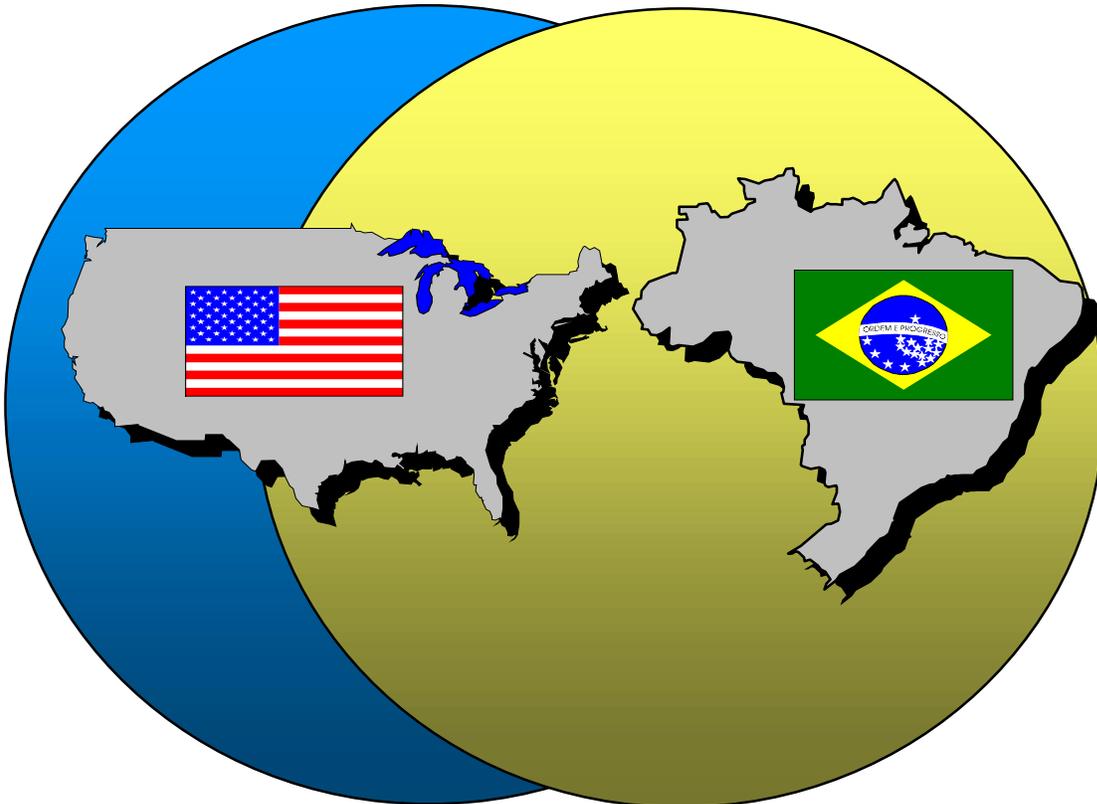


USAID/Brazil

R4 – FY2001



March 1999

The attached result information is from the FY 2001 Results Review and Resource Request (R4) for Brazil and was assembled and analyzed by the USAID/Brazil Mission.

The R4 is a “pre-decisional” USAID document and does not reflect results stemming from formal USAID reviews. Additional information on the attached can be obtained from Nena Lentini, USAID/Brasília.

Related document information can be obtained from:

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Please Note:

The attached FY 2001 Results Review and Resource Request ("R4") was assembled and analyzed by the country or USAID operating unit identified on this cover page.

The R4 is a "pre-decisional" USAID document and does not reflect results stemming from formal USAID review(s) of this document.

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Released on or after Oct. 1, 2001

UNITED STATES GOVERNMENT
memorandum

Date: March 11, 1999
To: AA/LAC, Mark L. Schneider
From: Janice M. Weber, USAID/Brazil Director
Subject: USAID/Brazil R4 2001 Submission

The USAID/Brazil Mission is pleased to submit our results review for FY 98 and our resource request for FY 2001. The Brazil program, which focuses on the Agency goals of Protecting the Environment, Reducing World Population Growth, and Protecting Human Health, is currently implemented through four Strategic Objectives (SO) and one Special Objective (SpO). The program is well under way and exceeding expectations in most areas. With an extremely limited amount of funding, this Mission has been successful in leveraging assistance from many other donors in every area in which we work. Our excellent relationships with our partners, which I examined during a series of extensive meetings in the fall, are impressive. I credit that to a hardworking, committed staff, always commented upon by my Embassy colleagues, and a portfolio that makes sense for a global issues program. However, let me state here that without the complete cooperation of LAC/W and Global staff (and resources), this type of strategic program would be largely impossible to implement.

Among the most significant issues that I would like to bring to your attention is the fact that revised Results Frameworks (RFs), including indicators prepared with USAID/W's assistance for SO2 (Increased adoption by key actors of concepts, and use of methods and technologies for clean and efficient energy production and use), and SpO 1 (Improved ability of at-risk children and youth to become productive, healthy citizens), were submitted for LAC Bureau approval in early FY 99 but we have yet to receive Bureau approval or comments. The Mission hereby again requests Bureau approval so that we can move forward with our programs according to Agency regulations. Absent any response, we will assume that our submissions have been approved.

Aside from approval of revised program content, funding problems continue to plague this Mission. Unfortunately, the lowest funding scenario that was provided for some Sos during the strategy presentation and accepted by the Bureau has been further cut. SO2's (energy SO) performance is particularly hard hit by this problem. Although Brazil is considered a Global Climate Change (GCC) key country by the Agency, these levels will prevent the Mission from carrying out activities that would have a significant impact in achieving Bureau and energy GCC objectives in Brazil. Furthermore, since the G Bureau matches LAC funds to maximize the implementation of our energy program, reduced levels from LAC result in reduced levels from G. To further complicate matters, G has now proposed a mostly in-kind funding match for FY 99 due to their own funding constraints that will require a thorough examination of the impact

that will have on implementation of our activities and achievement of our results.

The Mission would greatly appreciate LAC and G assistance in identifying additional resources to fully fund this critical SO. The work we are planning in the energy area has genuine potential for demonstrating to the Government of Brazil (GOB) that Clean Development Mechanisms are not only workable, but also important to their development objectives. With current funding, we will be severely hampered in our ability to provide the technical assistance and training to inform policy makers who will have a political impact on Brazil's position as we move forward on GCC negotiations. Per the strategy document, other activities planned as elements of our coherent, approved strategy may have to be put on hold, occasioned by the lack of sufficient resources for implementation. Should funding levels remain stable at even these low levels in the out years, the Mission will need to extend the LOP to attain selected results outlined in the strategy.

Steadily decreasing funding levels have also affected SO1 activities. One example is the "Parks in Peril" program, where the Mission has been under-matching LAC Bureau funds by 20%, while a proposed new Parks in Peril site in the Pantanal has been shelved for lack of funds. Last FY, LAC Regional funds initiated this important eco-regional planning process, also involving the Bolivia and Paraguay Missions (both of which we understand have been able to find funds). The significance of this activity should not be under-estimated for the sustainable development of the region and as a potential example of cooperation among NGOs and governments cross-border. With current funding levels, Mission financing for this activity can only be accomplished at the expense of cutting existing activities in the Amazon and Atlantic Rain Forests.

Also, we are still struggling with decisions on which of our programs will need to be terminated in order to develop a sorely needed effort directed to fire preparedness that we would like to initiate in FY 00. We are hopeful that the majority of funds which LAC received for fire efforts will come this way, as the amount of Amazon land area devastated last year by fire where we would mount a program was, by far, more severe than anywhere else in the region.

The Mission is extremely interested and has begun engaging the GOB and the NGO community on possible implementation of the Tropical Forestry Conservation Act of 1998 here in Brazil. We are working toward a more formal request from the Government to the U.S. Treasury that would enable us to move smartly forward and use this legislation to not only reduce Brazil's debt burden, but also accomplish some important environmental objectives to which the Government has publicly committed itself.

On the Operating Expense (OE) side, we are attempting to use our secretarial support staff for sub-cashier and NXP inventorying functions, to eliminate vulnerabilities identified in the FY 98 Internal Control Assessment, but the burden on staff is reaching its limit. Also, although I am eligible to receive a warrant for local grants which exceeds my current one, without additional assistance in the contract support area, that warrant will not be approved by the RCO. The Mission is now mostly dependent upon expensive IQCs and Washington-based Cooperative Agreements over which we often have little control. With limited program funds, we may want

to use this contracting authority in the future to capitalize on some excellent local NGO capability, but cannot with this current contract support constraint. Also, the need for expanded OE-funded administrative support staff will depend on improvement in the cost effectiveness of ICASS services accessed by USAID. Since we are facing an Embassy-imposed FSN ceiling problem, we will continue to hold at the current level and assess the situation. We will advise should we have a vulnerability issue again or just cannot manage effectively with current staff. Of course, we would seek to accommodate any additional FSN within current OE levels.

The Mission has been diligent about donor coordination activities, especially in light of the fact that we are phasing out of our Reproductive Health activities in FY 00. We are trying to ensure that our multilateral and bilateral donors, NGOs, as well as the GOB, are prepared to take over and/or replicate the quality work we have demonstrated and disseminate the models that have proven successful. In this regard, the Mission requests LAC's assistance in identifying and including \$100,000 in the FY 00 OYB to fund a final report on our accomplishments in Reproductive Health. The Agency has invested considerable funds in this activity over an approximate 35-year period and has seen excellent progress. We should not only be documenting and disseminating these successes (and failures) for historical purposes, but also in order to glean best practices and lessons learned which can be disseminated by all of those who have already begun or could conceivably begin to replicate our activities in the future. Such a document would also be invaluable for work in other LAC countries, as well as other regions, particularly Portuguese-speaking Africa where Brazil has already had some valuable exchanges.

This brings me to my final point. Although we have been working with Government and NGO counterparts on trying to determine the potential impact of the current economic crisis on our portfolio, the dust has yet to settle. Included throughout this R4 are comments on where we believe we may see the most impact. In fact, it has been extremely difficult to determine whose crystal ball we should be reading. Devaluation of the real will result in our programs having more local currency available, though we do not know how much as yet. We have every expectation that GOB budgets will be reduced, in nominal terms, counterpart funding will be reduced by inflation and, to the extent that our counterparts use imported goods and services, devaluation will impact on the quantity of inputs that will be provided. The impact on employment, salaries (possible return of salary indexing), cost of living issues, and Government and NGO expenditures in USAID-relevant sectors will have to be determined. Of course, the economic crisis will have a tremendous impact in areas in which USAID traditionally works - small and medium enterprises, agriculture, etc. Problems in those areas will undoubtedly affect our current programs - environment, energy, reproductive health, AIDS, at-risk youth. The Government's ability to continue quality work in every sector, while simultaneously carrying out an adjustment program, will affect its ability to maintain an acceptable social safety net. Working closely with Embassy colleagues, we will track these issues and report to Washington what we have found and what USAID might do. During that analysis, we will examine whether a DH or contracted study of the impact of this crisis on our SOs and our tremendous development investments over the years should be considered. We will advise as soon as we are able to finalize a reasonable analysis of the situation.

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R4 Part I - Overview and Factors Affecting Program Performance

Brazil, the fifth largest country in the world (population of over 160 million) has increased in importance to the United States, the hemisphere and the global community. With the world's eighth largest economy, Brazil's significant trade relationships (\$20 billion annually with the United States), and its current economic crisis, have made events here even more critical to the international community. As the hemispheric economic power, it has taken the leadership role in hemispheric matters, such as Mercosur, and in the resolution of the Peru-Ecuador conflict. Brazil's emergence as a strong, dependable partner is important to broader U.S. foreign policy goals globally, as well as in the hemisphere. Long-term, sustainable development in Brazil is in the U.S. strategic interest because of the need to protect the United States and its citizens from the effects of environmental degradation in Brazilian forests, from the spread of infectious diseases, such as HIV/AIDS, and from uncontrolled world population growth. USAID/Brazil's current program fits under the 1998 Mission Performance Plan's (MPP) strategic goals of Broad-Based Growth, Democracy, Environment, Population and Health. Included in the MPP are actions that attempt to increase "meaningful participation" of Brazil on global warming (Framework Convention on Climate Change and Kyoto Protocol) and assist Brazil in establishing priorities to reduce biodiversity loss (Biodiversity Convention). Furthermore, commitment to the goals of the Summit of the Americas to reduce poverty in the hemisphere by half, and other regional initiatives to reduce maternal and infant mortality, require commitment from USAID to continue work in Brazil and, particularly, in the Northeast region.

USAID/Brazil's strategy, approved in December 1997, concentrates on two key problem areas: in the environment goal area, the protection of globally important biodiversity and the reduction of greenhouse gases associated with climate change; in the health goal area, support for HIV/AIDS prevention, women's reproductive health and services to at-risk children and youth. As USAID currently has no bilateral agreement with the Government of Brazil (GOB), its portfolio is mainly implemented through U.S. and local non-governmental organizations (NGOs) who work in close collaboration with federal, state and local governments. This successful shift to public/private/civil society partnership is largely attributable to the influence of USAID and other international donors, who have demonstrated their success and facilitated and encouraged productive relationships.

In 1998, President Cardoso was re-elected for another four-year term with a 58% majority. The start-up of his second mandate has been marked by a severe economic crisis that represents a threat to the country's recently acquired economic stability. The first noticeable effects of this crisis have been an almost 100% devaluation of the real *vis-à-vis* the U.S. dollar; deep budget cuts in critical areas, among which is education; and growing inflation and unemployment rates. More recently, two important Brazilian states, Rio Grande do Sul and Minas Gerais, halted the payment of debts to the federal government, thus aggravating the crisis. Fiscal reform has not yet been approved by Congress and is being hampered by the lack of much-needed political party reform.

The GOB has been taking action to alleviate the crisis, most importantly, re-negotiation with the International Monetary Fund (IMF) on the terms for a \$41.5 billion international assistance program. A worsened crisis, however, may have an impact on USAID programs in Brazil. The

reproductive health program is on track to graduate in FY 00, as planned. Depending on the extent and reach of the economic crisis, contraceptive prevalence and population growth rates could change in the medium-term, given the government's probable reduced capacity to provide services and methods through the public health network, and increased private sector prices due to the significant levels of imported contraceptives. Potentially, decreased purchasing power may also affect the population's ability to buy condoms and protect themselves from the threat of AIDS. However, it will be necessary to evaluate these possibilities once we know what actual cuts do take place. Although we have been told by some counterparts that their budgets are being cut, official government spokesmen maintain that social sector spending will not be cut. There have been a considerable number of economic crises in the recent past and will be more in the future. Absent an analysis on what cuts actually do take place in the Ministry of Health on RH programs and what measures the GOB is taking to weather this crisis, it makes little sense to project whether now is the appropriate time to leave this sector. On the environment side, austerity measures in 1999 are expected to reduce GOB efforts to enforce the environmental crimes bill passed in early 1998. Activities being developed in collaboration with the Brazilian Environmental Agency (IBAMA) may also be affected by recently announced budget cuts. Growing unemployment and inflation rates, allied to budget cuts in the social area, will have a direct impact on the Mission's at-risk youth activity, possibly leading to more children dropping out of school and looking for informal jobs in the streets to complement family incomes.

It is still too early to make definitive forecasts of the crisis's impact on USAID's ability to produce the agreed upon program results, due to continuing unstable exchange rates, uncertainty of degree of budget and personnel cuts by counterparts and in which areas of USAID's portfolio they will fall, and reaction of the private sector to the economic situation, in general, and potential increased unemployment, in particular. The Mission is alert to signs of more profound changes in the economy that may affect its current program, is in constant contact with our Embassy colleagues and partners within and outside the government on this issue, and will report them as soon as the situation clarifies.

USAID's current programs are either on track or exceeding expectations. The strategy required refinement in FY 98, particularly in the energy program, and small adjustments will be made to the at-risk youth program in FY 99. The key issue for the Mission at this point in time is to find the least cost alternatives for implementing our programs with the consistently low budget levels being provided by USAID/W, in some areas lower than the lowest funding scenario presented and approved in our strategy. The funding shortfall is impeding progress toward the achievement of results agreed to in that strategy. Even under this critical funding situation, USAID/Brazil has been playing a catalytic role in Brazil, demonstrating strong leveraging capacity and piloting successful activities, which have been replicated and expanded by other donors.

In 1998, the Mission focused attention on Brazil's single most damaging environmental event in recent years: the 1997/98 El Niño Southern Oscillation (ENSO) drought traced a swath of record-setting low rainfall and consequent fires from Roraima State, through the lower Amazon and Pará State, to Northeast Brazil. USAID partners responded to the situation with quick, fire-related actions, such as relief assistance for Roraima's indigenous macuxis; airborne digital

mapping of Roraima's fire damage; and a Congressional hearing which highlighted mapped areas of high fire risk in the "arc of deforestation." A broad-based fire mobilization effort, leading to the "Charter of Belém," outlined needed action against accidental fire and inclusion of USAID-sponsored community-based fire control measures in a local presidential decree on fire. USAID coordinated development of a U.S. Inter-agency Working Group response to the 1998 Amazon fires. By obligating \$1 million to the World Bank (IBRD)-directed Pilot Program to Conserve the Brazilian Rain Forest (PPG-7), USAID expanded awareness on fire preparedness in the Amazon, reaching an estimated 120,000 small holders in fire risk areas through the Amazon Working Group (GTA) umbrella NGO network. USAID was the only international donor in Brazil to respond with fire mobilization resources during the severe 1998 fire season.

USAID/Brazil's energy program achieved significant results in 1998, supporting GOB in the restructuring of the National Program for Energy Development of States and Municipalities (PRODEEM) and building institutional capacity in renewable energy and energy efficiency within the National Electric Power Agency (ANEEL) and State Regulatory Agencies. Program investments promoted private sector and NGO participation in the development of clean energy projects and supported the development of multilateral development agencies' mechanisms. The establishment of state-level regulatory agencies and continued privatization of state-owned utilities demonstrated the GOB's commitment to energy sector reforms. Nevertheless, Strategic Objective 2's (SO) performance has been affected by the low level of awareness, among key program actors (decision-makers, civic leaders and government agencies) of links between energy production and use and climate change. Increased awareness activities on clean energy production will enhance the chances of incorporating Global Climate Change (GCC) concerns into local decision making.

In FY 98, USAID started preparatory activities for the implementation of its AIDS Prevention strategy, whose main purpose is to disseminate and replicate best practices in this sector, particularly by leveraging resources available from the IBRD's \$300 million dollar loan to the GOB. The Mission worked with IBRD, the Ministry of Health (MOH) and U.S. and local partners to develop a work plan that includes activities in the areas of: replication/dissemination of effective interventions; management capacity building; research; services integration evaluation and monitoring; and social marketing. As a result of strengthened relations with the MOH, in FY 99 USAID will be providing technical assistance to the National AIDS Program Coordination in monitoring and evaluation, as well as in program management. The skills acquired by MOH technicians in this process will also be applied to the implementation of IBRD-funded activities, in coordination with state and municipal level AIDS programs.

With USAID's assistance, the availability of reproductive health services in Brazil has been expanded, and the quality of services improved to the benefit of low-income women who utilize the public health system. During FY 98, USAID's reproductive health program achieved its targets, with only a few exceptions. A major achievement was the introduction of the injectable contraceptive Depo-Provera through a marketing project, with sales surpassing both public and private sector targets. USAID also supported a nation-wide campaign to promote all available

methods in Brazil, with emphasis on informed choice. The sustainability levels of BEMFAM, the local International Planned Parenthood Federation (IPPF) affiliate, reached 69% in 1998, vis-a-vis the target of 63,5%. During FY 98, USAID also invested significantly in a client-driven model (PROQUALI), strategically aimed at creating a sustainable system for quality reproductive services at the clinic level. The model was implemented in five pilot sites, and there are plans for expansion in Bahia and Ceará. USAID's main challenge in FY 99 will be to promote the successful transfer of responsibilities to the State Health Secretariats for continuing and expanding these activities. Bahia's investments in women's reproductive health have increased substantially, from \$2 million in 1996 to \$4 million in 1998. In Ceará, the state's financial commitment to procure contraceptives and provide staff to improve contraceptive logistics are challenges which continue.

In the at-risk youth area, USAID has been struggling with an unusually tight budget due to an underestimation of needs and opportunities in working with disadvantaged youth in Northeast Brazil, whose economic and social indicators are similar to those of some of the poorest African countries. In 1999, the economic crisis may be the single most aggravating factor to increase the demand for service provision to at-risk youth. Again, preliminary evidence from our counterparts shows that the social sector may be the GOB's target for deepest cuts, as resuming economic stabilization efforts emerges as a first priority, though official reports say that will not happen. For example, in February, the federal government transferred \$3.25 million from children's rights programs to cover operational debts of the Federal Police. During the reporting period, however, the program achieved the proposed results and increased collaboration with local funding organizations. A greater impact of the economic crisis, may be lower growth that will exacerbate Brazil's already considerable social problems and the at-risk one most directly. In 1998, USAID leveraged \$2 million from the National Social and Economic Development Bank (BNDES) in support of key indigenous institutions working in partnership with USAID. The program's major result was to maintain the rate of continuous promotion into the next school grade of program-assisted children and youth at 86%, while the average grade-pass rate in the Northeast region is 49%.

R4 Part II – Results Review by SO

SO1 – Environmentally and socioeconomically sustainable alternatives for sound land use adopted beyond target areas

MPP Goal - Environment

National Interest – Global Issues

Summary: USAID/Brazil's environment program addresses two global environment priorities: biodiversity loss and GCC. This SO's purpose is to increase protection and sustainable use of natural resources in Brazil's critical regions for globally important biodiversity, the Amazon, the Atlantic Coastal Rain Forest, and the Cerrado (Savannah), and to reduce greenhouse gas emissions (GHG) from deforestation.

Key Results: Four key Intermediate Results (IRs) are necessary to achieve this objective: 1) Systems for sound land use identified, promoted and adopted in target areas; 2) Strengthening of target institutions and local human capacity; 3) Targeted policies adopted and/or implemented that support environmentally sound land use; 4) Sound land use systems disseminated beyond target areas. The ultimate customers are rural communities and Brazilian scientists and research organizations. USAID actions also benefit Brazilian society at large by assuring that the resource base is maintained for future generations. Benefits will ultimately be felt at the international level from protecting tropical forests and biodiversity, and GHG emissions.

Performance and Prospects: The Mission's progress in implementing this SO has exceeded expectations. SO results were consistently above target levels, and IR results were either above target (IRs 2, 3 and 4) or on target (IR 1).

USAID, through support to local NGO efforts and training of key individuals, continues to be the model for reconciling development and conservation in the Amazon, the Atlantic Forest and Cerrado regions. Conservation management initiatives advanced in 1998, enabling new partnerships to be forged. Main accomplishments in this area include the formal launching of management plans for Jaú National Park, Serra do Divisor National Park, and the Una Biological Reserve, developed by USAID partners jointly with IBAMA. At the initiative of a local USAID partner, two new private nature reserves (RPPNs) were created in southern Bahia.

As a result of USAID support for institutional strengthening activities, local NGO partners have been able to leverage substantial funds for conservation initiatives. For instance, a highly competitive \$416,000 grant to the Brazilian Biodiversity Fund (PROBIO) and an IBRD Global Environment Facility (GEF) biodiversity research grant were awarded to Conservation International/ Environmental Institute of Southern Bahia (CI/IESB). SOS Amazônia efforts to demonstrate the Serra do Divisor Park's potential for tourism resulted in three of the Park's municipalities being considered for funding by the National Assistance Service for Small Enterprises (SEBRAE). Each municipality was granted \$15,000 for the preparation of a Sectoral Assessment and Integrated Development Plan. The local cooperative in the Cajari extractive

reserve obtained \$33,000 from the Amapá state government for a rotating fund to improve long-term financial stability of the palm heart factory. A joint research proposal for the study of sustainable alternatives for families willing to leave protected areas, developed by SOS Amazônia and Research and Extension in Agroforestry Systems (PESACRE, a new partnership between USAID-sponsored local NGOs), received preliminary approval for IBRD funding.

USAID has also recorded substantial success in the adoption of sustainable natural resource management systems beyond target areas. Participating families of the indigenous community of Apurinã (in Acre state) doubled from 60 to 120 (work was revitalized), and a rubber tapping community participation increased from 75 to 135 families (improved level of family organization). A participatory methodology for forest inventory was used as a model in indigenous areas. In southern Bahia state, four plant nurseries were built for agroforestry products that will serve as economic alternatives to small to large farmers. Over 10,000 açaí Amazon palm seedlings, which can be inter-cropped in the shade of cocoa and rubber trees were grown and distributed, allowing both palm hearts and fruits to be harvested. Five thousand seedlings of native trees were identified/collected from private forests and have been propagated in four nurseries for distribution to communities for reforestation of riverbanks.

Support to public policy work has resulted in a number of important activities being undertaken in the environment area. At the initiative of USAID conservation partners, the ecological corridors concept became a reality in the Atlantic forest "corridor of discovery" and the central Amazon, even before formal IBRD appraisal of the PPG-7 project. Public policy work in southern Bahia influenced the local Northeast Brazil Bank (BNB) to grant loans, for the first time, based on returns from agroforestry production. Two rural elementary schools on the northwestern and southwestern frontiers of the Una Reserve were re-opened and assigned teachers as a result of active engagement by a local NGO partner. The World Wildlife Fund (WWF) presented the Monitoring and Evaluation Pilot Project of Directed Research (the PPG-7 sub-program that supports community and NGO projects) as an example of participatory development of a monitoring and evaluation system. WWF helped define indicators for social participation and project administration and management.

USAID was able to respond very quickly and effectively to fire events in the Amazon: the Institute for Amazon Research (IPAM), an institution created within USAID's Woods Hole Research Center's (WHRC) Brazil Program, consolidated its position as a reference NGO in the Amazon, calling national and international attention to Amazonian fires. Technical capacity of key environment players to deal with fires was also improved: IBAMA undertook a partnership with the Brazilian Air Force for airborne remote sensing and managed an extensive campaign for monitoring timber harvesting and associated fire danger. Experience with fire information systems enhanced program development and negotiations by IBAMA for the IBRD-funded loan for fire prevention, PROARCO.

Another area where USAID has been actively engaged is natural forest management. Forest management techniques proposed by USAID partners have been adopted by 'Mil Madeireiras',

the only timber company certified by the Forestry Stewardship Council (FSC) in the Amazon. IBAMA called for proposals for a 3,100 hectare activity of reduced impact forest management for timber extraction in the Tapajós National Forest. A set of CI/IESB publications documented the inevitable collapse of the logging economy as forest resources near exhaustion in Southern Bahia. At first resisting this analysis, IBAMA's replication of IESB's results forced them to recommend suspension of logging activity in the area.

Finally, USAID's work has been prominently featured on the media. The Una Ecopark received extensive media attention and featured on 'Globo Ecologia,' a widely viewed TV program. At least ten groups of local, national and international reporters and photographers, including the New York Times, toured Una.

Possible Adjustments to Plans: A severe El Niño drought aggravated fire conditions in the Amazon in 1998 and highlighted the importance of developing effective local measures to control fire. Increasing risk of accidental fire in the Amazon, the Atlantic Coastal Rain Forest and the Cerrado, will require renewed attention to fire preparedness and prevention. The Mission will be working with other donors, U.S. and Brazilian government agencies, and U.S. and Brazilian NGOs to develop a fire activity for FY 00 which will help prevent the devastation of Brazilian forests.

SO/IR targets will be reviewed to determine if targets should be revised due to their having been far exceeded. Changes to the results framework may also be made, as the majority of current grants and cooperative agreements will come to an end in FY 99. In addition, further adjustments to indicators may be required to better reflect any new fire initiative for the Amazon. Expansion into fire prevention will also require new resources.

The GOB has made substantial progress in the environment sector over the past year and, in spite of severe IMF-imposed budget cuts, it maintains President Cardoso's formal public commitment to protect ten per cent of Brazilian forests in conservation units. However, a decline in GOB environment resources is likely to result following the recently implemented austerity program, potentially affecting the government's ability to fully participate in new projects.

Other Donor Programs: USAID/Brazil's environment program leverages multilateral donor funds, especially the \$300 million PPG-7, GEF, and the National Biodiversity Fund (FUNBIO), allowing the Mission to play a catalytic role in protecting Brazil's ecosystems. In 1998, Japan rejoined the PPG-7 donor community and followed USAID's suggestion to establish a small scale grants assistance fund for NGOs in Brazil. USAID works in close consultation with GOB's programs as an integral part of the U.S./Brazil Common Agenda on the Environment.

Principal contractors, grantees or agencies: Activities are implemented through U.S. private voluntary organizations (PVOs) such as WWF, The Nature Conservancy, Conservation International, WHRC, and the Tropical Forestry Foundation (TFF); U.S. Government Agencies such as the Department of Agriculture Forest Service and the Smithsonian Institution; and several U.S. academic institutions, e.g., the University of Florida and the State University of New York.

Performance Data Tables – Strategic Objective 1 - Environmentally and socioeconomically sustainable alternatives for sound land use adopted beyond target areas.

STRATEGIC OBJECTIVE 1: SO1 – Environmentally and socio-economically sustainable alternatives for sound land use adopted beyond target areas.							
APPROVED: 06/93 COUNTRY/ORGANIZATION: USAID/Brazil							
RESULT NAME: SO 1 - Environmentally and socio-economically sustainable alternatives for sound land use adopted beyond target areas							
SO1 INDICATOR 2: Number of conservation units in which government or private owners adopt aspects of sustainable management systems in addition to target areas.							
UNIT OF MEASURE: Number of conservation units							
SOURCE: Survey of conservation units (TNC, CI, WWF, USFS)							
Number of Conservation Units							
Year	1997	1998	1999	2000	2001	2002	2003
Planned	Baseline	5	10	21	27	31	35
Actual	3	10					
Number of Hectares (for reporting purpose only)							
Year	1997	1998	1999	2000	2001	2002	2003
Actual	262 ha*	149,572ha**					
<p>COMMENTS: This indicator is used to report on the adoption of sustainable management practices in those conservation units that do not directly benefit from the USAID program (i.e., potential for replication). The primary candidates are conservation units where USAID's partners are working without direct support (due to ease of monitoring the adoption of sustainable management practices in such areas). Conservation Units include National and State Parks, Biological Reserves, Extractive Reserves, National Forests, Private Natural Reserves (RPPNs). USAID's broader dissemination activities are supplemented by targeted efforts (e.g., workshops and site visits) aimed at informing government officials and representatives of local NGOs operating in conservation units of the results of USAID's pilot efforts. These representatives are subsequently surveyed (through questionnaires, site visits) to identify the extent to which sustainable management practices have been adopted. To be counted, conservation units are required to adopt the following aspects of sustainable management practices: 1) the management plan is approved by Federal Government Environmental Agency (IBAMA); 2) implementation of management plan initiated (with participation by local communities/stakeholders where appropriate).</p> <p>The indicator for the number of sites is, in this case, even more important than the number of hectares covered by those sites. The strategy of USAID/Brazil and its partners will be to expand the sustainable management approach to a broad range of conservation units. Effectively managed conservation units in highly threatened regions such as the Atlantic Forest may carry greater weight than conservation units (which may be much larger in size) in the Amazon. The area covered by these units will also be reported, but no specific area targets will be set.</p> <p>* This figure refers only to RPPN areas calculated at the time when the indicator was originally established. ** This figure includes RPPNs and other types of Conservation Units. RPPNs included here are those that have already</p>							

received IBAMA's preliminary technical approval, and await only publication in the federal record (Diário Oficial).

STRATEGIC OBJECTIVE 1: SO1 – Environmentally and socio-economically sustainable alternatives for sound land use adopted beyond target areas.

APPROVED: 06/93

COUNTRY/ORGANIZATION: USAID/Brazil

RESULT NAME: SO 1 Environmentally and socio-economically sustainable alternatives for sound land use adopted beyond target areas

SO1 INDICATOR 3: Number of families outside target area who have adopted improved sustainable management systems

UNIT OF MEASURE: Number of families

SOURCE: USAID partners (UF, WHRC, CI)

Year	1997	1998	1999	2000	2001	2002	2003
Planned	Baseline	130	220	310	400	490	580
Actual	40	246					

COMMENTS: The focus of this indicator is on the adoption of sustainable management systems in areas bordering USAID-supported target areas which were identified by our partners as being Northeastern Pará State, buffer zone of the Una Biological Reserve in Bahia State, and several communities in Acre and Rondonia state. While USAID's broad dissemination efforts (via radio and television) may actually have a significant indirect impact, it is beyond USAID's capacity to measure it. By focusing primarily on areas bordering USAID-supported target areas, USAID can rely on its on-site partners for this information. The data collection monitoring includes a combination of field visits, reports, and follow-up contacts with producers or persons trained as extensionists.

The sustainable management systems include agroforestry (cultivation of native fruit and oil-bearing trees), the intensification of agriculture and fire management. The sustainable management systems varies by USAID partner and, therefore, each partner reports to USAID rates of adoption beyond its target area based on a scale that is peculiar to their specific program area. In general, the "adoption" is determined by: 1) the selection and implementation of agroforestry, intensification of agriculture, or fire management system by local farmers; and 2) introduction of alternative products into local markets. Alternative products are those that are not traditionally traded in the market and are from endemic species, e.g., fruit trees such as pupunha, açai and cupuaçu.

STRATEGIC OBJECTIVE 1: SO1 – Environmentally and socio-economically sustainable alternatives for sound land use adopted beyond target areas.							
APPROVED: 06/93 COUNTRY/ORGANIZATION: USAID/Brazil							
RESULT NAME - IR 2: Target institutions and local human capacity strengthened							
IR 2 INDICATOR 2: Number of persons trained (those with and without a high school diploma).							
UNIT OF MEASURE: Number of person-months of training given/Number of persons trained (cumulative)							
SOURCE: Grantee's reports (CI, UF, WHRC, WWF, TFF, USFS and Smithsonian)							
Persons trained who do not have a high school diploma (person months of training/number of individuals trained/gender breakdown)							
Year	1991-96	1997	1998	1999	2000	2001	2002
Planned	Baseline	115.4 p/m 1315 persons (480F; 835M)	185.6 p/m 1582 persons (587F; 995M)	246.3 p/m 1872 persons (706F; 1166M)			
Actual	72.2 p/m 1138 persons (405F; 733M)	184.9 p/m 1752 persons (574F;1178M)	436.52 p/m* 2851 persons (1387F;1464M)				
Persons trained who have a high school diploma (person months of training/number of individuals trained/gender breakdown)							
Year	1991-96	1997	1998	1999	2000	2001	2002
Planned	Baseline	2503 p/m 1622 persons (778F; 844M)	3165.4 p/m 1876 persons (889F; 987M)	3871.4 p/m 2164 persons (1021F; 1143M)			
Actual	1932.8 p/m 1340 persons (654F; 686M)	2727 p/m 1961 persons (943F;1018M)	3582.26 p/m 3826 persons* (1975F;1851M)				
COMMENTS: Number of persons is disaggregate by gender. F= female, M = male The reason for dividing this indicator by persons with and without diploma is because USAID partners wanted to highlight the fact that they work with different levels of individuals (Ph.D.s, technicians, field workers, etc.). * Targets were far exceeded and will be reviewed							

STRATEGIC OBJECTIVE 1: SO1 – Environmentally and socio-economically sustainable alternatives for sound land use adopted beyond target areas.

APPROVED: 06/93 **COUNTRY/ORGANIZATION:** USAID/Brazil

RESULT NAME: - IR 1.3 - Target policies adopted and/or implemented that support environmentally sound land use

INDICATOR: - IR 1.3-a: National and local policies which support biodiversity conservation and natural resources management implemented and/or policy implementation improved

UNIT OF MEASURE: Number of policy-related activities that have met at least 80% of their annual "benchmarks" divided by the total number of policy-related activities underway

SOURCE: USAID partners (WWF, WHRC, CI)

Year	1996	1997	1998	1999	2000	2001
Planned	BASELINE	10/10	10/10	14/14		
Actual	10/10	9/10 *	12/10**			

COMMENTS: This indicator is used to report the progress of selected policy-related initiatives supported by USAID. The policy agenda includes:

- a. Monitoring the environmental impact of the Itacaré Road
- b. Creation of Itacaré Park (Conduru State Park)
- c. Adoption of "ICMS (value-added tax) Ecológico" in the State of Bahia
- d. Improvement of the "ICMS Ecológico" policy at the national level and its replication to additional states
- e. Improvement and revision of the Federal Forest Policy (e.g., changing the forestry code)
- f. Reform of the national system of conservation units (SNUC)
- g. Creation of, and initiation of activities in Brazil, by the Forest Stewardship Council (which certifies timber firms as "green", i.e., using sustainable management practices)
- h. Improvement of national, state, and local fire management policy
- i. Implementation of Agrarian Reform in the State of Bahia
- j. Reduction or elimination of the number of permits for logging in the remaining Atlantic Forest in the State of Bahia.
- k. Issuing of a Presidential Decree regulating the use of fire
- l. Issuing of IBAMA "portarias" (regulations) temporarily suspending burning in high-risk areas.

An index of steps required (target benchmarks) to achieve the specified policy objectives has been developed for each initiative (actual steps will vary depending upon the policy initiative), together with a timetable for meeting each requirement. The annual benchmarks will be reviewed each year. The progress in each policy area will be reviewed annually to determine, based on the index, whether each given policy activity has met its benchmark. The performance of the program is reported as a ratio of the number of policy initiatives that have met their "benchmarks" divided by the total number of initiatives with which USAID-supported partners are working. Additional policy areas will be added during the life of the SO.

* Item "d", ICMS Ecológico - policies were not proposed in 1997 as previously planned. This happened in 1998.

** As a result of extensive forest fires in the Amazon, brought about by the 1998 El Niño Southern Oscillation drought, unanticipated policy measures were implemented .

SO2 - (FY99-FY03) - Increased adoption by key actors of concepts, methods, and technologies for clean and efficient energy production and use.

SpO3 - (FY96-FY98) - Environmentally and socioeconomically sustainable alternatives for energy production and use adopted in target areas.

MPP Goal - Environment

National Interest – Global Issues

Summary: Brazil is the largest emitter of GHGs in Latin America. During 1991-1995, industrial carbon dioxide emissions increased by 20%. Given the continuing growth and structural changes in its economy, it is likely that Brazil's GHGs caused by energy production will continue to increase at a quick pace. Brazil is reshaping its existing energy industry and diversifying its energy sources. USAID has used this opportunity to provide assistance to ensure that energy is used efficiently and that a mix of resources with the lowest GHG gas-emitting potential supplies energy demand. The purpose of this program is to reduce the threat of GCC through increased adoption by key actors of concepts, methods and technologies for clean and efficient energy production and use. The direct beneficiaries are the global environment, Brazil's energy sector and economy, U.S. renewable energy and energy efficiency companies and, especially, an estimated 20 million people who are under-served by traditional energy sources and scattered in 60,000 rural communities. USAID/Brazil's Energy Program (BEP) started in 1996 as a Special Objective (SpO3) and, in 1998, USAID/W approved creation of an energy SO.

Key results: SpO3 included three key IRs for a market-based environment: 1) capabilities and perspectives of decision-makers enhanced in the area of electric power sector regulatory reform to support commercial implementation of renewable energy, energy efficiency, or other clean energy systems; 2) mechanisms established and strengthened to finance renewable energy, energy efficiency, and other clean energy projects; and 3) institutional capacity developed in key Brazilian institutions for the commercial implementation of clean energy systems.

Performance and prospects: During FY 98, the BEP underwent significant changes. As an SpO, first funded under the Environmental Initiative for the Americas (EIA), the BEP focused on promoting specific clean energy approaches, notably renewable energy and energy efficiency, and the policies that support those technologies. Building upon that activity, the Mission determined that the energy sector should be a substantial programmatic focus for climate change initiatives in policy, training, financing and technology transfer. In reviewing SpO3 and developing a strategy, it became clear that the Brazil energy sector is too large to expect the original set of indicators to show real progress. Results herein refer to the reporting period of SpO3, FY 98, whereas prospects refer to the new strategic objective. Accordingly, the two sets of performance data tables are provided in this document, covering SpO3 results and SO2 expected results and targets. The proposed results framework is in Annex B of this report.

Performance over the past year met established targets and is on-track. The GOB continues to show a clear commitment to restructuring and privatization of its energy industry in a

competitive environment. Significant progress in privatization of state-owned utilities, and notable policy, administrative and institutional decisions and reforms in the period were: 1) enactment of policies and regulations supportive of energy efficiency and clean energy production; 2) establishment of energy regulatory agencies and initial steps conducive to a legal framework for the energy industry; 3) engagement by the Minister of Mines and Energy (MME) and the National Electric Power Agency (ANEEL) in activities to identify policies and regulations to address clean rural energy services, co-generation and energy efficiency.

The USAID-sponsored Renewable Energy Project Support Office (REPSO), staffed by Winrock International, developed commercial renewable energy projects focusing technical and trade assistance on rural installation, operation and maintenance programs to an NGO network, power utilities and trade associations. REPSO provided and continues to provide in FY 99 technical assistance for the development of the proposed IBRD "Integrated Commercial-Social Power" loan to the GOB. The implementation of the SpO demonstrated that a combination of local and U.S.-based partners is critical for enhanced consistency and results, by ensuring continuity in the provision of technical and policy assistance to beneficiaries.

With USAID support, the Inter-American Development Bank's (IDB) initiative on Sustainable Markets for Sustainable Energy (SMSE) is providing assistance to the National Program for Energy Development of States and Municipalities (PRODEEM). This program is focused on rural energy infrastructure development, social equity and job generation, ranked as a top priority by the Cardoso Administration. The Brazilian Secretary of Energy has formally approved PRODEEM's Action Plan, which will foster the development of private sector sustainable markets for rural energy services. PRODEEM has been able to demonstrate the technical feasibility of renewable energy options on a pilot scale. A priority identified by USAID for PRODEEM was the need for technical assistance to review its operations and to reshape its incentive program to support expanded clean energy markets. USAID provided such technical assistance, which represents the initial elements of a new management structure, which have already resulted in more effective operations in FY 99, continuing in FY 00.

In the policy area, USAID instituted a regulatory partnership between ANEEL and three American state-level public utility commissions. The purpose of this partnership is to promote regulatory experience exchanges between American and Brazilian regulatory institutions in the areas of clean energy production, planning and market regulation. Such exchanges have proven successful with a number of workshops having taken place and more planned for the future.

USAID continued to play a critical liaison and local support role to the State Department and Department of Energy in developing the U.S.-Brazil Implementing Arrangement for Cooperation in the Area of Energy Technology. This foreign policy initiative was signed during President Clinton's October 1997 visit to Brazil. Due to its significance for U.S. business, the Arrangement is expected to form a useful institutional umbrella to further USAID results. USAID expects to provide technical assistance to institutions associated with the Arrangement, targeted at developing a work plan for clean and efficient energy technology cooperation.

Complying with the terms of the management contract, in 1998, the Mission revised the SO strategy, IRs and performance indicators. The current results framework has strong causal linkages between the SO and the IRs, besides including results-oriented indicators. Incorporating recommendations and assistance provided from the LAC Bureau, the revised set of indicators was submitted to USAID/W in July 1998. To date, the Mission has not received LAC Bureau's approval of the effective changes and, again, approval is hereby requested.

Possible Adjustments to Plans: USAID/Brazil will work in 1999 to finalize the contractual mechanisms necessary to implement the strategy, looking for consistency with the level of financial resources available. The strategy will continue to focus on the provision of technical assistance, financing and training to increase adoption of concepts, methods, and technologies for clean and efficient energy production and use.

USAID intends to direct BEP's technical and training assistance to impact on the energy and GCC agenda in order to support an international consensus on GCC. It is expected that these efforts will result in project-based emissions baselines and project design activities in the private sector under the Kyoto Protocol's Clean Development Mechanism (CDM). Climate change awareness focusing on technical training and private sector involvement, in turn, is expected to lead to the creation of knowledgeable constituencies to support policy decisions on further advancing global carbon trading mechanisms.

Other Donor Programs: During FY 98, USAID provided assistance to both GOB and the IBRD on the preparation of two major loan requests. A \$43 million loan, targeting energy efficiency, is accompanied by a \$20 million Global Environment Facility (GEF) grant. Final appraisal and approval of the loan by the World Bank's Board of Directors is expected in FY 99. The second \$55 million loan, entitled "Integrated Commercial-Social Power," targets 60,000 isolated rural communities, and is tied to another \$18 million GEF grant. Once in place, both loans and their accompanying GEF grants will target Brazil's potential market in clean and efficient energy applications and maximize involvement of the private sector.

USAID has also been successful in attracting, coordinating, and assisting other donors, such as the IDB, with its SMSE initiative. The Mission is currently in the process of coordinating with the United Nations Development Program (UNDP) local office on further assisting with the PRODEEM Action Plan. In coordination with other donors, the Mission is also considering providing support to the National Renewable Energy Laboratory's (NREL) initiative on the U.S. Technology Cooperation Agreement Pilot Project (TCAPP). That project aims to attract international donor community assistance in fostering private investment in energy technologies that can reduce GHGs and initiate pre-feasibility projects based on the United Nations Framework Convention on Climate Change and Kyoto Protocol mechanisms, such as the CDM.

Principal contractors, grantees or agencies: Cooperating agencies and contractors under SpO3 included Winrock International, Hagler Baily and the United States Energy Association (USEA). Advanced Engineering Associates International (AEAI) was contracted in early FY 99 and new partners will be arranged to implement SO2 as it gets fully underway this year.

Performance Data Tables- Special Objective 3: Environmentally and socioeconomically sustainable alternatives for energy production and use adopted in target areas

<p>SPECIAL OBJECTIVE 3: Environmentally and socioeconomically sustainable alternatives for energy production and use adopted in target areas APPROVED: 04/95 COUNTRY/ORGANIZATION: USAID/Brazil</p>				
<p>RESULT NAME: SPO3 – Environmentally and socioeconomically sustainable alternatives for energy production and use adopted in target areas</p>				
<p>SpO3 INDICATOR 1: New capacity installed and operating, on and off the electric grid, which is powered by renewable energy or other clean energy technology</p>				
<p>UNIT OF MEASURE: Kilowatts (kW) (on-grid and off-grid)</p>				
<p>SOURCE: National Agency for Electric Power (ANEEL), Minas Gerais State Utility (CEMIG), National Association of Air Conditioning Companies (ABRAVA), Winrock/Renewable Energy Project Support Office, and Institute for the Development of Sustainable and Renewable Energy (IDER)</p>				
Year	1995	1996	1997	1998
Target	Baseline	---	2,000	6,500
Actual	---	600	607	14,336
<p>Indicator Description: New capacity installed and operating, on and off the electric grid, which is powered by renewable energy or other clean energy technology. The term “renewable energy or other clean energy technology” includes small hydro, solar, biomass, wind and others.</p> <p>Comments: Eligible capacity for this indicator is any addition that, at any stage of its development, can be traced to any activity supported, directly or indirectly by USAID/Brazil SpO3 contractors and cooperating agencies such as Winrock International, Hagler Baily, United States Energy Association, Advanced Engineering Associates International, etc.</p> <p>Difference between target and actual result in FY98 amounts to operation of ELETRAN, a small hydro located in Mato Grosso state (9,600 kW total capacity). It is expected that development of similar projects will continue due to legislation/regulation recently enacted providing incentives to its implementation. ANEEL (National Agency for Electric Power), which is supported by USAID/Brazil SpO3, worked on the legislation and was responsible by regulatory guidance. Solar thermal heating systems also contributed to FY98 results. According to the National Association of Air Conditioning Companies (ABRAVA), 4,700 kW of new installed capacity became operational in FY98, corresponding to 100,000 m² of collector surface. ABRAVA, through its associates attended training workshops and courses sponsored by USAID/Brazil SpO3.</p>				

SPECIAL OBJECTIVE 3: Environmentally and socioeconomically sustainable alternatives for energy production and use adopted in target areas				
APPROVED: 04/95 USAID/Brazil		COUNTRY/ORGANIZATION:		
RESULT NAME: SPO3 – Environmentally and socioeconomically sustainable alternatives for energy production and use adopted in target areas				
SPO3 INDICATOR 2: Electric power and energy saved, attributable to energy efficiency programs which USAID has created or influenced				
UNIT OF MEASURE: Megawatts (MW), Megawatt hours (MWh)				
SOURCE: National Program for Electrical Energy Conservation (PROCEL)				
Year	1995	1996	1997	1998
Target	Baseline	---	800 MW	1,100 MW
		---	1,150,000 MWh	1,370,000 MWh
Actual	397 MW	566 MW	925 MW	1,037 MW
	517,000 MWh	791,000 MWh	1,760,00 MWh	1,871,000 MWh
<p>Indicator Description: Megawatt savings are the peak capacity that would be installed if no Demand Side Management (DSM) Program were implemented. Megawatt-hour savings represent the energy saved by energy efficiency programs.</p> <p>Comments: On energy efficiency, most of USAID/Brazil SpO3 activities were targeted to the National Energy Conservation Program (PROCEL). In FY97, SpO3 supported a resident consultant to assist PROCEL. Results of his work are still having an impact on PROCEL's results. Additionally, USAID/Brazil SpO3 also supported PROCEL in FY98 in its International Seminar (3,000 participants). According to PROCEL, approximately 1,909,000 MWh of saved energy was added to PROCEL's cumulative results in 1998 calendar year.</p> <p>At the time the Mission collected FY98 results data, PROCEL's results were being processed (PROCEL's Results Report is expected to be released in April 1999), so figures herein presented, to the extent that they rely on PROCEL final results, are subject to change.</p>				

SPECIAL OBJECTIVE 3: Environmentally and socioeconomically sustainable alternatives for energy production and use adopted in target areas
APPROVED: 04/95
 USAID/Brazil

COUNTRY/ORGANIZATION:

RESULT NAME: SPO3 – Environmentally and socioeconomically sustainable alternatives for energy production and use adopted in target areas

SPO3 INDICATOR 3: Number of people using renewable energy, energy efficiency or other clean energy systems

UNIT OF MEASURE: Number of people

SOURCE: National Program for Electrical Energy Conservation (PROCEL), and National Energy Development Program for States and Municipalities (PRODEEM)

Year	1995	1996	1997	1998
Target	Baseline	---	135,000	2,300,000
Actual	---	40,500 (T)	1,598,558 (Total)	2,274,351 (Total)
	---	---	789,180 (Male)	1,123,529 (Male)
	---	---	809,377 (Female)	1,150,822 (Female)

Indicator Description: Number of people using renewable energy, energy efficiency or other clean energy systems.

Comments: Original FY 98 target for this indicator (estimated in Nov/96) was 450,000 people. Considering that FY 97 results surpassed FY 98 target, targets were deemed as under-estimated by the SO Team. In October 98, the original target for FY98 was reviewed and modified to 2,300,000 people.

According to PRODEEM/MME, no additional PRODEEM community solar projects were implemented in FY 98. Consequently, no contribution is accounted for in this indicator deriving from PRODEEM. In FY 97 PRODEEM projects benefited 130,000 people. However, total figure of 2,274,351 takes into consideration additional thermal solar projects by ABRAVA (100,000 m² of solar collector surface) which benefited 139,351 people.

FY 98 figures also take into account people using energy efficiency, basically beneficiaries of PROCEL. PROCEL's FY 98 final results were not available at the time of SpO3 data collection exercise (information is expected to be available in April 1999). However, PROCEL based on preliminary information targets for amount of energy saved were met (1,871,000 MWh). That said, it was assumed that PROCEL's prediction of number of people benefiting (2,000,000 people) would also be met. PROCEL is improving its data collection methodology as a direct result of technical assistance provided by USAID/Brazil SpO3.

SPECIAL OBJECTIVE 3: Environmentally and socioeconomically sustainable alternatives for energy production and use adopted in target areas

APPROVED: 04/95

COUNTRY/ORGANIZATION:

USAID/Brazil

RESULT NAME:IR3 - Institutional capacity developed in key Brazilian institutions for the commercial implementation of renewable energy, energy efficiency, or other clean energy systems in a market-based environment

IR3 INDICATOR 1: Number of events or activities to develop institutional capacity among Brazilian decision-makers in key institutions

UNIT OF MEASURE: Number of events or activities

SOURCE: USAID/Brazil reports, Winrock/Renewable Energy Project Support Office, United States Energy Association (USEA), American Council for an Energy Efficient Economy (ACEEE), and the National Institute for Energy Efficiency (INEE), National Program for Electrical Energy Conservation (PROCEL), National Energy Development Program for States and Municipalities (PRODEEM)

Year	1995	1996	1997	1998
Target	Baseline	81	85	75
Actual	---	81	106	103

Indicator Description: Number of events or activities to develop institutional capacity among Brazilian decision-makers in key institutions. For example, seminars, workshops, training courses, technical reports, study tours, presentations to technical audiences by experts, etc.

Comments: The collection of such results was made possible through the development of a matrix to compute all the events and activities developed by USAID/Brazil SpO3 and its contractors and cooperating agencies.

Major seminars and workshops supported by USAID/Brazil SpO3 in FY 98 were: International Workshop on Climate Change Technology Cooperation Frameworks, Workshop on Technical Capacity by the Regulatory Partnership between ANEEL and U.S. Public Utility Commissions (Iowa, Florida and Oregon), Seminar on Renewable Energy on the 21st Century, among others. The Mission also financially supported participants to attend several events such as: the 17th Conference to the World Energy Council, Solar '98 Renewable Energy for the Americas and Hydrovision '98.

In FY 98, USAID Technical Assistance Mission (TAG Mission) held discussions with a number of public and private energy and environment sector officials and representatives of institutions in Brasilia, Rio de Janeiro, Sao Paulo and Salvador. Participating organizations were: the Ministry of Mines and Energy (MME), the National Agency for Electric Power (ANEEL), National Program for Electrical Energy Conservation (PROCEL), National Center for Power Research (CEPEL), National Energy Development Program for States and Municipalities (PRODEEM), Investor and Public Owned Power Utilities, National Bank of Economic and Social Development (BNDES) among others.

SPECIAL OBJECTIVE 3: Environmentally and socioeconomically sustainable alternatives for energy production and use adopted in target areas

APPROVED: 04/95

COUNTRY/ORGANIZATION:

USAID/Brazil

RESULT NAME:IR3 - Institutional capacity developed in key Brazilian institutions for the commercial implementation of renewable energy, energy efficiency, or other clean energy systems in a market-based environment

IR3 INDICATOR 1: Number of events or activities to develop institutional capacity among Brazilian decision makers in key institutions

UNIT OF MEASURE: Number of events or activities

SOURCE: USAID/Brazil reports, Winrock/Renewable Energy Project Support Office, United States Energy Association (USEA), American Council for an Energy Efficient Economy (ACEEE), and the National Institute for Energy Efficiency (INEE), National Program for Electrical Energy Conservation (PROCEL), National Energy Development Program for States and Municipalities (PRODEEM)

Year	1995	1996	1997	1998
Target	Baseline	81	85	75
Actual	---	81	106	103

Indicator Description: Number of events or activities to develop institutional capacity among Brazilian decision-makers in key institutions. For example, seminars, workshops, training courses, technical reports, study tours, presentations to technical audiences by experts, etc.

Comments: The collection of such results was made possible through the development of a matrix to compute all the events and activities developed by USAID/Brazil SpO3 and its contractors and cooperating agencies. Major seminars and workshops supported by USAID/Brazil SpO3 in FY 98 were: International Workshop on Climate Change Technology Cooperation Frameworks, Workshop on Technical Capacity by the Regulatory Partnership between ANEEL and U.S. Public Utility Commissions (Iowa, Florida and Oregon), Seminar on Renewable Energy on the 21st Century, among others. The Mission also financially supported participants to attend several events such as: the 17th Conference to the World Energy Council, Solar '98 Renewable Energy for the Americas and Hydrovision '98.

In FY 98, USAID Technical Assistance Mission (TAG Mission) held discussions with a number of public and private energy and environment sector officials and representatives of institutions in Brasilia, Rio de Janeiro, Sao Paulo and Salvador. Participating organizations were: the Ministry of Mines and Energy (MME), the National Agency for Electric Power (ANEEL), National Program for Electrical Energy Conservation (PROCEL), National Center for Power Research (CEPEL), National Energy Development Program for States and Municipalities (PRODEEM), Investor and Public Owned Power Utilities, National Bank of Economic and Social Development (BNDES) among others.

Events or activities that contributed to SpO3 policy intermediate result and this indicator, were USAID/ Brazil contractors/cooperating agencies' reports and presentations to the GOB and Brazilian regulatory bodies. These activities covered energy-related subjects such as regulatory incentives to renewable energy for rural electrification (ANEEL), State Regulatory Agencies and power utilities (CEMIG and COELBA). During FY 98, a number of USAID/Brazil SpO3-supported technical reports and CD-ROMS on energy efficiency and renewable energy technologies were prepared and distributed.

Performance Data Tables - Strategic Objective 2 - Increased adoption by key actors of concepts, methods, and technologies for clean and efficient energy production and use

STRATEGIC OBJECTIVE 2: Increased adoption by key actors of concepts, methods, and technologies for clean and efficient energy production and use						
APPROVED: 04/98			COUNTRY/ORGANIZATION: USAID/Brazil			
RESULT: SO2 - Increased adoption by key actors of concepts, methods, and technologies for clean and efficient energy production and use						
SO2 INDICATOR 1: Incorporation of concepts, methods, and technologies for clean and efficient energy production and use in the operations of key actors						
UNIT OF MEASURE: Number of key actors who have met 60 per cent of their annual benchmarks (cumulative)						
SOURCE: Contractors, cooperating agencies and key actors.						
Year	1998	1999	2000	2001	2002	2003
Target	Baseline	2	3	5	7	9
Actual	0					
<p>Indicator Description: Indicator will be the number of key actors who have met in that year 60 percent of their annual benchmarks for adopting clean and efficient energy production and use. Key actors may include the Ministry of Mines and Energy, PRODEEM/MME, PROCEL/MME, Energy Service Companies, Brazilian National Association for Energy Service Companies (ABESCO), Energy Efficiency Agencies or Institutes, MME's Centers of Excellence and related universities, National Research Center for Power Research (CEPEL), investor and public owned power utilities (concessionaires), rural cooperatives, power permissionaires, NGOs, Renewable Energy Developers and their associations, ANEEL and selected State regulatory agencies, selected development and commercial banks and financial/investment institutions. The term "clean and efficient energy production and use" is interpreted as "any market-oriented and sustainable generation process or appropriate end-use of energy that implies close-to-zero or less-than-zero emission of green house gases."</p> <p>Comments: As activities initiate with each key actor, task orders will include definition of annual program benchmarks for adopting clean and efficient energy production and use. Points within the actor's annual plan that relate to adoption of clean and efficient energy production and use (within one year after activities are initiated) will be identified by key actor and contractor/cooperating agencies. In the case that actor does not have a defined annual plan, a set of realistic benchmarks will be set. Contractors/cooperating agencies will be required by the USAID/Mission to check achievement of benchmark entries by following up and requesting information to said key actor. A systematic follow-up system has been developed by the Mission and will include contractors/cooperating agencies' periodic reports and a back-up supporting matrix, which will have a list of specific benchmarks and targets by key actors.</p>						

STRATEGIC OBJECTIVE 2: Increased adoption by key actors of concepts, methods, and technologies for clean and efficient energy production and use						
APPROVED: 04/98			COUNTRY/ORGANIZATION: USAID/Brazil			
RESULT NAME: IR2 - Targeted policies promoted that foster clean and efficient energy production and use						
IR2 INDICATOR 1: Advancement of policies and regulations by key actors that contribute to the adoption of concepts, methods, and technologies for clean and efficient energy production and use						
UNIT OF MEASURE: Number of steps accomplished in policy formation (cumulative)						
SOURCE: Contractors, cooperating agencies and key actors						
Year	1998	1999	2000	2001	2002	2003
Target	Baseline	1	2	3	4	5
Actual	0					
<p>Indicator Description: Steps are defined as: identification, analysis, development, validation, promotion, training, adoption, implementation and enforcement. The term “clean and efficient energy production and use” is interpreted as “any market-oriented and sustainable generation process or appropriate end-use of energy that implies close-to-zero or less-than-zero emission of green house gases.” Key actors may include the Ministry of Mines and Energy, PRODEEM/MME, PROCEL/MME, Energy Service Companies, Brazilian National Association for Energy Service Companies (ABESCO), Energy Efficiency Agencies or Institutes, MME’s Centers of Excellence and related universities, National Research Center for Power Research (CEPEL), investor and public-owned power utilities (concessionaires), rural cooperatives, power permissionaires, NGOs, Renewable Energy Developers and their associations, ANEEL and selected State regulatory agencies, selected development and commercial banks and financial/investment institutions.</p> <p>Comments: Targeted policies (inclusive of private sector firms’ corporate policies, or utilities’ policies) and regulations - (Federal and State) will be identified in task orders and cooperators’ work plans. Elements of policies/regulations that foster clean and efficient energy production and use may also be considered as targets for this indicator. Contractors/cooperating agencies will be required by USAID/Mission to check achievement of benchmark entries by following up and requesting information to said key actor. A systematic follow-up system has been developed by the Mission and will include contractors/cooperating agencies’ periodic reports and a back-up supporting matrix, which will have a list of target policies and steps achieved.</p>						

STRATEGIC OBJECTIVE 2: Increased adoption by key actors of concepts, methods, and technologies for clean and efficient energy production and use						
APPROVED: 04/98			COUNTRY/ORGANIZATION: USAID/Brazil			
RESULT NAME: IR3 Increased availability and use of financing for clean and efficient energy production and use						
IR3 INDICATOR 1: Clean and efficient energy projects under development, which are funded by mechanisms created, leveraged or supported by USAID						
UNIT OF MEASURE: Number of projects (cumulative)						
SOURCE: Project surveys, contractors, cooperating agencies and key actors.						
Year	1998	1999	2000	2001	2002	2003
Target	Baseline	1	2	4	6	8
Actual	0					
<p>Indicator Description: The indicator shows clean and efficient energy projects that are actually being implemented, which are funded by mechanisms created, leveraged or supported by USAID. Eligible projects will be any “clean and efficient energy project” funded by mechanisms created, leveraged or supported by USAID. Examples of types of "mechanisms" USAID plans to create/leverage/support to provide funding are: promotion of USAID’s Development Credit Authority (DCA), technical assistance to the Brazilian Government on the preparation of loan requests, promotion of the developers' portion of cooperators cost-shares funds, etc. The term “clean and efficient energy production and use” is interpreted as “any market-oriented and sustainable generation process or appropriate end-use of energy that implies close-to-zero or less-than-zero emission of green house gases.”</p> <p>Comments: A project will be considered "leveraged" by USAID when USAID directly participates in the process of achieving a result, by providing technical assistance, guarantees, or other inputs. This indicator will be measured through Mission’s internal reports, contractors/cooperating agencies’ periodic reports, key actors’ reports, and project surveys. This indicator plans to measure the initial impact of funds made available for clean energy projects as a result of USAID interventions, however, it is important to note that there may be time lags between creation of funding mechanisms such as World Bank loans and actual project implementation. Moreover, when analyzing this indicator it is also important to consider macroeconomic assumptions as they could strongly influence the feasibility of projects.</p>						

STRATEGIC OBJECTIVE 2: Increased adoption by key actors of concepts, methods, and technologies for clean and efficient energy production and use

APPROVED: 04/98

COUNTRY/ORGANIZATION: USAID/Brazil

RESULT NAME : IR4 - Increased technology cooperation between U.S. and Brazilian firms for clean and efficient energy production and use

IR4 INDICATOR 1: Cooperation initiatives that facilitated the application of clean and efficient energy technologies and know-how under Brazilian conditions

UNIT OF MEASURE: Number of cooperation initiatives (cumulative)

SOURCE: Contractors, cooperating agencies, and key actors

Year	1998	1999	2000	2001	2002	2003
Target	Baseline	2	3	4	5	6
Actual	0					

Indicator Description: Cooperation initiatives are defined as pilot programs, research/development delegations, cooperative agreements between American and Brazilian organizations, U.S.-Brazil industry partnerships, executive exchanges, internships, etc. The cooperation initiatives to be counted are those: (i) directly or indirectly supported by USAID; (ii) targeted to promote “clean and efficient energy production and use.” Various generation technologies are available, including small hydro, solar, biomass, wind and others. The feasibility of the implementation of such technologies in Brazil depends not only on technical issues but also on macroeconomic assumptions. The term “clean and efficient energy production and use” is interpreted as “any market-oriented and sustainable generation process or appropriate end-use of energy that implies close-to-zero or less-than-zero emission of green house gases.”

Comments: Positive examples of new clean energy business opportunities must exist before the market at large will respond. Technology cooperation will facilitate the development of seed projects. The Mission has identified few clean energy business opportunities in Brazil, however its support is subject to funds availability. This indicator will be measured through Mission’s internal reports, contractors/cooperating agencies periodic reports, key actor’s reports, and project’s surveys. This indicator is cumulative.

SO 3 – Increased sustainable and effective programs to prevent sexual transmission of HIV among major target groups

MPP Goal - Health

National Interest – Global Issues

Summary: In the Western Hemisphere, Brazil is second only to the U.S. in the number of reported AIDS cases, totaling over 120,000 cases. Brazil also accounts for half of the cases in the Latin America and the Caribbean region. Over 65% of HIV/AIDS infections are concentrated in the states of São Paulo and Rio de Janeiro, with about eight percent occurring in the Northeast, including the states of Bahia and Ceará, two of USAID's target areas. Estimates of HIV infection range from 560,000 to 850,000 people. Bordering most of the countries in South America, Brazil is a potential epicenter to spread the disease. Following the successful conclusion of the five-year AIDSCAP program, USAID initiated a new program to follow the epidemiological trend that shows increasing HIV incidence among women and adolescents and to integrate reproductive health and HIV/AIDS prevention programs.

Key results: The activity includes three intermediate results: 1) strengthened institutional capacity to plan and implement sexually-transmitted infection (STI/HIV) programs; 2) strengthened technical capacity to plan and implement STI/HIV services; and 3) sustainable condom marketing.

Performance and Prospects: In 1998, USAID started preparatory activities for the implementation of its new five-year strategy to increase the use of improved responses to the HIV/AIDS epidemic. This strategy is closely linked with, and complementary to the programs of the World Bank, Ministry of Health (MOH) and other donors. The proposed program emphasizes the provision of technical assistance as one of USAID's comparative advantages, but relies on IBRD financing to fund training programs for the public and private sectors and to replicate HIV/AIDS prevention interventions on a larger scale. The areas of particular need where USAID has provided excellent resources include program evaluation, operations research, management improvement and social marketing. The strategy also involves expansion of activities to reach the Northeast region, where USAID will promote integration of HIV/AIDS/STI prevention activities with the ongoing reproductive health and at-risk youth programs.

This reporting period saw the Mission deeply involved with the development of the work plan for the new five-year strategy. The work plan was elaborated developed collaboratively by the four U.S. Cooperating Agencies (CAs), their sub-grantees and USAID's public and private sector partners and counterparts. The work plan includes a set of activities in the areas of replication/dissemination of effective interventions, management capacity building, research, service integration evaluation and monitoring, and social marketing. After the approval of the work plan by our major partners, which included the MOH National AIDS/STI Coordination Unit, formal presentations were made to the state and municipal Health Secretariats in the four target states. USAID's activities in the AIDS prevention area in 1998 were based on those presentations with the objective to provide opportunities to discuss the main objectives of USAID collaboration,

the IRs and indicators, target population, proposed partnerships, etc., in order to get agreement from all parties on the program and expected results.

Insofar as social condom marketing during FY 98, the latest data shows that DKT of Brazil increased its share of the male condom market from 13.45% to 14.8% with the Prudence condom. This is the first year of social marketing for the female condom, Reality. As such, there is no basis upon which to measure its success, although 200,000 units were sold.

USAID financially supported the MOH-coordinated AIDS NGO Network to conduct the first Seminar for Institutional Empowerment. The seminar was designed to acknowledge the importance of empowerment of civil society in the implementation of the MOH National HIV/AIDS Program (AIDS I) and discuss expectations concerning participation in the AIDS II Project. The seminar also served to strengthen USAID's partnership with the MOH and other donors such as the IBRD and the United Nations Population Fund (UNFPA).

The MOH National HIV/STI Coordination's (NACP) major weakness, demonstrated during the AIDS I project, relates to management tools to monitor and evaluate the national program. The NACP has formally requested USAID's technical assistance in developing a strategic plan on monitoring and evaluation as well as in program management. USAID's relationship with the MOH has intensified through the provision of hands-on technical assistance in monitoring and evaluation, which will continue in FY 99 and throughout the strategy, and through the MOH-supported introduction of the strategy to the four target states (São Paulo, Rio de Janeiro, Bahia and Ceará).

The current strategy was developed and approved by USAID/W in late FY 97, and was negotiated with the MOH and the UNAIDS Theme Group, which includes IBRD, the United Nations Development Program (UNDP), the World Health Organization/Pan American Health Organization (WHO/PAHO), the United Nations Children's Fund (UNICEF), UNFPA, the United Nations Education, Scientific and Cultural Organization (UNESCO), the United Nations Drug Control Program and other bilateral donors. In the mean time, USAID provided bridge funding to the Pathfinder Fund to implement pilot activities in Northeast Brazil, in preparation for the five-year program, now expanded to include this region. Under the bridge grant, among other achievements, USAID support reached 2,300 private sector employees in 15 companies through awareness-raising activities; referred 400 female adolescents and their mothers to health services in Fortaleza; and engaged 50 radio stations in broadcasting HIV/AIDS information in 13 different municipalities.

In 1999, USAID partners will work closely with public sector programs in target states to identify their technical assistance needs through technical capacity assessments. The results will provide inputs to a technical assistance plan designed to best meet these needs and to integrate all activities into the CAs' work plan. By documenting successful models of technology transfer, the program will facilitate wider dissemination of interventions by other NGO and public sector programs. This model development will provide a concise tool, describing the steps taken to identify, adapt and

replicate effective interventions; the training, skills development and technical assistance process and results; and lessons learned, and well as tips for program managers willing to undertake similar interventions.

Technical staff and consultants, in close collaboration with public sector counterparts, will start developing guidelines for integrated service delivery. These guidelines will standardize integrated service provision and serve as reference materials for the on-site training activities. A core group of trainers will be selected, working with Pathfinder on training instructional design, in such a way as to build public sector capacity for future training activities. Technical assistance will also be provided on Performance Improvement Tools (PIT), a training tool to facilitate skill improvement in selected procedures. A post-training monitoring and evaluation system will be developed and implemented, enabling NACP to continuously assess performance improvement and quality of care.

Possible Adjustments to Plans: The major results submitted for this reporting period refer to the bridging grant to the Pathfinder Fund. The new set of indicators that will measure the progress of intermediate results under the new strategy is included in the performance data tables. Respective baseline and targets will be established in FY 99.

Host country and other donors: USAID has been working closely with other international donors to achieve the results under this SO. Coordination with the MOH is done through the UNAIDS Theme Group, whose contributions include: IBRD (\$300 million loan for the 1998-2002 period), UNDP (\$13 million, 1998-1999), the World Health Organization/Pan-American Health Organization (WHO/PAHO), the United Nations Drug Control Program (UNDCP, \$22 million, 1998-1999), UNICEF (\$11.5 total, of which about 10% AIDS-specific), UNFPA (\$9 million total for AIDS and reproductive health activities), UNESCO (\$17.8 million, 1998-1999), and the EU (\$2.5 million for 1998-2000). Best practices identified and implemented under USAID's program to date are being financed and replicated under the IBRD program.

Principal Contractors, Grantees, or Agencies: USAID implements activities through four main U.S. Private Voluntary Organizations (PVOs): The Population Council, Family Health International, Population Services International/DKT and the Pathfinder Fund local office, and their sub-grantees, which include local NGOs.

Performance Data Tables - Strategic Objective 3 – Increase sustainable and effective programs to prevent sexual transmission of HIV among target groups.

STRATEGIC OBJECTIVE 3: SO3 –Increased sustainable and effective programs to prevent sexual transmission of HIV among target groups.						
APPROVED: 12/97			COUNTRY/ORGANIZATION: USAID/brazil			
SO INDICATOR 2: Number of effective interventions adopted by USAID– funded and non-USAID funded programs						
UNIT OF MEASURE: Number of interventions						
SOURCE: Umbrella PVOs, local NGOs, State Secretariats of Health, Ministry of Health						
INDICATOR DESCRIPTION: No. of target states with annual increase of expenditures for HIV prevention equal to or greater than 5%.						
Year	1998	1999	2000	2001	2002	2003
Planned	3	6	10	10	10	5
Actual	6*					
<p>COMMENTS: The result reported for this indicator refers to Pathfinder work with six NGOs in Ceará and Bahia, integrating RH with existing HIV projects. These results reflect transition to the new strategy with the bridging funds. This indicator will be changed for the next rating period to Number of 4 target states achieving or maintaining equal or greater than 75% of expenditures levels of allocated funds for HIV/AIDS.</p> <p>* Targets will be reviewed for possible modification.</p>						

STRATEGIC OBJECTIVE 3: SO3 –Increased sustainable and effective programs to prevent sexual transmission of HIV among target groups.

APPROVED: 12/97

COUNTRY/ORGANIZATION: USAID/brazil

SO INDICATOR 3: Percent of financial sustainability achieved by DKT do Brazil condom social marketing programs

UNIT OF MEASURE: %

SOURCE: DKT do Brazil

INDICATOR DESCRIPTION

Year	1997	1998	1999	2000	2001	20020	2003
Planned	78%	82%	86%	90%	95%	100%	100%
Actual	78%	90%					

COMMENTS: The DKT Social Marketing program was able to achieve 90% sustainability (costs covered by revenues), exceeding the 1998 target of 82%. This came about largely as a result of increased sales and distribution. In 1999, this may be difficult to achieve given the steep devaluation of the currency. The condoms are 100% imported, and while price increases have already been effected, and possibly some more over the next few months to help offset the cost increases, there is a need to be cautious so as not the price the condoms out of the reach of the low-income population. Some possible relief could come if the currency strengthens, and the program is looking at controlling local costs and renegotiating for price concessions from suppliers. Other cost cutting projects include examining the possibility of local packaging or reconfiguring packaging of the product. The program also intends to launch premium-priced brands to help offset the cost increases due to devaluation. The target of 86% sustainability looks to be achievable with the successful implementation of the above measures.

STRATEGIC OBJECTIVE 3: SO3 –Increased sustainable and effective programs to prevent sexual transmission of HIV among target groups.

APPROVED: 12/97

COUNTRY/ORGANIZATION: USAID/brazil

RESULT NAME: IR 1 - Most effective program interventions identified and disseminated

IR 1 INDICATOR 3: Number of identified effective interventions which are disseminated

UNIT OF MEASURE: Number of interventions disseminated

SOURCE: Cooperating Agencies, Ministry of Health

INDICATOR DESCRIPTION: The number of identified effective interventions which are disseminated

Year	1998	1999	2000	2001
Planned	5	10	12	15
Actual	6			

COMMENTS: The results reported for this indicator refer to Pathfinder work with six NGOs in Ceará and Bahia, integrating RH with existing HIV projects. These results reflect transition to the new strategy with the bridging funds. This indicator will be changed per the narrative. This intermediate result will be changed to Strengthened institutional capacity to plan, implement and evaluate STI/HIV programs.

STRATEGIC OBJECTIVE 3: SO3 –Increased sustainable and effective programs to prevent sexual transmission of HIV among target groups.

APPROVED: 12/97

COUNTRY/ORGANIZATION: USAID/Brazil

RESULT NAME: IR 3 - Sustainable condom social marketing

IR 3 INDICATOR 1: Percentage changes of sales of DKT do Brazil of male/female condom

UNIT OF MEASURE: % increase

SOURCE: DKT do Brazil

INDICATOR DESCRIPTION

Year	1997	1998	1999	2000	2001	2002	2003
Planned (male condoms)	30 million sold	+10%	+10%	10%	10%	10%	10%
Actual (male condoms)	30	37%					
Year	1997	1998	1999	2000	2001	2002	2003
Planned(female condoms)		360,000 sold	100%	40%	20%	10%	10%
Actual (female condoms)		276,065					

COMMENTS: Volume increases were ahead of objectives primarily as a result of the distribution programs DKT implemented. It terminated its agreement with the German cosmetics company, BDF Nivea, for direct distribution. This had the effect of increasing the number of retail outlets from 27,000 to 35,000 (as per Nielsen audits). This also provided DKT the flexibility of implementing trade promotions and discounting measures that were previously constrained by Nivea pricing policies directed from Germany. The social marketing brand, Prudence, is now the third largest brand in the country.

Nielsen audits show that the market has increased from a reported 50 million in 1991 (per World Bank estimates) to around 225 million (commercial market alone) in 1998. The social marketing program has contributed significantly to this halo effect as other local manufacturers and importers doubled their sales in volume over this time. Most notably, a price segmentation effect has also taken place, with a low priced segment now accounting for 36% of all condoms sold. Prudence is the market leader in this segment with 41% of the market, while other local brands Jontex and Olla dominate the mid-priced and premium segments of the market.

The female condom, Reality, has been short of its targets. This is primarily the result of the economic recession as retailers are reluctant to purchase high-priced products that do not already have a history of high turnover. Secondly, the public sector market, which was estimated to provide 40% to 50% of female condom sales did not materialize as health budgets were cut across the board.

DKT expects to meet its objective of increasing male condom sales by 10% for the next year despite the economic difficulties the country is undergoing. It will do so through more aggressive distribution efforts. The female condom market target increase may be a bit more difficult to achieve as this is more highly dependent on public sector budgets.

SO 4 - Increase access to contraceptive methods and integrated family planning services in order to improve women's reproductive health.

MPP Goal - Population

National Interest – Global Issues

Summary: Brazil's indicators in the health area are still of concern, particularly due to regional disparities. Overall mortality is considered high: maternal mortality is estimated at 200 deaths per 100,000 births, and infant mortality is 42 deaths per 1000 live births nationwide, elevated in the Northeast region to 106/1000 in the poorest areas. The total fertility rate is 2.5 while contraceptive prevalence is 70% for Brazil as a whole, the latter among the highest in the region. Due to limited access to contraceptive methods, the preferred choices of Brazilian women are female sterilization and oral contraceptives. In the Northeast, health services for women and children remain of relatively poor quality. Although USAID assistance has had a marked impact on overall health and fertility indicators in targeted states, distinct urban to rural disparities still exist. In the Northeast, some one-quarter of rural women declared a birth as "unwanted" in the past five years, (Demographic and Health Surveys-DHS, 1996), a rate almost double their urban counterparts. USAID assistance allows for the development and implementation of public and private service delivery systems for low-income groups, emphasizing preventive services, especially in maternal and child health. USAID's reproductive health/family planning (RH/FP) program in Brazil started in the 1960's and will terminate by September 2000. The program assists Brazilian organizations in improving the quality and sustainability of family planning by: 1) increasing access to integrated reproductive health services and encouraging client participation; 2) increasing the number of service sites providing family planning services with client-oriented reproductive health/family planning materials; 3) disseminating and replicating RH/FP best practices through the institutionalization of high quality services; 4) increasing the range of methods available, ensuring adequate contraceptive supply from non-USAID sources and improving logistics systems; 5) improving sustainability of FP delivery systems utilizing social marketing projects and capacity building to strengthen management, commodities logistics, health provider training and Information, Education and Communications (IEC) skills of NGOs and local governments; and 6) encouraging health research and its application for management decisions.

The major challenge of the RH program is to accomplish the smooth phase-out of activities and the successful phase-over to the State Health Secretariats of Bahia and Ceará, besides ensuring that BEMFAM's sustainability efforts will continue to succeed. Emphasis is also being placed on the dissemination and replication of the successful models implemented by the Bahia and Ceará state governments with USAID support.

Key Results: The program contemplates two key intermediate results: 1) improved quality of family planning services, through increased access to contraceptive methods, and adoption of key quality elements such as informed choice, trained providers and adequate supplies; and 2) improved sustainability of family planning delivery services, that focus on the increased ability of state, NGO and private sector systems to provide services.

Performance and Prospects: USAID/Brazil has reviewed SO 4 indicators and determined that no major changes are necessary at this stage of the activity as this SO is due to phase out. Indicators that relied on research such as DHS and Situation Analyses are not shown in the performance data tables due to the lack of sufficient time and resources to carry out additional research prior to the program's estimated completion date.

Performance in FY 98 exceeded expectations for most of the reported indicators. With USAID assistance, the availability of voluntary reproductive health services in Bahia and Ceará surpassed the targets. At the SO level, Ceará increased the number of service sites providing FP services from 512 to 532 and, in Bahia, from 206 to 236.

The Bahia Situational Analysis was completed in 1998. The overall results were very positive. The percentage of service sites with all appropriate methods (orals, IUDs and condoms) increased by 26%, falling short of the 35% target. However, analysis by method shows an increase in the availability of oral contraceptives from 35% to 44%. As to service sites with trained providers, adequate equipment, contraceptive commodities available and consumable supplies, the 6% target was far surpassed, with a result of 16%. The Analysis also pointed to a clear need for improvement of availability of methods and logistics to focus the RH program for the future.

With the objective of improving FP service quality and promoting sustainable FP delivery mechanisms, in 1998, USAID completed the pilot phase of the PROQUALI model, the first clinic-level accreditation project in Latin America. Five health centers were accredited for quality RH service delivery. Expansion plans have been developed for 1999, to implement the PROQUALI model at an additional 12 to 15 sites in each state, institutionalizing it within the State Health Secretariats and replicating it state-wide. USAID will be presenting the PROQUALI model to the Ministry of Health, which may wish to disseminate and replicate the model on a national scale.

USAID's role in the provision of contraceptive commodities has purposefully diminished over time, with the gradual assumption of this responsibility by other donor and private organizations and the GOB. In this regard, USAID assisted Pharmacia & Upjohn to register Depo-Provera and negotiated significant contributions for the introduction of this injectable contraceptive at affordable prices to the public sector and to low-income consumers. Depo-Provera's registration was followed by a national campaign to promote all methods available in the country, with the objective of encouraging informed contraceptive choice among low-income women. In 1999, USAID will continue social marketing programs in Brazil, supporting the Commercial Market Strategies Project through Deloitte & Touche Tohmatsu. This and other USAID-supported organizations will remain involved in the provision of family planning services and/or the sale of contraceptive commodities after the phase-out of USAID's family planning assistance.

USAID's assistance will continue to concentrate on the two target states of Ceará and Bahia until the phase-out in FY 00. Emphasis will be placed on consolidation of achievements through training, creation of demand for quality services and method choice, integration of family

planning within overall reproductive health strategies, and assurance of sustainable delivery systems by the end of FY 00. USAID will continue to strengthen its efforts with other international donors to assure that technical assistance in RH will continue after USAID's departure from the sector. In 1998, UNFPA began the expansion of USAID's model of improved RH/FP services in rural clinics to the Northeast state of Rio Grande do Norte.

Possible Adjustments to Plans: In preparation for the phase-out of USAID population assistance, and looking at a means to provide Brazilian institutions with ongoing access to technical information and support, USAID and its Cooperating Agencies working in Brazil will pursue the establishment of a virtual network utilizing existing resources of the CA community. This virtual link should facilitate the exchange of lessons learned between Brazil and other countries, as reproductive health institutions work to achieve sustainability.

Host Country and Other Donors: Besides USAID, UNFPA is the only other donor working in reproductive health in Brazil (\$9 million in the 1998-2000 period). Its programs complement and are coordinated with USAID's activities. USAID will continue its efforts to leverage funds from other international donors, such as UNDP and UNICEF, particularly with respect to the integration of FP and STI/AIDS prevention programs. Because of USAID's expertise and proven track record in this area, other donors have been willing to cost-share activities. In spite of the lack of a U.S.-GOB bilateral relationship in the population area, USAID has made great strides in developing an open and collaborative relationship with the GOB that includes policy dialogue, standardization of family planning norms and introduction of new contraceptive methods, such as Depo-Provera.

Principal Contractors, Grantees or Agencies: USAID implements its activities through U.S. private voluntary organizations and U.S. firms, in partnership with Brazilian organizations. They include the Pathfinder Fund, The Population Council, Johns Hopkins University through the Population Communication Services (PCS) and JHPIEGO projects, Management Sciences for Health, Macro International Inc., Deloitte & Touche Tohmatsu and BEMFAM, the IPPF affiliate.

Performance Data Tables - Strategic Objective 4 - Increase access to contraceptive methods and integrate family planning services in order to improve women's reproductive health.

STRATEGIC OBJECTIVE 4: SO4 –Increase access to contraceptive methods and integrate family planning services in order to improve women's reproductive health.					
APPROVED: 12/97			COUNTRY/ORGANIZATION: USAID/Brazil		
SO4 INDICATOR 2: Access to family planning services - Ceará State					
UNIT OF MEASURE: Number of public health facilities					
SOURCE: Ceará State Secretariat of Health					
INDICATOR DESCRIPTION: No. of services sites providing family planning services					
Year	1996 (Baseline)	1997	1998	1999	2000
Planned	484	484	484	484	484
Actual		512	532		
COMMENTS: Includes hospital, clinic and post service delivery points. Targets set are relevant to consolidation versus expansion policy of State Health Secretariat. Definition of "service site" for the state includes any health facility that offers any form of family planning. Targets were far exceeded, but will not be revised as this is a phase-out program.					
STRATEGIC OBJECTIVE 4: SO4 –Increase access to contraceptive methods and integrate family planning services in order to improve women's reproductive health.					
APPROVED: 12/97			COUNTRY/ORGANIZATION: USAID/Brazil		
SO4 INDICATOR 2: Access to family planning services - Bahia State					
UNIT OF MEASURE: No. of public health facilities					
SOURCE: Bahia State Secretariat of Health					
INDICATOR DESCRIPTION: No. of services sites providing family planning services					
Year	1996 (Baseline)	1997	1998	1999	2000
Planned	126	196	216	292	300
Actual	178	206	236		
COMMENTS: Includes hospital, clinic and post service delivery points. Definition of "service site" for the state includes only full and complete services in family planning. Targets were far exceeded but will not be revised as this is a phase-out program.					

STRATEGIC OBJECTIVE 4: SO4 –Increase access to contraceptive methods and integrate family planning services in order to improve women's reproductive health.					
APPROVED: 12/97			COUNTRY/ORGANIZATION: USAID/Brazil		
RESULT NAME: IR 2 - Improved sustainability of family planning delivery systems					
IR 2 INDICATOR 1: Financial sustainability of BEMFAM national program					
UNIT OF MEASURE: % of expenses					
SOURCE: BEMFAM					
INDICATOR DESCRIPTION: % of BEMFAM expenses covered by locally generated resources					
Year	1996 (Baseline)	1997	1998	1999	2000
Planned	52.5	55.8	63.5	67.3	71.3
Actual	53.9	59.5			
COMMENTS: Includes cost of commodities.					
STRATEGIC OBJECTIVE 4: SO4 –Increase access to contraceptive methods and integrate family planning services in order to improve women's reproductive health.					
APPROVED: 12/97			COUNTRY/ORGANIZATION: USAID/Brazil		
RESULT NAME: IR 2 – Improved sustainability of family planning delivery systems					
IR 2 INDICATOR 2: Units of Depo-Provera sold to the public sector					
UNIT OF MEASURE: No. of units sold					
SOURCE: SOMARC and Pharmacy & Upjohn					
INDICATOR DESCRIPTION: Number of Depo-Provera units sold to the public sector.					
Year	1998 (Baseline)		1999		2000
Planned	30,000		45,000		60,000
Actual	46,210				
COMMENTS: The Depo-Provera sales started in November 1997. Targets reflect Pharmacy & Upjohn projected sales. The targets will not be revised because Pharmacy and Upjohn will no longer be our partner in this initiative. USAID will look for another partner to provide injectable contraceptives.					

STRATEGIC OBJECTIVE 4: SO4 –Increase access to contraceptive methods and integrate family planning services in order to improve women's reproductive health.

APPROVED: 12/97

COUNTRY/ORGANIZATION: USAID/Brazil

RESULT NAME: IR 2- Improved sustainability of family planning delivery systems

IR 2 INDICATOR 3: Units of Depo-Provera sold through pharmacies

UNIT OF MEASURE: No. of units sold

SOURCE: SOMARC and Upjohn and Pharmacy

INDICATOR DESCRIPTION: Number of Depo-Provera units sold through pharmacies

Year	1998 (Baseline)	1999	2000
Planned	192,000	282,000	396,000
Actual	284,178		

COMMENTS: The Depo-Provera sales started in November 1997. Targets reflect Pharmacy and Upjohn projected sales. The targets will not be revised because Pharmacy and Upjohn will no longer be our partner in this initiative. USAID will look for another partner to provide injectable contraceptives.

SpO1 – Improved ability of at-risk children and youth to become productive, healthy citizens

MPP Goal - Broad-Based Growth

National Interest – Economic prosperity

Summary: The situation of children and youth in Brazil is still precarious. The country's economic situation had been stable for four consecutive years, but little investment was made in the social sector. The expected tangible effects of the economic crisis will increase migration into large urban centers, and concentrate impoverished populations in the outskirts of capital cities, forcing more children to drop out of school and end up in the streets. Contributing and consequent factors are illiteracy, disease, delinquency, drug abuse, prostitution, and human rights violations. The announced budget cuts signal even lower social investment levels in the future. Disadvantaged children lack access to educational and health services, while the country lacks social safety networks capable of supporting the implementation of existing, excellent legislation which has not yet been enforced. Since 1994, USAID has been strengthening the capacity of Government Organizations (GOs) and NGOs in the Northeast capitals of Recife, Salvador and Fortaleza, plus the capital of Brasília, to provide better services to this population by: 1) providing at-risk youth with access to vocational training and formal education opportunities in order to augment their chances to find legitimate, income-generating alternatives; 2) mobilizing society to decrease violence against youth, as well as child and adolescent prostitution; 3) promoting the direct participation of youth in the country's democratic process through legitimate bodies; and 4) supporting educational activities to promote the healthy, responsible and safe sexual development of youth. The previous SpO, "Improved quality of life for at-risk youth in target areas" was considered too broad and was modified in FY 98 with a more focused statement that falls into the Mission's manageable interest. A four-year SpO extension was approved in 1998, with estimated completion scheduled for 2003.

Key results: The program includes four key intermediate results: 1) society engaged in decreasing violence against youth; (2) educational preparation of program-assisted youth increased; 3) program-assisted youth access to information on reproductive health and HIV/AIDS increased; and 4) dissemination and adoption of lessons learned and successful approaches targeting replication.

Performance and Prospects: SpO1 performance is on-track. Complying with the terms of the management contract, in 1998 USAID conducted a review of the SpO, IRs and indicators. FY 98 data collection focused on the new set of indicators to collect baseline information. End-of-activity targets are still under development. Some targets from the previous set of indicators, such as the total number of beneficiaries, will be retained for internal Mission reference. The Mission has not received LAC Bureau's approval of the effective changes despite having been submitted in October 1998. Approval of the new RF and indicators is hereby again requested. Please refer to Annex B for the new RF and to the performance data tables that include the new indicators.

In the first phase of implementation of the At-Risk Youth Program (1994-1998), USAID demonstrated its capacity to develop programs that make a difference and to leverage and direct the resources of other donors. In developing the four-year extension of this SpO, USAID took into

consideration several lessons learned in the first years of implementation. Phase one demonstrated that formal education would strengthen the ability of at-risk youth to profit from vocational training and find income-generating alternatives, leading to phase two establishment of tutorial activities in an effort to decrease excessive drop-out rates. Results show continued promotion rates to the next school grade of 86% of the children and youth assisted by the project, while average for the Northeast region is only 49%.

The increase in the number of at-risk children and youth infected with HIV/AIDS and other STIs made it apparent that a health component was crucial to develop awareness/prevention activities about HIV/AIDS/STI transmission and early pregnancy, including referrals to public health services. As of the end of CY 98, about 2,900 youth had received health-related services. Educational activities reached at-risk youth, their families, and educators, staff from GOs and NGOs and included workshops and informational activities in schools and community organizations. USAID also sought integration with existing public and private services, complementing services provided by USAID-supported NGOs. In 1998, a USAID-supported indigenous institution assisting girls victimized by domestic violence reported early pregnancy rates of less than 1% among 1,000 girls, vis-a-vis the national rate of 13%. In 1999, integrated educational activities in RH will also be expanded with the participation of local organizations that collaborate with USAID under the HIV/AIDS and RH programs.

Beginning in 1998, USAID started funding activities to promote the direct participation of children and youth in the country's democratic process through legitimate bodies such as: 1) Councils on Children and Adolescents' Rights, established by the Brazilian Child and Adolescent Act of 1992; 2) Local and State Public Rights Fora, that gather institutions providing services to youth in coalitions; and 3) school-based student unions. USAID, as well as our NGO partners, have been encouraging participation in these organizations, which teaches youth the democratic process, emphasizing civic participation and development as responsible citizens.

In FY 98 USAID continued to strengthen the work of Northeast coalitions around issues such as advocacy of human and civil rights, prevention of child and adolescent prostitution and vocational training. In Fortaleza alone, a USAID/IDB-supported Vocational Training Network, comprised of 14 institutions, has been diversifying the training options available to at-risk youth. The successful methodology used by this Network will be adopted as the Ceará State government's approach to improve the professional skills of at-risk youth. In that same city, vocational training services in newspaper graphic editions in 12 public schools will be expanded to 70 schools in FY 99.

Also in 1998, USAID sponsored a four-day Brazil/Central America Child Labor Conference to provide Central American Labor Ministers with an overview of USAID-supported activities to promote the labor rights of adolescents and lessons learned throughout this portfolio. This event kicked off a series of activities to be sponsored in phase two of the Mission program, which will disseminate USAID-supported methodologies to other Brazilian states and Latin American countries. Following the spirit of Lessons without Borders, the Brazil at-risk youth program has become a model for other Latin American countries desirous of implementing similar activities

During this reporting period, USAID worked to strengthen collaboration with local funding organizations. An important relationship has been established with BNDES, which resulted in the leveraging of \$2 million in support to USAID partners. Furthermore, USAID's At-Risk Youth grantee staff will be providing technical assistance, plus monitoring and evaluation services, to BNDES-supported initiatives in the Northeast. Our relationship with the GOB has also been strengthened through the participation of the First Lady's Community Solidarity Program in the expansion of services to at-risk girls in poor Recife neighborhoods.

In 1999, USAID will invest resources in a joint initiative with local foundations and other international donors to ensure quality education to children and youth in five municipalities at the Discovery Site, the portion of Bahia's coast where the Portuguese landed in Brazil in 1500. The initiative is part of the celebration of the 500th anniversary of Portuguese colonization.

The program will also emphasize the job placement of youth trained under professional qualification activities. Unfortunately, actual placement of trainees may be affected by the economic crisis and become a frustration factor for adolescents who have acquired the skills to perform well in a job but are unable to find posts available. USAID will work with the private sector to bring entrepreneurs on board and open possibilities of internships and on-the-job training for program-assisted youth. In FY 99, USAID will also publish the second issue of a notebook series to disseminate viable models in the vocational training field.

Over 43,000 direct and indirect beneficiaries had been reached by the at-risk youth activity as of December 1998. The target for 2003, the estimated activity completion date, is 80,000 beneficiaries.

Possible Adjustments to Plans: Following the USAID/W-assisted review of the SpO, IRs and indicators, USAID/Brazil and the grantee will work in 1999 to adjust the strategy designed and approved in late 1997. That strategy has been found to lack consistency with the level of human and financial resources available to the SpO, besides being based on the old results framework. The strategy will continue to focus on the provision of hands-on assistance and training to implementing NGOs and coalitions; expansion of project monitoring and evaluation activities; and dissemination and replication of best practices from previous activities in this area.

Other Donor Programs: USAID collaborates with UNICEF, the IDB, the European Union, and other bilateral donors for complementary support to successful initiatives. After a suspension of grant assistance in mid-1998, the IDB has managed to restore its grant program to Brazil, which favorably impacts the sustainability of some institutions that receive both USAID and IDB assistance. USAID has intensified contacts with local foundations, the private sector and, particularly BNDES, from which USAID leveraged funds of approximately \$2 million in 1998.

Principal Contractors, Grantees or Agencies: USAID will continue to implement activities through a cooperative agreement with the U.S. PVO, National Association of the Partners of the Americas, and local NGOs and public schools.

Performance Data Tables – Special Objective 1 - Improved ability of at-risk youth to become productive and healthy citizens

SPECIAL OBJECTIVE 1 - SpO 01: Improved ability of program-assisted at-risk children and youth to become productive, healthy citizens								
APPROVED: Pending approval				COUNTRY/ORGANIZATION: USAID/Brazil				
SpO 1 INDICATOR 1: Percentage of program-assisted youth that find legitimate, income-generating work								
UNIT OF MEASURE: % of youth								
SOURCE: Umbrella PVO, local NGOs and GOs								
INDICATOR DESCRIPTION:								
Year	1995 (B)	1997	1998	1999	2000	2001	2002	2003
Planned				TBD*	TBD	TBD	TBD	TBD
Actual			26					
COMMENTS: In FY 99, and subject to approval of the new results framework, USAID and the grantee will work together to define targets for the FY 99-03 period. * TBD – To be determined								
SPECIAL OBJECTIVE SpO 01: Improved ability of program-assisted at-risk children and youth to become productive, healthy citizens								
APPROVED: Pending approval				COUNTRY/ORGANIZATION: USAID/Brazil				
RESULT NAME: IR2 - Educational preparation of program-assisted youth increased								
IR2 INDICATOR 1: Percentage of program-assisted youth promoted to the next school grade								
UNIT OF MEASURE: %								
SOURCE: Umbrella PVO, local NGOs and GOs								
INDICATOR DESCRIPTION:								
Year	1996 (B)	1997	1998	1999	2000	2001	2002	2003
Planned	N/A	60	65	87	88	89	90	90
Actual	49	87	86					
COMMENTS:								

SPECIAL OBJECTIVE SpO 01: Improved ability of program-assisted at-risk children and youth to become productive, healthy citizens								
APPROVED: Pending approval			COUNTRY/ORGANIZATION: USAID/Brazil					
RESULT NAME: IR2 - Educational preparation of program-assisted youth increased								
IR2 INDICATOR 2: % of program-assisted youth that complete vocational training courses								
UNIT OF MEASURE: %								
SOURCE: Umbrella PVO, local NGOs and GOs								
INDICATOR DESCRIPTION:								
Year	1995 (B)	1997	1998	1999	2000	2001	2002	2003
Planned		60	65	65	68	70	73	75
Actual	N/A	59	64					
COMMENTS: In FY 99, and subject to approval of the new results framework, USAID and the grantee will work together to define targets for the FY 99-03 period.								
SPECIAL OBJECTIVE SpO 01: Improved ability of program-assisted at-risk children and youth to become productive, healthy citizens								
APPROVED: Pending approval			COUNTRY/ORGANIZATION: USAID/Brazil					
RESULT NAME: IR 3 - Awareness of health-related behavior by program-assisted youth increased								
IR 3 INDICATOR 1: Number of community level organizations that offer RH and HIV/AIDS information and referrals to program-assisted youth								
UNIT OF MEASURE: Number of organizations								
SOURCE: Umbrella PVO, local NGOs and GOs								
INDICATOR DESCRIPTION:								
Year	1995	1997	1998	1999	2000	2001	2002	2003
Planned			N/A	TBD*	TBD	TBD	TBD	TBD
Actual			13					
COMMENTS: In FY 99, and subject to approval of the new results framework, USAID and the grantee will work together to define targets for the FY 99-03 period. * TBD – To be determined								

R4 Part III - Resource Requirements

When submitting the FY 99 R4, the Mission was requested to provide three funding scenarios (low, medium and high) for implementation of activities in Brazil. The low scenario contemplated the minimum funding levels that the Mission could use to maintain its program and still achieve some results, although it was made clear that some SOs and IRs would have to be cut, not allowing for the full implementation of the strategy. For three consecutive years, USAID/Brazil has been operating with funding levels equal to, and in some cases lower than, the low budget scenario. This situation has been constraining the Mission's capacity to achieve the results committed to in the five-year strategy. Despite the consistent Mission trend of exceeding expectations in most programs, duly reported in previous years' R4s, funding through FY 01 is already determined by the Bureau at the lowest possible level for SO1 and SpO1; at the Administrator's ceiling for SO3; at cuts from the lowest scenario for SO2; and at target levels for the phase out SO4. The FY 01 requested funds are in accordance with Bureau guidance, but are insufficient to meet current commitments to the GOB, as well as Brazilian and U.S. NGOs. The request level will allow the U.S. Government, through USAID, to engage Brazil on vital foreign policy issues: pursuing achievement of Summit of the Americas' goals, addressing global issues, and accomplishing the objectives of the U.S./Brazil Common Agenda Agreement. The following are comments with regard to funding of each SO:

Environment

In recent years, USAID/W has consistently approved lowest scenario spending levels for USAID/Brazil's environment SO, only to further cut even these low spending levels after the R4 review. USAID/Brazil partners are fully committed to the challenge of environmental protection during the El Niño aftermath, but under a scenario of expected reduction in government enforcement caused by the budget crisis. Mission pipelines are at a minimal level.

Several factors increase Brazil's environmental vulnerability in 1999 and have a direct impact on funding requirements under SO1:

- 1) The severe 1997/98 El Niño drought and subsequent fires in the Brazilian Amazon burned as much as 40% of primary forested areas adjacent to crop and pastureland in Roraima state and in the Southern Amazon arc of deforestation. This huge area represents a tinderbox of standing dead and dying vegetation waiting to catch fire at the slightest combination of seasonal shortfall in rain and ignition by traditional careless agricultural practices. Furthermore, each yearly increment of approximately 15,000 square kilometers of new clearing in the Amazon represents a geometric expansion of the potential fire interface with remaining primary forests.
- 2) Political expediencies before the 1998 Brazilian elections caused the watering down of provisions of the environmental crimes bill, resulting in a ten-year grace period for polluters and arsonists. This contradicts the government's announced commitment to protect the environment and shifts responsibility to civil society to police industry and expand awareness among users.

3) Severe reduction in environment budgets under the guise of IMF-imposed austerity will all but eliminate consolidation of promising enforcement initiatives in the Amazon in 1999.

4) Premature restructuring of the Environment Ministry and IBAMA before Brazilian Congressional approval of fiscal and personnel reforms and, during a period of budget austerity with little flexibility to shift staff to field offices, obviates the need for workable local measures because no local enforcement may be possible to reduce illegal logging and arson fires.

While the Agency and U.S. Government foreign policy continue to call for “meaningful participation” on the part of Brazil and other developing countries under the Kyoto GCC protocol, USAID funding levels for Brazil are not commensurate with the size of the problem or the challenge of developing sound land use alternatives in the face of contradictory IMF-sanctioned economic measures (i.e., devaluation of the currency which drives up resource-depleting exports, while the GOB slashes environmental enforcement budgets). Expanded civil society awareness and market-based solutions favored by USAID offer hope for environmental protection in Brazil in 1999.

USAID/Brazil environment actions under SO1 consistently lead the way with support to civil society to forestall global warming and biodiversity loss in Brazil, but we consistently rank about fifth in donor spending on environment in Brazil. USAID cannot continue to lead with diminishing budgets. Further cuts in the SO1 budget will reduce the effectiveness of actions called for under all four IRs, and dropping any single IR will result in elimination of coherence in, and severely reduced effectiveness of the environment strategy.

Energy

Brazil is a key GCC country for the Agency. Nevertheless, current funding levels established by the Bureau for FY's 99-00 are lower than the minimum requested in the strategy, and will prevent the Mission from carrying out important activities which would have a strong impact in achieving Bureau and energy GCC objectives in Brazil. Furthermore, the Global Bureau matches LAC funds to maximize the implementation of the energy program. As such, LAC provision of funds below the lowest scenario, coupled with reduced Global matching funds (now largely in-kind, as well) has a doubly negative impact on the potential for achieving the results to which the Mission committed itself in the strategy. Adequate funding levels within the proposed strategy period are essential to take advantage of current GOB reforms in the energy sector, guaranteeing that the GOB and the Brazilian private sector take GCC into consideration when designing and implementing energy policies. Should the funding levels remain stable in the strategy's out-years, the Mission will require a Life Of Project extension to attain the results outlined in the approved strategy.

AIDS Prevention

The program is operating under the Administrator's ceiling of \$2 million/year. No problems have been reported in the program's implementation at current levels.

Reproductive Health

This phase-out program will terminate in September 2000. The Mission hereby requests LAC's assistance in identifying and including \$100,000 in the FY 00 OYB to fund a final report on the program's results. USAID has invested considerable funds in this activity over an approximate 35-year period and has seen excellent progress. We should not only be documenting and disseminating these successes (and failures) for historical purposes, but also in order to glean best practices and lessons learned which can be passed on to the GOB, NGOs and other multilateral organizations who are interested and, indeed, have already begun replicating our activities. Such a document would also be invaluable for work in other LAC countries, as well as other regions, particularly Portuguese-speaking Africa where Brazil has already had some exchanges.

At-Risk Youth

The demand for services for disadvantaged Brazilian children and youth is enormous. USAID has been making most efficient use of limited funds available to address the needs of target groups by piloting innovative, successful activities that have become models of efficiency work beyond our target areas. Recently, the program has been achieving national and international renown for its effectiveness, placing extra demands on USAID and grantee staff for the creation of a variety of dissemination materials and extensive travel to provide technical assistance to local funding agencies and other USAID Missions in Latin America. USAID/Brazil is glad to take on this role, even though this may imply further budgetary constraints. However, the grantee is already working with a minimal pipeline, and the economic crisis may present an even greater challenge ahead for the program. Over the coming year, the Mission will be analyzing the impact of this combination of factors on its ability to address the needs of at-risk youth, and may find it necessary to request an increase in funding available to this SpO.

Tables

Mbbrazi.wk4 (budget request)

Gfsbrazi.wk4 (global field support)

Workforce and OE Requirements

Program Workforce Requirements

During the R4 period, the program workforce will remain stable at ten positions. USAID/Brazil is currently implementing activities under four Strategic Objectives and one Special Objective. Only one of these objectives, Reproductive Health, will terminate at the end of FY 00. All others will continue into FY 02 and beyond. The one program-funded FSN PSC managing the Reproductive Health objective will be required through FY 01 to provide effective monitoring of all close-out activities. Beyond this year's R4 timeframe, this position will no longer be required. No new Strategic Objectives are planned for development and/or execution during the FY 99-01 time frame that would require additional program-funded monitoring staff.

OE Position Levels

No reduction in USDH staff is contemplated. The normal checks and balances which Agency procedures demand require at least two USDHs. Even with two USDHs, the Mission experiences short periods of time when neither USDH is present in Brasilia. The Mission is attempting to use our current secretarial support staff for sub-cashier and NXP inventorying functions, in order to eliminate the vulnerabilities identified in the FY 98 Internal Control Assessment, but the burden on staff is quickly reaching its limit. Also, although the Mission Director could be authorized a warrant for local grants which far exceeds her current one, without additional assistance for contract support, such a warrant will not be approved by the Regional Contracting Officer. The need for an expanded OE-funded administrative support staff will also depend on the improvement of cost effectiveness of the numerous ICASS services accessed by USAID. USAID continues working closely with ICASS members to reduce costs and/or to identify less costly services that can be contracted directly by the Mission and the rest of our Embassy colleagues through our work both on the ICASS Council and the ICASS Working Group. At this time, USAID/Brazil has not programmed for additional OE-funded FSNs, given the Embassy's current ceiling on FSN staff.

Tables

Wf-brazi.wk4 (workforce levels)

Oe-brazi.wk4 (operational expenses – operating unit)

Tf-fsn.wk4 (trust fund and FSN voluntary separation – N/A to the Brazil Mission)

Co-brazi.wk4 (controller operations – N/A to the Brazil Mission)

FY 1999 Budget Request by Program/Country

Brazil

22-Mar-99
04:42 PM

Program/Country: DA/CSD
Approp Acct: Low
Scenario

S.O. # , Title		FY 1999 Request												Est. S.O. Expenditures	Est. S.O. Pipeline End of FY 99	
		Bilateral/Field Spt	Total	Micro-Enterprise	Agri-culture	Other Economic Growth	Children's Basic Education (*)	Other HCD	Population	Child Survival (*)	Infectious Diseases (*)	HIV/AIDS (*)	Other Health			Environ
SO 1: Environmentally and socioeconomically sustainable alternatives for sound land use adopted beyond target areas																
Bilateral	6715												6715		5392	6665
Field Spt	560												560		560	560
	7,275	0	0	0	0	0	0	0	0	0	0	0	7,275	0	5,952	7,225
SO 2: Increased adoption by key actors of concepts, methods and technologies for clean and efficient energy production and use																
Bilateral	842												842		377	842
Field Spt	0												0		0	0
	842	0	0	0	0	0	0	0	0	0	0	0	842	0	377	842
SO 3: Increased sustainable and effective programs to prevent the sexual transmission of HIV among major target groups																
Bilateral	185										185		0		185	185
Field Spt	1,815										1,815		0		1,785	1,815
	2,000	0	0	0	0	0	0	0	0	0	2,000	0	0	0	1,970	2,000
SO 4: Increase access to family planning methods in order to improve women's reproductive health																
Bilateral	515							515					0		215	400
Field Spt	1,900							1,900					0		2,556	1,650
	2,415	0	0	0	0	0	0	2,415	0	0	0	0	0	0	2,771	2,050
SpO 1: Improved ability of program-assisted at-risk children and youth to become productive, healthy citizens																
Bilateral	1030								1030						1729	730
Field Spt	0								0						0	0
	1,030	0	0	0	0	0	0	0	1,030	0	0	0	0	0	1,729	730
SO 6:																
Bilateral	0														0	0
Field Spt	0														0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
SO 7:																
Bilateral	0														0	0
Field Spt	0														0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
SO 8:																
Bilateral	0														0	0
Field Spt	0														0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Bilateral	9,287	0	0	0	0	0	0	515	1,030	0	185	0	7,557	0	7,898	8,822
Total Field Support	4,275	0	0	0	0	0	0	1,900	0	0	1,815	0	560	0	4,901	4,025
TOTAL PROGRAM	13,562	0	0	0	0	0	0	2,415	1,030	0	2,000	0	8,117	0	12,799	12,847

FY 99 Request Agency Goal Totals	
Econ Growth	0
Democracy	0
HCD	0
PHN	5,445
Environment	8,117
Program ICASS	5000
GCC (from all Goals)	0

FY 99 Account Distribution (DA only)	
Dev. Assist Program	13562
Dev. Assist ICASS	0
Dev. Assist Total:	13562
CSD Program	0
CSD ICASS	0
CSD Total:	0

Prepare one set of tables for each appropriation Account
Tables for DA and CSD may be combined on one table.
For the DA/CSD Table, columns marked with (*) will be funded from the CSD Account

FY 2000 Budget Request by Program/Country

Brazil

22-Mar-99
04:42 PM

Program/Country: DA/CSD
Approp Acct: Low
Scenario

S.O. # , Title	FY 2000 Request														Est. S.O. Expenditures	Est. S.O. Pipeline End of FY 00	
	Bilateral/Field Spt	Total	Micro-Enterprise	Agriculture	Other Economic Growth	Children's Basic Education (*)	Other HCD	Population	Child Survival (*)	Infectious Diseases (*)	HIV/AIDS (*)	Other Health	Environ	D/G			
SO 1: Environmentally and socioeconomically sustainable alternatives for sound land use adopted beyond target areas																Year of Final Oblig:2002	
Bilateral	6590												6590		6645	6590	
Field Spt	560												560		560	560	
	7,150	0	0	0	0	0	0	0	0	0	0	0	7,150	0	7,205	7,150	
SO 2: Increased adoption by key actors of concepts, methods and technologies for clean and efficient energy production and use																Year of Final Oblig:2002	
Bilateral	850												850		842	850	
Field Spt	0												0		0	0	
	850	0	0	0	0	0	0	0	0	0	0	0	850	0	842	850	
SO 3: Increased sustainable and effective programs to prevent the sexual transmission of HIV among major target groups																Year of Final Oblig:2002	
Bilateral	185										185				185	185	
Field Spt	1,815										1,815				1,815	1,815	
	2,000	0	0	0	0	0	0	0	0	0	2,000	0	0	0	2,000	2,000	
SO 4: Increase access to family planning methods in order to improve women's reproductive health																Year of Final Oblig:2000	
Bilateral	100						100								100	100	
Field Spt	0														1,950	0	
	100	0	0	0	0	0	100	0	0	0	0	0	0	0	2,050	100	
SpO 1: Improved ability of program-assisted at-risk children and youth to become productive, healthy citizens																Year of Final Oblig:2002	
Bilateral	900								900						730	900	
Field Spt	0														0	0	
	900	0	0	0	0	0	0	900	0	0	0	0	0	0	730	900	
SO 6:																Year of Final Oblig:	
Bilateral	0														0	0	
Field Spt	0														0	0	
	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
SO 7:																Year of Final Oblig:	
Bilateral	0														0	0	
Field Spt	0														0	0	
	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
SO 8:																Year of Final Oblig:	
Bilateral	0														0	0	
Field Spt	0														0	0	
	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Total Bilateral	8,625	0	0	0	0	0	100	900	0	185	0	7,440	0	8,502	8,625		
Total Field Support	2,375	0	0	0	0	0	0	0	0	1,815	0	560	0	4,325	2,375		
TOTAL PROGRAM	11,000	0	0	0	0	0	100	900	0	2,000	0	8,000	0	12,827	11,000		

FY 00 Request Agency Goal Totals	
Econ Growth	0
Democracy	0
HCD	0
PHN	3,000
Environment	8,000
Program ICASS	0
GCC (from all Goals)	5000

FY 00 Account Distribution (DA only)	
Dev. Assist Program	11000
Dev. Assist ICASS	0
Dev. Assist Total:	11000
CSD Program	0
CSD ICASS	0
CSD Total:	0

Prepare one set of tables for each appropriation Account
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For the DA/CSD Table, columns marked with (*) will be funded from the CSD Account

FY 2001 Budget Request by Program/Country

Brazil

22-Mar-99
04:42 PM

Program/Country: DA/CSD
Approp Acct: Low
Scenario

S.O. # , Title	FY 20001 Request														Est. S.O. Expenditures	Est. S.O. Pipeline End of FY 01	Future Cost (POST-2001)
	Bilateral/Field Spt	Total	Micro-Enterprise	Agriculture	Other Economic Growth	Children's Basic Education (*)	Other HCD	Population	Child Survival (*)	Infectious Diseases (*)	HIV/AIDS (*)	Other Health	Environ	D/G			
SO 1: Environmentally and socioeconomically sustainable alternatives for sound land use adopted beyond target areas														Year of Final Oblig:2002			
Bilateral	6590												6590		6590	6590	20700
Field Spt	560												560		560	560	
	7,150	0	0	0	0	0	0	0	0	0	0	0	7,150	0	7,150	7,150	20,700
SO 2: Increased adoption by key actors of concepts, methods and technologies for clean and efficient energy production and use														Year of Final Oblig:2002			
Bilateral	850												850		850	850	7303
Field Spt	0												0		0	0	
	850	0	0	0	0	0	0	0	0	0	0	0	850	0	850	850	7,303
SO 3: Increased sustainable and effective programs to prevent the sexual transmission of HIV among major target groups														Year of Final Oblig: 2002			
Bilateral	185									185					185	185	2000
Field Spt	1,815									1,815					1,815	1,815	
	2,000	0	0	0	0	0	0	0	0	2,000	0	0	0	0	2,000	2,000	2,000
SO 4: Increase access to family planning methods in order to improve women's reproductive health														Year of Final Oblig: 2000			
Bilateral	0														0	0	0
Field Spt	0														0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
SpO 1: Improved ability of program-assisted at-risk children and youth to become productive, healthy citizens														Year of Final Oblig: 2002			
Bilateral	900								900						900	900	1170
Field Spt	0								0						0	0	
	900	0	0	0	0	0	0	0	900	0	0	0	0	0	900	900	1,170
SO 6:														Year of Final Oblig:			
Bilateral	0														0	0	0
Field Spt	0														0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
SO 7:														Year of Final Oblig:			
Bilateral	0														0	0	0
Field Spt	0														0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
SO 8:														Year of Final Oblig:			
Bilateral	0														0	0	0
Field Spt	0														0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Bilateral	8,525	0	0	0	0	0	0	0	900	0	185	0	7,440	0	8,525	8,525	31,173
Total Field Support	2,375	0	0	0	0	0	0	0	0	0	1,815	0	560	0	2,375	2,375	0
TOTAL PROGRAM	10,900	0	0	0	0	0	0	0	900	0	2,000	0	8,000	0	10,900	10,900	31,173

FY 01 Request Agency Goal Totals	
Econ Growth	0
Democracy	0
HCD	0
PHN	2,900
Environment	8,000
Program ICASS	0
GCC (from all Goals)	5000

FY 01 Account Distribution (DA only)	
Dev. Assist Program	10900
Dev. Assist ICASS	
Dev. Assist Total:	10900
CSD Program	0
CSD ICASS	
CSD Total:	0

Prepare one set of tables for each appropriation Account
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For the DA/CSD Table, columns marked with (*) will be funded from the CSD Account

Accessing Global Bureau Services Through Field Support and Buy-Ins

Objective Name	Field Support Field Support and Buy-Ins:	Priority *	Duration	Estimated Funding (\$000)			
	Activity Title & Number			FY 2000		FY 2001	
				Obligated by: Operating Unit	Global Bureau	Obligated by: Operating Unit	Global Bureau
SO 03 Increased sustainable and effective programs to prevent sexual transmission of HIV among target groups	936-3062 - Pathfinder	High	3 years		470		470
SO 03 Increased sustainable and effective programs to prevent sexual transmission of HIV among target groups	936-3090.02 - FHI/Impact	High	3 years		855		855
SO 03 Increased sustainable and effective programs to prevent sexual transmission of HIV among target groups	936-3090.03 - PSI	High	3 years		490		490
SO 01 - Environmentally and socioeconomically sustainable alternatives for sound land use adopted beyond target areas	936-5554.02 - Conservation International	High	3 years		360		360
SO 01 - Environmentally and socioeconomically sustainable alternatives for sound land use adopted beyond target areas	936-5556.02 - Tropical Forest Foundation	High	3 years		100		100
GRAND TOTAL.....					2,275		2,275

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

Org_USAID/BRAZIL of year On-Board								Total SO/SpO	Org. Mgmt.	Fin. Mgmt	Admin. Mgmt	Con- tract	Legal	All Other	Total Mgmt.	Total Staff
1999 Estima	SO 1	SO 2	SO 3	SO 4	SO 5	SpO1	SpO2									
OE Funded: 1/																
U.S. Direct Hire								0	2						2	2
Other U.S. Citizens								0							0	0
FSN/TCN Direct Hire								0		1	1				2	2
Other FSN/TCN								0		1				1	2	2
Subtotal	0	0	0	0	0	0	0	0	2	2	1	0	0	1	6	6
Program Funded 1/																
U.S. Citizen	1							1							0	1
FSNs/TCNs	3	2	2	1			1	9							0	9
Subtotal	4	2	2	1	0		1	10	0	0	0	0	0	0	0	10
Total Direct	4	2	2	1	0		1	10	2	2	1	0	0	1	6	16
TAACS								0							0	0
Fellows								0							0	0
IDIs								0							0	0
Subtotal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL WORK	4	2	2	1	0		1	10	2	2	1	0	0	1	6	16

	SO 1	SO 2	SO 3	SO 4	SO 5	SpO1	SpO2	Total SO/SpO	Org. Mgmt.	Fin. Mgmt	Admin. Mgmt	Contract	Legal	All Other	Total Mgmt.	Total Staff
Y 2000 Target																
OE Funded: 1/																
U.S. Direct Hire								0	2						2	2
Other U.S. Citizens								0							0	0
FSN/TCN Direct Hire								0		1	1				2	2
Other FSN/TCN								0		1				1	2	2
Subtotal	0	0	0	0	0	0	0	0	2	2	1	0	0	1	6	6
Program Funded 1/																
U.S. Citizen	1							1							0	1
FSNs/TCNs	3	2	2	1			1	9							0	9
Subtotal	4	2	2	1	0		1	10	0	0	0	0	0	0	0	10
Total Direct	4	2	2	1	0		1	10	2	2	1	0	0	1	6	16
TAACS								0							0	0
Fellows								0							0	0
IDIs								0							0	0
Subtotal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL WORK	4	2	2	1	0		1	10	2	2	1	0	0	1	6	16

Y 2000 Request																
OE Funded: 1/																
U.S. Direct Hire								0	2						2	2
Other U.S. Citizens								0							0	0
FSN/TCN Direct Hire								0		1	1				2	2
Other FSN/TCN								0		1				1	2	2
Subtotal	0	0	0	0	0	0	0	0	2	2	1	0	0	1	6	6
Program Funded 1/																
U.S. Citizen	1							1							0	1
FSNs/TCNs	3	2	2	1			1	9							0	9
Subtotal	4	2	2	1	0		1	10	0	0	0	0	0	0	0	10
Total Direct	4	2	2	1	0		1	10	2	2	1	0	0	1	6	16
TAACS								0							0	0
Fellows								0							0	0
IDIs								0							0	0
Subtotal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL WORK	4	2	2	1	0		1	10	2	2	1	0	0	1	6	16

Org of year On-Board									Total SO/SpO Staff	Org. Mgmt.	Fin. Mgmt	Admin. Mgmt	Con- tract	Legal	All Other	Total Mgmt.	Total Staff
Y 2001 Target	SO 1	SO 2	SO 3	SO 4	SO 5	SpO1	SpO2										
OE Funded: 1/																	
U.S. Direct Hire									0	2						2	2
Other U.S. Citizens									0							0	0
FSN/TCN Direct Hire									0		1	1				2	2
Other FSN/TCN									0		1			1		2	2
Subtotal	0	0	0	0	0	0	0	0	2	2	1	0	0	1	6	6	
Program Funded 1/																	
U.S. Citizen	1								1							0	1
FSNs/TCNs	3	2	2	1			1	9							0	9	
Subtotal	4	2	2	1	0	1	0	10	0	0	0	0	0	0	0	10	
Total Direct	4	2	2	1	0	1	0	10	2	2	1	0	0	1	6	16	
TAACS Fellows IDIs									0 0 0							0 0 0	0 0 0
Subtotal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
TOTAL WORK	4	2	2	1	0	1	0	10	2	2	1	0	0	1	6	16	

Y 2001 Request																	
OE Funded: 1/																	
U.S. Direct Hire									0	2						2	2
Other U.S. Citizens									0							0	0
FSN/TCN Direct Hire									0		1	1				2	2
Other FSN/TCN									0		1			1		2	2
Subtotal	0	0	0	0	0	0	0	0	2	2	1	0	0	1	6	6	
Program Funded 1/																	
U.S. Citizen	1								1							0	1
FSNs/TCNs	3	2	2	1	0	1	0	9							0	9	
Subtotal	4	2	2	1	0	1	0	10	0	0	0	0	0	0	0	10	
Total Direct	4	2	2	1	0	1	0	10	2	2	1	0	0	1	6	16	
TAACS Fellows IDIs									0 0 0							0 0 0	0 0 0
Subtotal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
TOTAL WORK	4	2	2	1	0	1	0	10	2	2	1	0	0	1	6	16	

Org. Title:		_USAID/BRAZIL			Overseas Mission Budgets														
Org. No:		25512			FY 1999 Estimate			FY 2000 Target			FY 2000 Request			FY 2001 Target			FY 2001 Request		
OC		Dollars	TF	Total															
11.1	Personnel compensation, full-time permanent	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line					
11.1	Base Pay & pymt. for annual	62		62	65		65	65		65	68		68	68		68			
	Subtotal OC 11.1	62	0	62	65	0	65	65	0	65	68	0	68	68	0	68			
11.3	Personnel comp. - other than full-time permanent	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line					
11.3	Base Pay & pymt. for annual leave balances - FNDH	0			0			0			0			0					
	Subtotal OC 11.3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
11.5	Other personnel compensation	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line					
11.5	USDH	0			0			0			0			0					
11.5	FNDH	0			0			0			0			0					
	Subtotal OC 11.5	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
11.8	Special personal services payments	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line					
11.8	USPSC Salaries	0			0			0			0			0					
11.8	FN PSC Salaries	42		42	44		44	44		44	46		46	46		46			
11.8	IPA/Details-In/PASAs/RSSAs Salaries	0			0			0			0			0					
	Subtotal OC 11.8	42	0	42	44	0	44	44	0	44	46	0	46	46	0	46			
12.1	Personnel benefits	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line					
12.1	USDH benefits	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line					
12.1	Educational Allowances	40		40	38		38	38		38	42		42	42		42			
12.1	Cost of Living Allowances	16.5		16.5	17		17	17		17	18		18	18		18			
12.1	Home Service Transfer Allowances	0			0			0			0			0					
12.1	Quarters Allowances	0			0			0			0			0					
12.1	Other Misc. USDH Benefits	0			0			0			0			0					
12.1	FNDH Benefits	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line					
12.1	** Payments to FSN Voluntary Separation Fund	0			0			0			0			0					
12.1	Other FNDH Benefits	21.5		21.5	22.5		22.5	22.5		22.5	23.5		23.5	23.5		23.5			
12.1	US PSC Benefits	0			0			0			0			0					
12.1	FN PSC Benefits	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line					
12.1	** Payments to the FSN Voluntary Separation Fund	0			0			0			0			0					
12.1	Other FN PSC Benefits	21.5		21.5	22.5		22.5	22.5		22.5	23.5		23.5	23.5		23.5			
12.1	IPA/Detail-In/PASA/RSSA Benefits	0			0			0			0			0					
	Subtotal OC 12.1	99.5	0	99.5	100	0	100	100	0	100	107	0	107	107	0	107			

13.0	Benefits for former personnel	Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line	
13.0	FNDH	Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line	
13.0		Severance Payments for FNDH	0		0		0		0		0		0
13.0		Other Benefits for Former Personnel - FNDH	0		0		0		0		0		0
13.0	FN PSCs	Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line	
13.0		Severance Payments for FN PSCs	0		0		0		0		0		0
13.0		Other Benefits for Former Personnel - FN PSCs	0		0		0		0		0		0
	Subtotal OC 13.0	0	0	0	0	0	0	0	0	0	0	0	0
21.0	Travel and transportation of persons	Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line	
21.0	Training Travel	12	12	20	20	20	20	20	20	20	20	20	20
21.0	Mandatory/Statutory Travel	Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line	
21.0		Post Assignment Travel - to field	0		0		0		0		0		0
21.0		Assignment to Washington Travel	0		0		0		0		0		0
21.0		Home Leave Travel	7.4	7.4	4	4	4	4	8	8	8	8	8
21.0		R & R Travel	5	5	4	4	4	4	1	1	1	1	1
21.0		Education Travel	0		0		0		0		0		0
21.0		Evacuation Travel	0		0		0		0		0		0
21.0		Retirement Travel	0		0		0		0		0		0
21.0		Pre-Employment Invitational Travel	0		0		0		0		0		0
21.0		Other Mandatory	5	5	5	5	5	5	5.4	5.4	5.4	5.4	5.4
21.0	Operational Travel	Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line	
21.0		Site Visits - Home	16.9	16.9	12	12	12	12	12	12	12	12	12
21.0		Site Visits - Mandatory	36	36	40	40	40	40	40	40	40	40	40
21.0		Conferences/Seminars	17	17	20	20	20	20	20	20	20	20	20
21.0		Assessment Travel	0		0		0		0		0		0
21.0		Impact Evaluation Travel	0		0		0		0		0		0
21.0		Disaster Travel (to respond to specific disaster)	0		0		0		0		0		0
21.0		Recruitment Travel	0		0		0		0		0		0
21.0		Other Operational	5.5	5.5	5.5	5.5	5.5	5.5	6.5	6.5	6.5	6.5	6.5
	Subtotal OC 21.0	104.8	0	104.8	110.5	0	110.5	110.5	112.9	0	112.9	112.9	112.9
22.0	Transportation of things	Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line	
22.0		Post assignment freight	0		0		0		0		0		0
22.0		Home Leave Freight	2	2	2	2	2	2	2	2	2	2	2
22.0		Retirement Freight	0		0		0		0		0		0
22.0		Transportation/Freight for Office Furniture/Equip.	0		0		0		0		0		0
22.0		Transportation/Freight for Res. Furniture/Equip.	0		0		0		0		0		0
	Subtotal OC 22.0	2	0	2	2	0	2	2	2	0	2	2	2

23.2	Rental payments to others	Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line	
23.2	Rental Payments to Others - Office Space	0	0	0	0	0	0	0	0	0	0	0	0
23.2	Rental Payments to Others - Warehouse Space	0	0	0	0	0	0	0	0	0	0	0	0
23.2	Rental Payments to Others -	40	40	35	35	35	35	36	36	36	36	36	36
	Subtotal OC 23.2	40	0	40	35	0	35	35	0	35	36	0	36
23.3	Communications, utilities, and miscellaneous	Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line	
23.3	Office Utilities	0	0	0	0	0	0	0	0	0	0	0	0
23.3	Residential Utilities	12.6	12.6	13.8	13.8	13.8	13.8	15.2	15.2	15.2	15.2	15.2	15.2
23.3	Telephone Costs	20.1	20.1	22.1	22.1	22.1	22.1	22.9	22.9	22.9	22.9	22.9	22.9
23.3	ADP Software Leases	1	1	1	1	1	1	1	1	1	1	1	1
23.3	ADP Hardware Lease	0	0	0	0	0	0	0	0	0	0	0	0
23.3	Commercial Time Sharing	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
23.3	Postal Fees (Other than APO)	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
23.3	Other Mail Service Costs	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
23.3	Courier Services	2	2	2	2	2	2	2	2	2	2	2	2
	Subtotal OC 23.3	37.2	0	37.2	40.4	0	40.4	40.4	0	40.4	42.6	0	42.6
24.0	Printing and Reproduction	2	2	2	2	2	2	2	2	2	2	2	2
	Subtotal OC 24.0	2	0	2	2	0	2	2	0	2	2	0	2
25.1	Advisory and assistance services	Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line	
25.1	Studies, Analyses, & Evaluations	0	0	0	0	0	0	0	0	0	0	0	0
25.1	Management & Professional Support Services	0	0	0	0	0	0	0	0	0	0	0	0
25.1	Engineering & Technical Services	0	0	0	0	0	0	0	0	0	0	0	0
	Subtotal OC 25.1	0	0	0	0	0	0	0	0	0	0	0	0
25.2	Other services	Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line	
25.2	Office Security Guards	0	0	0	0	0	0	0	0	0	0	0	0
25.2	Residential Security Guard Services	2.6	2.6	2.6	2.6	2.6	2.6	3.6	3.6	3.6	3.6	3.6	3.6
25.2	Official Residential Expenses	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6
25.2	Representation Allowances	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4
25.2	Non-Federal Audits	0	0	0	0	0	0	0	0	0	0	0	0
25.2	Grievances/Investigations	0	0	0	0	0	0	0	0	0	0	0	0
25.2	Insurance and Vehicle Registration Fees	0	0	0	0	0	0	0	0	0	0	0	0
25.2	Vehicle Rental	0	0	0	0	0	0	0	0	0	0	0	0
25.2	Manpower Contracts	0	0	0	0	0	0	0	0	0	0	0	0
25.2	Records Declassification & Other Records Services	0	0	0	0	0	0	0	0	0	0	0	0
25.2	Recruiting activities	0	0	0	0	0	0	0	0	0	0	0	0
25.2	Penalty Interest Payments	0	0	0	0	0	0	0	0	0	0	0	0
25.2	Other Miscellaneous Services	0	0	0	0	0	0	0	0	0	0	0	0
25.2	Staff training contracts	15	15	15	15	15	15	10	10	10	10	10	10
25.2	ADP related contracts	0	0	0	0	0	0	0	0	0	0	0	0
	Subtotal OC 25.2	19.6	0	19.6	19.6	0	19.6	19.6	0	19.6	15.6	0	15.6
25.3	Purchase of goods and services from Government	Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line	
25.3	ICASS	98	98	103	103	103	103	108	108	108	108	108	108
25.3	All Other Services from Other Gov't. accounts	0	0	0	0	0	0	0	0	0	0	0	0
	Subtotal OC 25.3	98	0	98	103	0	103	103	0	103	108	0	108

25.4	Operation and maintenance of facilities	Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line	
25.4	Office building Maintenance	0	0	0	0	0	0	0	0	0	0	0	0
25.4	Residential Building Maintenance	20	20	20	20	20	20	20	20	20	20	20	20
	Subtotal OC 25.4	20	0	20	20	0	20	20	0	20	20	0	20
25.7	Operation/maintenance of equipment & stores	Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line	
25.7	ADP and telephone operation	7	7	7	7	7	7	7	7	7	7	7	7
25.7	Storage Services	0	0	0	0	0	0	0	0	0	0	0	0
25.7	Office Furniture/Equip. Repair	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
25.7	Vehicle Repair and Maintenance	1	1	2	2	2	2	1	1	1	1	1	1
25.7	Residential Furniture/Equip. Repair	10	10	1	1	1	1	1	1	1	1	1	1
	Subtotal OC 25.7	18.5	0	18.5	10.5	0	10.5	10.5	0	10.5	9.5	0	9.5
25.8	Subsistence & spt. of persons (by contract or Gov't.)	0		0		0		0		0		0	
	Subtotal OC 25.8	0	0	0	0	0	0	0	0	0	0	0	0
26.0	Supplies and materials	15	15	15	15	15	15	6	6	6	6	6	6
	Subtotal OC 26.0	15	0	15	15	0	15	15	0	15	6	0	6
31.0	Equipment	Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line	
31.0	Purchase of Residential Furniture	1	1	9.6	9.6	9.6	9.6	1	1	1	1	1	1
31.0	Purchase of Office Furniture/Equip.	0	0	0	0	0	0	0	0	0	0	0	0
31.0	Purchase of Vehicles	0	0	0	0	0	0	0	0	0	0	0	0
31.0	Purchase of Printing/Graphics Equipment	0	0	0	0	0	0	0	0	0	0	0	0
31.0	ADP Hardware purchases	30	30	15	15	15	15	15	15	15	15	15	15
31.0	ADP Software purchases	6.4	6.4	6.4	6.4	6.4	6.4	6.4	6.4	6.4	6.4	6.4	6.4
	Subtotal OC 31.0	37.4	0	37.4	31	0	31	31	0	31	22.4	0	22.4
32.0	Lands and structures	Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line	
32.0	Purchase of Land & Buildings (& bldg. construction)	0	0	0	0	0	0	0	0	0	0	0	0
32.0	Purchase of fixed equipment for buildings	0	0	0	0	0	0	0	0	0	0	0	0
32.0	Building Renovations/Alterations - Office	0	0	0	0	0	0	0	0	0	0	0	0
32.0	Building Renovations/Alterations - Other	2	2	2	2	2	2	2	2	2	2	2	2
	Subtotal OC 32.0	2	0	2	2	0	2	2	0	2	2	0	2
42.0	Claims and indemnities	0		0		0		0		0		0	
	Subtotal OC 42.0	0	0	0	0	0	0	0	0	0	0	0	0
	TOTAL BUDGET	600	0	600	600	0	600	600	0	600	600	0	600

Additional Mandatory Information

Dollars Used	_____
Exchange Rate	<u>1.55</u> <u>1.55</u> <u>1.65</u> <u>1.65</u> <u>1.65</u> <u>1.65</u> <u>1.65</u> <u>1.65</u> <u>1.65</u> <u>1.65</u>

** If data is shown on either of these lines, you MUST submit the form showing deposits to and withdrawals from the FSN Voluntary Separation Fund. On that form, OE funded deposits must equal: 0 0 0 0

Supplemental R4 Information Annexes

Annex A. Environmental Impact

No new or amended initial environmental assessments (IEEs) or environmental assessments (EAs) are anticipated in FY 99 or for FY 00 with the possible exception (pending availability of funds) of expansion of fire preparedness activities. In the energy area, anticipated new projects in the area of biomass energy and small hydroelectric impoundments will not proceed under the current extreme low level of funding for SO2. Also, until the current restricted funding levels are adjusted for SO1, there will be no new conservation actions for protection of critical Brazilian ecosystems, so no new IEEs or EAs will be needed.

Should major new funding become available for expanded fire action in FY 00, the appropriate IEE will be prepared, reflecting the nature and scope of this activity, which is expected to involve principally fire awareness mobilization and education and under no circumstances will involve direct support for fire combat (and the environmental damage it sometimes entails).

All current activities under all USAID/Brazil SOs are in compliance with 22 CFR 216.

Annex B – Updated Results Frameworks

Program: Environment

SO 1 – Environmentally and socioeconomically sustainable alternatives for sound land use adopted beyond target areas

- IR 1 – Systems for sound land use identified, promoted and adopted in target areas
- IR 2 – Target institutions and local human capacity strengthened
- IR 3 – Target policies to support environmentally sound land use adopted and/or implemented
- IR 4 – Sound land use systems disseminated beyond target areas

Program – Energy

SpO3 - Environmentally and socioeconomically sustainable alternatives for energy production and use adopted in target areas (*old SpO, FY 96-98*)

- IR 1 - Enhanced capabilities and perspectives of decision-makers in the area of electric power sector regulatory reform to be supportive of the commercial implementation of renewable energy, energy efficiency, or other clean energy systems in a market-based environment
- IR 2 - Mechanisms established or strengthened to finance energy efficiency, renewable energy, and other clean energy projects
- IR 3 - Institutional capacity developed in key Brazilian institutions for the commercial implementation of renewable energy, energy efficiency, or other clean energy systems in a market-based environment

SO 2 – Increased adoption by key actors of concepts, and use of methods and technologies for clean and efficient energy production and use (*new SO, FY 99-03, approval requested*)

- IR 1 - Targeted policies that foster clean and efficient energy production and use
- IR 2 - Increased access of key actors to information and training on markets and financing for clean and efficient energy production and use
- IR 3 - Increase availability and use of financing for clean and efficient energy production and use
- IR 4 - Increased technology cooperation between U.S. and Brazilian firms for clean and efficient energy production and use

Program: AIDS Prevention

SO 3 – Increased sustainable and effective programs to prevent sexual transmission of HIV among target groups

- IR 1 - strengthened institutional capacity to plan and implement sexually-transmitted infection (STI/HIV) programs
- IR 2 - strengthened technical capacity to plan and implement STI/HIV services
- IR 3 - Sustainable condom marketing

Program: Reproductive Health

SO 4 – Increase access to contraceptive methods and integrated family planning services to improve women’s reproductive health

- IR1: Improve quality of family planning services
- IR2: Improve sustainability of family planning delivery systems

Program: At-Risk Youth

SpO1 – Improved quality of life for at-risk children and youth in target areas (*old SpO, FY 94-98*)

- IR 1 – Increased number of services available to at-risk youth
- IR 2 – Expanded NGO and GO capacity to provide services to at-risk youth
- IR 3 – Innovative approaches developed and implemented

SpO 1 – Improved ability of program-assisted at-risk children and youth to become productive, healthy citizens (*new SpO, FY 99-03, approval requested*)

- IR 1 – Society engaged in decreasing violence against youth
- IR 2 – Educational preparation of program-assisted youth increased
- IR 3 – Awareness of health-related behavior by program-assisted youth increased
- IR 4 – Dissemination and adoption of lessons learned and successful approaches

USAID Climate Change Initiative Indicators

Report from USAID/Brazil for FY 1998

Overview of Brazil and Global Climate Change

Several factors support Brazil's designation as a key country in the USAID Developing Country Climate Change Action Plan. Brazil is the largest emitter of greenhouse gases (GHG) in Latin America, and its economy continues to grow despite a recent set back. Brazil's tropical forests comprise one of the largest carbon sinks in the world, but this sink is gravely threatened by poor land use practices. Finally, the Brazilian government is supportive of our climate change efforts in Brazil and this openness has fostered strong relationships between USAID/B and several key Brazilian agencies that dealing with climate issues in both the forestry and energy sectors.

Deforestation is the leading source of Brazil's GHG; however, the potential for future significant contributions from Brazil's energy sector is illustrated by the 20% growth in its GHG emissions in the period 1991-1995, a period when the deforestation rate showed a decline. A dramatic increase in deforestation in 1995, to 30,000 km², the highest rate ever recorded in Brazil, confirms that USAID/B's continued focus on both improving natural resource management and its growing involvement in the energy sectors are central to addressing climate change in Brazil.

Program Performance

In 1997, Brazil net deforestation rate dropped from 18,000 to 13,000 km², but the drastic increase recorded in 1995 proves no clear trend is emerging. USAID/Brazil's natural resource management program works closely with prominent US-based and Brazilian NGO's, institutions and government agencies combining institutional strengthening, capacity building, research and application of improved land management options. Currently, the Mission supports work in 13 specific sites where its partners work with local NGOs and the communities to promote conservation, help establish viable agroforestry systems and implement sustainable forestry strategies.

The forestry program's GCC activities also address the loss of biodiversity in several critical environments within Brazil, the Amazon, the Atlantic Coastal Rainforest and the Cerrado. Support of researchers from Woods Hole, the Smithsonian, U.S. Universities and the U.S. Forest Service has helped increase knowledge critical to determining land management options for these environments, as well as increasing the capacity of the in-country partners of these institutions to carry out those decisions. USAID/B works closely with several government agencies, including IBAMA and INPE, to help develop monitoring systems based on remote sensing technologies and to strengthen these agencies' land management capacities. Knowledge gained from these efforts is critical in formulating workable local and global approaches to climate change.

A change in Brazil's energy sources threatens to compound the increased emissions associated with the country's economic development. Until the 1990's, approximately 90% of Brazil's energy demands were met through hydropower, but limited potential hydropower sites and the financial risks of hydro facilities have increased the attraction of thermal power produced from fossil fuels. Fortunately, a World Resource Institute study reports great potential for solar, wind, biomass and small scale hydropower in Brazil's future energy development. Continuing government commitment to policies conducive to clean and efficient energy has helped ensure exploration of these climate friendly options.

The energy program at USAID/B promotes specific clean energy approaches, notably renewable energy and energy efficiency, and the policies that support those approaches. USAID/B's sponsorship of a resident consultant to assist PROCEL, the national program for energy efficiency, continues to impact that program's direction and results. Under-served energy needs in vast rural regions of Brazil offer great potential for introduction of renewable energy and small scale hydropower rather than fossil fuels. The Mission's work with PRODEEM, the national program for rural energy development, is helping realize this potential. PRODEEM's focus on rural energy infrastructure development, social equity and job generation is a top priority of the Cardoso government. Because of GOB's clear commitment to restructuring its energy industry in a competitive environment, the Mission is expanding its role in

strengthening partnerships between public and private energy sectors in the U.S. and Brazil. The Mission works closely with ANEEL, the national energy regulatory body, and has sponsored several exchanges to build capacity in marketing, finance and the use of regulatory measures to provide incentives and to protect against abuses.

Key Results FY98

In FY98, USAID/B's continued support of capacity building, research and increasing community participation produced several successes in land management that will contribute to climate change mitigation. Three USAID supported conservation areas, Jau National Park, Serra do Divisor National Park and the Una Biological Reserve, launched formal management plans developed jointly by USAID partners and IBAMA. Participatory monitoring capacity was further enhanced by World Wildlife Fund's work in developing indicators for land management projects that recognize the vital role of social participation in sustainable land use. USAID support of institutional strengthening helped several local NGO partners gain outside recognition and funds. PROBIO, the Brazilian biodiversity fund, won a highly competitive \$416,000 grant for its work in Southern Bahia. Other partners garnered grants to help finance local small enterprises. The Tropical Forest Foundation's demonstration and training program in reduced impact forest management technologies that has been supported in a partnership between Global, LAC and the Mission attracted a international recognition with a \$1 million International Timber Treaty Organization grant to support training in Brazil and through-out Latin America.

The extreme fire seasons in 1997 and 1998 created new opportunities to build upon the ongoing relationship with Brazilian government agencies such as IBAMA to begin developing a coordinated preparedness plan for fire and other natural disasters. The increased awareness raised by the fires helped spur several policy advances in fire management and response at both the local and national level.

The energy program also made significant progress in FY98. PROCEL continues to encourage large carbon savings through its nationwide program to encourage energy efficiency. A much larger than predicted carbon savings was realized from work in rural areas that encourages the use of solar and small hydro, largely because of policy changes supported by USAID. One change was the expansion of the fuel consumption subsidy in rural areas to include renewable energy options. A second change was modifying the definition of small hydro to include plants producing up to 30 MW of energy, thus making it more cost effective for industries to invest in this technology.

USAID has built on the clear commitment by the GOB to restructure its energy industry by encouraging interaction between the U.S. and Brazilian energy sectors. In July, USAID/B sponsored a study tour of Brazil by officials from regulatory agencies in three U.S. States. The officials met with key individuals and agencies through-out Brazil to discuss regulation, financing, energy efficiency and renewable energy options to begin a dialog on these issues.

Future Prospects:

The severe drought that aggravated fire conditions in the Amazon in 1998 highlighted the importance of developing effective local measures to control fire and awoke the public to the potential dangers from severe climate. The mission will build on this opportunity to work with other donors, U.S. and Brazilian agencies, U.S. and Brazilian NGO's to develop fire activity for FY00 that will help prevent devastation of Brazilian forests during future El Nino events. The relationships forged in this effort should create openings to work with Brazilians and other donors on other land management issues that impact climate.

The future of conservation work is also positive. Despite the financial problems within Brazil, the government has continued to voice its commitment to protect 10% of Brazilian forests in conservation units. However, a decline in the governments ability to fully participate in new projects is likely, making USAID/B's success in promoting local participation in land management ever more vital to preserving and enhancing the welfare of the Brazilian forests.

USAID/B's energy programs will continue to provide technical assistance, financing and training to increase adoption and promotion of new methodologies and technologies for clean and efficient energy

production and use. Exchange programs with the U.S. will further strengthen the capacity of the Brazilian governmental agencies, private companies and NGOs in designing sustainable and clean energy systems for Brazil as well as provide new markets for U.S. technology. Unexpected gains this year in both small hydro and wind generation partly came from the enactment of new legislation. It is expected that these regulatory changes will support future expansion of these programs, and the government commitment to clean energy represented by these changes in is also an encouraging signal.

Brazil is a key country both environmentally and politically in the global effort to address climate change. Although the overall thrust of USAID/B programs has been to address the issues underlying GCC, the Mission is increasingly involved in activities that directly address climate change. The Mission recognizes that its close working relationship within Brazil has a key role in advancing international consensus on GCC and to aid in the development of environmentally sound and workable international programs and policies to address this global issue.

RESULT 1: INCREASED PARTICIPATION IN THE FRAMEWORK CONVENTION ON CLIMATE CHANGE

A significant component of USAID's contribution to the U.S.G post-Kyoto negotiating strategy is to assist developing countries in building the institutional and human capacity to undertake meaningful participation in international efforts to reduce greenhouse gas emissions. Although the definition of meaningful participation will undoubtedly entail different things for different countries, there are some key indicators that missions can use to determine what progress they are making to help countries achieve this goal. Some of these are easily measured, such as whether a Joint Implementation (JI) project is undertaken with USAID's assistance. Other indicators present more difficult subjects for measuring success, such as whether USAID has assisted a country to integrate climate change into its strategic planning process.

Indicator 1: Policy Development Supporting the Framework Convention on Climate Change

In order to measure USAID's contribution to encouraging and facilitating meaningful participation by developing countries in the UNFCCC, we have created a list of activities that would constitute "meaningful participation." Using a single indicator, the Agency can report on its contribution to U.S. diplomatic goals. Because development and implementation of a policy is a process that can take many years, the indicator is indexed to record progress in this continuum.

The table on the following page lists the ways in which an USAID-assisted country might be viewed as participating in the UNFCCC. One point should be given for each achievement in any of the following areas:

(More than one point can be awarded in a given area if, for example, USAID can be credited with helping generate more than one JI project.)

- integration of climate change into national strategic, energy, and sustainable development strategies
- national emissions inventory
- national mitigation analysis
- national vulnerability and adaptation analysis
- National Climate Change Action Plan
- procedures for receiving, evaluating, and approving JI proposals
- procedures for monitoring and verifying greenhouse gas emissions
- growth baselines for pegging greenhouse gas emissions to economic growth
- legally binding emission reduction targets and timetables
- flexible market mechanisms.

Unit: Policy steps achieved

Definitions:

Adaptation: adjustments in practices, processes or structures of systems to projected or actual changes of climate (may be spontaneous or planned).

Emissions inventory: detailed listing of GHG sources and sinks.

Growth Baselines: An approach that would link countries' emissions targets to improvements in energy efficiency.

Joint Implementation (JI): The process by which industrialized countries can meet a portion of their emissions reduction obligations by receiving credits for investing in GHG reductions in developing countries.

Mitigation: an action that prevents or slows the increase of greenhouse gases (GHGs) by reducing emissions from sources and sinks.

National Climate Change Action Plan: plans that delineate specific mitigation and adaptation measures that countries will implement and integrate into their ongoing programs. These plans form the basis for the national communications that countries submit to the UNFCCC Secretariat.

UNFCCC: the object of this convention is to achieve stabilization of greenhouse gas concentrations in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system.

Policy Steps:

1. Policy preparation and presentation: Draft bill, policy or regulation, vetted through relevant stakeholders in government, non-government, the private sector and civil society, and introduced for debate in appropriate legislative, regulatory, or governmental body.
2. Adoption: Policy intervention is approved and adopted by the appropriate administrative agency or legislative body. Can take the form of the voting on a law; the issuance of a decree, etc.
3. Implementation and enforcement: Actions that put the policy interventions into effect, such as agency personnel trained in procedures, appropriate institutions created or strengthened, or legislation implemented through the appropriate government agency.

Indicator 2: Increased capacity to meet requirements of the UNFCCC

This indicator tracks progress in strengthening institutions or increasing technical capacity to meet the requirements of the UNFCCC.

Unit: Number of points

Indicator 1: Policy Development Supporting the Framework Convention on Climate Change

Instructions: Please report on each policy measure addressed with USAID support or as a result of USAID efforts. Check the policy steps (1, 2 and/or 3) **that have been achieved** for each policy measure and list the activity(ies) that contribute to achievement of the policy steps in the last column. Unit: Number of policy steps achieved

Country: Brazil Policy Measure	Check Steps that Have Been Achieved			List Activity(ies) Contributing to Each Policy Category
	Step 1: Policy Preparation and Presentation	Step 2: Policy Adoption	Step 3: Implementation and Enforcement	
Integration of climate change into national strategic, energy, and sustainable development strategies				The Brazilian GCC office is working on the National Inventory and raising awareness of GCC, but does not see it embraced as a priority
Emissions inventory				In process—national communication due in 1999.
Mitigation analysis				
Vulnerability and adaptation analysis				
National Climate Change Action Plan				
Procedures for receiving, evaluating, and approving joint implementation (JI) proposals				
Procedures for monitoring and verifying greenhouse gas emissions				
Growth baselines for pegging greenhouse gas emissions to economic growth				
Legally binding emission reduction targets and timetables.				
Sub-total: Number of policy steps achieved				
Total policy steps achieved				

Indicator 2: Increased capacity to meet requirements of the UNFCCC

This indicator measures categories in which capacity is strengthened through training/technical assistance. Please report on each category addressed with USAID support or as a result of USAID efforts. Please check whether capacity is strengthened through training, technical assistance or both, and list the activity(ies) that contribute to each of the capacity building categories. Please report on other areas not listed, if appropriate.

Country: Brazil Categories	Types of Support Provided		List the Activity(ies) that Contribute to Each Capacity Building Category
	Training	Technical Assistance	
Monitoring and verifying GHG emissions		X	Have supported deforestation measurement and local development of forest inventories.
Growth baselines for pegging GHG emissions to economic growth			
Development of emissions reduction targets and timetables			
Support for activities implemented jointly			
Other			
Total number of points for Training/technical assistance			

RESULT 2: REDUCED NET GREENHOUSE GAS EMISSIONS FROM THE LAND USE/FOREST MANAGEMENT SECTOR

Indicator 1: Area where USAID has initiated interventions to maintain or increase carbon stocks or reduce their rate of loss. Unit: Hectares

Indicator 2: Area where USAID has achieved on-the-ground impacts to preserve, increase, or reduce the rate of loss of carbon stocks.

2a. Area of natural ecosystems where carbon stocks are preserved and/or increasing (areas with *minimal or no* harvest of biomass). Areas included under this indicator are those without significant harvest of biomass. This includes protected areas, areas used for the extraction of non-timber forest products, and community managed forests with minimal timber extraction. Please report the number of hectares for areas where on-the-ground impacts have been realized and documented or where improved management techniques have been comprehensively adopted. Unit: Hectares in each habitat type.

2b. Area of managed forest, range-land, and agricultural land with reduced rate of loss of carbon or increased carbon stock (areas with *moderate or high levels* of harvest of biomass). Please report hectares where reduced rates of carbon emissions or increased carbon stock are apparent (e.g., through an increase in standing biomass, decrease in decomposition or fire risk, etc). See Definitions of Terms (page 7) for a description of these categories. Please report under the following categories:

- sustainable forest management for timber using reduced impact harvesting
- agroforestry
- reforestation/afforestation
- sustainable agriculture.

Unit: Hectares in each land use category and by habitat type

FY 97 USAID-Sponsored Activities that Contribute to Climate Change Initiative

USAID activity name	Location			The Site and USAID's Involvement						Extra info you have (chose from the info codes below)
	Country	Region, Province, or State	Site	Principle activity(ies) (list 1 per line using the activity codes below)	Area where USAID has initiated activities (hectares) (Indicator 1)	Area where USAID has conserved carbon (hectares) (Indicator 2)				
						Predominate vegetation type (1 per line; use vegetation codes below)	Natural ecosystems (2a)	Predominate managed land type (1 per line; use managed land types below)	Managed lands (2b)	
Woods Hole-Del Rei	Brazil	Acre	Del Rei	1	1500	a	750			
				4					2	
Woods Hole-Capim River		Para	Capim River	1	1050	a	525			
				4					2	
CI-Una Reserve		Bahia	Una Reserve	1	1200	a	600			
				4					2	
Univ. of Fla-Sao Migel		Acre	Sao Migel	1	3750	a				
				4					2	

Univ. of Fla- Novo Ideal		Acre	Novo Ideal	1	5750	a	2875			
				4				2	2875	
Apurina		Amazonas	Apurina	1	2250	a	1125			
				4				2	1125	
TFF-RIH		Para	Paragominas	2	100	a		5*	100	1,2,3, 5
		Para	Cauaxi	2	500	a		5*	500	1,2,3, 5
Tapajos National Forest		Para	Tapajos National Forest	1	595,000	a	595,000			1,2,3, 5
				2	5000	a		5*	400	
TNC- Guaraquecaba Env. Protection Area		Para	Guaraquecaba Env. Protection Area	1	313,406	a				
Woods Hole- Chico Mendes Extract. Reserve		Parana	Chico Mendes Extract. Reserve	1	100,000	a	100,000			
WWF-Jau National Park		Amazona s	Jau National Park	1	2,270,000	a	2,270,000			

TNC-Serra do Divisor Park		Acre	Serra do Divisor Park	1	605,000	a	605,000			
Cajari Extract. Reserve		Bahia	Cajari Extract. Reserve	1	481,650	a	481,650			

*In this table we have used 5 to designate production forest as a land management category.

Instructions for Table for Compiling Land Use Data

For each site where USAID has initiated activities, pick 1 to 3 primary activity codes (from the list below) which best describe your program. *If more than one activity code applies to a site, please use a separate row to describe each activity.* For example, a USAID program could include a component to improve the internal management of a strictly protected area and also a sustainable agricultural component in the buffer zone, as illustrated in the example above.

To ensure our information is complete, please fill in all the boxes that apply. We understand that some of the quantitative information you provide may be estimates based on your best judgement.

Codes for USAID-Supported Activities:

- 1 Conservation of natural ecosystems (may include protected area management, extraction of non-timber products, etc. but *not* timber harvesting)
- 2 Sustainable forest management for timber using reduced-impact harvesting (non-timber forest products may also be harvested)
- 3 Afforestation/reforestation/plantation forests
- 4 Agroforestry
- 5 Sustainable agriculture

Vegetation Codes:

Natural Ecosystems

- a Tropical evergreen forest
- b Tropical seasonal forest
- c Temperate evergreen forest
- d Temperate deciduous forest
- e Boreal forest
- f Temperate woodland
- g Tropical open forest/woodland
- h Tropical grassland and pasture
- i Temperate grassland and pasture
- j Tundra and alpine meadow
- k Desert scrub
- l Swamp and marsh
- m Coastal mangrove
- n Wetlands

Managed Land Types

- 1 Agricultural systems - (less than 15 % of the area under trees)
- 2 Agroforestry systems - (greater than 15 % of the area under trees)
- 3 Plantation forests - (at least 80% of the area under planted trees)
- 4 Protected areas

Codes for Available Additional Information:

- 1 Maps
- 2 Geo-referenced site coordinates
- 3 Biomass inventory
- 4 Rainfall data
- 5 Soil type data

Indicator 3: National/sub-national policy advances in the land use/forestry sector that contribute to the preservation or increase of carbon stocks and sinks, and to the avoidance of greenhouse gas emissions.

Instructions: Please report on each policy measure addressed with USAID support or as a result of USAID efforts. Check the policy steps (1, 2 and/or 3) **that have been achieved** for each policy measure and list the activity(ies) that contribute to achievement of the policy steps in the last column. Please report on other activities or policy measures not listed, if appropriate.

Unit: Number of policy steps achieved

Country: Brazil Activity or Policy Measure	Scope (N or S)	Check Steps that Have Been Achieved			List Activity(ies) Contributing to Each Policy Category
		Step 1: Policy Preparation and Presentation	Step 2: Policy Adoption	Step 3: Implementation and Enforcement	
Facilitates improved land use planning	S	X	X		Agrarian Reform in Bahia (sec. codes u,v)
	N,S	X	X	X	Improving national, regional and local fire management policies
	N	X	X	X	IBAMA issued regulations to temporarily suspend burning in high risk areas
	N	X	X	X	Presidential Decree issued regulating use of fire
Facilitates sustainable forest management	N	X	X		Federal Forestry Policy/Code (sec. codes t)
	S	X	X		Logging Permit Reduction—Bahia (sec. codes t,v)
	N	X	X	X	Creation of the Forest Stewardship council in Brazil and commencement of activities

Facilitates establishment and conservation of protected areas	S	X	X	X	Itacari Road Monitoring
	S	X	X	X	Itacari Park Creation (Corduru State Park), (sec. codes t,s)
	N	X	X		Reform of the national system of conservation units (SNUC), (sec. codes t)
	S	X			ICMS (value-added tax) Ecologico-Bahia
	N	X	X		ICMS Ecologico policy work at national and its replication in other states
Improves integrated coastal management					
Decreases agricultural subsidies or other perverse fiscal incentives that hinder sustainable forest management					
Corrects protective trade policies that devalue forest resources					
Clarifies and improves land and resource tenure					
Other					
Number of points achieved per policy step		12	11	6	
Total policy steps				29	

Instructions for Data Collection Table: policy matrix

These indicators are being used to help USAID convey the climate change-related impact of policy efforts. In the land use/forestry area, this indicator focuses on policies that are intended to improve carbon stocks either directly by protecting land or improving its management, or indirectly by creating economic incentives for better land use practices and trends. Because development and implementation of a policy is a process that can take many years, the policy indicator is indexed to record progress in this continuum.

Policy Categories: Please choose the policy category below which most closely describes your policy intervention.

- facilitates improved land use planning
- facilitates sustainable forest management
- facilitates establishment and conservation of protected areas
- improves integrated coastal management
- decreases agricultural subsidies or other perverse fiscal incentives which hinder sustainable forest management
- corrects protective trade policies which devalue forest resources
- clarifies and improves land and resource tenure

Scope:

- S Subnational - policies that affect a tribal nation, province, state or region that are neither national nor site specific in impact.
- N National - policies that influence issues on a countrywide level.

Policy Steps:

1. Policy preparation and presentation: Draft bill, policy or regulation, vetted through relevant stakeholders in government, non-government, the private sector and civil society, and introduced for debate in appropriate legislative, regulatory, or governmental body.
2. Adoption: Policy intervention is approved and adopted by the appropriate administrative agency or legislative body. Can take the form of the voting on a law; the issuance of a decree, etc.
3. Implementation and enforcement: Actions that put the policy interventions into effect, such as agency personnel trained in procedures, appropriate institutions created or strengthened, or legislation implemented through the appropriate government agency.

Indicator 4: Dollars leveraged through agreements with USAID donor partners (forestry and land use sectors)

Instructions: In the first column, list all relevant activities or projects. In the right-hand columns, note the amount of 1997 dollars that are directly and indirectly leveraged by USAID for activities that contribute to the preservation or increase of carbon stocks and reduction of greenhouse gas emissions. (See Indicator 4 on page 6 for definitions.)

Country: Brazil	Source of Leveraged Funds	Direct Leverage (4a)	Indirect Leverage (4b)
Activity Description			
Grant to PROBIO for biodiversity research	Global Environment Fund-MMA	\$416,000	
Grants for Sectorial Assessment and Integrated Development planning to 3 municipalities in Serra do Divisor Park	Servicio nacional de Apoio a Pequena e Media Empresa (SEBRAE)- Programa de Desenvolvimento de Emprego e Renda	\$45,000	
Grant to NGO in Cajare Extractive Reserve to facilitate long term stability of palm heart factory	State Government of Amapa	\$33,000	
Grant to Tropical Forest Foundation to support training in reduced impact harvesting (in partnership with LAC and G bureaus)	International Timber Treaty organization	\$1,000,000	
Total		\$1,494,000	

Note: Amounts from 1998 are in 1998 U.S. dollars.

Indicator 5: Institutional Capacity Strengthened

5a: Increased capacity to address global climate change issues

Unit: Number of institutions

Country: Brazil		Name of Associations, NGOs, or other Institutions Strengthened
Number of USAID-assisted associations, NGOs or other public and private institutions strengthened to address GCC issues		
Number of NGOs	8	Woods Hole Research Center/IPAM*; Vitae Civilis*, Environmental Defense Fund*; TNC/SOS Amazonia; Conservation International/IESB, Tropical Forest Foundation, Fundacao Vitoria Amazonica (FVA), AMAZON.
Number of Private Institutions	1	Global Aspen Fund*
Number of Research/Educational Institutions	4	Woods Hole Research Center/IPAM*, University of Florida, Smithsonian/IMPA, State University of New York, Museu Goeldi.
Number of Public Institutions	3	Brazilian Federal Senate*, IBAMA, U.S. Forest Service.
Total Number of Institutions Strengthened:	16	

*Activities directly addressed GCC.

5b. Strengthening technical capacity through workshops, research, and/or training activities

This indicator measures categories in which capacity is strengthened through training/technical assistance. Please report on each category addressed with USAID support or as a result of USAID efforts. Please check whether capacity is strengthened through training, technical assistance, or both, and list the activity(ies) that contribute(s) to each of the capacity building categories. Please report on other areas not listed, if appropriate.

Country: Brazil Category	Types of Support Provided		List the Activity(ies) that Contribute to Each Capacity Building Category
	Training	Technical Assistance	
Advancing improved land use planning	X	X	TR: Fire risk mapping; fire policy work with local communities and federal government, environmental assessment training, environmental education programs, OTS decision makers course; TA: U.S. Forest Service experts and remote sensing technology to map fires and deforestation.
Advancing sustainable forest management	X	X	TR: Forest resource management project with USFS and IBAMA; video and manuals on RIM distributed by AMAZON, TA: support of TFF, USFS and IMPA in tropical forest and fire risk research, support the establishment of FSC in Brazil; TA: Mapping of the Tapajos National Forest, support of Tropical Forest Foundation RIH, forest inventory assistance.

Advancing establishment and conservation of protected areas	X	X	TR: Work with communities and NGO's local to conservation sites to promote agroforestry and sustainable extractive practices; TA: Design of land use plans for several conservation areas—three formally launched this year; help in development of NTFP production and marketing.
Advancing integrated coastal management			
Advancing decreases in agricultural subsidies or other perverse fiscal incentives that hinder sustainable forest management			
Advancing the correction of protective trade policies that devalue forest resources			
Advancing the clarification and improvement of land and resource tenure			
Other			
Number of categories where training and technical assistance has been provided:	3	3	

RESULT 3: DECREASED NET GREENHOUSE GAS EMISSIONS FROM THE ENERGY SECTOR, INDUSTRY AND URBAN AREAS

Indicator 1: Emissions of CO₂ equivalents avoided

Instructions: For each activity contributing to this indicator, write a brief description of the activity in the first column, and write the result in whichever of the three reporting columns that corresponds to this activity. (For example, for a renewable energy activity, put the MW-h of renewable energy produced in electricity generation in column two (1a) or the BTUs of renewable energy produced in thermal combustion in column three (1a). Then put the fuel type replaced in column four (1a).) USAID/W will make the appropriate conversion into metric tonnes of CO₂ equivalents avoided.

Country: Brazil	1a. CO ₂ emissions avoided through renewable energy activities			1b. CO ₂ emissions avoided through end use energy efficiency improvements			1c. CO ₂ emissions avoided through energy efficiency improvements in generation, transmission, and distribution (including new production capacity)			
	Activities:	MW-h produced in electricity generation	BTUs produced in thermal combustion	Fuel Type replaced ¹	MW-h saved	BTUs saved in thermal combustion	Fuel Type saved ¹	MW-h saved	BTUs saved in thermal combustion	Fuel Type saved ²
	PROCEL (1997)				1,760,00	mixed				
	PROCEL (1998)				1,871,00	mixed				
	ELETRAN	84,096	Mixed							
	ABRAVA	40,000	mixed							

¹ Provide fuel type replaced/saved if known. If not, USAID/W will convert MW-h based on country's 1990 fuel mix levels.

² Provide site-specific fuel type information if known. If not, USAID/W will convert MW-h based on country's 1990 fuel mix levels.

Indicator 2: Decreased CO₂ emitted per MW-h of energy produced

Instructions: If these data are available for your country, please enter the total amount of energy produced by the country (MW-h) and the corresponding amount of carbon dioxide emitted (metric tonnes).

Country: _____

MW-h of energy produced: _____

Corresponding metric tonnes of CO₂ emitted: _____

Indicator 3: National/sub-national policy advances in the energy sector, industry and urban areas that contribute to the avoidance of greenhouse gas emissions.

Instructions: Please report on each policy measure addressed with USAID support or as a result of USAID efforts. Check the policy steps (1, 2 and/or 3) **that have been achieved** for each policy measure and list the activity(ies) that contribute to achievement of the policy steps in the last column. Please report on other activities or policy measures not listed, if appropriate. Unit: Number of policy steps achieved

Country: Brazil Activity or Policy Measure	Scope N or S	Check Steps that Have Been Achieved			List Activity(ies) Contributing to Each Policy Category
		Step 1: Policy Preparation and Presentation	Step 2: Policy Adoption	Step 3: Implement- ation and Enforcement	
Facilitates improved demand side management or integrated resource planning					
Facilitates competitive energy markets that promote market-based energy prices, decrease fossil fuel subsidies, or allow open access to independent providers	N	X			ANEEL/U.S. Public Utilities Exchange to develop clean energy and energy efficiency regulations and marketing
Facilitates the installation of energy efficient or other greenhouse gas reducing technologies, including improved efficiencies in industrial processes	N	X			U.S./Brazilian Implementing arrangement for Cooperation—MOU
	N	X	X	X	ANEEL 1% gross annual proceeds to be used for clean energy programs
	N	X	X	X	Global Guarantee Reserve Fund
	N	X	X	X	Fuel Consumption Bill subsidy extended to cover renewables.
Facilitates the use of renewable energy technologies	N	X	X	X	National Council of Finance Secretariats 17% exemption from the value-added tax on renewable energy equipment
Facilitates the use of cleaner fossil fuels (cleaner coal or natural gas)					

Facilitates the introduction of cleaner modes of transportation and efficient transportation systems					
Promotes the use of cogeneration					
Other					
Number of points achieved per policy step	6	4	4		
Total policy steps				14	

Instructions for Data Collection Table: policy matrix:

These indicators are being used to help convey the climate change-related impact of USAID's work to promote policy reform. In the areas of energy, industry and urban development, the indicator focuses on policies that lead to increased energy efficiency and the use of renewable energy and cleaner fuel technologies. Policies listed should affect at least the community or municipal level, but policies that are national in scope should also be included. To reflect the fact that the development and implementation of a policy can take many years, the policy indicator is indexed to record incremental progress.

Policy Categories: Please choose among the policy categories below the one that most closely describes your policy interventions.

- facilitates improved demand side management or integrated resource planning
- facilitates competitive energy markets that promote market-based energy prices, decrease fossil fuel subsidies, or allow open access to independent providers
- facilitates the installation of energy efficient or other greenhouse gas reducing technologies
- facilitates the use of renewable energy technologies
- facilitates the use of cleaner fossil fuels (cleaner coal technologies or natural gas)
- facilitates the introduction of cleaner modes of transportation and efficient transportation systems
- promotes the use of cogeneration.

Scope:

- S Subnational - policies that affect a municipality, province, state, or region
N National - policies that influence issues on a countrywide level.

Policy Steps:

1. Policy preparation and presentation: Draft bill, policy or regulation, vetted through relevant stakeholders in government, non-government, the private sector and civil society, and introduced for debate in the appropriate legislative, regulatory, or governmental body.
2. Adoption: Policy intervention is approved and adopted by the appropriate administrative agency or legislative body. Can take the form of voting on a law, the issuance of a decree, etc.
3. Implementation and enforcement: Actions that put the policy interventions into effect, such as agency personnel trained in procedures, appropriate institutions created or strengthened, or legislation implemented through the appropriate government agency.

Indicator 4: Strategies/audits that contribute to the avoidance of greenhouse gas emissions

Instructions: In the first column describe the activity (e.g. "industrial pollution prevention and energy efficiency auditing in metal finishing"). In the second column, give the number of industrial firms/municipalities that have undertaken audits or developed greenhouse gas reduction strategies. In the third column provide the number of industrial firms or municipalities that have implemented the strategies or audit results.

Units: Number of strategies/audits

Country: Brazil Activity: (please list)	Number of audits or strategies completed	Number implemented
Not applicable to the program		
Total		

Indicator 5: Dollars leveraged through agreements with USAID donor partners (energy, industry and urban sectors)

Instructions: In the first column, list the activities or projects taking place. In the right-hand columns, note the amount of 1997 dollars that are directly and indirectly leveraged by USAID. (See Indicator 6 on page 15 for definitions). Units: 1997 dollars

Country: Brazil Activity Description	Source of Leveraged Funds	Direct Leverage M\$U.S. (5a)	Indirect Leverage M\$U.S. (5b)
REPSO activities	Winrock International	0.29 M	
Programa Estadual de Difusao Technologica para Energias Renovaveis, State of Pernambuco) PAPP	World Bank		0.43
Rural electric energy services	PRODEEM-Ministry of Energy and counterparts		12.05
COELCE wind farm	COELCE		18.00
Energy Efficiency projects	PROCEL		174.00
Solar thermal systems	Private investors		22.8
Eldorado	Banco do Nordeste, Germany, municipalities		0.15
FTV renewable energy project	Banco do Nordeste		0.30
Renewable energy	ICMS fiscal renounce		150.0
Biomass Integrated Gasification/Gas turbine project	GEF		0.19
Biomass Power Generation—Sugar Cane	GEF		1.86
Small hydro plan, Braco do Norte	Not available		7.95
Total		0.29 M	382.16

Indicator 6: Institutional Capacity Strengthened

6a: Increased capacity to address global climate change issues

Unit: Number of institutions

Country: Brazil		Name of Associations, NGOs, or other Institutions Strengthened
Number of USAID-assisted associations, NGOs or other public and private institutions strengthened to address GCC issues		
Number of NGOs	7	Brazilian National Association for Energy Services Companies (ABESCO), Fundacao Brasileira para o Desenvolvimento Sustentavel (FBDS), Associacao Brasileira de Ventilacao, Refigeracao e Ar Condicionado (ABRAVA), Associacao dos Produtores Rurais do Municipio de Valente, Bahia (APAEB), Winrock, United States Energy Association (U.S.EA), Teotonio Vilela Foundation (FTV).
Number of Private Institutions	5	Hagler Bailey, Electric Concessionaire of Bahia (COLBA), Electric Concessionaire of Ceara (COLCE), ELECTRAN, Centrais Electricas de Minas Gerais (CEMIG).
Number of Research/Educational Institutions	5	National Centers of Excellence for Power Research (CEPEL), Universidade de Sao Paulo (U.S.P), Universidade Federal do Rio de Janeiro (UFRJ), Instituto Brasileiro de Geografia e Estatistica (IBGE), Instituto de Desenvolvimento Sustentavel e Energia Renovavel (IDER).
Number of Public Institutions	10	National Agency for Electric Power (ANEEL), Regulatory agency for electric Energy in Ceara (ARCE), Banco Nacional de Desenvolvimento Economic e Social (BNDES), Empresa Brasileira de Pesquisa Agropecuaria (EMBRAPA), Centrais Electricas Brasileiras (ELECTROBRAS), National Program for Electric Energy Conservation (PROCEL), Programa de Desenvolvimento Energtico dos Estados e Municipios (PRODEEM), Programa Nacional de Fortalecimento da Agricultura Familiar (PRONAF), Secretaria de Energia Transportes e Comunicacao do Estado da Bahia (SECT-BA), MME.
Total Number of Institutions Strengthened:	27	

6b. Strengthening technical capacity through workshops, research, and/or training activities

This indicator measures categories in which capacity is strengthened through training/technical assistance. Please report on each category addressed with USAID support or as a result of USAID efforts. Please check whether capacity is strengthened through training, technical assistance, or both, and list the activity(ies) that contribute(s) to each of the capacity building categories. Please report on other areas not listed, if appropriate.

Country: Brazil Category	Types of Support Provided		List the Activity(ies) that Contribute to Each Capacity Building Category
	Training	Technical Assistance	
Improved demand side management or integrated resource planning			
Competitive energy markets that promote market-based energy prices, decrease fossil fuel subsidies, or allow open access to independent providers	X	X	TR: Executive exchanges with U.S. by ANEEL, PUC's and others (8). TA: Technical exchange with U.S. State Energy Agencies and Brazilian Agencies in Brazil (6 on financing and markets).
Installation of energy efficient or other greenhouse gas reducing technologies, including improved efficiencies in industrial processes	X	X	TR: Efficientia –presentation and attendance; TA: Technical exchange with U.S. State Energy Agencies and Brazilian Agencies in Brazil (5 on energy efficiency); Winrock model for calc. IRR for power utilities.

Use of renewable energy technologies	X	X	TR: Hydrovision 98; Sponsorship to Energy partnership summit and World energy conference; CD-ROM on small hydro; ICB/Winrock meeting on the future on energy in Brazil; Workshops on renewable energy (8). TA: Technical exchange with U.S. State Energy Agencies and Brazilian Agencies in Brazil (10 on renewal energy with predominate focus on rural applications), exchange with U.S. Hyropower Council (3); Winrock report on reg. Incentives for renewables for rural electrification; Winrock study of public willingness to pay for RE; Winrock report on opportunities for RE in MG and Rondonia; design 30 kW hydro plant; action plan for PRODEEM, trade guide prepared.
Use of cleaner fossil fuels (cleaner coal or natural gas)	X		TR: Sponsored attendance at International Seminar on Liquid Biofuels.
Introduction of cleaner modes of transportation and efficient transportation systems			
Use of cogeneration	X		TR: INEE workshops on cogeneration (5).
Other	X	X	TR: Workshops and meetings on climate change, CDM (4). TA: Technical exchange with U.S. State Energy Agencies and Brazilian Agencies in Brazil (3 focused on regulatory issues). Winrock prepared 12 reports for IDB on Brazil Electric Sector; Translation of international protocol for measurement and verification to Portuguese;
Total number of points for Training/technical assistance	6	4	

RESULT 4: REDUCED VULNERABILITY TO THE THREATS POSED BY CLIMATE CHANGE

The preliminary indicators to monitor USAID programs that reduce vulnerability to the threats posed by climate change do not measure performance. Rather, they are created to identify Agency programs that are reducing vulnerability to climate change (even if they were not conceived of as climate change programs) in several key areas: coastal zone management; disaster preparedness; agriculture and food security; and biodiversity and forestry. [DATA TO REPORT ON THESE INDICATORS WILL BE COLLECTED BY USAID/W IN THE FY 1998 REPORTING CYCLE. THEY ARE INCLUDED HERE FOR YOUR REVIEW.]

We recognize that there will be some overlap. That is, some activities will fall into more than one category. Please include each activity in only one place and include a reference to other relevant categories in your brief description.

Key Area

- (i) **Coastal Zones** - Number of programs that are reducing the vulnerability of coastal populations, infrastructure, habitats and living resources to accelerated sea level rise or other environmental changes associated with climate change (e.g., water availability, resource availability, temperature)
- (ii) **Emergency Preparedness** - Number of programs that are increasing ability to cope with and minimize the damage from natural disasters (e.g., drought, famine, disease outbreaks) through surveillance, early warning, emergency preparedness, capacity building, etc.
- (iii) **Agriculture and Food Security** - Number of programs that are increasing adaptability and resilience of agriculture and food systems to changes in temperature, water availability, pest and pathogen presence or prevalence, soil moisture and other changes in environmental parameters (e.g., crop diversification, water conservation and delivery, flexible market and trade systems).
- (iv) **Biodiversity/Natural Resources** - Number of programs that are increasing the adaptability of natural ecosystems and levels of biodiversity to changes in temperature, water availability, pest and pathogen presence or prevalence, soil moisture and other changes in environmental parameters (e.g., establishment of biological corridors, habitat conservation, preservation of ex situ germplasm).
- (v) **Human Health and Nutrition** - Number of programs that are reducing vulnerability to climate change through improved access to and quality of health services, vector control, nutrition and environmental health interventions.

Indicator: USAID Programs that Reduce Vulnerability to Climate Change

Key Area (i, ii, iii, iv, v)	Country	Strategic Objective (Name and Number)	Budget	Duration	Type of Prgm (see list below)	Description

Codes for Tracking and Recording Programs

<u>Key Areas</u>	<u>Program Types</u>
i. Coastal Zone	1. Urban/Infrastructure 2. Natural Resource
ii. Disaster Preparation Relief	1. Early Warning System 2. Humanitarian Response 3. Capacity Building
iii. Agriculture & Food Security	1. Research and Development 2. Policy Reform 3. Extension/Demonstration
iv. Biodiversity & Forestry	1. Preservation of Biodiversity 2. Forest Conservation
v. Human Health and Nutrition	1. Improved Quality of Health Services 2. Vector Control 3. Improved Nutrition