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URUGUAY

ANNUAL BUDGET SUBMISSION (ABS)

FISCAL YEARS 1994-1995

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USAID/URUGUAY

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FY 1994 - FY 1995 BUDGET SUBMISSION

USAID/ARGENTINA-URUGUAY

September 1993

Annual Budget Submission**FY 1994 - FY 1995****A.I.D. Representative's Narrative****A. Summary and Recommendation**

Last July 10, I sent the Administrator a memorandum outlining reasons to consider for continuing small programs in Latin American advanced developing countries (ADCs). In summary, these were: 1) to keep achieving important developmental results in areas where the U.S. and ADCs share interests (democracy-building, economic reform, and addressing global problems); 2) because A.I.D.'s ADC programs focus on cooperating with NGOs and local reformers, and helping them strengthen ties with the U.S.; and c) due to the positive impact A.I.D.-supported ADC leaders are having in other countries within the LAC region. The memorandum also pointed out that A.I.D.'s way of operating in Latin American ADCs is a functioning alternative to the Agency's traditional method of delivering assistance. There are no large A.I.D. missions, and no elaborate and lengthy project design and contracting processes. Instead, A.I.D. promotes a more natural and mature partnership with A.D.C. leaders designed to produce benefits for both our countries at a very low cost to the U.S. taxpayer.

A.I.D. programs in Argentina and Uruguay have already achieved important results in activities focussed on administration of justice (AOJ), anti-corruption, civic participation, and improving conditions for private sector growth. Our twelve-person staff and financial resources are stretched very thin for the type of country programs we manage: support for numerous NGOs in two countries which are involved in trying to achieve changes which are politically sensitive. Therefore, the longer-term results outlined in our last Action Plan for the two strategic objectives established in each country can only be obtained if operating expense (O.E.) and program funding levels are not cut.

Two alternative program scenarios are possible if program and O.E. funds must be cut. If program fund cuts of the magnitude used in this ABS are necessary, democracy-related programs would be favored over growth-related programs. Efforts which are just getting started in Uruguay to promote more private sector participation in the economic reform process would have to be significantly reduced and phased out. Bilateral regulatory cooperation in Argentina would be limited to programs with the Securities and Exchange Commission (S.E.C.) and the Patents and Trademarks Office (P.T.O.). In addition, expansion of already successful administration of justice and civic participation

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projects beyond their current scope would be prevented -- just as they are really achieving important impacts. Maintenance of this sort of reduced program would be possible with lower O.E. funding in FY 1994, but past FY 1994 even a reduced program would only be possible if O.E.-funding for FY 1995 is not cut below the FY 1993 level.

If O.E. funds must be reduced to a level 25% below FY 1993 in both FY 1994 and FY 1995, the A.I.D. Representative's position would have to be eliminated in 1995, and bilateral programs would have to be terminated. The type of NGO-based programs A.I.D. currently runs in Argentina and Uruguay cannot be managed effectively without a full-time A.I.D. Representative who: a) exercises the judgement and negotiating ability necessary to select and monitor local NGOs involved in politically sensitive areas; b) has the authority and experience necessary to manage resources for which A.I.D. is accountable; c) responds to the U.S. Ambassador and coordinates activities with the rest of the Country Team to ensure consistency with foreign policy objectives; d) is familiar enough with A.I.D.'s central and regional programs, and other U.S. organizations, to employ and/or link them with A.I.D.-supported efforts in country; and e) maintains close contact with other donors to leverage their assistance into the sectors in which A.I.D. has initiated development efforts. All of these duties performed by an A.I.D. Representative require a broad knowledge of local conditions and continual contact with others which only full-time presence in-country (or half an hour away, as in my case with respect to Argentina) can provide. I do not believe the option of having a Regional A.I.D. Representative located in La Paz to manage ADC programs in Argentina, Uruguay and Chile is viable.

Without an A.I.D. Representative, the only other viable option for maintaining some A.I.D.-supported efforts in Argentina and Uruguay would be to promote inclusion of these two countries in Washington-managed regional programs -- to which they would contribute, and from which they would benefit at the same time. For AOJ, anti-corruption and civic participation programs, I believe this is something A.I.D. should do under any circumstances because of the valuable contributions Argentine and Uruguayan reformers can make to Hemispheric progress in these areas. Of course, participation in LAC regional programs in democracy and growth areas would be worthwhile for Argentina and Uruguay also, but not as beneficial to them and the U.S. as A.I.D.'s current bilateral programs.

I therefore see three possible scenarios for future A.I.D. programs in Argentina and Uruguay, with the availability of O.E. funds being the key variable. These are shown below, in order of recommended preference.

Assumption			Program
O.E. Funds	Program Funds		
1.	Same	Same	Bilateral programs with two strategic objectives in each country
2.	Same	Cut	Bilateral programs focussed mainly on democracy
3.	Cut	Cut	Bilateral programs terminated in 1995, and two countries incorporated into LAC regional programs.

If the Administrator decides to continue bilateral ADC programs in Argentina and Uruguay, current O.E. funding levels would have to be maintained -- at least for FY 1995 and beyond. Under alternative No. 1, the FY 1993 program funding level would be maintained in FY 1994, and \$465,000 less than that level would be needed in FY 1995, in order to continue achieving results in the two strategic objectives areas for each country (democracy and growth). Under alternative No. 2, a smaller program would be focussed primarily on democracy-related activities. Under alternative No. 3, current bilateral programs would be reduced and terminated by December 1995. Even under alternative No. 3, very significant results would still be achieved in democracy-related programs, and very worthwhile results would be achieved in more narrowly focussed growth programs. After A.I.D. support ceases, most of these programs would continue, using their own funding, or with IDB or World Bank funding in the case of AOJ programs.

Dollar-for-dollar, I believe the developmental impacts being achieved by Argentine and Uruguayan reformers who receive A.I.D. support are as significant for their countries and this region as any in which A.I.D. is involved worldwide. Much more can be accomplished with relatively small A.I.D. resources. The Agency's choice is between whether to use these resources to seek additional marginal developmental benefits in "core" countries where A.I.D. investment is already heavy or to continue to use them for successful efforts in ADCs such as Argentina and Uruguay.

B. Program Structure and Characteristics

1. Strategic Objectives

a. Argentina

STRATEGIC OBJECTIVE No. 1: (DEMOCRACY) MORE RESPONSIBLE GOVERNMENT INSTITUTIONS AND A MORE ENGAGED CITIZENRY.

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Program Outputs:

1. A more independent, efficient and accessible justice system.
2. Reduce opportunities for corruption.
3. Increase civic participation.

STRATEGIC OBJECTIVE No. 2: (GROWTH) IMPROVED PROSPECTS FOR BUSINESS EXPANSION IN ARGENTINA.**Program Outputs:**

1. Selected improvements in the legal, regulatory and judicial environment for business.
2. Medium-sized Argentine and U.S. firms made aware of business opportunities.

b. Uruguay**STRATEGIC OBJECTIVE No. 1: (GROWTH) MORE ACTIVE PARTICIPATION BY THE PRIVATE SECTOR IN THE PROCESS OF ECONOMIC REFORM.****Program Outputs:**

1. Increased awareness by private business executives of measures to improve their competitiveness.
2. Private business executives, Congress and the public better informed about legal, regulatory and judicial issues.

STRATEGIC OBJECTIVE No. 2: (DEMOCRACY) IMPROVED EFFICIENCY AND QUALITY IN JUDICIAL DECISION MAKING.**Program Outputs:**

1. Court administration and other judicial reforms implemented.
2. More professional justice system personnel.
3. Steps taken to modify or improve implementation of selected laws affecting commerce.

2. Relationship to A.I.D. Policy Areas

The clear relationship of the above strategic objectives to A.I.D.'s democracy and growth policy objectives, as relates to specific conditions in Argentina and Uruguay, is explained in our most recent Action Plan (Dec. 1992). Both Argentina and Uruguay present a good environment for achieving developmental results in these two of A.I.D.'s policy objective areas with relatively small program funding levels. Both countries are democracies, leaders in their region, actively

implementing economic reforms, and possess very able leaders with whom the U.S. public and private sectors can cooperate. The developmental problems faced by the two countries are, however, different, and this accounts for the relative emphasis on democracy in Argentina and growth in Uruguay.

Argentina has had elected government only during the last ten years, and its governmental institutions and civic traditions are still weak. On the other hand, its economic reform efforts are very advanced and successful, and second-stage efforts to improve the legal, regulatory and judicial environment for business and to promote the growth of medium and small businesses are in order. Uruguay, on the other hand, has one of Latin America's strongest democracies. However, its citizens are still clinging to a welfare state system the country can no longer afford without the increased growth economic reforms have only begun to generate.

Efforts by A.I.D. in Argentina to cooperate with Argentine reformers trying to improve administration of justice, combat corruption and promote civic participation clearly conform with A.I.D.'s democracy objectives. In addition, increased Argentine interest in cooperating with the United States allows for mutually beneficial bilateral cooperation in regulatory areas, and efforts to expand medium-sized businesses, which conform with A.I.D.'s growth objectives. In Uruguay, the missing link in government-led efforts for economic reform is more active participation by the private sector itself in the reform process. A.I.D. efforts, mostly through cooperation with business associations, to help the private sector become more competitive, and to cooperate more actively with the government in efforts to improve the legal, regulatory and judicial environment for business, contribute to A.I.D.'s growth objective. In addition, A.I.D.'s cooperation with the Uruguayan Supreme Court, one of the Hemisphere's most respected judicial institutions, not only assists that Court with its reform efforts but has had an impact on court systems in other LAC countries.

3. Program Characteristics

As explained more fully in the July 10 memorandum, A.I.D.'s strategy in Argentina and Uruguay is different than those in countries where large programs predominate. The features which characterize A.I.D. programs here are: 1) a strict focus on activities in the two chief areas of U.S. foreign policy interest in the LAC Region (democracy and growth); 2) low cost and a more mature cooperative relationship appropriate to these ADCs; 3) emphasis on providing support for reformers, mostly from local NGOs, which both helps empower them and facilitates participatory development efforts; 4) promoting NGO, governmental and private sector linkages with the U.S.; 5) close coordination with the Country Team; 6) facilitating regional

cooperation between Argentines/Uruguayans and other Latin American leaders; and 7) catalyzing and leveraging assistance from the IDB, World Bank and the local private sector.

C. Recommended Program Size and Composition at Each Funding Level

Attachments 1 and 2 show recommended funding allocations among the four strategic objectives under different assumptions regarding availability of program and O.E. funds. All funds for A.I.D. programs in Argentina and Uruguay come from three LAC regional projects: Regional AOJ, Human Rights Initiatives and International Transfer of Technology (ITT), although both country programs could be fully funded under the ITT Project if necessary.

The five funding levels shown in the tables correspond to the three alternative program scenarios outlined above as follows:

<u>Scenario</u>	<u>Percent of 1994 C.P. Funding Level</u>	
	<u>FY 1994</u>	<u>FY 1995</u>
1. Continued bilateral programs with two strategic objectives each	100%	100% or 75%
2. Bilateral programs focussed mainly on democracy	75%	75% or 50%
3. Bilateral programs terminated; two countries incorporated in LAC regional programs	75%	50%

Our assumptions regarding each program funding level are as follows:

FY 1994 (100%): Maximum provided only if it is decided to maintain ADC programs and OE not cut from FY 1995 on.

FY 1994 (75%): Minimum level needed to close out existing activities in 1995. Additional funds would help achieve more results under both AOJ programs and S.O. No. 1 for Uruguay.

FY 1995 (50%): Minimum level needed to close out existing activities in 1995.

FY 1995 (75%/100%): Funding provided at these levels only if it is decided to maintain ADC programs and not cut O.E. from FY 1995 on.

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(Amount shown in FY 1995 is \$465,000 lower than maximum because even with O.E. level not cut, O.E. funds would not be adequate to implement a larger program.)

D. Impact of O.E./FTE Constraints on Program Results

1. Program Priorities

In allocating program funding cuts, the following priorities among strategic objectives have been applied.

<u>S.O. Priority</u>	<u>Reasons</u>
1. Democracy activities in Argentina (Arg. S.O. #1)	- Significant results achieved to date - Importance for Argentina's development and U.S. interests
2. ROJ in Uruguay (Uru. S.O. #2)	- Significant results achieved to date - Importance for other LAC countries - Potential impact on Uruguayan business environment
3. Private sector competitiveness and efforts to improve LRJ environment in Uruguay (Uru. S.O. #1)	- Long-term efforts required, and activities just started
4. Regulatory cooperation and medium-size business development in Argentina (Arg. S.O. #2)	- Less emphasis by current U.S. Administration on trade and investment - Very limited AID/W outreach to U.S. regulatory entities

2. Results Expected at Alternative Program Levels

Given their emphasis on promoting changes which are politically sensitive and risky, A.I.D. programs in Argentina and Uruguay have purposely been kept flexible and focussed on short to medium-term objectives. Therefore, even at the lowest funding levels presented (75% in FY 1994 and 50% in FY 1995), the outputs and results currently projected in project agreements can be achieved. Cutting program funds to these levels, however, would eliminate the possibility of achieving additional results beyond those currently foreseen as existing programs build more momentum. The programs which would be cut at these lowest funding levels are:

- Peace Corps Special Project Activity support in both countries
- America's Fund support in both countries
- Bilateral regulatory cooperation in Argentina beyond S.E.C. and P.T.O. programs (S.O. #2)

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- . Additional medium-sized business development in Argentina beyond the IESC program (S.O. #2)
- . Additional support for selected Uruguayan business associations and other NGOs involved in activities to improve competitiveness and the LRJ environment (S.O. #1)
- . Expansion of AOJ programs in Argentina (S.O. #1) and Uruguay (S.O. #2)

The currently anticipated results which should be achieved even at the lowest projected funding levels are stated below, followed by an explanation of the additional results which would be expected at higher funding levels. I want to emphasize that due to the evolving nature of majority of A.I.D.-supported activities, which involve promoting political changes, specific future results are often difficult to predict with precision. The reformers A.I.D. supports do not plan too far ahead, in order to be flexible enough to respond to circumstances which present themselves. It is safe to assume, however, that if A.I.D. support is continued, future results achieved by these reformers will be just as numerous and significant as those elaborated below.

a. Argentina S.O. #1

AOJ

- . Numerous NGO (public interest and business associations) programs implemented to increase demand for justice sector reform (public awareness activities, cooperative private-public AOJ improvement activities).
- . Six pilot neighborhood dispute resolution centers established around Buenos Aires. Program started in Buenos Aires Province.
- . Public defenders training program designed, implemented and institutionalized.
- . Mediation officially introduced and practiced as alternative dispute resolution method.
- . Association (CEJURA) of provincial supreme courts initiated to share AOJ reform information.
- . National Supreme Court implements a major administrative reform program.
- . Informal exchange programs established between National Supreme Court and U.S. courts on basis of visits to U.S.
- . National Judicial School established.
- . Training to launch oral procedures for criminal courts initiated.
- . Supreme Court of Buenos Aires Province implements a number of significant administrative and procedural changes before the National Supreme

Court, and cooperates with Conciencia in outreach efforts to the public.

- . Yale University and local research group initiates Master of Law program.
- . IDB and World Bank assistance leveraged to continue and expand support for AOJ reform.

Anti-Corruption

- . Extensive media coverage of corruption-related issues to increase public knowledge regarding what can be done to combat corruption.
- . Extensive seminar series with interest groups (media, academia, youth, business leaders, etc.) to expose them to economic costs of corruption they incur and how to combat corruption.
- . At least a dozen NGOs begin to address corruption issues as a result of Poder Ciudadano seminars.
- . Poder Ciudadano program strategies exposed to other LAC countries wishing to emulate them.
- . Full-scale plan for developing Argentina's new Auditor General's office developed, and additional government financial control assistance provided to GOA Ministry of Finance.
- . Three GOA departments where corruption is rampant to be reorganized to reduce opportunities for corruption.
- . Masters degree program initiated at GOA Institute of Public Administration with focus on internal control systems and interaction between civil servants and citizen groups.

Civic Participation

- . Pilot programs carried out in six provincial cities of various sizes to establish procedures for civic involvement with municipal government officials.
- . Program established in three provinces to involve parents and local citizens in design and monitoring of primary and secondary school education programs for which provinces now have responsibility.
- . Non-partisan training program developed and implemented for female candidates for public office.
- . Conciencia plays key role in organizing and -- with Partners of the Americas -- strengthening Pan-American Organization of Civic Organizations to share civic education/participation program experiences and materials.

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- . A.I.D. will select one additional civic organization to support in FY 1994.
- . A.I.D. and USIS will sponsor two dozen visits by U.S. experts to cooperate with Argentine NGOs involved in democracy building, and organize observation visits to the U.S.

Additional Activities

FY 1994 (100%):

- . Expansion of mediation program.
- . Additional support for NGOs to expand public awareness and programs of cooperation with the justice sector.
- . T.A. for development of National Judicial School.
- . Faster development of CEJURA.

FY 1995 (75%): All but last item above.

- . Significantly more Poder Ciudadano anti-corruption work in the provinces.
- . Initiation of a fourth national civic participation program by Conciencia

FY 1995 (100%): All above items plus strengthening of linkages between Argentine and other LAC NGOs.

b. Uruguay S.O. #2

- . Average time for court decisions reduced significantly.
- . Supreme Court administrative reform program designed and implemented.
- . Judicial planning, budgeting, information management and personnel systems installed.
- . National Judicial Studies Center (CEJU) established and course requirements linked to judicial career advancement.
- . Judicial ethics code adopted and enforced.
- . Alternative dispute resolution (ADR) methods introduced in Uruguay.
- . Juvenile justice program involving executive and judicial branch authorities with local NGO designed and implemented with assistance of Partners of the Americas (Minnesota).
- . Joint AID/IDB CEJU program implemented to identify and address legal and judicial impediments to business growth.
- . Pilot small claims courts established.
- . Inter-court cooperation programs established with State of Virginia and other Southern Cone

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countries.

If additional funds are provided in FY 1995, they will be used to expand ADR programs and pilot AOJ projects which are found to be successful.

c. Uruguay S.O. #1

- . Support to four business associations for activities to improve their member-firms' competitiveness will involve 700 agricultural enterprises (FUCREA), executive managers of 150 firms (ACDE), 70 agricultural cooperatives (CAF), and 50 small businesses (UCRE) started by graduates of a prior A.I.D.-funded entrepreneurship program.
- . Junior Achievement programs installed in 24 schools by volunteer executives' NGO.
- . RTAC University textbook program installed in the national university (where textbooks were not in use prior to program) and other institutions of higher learning.
- . Macro-economic and LRJ policy bulletin sent to Parliamentary deputies and business executives by businessmen's research foundation.
- . U.S. National Institute of Standards and Technology (NIST) and sister institution in Uruguay (IATU) establish cooperative exchange program focussed on export-related metrology standards and establishment of industrial quality award modelled on Malcolm Baldrige Award.
- . Feasibility of establishing self-financing IESC (medium size) Business Development Program will be determined. IESC is also working with twelve "leading-case" Uruguayan companies which are successfully adapting to more open markets so they can serve as examples to other firms.
- . Support for the National Quality Commission will allow it to expose consumers, and over 240,000 students, to the importance of demanding high quality products, which can compete in more competitive markets. It will also allow Uruguay to participate in MERCOSUR activities which will define industrial standards in 30 sectors.

At the lowest funding levels, we would phase out activities under this S.O. by consolidating efforts with only two business associations. Much fewer firms than originally anticipated would be included in competitiveness-related programs, and LRJ reforms, which take time to achieve -- would receive significantly less attention. At funding levels over the minimums, we would include one more association in the phase-out

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program and set higher objectives for the numbers of firms reached and LRJ policies changed. A program to establish business consulting services for Uruguayan industry at the country's first private business school (MBA program) -- which A.I.D. was instrumental in creating -- would also be pursued.

d. Argentina S.O. #2

. IESC Business Development Services program with three provincial business associations will generate at least eight joint ventures between medium-sized U.S. and Argentine firms, and business development services will be provided to 150 firms.

. The above program will be self-sustaining after 30 months of A.I.D. support.

. The S.E.C. will complete establishment of an ongoing cooperative relationship with the Comisión Nacional de Valores to improve its capability to regulate Argentine securities markets and to facilitate provision of market information desired by the S.E.C.

. If an improved patents law is passed by the Argentine Congress, assistance and training from the P.T.O. will be provided to help GOA to implement the new law.

Slightly more cooperation from the P.T.O. can be provided at higher program funding levels, but other than this, no additional regulatory cooperation will be offered to Argentina.

e. Other Activities

At higher funding levels, previously planned support would be provided for the Peace Corps Small Projects Assistance funds and establishment of America's Funds in both countries.

3. Program Management Impacts

The basic point is that bilateral programs cannot be continued beyond 1995 unless current O.E. levels are provided at least from FY 1995 on. It is also important to note that our Office definitely requires ongoing financial control support and periodic contracting, legal and administrative support from USAID/Bolivia in order to operate. The timeliness and efficiency of such support provided by that Mission to this Office has been excellent to date. Also, the lower FY 1993 O.E. budget presented here shaves travel, communications and TDY support to levels which are much less than desirable, but still feasible if absolutely necessary.

E. Recommendation

1. That the Administrator choose among the three program options outlined in this Submission and advise the A.I.D. Representative of his decision by the first quarter of FY 1994 to enable timely implementation of that decision.

2. That the option of managing programs in Argentina and Uruguay from La Paz be dropped, being neither viable for the type of bilateral programs currently being implemented, nor most desirable for LAC regional programs which can be more effectively coordinated among LAC countries and linked to U.S. organizations from AID/Washington.

ATTACHMENT 1 - ARGENTINA

FY 1994 PROGRAM BY STRATEGIC OBJECTIVE (\$000)

Strategic Objective	Policy Area	FY 1994 Congressional Presentation Level (FY 1993 OYB)	
		100%	75%
S.O. #1 - MORE RESPONSIBLE AND INDEPENDENT GOVERNMENT INSTITUTIONS AND A MORE ENGAGED CITIZENRY			
1. RAOJ PROGRAM	DEMOCRACY	750	500
2. HUMAN RIGHTS INITIATIVE	DEMOCRACY	450	450
A. ANTI-CORRUPTION PROGRAM	DEMOCRACY	150	150
B. CIVIC PARTICIPATION	DEMOCRACY	300	300
S.O. #2 - IMPROVED PROSPECTS FOR BUSINESS EXPANSION IN ARGENTINA			
1. ITT	GROWTH	150	100
A. BILATERAL REGULATORY COOPERATION			
B. BUSINESS DEVELOPMENT COOPERATION (IESC)	GROWTH	350	350
OTHER			
1. ITT		40	40
A. PD & S			
B. PEACE CORPS		25	-0-
C. AMERICAS FUND	ENVIRONMENT	75	-0-
PROGRAM TOTAL		1840	1440

ATTACHMENT 1 - URUGUAY

FY 1994 PROGRAM BY STRATEGIC OBJECTIVE (\$000)

Strategic Objective	Policy Area	FY 1994 Congressional Presentation Level (FY 1993 OYB)	
		100%	75%
S.O. #1 - MORE ACTIVE PARTICIPATION BY THE PRIVATE SECTOR IN THE PROCESS OF ECONOMIC REFORM			
1. ITT COMPETITIVENESS AND LRJ ACTIVITIES	GROWTH	520	279
S.O. #2 IMPROVED EFFICIENCY AND QUALITY IN JUDICIAL DECISION-MAKING			
1. RAOJ	DEMOCRACY	250	250
OTHER			
1. ITT A. PD & S		40	40
B. PEACE CORPS		40	15
C. AMERICAS FUND	ENVIRONMENT	75	-0-
PROGRAM TOTAL		925	584

SUMMARY - ATTACHMENT 1 - URUGUAY & ARGENTINA**FY 1994 PROGRAM (\$000)**

LAC Regional Project	Policy Area	FY 1994 Congressional Presentation Level (FY 1993 OYB)	
		100%	75%
1. ITT	GROWTH	1315	824
2. RAOJ	DEMOCRACY	1000	750
2. HRI	DEMOCRACY	450	450
PROGRAM TOTALS		2765	2024

ATTACHMENT 2 - ARGENTINA

FY 1995 PROGRAM BY STRATEGIC OBJECTIVE (\$000)

STRATEGIC OBJECTIVE	POLICY AREA	BASE: 100% FY 1994 CP LEVEL (FY 1993 OYB)					
		50% of BASE		75% of BASE		100% of BASE	
		Ongoing	New	Ongoing	New	Ongoing	New
S.O. #1: MORE RESPONSIBLE AND INDEPENDENT GOVERNMENT INSTITUTIONS AND A MORE ENGAGED CITIZENRY							
1. RAOJ PROGRAM	DEMOCRACY	500		650		750	
2. HUMAN RIGHTS INIT.	DEMOCRACY	300		450		550	
A. ANTI-CORRUPTION PROGRAM	DEMOCRACY	100		150		200	
B. CIVIC PARTICIPATION	DEMOCRACY	200		300		350	
S.O. #2 - IMPROVE PROSPECTS FOR BUSINESS EXPANSION IN ARGENTINA							
1. ITT	GROWTH	-0-		-0-		-0-	
A. BILATERAL REGULATORY COOP.							

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POLICY AREA	BASE: 100% FY 1994 CP LEVEL (FY 1993 OYB)						
	50% of BASE		75% of BASE		100% of BASE		
	Ongoing	New	Ongoing	New	Ongoing	New	
STRATEGIC OBJECTIVE BUSINESS DEVELOP. IESC	GROWTH	-0-		-0-		-0-	
OTHER							
1. ITT		40		50		50	
A. PD & S							
B. PEACE CORPS		-0-		25		25	
PROGRAM TOTAL		840		1175		1375	

ATTACHMENT 2 - URUGUAY

FY 1995 PROGRAM BY STRATEGIC OBJECTIVE(\$000)

STRATEGIC OBJECTIVE	POLICY AREA	BASE: 100% FY 1994 CP LEVEL (FY 1993 OYB)					
		50% of BASE		75% of BASE		100% of BASE	
		Ongoing	New	Ongoing	New	Ongoing	New
S.O. 1 - MORE ACTIVE PARTICIPATION BY THE PRIVATE SECTOR IN THE PROCESS OF ECONOMIC REFORM							
1. ITT COMPETITIVENESS AND LRJ ACTIV.	GROWTH	253		424		500	
S.O. #2 - IMPROVED EFFICIENCY AND QUALITY IN JUDICIAL DECISION-MAKING							
1. RAOJ	DEMOCRACY	250		350		350	
OTHER							
1. ITT A. PD & S		40		50		50	
B. PEACE CORPS		-0-		25		25	
PROGRAM TOTAL		543		849		925	

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**SUMMARY - ATTACHMENT 2 - URUGUAY AND ARGENTINA
FY 1995 PROGRAM**

LAC Regional Project	Policy Area	BASE: 100% FY 1994 CP LEVEL (FY 1993 OYB)					
		50% of BASE		75% of BASE		100% of BASE	
		Ongoing	New	Ongoing	New	Ongoing	New
1. ITT	GROWTH	333		574		650	
2. RAOJ	DEMOCRACY	750		1000		1100	
3. HRI	DEMOCRACY	300		450		550	
PROGRAM TOTALS		1383		2024		2300	

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ATTACHMENT 3

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AGENCY
URUGUAY (25521)

(DOLLARS IN THOUSANDS)

FY 1994 OPERATING EXPENSES

EXPENSE CATEGORY	FISCAL YEAR	FY 94 BASE (1993)		FY 94 TARGET (1995)	
		DOLLAR	TOTAL	DOLLAR	TOTAL
U.S. DIRECT HIRE	0100	11.0	11.0	13.0	13.0
EDUCATION ALLOWANCES	0106	6.0	6.0	6.0	6.0
CONA	0103	2.0	2.0	2.0	2.0
POST ASSIGNMENT - TRAVEL	0111	0.0	0.0	0.0	0.0
POST ASSIGNMENT - FREIGHT	0112	0.0	0.0	0.0	0.0
HOME LEAVE - TRAVEL	0113	0.0	0.0	0.0	0.0
HOME LEAVE - FREIGHT	0114	0.0	0.0	0.0	0.0
EDUCATION TRAVEL	0115	0.0	0.0	0.0	0.0
OTHER TRAVEL	0117	3.0	3.0	5.0	5.0
CONTRACT PERSONNEL	0300	124.5	124.5	169.9	169.9
U.S. PSC SAL/BENEFITS	2902	23.0	23.0	23.0	23.0
FOR PSC - SALARY/BENEFITS	0304	101.5	101.5	146.9	146.9
HOUSING	0400	45.0	45.0	46.0	46.0
RESIDENCE RENT	0401	33.6	33.6	33.6	33.6
RESIDENTIAL UTILITIES	0402	3.0	3.0	3.0	3.0
MAINTENANCE AND RENOVATION	0403	1.0	1.0	2.0	2.0
SECURITY GUARD SERVICES	0407	0.0	0.0	0.0	0.0
OFFICIAL RESIDENCE ALLOWANCE	0408	5.0	5.0	5.0	5.0
REPRESENTATION ALLOWANCES	0409	0.4	0.4	0.4	0.4
OFFICE OPERATIONS	0500	116.7	116.7	163.6	163.6
OFFICE RENT	0501	10.0	10.0	27.0	27.0
OFFICE UTILITIES	0502	1.5	1.5	1.5	1.5
BUILDING MAINTENANCE/ RENOVATION	0503	0.0	0.0	0.0	0.0
FURNITURE/VEH REPAIR/MAINT.	0504	2.0	2.0	4.0	4.0
COMMUNICATIONS	0509	61.0	61.0	64.0	64.0
SITE VISIT - MISSION PERSONNEL	0513	16.0	16.0	15.0	15.0
SITE VISIT - AIR/V PERSONNEL	0514	5.0	5.0	20.0	20.0
INFORMATION MEETINGS	0515	0.0	0.0	5.0	5.0
CONFERENCE ATTENDANCE	0517	5.0	5.0	5.0	5.0
OTHER OPERATIONAL TRAVEL	0518	0.0	0.0	0.0	0.0
SUPPLIES AND MATERIALS	0519	7.0	7.0	13.0	13.0
PLAT	0520	0.0	0.0	0.0	0.0
ALL OTHER CODE 25	0599	3.2	3.2	9.1	9.1
REP PROCUREMENT	0600	2.0	2.0	6.7	6.7
VEHICLES	0601	0.0	0.0	0.0	0.0
RESIDENTIAL FURNITURE	0602	0.0	0.0	0.0	0.0
RESIDENTIAL EQUIPMENT	0603	0.3	0.0	0.5	0.5
OFFICE FURNITURE	0604	1.0	1.0	3.2	3.2
OFFICE EQUIPMENT	0605	1.0	1.0	2.0	2.0
AND HARDWARE PURCHASES	0607	0.0	0.0	0.0	0.0
AND SOFTWARE PURCHASES	0608	0.0	0.0	0.0	0.0
TRANS/FREIGHT - ALL 600	0609	0.0	0.0	1.0	1.0
TOTAL U.S. EXPENSES BUDGET		300.0	300.0	400.0	400.0

ATTACHMENT 3

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ARGENTINA
URUGUAY (25326)

(DOLLARS IN THOUSANDS)

FY 1995 OPERATING EXPENSES

FY 95 BASE (75%)

FY 95 TARGET (100%)

EXPENSE CATEGORY	FY95 FUND	DOLLAR	TOTAL	DOLLAR	TOTAL
U.S. STREET WIRE	0100	20.0	20.0	60.5	60.5
EDUCATION ALLOWANCES	0106	3.0	3.0	6.0	6.0
COLA	0108	1.5	1.5	2.0	2.0
POST ASSIGNMENT - TRAVEL	0111	0.0	0.0	6.0	6.0
POST ASSIGNMENT - FREIGHT	0112	0.0	0.0	20.0	20.0
HOME LEAVE - TRAVEL	0113	5.0	5.0	5.0	5.0
HOME LEAVE - FREIGHT	0114	15.5	15.5	15.5	15.5
EDUCATION TRAVEL	0115	0.0	0.0	0.0	0.0
HOME TRAVEL	0117	3.0	3.0	6.0	6.0
CONTRACT PERSONNEL	0300	149.1	149.1	149.1	149.1
U.S. PSC SAL/BENEFITS	0302	24.0	24.0	24.0	24.0
550 PSC - SALARY/BENEFITS	0304	125.1	125.1	125.1	125.1
DOMESTIC	3400	16.9	16.9	37.5	37.5
RESIDENCE RENT	0401	0.4	0.4	25.2	25.2
RESIDENTIAL UTILITIES	0402	3.7	3.7	5.0	5.0
MAINTENANCE AND RENOVATION	0403	0.0	0.0	1.0	1.0
SECURITY GUARD SERVICES	0407	0.0	0.0	0.0	0.0
OFFICIAL RESIDENCE ALLOWANCE	0408	4.0	4.0	5.0	5.0
REPRESENTATION ALLOWANCES	0409	0.0	0.0	0.5	0.5
OFFICE OPERATIONS	0500	117.0	117.0	150.1	150.1
OFFICE RENT	0501	27.0	27.0	10.0	10.0
OFFICE UTILITIES	0502	1.5	1.5	1.5	1.5
BUILDING MAINTENANCE/ RENOVATION	0503	0.0	0.0	0.0	0.0
POOR/EQUIP/VEH REPAIR/MAINT.	0508	2.0	2.0	2.0	2.0
COMMUNICATIONS	0509	61.0	61.0	60.0	60.0
SITE VISIT - MISSION PERSONNEL	0513	11.5	11.5	15.0	15.0
SITE VISIT - AID/V PERSONNEL	0514	0.0	0.0	14.0	14.0
INFORMATION MEETINGS	0515	5.0	5.0	5.0	5.0
CONFERENCE ATTENDANCE	0517	0.0	0.0	5.0	5.0
FIELD OPERATIONAL TRAVEL	0518	0.0	0.0	0.0	0.0
SUPPLIES AND MATERIALS	0519	7.0	7.0	22.0	22.0
PAAS	0520	0.0	0.0	0.0	0.0
ALL OTHER CODE 2:	0599	2.0	2.0	0.0	0.0
EXP PROCUREMENT	0600	0.0	0.0	2.0	2.0
VEHICLES	0601	0.0	0.0	0.0	0.0
RESIDENTIAL FURNITURE	0602	0.0	0.0	0.0	0.0
RESIDENTIAL EQUIPMENT	0603	0.0	0.0	0.0	0.0
OFFICE FURNITURE	0604	0.0	0.0	1.0	1.0
OFFICE EQUIPMENT	0605	0.0	0.0	1.0	1.0
APP HARDWARE PURCHASES	0607	0.0	0.0	0.0	0.0
APP SOFTWARE PURCHASES	0608	0.0	0.0	0.0	0.0
TRANS/FREIGHT - ALL 000	0609	0.0	0.0	0.0	0.0
TOTAL U.S. EXPENSES BUDGET		311.0	311.0	400.0	400.0

DOM FY95
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DOM FY95

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URUGUAY : ANNUAL BUDGET SUBMISSION

(ABS), FISCAL YEARS 1994 - 1995

URUGUAY

ANNUAL BUDGET SUBMISSION (ABS)

PD-ABL-893

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