

USAID/Peru
ANNUAL REPORT FY 2003

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Related document information can be obtained from:
USAID Development Experience Clearinghouse
1611 N. Kent Street, Suite 200
Arlington, VA 22209-2111
Telephone: 703-351-4006 Ext 106
Fax: 703-351-4039
Email: docorder@dec.cdie.org
Internet: <http://www.dec.org>

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A. Program Level Narrative

Program Performance Summary:

Peru's Political and Economic Context

President Alejandro Toledo took office in July 2001, committing to re-establish the country's democracy and promote a market-based economy in order to provide benefits to all of Peru's citizens. However, the Toledo administration faced serious difficulties through its first year, including widespread public discontent with the economic situation, a shaky coalition within the government and strident opposition from political parties outside the government, and a series of personal scandals. In July 2002, the President drastically altered the make-up of his cabinet, and more recently he replaced his public relations team and adopted a frenetic schedule of visits around the country to inaugurate public works. These steps and sound economic performance in 2002 may have contributed to a partial recovery of the President's approval rating, which had hovered between 15%-20 % for several months but now stands at about 29%.

Peru's political landscape became even more complex after November's regional and municipal elections, which fulfilled President Toledo's campaign pledge to begin a comprehensive process to decentralize state functions. However, the populist opposition APRA party and independents won the majority of the 25 regional presidencies, as well as the majority of provincial/local governments. Therefore, while decentralization holds out the promise of strengthening democracy and stimulating economic activity throughout Peru, it also has the potential to lead to increased political maneuverings and conflicts.

While the GOP remains politically weak, the economy has shown signs of recovery, with GDP growth expected to reach 4.8 percent in 2002 (the highest in South America and most significant growth in Peru since 1997). The Andean Trade Promotion and Drug Eradication Act seems to have already provided a stimulus for growth (e.g., exports to the U.S. were up 11% in November compared to a year ago); and the planned establishment of the Free Trade Area of the Americas in January 2005 holds out the long-term prospect of accelerated export growth and associated employment creation and poverty reduction. Nevertheless, the country continues to face significant economic challenges. Approximately 55 percent of Peruvians live in poverty, and close to 60 percent are unemployed or underemployed. The GOP may face difficulty in financing its heavy debt burden (debt service payments will reach 4% in 2004) and its fiscal deficit which is expected to be 1.9% of GDP in 2003. Political opposition to continued privatization is high; the international climate next year may have a negative impact on bond issuance prospects; and the dilution of the Toledo Administration's early pro-market focus and emerging disputes with the private sector undermine investor confidence.

International Context-USG Foreign Policy Priorities

As President Bush stated in announcing the USG's new Compact for Development in March 2002, "America is engaged in a global struggle... against the forces of terror. Yet, even as we fight to defeat terror, we must also fight for the values that make life worth living: for education and health, and for economic opportunity." The President further asserted that the foundation of development is security, based on good governance, sound economic policies promoting open markets and free trade, and investment in human resources. Relating these broad USG policy directions into terms specific to the Andean region, Otto Reich, the former Assistant Secretary of State for Western Hemisphere Affairs, asserted that each democracy faces the same types of challenges-governance, security and economic opportunity-as it attempts to construct a national identity while interacting with the world through increasing trade and commerce. Within this context, the USG's priorities in Peru include revitalizing democratic institutions and fostering civil society participation to ensure transparent and accountable governance, reducing coca production in order to combat this significant threat to U.S. national security, and integrating Peru's economy more fully into the world economic system to generate employment and increase incomes.

USAID/Peru Programmatic Framework

USAID works as an integral part of the USG Country Team in Peru-and in collaboration with Peruvian partners, other donors, non-governmental organizations, and the private sector-to help Peru achieve a secure, democratic and prosperous future for its citizens. USAID will facilitate both Peru's international and national integration, thereby contributing to the goals of good governance, security and prosperity. Internationally, enhanced cross-border relations from expanded commerce will further integrate Peru into the world economy, helping to improve living standards and reduce the potential for conflict. Within Peru, effective regional and local governments along with improved economic infrastructure will increase national integration, reducing the potential for conflict associated with the marginalization of certain geographic areas and social groups.

Sustainable progress towards good governance, security and prosperity achieved through integration requires increased public and private investment in social and economic infrastructure. "Infrastructure" includes transport, communications and road facilities. It also includes "social infrastructure," such as efficient education and health service delivery systems needed for a productive workforce. Most importantly, it includes the institutions and systems that will ensure rule of law, an effective justice system, and predictable rules of the game required for productive activity to create jobs and incomes.

The unifying goal within USAID/Peru's manageable interest is to promote a more efficient and competitive enabling environment for trade and investment - both domestic and international, by facilitating systemic reforms through democratic institutions and processes that will lead to the expansion of sustainable opportunities for employment, higher incomes and improved quality of life for all Peruvians. Across its various management/programmatic units, USAID's interventions will all contribute in some measure to establishing the democratic, social and economic governance conditions that will attract investment. This is a strategic decision to support macro-level processes that are at a critical juncture in Peru. Only through such an engagement will USAID be able to influence the extent to which the country integrates into the world economy, formalizes its internal economic elements, reduces poverty, and incorporates marginalized groups into the nation-state and society. In addition, in recognition of both program imperatives and resource limitations, the Mission will also support complementary "on-the-ground" activities (e.g. demonstrating innovations in service delivery, business and economic development, and environmental management) in the border and coca growing "marginalized" areas in an effort to improve social governance in those areas and to reduce the potential for conflict.

USAID/Peru Programmatic Priorities

The Mission's bilateral program continues to fall within the seven Strategic Objectives established in the USAID/Peru Strategy approved in May 2001 (as modified by subsequent democracy/governance and education strategy supplements). However, the analysis outlined above represents a refinement of the Mission's overarching goal, based on changing international and national circumstances. Therefore, the Mission has made adjustments in emphasis and focus within each of its objectives, as discussed in the subsequent sections of this Annual Report. In summary, these refinements include:

- 1) Interventions pursued under each of the Mission's seven bilateral objectives will promote: (a) Transparent Democratic Governance to Limit Corruption (reduce corruption to create an efficient and competitive investment climate; extend and consolidate application of the democratic principles of transparency, accountability and citizen involvement in decision-making; increase confidence in key government institutions and help create an attractive environment for investment; promote predictability within the governing system, including assurance that the rule of law will be upheld and that "rules of the game" will be transparently established and indiscriminately enforced; transform the judicial system into one that is perceived as transparent, impartial, and efficient that can be relied upon to protect the interests of all citizens); (b) Predictable Economic Governance to Increase Competition and Competitiveness (increase Peru's linkages to the world economy, based on its many actual and potential competitive advantages; improve Peru's trade framework; modernize its legal system, institutions and polices; address infrastructure constraints; make its capital flows more agile and responsive to investor and producer needs; and ensure sustainable utilization of natural resources for productive purposes); and (c) Accountable Social Governance to Reduce Conflict (in the coca growing regions and selected areas

along the border with Ecuador, support highly visible, on-the-ground improvements in basic social services, infrastructure and access to economic opportunities for the purpose of influencing how individuals and communities interact with each other and become more fully integrated into Peru's economy and polity).

2) Given Peru's overwhelming needs and USAID's limited resources, USAID can never hope to have a national scale, "make-a-difference" impact on Peru's development working only at a micro-level (i.e., direct service delivery). Nevertheless, the USG has strategic interests in achieving on-the-ground development impact in certain geographic areas that have been prone to conflict: (a) the Peru-Ecuador border region, to help ensure a lasting peace between the two countries; and (b) the coca-growing regions, to combat the flow of illicit narcotics to the United States to ensure that these areas are no longer a breeding ground for crime, terrorism and social unrest. Moreover, USAID experience suggests that the development of effective national policies often requires pilot or demonstration projects to "ground truth" innovative governance models in such areas as health and education decentralization planning, health and education service delivery effectiveness, environmental management, development of rural financial markets, and testing of new models for involving the private sector in social service delivery and economic infrastructure development. Therefore, in addition to its national-level efforts to reform policies and institutions, USAID will also finance direct assistance to individuals, firms and communities in the seven-departments that include Peru's major coca producing areas (Ayacucho, Cusco, Huanuco, Junin, Pasco, San Martin, Ucayali). In addition to their relevance as Peru's predominant coca-producing region, this seven-department geographic focus area is home to 20% of Peru's total population, including 25% and 42% of the country's poor and extreme poor. (To put this in different terms, nearly 70% of the population in the focus area is poor and 42% is extremely poor.) Likewise, based on the USG's pledge to support the 1999 Peru-Ecuador Peace Accords, USAID will also work at the micro-level in selected border communities.

3) Given the political and practical weight that the Peruvian public sector, civil society and business interests have placed on the decentralization process, this will be a major element of USAID's systemic sectoral interventions. USAID's support to improve service delivery will focus on the measures needed to effectively and efficiently move decision-making authority and resource access/control to sub-national levels.

4) USAID's micro-level interventions will specifically target marginalized/vulnerable groups-both geographically, as summarized in item #2 above, and in terms of gender, age, ethnic and economic status.

Program Elements/Achievements

USAID is working to improve the enabling environment for trade and investment as summarized below:

1) Democracy and Governance: In the wake of the collapse of the Fujimori government and the successful presidential/congressional elections in 2001, USAID's budget for democracy/governance initiatives expanded significantly in FY 2002. While USAID has provided key ad hoc support for Peru's democratic transition over the last two years--including short-term assistance through the Office of Transition Initiatives, which is currently closing out its operations in Peru--the Mission is poised to begin comprehensive, longer-term programs to encourage and facilitate critical reforms related to decentralization, justice (including commercial law) and congressional functions, with anti-corruption as a cross-cutting interest. While these reform processes have just begun, significant USAID achievements over the last year include:

--The decentralization of political, administrative and financial responsibilities was initiated. This included the preparation of a decentralization law and successful completion of municipal and regional elections. USAID is providing ongoing assistance to rationally decentralize authorities and resources and strengthen sub-national government units.

--The Truth and Reconciliation Commission collected over 13,000 testimonies and the National Human Rights Coordinator counseled more than 400 victims as part of a process to put closure to the political violence of past and develop a culture of respect for human rights as Peru works to strengthen its democracy.

2) Economic Growth: While continuing its firm-level production, marketing and credit support, USAID has begun to adjust its program to address policy and institutional constraints to trade and investment, specifically to help Peru take full advantage of the Andean Trade Promotion and Drug Eradication Act and the Free Trade Area of the Americas. USAID achievements over the last year include:

--USAID assistance led to approximately \$23 million in sales, the creation of 12,000 full-time equivalent jobs, and credit to nearly 100,000 micro-entrepreneurs.

3) Health: USAID support has played a major role in the progress Peru has made against major health indicators over the last two decades. However, public sector health systems remain relatively inefficient and ineffective, political and ideological tensions have diverted attention from practical issues that influence the delivery of health services, and some health indicators (e.g., immunization coverage) appear to be backsliding. USAID efforts will increasingly focus on the decentralization of health systems, promotion of private sector alternatives, communications for behavior change, and service delivery in coca-growing regions. USAID achievements over the last year include:

--The maternal mortality rate fell by 6% and couple-years protection increased by 20%.

4) Environment: USAID has played a leadership role in the establishment of sustainable natural resources management as a cornerstone of Peru's development strategy. While looking for targets of opportunity related to pollution (brown) issues, USAID's environmental program is increasingly focused on biodiversity protection and sustainable forest management for productive uses, especially in coca-growing areas. USAID achievements over the last year include:

--A process to award concessions for sustainable forest management was established, with 3.3 million hectares of concessions already awarded and another 4 million to 6 million hectares in the planning stage (out of a total of 20 million hectares of forest nationwide that are appropriate for productive uses).

5) Education: Building upon its limited-scale efforts in recent years to place a priority on girls' education in rural areas, USAID will initiate a new, more comprehensive program to promote effective decentralization policies and local education system management, with demonstration activities in San Martin (a major coca-producing area) to improve instructional practices, education quality, and democratic behaviors. USAID achievements over the last year include:

--The GOP's new National Plan for Infants and Adolescents includes a major emphasis on girls' education.

--Community participation in schools increased in rural areas with pilot USAID activities, to include the formation of 56 school committees.

6) Alternative Development (AD): While major elements of the Alternative Development/Counternarcotics program languished through the first half of the year, over the last several months, the GOP's newly established counter-drugs authority (DEVIDA/Development and Life Without Drugs) and the USG re-designed the program to link activities directly to the sustained reduction/eradication of coca cultivation; geographically and programmatically focus resources to produce faster more tangible results; establish clear legal lines to distinguish licit and illicit coca production; explicitly link the strategies and activities of law-enforcement and development stakeholders into one cohesive and effective counter-narcotics effort; counteract the negative image of the program with accurate and timely communications to generate an environment in which the AD program can operate effectively and encourage behavior change towards licit lifestyles; and assimilate migrants into licit activities and discourage post-eradication internal migration

with the purpose of cultivating coca in more remote areas. USAID achievements over the last year include:

--While it is expected that there will be a slight net increase in coca production in Peru in 2002, as a result of a late-year push associated with the new GOP/USG strategy, the GOP met its 2002 coca eradication target of 7,000 hectares, including almost 1,000 hectares that were "auto-eradicated" with direct USAID support.

--The gross value of production through licit economic activity in AD areas increased approximately \$60 million (approximately 25%) from the previous year.

7) Peru-Ecuador Borders: Since the start-up of this program in June 2001, USAID support has been critical to the organization of communities in some of the most remote regions along the border, as they have begun to assume greater responsibility for self-government, addressing social needs, and identifying economic opportunities. If funding is provided in FY 2004 and beyond, the Mission plans to pursue a Phase II Border Program, which will address systemic constraints to private sector activity in the border region to promote Peru-Ecuador commercial integration and GDA-type leveraging of private sector resources. USAID achievements over the last year include:

--Twenty one basic social infrastructure projects were completed (health posts, schools facilities, water and sanitation systems), with co-financing from local governments and labor provided by the beneficiaries; training was provided to 275 schoolteachers on gender, equity, valuing diversity, bilingual education and intercultural relations, which will benefit more than 7,000 students; and health services for 50,000 native people were improved.

8) Regional Programs: USAID/Peru has begun to assume management responsibility for several regional programs. The Mission is currently designing interventions to strengthen the participation of the Andean Community (Bolivia, Colombia, Ecuador, Peru and Venezuela) in the FTAA. Furthermore, the Mission will assume responsibility for management of the Andean Center for Excellence in Teacher Training in early CY 2003, and discussions are underway with the LAC Bureau related to regional HIV/AIDS and malaria initiatives.

Environmental Compliance: i. Activities that Need a New or Amended Initial Environmental Examination

Democracy (527-009). Under the new local governance program a small fund has been established which may include building rehabilitation or small infrastructure. As soon as these interventions are better defined, the implementing agencies will be required to develop some generic assessments and mitigation measures.

Poverty Reduction (527-010). The Mission will submit an IEE covering the entire SO in FY 2003 (excluding the Title II activities), as we are planning to modify the strategic objective to encompass increased emphasis on supporting policies that improve the enabling environment for trade and investment. We anticipate that policy interventions will be categorically excluded, however, since many of the PRA interventions are scaling up, there may be need of an environmental reassessment to discard the possibility of any negative environmental impacts.

Under Title II, ADRA has submitted an IEE Amendment for its Infant Nutrition and Agricultural Income Generation programs.

Health (527-011). The Threshold Decision for this SOAG established a Negative Determination with Conditions for interventions related to the upgrading of health services. Once these are defined, the implementing organizations will be required to submit environmental review and monitoring procedures

for MEO's approval. Likewise, these procedures will be required for the VIGIA (Addressing the Threat of Emerging and Re-emerging Diseases) Activity, to which some construction/remodeling activities will be incorporated. Finally, interventions in support of research and surveillance will be reviewed to ensure that they do not demand high level bio-safety measures and that those producing medical waste shall comply with accepted management guidelines.

Environment (527-012). The implementing institutions will develop environmental guidelines for new demonstration interventions under the Strengthened Environmental Management (STEM) SOAG which may have potential minor impacts. Protected areas and forest management plans will incorporate an environmental assessment of the potential impacts. The terms of reference for preparation of the management plans, including the environmental reviews, shall be submitted for USAID approval prior to initiating activities.

Alternative Development (527-013). On September 12, 2002, a new bilateral agreement was signed to extend the Alternative Development Program through 2007, with an anticipated U.S. funding level of \$300 million. The IEE and Threshold Decision for this program provide for the development of a Programmatic Environmental Assessment (PEA) scheduled to begin in January 2003 to address the environmental review and monitoring procedures that will be required for all those interventions with "positive" and "negative with conditions" determinations. This PEA, which will be developed by a U.S. consulting firm in joint collaboration with the GOP will also identify the institutions/individuals responsible for the environmental program as well as the organizational structure required to implement it. In addition, a separate environmental assessment will be required for the rehabilitation of major portions, such as the Tocache-Juanjui section, of the marginal highway to be financed by the program.

Education (527-006). No new IEE or environmental assessment is anticipated for this SOAG in FY2003.

Peru/Ecuador Border Initiative (527-008). No new IEEs or environmental assessments are being anticipated for FY2003. The San Ignacio sub-program for which a separate IEE had been anticipated, was dropped from the program earlier in the year due to budget restrictions.

ii. SO Compliance with Approved Initial Environmental Examinations

All Mission activities are being implemented in compliance with their approved IEEs, Categorical Exclusions, and Programmatic Environmental Examinations. There are no outstanding issues with regard to 22 CFR 216 requirements.

Democracy (527-009). All current activities fall within the Categorical Exclusion Determination approved for the SO.

Poverty Reduction (527-010). All ongoing activities are complying with their approved IEEs, Categorical Exclusions or Negative Determinations with Conditions. The Microenterprise Support Project has ended and the CRS and Technoserve activities are approaching completion. IEEs were approved for CARE's, CARITAS' and PRISMA's Title II multiyear programs (FY02-08; and the Microfinance and Poverty Reduction Activity are covered by Categorical Exclusions.

Health (527-011). Most of the SO interventions have qualified for Categorical Exclusions. For the rehabilitation of health centers damaged by the 2001 earthquake, the implementing institution has been following environmental assessment and monitoring procedures with appropriate checklists and mitigation measures.

Environment (527-012). All provisions established by USAID environmental review documents are being followed. On 09/19/02, LAC issued the Environmental Threshold Decision for the new Strengthening Environmental Management umbrella activity. It provides for Categorical Exclusions for most activities with the exception of certain demonstration activities and interventions on protected area management and forest concessions.

Alternative Development (527-013). Environmental review and monitoring for the Alternative Development Program continue in accordance with the initial Programmatic Environmental Examination and the environmental procedures established by the GOP counterpart DEVIDA. Environmental compliance reports are being received regularly.

Education (527-006). All of its interventions have qualified for a Categorical Exclusion Determination.

Peru/Ecuador Border Initiative. Following the provisions of USAID's Threshold Determination, the implementing institution (CARE) has developed an evaluation and monitoring plan with appropriate check lists and mitigation measures for the interventions with 'negative with conditions' determinations.

Country Closeout & Graduation:

D. Results Framework

527-006 Local Management of Quality Basic Education in Selected Geographic Areas

IR 6.1 Policies implemented to promote decentralized management of quality basic education programs

IR 6.2 Improved local basic education programs in selected communities

Discussion: Education PMP to be developed in 2003.

527-008 Improved Quality of Life of Peruvians Along the Peru-Ecuador Border Target Areas

SO Level Indicator: Children's 4th grade completion rate

SO Level Indicator: Chronic malnutrition rate

SO Level Indicator: Percentage of households with two or more unsatisfied basic nutrition (UBN)

IR 8.1 Increased capacity of border communities to manage development process

IR 8.2 Improved basic capacities for a healthy and productive life

IR 8.3 Increased respect and protection of rights of border population, particularly those of women and indigenous people

IR 8.4 Increased support to peace accords

Discussion:

527-009 Democratic Processes and Institutions Strengthened in Critical Areas

SO Level Indicator: Citizen approval ratings of key government institutions

SO Level Indicator: Level of implementation of key constitutional reforms supportive of the democratic transition

SO Level Indicator: Percentage of OAS-recommended reforms that are implemented

IR 9.5 Past Human Rights abuses addressed through the Truth and Reconciliation Commission

IR 9.1 Stakeholders engage in the development of key policy reforms and oversight of selected government institutions

IR 9.2 Increased responsiveness of elected governments to citizens at the local level in selected regions

IR 9.3 Congress has increased capacity to operate with greater independence and effectiveness, and in representation of citizen interests

IR 9.4 Justice sector has increased capacity to act with greater independence, transparency and efficiency to protect fundamental rights

Discussion:

527-010 Increased Economic Opportunities for the Poor

SO Level Indicator: Percentage of extremely poor in economic corridors

SO Level Indicator: Poverty expenditure Gap (Gap between average total expenditures of the poor and the value of basic basket of goods and services)

IR 10.1 Improved Access to and Participation in Markets

IR 10.2 Increased Availability of Financial Services

IR 10.3 Improved Policy Environment to Promote Economic Growth

IR 10.4 Improved Capacity of the Extremely Poor to Participate in Economic and Social Life

Discussion:

527-011 Improved Health for Peruvians at High Risk

SO Level Indicator: Adolescent pregnancy rate

SO Level Indicator: Fertility Gap

SO Level Indicator: Infant Mortality Rate

IR 11.1 Quality Services Accessible and Utilized

IR 11.2 People practicing healthy behaviors

IR 11.3 Health sector policies and programs more responsive to health needs

Discussion:

527-012 Strengthened Environmental Management to Address Priority Problems

SO Level Indicator: Number of hectares of forest under sustainable management plans

SO Level Indicator: Number of hectares of natural protected areas under improved management systems.

SO Level Indicator: Number of industrial plants in targeted sectors that have reduced their pollution by 10%

SO Level Indicator: Percent increase in civil society making demands about environmental issues

SO Level Indicator: Promotion of policies established and activities initiated for private industry vehicle conversion to compressed natural gas

IR 12.1 National Environmental Policy and Institutional Framework Strengthened

IR 12.2 Local Environmental Management Capacity Strengthened

IR 12.3 Increased Environmental Awareness, Understanding and Demand

Discussion:

527-013 Reduced Illicit Coca Production in Targeted Areas of Peru

SO Level Indicator: Coca leaf production in Peru

SO Level Indicator: Number of hectares devoted to coca production in Peru

IR 13.1.1 Increased Household Income from Licit Economic Activities

IR 13.1.2 Improved Social Conditions

IR 13.1.3 Improved Policy and Institutional Framework

IR 13.1 Increased Alternative Development in Target Areas

IR 13.2 Effective Law Enforcement

Discussion:

Selected Performance Measures - Peru

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Indicator (all data should pertain to FY or CY 02)	OU Response	Significant Result: Description of the significant result for a strategic objective	Data Quality Factors: Information relevant to the collection of this indicator data, e.g. "this data was not collected last year because it is only collected every five years."
Pillar I: Global Development Alliance			

Did your operating unit achieve a significant result working in alliance with the private sector or NGOs?

527-010 Increased Economic Opportunities for the Poor	Yes			-DCA-USAID invested \$58,200 to leverage a loan portfolio guarantee of \$2,000,000 from FOGAPI.- Through a GDA program USAID is providing \$140,000 for T.A. and Peruvian Mining Company Buenaventura is providing approx. \$1,095,677 to cover operational cost of a New Economic Service Center in Huancavelica. In addition, MSED funds were used to leverage \$6 million in bond issue.
527-012 Strengthened Environmental Management to Address Priority Problems	Yes			-DCA-USAID invested \$73,000 to leverage a loan portfolio guarantee of \$2,000,000 from Banco de Credito.
a. How many alliances did you implement in 2002? (list partners)	4			1) Buenaventura Mining Company; 2) FOGAPI (Guarantee Fund for the Small Industry); 3) Banco de Credito del Peru; 4) MIBANCO
b. How many alliances do you plan to implement in FY 2003?	1			Field Museum of Chicago
What amount of funds has been leveraged by the alliances in relationship to USAID's contribution?	11095677			USAID total contribution will be: \$531,200

Pillar II: Economic Growth, Agriculture and Trade
USAID Objective 1: Critical, private markets expanded and strengthened

Did your program achieve a significant result in the past year that is likely to contribute to this objective?

527-010 Increased Economic Opportunities for the Poor	No		
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USAID Objective 2: More rapid and enhanced agricultural development and food security encouraged

Did your program achieve a significant result in the past year that is likely to contribute to this objective?

USAID Objective 3: Access to economic opportunity for the rural and urban poor expanded and made more equitable
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Did your program achieve a significant result in the past year that is likely to contribute to this objective?

527-010 Increased Economic Opportunities for the Poor	No		
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USAID Objective 4: Access to quality basic education for under-served populations, especially for girls and women, expanded
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Did your program achieve a significant result in the past year that is likely to contribute to this objective?

527-006 Local Management of Quality Basic Education in Selected Geographic Areas	No		
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527-008 Improved Quality of Life of Peruvians Along the Peru-Ecuador Border Target Areas	No				
a. Number of children enrolled in primary schools affected by USAID basic education programs (2002 actual)	5,597 Male	5,503 Female	11,100 Total		Total from 527-006 and 527-008 programs. Data source: records from targeted schools.
b. Number of children enrolled in primary schools affected by USAID basic education programs (2003 target)	3,692 Male	3,842 Female	7,534 Total		Target only refer for 527-006. No targets were established for 527-008.

USAID Objective 5: World's environment protected by emphasizing policies and practices ensuring environmentally sound and efficient energy use, sustainable urbanization,

Did your program achieve a significant result in the past year that is likely to contribute to this objective?

527-012 Strengthened Environmental Management to Address Priority Problems	Yes				The sustainable forest concessions bid process was successfully initiated.
a. Hectares under Approved Management Plans (2002 actual)	2084777				Data Source: INRENA (National Institute for Natural Resources).
b. Hectares under Approved Management Plans (2003 target)	4772968				Data Source: INRENA (National Institute for Natural Resources). INRENA is the official entity that approves the Management Plans.

Pillar III: Global Health

USAID Objective 1: Reducing the number of unintended pregnancies

Did your program achieve a significant result in the past year that is likely to contribute to this objective?

Percentage of in-union women age 15-49 using, or whose partner is using, a modern method of contraception at the time of the survey. (DHS/RHS)	%				This data was not collected last year. Last DHS available is 2000
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USAID Objective 2: Reducing infant and child mortality

Did your program achieve a significant result in the past year that is likely to contribute to this objective?

527-011 Improved Health for Peruvians at High Risk	No				
Percentage of children age 12 months or less who have received their third dose of DPT (DHS/RHS)	Male	Female	Total		Data not collected last year- Next DHS scheduled for 2005
Percentage of children age 6-59 months who had a case of diarrhea in the last two weeks and received ORT (DHS/RHS)	Male	Female	Total		Next DHS scheduled for 2005.
Percentage of children age 6-59 months receiving a vitamin A supplement during the last six months (DHS/RHS)	Male	Female	Total		Not available
Were there any confirmed cases of wild-strain polio transmission in your country?	No				Data Source: Ministry of Health

USAID Objective 3: Reducing deaths and adverse health outcomes to women as a result of pregnancy and childbirth

Did your program achieve a significant result in the past year that is likely to contribute to this objective?

527-011 Improved Health for Peruvians at High Risk	No				
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Percentage of births attended by medically-trained personnel (DHS/RHS)	%				Next DHS scheduled for 2005.
USAID Objective 4: Reducing the HIV transmission rate and the impact of HIV/AIDS pandemic in developing countries					
Did your program achieve a significant result in the past year that is likely to contribute to this objective?					
527-011 Improved Health for Peruvians at High Risk	No				
a. Total condom sales (2002 actual)	8800000				Source: APROPO National Market Survey performed with retailers. Data through October 2002.
b. Total condom sales (2003 target)					Not available
National HIV Seroprevalence Rates reported annually (Source: National Sentinel Surveillance System)	0.3%				Source: Ministry of Health. Epidemiology Office. Data for 1999 estimated from infected pregnant women.
Number of sex partners in past year (Source: national survey/conducted every 3-5 years)per DHS or other survey)	1				Source: DHS. Survey to single sexually active women. Data from CY 2000
Median age at first sex among young men and women (age of sexual debut) ages 15-24 (Source: national survey/conducted every 3-5 years) per DHS or other survey)	0 Male	0 Female	0 Total		Data not available.
Condom use with last non-regular partner (Source: national survey/conducted every 3-5 years)per DHS or other survey)	18%				Source: DHS .Data from CY 2000
Number of Clients provided services at STI clinics					
Number of STI clinics with USAID assistance	60				Source: Ministry of Health. PROCETTS - Programa de Control de Enfermedades Transmisibles Sexualmente y Sida. (STD/AIDS Program) Data for CY 2000
Number of orphans and other vulnerable children receiving care/support	11500				Source: Ministry of Health. Data estimated from the 2000 PROCETTS report.
Number of Orphans and Vulnerable Children programs with USAID assistance					
Number of community initiatives or community organizations receiving support to care for orphans and other vulnerable children					
Number of USAID-supported health facilities offering PMTCT services					
Number of women who attended PMTCT sites for a new pregnancy in the past 12 months	196000				Source: Ministry of Health. It only refers to women that underwent voluntary HIV screening, data for CY1999
Number of women with known HIV infection among those seen at PMTCT sites within the past year.					

Number of HIV-positive women attending antenatal clinics receiving a complete course of ARV therapy to prevent MTCT (UNGASS National Programme & Behavior Indicator #4)					
Number of individuals reached by community and home-based care programs in the past 12 months					
Number of USAID-assisted community and home-based care programs					
Number of clients seen at Voluntary Counseling and Testing (VCT) centers	593738				Source: Ministry of Health. DGSP. Data refer to those that received counseling, 1999
Number of VCT centers with USAID assistance					
Number of HIV-infected persons receiving Anti-Retroviral (ARV) treatment					
Number of USAID-assisted ARV treatment program					
a. Number of individuals treated in STI programs (2002 actual)	0 Male	0 Female	0 Total		Quality data not available.
b. Number of individuals treated in STI programs (2003 target)	Male	Female	Total		
a. Is your operating unit supporting an MTCT program?	No				
b. Will your operating unit start an MTCT program in 2003?	No				
a. Number of individuals reached by community and home based care programs (2002 actual)	Male	Female	Total		
b. Number of individuals reached by community and home based care programs (2003 target)	Male	Female	Total		
a. Number of orphans and vulnerable children reached (2002 actual)	Male	Female	Total		
b. Number of orphans and vulnerable children reached (2003 target)	Male	Female	Total		
a. Number of individuals reached by antiretroviral (ARV) treatment programs (2002 actual)	Male	Female	Total		
b. Number of individuals reached by antiretroviral (ARV) treatment programs (2003 target)	Male	Female	Total		
USAID Objective 5: Reducing the threat of infectious diseases of major public health importance					
Did your program achieve a significant result in the past year that is likely to contribute to this objective?					
527-011 Improved Health for Peruvians at High Risk	No				

a. Number of insecticide impregnated bed-nets sold (Malaria) (2002 actual)				
b. Number of insecticide impregnated bed-nets sold (Malaria) (2003 target)				
a. Proportion of districts implementing the DOTS Tuberculosis strategy (2002 actual)	99.8%			
b. Proportion of districts implementing the DOTS Tuberculosis strategy (2003 target)	100%			

Source: Ministry of Health. Peru Tuberculosis National Report. Data is for 2000.

Pillar III: Democracy, Conflict and Humanitarian Assistance
USAID Objective 1: Strengthen the rule of law and respect for human rights

Did your program achieve a significant result in the past year that is likely to contribute to this objective?

527-009 Democratic Processes and Institutions Strengthened in Critical Areas	No		
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USAID Objective 2: Encourage credible and competitive political processes

Did your program achieve a significant result in the past year that is likely to contribute to this objective?

527-009 Democratic Processes and Institutions Strengthened in Critical Areas	Yes		Completion of regional and municipal elections and initiation of decentralization process.
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USAID Objective 3: Promote the development of politically active civil society

Did your program achieve a significant result in the past year that is likely to contribute to this objective?

USAID Objective 4: Encourage more transparent and accountable government institutions

Did your program achieve a significant result in the past year that is likely to contribute to this objective?

527-009 Democratic Processes and Institutions Strengthened in Critical Areas	No		
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USAID Objective 5: Mitigate conflict

Did your program in a pre-conflict situation achieve a significant result in the past year that is likely to contribute to this objective?

Did your program in a post-conflict situation achieve a significant result in the past year that is likely to contribute to this objective?

Number of refugees and internally displaced persons assisted by USAID	Male	Female	Total	
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USAID Objective 6: Provide humanitarian relief

Did your program achieve a significant result in the past year that is likely to contribute to this objective?

Number of beneficiaries				
Crude mortality rates	%			
Child malnutrition rates	%			
Did you provide support to torture survivors this year, even as part of a larger effort?				
Number of beneficiaries (adults age 15 and over)	Male	Female	Total	
Number of beneficiaries (children under age 15)	Male	Female	Total	