa Cruz by late April of this year with the concurrence of the Mission.

As reported in previous SARs, in May 1992 approximately \$500,000 worth of wheat consigned to Catholic Relief Services at the port of Matarani, Peru, was declared unfit for consumption. A settlement offer of \$100,000 from the transportation company was, with AID/Washington's consent, accepted and paid in March 1994.

To resolve the administrative problems of the Inter-Agency Monetization Program, identified in the previous reporting period, a new manager was hired. The staff is being reorganized to correct administrative deficiencies and to comply with recommendations of the Mission and findings of the concurrent audit. It is expected that this measure will solve the program's problems of management, financial reporting, and accounting.

Although the Cooperating Sponsors agree with the WINS recommendations for the food-for-work program, there continue to be delays in their implementation. USAID is reviewing all the programs to ensure that these recommendations are implemented to the extent possible. Progress to date has been limited to shortening of the number of days required to earn a ration; diminishing contributions of the beneficiaries for food rations by passing these costs to the municipalities; providing tools to the workers, and providing meals to some workers. The recommendation to provide day care centers for women workers with children has not been implemented because of its complexity and costliness. Pilot day care centers will begin in the second half of FY 94. In order to better assess the food security impact of the program, technical assistance contractors will be hired in the second half of FY 94.

In November 1993, the Mission discovered that significant quantities of Title II food were being sold in local markets and that some of this food was being smuggled into Peru. With the concurrence of RIG, the Mission immediately initiated an investigation of the sources of the illegal sales. At USAID's recommendation, the monetization program hired four food inspectors to conduct a thorough examination of major warehouses, food distribution and control systems, and field end-use checks. The Mission hired a police investigator to help identify the sources of the sales, to confiscate food encountered in the market, and to collect evidence against those involved. As a result of these investigations, the level of illicit sales has been greatly reduced and a few people will be prosecuted. To enlist the support of local authorities, USAID/Bolivia obtained a Supreme Decree from the Presidency establishing that the illicit sale of food donations is punishable by law.

As stated earlier, the Bolivian Income Tax Office issued a bill of collection against the Monetization Program for taxes corresponding to previous fiscal years. The claim presented by the Income Tax Office originated in its examination of tax liquidations of the Monetization Program, which included tax credits for the purchase of local products distributed in the Title II Program. According to the

tax code, if local products are purchased and then donated, the Government loses the second generation of sales tax. Therefore, purchase invoices for the original acquisition of local products to be donated cannot be used as a tax credit, which was being done by the Monetization Program. USAID/Bolivia and the cooperating sponsors protested these claims and asked the government to accept the tax credits for local purchases. The Bolivian government recently issued a Ministerial Resolution that now permits Title II cooperating sponsors to apply local purchases against the sales taxes due from the sale of wheat flour. However, this Resolution is not retroactive to the program's initiation in FY 89, so the Mission and the cooperating sponsors are preparing a petition to the government to forgive past taxes.

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

1. Continue to ensure that food security measures are taken to complement food-for-work programs and provide agencies with technical assistance to improve food security assessments..
2. Continue to follow up on rural development projects financed with monetization funds to ensure that they are increasing small farmers' food security.
3. Follow up on audit recommendations, conclude the investigation of food misuse, and help agencies to improve internal controls.
4. Hire consultants to conduct an evaluation of the School Feeding Program to assess its impact on dropout and attendance rates and on food security.
5. Monitor closely the PCI Title II Program in Santa Cruz.
6. Implement new computerized food tracking and monitoring system in all four agencies.
7. Review and improve semi-annual and annual reporting systems of the Title II Program.
8. Follow-up on resolving tax issue of Monetization Program.

PROJECT STATUS REPORT
October 1, 1993 - March 31, 1994

Rating: B

I. Background and Financial Data

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

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

A. 1994 Title III

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

B. 1993 Title III

Date of Obligation: 01/08/93 \$17,087,000
Status of Benchmarks: Two of eight have not been met fully.
Date of Last Evaluation: N/A Next Evaluation: N/A
Date of Last Audit: N/A Next Audit: 6/94
Expenditures to Date: 0 (0%)

C. 1992 Title III

Date of Obligation: 03/27/92 \$22,371,000
Status of Benchmarks: All those programmed for 1992 have been met.
Date of Last Evaluation: N/A Next Evaluation: 12/94
Date of Last Audit: Concurrent (every 3 mos.) Next Audit: 6/94
Expenditures to Date: 5,872,800 (26%) 3/31 5,854,000

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

II. Relationship to Mission Strategic Objective

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

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

III. Project Purpose

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

IV. Project Description

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

V. Project Status

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

Benchmarks	Target Date	Status
1. Finalize creation of national environmental defense fund	June, 1992	Met Fully
2. Passage of new environmental law	August, 1992	Met Fully
3. Begin studies for new system of forestry concessions	August, 1992	Met Fully
4. Begin studies for new land tenure law	August, 1993	Met Fully
5. Begin studies to implement environmental law	August, 1993	Met Fully
6. Develop plan to strengthen environ. enforcement agencies	September, 1993	Met Fully
7. Develop program to measure results of enforcement of Pausa Ecológica	September, 1993	90% Met
8. Begin decentralization of forestry management	December, 1993	80% Met

VI. Overall Status

The overall status of the Title III program continues to be very good. The FY94 program, the last year of the three-year agreement, was obligated January 20th. One RIG audit and one assessment were completed over this period, not counting the quarterly concurrent audit performed by Coopers and Lybrand. The audit by RIG, dated January 1994, was closed out by March. The audit found that, in accordance with A.I.D. policy and supplemental guidance, USAID/Bolivia successfully: assessed the accountability environment in the host country; designed the grant agreement and amendments for fiscal years 92-94; and ensured that local currency generations were deposited and quickly disbursed. The assessment of the food security impact of the program, conducted by a Food Economics International, a new Gray Amendment firm, was completed in interim draft. The assessment measured the diverse portfolio of the Title III program by weighing activities that have a stronger potential food security impact, i.e., activities receive higher weights that are targeted to women, small farmers and poor residents in peri-urban areas, and that are targeted to the Altiplano and Inter-Andean valleys. The assessment was favorably reviewed by the Mission, and will be presented in final with a computer program and a training session in its use for the GOB. There are no outstanding observations from the Coopers and Lybrand concurrent audit.

A. Policy Benchmarks

Government concern for environmental issues remains strong, but operational activities continue to suffer some delays since the inauguration of the new government in August of last year. There are a total of eight policy benchmarks under the current 1995-97 agreement which were to have been met by the present date, of which two have yet to be met fully. These are discussed below.

1. Present plan to strengthen the capability of enforcement Agencies to put into effect the Pausa Ecologica's five-year ban on provision of logging concessions.--The date for the GOB to meet this benchmark was pushed back to March, 1994, and Mission judges it has been fully met.

Training of Forest Rangers: Background on the satisfactory progress made to date in upgrading the training of forest rangers was reported elsewhere (La Paz 14244 and La Paz 16231). Additional training over this period was provided to the forest rangers in the Eduardo Avaroa and the Beni Biological Station reserves. Also, the Ministry of Sustainable Development is now executing its plan to train forest guards in eleven priority national protected areas, financed by the Global Environmental Facility, Swiss, and Germans. This plan is described in "Conservation Project for Biodiversity in Bolivia: National System of Protected Areas, Work Plan 1994" dated January, 1994. Training is now being carried out for 60 rangers to graduate by the end of the current year for the first six of the eleven parks, with a total of 300 rangers to be trained over the next three years.

Upgrade Profession of Forest Rangers: A plan to improve the forest service was developed and presented to the Ministry of Sustainable Development and the Environment, in concert with the new forestry law (the plan was prepared under the Sustainable Forestry Management Project, a new Mission initiative with PL-480 local currency counterpart support). This new legislation has passed the House of Deputies and is expected to pass the Senate and be signed into law in July of this year. The plan is contained in a document entitled, "A Method for Developing a New Forest Service and An Example of its Application," dated March 30, 1994. This document describes the administrative structure and mandate, i.e., responsibilities and duties, of the new forest service at the central and district levels; and a detailed example of how a national, provincial and local district office would function administratively, technically and legally. It also describes number and type of professionals required; job descriptions; and office budget. With respect to latter, proposed salaries for the new service are appropriately higher than currently paid, because, "the forest service must pay good salaries which will attract good persons dedicated to their work and not be susceptible to corruption." Once implemented, this would be a major step forward--higher salaries leading to development of stronger sense of professionalism--and was one of the main issues which prompted inclusion of this benchmark when the 1992-94 program was originally designed two years ago. The report also points out the unrealistically large number of forest service rangers which would be required to cover Bolivia's forested area under concession (about 300 rangers to cover 22.0 million ha, which many experts still consider to an inadequate number) and suggests inclusion of work/study programs for the universities and Cochabamba Forestry School to assist in coverage. The report also describes future steps for formation of the forest service, i.e., formation of an implementation team in the Ministry of Sustainable Development and Environment to assist in the transformation from the current Forest Development Centers, setting up a personnel system to invite personnel to serve in the service based on competitive merit, finalize the administrative and technical structure, job descriptions and number/type of staff at all levels, salaries and an operational budget; elaborate personnel and technical manuals for the functioning of the service; elaborate mechanisms for managing concessions; elaborate a crash training program with the universities and Cochabamba Forest Technician School to train students in how to carry out the rules and regulations of the new forestry law, prepare management plans, etc. Finally, the plan describes the control functions of the

new forest service, which are limited to rescision of concessionaire licenses and not actual arrest. Mission concurs with this GOB policy decision, given the opportunities for corruption which the police function implies in Bolivia.

2. Begin development of program to measure the results of the Pausa Ecologica's five-year ban on the provision of new logging concessions.--The date to meet this benchmark was pushed back to March, 1994. The Mission judges the benchmark to be partially met, by ninety per cent. The GOB asked one of the better developed environmental NGOs in the country, the League for Defense of the Environment (LIDEMA), to take over the contracting, monitoring and evaluation of this study. The scope of work was completed and favorably reviewed by the Mission Natural Resources Officer and the PL-480 Executive Secretariat. LIDEMA plans to publish the invitation for bids on April 24th, 1994. Award of the contract will be one month later, at which time the Mission will determine that this benchmark has been met.

3. Begin decentralization of responsibility for forestry management to regional forestry agencies.--Target date for beginning implementation of this benchmark was December, 1993. Mission judges that this benchmark was partially met, by 80 per cent, but will be fully met with passage of the forestry law expected in July of this year. This law contains the authority for the creation of the new forestry service (described above) which is heavily decentralized. The new service has substantial participation by NGOs, universities and the private sector, who will perform outside independent audits of concessionaire compliance with the principles of sustainable forest use and biodiversity protection.

B. Problems and Delays

The government elected last August has yet to form a new Joint Commission for Rural Development, which is the official GOB governing board for the Title III implementing entity, the Executive Secretariat. It will be extremely difficult for the E.S. to submit the FY 94 call forward to USAID without a duly formed Commission. Target date for formation of the Commission is end of April.

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

Actions	Target Date
1. Joint Commission is duly formed, GOB conducts local bidding process for wheat and call forward sent to AID/W.	May, 1994
2. Food security monitoring plan completed-	June, 1994
3. Complete development of 95-97 program and submit to AID/W.	July, 1994

80A

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

1. 511-0578 PVO Management Support
2. 511-0603 Andean Peace Scholarships
3. 511-0610 Democratic Institutions
4. 511-0611 Bolivian Peace Scholarships
5. 511-0623 Special Development Activities
6. 511-0626 Bolivia Administration of Justice
7. 511-0631 Human Resources for Development

Counterpart Contribution (GOB):

f)	Counterpart Planned LOP: (In Kind)	875	
g)	Cumulative Planned as of 3/31/94:	875	
h)	Actual Counterpart Expenditures as of 12/31/93:	875	
i)	Accrued Counterpart Expenditures 1/1/94 to 3/30/94:	0	
j)	Total Counterpart Actual and Accrued Expenditures as of 3/30/94 (h + i)		1,081
k)	Counterpart Planned Next Period:	0	
l)	% of LOP Expended (j/f):	124	

III. Relationship to Mission Strategic Objective

The goal of the project was to increase participation in decision-making, access to services, and temporary employment in 12 cities in the Departments of La Paz, Cochabamba, and Santa Cruz which are assisted under the Title II Food for Work Program. Priority for services and temporary employment was given to residents of poor neighborhoods. This grant supported the Strategic Objective of Strengthening Democratic Institutions and Practices by empowering citizen's groups, especially the disadvantaged, to influence municipal decision-making and have greater access to sustainable services and infrastructure. The project also supported the Strategic Objective of Expanded Economic Opportunity by creating temporary employment as a buffer for structural adjustment.

IV. Project Purpose

The purposes of the project were:

- increase citizen participation in municipal decision-making and create temporary employment opportunities in the 12 cities in relation to the development of services and infrastructure;
- increase the responsiveness of municipal officials and ADRA and Caritas representatives in the 12 cities in providing services and infrastructure; and
- strengthen the capacity of city officials and ADRA and Caritas representatives to support participatory processes and improve the effectiveness of the municipal Food for Work Program through the provision of training and technical assistance.

V. Project Description

Planning Assistance, together with ADRA and Caritas representatives, worked with city officials and members of neighborhood associations to

- establish and use organizational structures which permit greater participation in decision-making;
- prepare multi-year and annual operational plans for construction of infrastructure and provision of services;
- select and design public works and services;
- construct, supervise, and maintain public works and services;
- establish land use and zoning plans; and
- improve tax collection and municipal financing.

Planning Assistance trained citizen leaders and city officials in making these decisions and in carrying out these activities together. Planning Assistance also provided technical assistance in helping carry out the activities. ADRA and Caritas representatives participated in both the training and technical assistance.

VI. Project Status

A.Purpose Indicators/EOPS	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period (6 mo.)	Cumu- lative	Next Period	Period (6 mo.)	Cumu- lative	% of LOP
1. No. of Neighborhood Associations participating in Municipal decision-making	500	--	500	--	--	556	111
2. No. of citizens participating in Municipal decision-making	10,000	--	10,000	--	--	12,346	123

B. Major Outputs	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period (6 mo.)	Cumu- lative	Next Period	Period (6 mo.)	Cumu- lative	% of LOP
1. Train citizen leaders, to make decisions regarding organizations and processes for decision-making, choosing public works & services, constructing, supervising public works, land use and zoning, property assessment and financing public works.	1,040	--	1,040	--	--	2,058	198
2. No. of neighborhood associations which participate in decisions described in B.1. above.	500	--	500	--	--	556	111
3. Title II projects in which citizens participate in project selection, planning, execution, supervision, evaluation & maintenance.	175	--	175	--	--	576	329
4. Train city & PVO to include citizens in decisions regarding those shown in B.1. above	173	--	173	--	--	257	149
5. Infrastructure & services constructed in poor neighborhoods*							
- Water (Kms.)	160	--	160	--	71	77	48
- Sewer (Kms.)	160	--	160	--	33	35	22
- Storm Sewer (Kms.)	50	--	50	--	11	23	46
- Street Paving (Kms.)	210	--	210	--	38	81	39
- Parks, playgrounds	78	--	78	--	52	106	136
- Forestation (thousands of trees)	260	--	260	--	480	480	185
- Other	--	--	--	--	--	12	--
6. Short-term jobs created each month for the unemployed (in thousands)	13.8	--	13.8	--	--	15.0	109

* Planning Assistance overestimated the number of kilometers of water, sewer, and street that would be produced under the Title II program in La Paz, Cochabamba, and Santa Cruz.

C. Other Accomplishments and Overall Status

The project was evaluated in September and October 1993 by a staff member of USAID/Bolivia's office of Project Development and Implementation. The evaluator concluded that "this project is meeting its goal of increasing citizen participation in municipal decision-making, and thereby helping USAID/Bolivia achieve its strengthening democracy strategic objective." The evaluator recommended that "the project be continued as an experiment in democratic participation for at least 2.5 years so that participation and working relationships can be facilitated between participation committees and the next municipal government administrations." (Natiello, P., Evaluation of the Amended PVO Management Support Project 511-0578). Funding was not, however, available to continue the project as recommended.

Planning Assistance used the remaining six months of the project to:

- complete all program obligations under the project
- help the Government of Bolivia incorporate the objectives, methods, and materials of the project in its national "popular participation" policy and program
- conclude the project in accordance with USAID requirements and regulations.

Planning Assistance worked with citizen groups and city officials in each of the municipalities to insure continuation of the participatory decision-making practices initiated under the project. In addition, Planning Assistance worked with citizen groups and city officials to fully implement financial practices and city planning decisions taken with help from the project through municipal ordenances and/or projects.

Planning Assistance helped officials of the Popular Participation Unit of Bolivia's Ministry of Human Development to establish Bolivia's national popular participation program. Planning Assistance shared its methodologies, materials, and project results with staff of the Unit and helped them prepare key elements of the Popular Participation Law which is now under debate in Boloivia's Congress.

Planning Assistance is completing normal project closeout activities such as the preparation and submission of final program and financial reports, as well as the distribution of goods purchased under the project in accordance with USAID instructions.

D. Problems and Delays

The project had no major problems or delays.

E. Major activities during the next six months

All project activities were concluded by March 31, 1994, the completion date for the project and the project is in the process of being closed.

Rating: A

PROJECT STATUS REPORT
October 1, 1993 - March 31, 1994

I. Background Data

Project Title: **Andean Peace Scholarship Program**
 Project Number: 511-0603
 Date of Authorization: original 05/04/88
 Date of Obligation: original 07/28/88 amended 06/27/91
 PACD: original 09/30/92 amended 09/30/94
 Implementing Agencies:
 Major Grantees: Development Associates Inc.
 AID Project Manager: Beatriz O'Brien
 AID Project Coordinator: Martha Crespo
 Status of CPs/Covenants: Evaluations conducted as scheduled. Participant return rate 100%
 Date of Last Evaluation: 08/30/92
 Audit: None

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

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

II. Financial Data (\$000)

a) Amount Authorized: 3,766
 b) Amount Obligated: 3,604
 c) Amount Committed: Period: (9)
 Cumulative: 3,563
 d) Accrued Expenditures: 1) Period-Projected: 20
 2) Period-Actual: 28
 3) Next Period Projected 47*
 4) Cumulative to date: 3,557
 e) Pipeline: 47
 % LOP Elapsed: 92
 % of Total Auth. Oblig. (b/a): 96
 % of Total Oblig. Exp. (d,4/b): 99
 % of Total Auth. Exp. (d,4/a): 94

* Funds will be used to cover administrative costs.

Counterpart Contribution (GOB):

	In Kind*
f) Counterpart Planned LOP:	1,100
g) Counterpart Cumulative Planned as of 3/31/94:	274
h) Actual Counterpart Expenditures as of 12/31/93:	274
i) Accrued Counterpart Expenditures 1/1/94 to 3/31/94:	0
j) Total Counterpart Actual and Accrued Expenditures as of 3/31/94 (h+i):	274
k) Counterpart Planned Next Period:	0
l) % of LOP Expended (j/f):	25

* Note: Counterpart Contribution for this project, in the form of payment of international travel, was waived in 1987 and 1989 as a result of the economic situation of Bolivia, which prevented the GOB or participants to pay for any costs prior to training. In-kind contribution for socially and economically disadvantaged participants, many of whom are rural people who do not earn a salary as such, is an estimate. There was no other GOB contribution during the LOP. Training activities under this project concluded in September 1991 and all participants returned by August 1992. All activity implemented to date under this project since 1992 to date was related only to the Follow-on Program.

III. Project Goal/Strategic Objective

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

IV. Project Purpose

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

V. Project Description

The project trains individuals in fields such as health, education, administration, journalism, labor, the environment and agriculture. The training is mostly short-term, usually tailor-made, conducted in Spanish, and addresses specific identified needs either institutional, geographic or in a determined field. Long-term training for masters degrees and certificates represents approximately 20% of the total number of participants trained.

VI. Project Status

A. Purpose Indicators/ EOPS	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1.Trained socially and economically disadvantaged leaders (70% of 430 part).(1)	70%	0	70%	0	0	83%	119
2.Trained women (40% of 430 part.)	40%	0	40%	0	0	39%	98
3.Trained socially and economically disadvantaged at HBCUs (10% of total part. months)	10%	0	7%	0	0	7%	70

Notes:

(1) Returned socially or economically disadvantaged participants have become agents of change and improved their professional status within their institutions and communities.

B. Major Output Indicators	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1. Training - Long-term	M	52	0	40	0	40	77
	F	34	0	46	0	46	138
2. Training - Short-term	M	206	0	228	0	228	111
	F	138	0	117	0	117	85
TOTAL		430		431		431	

C. Overall Status

* The project concluded all training activity as projected. The project met its training target of 430 participants during 1992. An impact evaluation of returned participants was conducted by Aguirre International to measure the effect of training in long and short-term participants. Some of the program's strong points identified by Aguirre were the selection of strong leaders; the selection of relevant training themes; geographical clustering of trainees and active participation in the Follow-on program.

- * Aguirre's recommendation for future training activities under a new project, the Bolivian Peace Scholarship Program, state that the Training Division should ensure: a) that selection of strong leaders continue to be emphasized; b) the identification of factors which contributed to the achievements of good programs under APSP; c) the establishment of strong affiliations with intermediary organizations; d) a continued geographical clustering of trainees to build core groups to enhance training impact; and e) an active participation of returnees in follow-on programs.
- * The Follow-on program continued to successfully implement activities with and by APSP returned participants to fulfill the expected purpose and output indicators. Participants have effectively become agents of change producing an impressive multiplier effect by training hundreds of other people in support of democracy and to improve their socio-economic levels.
- * During this reporting period, alumni associations in all nine departments held annual meetings and elected their officers. The purpose of these associations is to plan and design seminars, fairs and workshops organized and taught by returned trainees who transmit skills to other community members.
- * An English language training course was produced by two of our returned participants. This program will serve to provide in-country English language training to future participants.
- * Out of the 431 Bolivians trained under APSP, at least 300 have become active agents of change. For example participants are heads of business schools at state universities, directors and executives in the GOB, and in private sector institutions. Others are active rural area leaders.

D. Problems and Delays

None

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

The training phase of the APSP has concluded. The project is being closed-out as of May 31, 1994.

AID/Washington is finalizing all contractual procedures with the regional contractor. USAID/Bolivia's Controller's Office is coordinating procedures to deobligate remaining funds.

The Follow-on program has a current demand for forty to forty-five workshops and fairs per year. Of these, an estimated twenty-five will be funded in 1994 reaching and benefiting between three to six thousand Bolivians throughout the country, in fields such as health promotion, environmental protection, education, and women in development. These activities are entirely funded with local currency.

- * A special program is being designed for Cobija, Pando an economically depressed area. This program will include workshops and fairs taught and coordinated by returned participants.
- * Participants from other projects are being gradually incorporated into APSP/BPSP returned participants associations.

PROJECT STATUS REPORT
October 1, 1993 - March 31, 1994

I. Background Data

Project Title: Democratic Institutions
 Project Number: 511-0610
 Date of Authorization: original 08/31/88
 Date of Obligation: original 09/08/88
 PACD: original 12/31/89 amended 12/31/94
 Implementing Agencies: Electoral Court; Congress
 Major Contractors/Grantees: SUNY/OIP; IIHR/CAPEL; DIMA Ltda.
 AID Project Manager: Carl A. Cira; Walter Guevara
 AID Project Coordinator: Eduardo Mendiola
 Status of CPs/Covenants: All met
 Date of Last Evaluation: None; Next evaluation: June 1994
 Audit:

Organization	Audit Responsibility	Last Audit Completed	Next Audit Begin Date	Total Audits Completed to Date
IIHR/CAPEL	Peat & Marwick	June 1993	January 1994	2
SUNY/OIP	OP/PS/OCC ¹	N/A	N/A	N/A

II. Financial Data (\$000)

a) Amount Authorized: 3,000
 b) Amount Obligated: 2,950
 c) Amount Committed: Period: 75
 Cumulative: 2,731
 d) Accrued Expenditures: 1) Period-Projected: 700
 2) Period-Actual: 476
 3) Next Period Projected: 300
 4) Cumulative to date: 2,431
 e) Pipeline (b-d,4): 519
 % LOP Elapsed: 88
 % of Total Auth. Oblig. (b/a): 98
 % of Total Oblig. Exp. (d,4/b): 82
 % of Total Auth. Exp. (d,4/a): 81

Counterpart Contribution (GOB):

f) Counterpart Planned LOP: 5,213
 g) Counterpart Cumulative Planned as of 3/31/94: 3,884
 h) Actual Counterpart Expenditures as of 12/31/93²: 3,455
 i) Accrued Counterpart Expenditures 1/1/94 to 3/31/94²: 3
 j) Total Counterpart Actual and Accrued Expenditures as of 3/31/94 (h+i)²: 3,458
 k) Counterpart Planned Next Period: 300
 l) % of LOP Expended (j/f): 66

¹ This is a U.S. based educational institution subject to the audit requirements established under OMB A-133. The audit responsibility is handled by OP/PS/OCC.

² Per Mission guidelines actual disbursements are being used as a proxy for expenditures.

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III. Project Goal/Strategic Objective

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

IV. Project Purpose

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

V. Project Description

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

VI. Project Status

A. Purpose Indicators/ EOPS	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
1.Number of Elections showing improved NEC/DEC effectiveness and increased citizen participation	5	1	5	0	1	5	100
2.Number of key draft bills improved through new support services	5	0	5	0	0	5	100
3.Number of activated pro-democracy organizations	3	0	3	0	0	3	100

Notes:

- 1.May 1989 general elections; December 1989 municipal elections; December 1991 municipal elections; June 1993 general elections; December 1993 municipal elections.
- 2.Judicial Organization Law; Public Prosecutor Law; Electoral Law Amendment(2); Budget Law, 1993, 1994.
- 3.Fundación Libertad, Desarrollo y Democracia de Santa Cruz (FULIDED); Unidad de Análisis y Seguimiento Parlamentario (UASPA); Fundación Libertad y Desarrollo Regional (LIDER).

B. Major Output Indicators	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period (6 mo.)	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
1. Automated voter registry installed	1	0	1	0	0	1	100
2. Citizen jurors trained to man polling tables	100,000	30,000	100,000	0	50,525	110,525	110
3. Voter registration/education drives conducted	5	1	5	0	1	5	100
4. Electoral management & administration assessment	1	0	1	0	0	1	100
5. Conference on electoral laws/administration	10	2	10	0	2	10	100
6. Buildings for electoral court acquired	2	0	1	0	0	1	50
7. Congressional research facilities improved	3	0	2	1	1	2	66
8. Congress persons trained in research activities	60	6	44	100	50	73	121
9. Congressional Annex II Building remodelled	1	1	1	0	1	1	100

1. See section D.

2. Approximately 60,000 registered voters are chosen by lot to serve as electoral jurors on election day, with about another 50,000 chosen as alternates (figures lower by about 20% for municipal elections). The DI Project Paper anticipated training only 10,000 electoral jurors over LOP. This target was increased due to the early success of the program. This indicator will no longer be tracked due to the successful completion of electoral assistance.

3. One media campaign per election: May 7, 1989 (general); December 3, 1989 (municipal); December 1, 1991 (municipal); June 6, 1993 (general); and December 5, 1993 (municipal)

4. Survey conducted during March 1992; conclusions presented to NEC on April 27, 1992.

5. 1991: V Annual Inter-American Course on Elections (San José, October); Latin American Confederation of Electoral Organisms (Caracas, December). 1992: Seminar on Electoral Regulations (La Paz, May); VI Annual Inter-American Course on Elections (San José, October); Latin American Confederation of Electoral Organisms (Caracas, December). 1992: Seminar on Electoral Regulations (La Paz, May); VI Annual Inter-American course on Elections (San Jose, October)-canceled by IHR/CAPEL; Protocol of Quito (Montevideo, December) - canceled by Uruguay electoral authority due to December 13 referendum on privatization. 1993: Conference on administrative regulations and procedures (Santa Cruz, Feb 17-18); 8th Conference of the Association of Electoral Organizations from Central America and the Caribbean; 2nd Conference of the Inter-American Union of Electoral Organizations (Panama Sept 20-25, 1993) Evaluation sessions of the June/93 General Election (Sta. Cruz July 22-24, 1993); Evaluation of NEC performance (La Paz Sept 16, 1993); observation of Costa Rica presidential elections by two groups of Bolivian Presidents of Department Electoral Courts (Jan 27-Feb 10, 1994)

6. National Electoral Court (NEC) building acquisition completed; remodeling pending. La Paz Departmental Court building acquisition and remodeling canceled by express decision of NEC.

7. Budget and fiscal analysis unit (OTP) fully operational; bill drafting service (UAL) personnel under recruitment; information and research unit (UII) staffed; training unit plans reformulated to include extension service (SEC) in future design; automated document retrieval system/legislative data base postponed.

8. Training includes budget office and other seminars (72), study travel to the US (15), and long term post-graduate training in the US (1).

9. \$100,000 in local currency GOB counterpart funds destined for this purpose have been disbursed to Congress through a DIFEM CIF agreement in April 1993. Some remodeling tasks have been discarded by the new Congressional leadership.

C. Overall Status

ELECTORAL: 1) The December municipal election was completely free of the administrative and logistical problems that plagued the June general election. This was due in large measure to attention paid by the National Electoral Court to a Project report pointing out the lack of adequate delegation of authority to competent technical personnel and to numerous management improvements implemented with project assistance. 2) While the aggressive electoral juror training campaign exceeded its targets, the voter registration drive was less active in part due to the fact that a large proportion of urban eligible voters registering in June automatically stayed on the roll under the new system. 3) Due to the success of our electoral assistance, the Mission decided to terminate the IIHR/CAPEL cooperative agreement on February 15, 1994.

LEGISLATIVE: 1) The Congressional Budget Office (OTP), established with Project support, became fully operational during this reporting period. Volume I of the Budget Handbook, a clearly indexed Budget Guide, and a series of periodic financial reports were published by this office with SUNY assistance. 2) The Research and Information Office (UII) was staffed, and its new Director presented outstanding work plans in short order. 3) Positions under the Bill Drafting Unit (UAL) were advertised and the competitive selection process began. 4) Since the Training Unit (SEC) foreseen under the SUNY cooperative agreement remains to be designed, the Mission suggested to SUNY the need to add to this unit an extension capability to enable Members to reach poor marginal urban and rural constituents. 5) The person sent to SUNY/Albany to complete a Masters degree in library science proved an able student and is expected to successfully complete the program and start work in the Bolivian Congress next September. 6) The new leadership decided to partially complete the remodelling of the Annex Building (former Central Bank), and to use the balance of funds for the legislative support services established with SUNY assistance. 7) The project provided management assessment assistance to the Lower House and to the office of the President of the Congress in response to express requests from them. 8) Bolivian Vice President Víctor Hugo Cárdenas, who is also the President of the Congress, met twice with Vice President Gore during this reporting period, and his discussions at these two meetings included the accomplishments and prospects of USAID's legislative assistance program.

D. Problems and Delays

ELECTORAL: 1) IIHR/CAPEL showed a clear unwillingness to conduct further voter motivation and registration drives unless the National Electoral Court provided very large sums of money as counterpart to this effect. Since expensive top-down campaigns show diminishing returns, the Mission decided that further efforts of this nature are best left to grassroots organizations, local government, and participatory NGOs. 2) About one million or 33% eligible voters remain to be registered in Bolivia, mostly in poor marginal rural and urban districts. The Mission considers that the best way to reach this population is through local grassroots action, through assistance to be provided under the follow-on DDCP project. 3) The National Electoral Court has not fully implemented automated procedures for national level screening and publishing of the voter roll. Project-donated equipment adequate to this purpose is operational in all districts. The National Electoral Court has delayed this outcome due to past management problems. In the absence of further direct assistance, policy dialogue should continue until this action is completed.

LEGISLATIVE: 1) Two main problems foreseen under the legislative assistance component appeared on the scene and Project officials started to apply planned solutions. One is the need to provide a legal statute for the new legislative support services. Congressional resolutions, regulations and legislation to this effect will start to be drafted during next reporting period. The second is the need to secure permanent funding under the Upper and Lower Chamber budgets for the continuation of these new services after the Project ends. The Mission started intensive coordination efforts with SUNY and the President of Congress to achieve insertion of this funding under the 1994

Bolivian fiscal year budget, approval of which has been delayed into the next reporting period. 2) The Lower House Appropriations Committee Chairman (prime beneficiary of Budget Office assistance) expressed doubts about the ability of Congress to take up funding after Project PACD. Shortly thereafter, President Sánchez de Lozada warmly praised Congressional Budget Office reports at a meeting with the Congressional Budget Office Director and the Lower House Appropriations Committee Chairman. No problems are expected in the immediate future in this regard in the Lower House. However, as of this writing the President of Congress is working on the Senate to obtain at least a token allocation of funds by the Senate for continuation of Project services. 3) In the early months of the present administration, Ministry of Finance officials cut off on-line financial information obtained by the Congressional Budget Office with Project support. This was due in part to news reports based on Congressional Budget Office bulletin figures that appeared to contradict statements made by the President of the Central Bank. The flow of this information has been restored due to the effective action of the President of Congress who took up this issue to the highest levels of the Executive Branch. 4) A visit by Bolivia's Vice President and President of Congress to Washington and Albany (SUNY's home office) was canceled three times due to unexpected political developments within Bolivia, but will be rescheduled during next reporting period. 5) The acquisition of computer equipment and programs for legislative tracking and full text search systems was postponed due to possible future shortages of counterpart contributions for this Project. Some of these activities might be implemented under the BAOJ Project (511-0626).

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

1. Evaluation of the Project is scheduled for June.

ELECTORAL:

2. Policy dialogue with GOB and NEC officials to promote action on national level screening and publication of voter roll.
3. Policy dialogue with GOB and NEC officials to promote action on proper briefing of new electoral officials, to be chosen in 1995 by Congress, so as to ensure adequate use of past Project assistance.

LEGISLATIVE:

4. Research and Information Unit (UII) becomes fully operational.
5. Bill Drafting Unit (UAL) is fully staffed and completes work plan for presentation to legislature starting August 6, 1994.
6. Training and Extension Unit (SEC) design is completed.
7. First drafts of statute for new legislative support services are completed.
8. A detailed formal request for funds for Project continuation is presented by the President of Congress to the Upper and Lower House Appropriations Committees elected August 6, 1994 to try to ensure its consideration under the 1995 budget law.
9. Donor conference on legislative assistance objectives and techniques is held in Santa Cruz, Bolivia.

Rating: B

PROJECT STATUS REPORT
October 1, 1993 - March 31, 1994

I. Background Data

Project Title: **Bolivian Peace Scholarship Program**
 Project Number: 511-0611
 Date of Authorization: original 02/22/91
 Date of Obligation: original 08/05/91 amended 03/20/94
 PACD: original 06/30/96 amended 06/30/97
 Implementing Agencies:
 Major Grantees: Development Associates, Inc.
 AID Project Manager: Beatriz O'Brien
 AID Project Coordinator: Martha Crespo
 Status of CPs/Covenants: None
 Date of Last Evaluation: None (Next Evaluation: 11/94)
 Audit: None

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

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

II. Financial Data (\$000)

a) Amount Authorized: 4,500
 b) Amount Obligated: 2,843
 c) Amount Committed: Period: 49
 Cumulative: 2,330
 d) Accrued Expenditures: 1) Period-Projected: 300
 2) Period-Actual: 355
 3) Next Period Projected: 600
 4) Cumulative to date: 1,098
 e) Pipeline 1,745
 % LOP Elapsed: 48
 % of Total Auth. Oblig. (b/a): 63
 % of Total Oblig. Exp. (d,4/b): 38
 % of Total Auth. Exp. (d,4/a): 24

Counterpart Contribution (GOB):

	<u>CASH</u>	<u>IN KIND</u>
f) Counterpart Planned LOP:	1,153	347
g) Counterpart Cumulative Planned as of 3/31/94:	255	31
h) Actual Counterpart Expenditures as of 12/31/93:	147	32
i) Accrued Counterpart Expenditures 1/1/94 to 3/31/94:	65	7
j) Total Counterpart Actual and Accrued Expenditures as of 3/31/94:	212	39
k) Counterpart Planned Next Period:	150	50
l) % of LOP Expended (j/f):	18%	11%

III. Project Goal/Strategic Objective

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

IV. Project Purpose

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

V. Project Description

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

VI. Project Status

A. Purpose Indicators/ EOPS	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1. Trained socially and economically disadvantaged leaders (70% OF 300)	210	10	66	28	30	113	53
2. Trained women (40%)	120	6	38	16	11	36	30
3. Trained in HBCU's (10% of a total of 888 participant/months) <u>2/</u>	88	0	9	24	19	51	57

Notes:

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

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

B. Major Output Indicators	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1. Training - Short-Term	M 144 F 96	0 0	60 40	24 16	14 7	75 32	52 33
2. Training - Long-Term	M 36 F 24	9 6	9 6	0 0	11 4	11 4	30 16
3. TOTAL	300	15	115	40	36	122	40

Notes:

- 1.
- 2.

C. Overall Status

The project is on schedule and fully supports USAID/Bolivia's strategic objective of improved effectiveness and accessibility of key democratic institutions and practices.

The project began implementation on April 17, 1993. To date, five short-term groups have received training and one long-term group is in training, totalling 122 participants out of the 300 planned for the LOP. Participants have been trained in the following fields: 1) Labor, 2) Hospital Administration, 3) Agriculture, 4) NGO Management, 5) Journalism, 6) Environment.

D. Problems and Delays

None

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

Two short-term training courses in environmental preservation will be implemented during the next semester, benefiting approximately forty participants. The first group is programmed to depart during the month of June and is targeted to urban educators who upon their return will introduce this subject into Bolivia's formal educational system. The second group is scheduled to depart in September and is targeted to rural community leaders and promoters who will train other leaders in environmental protection and conservation. Both groups will have a significant number of women participation.

Follow-on

APSP/BPSP participants have developed 45 proposals in health, agriculture, environmental protection, and nutrition areas. An estimated twenty-five of these activities will be approved for FY94 due to budget constraints. These activities will take place in rural and urban areas of various departments of Bolivia. All BPSP returned participants have been incorporated into existing alumni associations in all departments under the sponsorship of the Follow-on program.

Rating: A

PROJECT STATUS REPORT
October 1, 1993 - March 31, 1994

I. Background Data

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

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

a) Amount Authorized:	DA Grant	500	
b) Amount Obligated:	DA Grant	500	
c) Amount Committed:	Period:	14	
	Cumulative:	438	
d) Accrued Expenditures:	1) Period-Projected:		30
	2) Period-Actual:		70
	3) Next Period Projected:		50
	4) Cumulative to date:		381
e) Pipeline (d,4/b):			119 (24%)
% LOP Elapsed:		65	
% of Total Auth. Oblig. (b/a):		100	
% of Total Oblig. Exp. (d,4/b):		76	
% of Total Auth. Exp. (d,4/a):		76	

Counterpart Contribution (GOB):

f) Counterpart Planned LOP:	167
g) Counterpart Cumulative Planned as of 3/31/94:	108
h) Actual Counterpart Expenditures as of 12/31/93:	79
i) Accrued Counterpart Expenditures 1/1/94 to 3/31/94:	17
j) Total Counterpart Actual and Accrued Expenditures as of 3/31/94 (h+i):	96
k) Counterpart Planned Next Period:	15
l) % of LOP Expended (j/f):	57

III. Project Goal/Strategic Objective

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

IV. Project Purpose

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

V. Project Description

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

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

A. Planned Eops: During the life of the project 65 subprojects are expected to be completed, under the general description stated above, in the following main sectors:

Group 1 - Water, sanitation and health: 10 water systems will be improved, 5 new small water supply systems will be completed, 450 latrines will be constructed in 15 communities and 5 health posts will be remodeled. Total 35 projects.

Group 2 - Education: 10 rural schools will be remodelled, and 5 new schools will be completed. Total 15 projects.

Group 3 - Income generating projects: 15 small productive projects will be completed. Total 15 projects.

VI. Project Status

A. Purpose Indicators/ E OP S	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1. Water Sanitation, Health Project.	35	2	23	2	0	20	57
2. Remodelling and School Construction Project.	15	2	13	3	2	11	73
3. Income Generating.	15	3	13	3	4	12	80

B. Major Output Indicators	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1. Approved Projects.	65	4	59	6	3	48 (°)	74
2. Completed Projects.	65	7	65	6	6	43	66
3. Counterpart Contribution. (*)	167,000	15,000	108,000	15,000	29,268	95,647	57

Notes:

1. (°) Represent projects approved for funding by the USAID/Country Team Committees. Four approved projects have been cancelled due to lack of community funds to execute the projects.
2. (*) Includes local transportation of donated equipment and materials purchased by USAID and local materials such as gravel, sand, adobe, lumber, etc., as well as skilled and unskilled labor which constitutes the community participation.

C. Overall Status

During the reporting period the following main activities were completed:

- The evaluation of the project was completed and the final report submitted to USAID/W.
- The documentation for the follow on project is being prepared by the Project Manager.
- Six projects were completed.
- One project inauguration was held.
- The project funded the provision of construction and educational materials for a four class-room school in Huatajata. Due to the diligence of the Project Coordinator, the above materials were delivered on time for the visit to Huatajata by Vice President Gore. Mrs. Gore officially presented the materials to the community.

D. Problems and Delays

- The estimated number of seven inauguration ceremonies, were not completed, mainly because that weather conditions did not allow use of a small airport in the area of Tariquía (Tarija), for five project inaugurations.
- New site inspections were reduced due to the rainy season and the site inspections for the SDA evaluation.

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

- Completion of six projects
- Five inauguration ceremonies.
- Approval of the follow on project document.
- Article for "Front Lines" will be written describing project successes and Vice President Gore's visit to Huatajata.

Rating: B

PROJECT STATUS REPORT
October 1, 1993 - March 31, 1994

I. Background Data

Project Title: Bolivia Administration of Justice
 Project Number: 511-0626
 Date of Authorization: original 08/28/92
 Date of Obligation: original 09/30/92
 PACD: original 12/31/97
 Implementing Agencies: United States Department of Justice (Office of Professional Development and Training (OPDAT), and International Criminal Investigation Training Assistance Program (ICITAP)
 Major Contractors/Grantees: Management Sciences for Development (MSD), Inter-American Bar Foundation (IABF), Florida International University (FIU)
 AID Project Manager: Carl A. Cira, Jr.
 AID Project Coordinator: Vacant
 Status of CPs/Covenants: Met
 Date of Last Evaluation: No prior evaluation Next Evaluation: March 1995
 Audit:

Organization	Audit Responsibility	Last Audit Completed	Next Audit Begin Date	Total Audits Completed to Date
IABF, FIU	OP/PS/OCC ¹	N/A	N/A	N/A
MSD	OP/PS/OCC ²	N/A	N/A	N/A
DOJ/OPDAT, ICITAP ³	N/A	N/A	N/A	N/A

II. Financial Data (\$000)

a) Amount Authorized:		10,000
b) Amount Obligated:		3,150 ⁴
c) Amount Committed:	Period:	635
	Cumulative:	1,697
d) Accrued Expenditures:	1) Period-Projected:	500
	2) Period-Actual:	480
	3) Next Period Projected:	700
	4) Cumulative:	913

¹ This is a US-based PVO or educational institution, that is subject to the audit requirements established under OMB A-133. The audit responsibility is handled by OP/PS/OCC.

² This is a US-based for-profit institution, that is subject to the same bank audit and requirements established under OMB-A133. The audit responsibility is handled by OP/PS/OCC.

³ US Government Agency subject to its own audit requirements. Thus, no USAID audit responsibility.

⁴ Data provided in this report applies to the portion obligated by the Mission only. In addition to the \$3,150 obligated through the bilateral agreement, there is an additional \$1,050 of USAID/B project funds which have been directly obligated in Washington for DOJ/OPDAT, and DOJ/ICITAP for a total obligated to date of \$4,200.

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e) Pipeline:	2,237
% LOP Elapsed:	30
% of Total Auth. Oblig.:	31
% of Total Oblig. Exp.:	29
% of Total Auth. Exp.:	9

Counterpart Contribution (GOB):

f) Counterpart Planned LOP:	3,000
g) Counterpart Cumulative Planned as of 3/31/94:	780
h) Actual Counterpart Expenditures as of 12/31/93:	127
i) Accrued Counterpart Expenditures 1/1/94 to 3/31/94:	140
j) Total Counterpart Actual and Accrued Expenditures as of 3/31/94:	267
k) Counterpart Planned Next Period:	472
l) % of LOP Expended:	9

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

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

VI. Project Purpose

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

V. Project Description

The project has three components:

- 1) Judicial System Efficiency and Accountability through:
 - a) a modern administrative infrastructure and transparent, efficient case processing;
 - b) institutional support for the newly created Ministry of Justice (MOJ), assisting them in the creation of organizational and functional structure, a strategic plan, information systems, a database of all national legislation, and a national institute for judicial reform;
 - c) criminal case tracking systems for the police, prosecutors, and judiciary to reduce bottlenecks and processing time and insure greater respect for due process and protection of human rights.
- 2) Effective Criminal Prosecution and Investigation through:
 - a) improved investigation, preparation and presentation of criminal cases, and strengthening the prosecutorial, police investigative, and public defense functions nationwide;
 - b) creation of an anti-corruption task force through technical assistance to establish inter-agency cooperation in the investigation and prosecution of public sector corruption;
 - c) support for the establishment of a one year graduate criminal law diploma program at the Universidad Privada de Santa Cruz (UPSA).

3) Access to Justice through:

- a) the rapid expansion of the public defense nationally through technical assistance and training provided to the MOJ;
- b) alternative dispute resolution and modernized judicial process aimed at procedural delay reduction;
- c) a program for providing extensive legal aid through university law students to assist in the resolution of criminal case bottlenecks;
- d) grass roots civic legal education and training activities for prisoners, students and marginalized groups.

VI. Project Status

As of this reporting period and per the recently authorized Project Paper Supplement, the new purpose indicators, and major output indicators are as follows:

A. Purpose Indicators/ EOPS (Note below)	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
1. Proportion of cases completed within legally prescribed time periods in first level criminal courts increases from X to Y	*						
2. Average length of time from arrest to filing of case with appropriate court decreases from X to Y	** Baseline 33 days	0	0	0	0	0	0
3. Number of cases in which detainees have had public counsel available during crucial stages of the criminal process	3200/800	0	0	400	0	0	0
4. Number of commercial cases solved through alternative means increase from X to Y	256/0	0	0	20	22	22	8
5. X parties using alternative means for dispute resolution	10000/0	0	0	42	76	76	1

* This information will be provided in the next reporting period. No sufficient information was available at the time this report was prepared.

** Preliminary figure based on a very limited sample from four first instance courts.

Notes

1. Though signed with the GOB in September 1992, the BAOJ project overlapped with the previous Justice Sector Project, and did not begin significant implementation activities until mid-1993, when the major PASAS, contractors and grantees were in place.
2. In October 1993 the Supreme Court's Chief Justice and one other Justice were suspended from their duties. Although the portion of the BAOJ having the Supreme Court as a counterpart has made slow progress, the bulk of project activities depend on other counterparts (Attorney General, National Police, UPSA, IABF, Chambers of Commerce) and have advanced significantly.
3. Purpose level indicators 1, 2, and 3 will be measured in the Departments of Santa Cruz, Tarija and La Paz.

B. Major Output Indicators	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period (6 mo.)	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
1. Person months of training provided to judges:	30	8	16	15	9	14	47
Women trained:					2	2	7
Men trained:					7	12	40
2. In-service judicial training program institutionalized	1	0	0	1	0	0	0
3. Judicial administrative services office established in Tarija Superior District Court	1	0	0	1	0	0	0
4. Judicial statistics and case tracking system established in Santa Cruz Superior District Court	1	0	0	0	0	0	0
5. Prisoner and seized asset tracking system designed	1	0	0	0	0	0	0
6. Strategic plan for MOJ developed	1	0	0	1	0	0	0
7. Work manual defining MOJ organizational/functional structures in use	1	0	0	1	0	0	0
8. Design for a MOJ national legislation database	1	0	0	0	0	0	0
9. Local private organization to promote judicial reform established	1	0	0	0	0	0	0
10. Person months of training provided to prosecutors:	30	27	29	6	6	7	23
Women trained:					1	1	3
Men trained:					5	6	20
11. In-service prosecutor training program institutionalized	1	0	0	1	0	0	0
12. Work manual for prosecutors in use	1	0	0	1	0	0	0
13. Person months of training received by police investigators:	160	15	39	100	103	125	78
Women trained:					4	4	2
Men trained:					99	121	76

14. PTJ manual on criminal case operations and investigative procedures in use	1	1	1	0	1	1	100
15. National plan for institutionalized forensic capability designed	1	1	1	0	1	1	100
16. Departmental public defense programs established	6	0	0	0	0	0	0
17. Anti-corruption task force designed	1	0	0	0	0	0	0
18. Criminal law graduate program established	1	0	0	0	0	0	0
19. Commercial arbitration centers established ¹⁾	2	2	2	0	2	2	100
20. Extra judicial community centers established	20	0	0	1	0	0	0
21. People trained in civic legal education Women trained: Men trained:	3000	0	0	400	0	0	0

¹⁾ The prior Justice Sector Project had already established a commercial arbitration center in Santa Cruz. Under this project, commercial arbitration centers will be established in La Paz and Cochabamba.

C. Overall Status

Project Paper Supplement embodying modifications to the project has been recently completed. All elements of the refocused program are being implemented satisfactorily.

During the reporting period a close working relationship was established with the newly created Ministry of Justice (MOJ). A letter of Understanding was signed defining the general framework of the assistance requested by the MOJ. The recent change of ministers has accelerated progress, and project assistance in public defense, law reform commissions, and a legislative data base will begin to flow to the MOJ in the third quarter of FY94.

Negotiation and coordination with the Superior District Courts of Tarija and Santa Cruz for the implementation of the pilot program for court administration in these two districts is virtually complete. Formal agreements which will establish the scope of the assistance provided for this activity will be signed in the next reporting period.

Two seminars were implemented to assess the training needs of judges. There were 150 participants in these two seminars. Results will be utilized for curriculum development for a new training program for judges. A third national level seminar was implemented in support of the MOJ Public Defense program which covered all 50 of the present defenders.

The Civic Legal Education program was begun through a local currency grant being implemented by Capacitación y Derechos Ciudadanos (CDC), a local NGO, and the Catholic University of Bolivia (CUB).

During the reporting period, OPDAT conducted 3 training seminars for prosecutors. Forty-eight prosecutors attended the seminar; in addition, 300 other justice sector officials benefitted from this training activity. Each seminar offered 24 hours of an equivalent continuing legal education course. The training included in-depth analysis of legal procedures and substantive law, and greatly contributed to improve strained relations among prosecutors, judges, police, and public defenders.

In addition, OPDAT provided significant technical assistance that included the drafting of comprehensive regulations that define the role of a prosecutor, as well as asset forfeiture and narcotics prosecutions. OPDAT was also active in the field of Human Rights by coordinating a one week human rights seminar. Seventy five participants attended this seminar.

Under component two, the project, through ICITAP, assisted in the development of the organizational structure for the creation of the Policía Técnica Judicial (PTJ). The effort culminated in a major success as the Ministry of Government, through a resolution, approved the creation of the PTJ and the corresponding manual for its operations. The Government of Bolivia through a resolution, created a line item in the Bolivian National Budget allocating funds for the PTJ, thus securing its operations. The Bolivian National Police is now implementing the PTJ nationwide. The PTJ received portable crime scene processing kits donated by ICITAP. During the reporting period, ICITAP also assisted in the formulation of reforms in administration and curricula of the Bolivian Police Academy (for officers) and Police Basic Academy. ICITAP implemented 5 seminars benefiting 105 persons.

Strong advances in alternative dispute resolution also came in the reporting period with notable progress in consolidation of the three project-backed commercial arbitration and conciliation centers. Training, technical assistance and study trips to Colombia and Argentina helped establish a permanent and consistently working group of Bolivian professionals and business persons committed to expansion of alternative dispute resolution. An agreement was reached among all three chambers of commerce and IABF on joint execution of the AID funded effort to strengthen them. The Santa Cruz center advanced dramatically, receiving more than 70 cases and conciliating nearly 40.

In the area of donor coordination, effective coordination was established with World Bank through periodic meetings and joint financing of a major seminar. This close relation has allowed us to have input into the planning process of the Bank's proposed AOJ project and we have effectively eliminated potential duplication and agreed on further joint implementation.

D. Problems and Delays

No major problems.

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

1. Establish and begin implementation of program with Ministry of Justice (DID/MSD).
2. Sign agreement with the Superior District Court of Tarija, and the Superior District Court of Santa Cruz and Universidad Privada de Santa Cruz (UPSA), to provide them with the technical assistance for the implementation of the pilot programs in court administration (DID/MSD).
3. Actual technical assistance to the MOJ begins (DID/MSD).
4. Technical assistance to Public Defense begins (DID/MSD).
5. Begin implementation of anti-corruption program (training and cooperative interagency enforcement structures) (DID/MSD/FIU).
6. Efforts will continue to assist on the design of the prisoner tracking system (DID/MSD).
7. Determine final focus and content of judicial training program and begin courses and seminars (DID/MSD).
8. Develop procedures for the design and preparation of the Local Prosecutor Manual (DID/OPDAT).
9. Produce Training Manual for Prosecutors (DID/OPDAT).
10. Active participation for the creation and institutionalization of a prosecutor training center in coordination with the Attorney General's office (DID/OPDAT).

Counterpart Contribution (GOB):

f) Counterpart Planned LOP:	2,170 ⁽²⁾
g) Counterpart Cumulative Planned as of 3/31/94:	0
h) Actual Counterpart Expenditures as of 12/31/93:	0
i) Accrued Counterpart Expenditures 1/1/94 to 3/31/94:	0
j) Total Counterpart Actual and Accrued Expenditures as of 3/31/94 (h+i):	0
k) Counterpart Planned Next Period:	265
l) % of LOP Expended (j/f):	0

USAID/Bolivia has or will sign two sub-agreements with the concurrence of the GOB: 1) a technical assistance contract with the U.S. Contractor, HIID, signed on April 4, 1994 and 2) a separate Cooperative Grant Agreement with BCU. In addition, a Memorandum of Understanding will be signed between BCU and the Contractor in order to mutually define their respective roles, and between the Office of the Controller General of Bolivia and BCU. The GOB will sign a separate but complementary contract with HIID.

III. Project Goal/Strategic Objective

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

IV. Project Purpose

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

V. Project Description

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

⁽²⁾ When the authorized USAID LOP was increased to \$6.5 million, the CUB contribution was increased by \$150,000 so as to make the LOP Host Country contribution equal to 25% of total project cost (now \$8.67 million).

supply of computers and other teaching material for the graduate programs, (f) a marketing program, and (g) a student assistantship fund.

VI. Project Status

A. Purpose Indicators/ EOPS	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1. Master's degrees awarded in-country	169	0	0	0	0	0	0
2. Short-term specialized trainees	865	0	0	0	0	0	0
3. Master's degree recipients holding policy making and mid-level positions	100	0	0	0	0	0	0
4. Non-degree program participants in technical and policy level positions	500	0	0	0	0	0	0

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

C. Overall Status

The authorized level was increased by \$1,000,00 to \$6,500,000 due to underestimating costs of certain project activities in the original PP budget. The PACD was amended to 3/31/99 to give the project a full five years of implementation. An additional \$500,000 was obligated this semester for a total of \$1,500,000 to date. PIL No. 1 was issued that detailed the roles and responsibilities of each participating institution and ratified compliance with Project CPs. The RFP was issued for a technical assistance contractor. The Technical Evaluation Committee, consisting of representatives of the Bolivian Catholic University (BCU), the Controller General of Bolivia and USAID, recommended to the RCO the selection of the Harvard Institute for International Development as the technical assistance contractor. With the selection of HIID formal implementation of the project has been initiated. The Cooperative Agreement to be signed between BCU and USAID has been put into final draft. The contract to be signed between BCU and HIID for use of the SAFCO/ILACO contribution of \$600,000 to partially finance the Deputy Chief of Party has been put into final draft. This project was central in leveraging the effective use of these World Bank resources.

D. Problems and Delays

Signing of the Cooperative Grant Agreement with BCU has been delayed slightly due to a need to formalize/rectify certain administrative practices of BCU. These issues have now been resolved.

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

The Cooperative Agreement (BCU/USAID) and the GOB Contract (Controller General/HIID) will be signed in a ceremony at BCU on April 27, 1994 at which the President of Bolivia will be present. The HIID/USAID contract will also be signed again ceremonially.

It is expected that the HIID Chief and Deputy Chief of Party will be installed permanently by the end of August. They will make TDYs in the meantime to begin planning for the short term courses, begin institutional strengthening activities, and to develop a preliminary work plan.

Since the project will just be getting underway during the next semester, no projections of accomplishments have been made for this period. Any projections will have to be made with the joint concurrence of BCU and HIID.

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C. PROTECTING THE ENVIRONMENT

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

Rating: B

PROJECT STATUS REPORT
October 1, 1993 - March 31, 1994

I. Background Data

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

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

II. Financial Data (\$000)

a) Amount Authorized: 15,000
 b) Amount Obligated: 5,476
 c) Amount Committed: Period: 3,583
 Cumulative: 3,583
 d) Accrued Expenditures: 1) Period-Projected: 1,000¹
 2) Period-Actual: 104
 3) Next Period Projected: 800
 4) Cumulative to date: 104

¹ Anticipated project start up was delayed by approximately 4 months, with extended contract negotiations under the DAP contracting option. (See Section VI.D)

e) Pipeline (d,4/b):	5,372
% LOP Elapsed:	1
% of Total Auth. Oblig. (b/a):	37
% of Total Oblig. Exp. (d,4/b):	2
% of Total Auth. Exp. (d,4/a):	1
Counterpart Contribution (GOB):	
f) Counterpart Planned LOP:	5,000
g) Counterpart Cumulative Planned as of 3/31/94:	300
h) Actual Counterpart Expenditures as of 12/31/93:	250 ²
i) Accrued Counterpart Expenditures 1/1/94 to 3/31/94:	- 0
j) Total Counterpart Actual and Accrued Expenditures as of 3/31/94 (h+i):	250
k) Counterpart Planned Next Period:	360
l) % of LOP Expended (j/f):	5

III. Project Goal/Strategic Objective

To reduce degradation of forest, soil and water resources and protect biological diversity.

IV. Project Purpose

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

V. Project Description

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

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

VI. Project Status

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

Notes:

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

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

³ While the BOLFOR Project Paper calls for preparation of a new forestry law, this target has been replaced with "development of regulations to accompany the law." This is because legislative changes in this sector have proceeded much faster than expected, and a new forestry law was presented to Congress prior to BOLFOR start-up (and has already been passed by one house).

⁴ See footnote 3 above.

⁵ The forestry law now in Congress will replace the Centro de Desarrollo Forestal (CDFs) with a new Servicio Forestal (SERFOR).

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

Notes: See notes to preceding table.

C. Overall Status

As noted above, the BOLFOR project has just begun implementation (with the technical assistance contract signed February 4). To date, the COP has established temporary project offices in Santa Cruz, and hired local support staff. He has been joined by the long-term forester and wildlife specialist, and all are well settled in Santa Cruz. BOLFOR's first annual work plan was drafted using an open, participatory process that involved many key stakeholders (e.g., NGOs, indigenous peoples groups, Forestry Chamber of Commerce, industrialists), and agreements were drafted with the Chiquitanos Indians and a concessionaire for establishment of long-term research parcels. BOLFOR also began work to help define a new forestry service and regulations to the forestry law. While project activities are somewhat behind schedule the TA consortium is functioning well.

D. Problems and Delays

An important problem has been delays in anticipated project start-up, with resulting delays in meeting certain project targets. This was due in part to the protracted negotiation process between USAID and the Contractor (focusing on final definition of mutually acceptable performance implementation standards and budgets), especially time-consuming with this project given the potential conflict of interest inherent in DAP contracting. In addition, there have been important delays in local currency counterpart funding, due to institutional uncertainties with FONAMA (the administrative entity for BOLFOR), including delays with passage of its new Statutes (signed by the President of Bolivia in March) and organizing its Board of Directors. This has meant serious delays in certain project activities (e.g., hiring local counterparts, establishing permanent BOLFOR offices) and, if not resolved soon, could hamper achievement of several project objectives. In addition, the BOLFOR Administrative Council (an oversight entity made up of the Ministry of Sustainable Development and Environment, FONAMA, PL-480, USAID, and the BOLFOR Chief of Party) has yet to be formally established, pending ratification by the FONAMA Board, if not functioning soon, alternative arrangements should be considered.

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

The FONAMA Board is expected to meet in May, and resolution of these issues should follow shortly thereafter; failing that, an alternative administrative entity may have to be sought for the project, though this would mean additional delays of several months in local currency disbursements.

Major activities for the next six months will include establishment of the long-term research parcels; monitoring impacts of forest product harvesting on biological diversity; technical assistance on development of the new forestry service; training; and drafting of regulations to accompany the new forestry law.

Rating: A

PROJECT STATUS REPORT
October 1, 1993 - March 31, 1994

I. Background Data

Project Title: **Environmental Support**
Project Number: 598-0780
Date of Obligation: original: September 8, 1990 (NYBG)
PACD: amended: December 31, 1994 (NYBG);
amended: October 31, 1993 (TWS)
Implementing Agencies: New York Botanical Garden
The Wilderness Society (TWS)
AID Project Manager: Michael Yates

II. Financial Data

Amount Authorized: DA Grant: \$215,550 (original)
Amount Obligated: \$215,550 (\$74,550 to NYBG; \$141,000 to TWS)
Accrued Expenses: \$199,963 (\$58,963 by NYBG; \$141,000 by TWS)

III. Project Purpose

1) To determine the biological diversity (plant inventory) within two national parks in Bolivia (Amboró and Noel Kempff Mercado); 2) to carry out a biological and economic analysis of sustainable selective logging in Bolivia's lowland tropical forests, with emphasis on mahogany (Bosque Chimanes).

IV. Project Status

1) Field activities in Amboró and Noel Kempff Mercado National Parks, and taxonomic analysis of specimens in the NYBG, continued. Project staff continued work on the manuscript "Flora del Parque Nacional Amboró." The PACD was extended by one year (at no additional cost), in order to permit the NYBG to complete this assessment. This extension carries requirements for more detailed technical and financial reporting, as quarterly technical reports continue to be too brief, and behind schedule.

2) This activity with TWS has terminated (with a shortened PACD, in order to allow the project to expand field activities this field season); however, the research site and research design have been incorporated into the Sustainable Forestry Management (BOLFOR) Project (511-0621). The project is perhaps the world's best analysis of the biological and economic aspects of mahogany harvesting in the tropics, and is an excellent example of parallel donor financing (with funding from the National Science Foundation, the International Tropical Timber Organization, the USDA Forest Service, and USAID, with the USAID funds targeted in part towards an expanded analysis of the

effects of selective harvest on biological diversity). Results of this analysis have major policy implications, and include disturbing information on the sustainability of current logging practices in the Bosque Chimanes, with removal of virtually all adult trees (with almost none left as seed trees, despite the fact that fecundity increases rapidly only after trees achieve commercial harvest size). Other important results include a detailed understanding of the natural processes that lead to mahogany regeneration; this offers the potential to replicate such processes with improved silvicultural practices, increasing the value of Bolivia's forest resources. Additional information and analysis from this path-breaking study will be provided under the BOLFOR project.

I. Background Data

Project Title:	Wetlands for the Americas
Project Number:	598-0780.01
Date of Obligation:	September 27, 1993
PACD:	March 31, 1995
Implementing Agency:	Wetlands for the Americas
AID Project Manager:	Michael Yates

II. Financial Data

Amount Authorized:	DA Grant: \$150,000
Amount Obligated:	\$150,000
Amount Expended:	\$0

III. Project Purpose

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

IV. Project Status

This regional activity (managed by USAID/Bolivia) will be partly funded with a USAID/Bolivia grant of \$150,000 (through an OYB transfer in that amount from the LAC/DR/E Environmental Support Project, 598-0780), with the balance of funds (approximately \$230,000) to be contributed by the Wetlands for the Americas group. Grant Agreement negotiations with the Wetlands for the Americas group are pending.

PROJECT STATUS REPORT
October 1, 1993 - March 31, 1994

I.-BACKGROUND DATA

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

II.- FINANCIAL DATA.

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

III PROJECT PURPOSE.

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

IV. PROJECT STATUS.

- 1) During this reporting period, contract was signed with the Implementing Agency (Wetlands for the Americas)
- 2) Contract signed with the Sociedad de Derecho Ambiental (Peru) to compile, review and compare the Environmental Legislation of the South American countries as this relates to Wetlands Conservation
- 3) Contract signed with Mr. Ian Davidson to compile and review environmental policy related to wetlands
- 4) Priority sites for study in Bolivia have been tentatively selected:
 - a) Altiplano: Laguna Colorada, Humedales de Ulla Ulla
 - b) Beni: Bañados de Magdalena
 - c) Sta. Cruz: Otuquis and Bañados del Izozog
- 5) Consultants have been selected in:
 - a) Bolivia (Jaime Sarmiento y Julio Pinto)
 - b) Argentina
 - c) Peru
 - d) Brazil

V. ACTIVITIES NEXT PERIOD.

- 1) Define areas to be studied in other South American Countries
- 2) Regional Specialists begin to compile information on Wetlands of South America
- 3) Final plans and agenda for the "Wetlands" seminar to be held in Santa Cruz
- 4) Review of final documents related to biological assessments, policy and legislation related to wetlands in South America.

Rating: B

PROJECT STATUS REPORT
October 1, 1993 - March 31, 1994

I. Background Data

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

II. Financial Data

Amount Authorized: \$21.8 million (original)
Amount Obligated: \$4,530,608
Amount Committed: \$1,866,000 ¹
Accrued Expenses: \$ 982,407

III. Project Purpose

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

IV. Project Background

Bolivia was the first country in Latin America to take advantage of the Enterprise for the Americas Initiative's debt restructuring opportunities, and it maintains its strong lead in this area. Through the EAI the GOB was able to reduce its bilateral debt with the United States by \$372 million, and create an Environmental Account of \$21.8 million to fund grassroots initiatives in the environment. These funds are managed by an Administrative Council of seven members, with three government representatives (2 Bolivian, 1 USG) and four from Bolivia's non-governmental community (selected in open elections). NGOs, community groups, and academic and scientific institutions may receive funding for environmental activities from the EAI Environmental Account, and it has rapidly become a critical force in Bolivian environmental affairs. It provides strong and broad-based support to the Mission's strategic objective for the Environment, and fully 7 other USAID-assisted countries have asked USAID/Bolivia for detailed information (and/or visited with FONAMA staff) on the Bolivian EAI model.

¹ Two projects were dropped from the last SAR report, given noncompliance with required project modifications; this accounts for the smaller total this reporting period on Amount Committed.

V. Project Status

Demand for funds continues to be extremely strong, with more than ten times as many applicants as grants. To date 22 activities have been funded (supplemented by approximately \$2.5 million in additional counterpart resources, including infrastructure), with 15 more tentatively approved for funding (pending minor modifications). These range from activities such as sanitary education in poor urban areas to ethnopharmacology with indigenous peoples in Bolivia's lowland tropical forests. Importantly, these activities provide not only improved environmental management but also strongly support increased public participation in environmental decision-making, a key objective of the new GOB administration (e.g., the "Capacidad 21" initiative and the Popular Participation legislation). Perhaps partly as an expression of the GOB's increasing support the deposits to the Account have been on time, and trouble-free (not always the case under the previous administration). Increased emphasis is gradually being given by the EAI Council and FONAMA to targeted institutional strengthening of grassroots organizations.

At the same time the EAI is facing some short-term difficulties, with the resignation of the Account's outstanding coordinator, and of the Director of FONAMA. The planned April meeting of the Administrative Council has been postponed pending their replacement (expected some time in May, 1994).

D. IMPROVED FAMILY HEALTH THROUGHOUT BOLIVIA

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

Rating: A

PROJECT STATUS REPORT
October 1, 1993 - March 31, 1994

I. Background Data

Project Title: **Reproductive Health Services**
Project Number: 511-0568
Date of Authorization: Original 6/27/90
Date of Obligation: Original 7/31/90 Amended 4/15/93
PACD: Original 9/30/95 Amended 12/31/97
Implementing Agencies: Secretariat of Health (SNS), National Social Security Health Fund (CNS); Social Policy and Population Unit (UPP)
Major Grantees: Pathfinder International; MotherCare/JSI; Johns Hopkins/Population Communication Services (PCS), JHPIEGO; MSH/FPMD; Population Council; Futures Group (SOMARC, RAPID IV, OPTIONS II); Development Associates, MACRO International
AID Project Manager: Earle Lawrence
AID Project Coordinator: Elba Mercado
Status of CPs/Covenants: All have been met. Covenants: FAA 104(f) and PD3 listed in PGA
Date of Last Evaluation: 09/15/92
Date of Next Evaluation: 11/20/96
Audit:

Organization	Audit Responsibility	Last Audit Completed	Next Audit Begin Date	Total Audits Completed to Date
SNS (ex-DINAP)	Recipient	08/24/93	05/15/94	1
UPP	Recipient	03/22/93	05/15/94	1
CNS	Recipient	05/10/93	05/15/94	1
Various US NGOs	OP/PS/OCC	(1)	N/A	N/A

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

II. Financial Data (\$000)

a) Amount Authorized: 19,550
b) Amount Obligated: 10,385
c) Amount Committed: Period: 555
Cumulative: 8,922

d) Accrued Expenditures:	1) Period-Projected:	1,500
	2) Period-Actual:	586
	3) Next Period Projected:	2,000
	4) Cumulative to date:	6,959
e) Pipeline (b-d,4)*:		3,426
% LOP Elapsed:		64
% of Total Auth. Oblig. (b/a):		53
% of Total Oblig. Exp. (d,4/b):		67
% of Total Auth. Exp. (d,4/a):		36

Counterpart Contribution (GOB):

f) Counterpart Planned LOP:	2,030 (of which 360 is ESF)
g) Counterpart Cumulative Planned as of 3/31/94:	1,160
h) Actual Counterpart Expenditures as of 12/31/93:	759
i) Accrued Counterpart Expenditures 1/1/94 to 3/31/94:	81
j) Total Counterpart Actual and Accrued Expenditures as of 3/31/94 (h+i):	840
k) Counterpart Planned Next Period:	1,160
l) % of LOP Expended (j/f):	41

* The Reproductive Health Services project utilizes add-ons and buy-ins to about a dozen centrally-funded cooperating agencies creating delayed billing and the appearance of a large pipeline. Program implementation is on schedule and accelerating each quarter.

III. Project Goal/Strategic Objective

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

IV. Project Purpose

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

V. Project Description

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

VI. Project Status

A. Purpose Indicators/ EOPS	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1. Increase prevalence ¹	23/12		12			12	0
2. Increase number new of users: Total FP acceptors ²							
3. Increase number of new users: Modern FP acceptors ³	79,370				39,142 ⁴	117,244 ⁴	

Notes:

¹ Actual data to be provided through DHS 1994.

² Data to be provided by 1994 DHS.

³ 1992 Baseline, after 1 year of project work.

⁴ Period is January 1992 - December 1993.

B. Major Output Indicators	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1. No. of project facilities providing RHS: SNS	*39	6	14	5	6	14	36
2. No. of project facilities providing RHS: CNS	*35	20	24	5	3	7	20
3. No. of project facilities providing RHS: NGO	166	1	113		2	114	69
4. SOMARC - Number of Contraceptive Pills sold*	800,000	100,000	460,000	70,000	87,451	508,675	64
5. SOMARC - Number of Condoms sold ¹	2,500,000	200,000	1,450,000	250,000	285,666	1,654,893	66
6. No. of national repro- ductive health clinical training centers estab- lished	6	0	6	3	0	5	83

Notes:

* Output indicators have been revised based on new SNS and CNS workplans.

¹ Period is September 93 - February 94.

C. Overall Status

1. The overall environment for reproductive health and family planning has improved significantly in recent months. For the first time, the GOB has set targets for use of modern contraceptive methods and the private sector is responding with an expansion of activities.
2. The Demographic and Health Survey (DHS) 1994 field work is currently underway. A few delays in the initial schedule were caused by unforeseen administrative problems at the National Statistics Institute (INE). Macro Systems International local and international staff are constantly monitoring the activities. Preliminary results are expected as early as June 1994, and final results will be available in August. The study is being done in concert with other donors, including UNICEF which is financing an oversample for determining the level of maternal mortality in Bolivia. The DHS is used extensively by the GOB and all donors.
3. The Johns Hopkins Population Communication Services (JHU/PCS) project and the IEC Subcommittee devoted much of this semester to the production of a mass media campaign to be launched in April 1994 under the sponsorship of the National Secretariat of Health (SNS). Printed materials were also reproduced with corrections and are being distributed to all institutions.
4. Several training events were conducted during this period:

The Training Subcommittee together with Development Associates, Inc. (DAI) sponsored a Training of Trainers (TOT) course during December, and DAI Consultant Amelia Kaufman completed a series of two sessions for National Social Security Health Fund (CNS) nurses and auxiliaries during November 1993 and February 1994. In October, JHU/PCS and the IEC Subcommittee repeated the Interpersonal Communications workshop. JHPIEGO consultants with the SNS also conducted a TOT update for medical personnel of the training centers during February 1994.

5. The Technical Subcommittees conducted regular monthly meetings. Meetings were conducted to reorganize the National Reproductive Health Committee (CNSR), which resulted in a reformulated Memorandum of Understanding which will govern the (CNSR) functions in the future.
6. During December 1993, an external evaluation was conducted of the Quipus Management Information System (MIS) system used at the project for user statistics and logistics control. The evaluation concluded that the Quipus project had made a good contribution to the project by instituting information systems at the participating institutions, although the software was not the best in all cases. A decision was made to transfer the Quipus or any other MIS operation to Pathfinder, the main service delivery Cooperating Agency (CA).
7. Annual workplans were developed and approved for the SNS and the CNS.

D. Problems and Delays

1. During this period, several negotiations had to be undertaken with the Ministries of Human and Sustainable Development to define the institutional setting for the Population Policy Unit (UPP), which was decided at the end of March. Activities and preparation of the UPP annual workplan were delayed.

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

1. Pathfinder International will submit a revised program for their Bolivia operations. This will include management of the MIS for the project and probably the enlargement of the local office to assume new responsibilities.
2. Depending on availability of funds for the project, new agreements will be negotiated with PROCOSI, PROISS (The World Bank project with the GOB) and CCH.
3. Amendment No. 2 to the Project Paper will be completed. The amendment will double the funding for the Reproductive health Services project and include greater involvement of the public sector, more technical assistance for sector policy reform, incorporation of the AIDS/STD component, creation of an International Planned Parenthood Federation affiliate in Bolivia, expansion of reproductive health services and referrals provided by NGOs, and expansion of family planning service coverage in rural areas.

Rating: B

PROJECT STATUS REPORT
October 1, 1993 - March 31, 1994

I. Background Data

Project Title: **Community and Child Health**
 Project Number: 511-0594
 Date of Authorization: Original 07/28/88 amended 09/30/92
 Date of Obligation: Original 07/28/88 last amendment 02/22/94
 PACD: Original 07/28/93 last amended 09/30/95
 Implementing Agencies: National Secretariat of Health (SNS)
 Major Grantees: Medical Services Corporation
 International; Center for Disease
 Control (CDC)
 USAID Project Manager: Paul Ehmer
 USAID Project Advisor: Joel Kuritsky, M.D. (TAACS)
 Status of CPs/Covenants: All have been met
 Date of Last Evaluation: 10/04/93
 Next Evaluation: 11/30/96
 Audit:

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

- (1) As USG entity, CDC is subject to audit by cognizant IG rather than USAID.
 (2) As U.S. based for-profit firm, OP/PS/OCC monitors compliance with audit requirements. A project-specific audit of grantee performance is not required.

II. Financial Data (\$000)

a) Amount Authorized: 16,500 amended to 20,000
 b) Amount Obligated: 2,700 amended to 17,244
 c) Amount Committed: Period: 0
 Cumulative: 14,344
 d) Accrued Expenditures: 1) Period-Projected: 2,036
 2) Period-Actual: 667
 3) Next Period Projected: 1,000
 4) Cumulative to date: 13,995
 e) Pipeline (b-d.4): \$ 3,249.1/

% LOP Elapsed: 78
 % of Total Auth. Oblig. (b/a): 86
 % of Total Oblig. Exp. (d,4/b): 81
 % of Total Auth. Exp. (d,4/a): 70

1/ In FY93 project expenditures were \$3.0 million, so over time this represents 1-1.1/2 years of expenditures. In addition, \$600,000 was obligated at the end of the period

Counterpart Contribution (GOB): (\$000)

f) Counterpart Planned LOP:	8,000
g) Counterpart Cumulative Planned as of 3/31/94:	6,240
h) Actual Counterpart Expenditures as of 12/31/93:	5,152
i) Accrued Counterpart Expenditures 1/1/94 to 3/31/94	227
j) Total Counterpart Actual and Accrued Expenditures as of 3/31/94 (h+i):	5,379
k) Counterpart Planned Next Period:	455
l) % of LOP Expended (j/f):	67

III. Project Goal/Strategic Objective

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

IV. Project Purpose

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

V. Project Description

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

VI. Project Status

A. Purpose Indicators/ EOPS	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1. Reduction in infant Mor- tality (per thousand live births)	80/111	85	85	80	80	80*	100
2. Reduction in Child Mor- tality (per thousand live births)	135/176	120	120	110	110	110*	122
3. Reduction in Maternal Mortality (per thousand live births)	300/400	400	400**	NA	NA	NA	NA

Notes: * Actual figures for these indicators come from 1992 Census as adjusted by GOB. Additional information on these indicators will be available later this year from 1994 DHS.

**No maternal mortality figures have been available. The 1994 DHS will have information for this indicator.

B. Major Output Indicators	PLANNED				ACCOMPLISHED**		
	LOP/ Baseline*	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1. Diarrheal/Cholera: Number of Community Based UROs	6,000/2,000	0	6,000	0	0	6,000	100
2. Diarrheal/Cholera: Num- ber of Diarrheal Studies	5/0	2	6	1	1	7	140
3. Immunizations: One year olds fully immunized (percent)	65/24	80	80	80	81	81	125
4. District Development Auxiliaries Trained	250/0	40	200	135	130	280	112
5. District Development Management systems installed	5/0	2	5	1	0	4	80
6. Chagas' Disease: Oper- ations research conduct- ed	10/0	2	10	0	1	10	100
7. Chagas' Disease: Hous- es improved	2,000/0	500	2,000	0	1,790	3,179	159
8. Water and Sanitation: Communities served	120/0	15	107	23	30	73	61
9. Training-Long Term M F	1/0 1/0	0* 0*	1* 1*	0 0	0 0	1 1	100 100
10. Training Short-term:M F	3,000/0 3,000/0	500 500	4,076 4,102	500 500	532 625	3,557 3,742	119 125

Notes: * Previous SAR reported 1 additional participant planned in error. This SAR corrects planned/cumulative figures.

C. Overall Status

1. Advancement toward Goal and Purpose

During this period all components of the Project continued to advance, contributing to reductions of maternal and infant mortality and morbidity. Improved monitoring systems to track impact at the

district level were implemented during this period. Comparative data from this system should be available in the next period.

2. Administration and Data Tracking Systems

At the end of the last period the newly elected government brought in a new team at the Secretariat of Health (SNS), and the Secretariat was reorganized. Following these changes and the child survival assessment completed at the beginning of this period, USAID, SNS policy staff, and CCH personnel held a series of meetings to discuss how best to provide project support to the SNS. These discussions continue, and will result in the coming period in a project amendment to formalize the new directions, extend the project to 1998, and set the stage for the next few years of implementation under the new government.

Under the Data for Decision Making (DDM) sub-project, 38 government physician-managers identified problem areas in their districts, and developed small project responses based on the DDM methodology. Some of the projects developed new and innovative training, monitoring, supervision and evaluation systems, which now can be applied where appropriate in other localities. All these projects to address local problems were presented during a recent national seminar attended by USAID Washington, CDC, other donor, and government representatives. UNICEF committed funding for a number of the project ideas during the seminar, an important spin-off of the project. This funding will strengthen decentralization efforts and encourage local initiative in analyzing and solving local problems.

A second phase of the DDM program is being developed. It will include the creation of a Bolivian capacity to carry out such training, and will coordinate with similar training programs supported by the World Bank. This type of training will be increasingly necessary, particularly under the GOB's plans for decentralization of the health system. Participants from the first phase who demonstrate their pedagogic abilities will be chosen to serve as instructors in the next complete DDM course, probably to be given in 1995.

The CCH Monitoring and Evaluation Unit revised systems for inventory and control of equipment, logistics, and control of project travel. It also finalized modifications in the accounting system, and began work on revising information flow within the project by level. Modems were installed in all districts where telephone service is available, and in the regional coordination offices of CCH to facilitate information flow. Baseline studies were done in two of the last project districts, and the results entered into district information systems for later follow-up and tracking.

To respond to a 60% budget reduction from FY 93 to FY 94, proposed at the beginning of this period, some line items were transferred from the USAID direct budget to the local currency PL 480 side. A number of institutional contracts were reviewed and cut or modified to respond to the budget cut. A 40% reduction in personnel is expected by June 1994. So far, project staff has been reduced by 20%. Finally, at the end of the period, USAID/B received additional funds, bringing FY 94 obligations back up to the FY93 level. The new funds will be used to strengthen the diarrheal disease control program; continue support for immunizations with emphasis on measles over the next year; begin support for a national acute respiratory infection program; and support sector reform efforts of the Secretariat.

An external audit for 1992-93 was completed. The final report is expected in April 1994. With this audit, all project expenditures from the beginning through December 1993 have been audited.

3. Project Technical Advances

(a). Diarrheal Disease/Cholera Control

In November 1993, the National Secretariat of Health (SNS) launched a national information and education campaign to raise public awareness of the dangers of cholera and diarrhea, and to promote increased use of oral rehydration therapy. Project personnel participated in planning and programming meetings for the campaign, and the director of the diarrhea component of the project participated in training and monitoring activities as part of the campaign. The project received and is assisting with the distribution of 1 million packets of oral rehydration salts provided by USAID from central sources in support of the campaign.

Contract personnel responsible for the health education component of the project were asked by USAID and the SNS to develop, test and print training and educational materials in cholera and diarrhea ahead of schedule to support the national campaign. These materials for training health personnel were printed and distributed throughout the country in collaboration with PAHO and the SNS. CCH trained 24 pediatricians, 28 general physicians, 13 professional nurses and 5 other health care personnel in project districts in preparation for the campaign.

A study in La Paz testing on-site water chlorination for drinks sold in street markets was completed, and the data is being analyzed. An educational video based on the results of this study will be produced. The water purification operations research using narrow-mouthed containers, home-made filters and chlorination is also being analyzed and a study of costs is in process. These studies have been carried out jointly between CCH, PAHO, and CDC. Based on preliminary data which proved the efficacy of on-site chlorination in both the home and market environment, another study testing the long term sustainability of these methods will begin next semester.

(b). Immunization Program Support

Immunization coverage in 1993 for children under 1 year surpassed the 80% attained in 1992. Nationwide figures were: third dose of oral polio 83%; third dose of DPT 81%; measles 81%; and BCG 88%. CCH received approximately \$200,000 worth of syringes, needles and vaccines during the period, and provided operational support for the program in all six CCH districts. CCH also supported the national program's planning and evaluation workshops, a workshop on cold chain maintenance, and the purchase and installation of computers and facsimile machines.

(c). District Development

The six districts supported by CCH have improved and augmented training activities related to child survival, reached or exceeded targets for immunization coverage, and have greatly improved the use by children under five with diarrhea of oral rehydration therapy. In addition, attention to growth and development for children, and treatment of upper respiratory infections or pneumonia has also increased. Pre-natal care has risen by about 15% during this reporting period in CCH districts and births attended by health care personnel has also risen compared to last semester.

The data providing this information comes from the revised monitoring system initiated this semester by the project, and yearly evaluations done now in each district. Details of the changes will be available next period, as this data is presently being analyzed. Administration and management has greatly improved in three districts, but in three others changes in personnel following the change of government have inhibited progress.

Following the Training of Trainers (TOT) in health education last semester, CCH began this period with district training using the same methodology. Manuals, guides, and family history sheets were designed, and auxiliary nurses were trained by the original participants of the TOT courses. Module I, Community Participation, Census Based Approach to Primary Health Care Services, was given and completed in all of the districts using a systematic approach to reach lower level personnel and communities. Supervision was given to all of the trainers in the districts. Module II, diarrhea and cholera control was also completed during this period. The supervision for Module II will be completed early next semester.

To date, two manuals and two guides have been developed, tested and printed, with another two manuals and two guides in process, now in draft form. These activities were all completed under a contract between CCH and a local NGO. Unfortunately, the contract had to be terminated, partly as a result of budget cuts and lack of resources to complete the work as proposed. A new strategy for health education will be developed to take best advantage of the work already done and the potential for replicability. The new health education strategy will be supported with some of the additional funds received at the end of the period. Unfortunately, these funds were received too late to prevent rescission of the earlier contract.

The operations research project with the Population Council and Development Associates has progressed through the training of physicians, nurses, auxiliaries and promoters and has been providing family planning services since the beginning of this semester. So far results have been positive and demand for services much higher than expected.

The ethnographic study to compare communities with and without water systems was completed in three districts where either Aymara or Quechua is spoken. The results showed little change in habits or hygiene, continuing poor attendance at health facilities, and continued complaints about the attitudes of health service personnel. The final report of this study was received in February. The results were disseminated to all health care personnel, to the communities where the study took place, and to all the participants of the DDM course. During the feedback four months after the study data were collected, more positive changes were noted. A triptic or other publication will follow for further dissemination, and there will be presentations in the private sector.

The monitoring system designed by the project evaluation unit (UIME) was implemented in all districts at the beginning of this period as a quarterly report. After the first presentation, modifications were made, and the data received in the second submission was much more useful. This data is presently being analyzed, and the results will be available next period.

(d). Chagas Disease Control

USAID supports ground breaking research in chagas disease, a serious untreatable Bolivia-specific public health problem (over 20% of the population infected).

An internal evaluation/assessment of the Chagas component describing the results of all operational research and lessons learned was completed in preparation for an International Conference to be held in La Paz and Cochabamba in June 1994. This conference will provide a forum for discussing the Chagas situation with the government and other donors, with the objective of mobilizing other donor resources for a control program. It is expected that high level political support from the government will lead to the creation of a national program within the SNS.

At the end of this period, CCH discontinued the operational aspects of home improvements as a control strategy, having exceeded the goal set at the beginning of the pilot program. Technical assistance will continue, as well as the other studies that are underway. The study on treatment of sero-positive children under 14 began late, because of a delay in receiving the drugs. In the on-

going study of congenital Chagas, it was found that nearly 5% of children born to sero-positive mothers got the disease from congenital transmission. Wild Chagas is still being studied, with no results to report to date. Three studies will begin next period: Chagas caused by blood transfusions; Chagas in peri-urban areas; use of mosquito nets impregnated with insecticide as protection against Chagas and malaria. Two institutional contracts will be terminated during the next period following two month no-cost extensions to complete programmed work.

A workshop in December reviewed educational materials developed by the project, and modified the content where necessary. Manuals, flipcharts and notebooks that were approved and tested will be printed and distributed in the next period during and after the International Conference to be held in La Paz and Cochabamba.

(e). Water and Sanitation

Thirty water and sanitation systems were completed during this period, and the contracts of two NGOs working to install systems ended. However, no cost extensions will be signed through June to enable them to complete 17 systems now under construction. To reach the goal of 96 systems in the three Departments, two other systems will be installed if funding availability permits.

D. Problems and Delays

A major problem for the Project this period was the originally proposed 60% reduction in budget from FY 93 to FY 94. Many adjustments to the Operational Plan had to be made, including moving some operational funds from the USAID to the local currency PL 480 budget (e.g. rent, telephone, personnel, etc.). These modifications delayed approval of the 1994 Operational Plan by USAID, PL 480, and the SNS. Final approval was received at the end of this period. As a result of this delay, the disbursement of funds under the 1994 plan will also be delayed. Fortunately, additional funds have now been received, and the Operational Plan will be revised as necessary to support new activities described in Section C.2 above.

In the Chagas and Water and Sanitation components, the weather affected implementation of both housing improvements and sanitation system installation. The rainy season began early and lasted much longer than usual, so that both logistics and manual labor was impeded.

Discussions between the project, the SNS, and USAID on a project redesign continue, impeding normal progress in some cases due to uncertainty. The SNS has been disorganized due to many changes in personnel at all levels of authority. The new government has completely changed many aspects of health policy, and a major health reform package is under discussion. One super-Ministry manages Health, Education and Housing, with Secretaries in each sector. This structural transformation, while sensible in some ways in terms of coordinating and integrating social programs, has created some confusion. The SNS is only now defining its priorities, and sorting out what each donor and project should be doing to support them.

Due to personnel reductions at central, regional, and district levels, project personnel have had to undertake additional and modified responsibilities. CCH personnel have provided substantial technical assistance to the SNS in helping to define and implement initial stages of the health reform.

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

1. CCH will be redesigned based on the child survival assessment completed in October, the new government's reform plans, and new budget projections. The redesign will include an extension of

the PACD to 1998, confirming CCH as USAID's principal child survival support activity to the government.

2. A study of income generation in the districts will be completed, and analyzed, and a plan to assist the districts with cost recovery will be implemented. This will be coordinated with sector financing reform planned by the government. CCH will provide assistance as necessary to the definition of this reform.

3. An International Conference on Chagas will be held in La Paz and Cochabamba in June to present project findings and lessons learned, and to mobilize additional donor support for a Chagas control program. CCH will support government plans to revitalize the national Chagas program supported by the World Food Program (UNGHECH).

4. Final operational activities in the areas of housing improvements for Chagas, and installation of water and sanitation systems will be terminated.

5. A new definition for CCH support to health education activities will be developed as part of the project redesign.

6. Data from baseline studies will be entered into the computer systems of four CCH districts and will be compared to new results coming out of the revised monitoring system.

PROJECT STATUS REPORT
October 1, 1993 - March 31, 1994

Rating: A

I. Background Data

Project Title: **Self-Financing Primary Health Care II**
 Project Number: 511-0607
 Date of Authorization: original 05/08/91
 Date of Obligation: original 05/09/91 amended 12/13/91, 03/18/94
 PACD: original 05/08/96
 Implementing Agencies: PROSALUD
 Major Grantees: PROA/Pamela Putney, T.A. Advisor
 AID Project Manager: Rafael Indaburu
 Status of Cps/Covenants: None
 Date of Last Evaluation: None Next Evaluation: 06/30/94
 Audit:

Organization	Audit Responsibility	Last Audit Completed	Next Audit Begin Date	Total Audits Completed to Date
PROSALUD	Recipient	03/30/94	03/30/95	3
PROA	Recipient	03/30/94	03/30/95	1

II. Financial Data (\$000s)

a) Amount Authorized: DA Grant: original 6,500
 b) Amount Obligated: DA Grant: original 563 Amended to 4,314
 c) Amount Committed: Period: 900
 Cumulative: 4,314
 d) Accrued Expenditures: 1) Period-Projected: 900
 2) Period-Actual: 445
 3) Next Period Projected: 900
 4) Cumulative to date: 2,521
 e) Pipeline (d,4-b): ¹1,793

LOP Elapsed: 58
 % of Total Auth. Oblig. (b/a): 66.4
 % of Total Oblig. Exp. (d,4/b): 58
 % of Total Auth. Exp. (d,4/a): 38.7

¹ This pipeline is large because less than a month ago the project funding increased from an obligated amount of \$3,414 to \$4,314 (in thousands).

Counterpart Contribution (GOB):

f) Counterpart Planned LOP:	1,850
g) Counterpart Cumulative Planned as of 3/31/94:	1,600
h) Actual Counterpart Expenditures as of 12/31/93:	1,142
i) Accrued Counterpart Expenditures 1/1/94 to 3/31/94:	45
j) Total Counterpart Actual and Accrued Expenditures as of 3/31/94 (h+i):	1,187
k) Counterpart Planned Next Period:	500
l) % of LOP Expended (j/f):	64

III. Project Goal/Strategic Objective

The project goal is to improve the health status of populations within poor urban and peri-urban areas of Bolivia, with particular emphasis in reducing maternal and infant (0-1 yrs.) and child (1-5 yrs) mortality rates within the project areas. Besides contributing directly to the Family Health Strategic Objective to improve the health of family members in communities throughout Bolivia with special emphasis on mothers and children under five years, the project will improve health status among employable people with marginal incomes, thus reinforcing the Mission's efforts to expand access and opportunity, particularly in El Alto. Overall, the proportion of the Bolivian urban population with access to this project's health care services will be around 5%-7%, a major share for a single health care provider.

IV. Project Purpose

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

V. Project Description

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

VI. Project Status

A. Purpose Indicators/ EOPS	PLANNED			ACCOMPLISHED			
	LOP/ Baseline	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1. <u>Access</u> .- Population with access to PROSALUD's health services in El Alto and La Paz.	180,000/0	30,000	140,000	30,000	14,217	¹ 103,217	57
2. <u>Coverage</u> .- Population that regularly receive PROSALUD's health services, as % of the population that has access to these services.	75/0	50	50	10	61	61	81
3. <u>Quality</u> .- % of patients that return to PROSALUD for an additional check-up within a single illness episode.	Adults: 40%-60%	40-60	40-60	40-60	64	64	100
	Children: 35%-55%	35-55	35-55	35-55	35.9	35.9	100
4. <u>Sustainability</u> .- % Cost recovery in the provision of health services (La Paz and El Alto).	100/0	10	65	10	59	59	59

Notes: This is the first semiannual report that includes EOPS indicators on access, quality and coverage of health care services as stated in the project purpose. (1) Access is defined by the population that has physical access to PROSALUD's health services (i.e. they live in the neighborhood). (2) Coverage is measured by the actual number of clinical records opened in the PROSALUD's health care centers as a percentage of the total population that has access to them. (3) Quality is measured by the number of re-visits or additional check-ups within a single illness episode which denotes the willingness of the clients to return to a health care facility that provides services to their satisfaction. The indicator is expressed as a range (40-60% for adults and 35-55% for children). Less than 40% adults returning indicates poor follow-up, and greater than 60% returning indicates possible misdiagnosis or poor treatment. Therefore, good quality services are defined as somewhere between the two. (4) There has been a reduction of cost recovery from 65% last period to 59% this period. This is due mainly to increases in costs and preventive care services that are free of charge.

¹ This figure comes from the baseline survey which showed initial access of 89,000 people. However, due to population growth and market penetration into neighboring areas, the actual number with access this period is estimated at 103,217.

B. Major Output Indicators	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1. 19 operational PHC centers (La Paz/El Alto)	19/0	4	17	14	0	9	47
2. 1 Level II center operating in Santa Cruz	1/0	0	1	0	N/A	1	100
3. 1 MSU operating in La Paz	1/0	0	1	0	N/A	1	100
4. Guidelines for national replication (franchising), developed and operating	1/0	25%	25%	25%	25%	50%	50
5. National charter for PROSALUD	1/0	25%	25%	25%	25%	25%	25

Notes.-

- (1) The number of health centers planned for March 1994 was 17; unfortunately, since mid 1993, the government institutions that according to the PP were to provide these centers have stopped all new construction. The reasons for this stoppage include national elections, the transformation of Ministry of Health into a National Secretary of Health within the Ministry of Human Development and the slow beginning of the new administration.
- (2) The Reference Clinic of Santa Cruz is fully operational since August, 1993.
- (3) The Management Support Unit in La Paz is fully operational since June, 1992.
- (4) Together with the constitution of PROSALUD's national office and with the formal approval of differentiated functions for the national and regional offices, the initial guidelines for replication in other regions have been also approved. The testing and refinement of these initial guidelines is planned to take place during CY 1994 and 1995.
- (5) The constitution of PROSALUD's national office provided the initial documents for the chartering of PROSALUD as a national endeavor. These documents have been prepared and approved as working documents for CY 1994. The constitution of a National Board of Directors (based on the existing one for Santa Cruz) and the establishment of other governance instances, such as an assembly of workers and associates, is planned to take place during CY 1995, after some try-outs during CY 1994.

¹ Next period planned is 4 new health centers. This will lead to greater than LOP planned by the next period. This is due to delays in the process of obtaining new centers. Next period cumulative will not exceed 19 because this remains the LOP target.

C. Overall Status

1. This period included a series of turning points for the project. These major events include the return of PROSALUD's Director to Santa Cruz, to assume the responsibilities of National

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Director; the constitution of a National Office (started in the previous period but object of major efforts during the current period); and, the establishment of new patterns of relationships between the regional offices and between them and the newly created National Office. These discrete events triggered processes that were full of challenges and anxiety. However, the project is progressing well and the National Office is assuming a national role that includes responsibilities such as quality control; social marketing of services, products and ideas on a nation-wide level; information, education and communication; and, expansion, franchising and replication of current services to other regions. As of March 1994, three major plans of the National Office -with the acceptance and support of the two existing regional offices- are underway: quality control in existing health care centers, social marketing related to reproductive health, and the replication of PROSALUD in other Departments of Bolivia.

2. The return of the former Regional Director to Santa Cruz to assume national responsibilities created the need to train and prepare a new Regional Director for La Paz-El Alto. This transition was further complicated because the would-be incumbent proved to be more useful at the national office as a research resource and was transferred there. Therefore, a new Regional Director was selected, hired and trained. As of March 1994, the new Regional Director for La Paz-El Alto had completed three months in office and is responding well to project needs.

3. During this period a series of feasibility studies for the further replication of PROSALUD into other regions was completed. A detailed study was conducted in Cochabamba, determining 4 possible locations of health care centers. These studies, complemented with the Social Marketing Plan currently under preparation, will be the basis for a major campaign to expand current services and provide nation-wide social marketing services. Target date for start-up of the campaign is June 1994.

4. This period was also the starting period for the Reference Clinic in Santa Cruz, inaugurated in August 1993. The level of services provided and its linkages with the neighborhood health centers in Santa Cruz were very successful. As of March 1994, the reference Clinic had registered occupancy rates of 40%-46%, monthly expenditures of around \$20,000 and a monthly income from services provided in excess of \$ 25,000. The self-financing nature of the clinic seems to be clear. However, due to the lack of a more precise costing system, it may be premature to project into the future the levels of financial self-sufficiency it is experiencing today. With the recommendations from the mid-term evaluation to be conducted in June 1994 and TA scheduled for late 1994 and early 1995, these encouraging results will be tested, refined and, hopefully improved for the attainment of full financial self sufficiency.

D. Problems and Delays

1. Problems associated with a change in government administration affected PROSALUD. The new administration started to consider this project as "the project of the previous regime." That attitude caused some concern among project personnel and the withdrawal of some of PROSALUD's executive officers into "low visibility profiles". But, PROSALUD can no longer be a low profile institution in health care in Bolivia. Political mapping, strategic planning and the strong support and encouragement of USAID/B for PROSALUD to openly cope with the potential conflict have led to a turn-around. The confrontation with the government was prevented, and collaborative work arrangements are at hand. New agreements with the government have been drafted and submitted

to the National Secretary of Health and the World Bank whose project coincides geographically with PROSALUD. Based on those agreements, PROSALUD will then respond to concrete expectations and continue to work as a technical (not political) health care model, without the threat of being perceived as antagonistic to the new government.

2. The lack of land and existing facilities for health care services in La Paz has been a major problem. It was complicated even more by the tense relations with new government officials. Procedures for the transfer of sites and facilities started almost two years ago and are still pending authorization, both at La Paz City Hall and within the Secretary of Health. The facilities PROSALUD received in El Alto in 1992 were also of poor construction quality and required, during this period, major repairs. In order to cope with these problems, PROSALUD hired a person responsible for infrastructure. This was a good move because in the last two months the papers, blueprints and authorizations for remodeling of one existing health center, and the remodeling of the existing office building in La Paz have been completed and construction work began.

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

1. The external mid-term evaluation of the project is scheduled for June 1994. The procedure for the competitive contracting of the evaluation team is underway.
2. Based on a Social Marketing Plan/Proposal, the Cooperative Agreement with PROSALUD will be amended. This amendment will be ready by June 1994, and it will include specific targets for social marketing and the expansion of reproductive health care services.
3. At least 4 new health centers will be operational by September 1994. (Pending from previous period).
4. The mid-term evaluation will be asked to determine whether a new reference clinic should be started in El Alto.
5. A strategic planning seminar will be held in May 1994 to determine the opportunities and limitations opened-up with newly passed legislation in regard to the transfer of health care facilities, currently owned by the National Secretary of Health, to municipal governments through-out the country. This Popular Participation Law will represent a major breakthrough in health care, and PROSALUD should be prepared to respond to it as effectively and efficiently as possible.

PROJECT STATUS REPORT Rating: B
October 1, 1993 - March 31, 1994

I. Background Data

Project Title: AIDS/HIV/STDs Prevention and Control
 Project Number: 511-0608
 Date of Authorization: Original 07/28/88 amended 07/19/91
 Date of Obligation: Original 6/27/91 Amended 03/20/94
 PACD: Original 9/30/95
 Implementing Agencies: Centers for Disease Control (CDC), Nat'l Secretary of Health (NSH)
 Major Grantees: National Secretary of Health
 USAID Project Manager: Isabel Stout
 Status of CPs/Covenants: None
 Date of Last Evaluation: 10/04/93
 Date of Next Evaluation: 10/01/95

Organization	Audit Responsibility	Last Audit Completed	Next Audit Begin Date	Total Audits Completed to Date
CDC Comm. Child Health	CDC/IG Recipient	(1) -	N/A 4/30/94	N/A 0

II. Financial Data (\$000)

a) Amount Authorized: 500 Amended to 4,000
 b) Amount Obligated: 500 Amended to 3,801
 c) Amount Committed: Period: 797
 Cumulative: 2,927 (2)
 d) Accrued Expenditures: 1) Period-Projected: 600
 2) Period-Actual: 550
 3) Next Period Projected: 400 (3)
 4) Cumulative to date: 2,528
 e) Pipeline (b-d,4): 1,273
 % LOP Elapsed: 79
 % of Total Auth. Oblig. (b/a): 95
 % of Total Oblig. Exp. (d,4/b): 66
 % of Total Auth. Exp. (d,4/a): 63

Counterpart Contribution (GOB):

f) Counterpart Planned LOP: 1,680
 g) Counterpart Cumulative Planned as of 3/31/94: 1,200
 h) Actual Counterpart Expenditures as of 12/31/93: 620
 i) Accrued Counterpart Expenditures 1/1/94 to 3/31/94: 133
 j) Total Counterpart Actual and Accrued Expenditures as of 3/31/94 (h+i): 753
 k) Counterpart Planned Next Period: 250 (4)
 l) % of LOP Expended (j/f): 45

- 1) As USG entity, grantee is subject to audit by cognizant IG rather than USAID.
- 2) PIL No. 18 in circulation as of 4/15/94, will commit an additional \$572,000 obligated during Vice-President Gore's visit to Bolivia in March 1994.
- 3) Expenditures expected to be somewhat less next period to allow project to continue with existing resources.
- 4) GOB contribution in process of revision.

III. Project Goal/Strategic Objective

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

IV. Project Purpose

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

V. Project Description

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

VI. Project Status

A. Purpose Indicators/ EOPS	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1. 1 national and 3 regional advisory committees	4/0	1	4	1	0	2	50
2. 3 AIDS/HIV/STDs Labs strengthened	3/0	0	2	0	0	2	67
3. 3 Model clinics developed and operating	3/0	0	3	0	1	3	100
4. Improved capacity of health centers in diagnosis, testing, treatment and counseling	8/0	1	7	2	2	6	75
5. Develop sentinel surveillance system	1/0	0	0	0	0	0	0
6. Contracts for social marketing and for free distribution of condoms	6/1	0	4	1	0	3	50
7. 1 national and 12 regional AIDS/STDs Prevention Programs operating within Ministry of Health	13	0	7	1	0	7	53

B. Major Output Indicators	PLANNED				ACCOMPLISHED**		
	LOP/ Baseline	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1. Profile studies of AIDS/HIV/STDs high risk population in 3 target areas developed	M	4	1	4	0	4	125
	F	6	1	5	0	1	6 *
	Mixed	3	1	1	0	1	3
2. Protocols of AIDS/HIV/STDs services users developed **	M	3	0	3	0	0	1
	F	5	0	4	0	0	3
	Mixed	0	0	0	1	5	5
3. Laboratory capacity to diagnose AIDS/HIV/STDs in 3 target areas. (Number of labs. equipped)		6	1	6	0	0	5
4. Development of AIDS/HIV/STDs management and control strategies in target areas. (Number of training interventions)		24	3	15	2	9	22
5. Development of Quality Assurance laboratory networks		3	0	2	1	0	2
6. Training of health workers in epidemiological and social research, diagnosis management, risk assessment, education and counseling ***		100	10	100	100	78	137
7. Social marketing of 2.7 million condoms (Thousands)		2,700	250	1,550	250	300	1,700
8. Secretariat of Health Prevention Programs utilizing available resources as budgeted		13	1	10	0	0	7

* Gender distribution of studies has been changed to better reflect actual work performed.

** "Mixed" category added to reflect project focus. Baseline returned to original figure to show performance achievement.

*** Gender disaggregation will be submitted next SAR period.

C. Overall Status

1. The mid-term evaluation was completed in October 1993 and a draft report submitted to USAID/-Bolivia. Major findings were:

Medical area: services developed are of excellent quality but are functioning parallel to those of the GOB. Integration was recommended.

IEC area: current interventions are too limited, time-consuming and costly, and may be difficult to replicate. Broadening the target groups and defining a strategy was recommended. The gay intervention in Santa Cruz was judged innovative and effective.

Condom distribution: The 2 million programmed in the project paper were considered insufficient for Bolivia and a recommendation was made to vigorously expand the program.

Management: evaluation pointed out that links of the project with public and official institutions are weak and that the project is viewed as a positive but "American" initiative. The role of CDC was considered ineffective in managing project activities and recommendations to "Bolivianize" the project were strongly made.

2. To obtain a second opinion on evaluation findings on the medical and IEC components, Dr. King Holmes of the University of Seattle in Washington, a renowned authority on STDs, and Dr. Martin Fishbein of the University of Chicago, an authority in behavioral sciences, visited the project in March 1994. Based on their enthusiastic support for the model developed for this project, the technical advisor has decided to continue to link medical treatment of STDs to behavioral interventions to reduce the spread of AIDS/HIV/STDs in Bolivia.

3. On the other hand, USAID/HHR is implementing several of the mid-term evaluation recommendations to institutionalize project activities:

At USAID's request, the Inter-Agency Coordinating Committee was reactivated in November 1993, and is currently advising the National Secretary of Health on the status of AIDS dissemination in Bolivia.

In March 1993, again at USAID's request, a working group was appointed by the National Secretariat of Health to review and make recommendations on policy and norms affecting prostitution, confidential testing, condom marketing, and other matters.

Project personnel have actively been briefing new GOB officials at the Regional Secretariat level about project activities and sharing the epidemiological and behavioral data collected to date.

USAID/HHR is also working on an integration plan to consolidate the project clinics and labs into the services of the Regional Secretariats of Health in La Paz, Santa Cruz, and El Alto. This has started in Santa Cruz and will extend to the other project areas during the next rating period.

4. To respond to AID/W guidelines and improve resource utilization and program coordination, USAID/HHR decided to integrate the AIDS/STDs Prevention and Control Project into the Reproductive Health Project after the PACD of 9/30/95. This implies integrating STD/HIV/AIDS prevention, education and treatment services into reproductive health services at all levels. An inventory of existing laboratory and medical resources is envisioned for the immediate future, followed by a massive training program for the medical community in the public sector, PVOs, and other institutions such as the Caja (social security), Hospital de Clinicas, etc. This will not only extend

STDs/AIDS services to the general population but will train a significant number of medical staff that will be better prepared to manage an AIDS epidemic when it strikes the country.

5. Two solid systems of condom distribution are now in place. In the public sector, the Central de Abastecimiento de Suministros de Salud (CEASS) distributed close to half a million condoms in the public sector during 1993. The contract with CEASS is now integrated into the project and the supervisor and sales promoters are trained to educate on condom use as well as promote sales. In the private sector, PROSALUD's social marketing program sold over 600,000 condoms in 1993, distributing them through pharmacies at the national level, and through "mom & pop" stores in a pilot area in Santa Cruz. Between 1.5 and 2 million condoms are scheduled to be distributed in 1994.

In La Paz and El Alto: the STD clinics continue to operate and expand services. In La Paz, brothels reopened in October and attendance of commercial sex workers (CSWs) at the STD clinic has been increasing steadily. In El Alto, the project is assisting the Regional Secretariat of Health to develop a reliable health service for a population of CSWs with an STD prevalence of more than 50%.

An educational and counseling intervention is now underway with the gay community in La Paz.

In Santa Cruz: the Regional Secretariat of Health closed down the clinic in February and turned the management over to a private firm. The project is in the process of renegotiating agreements with the Region and the Clinic to establish a new working relationship.

The gay intervention is proceeding extremely well. The AIDS hot-line, open to the general public but directed primarily to the gay population, is taking an average of 200 calls a month. A network of physicians has been developed to serve this hard-to-reach population. Two male promoters started working with small groups of gay men, encouraging safer sex and condom use. A second qualitative report was developed on the attitude of gay men toward STDs.

D. Problems and Delays

1. Project staff spent considerable time and effort briefing new government officials about the project and the need for the GOB to address STDs and AIDS prevention in a country where there is yet no significant AIDS epidemic.
2. Project management needs to revise the strategy of this project in view of its impending integration into the GOB programs and into the reproductive health portfolio.
3. The project needs a director to coordinate and carry forward its multiple components.
4. The technical advisor to the project must make a determination about project participation, if any, in developing a surveillance system for the country. This was originally included in the project objectives but later on was expected to be absorbed by other donors. Although isolated efforts exist, a definite program with a schedule needs to be developed.
5. CDC technical advisors have not provided USAID/Bolivia with a comprehensive report on the spread of AIDS/HIV/STDs in Bolivia. Mission concern about this issue is being transmitted to CDC officials as the ability of the project to alert GOB officials about the need to invest in prevention depends to a great degree on the information that can be presented to them.
6. The ability of the National Secretariat of Health to administer their portion of the project budget continues to be a problem. USAID is in the process of reprogramming \$88,000 left for this item

and plans to place management of these funds under the project administrator in an effort to assist the NSH with their accounting procedures.

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

1. Project expects to hire a Bolivian national director to oversee project activities.
2. Mission will develop strategies for integration of project activities into the GOB structure and into the reproductive health project.
3. Massive STD/HIV/AIDS training programs will be developed for the medical community in the public and PVO sectors.
4. Strong emphasis will be placed on dissemination at all levels of the public sector of epidemiological and behavioral data and intervention protocols developed by the project.
5. Because of its emphasis on condom availability, this project is making a significant contribution in the area of logistics management. A study to identify existing distribution systems and market segmentation is starting in April 1994, and a study to determine the role of pharmacies in the provision of health services is scheduled to start in June. These studies will contribute valuable logistics information in support of a significant portion of the HHR portfolio.

PROJECT STATUS REPORT
October 1, 1993 - March 31, 1994

Rating: A

I. Background Data

Project Title: **Drug Awareness and Prevention (DAP)**
 Project Number: 511-0613
 Date of Authorization: original 04/05/91
 Date of Obligation: original 05/02/91 amended 04/02/92, 8/25/92, 6/16/93
 PACD: original 03/31/96 amended 10/31/96
 Implementing Agencies: Confederacion de Empresarios Privados de Bolivia (CEPB)/Educational System Against Drug Addiction and for Social Mobilization (SEAMOS); Narcotics Education Center (CESE); Investigation and Awareness Project (PREID/PROINCO).
 Major Contractor: Development Associates, Inc. (COP, Dr. Russell Stout)
 AID Project Manager: Sigrid Anderson
 AID Project Administrator: Hannelore Cortez
 Status of CPs/Covenants: CPs to first disbursement for Public Sector Component met.
 Date of Last Evaluation: Dec 3-18/92, Feb 1993, May 1993 Next Evaluation: 10/01/96
 Audit:

Organization	Audit Responsibility	Last Audit Completed	Next Audit Begin Date	Total Audits Completed to Date
SEAMOS/CEPB	Recipient	12/31/92	4/11/94	1 (12/9/91-12/31/92)
CESE	Recipient	12/31/92	4/6/94	1 (12/13/91-12/31/92)
*DEVELOPMENT ASSOCIATES, INC.	OP/PS/OCC	02/09/93	-----	1

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

II. Financial Data (\$000)

a) Amount Authorized: ¹ DAP Grant: original 9,220
 b) Amount Obligated: DAP Grant: original 2,500 Amended to 6,500 (TA:2,090² / DAP:4,410)
 c) Amount Committed: Period: 0
 Cumulative: 6,302 (TA:2,090² / DAP:4,212)
 d) Accrued Expenditures: 1) Period-Projected: 1,000
 2) Period-Actual: 1,048
 3) Next Period Projected: 966
 4) Cumulative to date: 4,457 (TA:1,451 / DAP: 3,006)
 e) Pipeline (b-d,4): 2,043² (TA:639 / DAP: 1,404)

LOP Elapsed:	55
% of Total Auth. Oblig. (b/a):	70
% of Total Oblig. Exp. (d,4/b):	68.5
% of Total Auth. Exp. (d,4/a):	48

Counterpart Contribution (GOB):

f) Counterpart Planned LOP:	3,380	(all are ESF LC)
g) Counterpart Cumulative Planned as of 3/31/94:	1,317	
h) Actual Counterpart Expenditures as of 12/31/93:	788	(all are ESF LC)
i) Accrued Counterpart Expenditures 1/1/94 to 3/31/94:	37	
j) Total Counterpart Actual and Accrued Expenditures as of 3/31/94 (h + i):	825	
k) Counterpart Planned Next Period:	218	
l) % of LOP Expended (j/f):	24	

¹ DAP stands for Drug Awareness and Prevention Project

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

III. Project Goal/Strategic Objective

The project will contribute to the achievement of the economic opportunity strategic objective by increasing understanding that production and easy access to drugs are facilitating domestic drug use, and that coca production and consumption in Bolivia involves costs to society in terms of widespread corruption, severe economic distortion, increased use of scarce government resources for drug enforcement activities and health services for treatment of users, losses of worker productivity, and social and political destabilization.

IV. Project Purpose

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

V. Project Description

The project purpose is to be achieved through the nation-wide dissemination of mass media anti-drug messages, public education programming, local anti-drug training in urban and rural communities, and a national network of private and public organizations capable of fighting against drug production, trafficking, and use.

Project implementation has two components that focus on: (1) the Private Sector, implemented by SEAMOS and CESE; and (2) the Public Sector, implemented by DINAPRE¹ and SUBDESAL². The project receives technical assistance through the contracted services of a private U.S. firm with extensive experience in drug awareness and prevention, which assists a Project Management Unit (PMU) within USAID/Bolivia. Coordination among Bolivian public and private institutions is insured by a National Coordinating Unit created specifically for this project.

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- ¹ Amendment 3 of Project Grant Agreement in process to establish CELIN under PREID/PROINCO, former DINAPRE. See C:Overall Status, item 1 (last paragraph) and 3.
² Dropped out. See C:Overall Status, item 6.

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

By the PACD of project 511-0592 (31 December 1991), SEAMOS had involved all Bolivian newspapers and radio and TV stations in the anti-drug struggle. SEAMOS had also conducted seminars and round-tables with opinion leaders. Its activities served to increase awareness that drug production, processing, and trafficking is a Bolivian problem. CESE is the leading educational program against drugs in Bolivia, and has been supported since 1986 by the Narcotics Awareness Section (NAS) of the U.S. Embassy. CESE is now a PVO, supported by this project. DINAPRE and SUBDESAL have, in the past, depended on the Bolivian Treasury and occasional PL-480 support to carry out anti-drug activities. The project will regularize their operations in coordination with the other Private and Public Sector components.

VI. Project Status

A. Purpose Indicators/ EOPS	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1. Increased number of people who believe drug production and trafficking constitutes a problem for Bolivia.	45%/32.9%	Baseline was set in Nov/Dec '92	32.9%	National survey will not be repeated until 1994	Baseline 32.9%	32.9%	73

NOTE: The baseline was set by a National Prevalence Survey that was completed in May 1992. The survey will be repeated in 1994, with results available in 1995. This follows standard practice in the U.S. where the National Household Survey and High School Survey are repeated every other year. In the interim, we can use a portion of the 1993 Student Survey to approximate adult Bolivian attitudes about drugs. The student survey was completed in 1993 and is being prepared for publication in 1994.

Parents attitude toward drugs:

"Always oppose use"

- Alcohol 72.8%
- Tobacco 76.1%
- Hallucinogens 88.6%

Inhalants	89.2%
Stimulants	88.6%
Marijuana	90.5%
Pasta Base	90.2%
Cocaine	90.1%

Arithmetic Mean of parents who always oppose drug use: 85.8%

Changes in attitudes, opinions, and behavior are long-term goals that cannot be measured every six months, as is done in popularity or approval polls.

B. Major Output Indicators	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1. SEAMOS - Number of departmental level antidrug organizations mobilized and assisted.	3	2	5	1	2	12	400
2. SEAMOS - Number of local level anti-drug organizations mobilized and assisted.	15	6	15	4	7	41	273
3. SEAMOS - Number of TV and radio spots produced.	90	75	91	11	21	89	99
4. SEAMOS - Number of promoters trained.	70	2	22	80	61	192	274
5. CESE - Number of parents, school and university students and community institutions trained.	10,000	1,000	4,000	1,000	5,471	16,608	166
6. CESE - Number of hot line calls handled.	13,500	600	3,050	600	787	4,290	32
7. Number of user visits to CESE office.	3,500	600	2,300	600	1,088	4,088	117
8. PROINCO - Number of studies completed.	4	1	5	1	1	3	75
9. ★SUBDESAL - Number of communications workers trained.	9	5	13	0	0	9	100
10. ★SUBDESAL - Number of community workers trained.	90	15	65	0	0	102	113

B. Major Output Indicators	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
11. ★SUBDESAL Number of radio spots broadcast in Spanish, Quechua, and Aymara in Chapare.	2,400	240	300	0	0	210	8.7

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

★ These three Major Output Indicators are being deleted as SUBDESAL is no longer supported by the project. Therefore, this is the last SAR report in which these indicators will appear.

C. Overall Status

1. The DAP has made exceptional progress in all project elements as seen in the indicators. In practically all cases, progress has already exceeded the EOPS indicators set at project inception. Although the PGA was signed in September 1991, there were no funds disbursed until March 1992, so the project is in fact just completing two years of implementation. In those two years, starting from a base of almost zero, all three remaining project elements have built a stable institutional base, recruited talented staff, and taken advantage of technical assistance to establish or improve anti-drug awareness and education activities in Bolivia. When the original agreement was signed, SEAMOS had an Executive Director with only a skeleton staff, and was striving to rebuild the institution after problems encountered under a previous administration. CESE was barely out of its former position as a sub-unit of NAS in the U.S. Embassy, and had just established its legal status as a non-government organization under Bolivian law. PREID/PROINCO (then DINAPRE) was a highly politicized, barely functioning government agency, with no research capacity whatsoever. Now, two years later, SEAMOS is a highly professional mass media, social mobilization NGO. CESE is an internationally recognized leader in anti-drug education, with a firm institutional base that is reflected in its ability to attract multi-lateral donors (UNDCP, \$700K) and its visibility outside of Bolivia. PREID/PROINCO has established an NGO (Centro Latinoamericano de Investigación Científica - CELIN) and will shortly be moving out from under the political uncertainties of the GOB to maintain its legitimacy and stability as an independent scientific research entity, able to compete with other private Bolivian research institutions.

2. As further evidence of the remarkable progress made in the past two years, regular meetings of the Project Coordinating Unit (PCU) continue to serve to unify and coordinate private and public sector anti-drug awareness and education programs. For example, because of the many political and institutional changes that took place in Bolivia and the U.S. during this reporting period, the PCU has served to maintain contact and promote collaboration between and among project elements, USAID/B, other USG agencies and potential donors (UNDCP, EEC, OAS, PAHO).

3. The original Project Grant Agreement (PGA) was amended to program funds to the new non-governmental organization (NGO), Centro Latinoamericano de Investigación Científica (CELIN). The amendment cleared the Mission, but had not yet been signed by the GOB at the end of the reporting period. Part of the reason for delay was the change in ministers that took place in March 1994. CELIN was formed and the PGA amended in order to stabilize the research element of the project. Changes in government, in ministers, and in directors constantly put our project investment in the training team of PROINCO at risk of being dispersed.

In the continuing effort to improve our knowledge of the coca leaf and its derivatives. The TA contractor has negotiated a sub-contract with CELIN and CEDRO-Peru to research and publish an annotated bibliography on the history, chemistry, biology, and social status of coca. The collaboration of two independent research institutions in the Andean region in such an endeavor, is, to our knowledge, a milestone in regional cooperation in the anti-drug struggle. Depending on availability of funds, CELIN will also continue to pursue the possibility of a working agreement with the French supported Bolivian High Altitude Institute (Spanish acronym IBBA) to carry out research on the psychopharmacological properties of coca and coca-chewing. Early promise-of NAS support for this effort has not yet materialized.

During this reporting period PROINCO completed a national student survey on drug use. The data were in the final analytic process and being readied for publication in May/June 1994. Publication was delayed because of lack of funds. The GOB counterpart agency that administers ESF(LC) insisted on a complete review of all counterpart activities and delayed funds disbursement until this was completed in early 1994. Design work on the Rural Household Survey, the follow-up Urban Household Survey, and the "street kids" census continues. Realization of these planned activities are dependent on the availability of funds and the firm establishment of CELIN with project funding.

4. CESE celebrated its tenth anniversary (eight years as a sub-unit of NAS) with a number of highly visible public events. The capstone was the presentation of a two volume set of anti-drug educational materials at the Bolivian National Academy of Science. The volumes were written with project support by Laura Baldivieso (Executive Director of CESE) and Pier Carlo Perotto (Principal Advisor to CESE). Principal speakers were the USAID/B Mission Director, the Rector of the San Marcos National University, and nationally renowned historians and journalists. The keynote speaker was Ximena Iturralde de Sanchez de Lozada, the First Lady of Bolivia. This event typifies the visibility and prominence that CESE has gained as the leading anti-drug educational institution in Bolivia and probably, South America. CESE materials are being used throughout the hemisphere, and Laura Baldivieso is a frequent invitee to international conferences and convocations of educators struggling against drugs.

The CESE agreement with the Ministry of Education has been renewed by the new government, and substantial progress is being made in training teachers, journalists, parents, and community leaders in CESE's drug education philosophy and methodology, "The Life Project" ("Proyecto de Vida"). Articles and commentary by the Executive Director regularly appear in the national newspapers and CESE's anti-drug message is highlighted in the newspapers' magazine sections and special supplements for young people and families.

CESE's telephone hot line service "A...Ti" has been expanded. The service is now provided in five major urban areas in Bolivia: La Paz, El Alto, Santa Cruz, Cochabamba, and Sucre. Future

expansion will depend, of course, on the availability of funds. Realization of the EOPS indicators is based on the completed and planned expansion of the telephone call-in service. "A...Ti" is the only hot line that serves the majority of the Bolivian population. The five cities served account for over half of the estimated seven million Bolivians.

5. SEAMOS continues its remarkable achievements in designing and broadcasting mass media campaigns to combat drug production, processing, trafficking, and use. The television and radio campaign: "SEAMOS Bolivia" ("We are all Bolivians") that had just begun in the last reporting period has been expanded and diversified. The spots highlight the multi-cultural character of Bolivian society and emphasize the threat that drug production and trafficking poses to the rich Bolivian cultural heritage made up of Aymara, Quechua, Guarani, and mestizo traditions and practices. Because of the pride Bolivians have in their indigenous cultures, the campaign has received wide notice in the popular press and radio and television commentaries.

"SEAMOS Va a La Escuela" continues its initial successes in elementary schools reported on in the last reporting period. A major three-day exhibit of instructional and anti-drug materials produced by students in public schools was mounted in "Club de La Paz" and attracted a major walk-in audience as well as extensive media coverage. The CEPB ("Confederacion de Empresarios Privados de Bolivia") has stepped up its contributions to the program by purchasing scissors, paste, and other materials to supplement the scant (almost non-existent) materials provided by the public school system. The number of schools involved in the program has increased, and there are plans to expand the program to Santa Cruz. This would involve the two principal Bolivian cities in yet another school-based anti-drug intervention.

"SEAMOS Va al Colegio", which is directed at middle-school students, was the focus of a study to determine the effect of anti-drug materials on student and parent understanding of the drug problem in Bolivia. The test involved distributing and discussing anti-drug materials in the subject schools, and simply talking about drugs in the control schools. The more comprehensive intervention was found to significantly improve understanding and build opposition to drug production, trafficking, and use. The program is being expanded and refined to reach more students and parents in the major urban areas.

A major success during this reporting period was the introduction of a packet of anti-drug instructional materials in a self-contained corrugated board briefcase made entirely of recycled materials. The package contains a two-fold message, against drugs and for environmental protection. The demand for the packet in Bolivia, the U.S., and throughout Latin American far exceeded the most optimistic expectations.

"SEAMOS Va al Trabajo", a program intended to deal with drug and alcohol problems in the work place is in the design phase. The program, which has the strong support of the CEPB, is being readied for implementation later in the year.

SEAMOS continues to support research into the character of the drug problem in Bolivia through providing scholarships to university students studying drug and anti-drug programs in Bolivia. Other programs such as "SEAMOS Deportistas" and "SEAMOS Jóvenes" are targeted to community organizations, schools, and sports associations (primarily soccer) that have significant community mobilization potential against drugs and for alternative activities for young people and their families.

6. SUBDESAL disappeared in the GOB restructuring during this reporting period. As a consequence, the Communications Unit that had been formed to reach rural communities with anti-drug messages was disbanded. SUBDESAL is no longer supported by the project.

D. Problems and Delays

Once again, the major problem encountered was the delay in getting disbursements from the GOB local currency management agency. This delayed implementation of the rural prevalence survey and other studies that had been planned for this reporting period. The staff of PROINCO were even without salary for a portion of this reporting period. It is a measure of their dedication to the project that no one left and no major personnel problems arose. Morale remains high.

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

1. During the review process for the economic opportunity strategic objective, the Mission decided to move the Drug Awareness and Prevention Project to the Family Health Strategic Objective. For the next semi-annual report period the project goal/strategic objective (Section III) and other relevant sections will be modified to reflect the project's closer orientation to public health.
2. Indicators will be revised to reflect the surprising success that all institutions have had in surpassing targets set earlier.
3. Begin the rural prevalence survey.
4. Publish the student survey.
5. Get CELIN established as an NGO element of the project, and drop PROINCO.
6. Provide funds for CELIN and CESE through PACD. This could not be accomplished during this reporting period because of funding uncertainties involved in the policy shifts referred to above.
7. Complete and publish the annotated coca bibliography. This was delayed because of lack of funds.
8. Carry out the KAP study on Bolivian attitudes toward coca leaf as food, medicine, and "sacred" product.

Rating: B

PROJECT STATUS REPORT
October 1, 1993 - March 31, 1994

I. Background Data

Project Title: CARE Community Development Project
 Project Number: 511-0618
 Date of Authorization: Original 03/28/91
 Date of Obligation: Original 03/28/91 Amended 12/13/91, 03/09/93, 12/15/93, 03/18/94
 PACD: Original 03/28/95
 Implementing Agencies: CARE/Bolivia
 Major Grantees:
 USAID Project Manager: Rafael Indaburu
 Status of CPs/Covenants: None
 Date of Last Evaluation: March 1993
 Date of Next Evaluation: January 30, 1995
 Audit:

Organization	Audit Responsibility	Last Audit Completed	Next Audit Begin Date	Total Audits Completed to Date
CARE	OP/PS/OCC	11/93	3/95	2

NOTE: As U.S. non-profit, OMB A-133 required organizational audit performed in the United States, with OP/PS/OCC being responsible for tracking compliance. However, the Mission sponsored a project-specific audit in 1993, and plans for another in 1995.

II. Financial Data (\$000)

a) Amount Authorized: \$7,000
 b) Amount Obligated: \$2,000 amended to \$5,800
 c) Amount Committed: Period: \$1,250
 Cumulative: \$5,800
 d) Accrued Expenditures: 1) Period-Projected: \$961
 2) Period-Actual: \$382
 3) Next Period Projected: \$896
 4) Cumulative to date: \$4,800
 e) Pipeline (b-d,4): \$1,000
 % LOP Elapsed: 75
 % of Total Auth. Oblig. (b/a): 83
 % of Total Oblig. Exp. (d,4/b): 83
 % of Total Auth. Exp. (d,4/a): 69

Counterpart Contribution (GOB):

f) Counterpart Planned LOP: 2,417 (of which \$1,500 is ESF)
 g) Counterpart Cumulative Planned as of 3/31/94: 2,000
 h) Actual Counterpart Expenditures as of 12/31/93: 1,330 (of which \$550 is ESF)
 i) Accrued Counterpart Expenditures 1/1/94 to 3/31/94: 290 (of which \$50 is ESF)
 j) Total Counterpart Actual and Accrued Expenditures as of 3/31/94 (h+i): 1,620 (of which \$600 is ESF)

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k) Counterpart Planned Next Period: 500
 l) % of LOP Expended (j/f): 67

III. Project Goal/Strategic Objective

The project goal is the same as the Family Health Strategic Objective, namely to improve the health status of family members throughout Bolivia. The project places special emphasis on mothers and children under five years of age. This project reaches mothers, children and their families through the strengthening of health care and nutrition practices and the promotion of community participation efforts to provide services and to plan, construct and maintain water and sanitation systems which improve the general health of all.

IV. Project Purpose

To improve infant and child survival through improved nutritional status and immunization coverage and decreased diarrheal incidence. By enhancing health status and improving quality of life within project communities, the project should contribute to reduced migration to coca-producing areas.

V. Project Description

The CARE Community Development Project is aimed at improving the health, well being and self-development capacity of 48,000 people in 160 rural Bolivian villages in the departments of La Paz, Cochabamba and Chuquisaca. The project works with four sub-systems. The first is a primary health care delivery system, providing preventive and curative health services through community health workers. The second is a water and sanitation component providing potable water and excreta disposal in these communities. The third is an agricultural development sub-system providing home gardens. Finally, the fourth sub-system is strengthened community organizations.

VI. Project Status

A. Purpose Indicators/ EOPS	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1. Reduction in infant and child diarrheal morbidity by 30% in 160 communities.	30	10 % reduction	30 Total reduction	10* % reduction	0 % reduction	20 Total reduction	67
2. Reduction in malnutrition by 20% in 160 communities.	20	10 % reduction	20 Total reduction	10 % reduction	4.66 % reduction	10.4 Total reduction	23
3. Increase immunization coverage in children to 80%.	80	12 % increase	70 Coverage	10 % increase	8 % increase	66 Coverage	82.5

Notes: The percentages shown indicate levels of impact among communities where the project is currently operative (152), not the total communities planned (160).

- (1) The percentages shown are determined by the comparison of data obtained through semi-annual studies on knowledge, attitudes and practices (KAPS) among people in project communities compared to the data obtained as baseline for the project in 1991. The data for this period shows that the number of episodes of diarrhea among children has remained at the reduced levels attained in the previous period, that is with a 20% reduction in comparison to 1991. During this period only 441 children were rehydrated (compared with 1,108 the previous period). The reasons for this reduction are the intimation of funding cuts and the rainy season that moved CARE to withdraw part of its personnel from the field. In each community a stock of oral rehydration salts is available as well as information on ORT and on cholera prevention and treatment. During this period there were 8 cases of cholera reported in project areas.
- (2) In the previous period the level of reduction in malnutrition (one standard deviation) among children less than 2 years of age was 6% (this was the first time during the project that malnutrition levels were affected). This period, 1,479 children less than 2 years old were controlled monthly and the reduction of malnutrition was only 4.66% in comparison with the project's base line. The cumulative reduction is determined by $1 - [(1 - 0.6) \times (1.0466)] = 10.4$
- (3) During this period the number of children 1 to 24 months old in the current project areas who have been completely vaccinated (3 doses, etc.) has increased from 58% to 66%.

* Next period planned of 10% reduction is based on realistic projections. Next period cumulative planned will not exceed 30%, which is still the LOP target.

B. Major Output Indicators	PLANNED				ACCOMPLISHED**		
	LOP/ Baseline*	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1. Number of communities with operating water systems	160	45	140	20	25	92	58
2. Number of latrines installed	8,000	1,500	7,000*	1,000	1,985	7,096	89
3. Percentage of 10-24 months olds with complete vaccinations	80	10	67	8	8	66	82.5
4. Number of household gardens functioning: Total family Continuous family Community	4,000	700	4,000***	0 500 0	0 2,058 13	3,724 2,058 13	93
5. Training	M 440 F 200	4 30	440*** 178	10 20	0 7	436 151	97 75
6. Number of functioning community organization	160	8	160***	8	0	152	95

Notes:

- (1) During this period there have been delays in the construction of water systems, mainly due to the rainy season (November-February). At the present time there are 42 water systems under construction, 20 of which will be completed during the next semester, and 20 new water systems will start.
- (2) Construction of all latrines planned will be completed next period.

- (3) As mentioned before the number of children less than two years old with complete vaccinations has increased from 58% to 66%. This percentage is still below national averages because the rural areas where the project is operative are far below national averages in income, health status, etc.
- (4) To date, 3,724 household gardens have been completed. However, some of these gardens represent a one-time only effort for some families. The project is currently encouraging continuous, as opposed to one time use. So far, 2,058 household gardens are in continuous use. Project efforts also include 13 community gardens for the production of pineapples, which were not originally programmed, but are part of a community initiative to increase incomes. Next period, another 500 family gardens will be strengthened as gardens that continuously produce for the benefit of their owners.
- (5) Training has exceeded the original targets. 580 promoters received special training (one, two or more training courses), 320 as health care promoters and 260 as water system operators. 34 promoters had to be replaced (normal attrition) and trained anew. In addition to that, the number of women receiving training for household gardening, as of today, is 2,058. This figure is not included in training figures because project target did not include this type of training.

* In the previous SAR, information on the number of cumulative planned latrines was a mistake. As of March 31st, 1994, the total planned number of latrines is 7,000, 1,000 less than the LOP planned.

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

C. Overall Status

1. The initial success of reducing malnutrition in the previous period continued during the present one, but at only a fraction (6% reduction last period, 4.66% this one, which is not cumulative). There are a variety of reasons for the fall (intimation of funding cuts, reduction of personnel, rainy season, etc.), but what seems to be a promising intervention is the introduction of "homemade Cerelac" (Cerelac Casero) --a mixture of vegetable proteins, carbohydrates and local vegetables-- that has wide acceptance among project community groups. As the project dynamics return to normal the possibilities of a greater nutritional impact with the Cerelac Casero are good.

2. The project experienced panic with the notice that funding was to stop and that CARE should not make any new commitments. Fortunately, this information was only partially correct. USAID/Bolivia received an additional \$1,000,000 (\$400,000 is still pending availability of funds) and transferred close to \$200,000 worth of pipes and accessories from another health care project. The new funding level, and very close scrutiny of areas where there could be some savings forced the project to be more efficient. Now, with about 12% less in expected LOP funding (\$6,200,000 instead of \$7,000,000), CARE expects to attain the original project targets. Therefore, CARE is adjusting all its project plans to this new reality: the PACD remains the same, EOPS and outputs remain the same, but there will be a funding cut of \$800,000.

3. The possibility of reduced funding forced CARE and USAID to look harder for alternative sources of cooperation such as the transfer of pipes from the Community and Child Health Care project. But, in addition to that type of in-house coordination, the coordination with other donors and government agencies to contribute some of the needed funding, have led to stronger linkages with other organizations such as the National Secretary of Urban Affairs and the Directorate for Rural Sanitation, with whom CARE has strengthened ties and is fully participating as a major player in the water and sanitation sector, especially for the rural areas. A concrete example of that was the request to the Regional Development Corporations to increase their counterpart contributions, a request that seems to be moving along well. In other words, upon hearing the possible premature close-out of this project a series of donors like IDB through the Fondo Nacional de Desarrollo Regional, and government agencies expressed their strong support to CARE and their willingness to contribute some resources in order to continue working with CARE, especially in water and sanitation. For example, the Regional Corporation of La Paz is increasing their counterpart cash contributions to assist in the construction of water systems in this region.

D. Problems and Delays

1. The intimation of possible reductions of funding has been a major problem for the project. CARE's initial reactions (December 1993) included reductions of personnel. It was only in late March with the signing of a new OPG amendment that increased the project funding by \$1,000,000, that CARE started to feel at ease and re-started project activities with full force. Therefore, during the first quarter of 1994, project activities were reduced to a minimum, and a series of meetings to analyze alternative adjustments took place. Presently, the project is back on track and the recommendations of the mid-term evaluation have been included as operational guidelines for the remainder of the project.

2. Sustainability of the services and of the benefits obtained during the project is a major concern. The possibility of a premature project close-out forced the consideration of these issues and an assessment of what could happen if funding is cut. These discussions are leading to an accelerated transfer of responsibilities to the Regional Secretaries of Health and to the Rural Health Care Districts. Although this has only just started, it represents a major concern to be addressed during the next 6 to 10 months.

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

1. Fully funding of the project at a reduced level (\$6,200,000) by August 1994.
2. By June 1994, reconstitute regional teams that lost personnel from December 1993-March 1994.
3. By August 1994, start to implement a revised strategy for sustainability of services and benefits once the project is over.
4. By August 1994, conduct a strategic or long range planning workshop, to analyze the impact of current legislation on popular participation, and local government in project areas, and the opportunities for CARE and for community groups organized by the project to support new national policy guidelines.

Rating: A

PROJECT STATUS REPORT
October 1, 1993 - March 31, 1994

I. Background Data

Project Title: **Interactive Radio Learning (IRL)**
 Project Number: 511-0619
 Date of Authorization: original 06/28/91
 Date of Obligation: original 09/23/91
 PACD: original 09/30/96
 Implementing Agencies: Secretariat of Education (SOE);
 Secretariat of Health (SOH)
 Major Contractors/Grantees: Education Development Center (EDC), Ann Fitzgerald,
 Chief of Party (Contract PACD extended 9/94 to 6/95)
 Programa de Aprendizaje por Radio Interactiva
 (PARI)
 AID Project Manager: Sigrid Anderson
 Status of CPs/Covenants: N/A
 Date of Last Evaluation: none Next Evaluation: 02/01/95
 Audit:

Organization	Audit Responsibility	Last Audit Completed	Next Audit Begin Date	Total Audits Completed to Date
SOE	Recipient	3/94	6/94	1
PER	Recipient	1/93	5/15/93	1
EDC	OP/PS/OCC	(1)	N/A	N/A

(1)As U.S. based non-project, OP/PS/OCC monitors compliance with OMB A-133 requirement that annual systems audits be performed in the United States. Project specific audits of U.S. contractors/grantees are not required.

II. Financial Data (\$000)

a) Amount Authorized: DA Grant: original 5,000
 b) Amount Obligated: DA Grant: original 775
 amended to: 2,966
 c) Amount Committed: Period: 1,000
 Cumulative: 2,966
 d) Accrued Expenditures: 1) Period-Projected: 800
 2) Period-Actual: 450
 3) Next Period Projected: 450
 4) Cumulative to date: 2,532
 e) Pipeline (b - d,4): 434
 % LOP Elapsed: 50
 % of Total Auth. Oblig. (b/a): 59
 % of Total Oblig. Exp. (d,4/b): 85
 % of Total Auth. Exp. (d,4/a): 50

Counterpart Contribution (GOB):

f) Counterpart Planned LOP:	1,130
g) Counterpart Cumulative Planned as of 3/31/94:	565
h) Actual Counterpart Expenditures as of 12/31/93:	671
i) Accrued Counterpart Expenditures 1/1/94 to 3/31/94:	56
j) Total Counterpart Actual and Accrued Expenditures as of 3/31/94 (h+i):	727
k) Counterpart Planned Next Period:	112
l) % of LOP Expended (j/f):	64

III. Project Goal/Strategic Objective

The project goal is to improve the quality of life for Bolivian children through better maternal and child health care information. This goal relates to the Family Health Strategic Objective which is to improve family health throughout Bolivia. This project compliments the child survival projects in HHR's portfolio, enhances child survival and primary health care knowledge, and provides basic education tools, especially for girls.

IV. Project Purpose

The project purpose is to improve the quality of basic education through national dissemination of the interactive-radio mathematics curriculum previously developed under the Radio Learning Project, and through development and validation of a radio-based health-education curriculum. The project will also improve the capabilities of the teachers to teach these critical subjects to children and to other community members. The project will contribute to ongoing policy dialogue/reform through rigorous data collection efforts on specified indicators of education and health.

V. Project Description

Beginning in 1988, the Radio Learning Project (RLP) (511-0597) field-tested the use of interactive radio to improve the quality of mathematics education in Bolivian primary schools. In addition, a small pilot activity undertaken in 1989 applied this same methodology to the teaching of basic health concepts at the elementary-school level. Based upon the success of this endeavor, IRL is now working to institutionalize the model mathematics and health-education curricula in the Bolivian school system. Major components of the Project include: (1) continued evaluation and dissemination of the interactive-radio math curriculum, developed under previous project cycle, in all nine of Bolivia's Departments; (2) development behaviors in personal hygiene, nutrition, sanitation, and the prevention of diarrhea and other transmissible diseases for upper-primary school grades three and four in 1993 and for grade five, 1994; (3) development of a teacher-training support model for improved teacher effectiveness in the project; (4) enhancement of the SOE's ability to manage a permanent basic education program using interactive radio; (5) a monitoring, evaluation, and operations research component to track Project implementation and effectiveness; (6) extension of the interactive-radio curriculum to out-of-school children and adults in 1994; (7) training a broad-based professional core in communication strategies for environmental education; (8) achievement of policy objectives for integrating the radio curricula into the national educational reform package.

VI. Project Status

A. Purpose Indicators/ EOPS	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1. Significant improved student mastery of primary school mathematics education (%)	25% Improvement over traditional methods, all grades	25	25	25	43 ¹	34 ²	136
2. Demonstrated understanding of health concepts presented in pilot health curriculum (%)	25% improvement over control groups (baseline comprehension)	25	25	35	34 ³	34	132
3. Expanded delivery of radio math in 9 Departments under direct supervision of the SOE	9	9	9	9	9	9	100
4. Implementation and validation of the Radio Health Pilot Curriculum in at least 3 departments	3	4	4	5	5	5	167
5. National infrastructure of trained school teachers, directors, and supervisors in interactive radio methodology	7,500	1,000	8,313	200	3,000 ⁴	11,313	151

Notes:

1. Data available from new participating schools during 1993, which included Potosi, Oruro, Uncía mining school systems.
2. Estimate of improvement in PARI Students versus traditional schools.
3. Percent difference in scores between experimental and control groups, grades 3 and 4, 1993 school year.
4. Estimated data.

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B. Major Output Indicators	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumulative	Next Period	This Period (6 mo.)	Cumulative	% of LOP
1. Total Student' - Math - Total Boys - Total Girls Health - Total Boys - Total Girls	200,920 150,000 75,000 75,000 50,000 23,500 26,500	No school is in session until March 1994 Statistics available in April	264,430 201,335 100,667 100,668 63,095 29,655 33,440	127,000 63,500 63,500 70,000 32,900 37,100	Same level as 1993 school year statistics	264,430 201,335 100,667 100,668 63,095 29,655 33,440	132 134 134 134 126 126 126
2. Teacher Guides: Developed: Math Health - Revised Math Health	4 3 4 3	0 1 4 2	4 2 4 2	completed 1 completed 1	2 grades 4 grades 2 grades	4 grades 2 grades 4 grades 2 grades	100 66 100 66
3. Math Lessons Revised 135 each for grades 2-5	540	540	540	Completed	540	540	100
4. Health Lessons - Developed Cholera Pilot Grade 3 Grade 4 Grade 5 - Revised Grade 3 Grade 4 Grade 5 Stories for school break Bilingual Pilot (Quechua)	10 30 30 30 30 30 30 20 10	0 30 30 25 30 20 5 10 0	10 30 30 25 30 50 5 21 0	0 revise revise 30 revise 10 revise 10 25 ⁽²⁾ 0 10	0 30 30 5 20 30 0 10 0	10 30 30 5 20 30 0 21 0	100 100 100 20 67 100 0 105 0
6. Promotional VIDEO TAPES	3	2	2	1	2	2	67

Notes:

1. Based upon 1993 school year statistics, in math, the gender breakout was 50% boys and 50% girls, and for health 47% boys and 53% girls. In earlier years gender breakdown was not available.
2. Each math guide has 135 lessons, each health guide has 30 lessons. Health guides for 5th grade are being developed and revised during this 1994 school year. 5th grade revisions will take place from October 93 - March 95.
3. Indicator 5, Bolivian technicians trained, was dropped and is discussed more thoroughly in the text.

C. Overall Status

This period has been an active time for the PARI (local implementing agency for IRL) project team. PARI has focused on institutionalization strategies as it enters into the last phase of the project. The PARI team held four successful national conferences, completed the comprehensive evaluation of the pilot health series for the 1993 school year, utilized feedback from its international health panel, and as a result, is bringing a fresh new approach to the fifth grade lessons in the health series and constructive revisions to the third and fourth grade lessons.

A new management plan for the technical assistance contractor was fully endorsed by USAID/Bolivia and by Learn Tech's AID/Washington Project Officer.

1. Approval of the extension of the LEARNTECH core contract

1. In October 1994, LEARNTECH, the core project to which IRL is linked, began petitions for an extension of the core contract. The project extension was granted through June 1995. IRL/Bolivia will use the no-cost extension time in order to complete the school year, have time to analyze the year end data, hold the mid-term project evaluation, and revise the pilot for fifth grade.

2. Meeting of IRL's International Technical Panel in Santa Cruz

In October 1993, the PARI project held an International Meeting in Santa Cruz, inviting representatives from the health and education sectors in Bolivia to work with the PARI International Technical Panel in an intensive review of the pilot health lessons. A secondary objective of the meeting was to discuss strategies for the institutionalization and sustainability of the health segment of the PARI project.

3. Special Event with Ambassador Bowers and First Lady, Ximena Sanchez de Lozada: A Tribute to the Teachers and Students of Santa Cruz, October 21, 1993

During the course of the meetings in Santa Cruz, PARI honored the students and teachers participating in the math and health programs in Santa Cruz, with a special event for over 3,500 students. Ambassador Bowers and First Lady, Ximena Sanchez de Lozada, the Governor and the Mayor of Santa Cruz, attended this event.

4. Policy/Institutionalization strategy with representatives of SOE and the teachers' unions

Since June 1993, the PARI team has been implementing a strategy for institutionalization and sustainability with the Secretariat of Education. Key activities in this six month period are highlighted below:

a) **Meeting with the Secretary of Education:** The meeting with Sec. Ipiña was held on November 16, 1993. The Secretary assured us that his job was not to interfere with a successful project and recommended that the project work closely with the Director Generals of Urban and Rural Education.

b) **February training of supervisors:** Since the project's inception, project implementation has been in the hands of the PARI technical assistance team. 1994 is a significant year because this year the Secretariat counterparts are largely responsible for implementation, while the TA provides assistance where necessary. A key part in this process is to train the supervisors, (authorities from

the Secretariat of Education) as master trainers who implement the teacher training for the 1994 school year.

The PARI team trained 36 supervisors from all departments across the country in the city of Oruro from February 4 - February 9, 1994. The supervisors in turn were responsible for organizing and training teachers in the new to the methodology in their districts.

c) **Restaffing due to drastic cuts in budget:** An unexpected cut in DIFEM funds resulted in a total restructuring of the staff of the Secretariat of Education, reducing their staff from 28 to 5. The PARI team is pooling resources and pushing forward with a strategy to support the Secretary of Education Supervisors in the field, while at the same time petitioning for line items within the Departmental Secretary of Education budget for "PARI" supervisors. This strategy will create Secretariat funded position/line items for a "PARI" supervisor, who's sole responsibility is to supervise and implement the PARI program in that region. To date one position has been obtained and the former PARI supervisor in the region now holds that position.

d) **Teacher Training for the 1994 school year:** The newly trained supervisors went into full training mode, supported by the PARI technical team during the month of March, in spite of strikes and difficulties with funding.

An estimated total of 2000 teachers were trained in mathematics; and an estimated 1000 teachers were trained in Health. The mathematics training was designed and largely implemented by the Secretariat of Education supervisors with the support of the PARI staff. The Health training was run by the PARI team, with the design and logistical portions supported by the regional offices of the Secretariat of Education.

PARI, working closely with the Director General for Rural Education, trained rural teachers in health in Sucre and mathematics in Tarija. Some problems with supervisors were resolved with support of the Director General of Education.

5. Pilot Health and Math Program Initiatives

a. **Preliminary results of the 1993 health program summative evaluation:** Success. The preliminary results of the summative evaluation indicate that in all three of the experimental cities, the third grade experimental group had an average of 33.4% higher gains in learning than the control group and that fourth graders had an average 35% higher gains in learning than the control group. However, the PARI team recognizes that there is room for improvement, given the fact that the average raw score for the experimental groups was 72% for third grade and 76.5% for fourth grade. Average scores for control group were between 53 to 60%.

b. **Changes in the health curriculum format and content:** Based on the formative evaluation findings, classroom observations, and observations of the international panel during their visit to the classes in Santa Cruz, the PARI team decided to implement the following changes in the curriculum:

- Reduce the messages and streamline the content. Review the content for accuracy and appropriateness for the Bolivian peri-urban context.
- Each lesson has one theme, with a thread connecting the segments and the after broadcast activities related to the broad theme of that lesson. This change also requires that the segments provide continuity from one segment to the next.

c. **David Werner, International Panelist and Consultant to the project:** As a follow-up to the October conference recommendations, PARI invited Mr. David Werner to Bolivia in January 1994. Mr. Werner, is well known for his book, **Where There Is No Doctor**, and his use of the child-to-child methodology. He worked with the PARI curriculum team to review the health lessons for accuracy in health content and integration of drama and problem solving approaches during and after the broadcast. Intensive revisions have begun on the third, fourth and fifth grade lessons. The teachers guides for health have also undergone a complete revision, expanding the activities oriented to promoting the child-to-child methodology.

d. **Bilingual Health Pilot:** PARI is moving ahead with the development of ten bilingual lessons, in spite of delays in funding for year four of the project. The curriculum content is being developed and scripts are currently being translated, in order to pilot the ten lesson series in July, 1994. The pilot language will be Quechua.

e. **Out of school series on environmental issues:** During the month of November 1993, PARI's intern, under the supervision and direction of the Chief of Project, completed a series of stories to be broadcast during vacation days in December. This year's theme for the stories was environmental/ecology issues.

6. Video Production

A second project video promoting IRL's application of interactive radio in health and math was completed in October 1993 and presented at the meetings in Santa Cruz. The video was also shown on Channel 7 in Santa Cruz in coordination with the press coverage about the conference.

7. NRCA PILOT has begun

Since December 1993, PARI and NRECA have been collaborating in the development of a user survey within and the installation of 50 solar panels in preparation for a larger solar project within the PARI schools.

D. Problems and Delays

1. Delay in obligation of year four project funds

The major problem facing the PARI project has been the delay in receipt of (FY 94) year four monies. However, year three funds have been stretched to cover the first quarter of year four. The project is in desperate need of more funds. Also, all consultant activities and the public relations campaign activities have been delayed until year four funds are received.

2. Delays, Strikes and Counterpart Changes, DIFEM Cuts

The 1994 school year has been beset by strikes and administrative changes in the Secretariat of Education. This has caused general delays in the start up of our programming. We began broadcasting in La Paz and El Alto the week of March 21, instead of March 14 and the recent cabinet level changes have stopped activities at the Secretariat of Education until the new Secretary is officially appointed.

The original funds to be contributed by DIFEM to the PARI project totalled \$us540,000.00. This amount has been reduced to \$us 315,000.00 causing the SOE to redesign its staffing and

implementation strategies. The major changes will be reflected in an amendment to the original MOU between the USA and Bolivia Governments.

3. Delay in the Health Guides and Fifth Grade Lessons

The major revisions undertaken in the health program made it impossible to have final printed guides available at the beginning of the school year. The health guides will be distributed by the end of April to all teachers participating in the program.

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

1. Technical Aspects of the Project:

- a) Development, production, implementation and evaluation of the Fifth Grade Health Pilot Series.
- b) Development, implementation and evaluation of a Master Teacher Training Program in the Teacher Training Colleges.
- c) Participation in Learntech Worldwide Seminar to be held in Costa Rica in April 1994.
- d) Finalization of the analysis of Evaluation Data for the 1993 school year and the preliminary analysis for the 1994 School Year.
- e) Development and Implementation of the Bilingual (Quechua) Pilot Health Project.
- f) Monitor activities in a rural health pilot to begin in the district of San Jose de Chiquitos, combining teachers and local community health workers. The training to take place in April 1994.

2. Institutionalization and Sustainability Activities

- a) Continue to work closely with education authorities to develop a strategy to work with the education reform activities.
- b) Finalize and implement strategies for sustainability, using international and local consultants in the areas of MIS, Institutional Development, and Public Relations. The plan will be strategies for income generating and sustainability options, as well as institutionalization options.
- c) Reprogramming of activities and budget for the period of the no cost extension.
- d) Continue to strengthen outreach activities to the Public Health Sector.

3. Obligated FY94 Funds

- a) Estimated total of \$900,000.00 to be obligated in two tranches.

Rating: C

PROJECT STATUS REPORT
October 1, 1993 - March 31, 1994

I. Background Data

Project Title: **Child Survival PVO Network II**
 Project Number: 511-0620
 Date of Authorization: Original 6/27/91
 Date of Obligation: Original 6/27/91 Amended 3/18/94
 PACD: Original 9/30/96
 Implementing Agencies: PROCOSI
 Major Grantees: PROCOSI
 USAID Project Manager: Isabel Stout
 Status of CPs/Covenants: None
 Date of Last Evaluation: 04/01/94
 Date of Next Evaluation: 09/01/96

Organization	Audit Responsibility	Last Audit Completed	Next Audit Begin Date	Total Audits Completed to Date
PROCOSI	Recipient	04/30/93	04/30/94	1

II. Financial Data (\$000)

a) Amount Authorized: 8,000
 b) Amount Obligated: 2,600 amended 7,467
 c) Amount Committed: Period: 500
 Cumulative: 7,458
 d) Accrued Expenditures: 1) Period-Projected: 480
 2) Period-Actual: 443
 3) Next Period Projected: 779¹
 4) Cumulative to date: 6,649
 e) Pipeline (b-d,4): 818
 % LOP Elapsed: 55
 % of Total Auth. Oblig. (b/a): 93
 % of Total Oblig. Exp. (d,4/b): 89
 % of Total Auth. Exp. (d,4/a): 83

Counterpart Contribution (GOB):

f) Counterpart Planned LOP: 2,667
 g) Counterpart Cumulative Planned as of 3/31/94: 1,400
 h) Actual Counterpart Expenditures as of 12/31/93: 369
 i) Accrued Counterpart Expenditures 1/1/94 to 3/31/94: 213
 j) Total Counterpart Actual and Accrued Expenditures as of 3/31/94 (h+i): 582
 k) Counterpart Planned Next Period: 500²
 l) % of LOP Expended (j/f): 22

¹ Projected expenditures higher because the debt swap principal only received recently, and new resources will be available.

² Will include an estimate of the contribution of the network's PVO Directors which has not been previously computed.

III. Project Goal/Strategic Objective

The project goal is the same as the Family Health Strategic Objective, i.e. to improve family health throughout Bolivia. By delivering child survival and maternal health services to Bolivia's rural and urban population, PROCOSI members directly and substantially support the project goal.

IV. Project Purpose

The project has two purposes: 1) to strengthen the technical, management, and service delivery capacity of the network's PVOs in the development of high impact child survival, maternal health and community development programs and projects, and 2) to establish PROCOSI as a financially sustainable organization that will be able to continue providing services aimed at institutional strengthening and coordination after the project's PACD.

V. Project Description

PROCOSI is an organization formed by nine U.S. and four Bolivian Private Voluntary Organizations (PVOs) directed by a Rotating Executive Committee (REC) formed by the member PVOs and managed by the Executive Secretariat. It includes three areas: 1) Administrative-Financial, 2) Technical Assistance and Coordination, and 3) the newly created area of Resource Development directed at obtaining other-than-USAID resources for the network.

VI. Project Status

A. Purpose Indicators/ EOPS	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1. The number of member PVO's (affiliates and associates) will have increased from 10 to 32	32	3	21	3	0	13	41
2. The beneficiary population (direct and indirect) will reach 70,000 people, through the projects that receive sub-grants	* 70,000	25,000	86,650	8,000	56,000	267,650	382
3. PROCOSI will have covered its administrative and support costs with non-USAID sources of income by 50% by July of 1995 and by 98% by September 1997 subject to successful conclusion of the debt-swap	98%	10%	12%	15%	10%	20%	20%
4. PROCOSI will have been able to provide sub-contracts to PVOs from at least four non-USAID sources of income	* 2	2	4	0	0	3	150
5. PROCOSI will be able to demonstrate continuous demand for services, as measured by the number of organizations who request services from PROCOSI more than once.	* 32	30	44	24	24	60	188

* Returned to original baseline figure to show performance achievements

B. Major Output Indicators	PLANNED				ACCOMPLISHED**		
	LOP/ Baseline*	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1. Major subgrants (\$60,001-225,000) under execution or concluded	16	2	10	4	1	8	50
2. Medium subgrants (\$15,001-60,000) under execution or concluded	16	2	8	2	1	6	38
3. Small subgrants (\$3,001-15,000) under execution or concluded	33	2	14	2	1	10	30
4. Number of times TA provided to PVOs to improve Child Survival	60	10	36	15	5	34	57
5. Collaborative projects between PROCOSI PVO's and/or other organizations	5	2	5	1	3	9	180
6. Interest earned through debt-swap	1,715,000	0	0	245,613	161,259	161,259	9.4 ²
7. Personnel of PVO's trained	M 707 F 1052	70 100	289 387		0 0	281 314	40 30

C. Overall Status

1. In February 1994 the Central Bank of Bolivia paid the debt swap STEP bond in the amount of \$5,001,401.58 for the principal and \$123,259.84 for interest earned.

The \$2.5 million debt swap premium, approved by the Bolivian Government per Decree No. 23625 of August 30, 1993, is budgeted for PROCOSI but has not been disbursed yet. At this point, the legality of Decree No. 23625 (authorizing payment to PROCOSI outside the GOB Social Investment Fund mechanism) is in question and the prospect of the funds materializing is becoming dim.

2. PROCOSI published their list of beneficiaries establishing their area of direct influence (children under 5 and their mothers) at 9% of the Bolivian population and their area of indirect influence (other members of the family) at 11%. These surprising data have surpassed the highest expectations of PROCOSI, especially when considering that the debt swap delays have precluded the network from incorporating new PVOs at projected rates.

¹ Returned to original baseline figure to show performance achievement

² This indicator only reached 9.4% of projected goals because of delays in debt-swap payment - received 2/94

3. A new Executive Secretary started work at PROCOSI in March. She is Lic. Bertha Pooley, who brings to PROCOSI a wealth of experience as a founder and Director of CIES (a Bolivian PVO offering reproductive health services to low income women), as a population officer at Pan American Development Foundation, and as strategic planning expert of UDAPSO (the GOB office in charge of social policy). Ms. Pooley also brings a refreshing and innovative point of view to a predominantly male-oriented institution and valuable connections with the public and private sectors of Bolivia.

4. A first draft of a reproductive health component was submitted to USAID/Bolivia by PROCOSI in November 1994. The proposal involves 10 of the 13 current members of PROCOSI, and foresees replication of the MotherCare reproductive health auto-diagnostic model to identify women's needs, provide health education, and either provide or refer for family planning services. This sub-activity will directly benefit 130,000 women and their children, the majority in rural areas.

5. PROCOSI is finally over the effects of its reorganization. All except one of the key institutional positions are filled and PROCOSI has done an impressive job of designing a strategic plan, an operational plan, and preliminary plans for the creation, management and use of the debt-swap endowment.

D. Problems and Delays

1. Timely payment of the debt-swap premium, equivalent to \$2.5 Million, looks more uncertain as time elapses. Although this will not hinder PROCOSI's ability to finance child survival programs in Bolivia, it will have an impact on cash flow, and may absorb valuable time and resources in pursuing options that are ultimately unattainable.

2. USAID/B and PROCOSI have not yet agreed on a mutually acceptable position regarding the portion of the endowment that will be distributed in sub-grants as opposed to the portion that will be set aside to cover PROCOSI operational expenses. This will be important to assure that sufficient funds are available to impact on health status.

3. A Technical Assistance Coordinator has not yet been appointed. This position is crucial to ensure that PROCOSI fulfills its commitments to facilitate technical support from one PVO to another, and to strengthen the technical capability of PROCOSI members. During this rating period, no training was provided because the Coordinator had not been hired.

4. During this rating period no additional members were incorporated because: 1) the former Executive Secretary left in December of 1993 and was only replaced in March this year, and 2) the energy and attention of the institution continued to be focused on the debt-swap and premium.

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

1. USAID Mission Director will most likely be required to intervene with the Bolivian government to ensure that the debt swap premium is paid.

2. A financial plan must be developed and submitted for the endowment at the earliest possible time. If and when the premium materializes, PROCOSI can modify the plan as needed.

3. A mid-term evaluation in April 1994 will analyze the impact of PROCOSI on the work of its members and its overall contribution to the provision of health services to the poor of Bolivia.

4. A final proposal to provide reproductive health services to PROCOSI member PVOs is expected to be submitted to USAID/Bolivia during the next SAR period.

5. A formal amendment of the OPG II is expected to be developed during the next SAR period to extend the life of the OPG, incorporate the management of the endowment, and the reproductive health activities.

Rating: B

PROJECT STATUS REPORT
October 1, 1993 - March 31, 1994

I. Background Data

Project Title: **Displaced Children Earmark**
Project Number: 511-0624
Date of Authorization: Original 09/30/91 Amended 06/30/92
Date of Obligation: Original 09/30/91 Amended 05/03/92
PACD: Original 09/29/92 Amended 09/30/94
Implementing Agencies: Peace Corps
Major Grantees: National institutions working with displaced children
AID Project Manager: Elba Mercado
Status of CPs/Covenants: N/A
Date of Last Evaluation: None
Date of Next Evaluation: 06/15/94
Audit: None

Organization	Audit Responsibility	Last Audit Completed	Next Audit Begin Date	Total Audits Completed to Date
PEACE CORPS	PEACE CORPS	(1)	N/A	N/A

(1) As 2 USG entity, grantee is subject to audit by its own IG rather than USAID.

II. Financial Data (\$000)

a) Amount Authorized: DA Grant: Original 210 Amended 460
b) Amount Obligated: DA Grant: Original 210 Amended 460
c) Amount Committed: Period: 0
Cumulative: 460
d) Accrued Expenditures: 1) Period-Projected: 80
2) Period-Actual: 85
3) Next Period Projected: 68
4) Cumulative to date: 392
e) Pipeline (b-d,4): 68
% LOP Elapsed: 88
% of Total Auth. Oblig. (b/a): 100
% of Total Oblig. Exp. (d,4/b): 77
% of Total Auth. Exp. (d,4/a): 77

Counterpart Contribution (GOB):

f) Counterpart Planned LOP:	N/A ¹	
g) Counterpart Cumulative Planned as of 3/31/94:	N/A	
h) Actual Counterpart Expenditures as of 12/31/93:	\$396,000	
i) Accrued Counterpart Expenditures 1/1/94 to 3/31/94:	\$49,868	
j) Total Counterpart Actual and Accrued Expenditures as of 3/31/94 (h+i):		\$445,868
k) Counterpart Planned Next Period:	N/A	
l) % of LOP Expended (j/f):		

¹ Local contributions are based on each individual subgrant.

III. Project Goal/Strategic Objective

This project contributes to the Family Health Strategic Objective of improving family health in Bolivia by investing in displaced children to improve their health and productivity, enhance their skills, and help them to be full participants in society. This project specifically targets the LAC subgoal of encouraging increased economic opportunities for the disadvantaged.

IV. Project Purpose

This project is intended to teach marketable trades and life skills to institutionalized and working children to help them achieve gainful employment; and to develop the means by which these institutions can generate funds internally, thus becoming less dependent on outside financing.

V. Project Description

Through the availability of AID funds (1991 and 1992 Displaced Children Earmarks), Peace Corps and USAID/Bolivia support Bolivian institutions that work with displaced children to help them implement income-generating vocational workshops or agricultural projects. USAID funds are used to build necessary infrastructure, equip workshops, and cover initial costs of starting up and operating these projects. Peace Corps complements this project by assigning Peace Corps Volunteers from the Small Business Enterprise and Agricultural Extension Programs to provide technical assistance. The project selects Bolivian institutions with a sensitive approach, giving preference to programs which help to locate children in families or community-based settings. Selected institutions are then helped to become more self-sufficient.

VI. Project Status

A. Purpose Indicators/ EOPS	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1. Displaced Children em- ployed by 3/31/94	260	100	360	75	118	445	171
2. Workshops 50% self- financing by 3/31/94	7	0	7	7	4	13	186
3. Institutional maintenance costs lowered by 10%	6	0	7	1	1	8	133

Notes:

In most cases the planned purpose indicators and major outputs were surpassed due a larger number of grants because a ceiling of \$10,000 per grant was established as of 1993.

B. Major Output Indicators	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	This Period (6 mo.)	Cumu- lative	Next Period	This Period (6 mo.)	Cumu- lative	% of LOP
1. Vocational workshops constructed and operating by September 1993	7/0	4	13	3	5	17	243
2. Children trained in voca- tional skills by 9/93	430/0	150	500	0	101	506	118
3. Intern and new children trained in self management and business skills	650/0	300	950	0	115	690	106
4. Accounting and Manage- ment skills improved within institution	8/0	3	11	0	4	16	200
5. Educators trained in work- ing w/displaced children*	35/0	10	20	15	20	20	57

Notes:

* Indicator added in this period.

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C. Overall Status

Following is a list of the institutions that have received financing through March 30, 1994, with Starting Date, Finishing Date and Percent Completed:

Institution	Location	Funding (\$)	Starting Date	Ending Date	% Completed
Amanecer	Cochabamba	40,000	December 91	December 92	100
San Martín	Cochabamba	18,000	December 91	January 93	100
ENDA	Trinidad	70,500	December 91		98
Ciudad Niño	La Paz	8,600	September 92	November 93	98
Yanapacuna	Sucre	5,950	September 92	April 93	100
ANET	Tarija	21,697	January 93	March 94	75
CETEP	Huacareta	1,135	January 93	October 93	100
Amanecer	Cochabamba	9,740	March 93	December 93	95
San Martín	Cochabamba	8,940	April 93	December 93	90
ONAMFA	Oruro	4,767	May 93	July 93	100
ONAMFA 2nd Phase	Oruro	4,255	September 93	November 93	75
Mosoj Yan	Cochabamba	8,800	July 93	January 94	80
Huacareta	Huacareta	11,000	July 93	March 94	85
COSV	Sopochuy	10,000	December 93	June 94	33
Hogar Betania	Tiraque	4,900	January 94	May 94	25
Parroquia Mizque	Mizque	6,346	December 93	April 94	75
Hogar José Flores	Aiquile	9,800	April 94		0
Nueva Esperanza	Tarija	8,726	October 93	June 94	45
Yanapacuna	Sucre	2,701	December 93	June 94	33
TOTAL		255,857			

Peace Corps presently has 21 Volunteers working full-time or in secondary projects in Youth programs at organizations that provide services to displaced children. Many of the Peace Corps Volunteers are incorporating a wide variety of supplemental activities into their work at the centers. Some of these activities include classes in accounting, marketing, inventory and sales, classes in life

planning and sex education, help with school homework, supplementary educational classes, excursions outside of the institutions and recreational and vocational activities.

The Volunteers that are assigned to these Displaced Youth Organizations continue to be professionals with experience in business and agriculture. They are taking advantage of project funding to implement income generating vocational projects related to their field of expertise. They have found it much more practical to teach administration and accounting or crop production through practical hands-on projects as opposed to theoretical lectures. Therefore, the funding not only is helping to meet the two objectives of self-sufficiency and vocational training, but is also providing the Volunteers with a tool in which to teach their specialty to the organization staff members.

All institutions that are receiving funding have been visited by the Youth Coordinator or Peace Corps Regional Directors and several by the Project Accountant. All institutions are conforming to accounting procedures, financial responsibilities and project objectives.

D. Problems and Delays

A high percentage of funded projects are behind the planned dates in their schedule of activities. These delays are not due to any specific problems that will prevent the projects from being carried out as they were planned. They are just delays that have postponed the completion date of the construction of the projects. The only common factor within all the projects is what could be called "optimistic planning" on the part of the proposal writers. In almost all cases the purchase of materials and the acquisition of machinery as well as construction of the infrastructure has taken longer than planned due to unforeseen factors.

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

The project evaluation committee will give more emphasis to studying the schedule of activities and when necessary, demand a more realistic schedule of activities before any funding will be awarded. A new clause will also be written into the contracts demanding close adherence to the schedule with risk of losing the funding if they fail to comply with the agreed upon schedule and unnecessary delays appear to exist.

During the next six months Peace Corps plans to close all outstanding projects. An intensive schedule of visits to all organizations that have uncompleted projects will be carried out with the objective of pressuring them into finishing their project as stated in the project proposal. Included with the next Project Status Report will be a brief history of the Displaced Children's Earmark project and a summary of each individually funded project that has been awarded.

During the next six months an evaluation of the program will take place with the objective of determining the effectiveness of the program as well as developing ideas for improving the program in future years. A scope of work has been written by the Peace Corps with USAID assistance to establish evaluations objectives.

The Peace Corps Youth Coordinator will attend a four day seminar, sponsored by Peace Corps/Washington, in Miami that has a central theme incorporating entrepreneurial training into Youth Programs and Youth into entrepreneurial organizations.