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901122

UNCLASSIFIED

UNITED STATES INTERNATIONAL DEVELOPMENT COOPERATION AGENCY  
AGENCY FOR INTERNATIONAL DEVELOPMENT  
Washington, D. C. 20523

BOLIVIA

PROJECT PAPER

SPECIAL DEVELOPMENT ACTIVITIES III

AID/LAC/P-895

PROJECT NUMBER: 511-0633

UNCLASSIFIED

AGENCY FOR INTERNATIONAL DEVELOPMENT

**PROJECT DATA SHEET**

1. TRANSACTION CODE

A = Add  
 C = Change  
 D = Delete

Amendment Number

DOCUMENT CODE

3

2. COUNTRY/ENTITY

BOLIVIA

3. PROJECT NUMBER

511-0633

4. BUREAU/OFFICE

LATIN AMERICA AND CARIBBEAN (LAC)

5. PROJECT TITLE (maximum 40 characters)

SPECIAL DEVELOPMENT ACTIVITIES III

6. PROJECT ASSISTANCE COMPLETION DATE (PACD)

MM DD YY  
 09 30 99

7. ESTIMATED DATE OF OBLIGATION (Under 'B.' below, enter 1, 2, 3, or 4)

A. Initial FY 94 B. Quarter 4 C. Final FY 98

8. COSTS (\$000 OR EQUIVALENT \$1 = )

A. FUNDING SOURCE	FIRST FY 94			LIFE OF PROJECT		
	B. FX	C. L/C	D. Total	E. FX	F. L/C	G. Total
AID Appropriated Total		100	100	10	590	600
(Grant)	( )	( 100 )	( 100 )	( 10 )	( 590 )	( 600 )
(Loan)	( )	( )	( )	( )	( )	( )
Other 1.						
U.S. 2.						
Host Country		33	33		200	200
Other Donor(s)						
<b>TOTALS</b>		133	133	10	790	800

9. SCHEDULE OF AID FUNDING (\$000)

A. APPROPRIATION	B. PRIMARY PURPOSE CODE	C. PRIMARY TECH. CODE		D. OBLIGATIONS TO DATE		E. AMOUNT APPROVED THIS ACTION		F. LIFE OF PROJECT	
		1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan
(1) DA						100		600	
(2)									
(3)									
(4)									
<b>TOTALS</b>									

10. SECONDARY TECHNICAL CODES (maximum 6 codes of 3 positions each)

11. SECONDARY PURPOSE CODE

12. SPECIAL CONCERNS CODES (maximum 7 codes of 4 positions each)

A. Code

B. Amount

13. PROJECT PURPOSE (maximum 480 characters)

To support self-help development initiatives of the Bolivian people.

14. SCHEDULED EVALUATIONS

Interim MM YY MM YY Final 03 99

15. SOURCE/ORIGIN OF GOODS AND SERVICES

000  941  Local  Other (Specify)

16. AMENDMENTS/NATURE OF CHANGE PROPOSED (This is page 1 of a \_\_\_\_\_ page PP Amendment.)

The USAID/Bolivia Controller has reviewed the methods of implementation and financing and the financial procedures described herein and hereby indicates his concurrence.

Richard Goughnour  
 CONTROLLER

17. APPROVED BY

Signature

Title

Carl H. Leonard  
 Director - USAID/Bolivia

Date Signed

MM DD YY  
 06 10 94

18. DATE DOCUMENT RECEIVED IN AID/W, OR FOR AID/W DOCUMENTS, DATE OF DISTRIBUTION

MM DD YY

PROJECT AUTHORIZATION

NAME OF COUNTRY: BOLIVIA

NAME OF PROJECT: SPECIAL DEVELOPMENT ACTIVITIES III  
(SDA III)

NUMBER OF PROJECT: 511-0633

DATE: JUNE 10, 1994

1. Pursuant to Section 106 of the Foreign Assistance Act of 1961, as amended, I hereby authorize the Special Development Activities Project (The Project) for Bolivia (The Cooperating Country) involving planned obligations of not to exceed Six Hundred Thousand United States Dollars (\$600,000) in grant funds over a five-year period, subject to the availability of funds, in accordance with the AID OYB/allotment process, to help in financing foreign exchange and local currency costs for the Project. The planned life of the Project is approximately five years from the date of initial obligation, to September 30, 1999.

2. The Project will assist small rural communities and local organizations to undertake self-help activities which have an immediate impact on the communities' social and economic welfare. Each subproject will be of limited size. The SDA III project will address basic human needs of the beneficiaries by assisting poor isolated communities in implementing self-help activities in areas such as of: a) Education: school completion, remodeling, and provision of furniture and teaching materials; b) Water and sanitation: provision of water and sanitary systems, completion, remodeling and equipment of small hospitals and health posts; c) Income generating: small irrigation systems, small agricultural and artisanry activities, distribution centers and markets; and d) Infrastructure: improvement of access roads, and small bridges.

3. The Project Agreement(s), which may be negotiated and executed by the officer(s) to whom such authority is delegated in accordance with AID Regulations and Delegations of Authority, shall be subject to the following essential terms and covenants and major conditions, together with such other terms and conditions as AID may deem appropriate:

a. Source and Origin of Commodities, Nationality of Services

Commodities financed by A.I.D. under the project shall have their source and origin in Bolivia or in the United States, except as A.I.D. may otherwise agree in writing. Except for ocean shipping, the suppliers of commodities or services shall have Bolivia or the United States as their place of nationality, except as A.I.D. may otherwise agree in writing. Ocean shipping financed by A.I.D. under the project shall, except as A.I.D. may otherwise agree in writing, be financed only on flag vessels of the United States.

b. Waiver Permitting Local Cost Financing

Based on the financial plan, the justification included in the Project Paper, and the description of project activities and implementation arrangements in the Project Paper, local cost financing with appropriate funds is hereby authorized for procurement transactions for all activities of the Project, as necessary to fulfill program objectives and to best promote the objectives of the Foreign Assistance Program. This waiver includes procurement transactions for procurement of goods, services, or construction necessary to support implementation of activities of the Project.



Carl H. Leonard  
Director  
USAID/Bolivia

## Special Development Activities

### Project No. 511-0633

#### I. Project Background

Manual Order No. 1323.1.1 dated February 13, 1969, describes the scope and purpose of The Special Development Activity as follows: "The Special Development Activity Authority is a special device for permitting designated Mission Directors to finance quickly and with a minimum of procedural red tape, small construction activities which will have an immediate impact on the cooperating country."

The Special Development Activities Project (SDA), has been active in Bolivia for more than thirty years and has assisted hundreds of small, needy, isolated communities all over the country, in carrying out self-help development projects. In many cases, USAID assistance constituted the only funding available to the community.

The initial project, The Special Development Activities No. 511-0412, started in FY 1964 and lasted until FY 1991, with a total LOP of \$2.1 million in USAID funding. In FY 1991, USAID/Bolivia authorized a new project entitled Special Development Activities, Project No. 511-0623, for a total LOP of \$500,000 in USAID funding.

During the thirty years of project implementation, as discussed and certified by various evaluations, the project met its purpose of assisting poor communities and also served to show the helping hand of the people of the United States of America. The conclusion of all evaluations is that the project is a success story.

Several implementation modalities had been tried in order to better carry out the project. Several changes in the administration of the project have occurred, all of them leading to improved management systems to efficiently and expeditiously meet the mandate to support the self-help efforts of the beneficiary communities.

Activities supported by the project also changed. The most important ones always have been school construction and remodelling, water, public works and roads. In 1990, the project expanded its interventions and included income generating activities, including small irrigation systems, access roads and bridges to production and distribution centers, and small infrastructure projects for rural industries and artisanry centers.

The proposed Special Development Activities III (SDA III) project will continue to work with local communities, especially in rural areas.

## II. Project Description

The SDA III project falls under the USAID/Bolivia Strategic Objective "Improved effectiveness and accessibility of key democratic institutions and practices."

**Project Goal:** Improve effectiveness and accessibility of key democratic institutions and practices.

**Project Purpose:** To support the self-help development initiatives of the Bolivian people.

Approximately 66 sub-projects in around 85 small communities in isolated areas of the country will be supported. The SDA III project will increase the participation of communities in decisions regarding their development by addressing basic human needs of the beneficiaries, by assisting poor, isolated communities in implementing self-help activities in the areas such as education, water, sanitation, and income generation. The SDA III project calls for a substantive participation of the community members, both in contributing resources -- in cash and/or in-kind -- as well as in the design, implementation, and maintenance of the SDA III supported activities.

## III. Project Implementation

### A. Approval process

1. The interested community will submit a letter to USAID/Bolivia, including the signatures of the official community representatives, indicating the purpose of the activity, describing it, and providing a map with its exact location. At this point a file will be opened for the activity.
2. The proposal will be reviewed by the Project Manager and by the Project Coordinator, in order to see if it fits within the norms and regulations of the project. If the project meets the regulations, then a letter will be sent to the community, setting forth an estimated date for an inspection trip, and attaching the standard form which provides more and detailed information about the community and the proposed activity.
3. After the inspection, the community must submit to USAID/Bolivia the standard form, including a description of the materials required, estimated cost, and the names of the persons responsible for implementation.
4. Once all the above documentation is received in USAID/Bolivia, the Project Coordinator will proceed to verify all the information and documentation. The Project Manager and the Project Coordinator will make sure the

community is organized, has the administrative and technical capability to execute the activity, and that it has access to the financial resources necessary to comply with the provision of certain inputs, such as qualified technical personnel and transportation of construction materials.

5. The Project Manager will prepare an action memorandum with a recommendation, for approval or disapproval by the USAID Director.
6. The DP office representative will communicate USAID's decision to the community and if approved will proceed to prepare the necessary implementation documentation.

**B. Selection Criteria.**

1. The following is an illustrative list of the types of activities SDA III project will finance.
  - ◆ Education: school completion, remodeling, and provision of furniture, and teaching materials.
  - ◆ Water and sanitation: provision of water and sanitary systems, completion, remodeling and equipment of small hospitals and health posts.
  - ◆ Income generating: small irrigation systems, small agricultural and artisanry activities, distribution centers and markets.
  - ◆ Infrastructure: improvement of access roads and small bridges.
2. The following types of activities will not be considered eligible for financing:
  - ◆ Construction of social centers, government offices, mothers clubs, recreational amusement areas.
  - ◆ Grants to military or religious institutions, or for personal use.
  - ◆ Cash or material donations to charities
  - ◆ Construction on private land or acquisition of land.

Application for financial assistance under the Special Development Activities III (SDA III) must comply with the following general guidelines:

1. The SDA will finance income generating productive activities

and those that provide small basic services such as: school completion and remodeling, health units, water systems, water pumps, latrines, and septic tanks. These activities are intended to improve the social and economic conditions of low-income, small communities, preferably located in remote areas of the country.

2. The activity should respond to a community self-help efforts and the SDA financing request should be known to the entire community.
3. The request should have the consensus of the majority of the community.
4. The activity should be feasible, both technically as well as economically. To this purpose, there should be an activity profile justifying its economic viability. For construction activities, a technical document is required with metric calculations, and a detail of materials needed, budget, drawings, and the necessary financial sources.
5. Since these are self-help activities, the community should contribute a minimum of 40% of the total project cost. This contribution should be new or additional investments such as the following items: skilled and unskilled labor; local materials; transportation; land; and other materials or services. Before making any disbursements, USAID will verify the actual contribution made by the community.
6. The intent of the SDA project is to have an immediate impact, with prompt financing, and a minimum of bureaucratic paper work. As such, preference will be given to small projects with a short implementation term (preferably less than three months).
7. The USAID/Bolivia contribution will not normally exceed the equivalent of TEN THOUSAND DOLLARS in Bolivianos.
8. It is understood that the requested SDA contribution represents the quantity which, in combination with community funds or in-kind support and other resources, is needed to complete the proposed activity.
9. Ineligible items: USAID funding normally will not cover the following expenses: skilled and unskilled labor; salaries; per diem; travel; professional or consulting services; local materials; the purchase or rental of facilities; administrative expenses; motor vehicles nor with USAID fund; pharmaceutical; pesticides; explosives; fertilizers; military, police or surveillance equipment; abortion equipment; weather modification equipment; luxury goods or personal or household goods; rubber compounding chemicals or plasticizers used to make explosives; livestock; or operating capital. After analyzing the application form, the beneficiary will be

informed of any item which makes the proposal ineligible for financing by USAID. It is established that the recipient community's contribution in labor may not be through the USAID supported food-for-work program.

C. Project Management

1. The Office of Development Programs (DP) will have the responsibility for managing, monitoring and coordinating the SDA project. This includes:
  - ◆ provision of policy guidance,
  - ◆ supervision and management of project implementation.
  - ◆ chairmanship of the project committee
  - ◆ preparation of required project reports.

DP will assign the follow officers for the management of the project:

- ◆ Project Manager, responsible for general oversight of the implementation and coordination of all project activities.
  - ◆ Project Coordinator, funded by the SDA Project, responsible for day-to-day operations, including, inspections, purchase and delivery of project commodities, and preparation of documentation and correspondence.
2. The project will be managed following the regulations contained under Agency Regulations (Manual Order 1323.1.1) and USAID/Bolivia's Local Order No. 2-5, dated June 19, 1990, for the Special Development Fund (SDA), Project 511-0623.
  3. A Project Committee will be established to participate in the identification, selection, approval and inauguration of activities. This Committee will be composed of representatives from various USAID/Bolivia Offices, as follows:
    - ◆ Project Manager: DP Office
    - ◆ Project Coordinator: DP Office
    - ◆ Project Backstop: PD&I Office
    - ◆ Representative: Technical Office(s) (HHR, CONT, T&I, and/or ARD)

4. Authority to approve/reject activities will be vested with the USAID/Bolivia Mission Director.

The Project Committee, based on the recommendation of the Project Manager will review the proposed activities and if they meet and conform with project norms and regulations, will proceed to recommend approval. A list of the activities approved by the Project Committee, including a brief description of each of the activities will be submitted to the USAID Director for final approval. Upon the latter approval, the necessary documentation for the commitment of funds will be prepared by DP.

The application should be accompanied by proforma invoices for the materials and/or equipment required.

- a) Submission of an application to USAID/Bolivia does not, in any way, imply activity approval.
- b) Communities or organizations which may have benefitted in the past two years from SDA project assistance normally will not be considered for new SDA funding. The intent of this policy is to encourage the greatest possible geographic application of SDA funding.
- c) USAID has established that SDA assistance is oriented principally to rural communities as the final beneficiaries of assistance from the people of the United States of America. Technical support from nonprofit official or private organizations may be provided for activity development implementation or training.
- d) Productive projects must fulfill minimal basic technical conditions, for example, studies to demonstrate the existence of market for the products, working capital, etc. In micro irrigation projects, there must be a water source available in order to justify the investment in an irrigation system. At the time of approving these type of projects, the Project Committee will take into consideration previous experience in implementing similar activities.
- e) In the case of social projects, for example, potable water, the Project Coordinator in conjunction with the community should measure the flow of the spring and if possible verify its quality through the results of physical-chemical or bacteriology analyses. In the case of school remodeling and health units, the availability of personnel (teachers, nurses), as well as the existence of enough students to participate in class, must be certified and verified prior to the approval. In electrical energy projects, the financing of electrical materials for high or low tension lines, transformers, lamp posts will be assured previously.

#### **D. Dedication Ceremonies.**

The Project Manager will prepare and keep a tentative schedule of dedication ceremonies for completed activities. The Project Manager will circulate the schedule periodically to enable the U.S. Ambassador or other Embassy officials, to indicate their interest in attending the dedication ceremony. The Project Manager will coordinate official ceremony activities. Normally, during the ceremony a plaque will be presented to the participating community. The plaque serves to certify the assistance provided by the people of the United States of America to the people of Bolivia.

#### **5. Disbursements**

Once an activity has been approved and the respective documentation issued and signed by the USAID/Bolivia Director, the Project Manager may request funds be disbursed to proceed with the acquisition of goods and services under the activity. However, he or she should first assess the possibility of reimbursing the community rather than issuing an advance. Funds will be delivered to the Project Coordinator, who will be fully responsible for their accountability. The Project Coordinator will assure the purchase of all required goods and their deliver to the beneficiary community. On a regular basis, or when deemed necessary by the Project Manager and/or by the Controllers Office, the Project Coordinator will account for funds received.

#### **IV. Evaluation**

A final evaluation of the Project may be carried out in year five of Project implementation. The evaluation study will serve to determine the impact of the activities on the benefitted communities and people and to determine the effectiveness of the implementation process. Issues to be addressed by the evaluation will focus in determining if the goal and purpose, as stated in this Project Paper have been achieved and how the project contributed to USAID/Bolivia's overall strategic objective improved the effectiveness and accessibility of key democratic institutions.

#### **V. Cost Estimate and Financial Plan**

##### **A. USAID/Bolivia.**

The total planned amount to be provided for the project by USAID/Bolivia, \$600,000, will be utilized to cover costs related to activity implementation and to cover administrative costs associated with the activities.

These funds will be used for the procurement of shelf commodities (construction materials, school furniture, water pumps), USAID/Bolivia project administration costs (salaries, travel and per diem, communications, logistic support) and evaluations.

## B. Community

In addition to the USAID/Bolivia contribution, the communities will provide an estimated \$200,000, in cash and/or in-kind. The following items will be covered by the contribution provided by the communities: land site, local transportation costs of the construction materials and equipment, local materials as sand, gravel, adobes, skilled and unskilled labor, and administration and supervision costs.

A summary estimated budget for the Project follows:

Item	Total estimated	FX	L C Costs
1. USAID/Bolivia	600,000	10,000	590,000
- Activities	307,099	0	307,099
- Admin. Costs	282,901	0	282,901
- Evaluation	10,000	10,000	0
2. Community	200,000	0	200,000
- Sub-projects	200,000	0	200,000
Grand Total	800,000	10,000	790,000

=====  
Annex I, contains a detailed budget for the project.

## VI. Procurement Plan

### A. Procurement Responsibilities

The Project Manager and Project Coordinator will be responsible for procurement actions under the Project.

The following is an illustrative list of items to be purchased: follows:

- Construction materials, such as cement, lumber, tin and plastic roofing sheets, electrical fixtures, windows, doors, stucco, nails, etc.
- School furniture, such as desks, chairs, tables, shelves, and educational material.
- Water pumps, pipe and accessories, agricultural tools, as well as other small equipment for income generating projects.

## **B. Procurement Actions**

1. All procurement actions will be conducted by the Project Coordinator and/or by the Project Manager, in collaboration with the members of the beneficiary communities. Basically all construction materials, equipment and furniture will be purchased locally, and payment will be made in Bolivianos.

Since activities are dispersed throughout the country, the Project Manager/Coordinator will purchase the required commodities at the location closest to the project site, in order to save transportation costs to the communities.

2. The Project Manager will issue a PIO/T requesting the Regional Contracting Officer to contract for the project evaluation. The cost of the evaluation could be paid in U.S. dollars or in Bolivianos, depending on the contracting arrangements.
3. Utilizing project funds, USAID/Bolivia will contract for the services of the Project Coordinator, and will cover his travel costs and per diem, the travel and per diem costs of a USAID/Bolivia driver, as well as the costs related to the vehicle when travel is associated with project purposes. A PIO/T to initiate the contracting process will be prepared by the Project Manager.
4. In cases where no USAID/Bolivia vehicles are available for project purposes, the Project Manager and/or Project Coordinator are authorized the rental of vehicles, and other means of transportation.
5. The contracting and payment of transportation costs for project materials, equipment, furniture, normally will be the sole responsibility of the community.
6. The communities will be in charge of acquiring any local materials, such as gravel, sand, stones and others corresponding to their counterpart contribution.

## **VII. Initial Environmental Examination and Threshold Decision**

No pesticides, pharmaceutical, explosives, fertilizers, military or police equipment, rubber compounding chemicals or plasticizers, or chemicals deemed by USAID to be harmful to the environment will be procured under the Project. Although some activities will involve infrastructure construction or renovation, the small size of the activities, with a maximum amount of \$10,000 per activity, provides an assurance, in combination with the list of prohibited

commodities, that the effect of activities on the environment will be minimal. USAID/Bolivia will take the impact of each proposed activity on the environment into account in considering approval and financing. For these reasons, USAID/Bolivia requests a Negative Declaration under 22.C.F.R. 216.3 (a) (3) (iii)

*2/12/94*  
DP:HDiez de Medina  
05/04/94

Clearances:

DP:EJSzepesy *CH*  
PD&I:JViscarra  
PD&I:LLucke *BB for 5/13/94*  
CONT:RGoughnour *JK*  
DD:GADavidson *CP* *6/1/94*  
D:CHLeonard *CP*

Special Development Activities iii  
Estimated Budget  
( US\$ 000 )

Annex 1

Component	First Year	Second Year	Third Year	Fourth Year	Fifth Year	Total All years	FX	LC
<b>1. USAID FUNDS TOTAL</b>	100,000	100,000	125,000	125,000	150,000	600,000	10,000	590,000
<b>a. Activities</b>	48,100	47,305	71,490	70,655	69,549	307,099	0	307,099
– Const. material/equipment	48,100	47,305	71,490	70,655	69,549	307,099	0	307,099
<b>b. Administrative Costs</b>	51,900	52,695	53,510	54,345	80,451	292,901	10,000	282,901
– Project Coordinator	31,800	32,595	33,410	34,245	50,351	182,401	0	182,401
– Logistic support	6,000	6,000	6,000	6,000	6,000	30,000		30,000
– Travel and per diem	13,500	13,500	13,500	13,500	13,500	67,500		67,500
– Telephone, fax,	600	600	600	600	600	3,000		3,000
<b>c. Evaluation</b>	0	0	0	0	10,000	10,000	10,000	
<b>2. COMMUNITY CONTRIBUTION 1/</b>	33,000	34,000	34,000	34,000	65,000	200,000	0	200,000
<b>a. Activities</b>								
– Local construction materials, skilled and unskilled labor, transportation costs, and/or other related costs.	33,000	34,000	34,000	34,000	65,000	200,000	0	200,000
<b>GRAND TOTAL</b>	133,000	134,000	159,000	159,000	215,000	800,000	10,000	790,000

1/ Includes in-kind contributions, such as land, labor, local materials, administration and supervision. This amount represents the normal minimum counterpart contribution to be provided by the communities. Contributions will vary and depend on the type of project, location of the community, and other factors. Individual community contributions can not be predicted at this point in time.

**ANNEX 2  
LOGICAL FRAMEWORK**

**Project: Special Development Activities III (SDA III) No. 511-0633**

Life of Project from FY94 to FY99  
Total Life of Project Funding \$600,000  
Date prepared: March 25, 1994

NARRATIVE SUMMARY	OBJECTIVELY VERIFIABLE INDICATORS	MEANS OF VERIFICATION	IMPORTANT ASSUMPTIONS																					
<p><b>Goal:</b> Improved effectiveness and accessibility of key democratic institutions and practices.</p>	<p>Communities receiving project support in isolated areas are better organized and render better services to their members.</p>	<ul style="list-style-type: none"> <li>• Final evaluation</li> <li>• Project reports</li> <li>• Community reports</li> </ul>	<ul style="list-style-type: none"> <li>• Good working relationships between community members</li> <li>• Economic and social conditions prevail to assist the communities</li> <li>• Communities maintain high degree of participation</li> </ul>																					
<p><b>Purpose:</b> To support the self-help development initiatives of the Bolivian people.</p>	<ul style="list-style-type: none"> <li>• Actual completed activities</li> <li>• Communities have established supervision and maintenance committees</li> <li>• Sub-activities are being utilized to benefit more community members</li> <li>• Local contribution will add up at least to 40% of total sub activity cost</li> <li>• Approximately 30,000 beneficiaries</li> </ul>	<ul style="list-style-type: none"> <li>• Individual final reports</li> <li>• Quarterly reports</li> <li>• Semi annual reports</li> <li>• Community reports</li> <li>• Visit and inspections</li> <li>• Public opinion</li> <li>• Press coverage</li> </ul>	<ul style="list-style-type: none"> <li>• Construction materials are available and delivered on time</li> <li>• Available transportation infrastructure</li> </ul>																					
<p><b>Outputs:</b></p> <ul style="list-style-type: none"> <li>• 66 activities completed</li> <li>• 85 Communities benefitted</li> <li>• 30,000 people benefitted</li> </ul>	<ul style="list-style-type: none"> <li>• Construction materials, equipment and other services delivered on time</li> <li>• Community committees working in a collaborative way</li> <li>• Basic services (education, water, health, etc..) existing in communities</li> </ul>	<ul style="list-style-type: none"> <li>• Invoices</li> <li>• Accounting, engineering and administration records</li> <li>• Project reports</li> <li>• Public vouchers</li> <li>• Sub-agreements between USAID and the community</li> <li>• Work contracts</li> <li>• Project forms and approval committees</li> </ul>	<ul style="list-style-type: none"> <li>• Skilled &amp; unskilled labor available in the communities on time</li> <li>• Transportation infrastructure available</li> </ul>																					
<p><b>Inputs:</b></p> <ul style="list-style-type: none"> <li>• Materials</li> <li>• Equipment</li> <li>• Construction sites</li> <li>• Technical assistance</li> <li>• Evaluations</li> <li>• Furniture</li> </ul>	<table border="0"> <thead> <tr> <th>Number of projects</th> <th>USAID</th> <th>Community</th> </tr> </thead> <tbody> <tr> <td>• 14 Education projects</td> <td>37,506</td> <td>41,210</td> </tr> <tr> <td>• 32 Water projects</td> <td>185,888</td> <td>101,482</td> </tr> <tr> <td>• 20 Income generating</td> <td>83,705</td> <td>57,308</td> </tr> <tr> <td>• Administrative costs</td> <td>282,901</td> <td>0</td> </tr> <tr> <td>• Evaluation</td> <td>10,000</td> <td>0</td> </tr> <tr> <td><b>TOTAL</b></td> <td><b>\$600,000</b></td> <td><b>\$200,000</b></td> </tr> </tbody> </table>	Number of projects	USAID	Community	• 14 Education projects	37,506	41,210	• 32 Water projects	185,888	101,482	• 20 Income generating	83,705	57,308	• Administrative costs	282,901	0	• Evaluation	10,000	0	<b>TOTAL</b>	<b>\$600,000</b>	<b>\$200,000</b>	<ul style="list-style-type: none"> <li>• Final project inspections</li> <li>• Dedication ceremonies</li> <li>• Final letter from the community</li> <li>• Final project evaluation</li> <li>• Project Assistance Completion Report</li> </ul>	<ul style="list-style-type: none"> <li>• Funding availability</li> <li>• Agricultural cycle allows timely implementation</li> </ul>
Number of projects	USAID	Community																						
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<b>TOTAL</b>	<b>\$600,000</b>	<b>\$200,000</b>																						

**ENVIRONMENTAL DETERMINATION  
INITIAL ENVIRONMENTAL EXAMINATION**

PROJECT LOCATION: BOLIVIA

PROJECT TITLE: SPECIAL DEVELOPMENT ACTIVITIES III  
PROJECT (SDA III)

PROJECT NUMBER: 511-0633

FUNDING: \$600,000

LIFE OF PROJECT: 5 YEARS 1994 - 1999

IEE PREPARED BY: USAID/BOLIVIA

**1. PROJECT DESCRIPTION:**

Manual Order No. 1323.1.1 dated February 13, 1969, describes the scope and purpose of The Special Development Activity as follows: "The Special Development Activity Authority is a special device for permitting designated Mission Directors to finance quickly and with a minimum of procedural red tape small construction activities which will have an immediate impact on the cooperating country."

During the past thirty years, the Special Development Activities (SDA) Fund has constituted an important activity of the USAID/Bolivia program. The activities financed by the Fund were generally small but of high priority for community-sponsored activities, which received no additional financing from Government of Bolivia or other sources.

According to several evaluations, the SDA fund rendered a significant service to isolated, impoverished rural communities throughout the country. The evaluations found that the SDA had often given the only outside assistance ever received by a community. The overall conclusion was that the SDA operation was achieving its purpose and that USAID/Bolivia should consider this project as a success. The combination of a felt need, USAID direct assistance, self-help, flexible conditions and the use of local technical assistance are important factors contributing to successful implementation.

Activities include income generation and social projects such as water supply, school remodelling and health posts.

The project will continue implementing activities similar to those of the successful Special Development Activities Project 511-0623.

1. The SDA III Project will finance activities in the following illustrative areas:

- ◆ Education: school completion, remodeling, and provision of furniture, and teaching materials.
- ◆ Water and sanitation: provision of water and sanitary systems, completion, remodeling and equipment of small hospitals and health posts.
- ◆ Income generating: small irrigation systems, small agricultural and artisanry activities, distribution centers and markets.
- ◆ Infrastructure: improvement of access roads and small bridges.

The Project will encourage increased participation of local governments and, community organizations in support of our "Strategic Objective of Improved effectiveness and accessibility of key democratic institutions and practices".

## 2. DISCUSSION:

The activities to be funded under the proposed project are local procurement of commodities for donation to self-help activities principally in rural areas. The small scale of the activities supported by the Project are presumed not to cause significant environmental impact. Nevertheless, the Mission does recognize that some minor construction activities will be funded by the Project, such as water systems, irrigation and road improvement which may have some environmental impact. Therefore, Project personnel, with the guidance of the Mission Environmental Officer will assure that such activities are carried out subject to the following conditions: (a) Construction of water systems, irrigation, road improvements or other activities will not lead to deforestation, draining of natural wetlands, or other activities that might have an adverse effect on biodiversity or on habitats for threatened or endangered species. The presence of such fragile habitats and species will be taken into consideration in the review, and in the siting of activities. (b) No pesticides will be procured, promoted or used under the project. (c) Animal husbandry activities will not promote deforestation or herd enlargement. Pesticides, including animal dips, will not be procured, promoted or used. (d) Monitoring of the environmental impacts of the activity at each chosen site will be ongoing, and if problems are encountered, mitigative actions will be implemented.

3. RECOMMENDED THRESHOLD DECISION:

USAID/Bolivia recommends a negative determination for the Special Development Activities PP/PID like document. This request for a negative determination is submitted for review by the LAC Chief Environmental Officer in accordance with AID's Environmental Procedures 22 CFR Part 216.3 (a) (3) (iii), "the Agency has developed design criteria for such an action which, if applied in the design of the action, will avoid a significant effect on the environment".

Environmental Procedures. The Mission further recommends that, should the Project become more engaged in development of activities other than the one described above, with potential, direct impacts on the environment, that an Environmental Assessment of such activities be prepared.

Mission Director's Concurrence:



Carl H. Leonard  
Director

May 5, 1994

Clearance: WJM

DP:ESzepesy ESZ  
PD&I:JViscarra JV  
PD&I:LLucke LL  
ARD:MYates MY  
DD:GDavidson GD

ENVIRONMENTAL THRESHOLD DECISION

PROJECT LOCATION: BOLIVIA

PROJECT TITLE: SPECIAL DEVELOPMENT ACTIVITIES  
III PROJECT (SDA III)

PROJECT NUMBER: 511-0633

FUNDING: \$600,000

LIFE OF PROJECT: 5 YEARS (FY 94 -99)

IEE PREPARED BY: HECTOR DIEZ DE MEDINA, DP

RECOMMENDED THRESHOLD DECISION: NEGATIVE DETERMINATION

BUREAU THRESHOLD DECISION: CONCUR WITH RECOMMENDATION

COMMENTS: Negative Determination subject to implementation of an environmental review of each activity, to be conducted by Project personnel, with the guidance of the Mission Environmental Officer and/or the Regional Environmental Advisor. Reviews will evaluate the particular site-specific circumstances for each grant, develop mitigation measures arising from the review, and establish accountability and responsibility for ensuring that proper environmental procedures are implemented. Project evaluations will examine the success of the environmental review process in terms of minimizing any negative environmental impacts that may occur during Project implementation. A Negative Determination is also subject to implementation of the

recommendations in the Initial Environmental Examination. These recommendations are as follows: (a) Project activities will not lead to deforestation of primary forest, draining of natural wetlands, or other activities that have an adverse effect on biodiversity or on habitats for threatened or endangered species. The presence of such fragile habitats or species will be taken into consideration in the prospectus and siting of activities. (b) No pesticides (including animal dips) will be procured, promoted or used under the project without a separate environmental assessment. (c) Animal husbandry activities will not promote deforestation or herd enlargement. (d) Monitoring of the environmental impacts of the project activities at each chosen site will be ongoing, and if problems are encountered, mitigative actions will be implemented.

Copy to:

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USAID/Bolivia

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Howard Clark, REA/SA  
USAID/Ecuador

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IEE File

May 5, 1994