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

BOLIVIA

**PROJECT PAPER**

DRUG AWARENESS AND PREVENTION  
AMENDMENT NUMBER 1

AID/LAC/P-956  
CR-650

PROJECT NUMBER 511-0613

UNCLASSIFIED

AGENCY FOR INTERNATIONAL DEVELOPMENT <b>PROJECT DATA SHEET</b>	1 TRANSACTION CODE <input type="checkbox"/> A = Add <input checked="" type="checkbox"/> C = Change <input type="checkbox"/> D = Delete	Amendment Number 1	DOCUMENT CODE 3
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2 COUNTRY/ENTITY BOLIVIA/USAID	3 PROJECT NUMBER 511-0613
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4 BUREAU/OFFICE Latin America & Caribbean <input type="checkbox"/> 05 <input type="checkbox"/>	5 PROJECT TITLE (maximum 40 characters) <input type="checkbox"/> DRUG AWARENESS AND PREVENTION <input type="checkbox"/>
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6 PROJECT ASSISTANCE COMPLETION DATE (PACD) MM 1 0 DD 3 1 YY 9 6	7 ESTIMATED DATE OF OBLIGATION (Under B below enter 1 2 3 or 4) A Initial FY <input type="checkbox"/> 9 <input checked="" type="checkbox"/> 1 B Quarter <input type="checkbox"/> 2 <input checked="" type="checkbox"/> C Final FY <input type="checkbox"/> 9 <input type="checkbox"/> 5 <input type="checkbox"/>
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8 COSTS (\$000 OR EQUIVALENT \$1 = )						
A FUNDING SOURCE	FIRST FY			LIFE OF PROJECT		
	B FX	C L/C	D TOTAL	E FX	F L/C	G TOTAL
AID Appropriated Total				10,220		10,220
(Grant)	( 1,125 )	( 2,400 )	( 3,525 )	(10,220 )	( )	(10,220 )
(Loan)	( )	( )	( )	( )	( )	( )
Other US 1						
Other US 2						
Host Country		1,040	1,040		1,134	1,134
Other Donor(s)						
<b>TOTALS</b>	1,125	3,440	4,565	10,220	1,134	11,354

9 SCHEDULE OF AID FUNDING (\$000)									
APPROPRIATION	B PRIMARY PURPOSE CODE	C PRIMARY TECH CODE		D OBLIGATION 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) ESF	510	563				10,220		10,220	
(2)									
(3)									
(4)									
<b>TOTALS</b>									

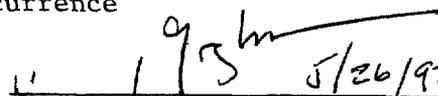
10 SECONDARY TECHNICAL CODES (maximum 6 codes of 3 positions each) 549      942      980	11 SECONDARY PURPOSE CODE 684
12 SPECIAL CONCERNS CODES (maximum 7 codes of 4 positions each) A Code      BR      BL      BS      BU (These codes included in original project data sheet)	
B Amount	

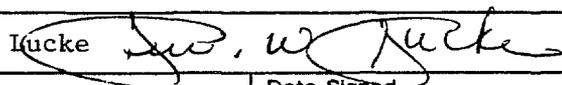
13 PROJECT PURPOSE (maximum 480 characters)

TO INCREASE PUBLIC AWARENESS OF AND SUPPORT FOR THE GOVERNMENT OF BOLIVIA'S DRUG CONTROL PROGRAMS

14 SCHEDULED EVALUATIONS Interim MM 0 2 YY 9 3      MM      YY      Final MM 1 0 YY 9 6	15 SOURCE/ORIGIN OF GOODS AND SERVICES <input checked="" type="checkbox"/> 000 <input type="checkbox"/> 941 <input checked="" type="checkbox"/> Local <input type="checkbox"/> Other (specify)
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16 AMENDMENTS/NATURE OF CHANGE PROPOSED (This is page 1 of a \_\_\_ page PP Amendment )  
 The USAID Controller has reviewed the methods of implementation and financing described herein and hereby indicates his concurrence

  
 Richard Goughnour  
 Controller

17 APPROVED BY	Signature Lewis W Iucke  Title Acting Mission Director	Date Signed MM 10 DD 5 YY 2006	18 DATE DOCUMENT RECEIVED IN AID/W OR FOR AID/W DOCUMENTS DATE OF DISTRIBUTION MM      DD      YY      A
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**PROJECT PAPER SUPPLEMENT**  
**DRUG AWARENESS AND PREVENTION PROJECT**  
**511-0613**  
**APRIL 1995**

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## I INTRODUCTION

The Drug Awareness and Prevention Project (DAPP) was authorized on December 20, 1990 with life of project (LOP) funding set at \$9.22 million in Economic Support Funds (ESF). This first amendment adds \$1 million to the DAPP increasing authorized LOP funding to \$10.22 million. The additional funds authorized through this amendment will allow the DAPP to cover costs previously funded through host country local currency. Host country local currency is no longer available as a result of GOB eradication shortfalls and the concomitant reduction in local currency generations under the Mission's Economic Recovery Program (511-0605).

## II. AMENDED PROJECT BACKGROUND

The project goal is to expand economic opportunities and access. The purpose of the project is to increase public awareness of and support for the Government of Bolivia's drug control programs. Achievement of the purpose will be realized when the number of people who believe drug production and trafficking constitute a problem for Bolivia increases from 32% to 45%. This increase will be measured through an upcoming follow-on survey to the National Urban Prevalence survey conducted in May 1992.

The strategy to achieve the purpose includes nation-wide dissemination of mass media anti-drug messages, public education programming, local anti-drug training in urban and rural communities, and development of a national network of private and public organizations capable of fighting against drug production, trafficking, and use.

The DAPP contributes to the achievement of the USG's drug prevention strategy for Bolivia and to USAID/Bolivia's Economic Opportunity and Access strategic objective by turning public opinion against the illicit coca/cocaine economy. The DAPP effectively employs drug-related public health messages as one of several tools for revealing the dangerous economic and social problems caused by drug trafficking and production.

The DAPP is organized into two components: (1) The Private Sector, implemented by the Sistema Educativo Antidroga y de Movilización Social (SEAMOS) and the Centro Educativo Sobre Estupefacientes (CESE), and (2) The Public Sector, implemented by the Proyecto de Investigación y Concientización (PROINCO). SEAMOS is responsible for drug awareness information and communication in Bolivia's urban areas and is supported by Bolivia's Confederation of Private Entrepreneurs (CEPB), CESE is responsible for drug awareness education and training, and PROINCO is responsible for scientific research on illicit drug use and related topics. PROINCO is a branch of the Ministry of Human Development's National Health Secretariat, but is currently applying for NGO status under the name of the *Centro Latinoamericano de Investigación Científica (CELIN)*<sup>1</sup>

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<sup>1</sup>Given the fact that public sector PROINCO is in the process of becoming the non-profit CELIN, it will be referred to from here on in as PROINCO/CELIN. Given CONT certification

The DAPP receives technical assistance from the contracted services of a private U S firm with extensive experience in drug awareness and prevention, which assists a Project Management Unit (PMU) within USAID/Bolivia. This contract will end in August 1995. Coordination among Bolivian public and private institutions is facilitated by a National Coordinating Unit created specifically for the DAPP. Members of the unit include SEAMOS, CESE, PROINCO/CELIN, USAID/Bolivia, USIS, and the technical assistance contractor (non-voting member). The Unit is chaired by Bolivia's Under Secretary of Health, and the UNDCP and the Narcotics Affairs Section (NAS) of the U S Embassy are invited to attend meetings.

By the PACD of the predecessor project 511-0592 (December 31 1991), SEAMOS had involved all Bolivian newspapers and radio and TV stations in the anti-drug struggle. SEAMOS had also conducted seminars and round-tables with opinion leaders. Its activities served to increase awareness that drug production, processing, and trafficking is a Bolivian problem. CESE is the leading educational program against drugs in Bolivia, and was supported between 1986 and 1991 by NAS. In addition, NAS provided CESE with \$50,000 of bridge funding in the third quarter of FY95 to help it continue operations. CESE is now a non-governmental organization (NGO), supported by this project. The parent institution of PROINCO/CELIN, the *Direccion Nacional de Prevencion Integral del Uso Indebido de Drogas* (PREID), has in the past depended on the Bolivian Treasury and occasional PL-480 support to carry out anti-drug activities.

Although success in achieving the project purpose will not be verified until PROINCO/CELIN completes a follow-on survey to the 1992 National Urban Prevalence survey, progress toward achieving the purpose is suggested by comparing a recent Tracking Poll conducted by SEAMOS with the baseline opinion survey that was done in Nov/Dec 1992. That survey showed that 32.9% of Bolivians believed that drug production and trafficking constitute a problem for Bolivia. The follow-up to this survey will be done in mid-1995, but SEAMOS, as an impact measure, completed a tracking poll (urban opinion survey) on coca, drugs, and narco-trafficking in Aug/Sept 1994. Partial results are as follows: Percentage of respondents who think that drug trafficking is a grave problem for Bolivia, 77%, drug production and trafficking are a threat to Bolivian society and culture, 84.2%, drug processing is a threat to the environment, 90%, drug trafficking has a negative impact on the economy, 66.1%, drug income only benefits traffickers, 87.2%, and that drug laws are weak, 72%.

Progress made by the recipient organizations has prompted international interest in a sustained Bolivian anti-drug establishment supported by UNDCP members, the European Union, and other international donors<sup>2</sup>.

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of CELIN's financial management systems, USAID/Bolivia will end support to PROINCO and begin support to CELIN (through a cooperative agreement) once this amendment is authorized.

<sup>2</sup>Other donor support has been more than nominal as the recent \$730,000 UNDCP grant to CESE demonstrates.

In 1993, the project was evaluated by a LAC/SAM-contracted evaluation team (Checchi Inc ) led by Ambassador Weissman The team found the DAPP to be a reasonable model for drug prevention programs throughout Latin America Major findings of the evaluation include

- \* all elements of the project appear to be efficiently run and the level of effort in all of them appears high,
- \* the potential multiplier effect of CESE and SEAMOS is enormous,
- \* the purpose is clearly stated and makes clear that the project is meant to address both public awareness and drug abuse prevention,
- \* all persons involved in the project in Bolivia understand it to have two elements (1) awareness of the dangers of drugs, and (2) awareness of the dangers of drug trafficking,
- \* resources provided to CESE fall short of requirements,
- \* the project is well managed and monitored by USAID/B in close coordination with the country team and the technical assistance contractor,
- \* clear purpose indicators have been established,
- \* USAID/Bolivia and the country team assign the project a high priority, and
- \* All project elements face sustainability problems (the evaluation makes recommendations for strengthening the sustainability of these organizations)

Any follow-on project to the DAPP will address the issue of sustainability of the three project counterparts

### **III. AMENDED PROJECT RATIONALE**

Additional funds are needed immediately to ensure that the project purpose is achieved LOP funding has been adversely affected by DIFEM local currency cuts, originally planned at \$3.8 million but later reduced to about \$1.1 million Because of this drastic reduction in local currency CESE has had to restrict its training and consciousness raising activities for teachers, parents, and schoolchildren, SEAMOS cannot fund several key programs directed toward reducing the likelihood of drug use in at-risk populations and generating support for international anti-drug measures and programs, and PROINCO/CELIN is without funding for its operations (including essential research activities) as it is highly dependent on DIFEM local currency<sup>3</sup> The

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<sup>3</sup>Until this year, PROINCO/CELIN has been wholly dependent on DIFEM local currency The Mission is processing a transfer of \$150,000 in DAPP dollar funding to

additional funding requested herein will provide an alternative source of financing that will allow these institutions to continue funding activities that were formerly paid for with DIFEM local currency and that are essential to achieving and measuring the project purpose

#### **IV. AMENDED PROJECT DESCRIPTION**

##### **A Goal and Purpose**

The project goal is to expand economic opportunities and access. The DAPP supports this goal by turning public opinion against the illicit coca/cocaine economy. The DAPP is one of several Mission projects that contributes to realization of the program outcome of "increased non-coca economic opportunities in the Chapare and associated areas", which falls under the Mission's Expanded Economic Opportunity and Access strategic objective<sup>4</sup>

The purpose of the project is to increase public awareness of and support for the Government of Bolivia's drug control programs. Achievement of the purpose will be indicated when the number of people who believe drug production and trafficking constitute a problem for Bolivia increases from 32% to 45%. This increase will be measured through a follow-on survey to the National Urban Prevalence Survey conducted in May 1992. This amendment does not alter the project purpose.

##### **B Project Strategy**

The strategy to achieve the purpose includes nation-wide dissemination of mass media anti-drug messages, public education programming, local anti-drug training in urban and rural communities, and development of a national network of private and public organizations capable of fighting against drug production, trafficking, and use. This amendment does not alter the project strategy.

##### **C. Project Elements and Activities**

The DAPP purpose is achieved through activities implemented by three inter-related elements. The first element is SEAMOS, whose major functions are drug awareness information and communications. The second element is CESE, whose functions are drug awareness education and training for school children, teachers, parents, and community actors. The third element is PROINCO/CELIN which conducts research on drug production, trafficking and related topics.

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PROINCO/CELIN to allow it to continue research activities in the absence of DIFEM local currency.

<sup>4</sup>The DAPP originally supported the Mission's Alternative Development strategic objective (SO). When this SO was subsumed under the Mission's Economic Opportunity and Access SO, the DAPP was subsumed with it.

## 1      SEAMOS

To date, project funding and technical assistance have allowed SEAMOS to effectively carry out the following information and communication activities

- (a) dissemination of mass media anti-drug messages through radio, television, and print media,
- (b) delivery of anti-drug workshops, seminars and conferences for decision-makers, young people<sup>5</sup>, professional associations and other concerned individuals,
- (c) compilation, publication, and dissemination of anti-drug studies, newsletters, bibliographies and survey results,
- (d) creation of a network of organizations dedicated to disseminating anti-drug messages,
- (e) creation of a document center and corresponding document collection process to build Bolivia's anti-drug information resource stock,
- (f) creation of an integrated plan to reinforce the gradual growth of the drug awareness campaign, and
- (g) delivery of drug awareness training to community promoters responsible for mobilizing and supporting the anti-drug efforts of local communities and departmental/regional organizations, and for creating a network of drug awareness and prevention institutions

SEAMOS has used the results of the USAID/Bolivia-financed National Household Survey as well as focus groups, channel studies and its 1994 tracking poll to better target and maximize the impact of its information and communication efforts

The project authorization amendment facilitated through this project paper supplement will not change SEAMOS's existing strategy and activities

## 2      CESE

To date, project funding and technical assistance have allowed CESE to effectively carry out the following education, training, and related activities

- (a) targeted anti-drug training for government organizations, NGOs, community service organizations, social communicators, educators, community leaders, families, and youth,

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<sup>5</sup>This includes SEAMOS's recently launched programs, "SEAMOS Va a la Escuela", and "SEAMOS Va al Colegio"

- (b) creation of a documentation center for the collection and subsequent dissemination of anti-drug materials,
- (c) creation and management of an immediate telephone assistance service ("Ati") for drug crisis interventions,
- (d) publishing and dissemination of a bi-monthly drug awareness bulletin entitled "Apuntes", and
- (e) membership in an international network of organizations dedicated to drug awareness and prevention

Much of CESE's training is focused on the development of a strategy to improve community actions in drug prevention. CESE's school training program is enabled by an agreement with the Ministry of Human Development's Education Secretariat.

The project authorization amendment facilitated through this project paper supplement will not change CESE's existing strategy and activities.

### 3 PROINCO/CELIN

To date, project funding and technical assistance have allowed PROINCO/CELIN to effectively carry out the following research and related activities:

- (a) completion of several drug awareness related studies<sup>6</sup> and compilation of information from complementary studies<sup>7</sup>, to guide the design and implementation of drug awareness and prevention activities,
- (b) development of a system to conduct follow on drug awareness and prevention studies which will eventually lead to a National Surveillance System on drug-related problems in Bolivia,
- (c) plans for a follow-up urban household survey on drug use and attitudes, and a baseline rural household survey on drug use and attitudes, and
- (d) co-sponsorship (with SEAMOS) of a national symposium on the plight of street children in Bolivia

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<sup>6</sup>This includes a recently concluded ethnographic study on street children

<sup>7</sup>Complementary studies include a CONAPRE/PAHO epidemiological study, the National Student Survey, and the National Prevalence Survey

Throughout the LOP, PROINCO/CELIN has been highly dependent on DIFEM local currency funding for all its activities and operations. Because DIFEM support is no longer available, and because of the importance of research in the anti-drug struggle and in measuring achievement of the DAPP purpose, USAID will provide PROINCO/CELIN with DAPP dollar funding to continue its research activities.

The project authorization amendment facilitated through this project paper supplement will change PROINCO/CELIN's funding source but will not change PROINCO/CELIN's existing activities. The amendment will also help CELIN become established as an NGO so it can carry out the DAPP research activities formerly carried out by PROINCO. It will strengthen CELIN's research capabilities so that it can provide SEAMOS and CESE with the technical inputs necessary for the design and implementation of effective drug awareness and prevention activities.

#### **D Donor Coordination for Diversifying DAPP Funding**

CESE, SEAMOS, and PROINCO/CELIN are funded principally by USAID, under the DAPP<sup>8</sup>. SEAMOS also receives funding from the CEPB. DAPP success has prompted international interest in a sustained Bolivian anti-drug establishment. UNDCP members, the European Union, and other international donors have shown interest and support for CESE, SEAMOS, and PROINCO/CELIN. The UNDCP recently awarded a \$730,000 grant to CESE.

USAID coordinates drug awareness and prevention activities with other donors through a national Project Coordinating Unit. The UNDCP is an invited member of this unit, and represents the interests of other donors in demand reduction efforts. This mechanism serves to encourage other donor interest and support for the DAPP, avoid non-functional duplication, and strengthen drug awareness benefits and impact. Project management will continue to utilize this donor coordination mechanism as a means for enlisting other donor financial support for CESE, SEAMOS, and PROINCO/CELIN.

To assist DAPP management to continue these efforts, the technical assistance contractor will prepare a short paper on potential sources of funding for the three project elements. This paper will be submitted to USAID before the technical assistance contract completion date. The paper will provide DAPP management and the three counterpart institutions with a realistic analysis of and recommendations for securing funds from non-USAID sources, gradually and over a feasible time period. In addition to assessing the probability and sources of other donor funding for the three counterparts, the paper will provide USAID with a realistic assessment of the role that cost recovery can play as a future funding source.

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<sup>8</sup>In FY95, the Narcotics Affairs Section of the U.S. Embassy contributed \$50,000 in bridge funding to CESE cover its costs.

## **V. AMENDED PROJECT IMPLEMENTATION**

### **A Project Management**

Through its Project Management Unit, USAID/Bolivia's Office of Health and Human Resources (HHR) will continue to have overall management responsibility for the amended DAPP. The Director of HHR serves as the Project Manager. Funding for the hiring of a DAPP Coordinator is included herein and will be utilized pending approval from the Mission Director. An FSN Project Administrator in HHR also assists in project management and implementation. HHR is responsible for ensuring the technical soundness of all project activities and strategies, and for ensuring that the project purpose is achieved given authorized funding levels and project purpose assumptions. If assumptions are found to be unreasonable, HHR will advise Mission management of required project adjustments.

Project activities will be implemented by the three project counterpart institutions, SEAMOS, CESE, and PROINCO/CELIN. SEAMOS is responsible for information and communication in Bolivia's urban areas, CESE is responsible for drug awareness education and training of teachers, students and parents through the Bolivian school system, and PROINCO/CELIN will implement drug awareness research activities. Short-term technical assistance may be required to assist the three project elements in carrying out their mandates.

### **B. Methods of Implementation and Financing**

The additional \$1 million authorized through this action will be obligated through an amendment to the existing Handbook Three bilateral agreement between the GOB and the USG. Through the amended agreement, the GOB will authorize USAID to enter into three cooperative agreements on its behalf for the implementation of project activities. It is expected that the \$1 million will be obligated in FY95.

Of the \$1 million obligated, \$500,000 will be committed to CESE through an amendment to USAID/Bolivia's existing cooperative agreement with this organization, \$250,000 will be committed to the CEPB (SEAMOS's parent organization) through an amendment to the existing USAID/Bolivia cooperative agreement with this organization, and the remaining \$250,000 will be committed to PROINCO/CELIN through a cooperative agreement to be negotiated and awarded by the Mission's Grant Officer.

In the case of CESE, no funds will be committed until it satisfactorily addresses financial management observations raised by USAID/Bolivia CONT in a recently conducted financial review<sup>9</sup>. In the case of PROINCO/CELIN, no award will be made until USAID/Bolivia CONT

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<sup>9</sup>CESE is currently receiving assistance from USAID/Bolivia CONT in strengthening its financial management systems. The technical assistance contractor may also assist CESE implement corrective financial management measures.

and other appropriate Mission offices certify that PROINCO/CELIN's management, financial, and administrative systems satisfy USAID requirements

Presently, it is estimated that the DAPP may need to procure three to four person months of technical assistance between now and the PACD to support CESE, SEAMOS, and/or PROINCO/CELIN. Short-term technical assistance requested by CESE, SEAMOS, and/or PROINCO/CELIN will be approved by the Mission and procured through the appropriate mechanism. This may include a Mission buy-in to an Indefinite Quantity Contract (IQC) with the appropriate contractor. Funds for short-term technical assistance are included in line item III 4 of the attached budget, table 1.

## **C. Monitoring and Evaluation**

### **1. Monitoring**

The project will be monitored in accordance with the end of project status (EOPS) indicators found in the DAPP project status report (PSR) of the Mission Semi-Annual Report. Because the DAPP has greatly surpassed the LOP targets for most of its output indicators, these targets will be updated and increased within one month of the authorization of this project amendment.

### **2. Evaluation**

The DAPP has been evaluated through a LAC/SAM contracted evaluation carried out by Checchi Inc. Results of the evaluation were generally positive, and the resulting recommendations either have been or are being incorporated by DAPP management and elements into the project strategy and activities. A final evaluation will be completed before the PACD.

## VI AMENDED COST AND FINANCIAL PLAN

### A Financial Tables

**Table 1 - Source and Application of Funding Illustrative LOP Cost Summary Estimates for  
USAID and GOB Funds  
(US\$000s)**

	<u>Original AID</u>	<u>This Amendment</u>	<u>AID Total</u>	<u>GOB</u>	<u>Grant Total</u>
<b>I Three Project Elements</b>					
<b>A SEAMOS</b>					
1 Info Collection & Research	950		950		950
2 Training & Technical Assist	670		670		670
3 Communications	2,520	250	2,770	338	3,108
4 Adm & Operating Expenses	<u>860</u>		<u>860</u>		<u>860</u>
Subtotal SEAMOS	5,000	250	5,250	338	5,588
<b>B CESE</b>					
1 Training and Education	<u>1,400</u>	<u>500</u>	<u>1,900</u>	<u>281</u>	<u>2,181</u>
Subtotal CESE	1,400	500	1,900	281	2,181
<b>C PROINCO/CELIN RESEARCH</b>					
Subtotal PROINCO/CELIN	<u>0</u>	<u>250</u>	<u>250</u>		<u>250</u>
<b>D DINAPRE</b>				378	378
<b>E SUBDESAL</b>				<u>137</u>	<u>137</u>
Subtotal DINAPRE & SUBDESAL				515	515
<b>Subtotal of the five Projects Elements</b>	<u>6,400</u>	<u>1,000</u>	<u>7,400</u>	<u>1,134</u>	<u>8,534</u>
<b>II Technical Assistance</b>					
<b>A TA Contract</b>	1,290		1,290		1,290
1 Long-Term					
2 Short-Term	<u>800</u>		<u>800</u>		<u>800</u>
Subtotal Techn Assist	2,090		2,090		2,090
<b>III Project Management Unit</b>					
1 PMU	330		330		330
2 Audits	200		200		200
3 Evaluations	50		50		50
4 Logistics & Support	<u>150</u>		<u>150</u>		<u>150</u>
Subtotal Project Manag Unit	730		730		730
<b>GRAND TOTAL</b>	<u>9,220</u>	<u>1,000</u>	<u>10,220</u>	<u>1,134</u>	<u>11,354</u>

Table 2

**STATUS OF PROJECT EXPENDITURES**  
**(US\$000)**  
**AS OF 30 APRIL 1995**

	1	2	3	4	5
Project Elements	To Date Spent <u>USAID</u>	Total Spent <u>LC</u>	Total Spent to Date <u>LC &amp; USAID</u> 1+2	*Planned Expend Through <u>LOP USAID</u>	Total LOP Expenditures to Date & Planned <u>Through LOP</u> 3+4
1 SEAMOS	2,611	338	2,949	2,639	5,588
2 CESE	1,211	281	1,492	689	2,181
3 PROINCO/CELIN	0	0	0	250	250
4 DINAPRE	0	378	378	0	378
5 SUBDESAL	0	137	137	0	137
6 T A	1,822	0	1,822	268	2,090
7 Project Management	<u>49</u>	<u>0</u>	<u>49</u>	<u>681</u>	<u>730</u>
<b>TOTAL</b>	<b>5,693</b>	<b>1,134</b>	<b>6,827</b>	<b>4,527</b>	<b>11,354</b>

\* From May 1, 1995 to PACD

**B Audits**

In accordance with USAID audit procedures, non-federal recipient audits of SEAMOS, CESE, and PROINCO/CELIN will be carried out annually through the PACD. While these institutions will be responsible for contracting these audits with a firm acceptable to USAID, it is the technical office's responsibility to ensure that the audits are carried out as scheduled and that audit recommendations are implemented as required.

## ACRONYMS

CELIN	- Centro Latinoamericano de Investigación Científico
CEPB	- Confederación de Empresarios Privados de Bolivia
CESE	- Centro Educativo Sobre Estupefacientes
CONAPRE	- Consejo Nacional de Prevención y Rehabilitación
CONT	- USAID/Bolivia Controllers
DAPP	- Drug Awareness and Prevention Project
DIFEM	- Dirección de Financiamiento Externo y Monetización
ESF	- Economic Support Funds
GOB	- Government of Bolivia
IQC	- Indefinite Quantity Contract
LAC/SAM	- USAID's Latin America and Caribbean Bureau South America and Mexico Office
LOP	- Life of Project
NAS	- Narcotics Affairs Section
NGO	- Non-Governmental Organization
PACD	- Project Assistance Completion Date
PMU	- Project Management Unit
PREID	- Dirección Nacional de Prevención Integral del Uso Indevido de Drogas
PROINCO	- Proyecto de Investigación y Concientización
SEAMOS	- Sistema Educativo Antidroga y de Movilización Social
UNDCP	- United Nations Drug Control Program
USG	- United States Government

Updated Assistance Checklist for Drug Awareness and Prevention Project (USAID Project No 511-0613) ("DAPP"), Supplement No 1

## 5C(2) - ASSISTANCE CHECKLIST

Listed below are statutory criteria applicable to the assistance resources themselves, rather than to the eligibility of a country to receive assistance. This section is divided into three parts. Part A includes criteria applicable to both Development Assistance and Economic Support Fund resources. Part B includes criteria applicable only to Development Assistance resources. Part C includes criteria applicable only to Economic Support Funds.

CROSS REFERENCE IS COUNTRY CHECKLIST UP TO DATE?

Yes. Country checklist for Bolivia was updated for FY 1995 in the Project Paper for Democratic Development and Citizen Participation (USAID Project No 511-0634).

A CRITERIA APPLICABLE TO BOTH DEVELOPMENT ASSISTANCE AND ECONOMIC SUPPORT FUNDS

**1 Host Country Development Efforts** (FAA Sec 601(a))  
Information and conclusions on whether assistance will encourage efforts of the country to (a) increase the flow of international trade, (b) foster private initiative and competition, (c) encourage development and use of cooperatives, credit unions, and savings and loan associations, (d) discourage monopolistic practices, (e) improve technical efficiency of industry, agriculture, and commerce, and (f) strengthen free labor unions.

These issues are generally not applicable to the DAPP. However, the project is one of several Mission projects that, as a group, contribute to increasing non-coca economic opportunities in Bolivia. Eventually, this is expected to lead to greater efficiency in Bolivian agriculture and international export trade.

**2 U S. Private Trade and Investment** (FAA Sec 601(b))  
Information and conclusions on how assistance will encourage U S private trade and investment abroad and encourage private U S participation in foreign assistance programs.

Project will only indirectly encourage U S private trade and investment abroad and this largely by contributing to an anti-drug strategy. Project has used the services of a U S firm in providing

(including use of private trade channels and the services of U S private enterprise)

technical assistance

### 3 Congressional Notification

a **General requirement** (FY 1995 Appropriations Act Sec 515, FAA Sec 634A) If money is to be obligated for an activity not previously justified to Congress, or for an amount in excess of amount previously justified to Congress, has Congress been properly notified (unless the Appropriations Act notification requirement has been waived because of substantial risk to human health or welfare)?

Congress has been notified in accordance with standard Agency procedures

b **Special notification requirement** (FY 1995 Appropriations Act Sec 520) Are all activities proposed for obligation subject to prior congressional notification?

No special notification is required for obligations for Bolivia

c **Notice of account transfer** (FY 1995 Appropriations Act Sec 509) If funds are being obligated under an appropriation account to which they were not appropriated, has the President consulted with and provided a written justification to the House and Senate Appropriations Committees and has such obligation been subject to regular notification procedures?

Not applicable

d **Cash transfers and nonproject sector assistance** (FY 1995 Appropriations Act Sec 536(b)(3)) If funds are to be made available in the form of cash transfer or nonproject sector assistance, has the Congressional notice included a detailed description of how the funds will be used, with a discussion of U S interests to be served and a description of any economic policy reforms to be promoted?

Not applicable

4 **Engineering and Financial Plans** (FAA Sec 611(a)) Prior to an obligation in excess of \$500,000, will there be (a) engineering, financial or other plans necessary to carry out

Yes

the assistance, and (b) a reasonably firm estimate of the cost to the U S of the assistance?

5 **Legislative Action** (FAA Sec 611(a)(2)) If legislative action is required within recipient country with respect to an obligation in excess of \$500,000, what is the basis for a reasonable expectation that such action will be completed in time to permit orderly accomplishment of the purpose of the assistance?

No special action is required

6 **Water Resources** (FAA Sec 611(b)) If project is for water or water-related land resource construction, have benefits and costs been computed to the extent practicable in accordance with the principles, standards, and procedures established pursuant to the Water Resources Planning Act (42 U S C 1962, et seq)?

Not applicable

7 **Cash Transfer/Nonproject Sector Assistance Requirements** (FY 1995 Appropriations Act Sec 536) If assistance is in the form of a cash transfer or nonproject sector assistance

Not applicable

a **Separate account** Are all such cash payments to be maintained by the country in a separate account and not commingled with any other funds (unless such requirements are waived by Congressional notice for nonproject sector assistance)?

Not applicable

b **Local currencies** If assistance is furnished to a foreign government under arrangements which result in the generation of local currencies

Not applicable

(1) Has A I D (a) required that local currencies be deposited in a separate account established by the recipient government, (b) entered into an agreement with that government providing the amount of local currencies to be generated and the terms and conditions under which the

currencies so deposited may be utilized, and (c) established by agreement the responsibilities of A I D and that government to monitor and account for deposits into and disbursements from the separate account?

(2) Will such local currencies, or an equivalent amount of local currencies, be used only to carry out the purposes of the DA or ESF chapters of the FAA (depending on which chapter is the source of the assistance) or for the administrative requirements of the United States Government?

(3) Has A I D taken all appropriate steps to ensure that the equivalent of local currencies disbursed from the separate account are used for the agreed purposes?

(4) If assistance is terminated to a country, will any unencumbered balances of funds remaining in a separate account be disposed of for purposes agreed to by the recipient government and the United States Government?

8 **Capital Assistance** (FAA Sec 611(e)) If project is capital assistance (e.g., construction), and total U S assistance for it will exceed \$1 million, has Mission Director certified and Regional Assistant Administrator taken into consideration the country's capability to maintain and utilize the project effectively?

Not applicable

9 **Multiple Country Objectives** (FAA Sec 601(a)) Information and conclusions on whether projects will encourage efforts of the country to (a) increase the flow of international trade, (b) foster private initiative and competition, (c) encourage development and use of cooperatives, credit unions, and savings and loan associations, (d) discourage monopolistic practices, (e) improve technical efficiency of industry,

See item 1 above

agriculture and commerce, and (f)  
strengthen free labor unions

10 **U S Private Trade** (FAA  
Sec 601(b)) Information and  
conclusions on how project will  
encourage U S private trade and  
investment abroad and encourage  
private U S participation in foreign  
assistance programs (including use of  
private trade channels and the  
services of U S private enterprise)

See item 2 above

11 **Local Currencies**

a **Recipient Contributions**  
(FAA Secs 612(b), 636(h)) Describe  
steps taken to assure that, to the  
maximum extent possible, the country  
is contributing local currencies to  
meet the cost of contractual and other  
services, and foreign currencies owned  
by the U S are utilized in lieu of  
dollars

Project is being revised to  
permit U S dollars to cover  
shortfalls in host country  
owned local currency generated  
through the ESF Balance of  
Payments Program The USG  
owned local currencies are not  
available

b **U S -Owned Currency** (FAA  
Sec 612(d)) Does the U S own  
excess foreign currency of the country  
and, if so, what arrangements have  
been made for its release?

No, not applicable

12 **Trade Restrictions**

a **Surplus Commodities** (FY 1995  
Appropriations Act Sec 513(a)) If  
assistance is for the production of  
any commodity for export, is the  
commodity likely to be in surplus on  
world markets at the time the  
resulting productive capacity becomes  
operative, and is such assistance  
likely to cause substantial injury to  
U S producers of the same, similar or  
competing commodity?

Not applicable

b **Textiles (Lautenberg  
Amendment)** (FY 1995 Appropriations Act  
Sec 513(c)) Will the assistance  
(except for programs in Caribbean  
Basin Initiative countries under U S  
Tariff Schedule "Section 807," which  
allows reduced tariffs on articles  
assembled abroad from U S -made  
components) be used directly to

Not applicable

procure feasibility studies, prefeasibility studies, or project profiles of potential investment in, or to assist the establishment of facilities specifically designed for, the manufacture for export to the United States or to third country markets in direct competition with U S exports, of textiles, apparel, footwear, handbags, flat goods (such as wallets or coin purses worn on the person), work gloves or leather wearing apparel?

13 **Tropical Forests** (FY 1991 Appropriations Act Sec 533(c)(3) (as referenced in section 532(d) of the FY 1993 Appropriations Act) Will funds be used for any program, project or activity which would (a) result in any significant loss of tropical forests, or (b) involve industrial timber extraction in primary tropical forest areas?

No

14 **PVO Assistance**

a **Auditing and registration** (FY 1995 Appropriations Act Sec 560) If assistance is being made available to a PVO, has that organization provided upon timely request any document, file, or record necessary to the auditing requirements of A I D , and is the PVO registered with A I D ?

Assistance will be provided to Bolivia's Confederation of Private Entrepreneurs, the Centro Educativo Sobre Estupefacientes, and, eventually, to the Centro Latinoamericano de Investigación Científica. None of these entities is considered a PVO

b **Funding sources** (FY 1995 Appropriations Act, Title II, under heading "Private and Voluntary Organizations") If assistance is to be made to a United States PVO (other than a cooperative development organization), does it obtain at least 20 percent of its total annual funding for international activities from sources other than the United States Government?

Per previous response, this section is not applicable

15 **Project Agreement Documentation** (State Authorization Sec 139 (as interpreted by conference report)) Has confirmation of the date of signing of the project agreement, including the amount

No agreement covered by the Case-Zablocki Act guidance is anticipated

involved, been cabled to State L/T and A I D LEG within 60 days of the agreement's entry into force with respect to the United States, and has the full text of the agreement been pouched to those same offices? (See Handbook 3, Appendix 6G for agreements covered by this provision)

16 **Metric System** (Omnibus Trade and Competitiveness Act of 1988 Sec 5164, as interpreted by conference report, amending Metric Conversion Act of 1975 Sec 2, and as implemented through A I D policy) Does the assistance activity use the metric system of measurement in its procurements, grants, and other business-related activities, except to the extent that such use is impractical or is likely to cause significant inefficiencies or loss of markets to United States firms? Are bulk purchases usually to be made in metric, and are components, subassemblies, and semi-fabricated materials to be specified in metric units when economically available and technically adequate? Will A I D specifications use metric units of measure from the earliest programmatic stages, and from the earliest documentation of the assistance processes (for example, project papers) involving quantifiable measurements (length, area, volume, capacity, mass and weight), through the implementation stage?

17 **Abortions** (FAA Sec 104(f), FY 1995 Appropriations Act, Title II, under heading "Population, DA," and Sec 518)

a Are any of the funds to be used for the performance of abortions as a method of family planning or to motivate or coerce any person to practice abortions? (Note that the term "motivate" does not include the provision, consistent with local law, of information or counseling about all pregnancy options including abortion )

The metric system will be used to the extent practicable

Bulk purchases are not anticipated

Given the nature of the DAPP, project documentation does not describe procurement specifications in terms of physical measures

No

b Are any of the funds to be used to pay for the performance of involuntary sterilization as a method of family planning or to coerce or provide any financial incentive to any person to undergo sterilizations?

No

c Are any of the funds to be made available to any organization or program which, as determined by the President, supports or participates in the management of a program of coercive abortion or involuntary sterilization?

No

d Will funds be made available only to voluntary family planning projects which offer, either directly or through referral to, or information about access to, a broad range of family planning methods and services? (As a legal matter, DA only )

Not applicable

e In awarding grants for natural family planning, will any applicant be discriminated against because of such applicant's religious or conscientious commitment to offer only natural family planning? (As a legal matter, DA only )

Not applicable

f Are any of the funds to be used to pay for any biomedical research which relates, in whole or in part, to methods of, or the performance of, abortions or involuntary sterilization as a means of family planning?

No

g Are any of the funds to be made available to any organization if the President certifies that the use of these funds by such organization would violate any of the above provisions related to abortions and involuntary sterilization?

No

18 **Cooperatives** (FAA Sec 111) Will assistance help develop cooperatives, especially by technical assistance, to assist rural and urban poor to help themselves toward a better life?

DAPP does not involve assistance through cooperatives

19 **U S -Owned Foreign Currencies**

See answers to previous questions relating to local currencies, above

a **Use of currencies** (FAA Secs 612(b), 636(h), FY 1995 Appropriations Act Secs 503, 505) Are steps being taken to assure that, to the maximum extent possible, foreign currencies owned by the U S are utilized in lieu of dollars to meet the cost of contractual and other services

No, not applicable

b **Release of currencies** (FAA Sec 612(d)) Does the U S own excess foreign currency of the country and, if so, what arrangements have been made for its release?

20 **Procurement**

a **Small business** (FAA Sec 602(a)) Are there arrangements to permit U S small business to participate equitably in the furnishing of commodities and services financed?

Procurement will be conducted by recipient organizations under standard HB 13 provisions U S small business will not be excluded

b **U S procurement** (FAA Sec 604(a)) Will all procurement be from the U S , the recipient country, or developing countries except as otherwise determined in accordance with the criteria of this section?

Yes, see answer to previous item

c **Marine insurance** (FAA Sec 604(d)) If the cooperating country discriminates against marine insurance companies authorized to do business in the U S , will commodities be insured in the United States against marine risk with such a company?

Not applicable

d **Insurance** (FY 1995 Appropriations Act Sec 531) Will any A I D contract and solicitation, and subcontract entered into under such contract, include a clause requiring that U S insurance companies have a fair opportunity to bid for insurance when such insurance is necessary or appropriate?

No USAID direct contracts are anticipated under the revised program

e **Non-U.S agricultural procurement** (FAA Sec 604(e)) If

Procurement of agricultural products is not anticipated

non-U S procurement of agricultural commodity or product thereof is to be financed, is there provision against such procurement when the domestic price of such commodity is less than parity? (Exception where commodity financed could not reasonably be procured in U S )

under the Project

**f Construction or engineering services** (FAA Sec 604(g)) Will construction or engineering services be procured from firms of advanced developing countries which are otherwise eligible under Code 941 and which have attained a competitive capability in international markets in one of these areas? (Exception for those countries which receive direct economic assistance under the FAA and permit United States firms to compete for construction or engineering services financed from assistance programs of these countries )

Procurement of construction and engineering services is not anticipated under the Project Any such services that are required would likely be procured from local or U S sources

**g Cargo preference shipping** (FAA Sec 603)) Is the shipping excluded from compliance with the requirement in section 901(b) of the Merchant Marine Act of 1936, as amended, that at least 50 percent of the gross tonnage of commodities (computed separately for dry bulk carriers, dry cargo liners, and tankers) financed shall be transported on privately owned U S flag commercial vessels to the extent such vessels are available at fair and reasonable rates?

Project will comply will cargo preference requirements in accordance with relevant standard provisions of USAID Handbook 13 instruments

**h Technical assistance** (FAA Sec 621(a)) If technical assistance is financed, will such assistance be furnished by private enterprise on a contract basis to the fullest extent practicable? Will the facilities and resources of other Federal agencies be utilized, when they are particularly suitable, not competitive with private enterprise, and made available without undue interference with domestic programs?

Yes

Project will not utilize facilities and resources of other Federal agencies

**1 U.S. air carriers**

Yes, in accordance with

(International Air Transportation Fair Competitive Practices Act, 1974) If air transportation of persons or property is financed on grant basis, will U S carriers be used to the extent such service is available?

standard provisions of applicable USAID Handbook 13 instruments

j **Consulting services** (FY 1995 Appropriations Act Sec 559) If assistance is for consulting service through procurement contract pursuant to 5 U S C 3109, are contract expenditures a matter of public record and available for public inspection (unless otherwise provided by law or Executive order)?

Expenditures under any direct contract for consulting services financed under this Project will be a matter of public record and available for public inspection

k **Metric conversion** (Omnibus Trade and Competitiveness Act of 1988, as interpreted by conference report, amending Metric Conversion Act of 1975 Sec 2, and as implemented through A I D policy) Does the assistance program use the metric system of measurement in its procurements, grants, and other business-related activities, except to the extent that such use is impractical or is likely to cause significant inefficiencies or loss of markets to United States firms? Are bulk purchases usually to be made in metric, and are components, subassemblies, and semi-fabricated materials to be specified in metric units when economically available and technically adequate? Will A I D specifications use metric units of measure from the earliest programmatic stages, and from the earliest documentation of the assistance processes (for example, project papers) involving quantifiable measurements (length, area, volume, capacity, mass and weight), through the implementation stage?

See previous answers to questions relating use of metric system above

l **Competitive Selection Procedures** (FAA Sec 601(e)) Will the assistance utilize competitive selection procedures for the awarding of contracts, except where applicable procurement rules allow otherwise?

Yes

m **Notice Requirement** (FY 1995

Yes, in accordance with

Appropriations Act Sec 568) Will project agreements or contracts contain notice consistent with FAA section 604(a) and with the sense of Congress that to the greatest extent practicable equipment and products purchased with appropriated funds should be American-made?

standard provisions on procurement in USAID Handbook 13 instruments

**21 Construction**

a **Capital project** (FAA Sec 601(d)) If capital (e.g., construction) project, will U S engineering and professional services be used?

Not applicable

b **Construction contract** (FAA Sec 611(c)) If contracts for construction are to be financed, will they be let on a competitive basis to maximum extent practicable?

Not applicable

c **Large projects, Congressional approval** (FAA Sec 620(k)) If for construction of productive enterprise, will aggregate value of assistance to be furnished by the U S not exceed \$100 million (except for productive enterprises in Egypt that were described in the Congressional Presentation), or does assistance have the express approval of Congress?

Not applicable

22 **U.S Audit Rights** (FAA Sec 301(d)) If fund is established solely by U S contributions and administered by an international organization, does Comptroller General have audit rights?

Not applicable

23 **Communist Assistance** (FAA Sec 620(h)) Do arrangements exist to insure that United States foreign aid is not used in a manner which, contrary to the best interests of the United States, promotes or assists the foreign aid projects or activities of the Communist-bloc countries?

Yes

**24 Narcotics**

a **Cash reimbursements** (FAA

Yes

Sec 483) Will arrangements preclude use of financing to make reimbursements, in the form of cash payments, to persons whose illicit drug crops are eradicated?

b **Assistance to narcotics traffickers** (FAA Sec 487) Will arrangements take "all reasonable steps" to preclude use of financing to or through individuals or entities which we know or have reason to believe have either (1) been convicted of a violation of any law or regulation of the United States or a foreign country relating to narcotics (or other controlled substances), or (2) been an illicit trafficker in, or otherwise involved in the illicit trafficking of, any such controlled substance?

Yes, new regulations under FAA Section 487 will be implemented as soon as they are issued

25 **Expropriation and Land Reform** (FAA Sec 620(g)) Will assistance preclude use of financing to compensate owners for expropriated or nationalized property, except to compensate foreign nationals in accordance with a land reform program certified by the President?

Yes

26 **Police and Prisons** (FAA Sec 660) Will assistance preclude use of financing to provide training, advice, or any financial support for police, prisons, or other law enforcement forces, except for narcotics programs?

Yes

27 **CIA Activities** (FAA Sec 662) Will assistance preclude use of financing for CIA activities?

Yes

28 **Motor Vehicles** (FAA Sec 636(1)) Will assistance preclude use of financing for purchase, sale, long-term lease, exchange or guaranty of the sale of motor vehicles manufactured outside U S , unless a waiver is obtained?

Yes

29 **Export of Nuclear Resources** (FY 1995 Appropriations Act Sec 506) Will assistance preclude use of

Yes

financing to finance--except for purposes of nuclear safety--the export of nuclear equipment, fuel, or technology?

30 **Publicity or Propaganda** (FY 1995 Appropriations Act Sec 554) No  
Will assistance be used for publicity or propaganda purposes designed to support or defeat legislation pending before Congress, to influence in any way the outcome of a political election in the United States, or for any publicity or propaganda purposes not authorized by Congress?

31 **Exchange for Prohibited Act** (FY 1995 Appropriations Act Sec 533) No  
Will any assistance be provided to any foreign government (including any instrumentality or agency thereof), foreign person, or United States person in exchange for that foreign government or person undertaking any action which is, if carried out by the United States Government, a United States official or employee, expressly prohibited by a provision of United States law?

32 **Commitment of Funds** (FAA Sec 635(h)) No  
Does a contract or agreement entail a commitment for the expenditure of funds during a period in excess of 5 years from the date of the contract or agreement?

33 **Impact on U S Jobs** (FY 1995 Appropriations Act, Sec 545)  
a Will any financial incentive be provided to a business located in the U S for the purpose of inducing that business to relocate outside the U S in a manner that would likely reduce the number of U S employees of that business? No

b Will assistance be provided for the purpose of establishing or developing an export processing zone or designated area in which the country's tax, tariff, labor, environment, and safety laws do not No

apply? If so, has the President determined and certified that such assistance is not likely to cause a loss of jobs within the U S ?

c Will assistance be provided for a project or activity that contributes to the violation of internationally recognized workers rights, as defined in section 502(a)(4) of the Trade Act of 1974, of workers in the recipient country, or will assistance be for the informal sector, micro or small-scale enterprise, or smallholder agriculture? No

B CRITERIA APPLICABLE TO DEVELOPMENT ASSISTANCE ONLY

DAPP is ESF funded Accordingly, all of Section B is inapplicable

1 **Agricultural Exports (Bumpers Amendment)** (FY 1995 Appropriations Act Sec 513(b), as interpreted by conference report for original enactment) If assistance is for agricultural development activities (specifically, any testing or breeding feasibility study, variety improvement or introduction, consultancy, publication, conference, or training), are such activities (1) specifically and principally designed to increase agricultural exports by the host country to a country other than the United States, where the export would lead to direct competition in that third country with exports of a similar commodity grown or produced in the United States, and can the activities reasonably be expected to cause substantial injury to U S exporters of a similar agricultural commodity, or (2) in support of research that is intended primarily to benefit U S producers?

2 **Tied Aid Credits** (FY 1995 Appropriations Act, Title II, under heading "Economic Support Fund") Will DA funds be used for tied aid credits?

3 **Appropriate Technology** (FAA Sec 107) Is special emphasis placed

on use of appropriate technology (defined as relatively smaller, cost-saving, labor-using technologies that are generally most appropriate for the small farms, small businesses, and small incomes of the poor)?

**4 Indigenous Needs and Resources** (FAA Sec 281(b)) Describe extent to which the activity recognizes the particular needs, desires, and capacities of the people of the country, utilizes the country's intellectual resources to encourage institutional development, and supports civic education and training in skills required for effective participation in governmental and political processes essential to self-government

**5 Economic Development** (FAA Sec 101(a)) Does the activity give reasonable promise of contributing to the development of economic resources, or to the increase of productive capacities and self-sustaining economic growth?

**6 Special Development Emphases** (FAA Secs 102(b), 113, 281(a)) Describe extent to which activity will (a) effectively involve the poor in development by extending access to economy at local level, increasing labor-intensive production and the use of appropriate technology, dispersing investment from cities to small towns and rural areas, and insuring wide participation of the poor in the benefits of development on a sustained basis, using appropriate U S institutions, (b) encourage democratic private and local governmental institutions, (c) support the self-help efforts of developing countries, (d) promote the participation of women in the national economies of developing countries and the improvement of women's status, and (e) utilize and encourage regional cooperation by developing countries

**7 Recipient Country**

**Contribution** (FAA Secs 110, 124(d))  
Will the recipient country provide at least 25 percent of the costs of the program, project, or activity with respect to which the assistance is to be furnished (or is the latter cost-sharing requirement being waived for a "relatively least developed" country)?

**8 Benefit to Poor Majority**  
(FAA Sec 128(b)) If the activity attempts to increase the institutional capabilities of private organizations or the government of the country, or if it attempts to stimulate scientific and technological research, has it been designed and will it be monitored to ensure that the ultimate beneficiaries are the poor majority?

**9 Contract Awards** (FAA Sec 601(e)) Will the project utilize competitive selection procedures for the awarding of contracts, except where applicable procurement rules allow otherwise?

**10 Disadvantaged Enterprises**  
(FY 1995 Appropriations Act Sec 555)  
What portion of the funds will be available only for activities of economically and socially disadvantaged enterprises, historically black colleges and universities, colleges and universities having a student body in which more than 40 percent of the students are Hispanic Americans, and private and voluntary organizations which are controlled by individuals who are black Americans, Hispanic Americans, or Native Americans, or who are economically or socially disadvantaged (including women)?

**11 Biological Diversity** (FAA Sec 119(g)) Will the assistance (a) support training and education efforts which improve the capacity of recipient countries to prevent loss of biological diversity, (b) be provided under a long-term agreement in which the recipient country agrees to

protect ecosystems or other wildlife habitats, (c) support efforts to identify and survey ecosystems in recipient countries worthy of protection, or (d) by any direct or indirect means significantly degrade national parks or similar protected areas or introduce exotic plants or animals into such areas? (Note new special authority for biodiversity activities contained in section 547(b) of the FY 1995 Appropriations Act )

12 **Tropical Forests** (FAA Sec 118, FY 1991 Appropriations Act Sec 533(c) as referenced in section 532(d) of the FY 1993 Appropriations Act)

a **A I D Regulation 16**

Does the assistance comply with the environmental procedures set forth in A I D Regulation 16?

b **Conservation** Does the assistance place a high priority on conservation and sustainable management of tropical forests? Specifically, does the assistance, to the fullest extent feasible (1) stress the importance of conserving and sustainably managing forest resources, (2) support activities which offer employment and income alternatives to those who otherwise would cause destruction and loss of forests, and help countries identify and implement alternatives to colonizing forested areas, (3) support training programs, educational efforts, and the establishment or strengthening of institutions to improve forest management, (4) help end destructive slash-and-burn agriculture by supporting stable and productive farming practices, (5) help conserve forests which have not yet been degraded by helping to increase production on lands already cleared or degraded, (6) conserve forested watersheds and rehabilitate those which have been deforested, (7) support training, research, and other actions which lead to sustainable and more environmentally sound practices

for timber harvesting, removal, and processing, (8) support research to expand knowledge of tropical forests and identify alternatives which will prevent forest destruction, loss, or degradation, (9) conserve biological diversity in forest areas by supporting efforts to identify, establish, and maintain a representative network of protected tropical forest ecosystems on a worldwide basis, by making the establishment of protected areas a condition of support for activities involving forest clearance or degradation, and by helping to identify tropical forest ecosystems and species in need of protection and establish and maintain appropriate protected areas, (10) seek to increase the awareness of U S Government agencies and other donors of the immediate and long-term value of tropical forests, (11) utilize the resources and abilities of all relevant U S government agencies, (12) be based upon careful analysis of the alternatives available to achieve the best sustainable use of the land, and (13) take full account of the environmental impacts of the proposed activities on biological diversity?

**c Forest degradation** Will assistance be used for (1) the procurement or use of logging equipment, unless an environmental assessment indicates that all timber harvesting operations involved will be conducted in an environmentally sound manner and that the proposed activity will produce positive economic benefits and sustainable forest management systems, (2) actions which will significantly degrade national parks or similar protected areas which contain tropical forests, or introduce exotic plants or animals into such areas, (3) activities which would result in the conversion of forest lands to the rearing of livestock, (4) the construction, upgrading, or maintenance of roads (including temporary haul roads for logging or

other extractive industries) which pass through relatively undergraded forest lands, (5) the colonization of forest lands, or (6) the construction of dams or other water control structures which flood relatively undergraded forest lands, unless with respect to each such activity an environmental assessment indicates that the activity will contribute significantly and directly to improving the livelihood of the rural poor and will be conducted in an environmentally sound manner which supports sustainable development?

**d Sustainable forestry.** If assistance relates to tropical forests, will project assist countries in developing a systematic analysis of the appropriate use of their total tropical forest resources, with the goal of developing a national program for sustainable forestry?

**e Environmental impact statements** Will funds be made available in accordance with provisions of FAA Section 117(c) and applicable A I D regulations requiring an environmental impact statement for activities significantly affecting the environment?

**13 Energy (FY 1991** Appropriations Act Sec 533(c) as referenced in section 532(d) of the FY 1993 Appropriations Act) If assistance relates to energy, will such assistance focus on (a) end-use energy efficiency, least-cost energy planning, and renewable energy resources, and (b) the key countries where assistance would have the greatest impact on reducing emissions from greenhouse gases?

**14 Debt-for-Nature Exchange (FAA Sec 463)** If project will finance a debt-for-nature exchange, describe how the exchange will support protection of (a) the world's oceans and atmosphere, (b) animal and plant species, and (c) parks and reserves,

or describe how the exchange will promote (d) natural resource management, (e) local conservation programs, (f) conservation training programs, (g) public commitment to conservation, (h) land and ecosystem management, and (i) regenerative approaches in farming, forestry, fishing, and watershed management

**15 Deobligation/Reobligation**

(FY1995 Appropriations Act Sec 510)  
If deob/reob authority is sought to be exercised in the provision of DA assistance, are the funds being obligated for the same general purpose, and for countries within the same region as originally obligated, and have the House and Senate Appropriations Committees been properly notified?

**16 Loans**

a **Repayment capacity** (FAA Sec 122(b)) Information and conclusion on capacity of the country to repay the loan at a reasonable rate of interest

b **Long-range plans** (FAA Sec 122(b)) Does the activity give reasonable promise of assisting long-range plans and programs designed to develop economic resources and increase productive capacities?

c **Interest rate** (FAA Sec 122(b)) If development loan is repayable in dollars, is interest rate at least 2 percent per annum during a grace period which is not to exceed ten years, and at least 3 percent per annum thereafter?

d **Exports to United States** (FAA Sec 620(d)) If assistance is for any productive enterprise which will compete with U S enterprises, is there an agreement by the recipient country to prevent export to the U S of more than 20 percent of the enterprise's annual production during the life of the loan, or has the

requirement to enter into such an agreement been waived by the President because of a national security interest?

**17 Development Objectives** (FAA Secs 102(a), 111, 113, 281(a))  
Extent to which activity will (1) effectively involve the poor in development, by expanding access to economy at local level, increasing labor-intensive production and the use of appropriate technology, spreading investment out from cities to small towns and rural areas, and insuring wide participation of the poor in the benefits of development on a sustained basis, using the appropriate U S institutions, (2) help develop cooperatives, especially by technical assistance, to assist rural and urban poor to help themselves toward better life, and otherwise encourage democratic private and local governmental institutions, (3) support the self-help efforts of developing countries, (4) promote the participation of women in the national economies of developing countries and the improvement of women's status, and (5) utilize and encourage regional cooperation by developing countries?

**18 Agriculture, Rural Development and Nutrition, and Agricultural Research** (FAA Secs 103 and 103A)

**a Rural poor and small farmers:** If assistance is being made available for agriculture, rural development or nutrition, describe extent to which activity is specifically designed to increase productivity and income of rural poor, or if assistance is being made available for agricultural research, has account been taken of the needs of small farmers, and extensive use of field testing to adapt basic research to local conditions shall be made

**b Nutrition:** Describe extent to which assistance is used in coordination with efforts carried out

under FAA Section 104 (Population and Health) to help improve nutrition of the people of developing countries through encouragement of increased production of crops with greater nutritional value, improvement of planning, research, and education with respect to nutrition, particularly with reference to improvement and expanded use of indigenously produced foodstuffs, and the undertaking of pilot or demonstration programs explicitly addressing the problem of malnutrition of poor and vulnerable people

**c Food security** Describe extent to which activity increases national food security by improving food policies and management and by strengthening national food reserves, with particular concern for the needs of the poor, through measures encouraging domestic production, building national food reserves, expanding available storage facilities, reducing post harvest food losses, and improving food distribution

**19 Population and Health** (FAA Secs 104(b) and (c)) If assistance is being made available for population or health activities, describe extent to which activity emphasizes low-cost, integrated delivery systems for health, nutrition and family planning for the poorest people, with particular attention to the needs of mothers and young children, using paramedical and auxiliary medical personnel, clinics and health posts, commercial distribution systems, and other modes of community outreach

**20 Education and Human Resources Development** (FAA Sec 105) If assistance is being made available for education, public administration, or human resource development, describe (a) extent to which activity strengthens nonformal education, makes formal education more relevant, especially for rural families and

urban poor, and strengthens management capability of institutions enabling the poor to participate in development, and (b) extent to which assistance provides advanced education and training of people of developing countries in such disciplines as are required for planning and implementation of public and private development activities

**21 Energy, Private Voluntary Organizations, and Selected Development Activities (FAA Sec 106)**

If assistance is being made available for energy, private voluntary organizations, and selected development problems, describe extent to which activity is

a concerned with data collection and analysis, the training of skilled personnel, research on and development of suitable energy sources, and pilot projects to test new methods of energy production, and facilitative of research on and development and use of small-scale, decentralized, renewable energy sources for rural areas, emphasizing development of energy resources which are environmentally acceptable and require minimum capital investment,

b concerned with technical cooperation and development, especially with U S private and voluntary, or regional and international development, organizations,

c research into, and evaluation of, economic development processes and techniques,

d reconstruction after natural or manmade disaster and programs of disaster preparedness,

e for special development problems, and to enable proper utilization of infrastructure and related projects funded with earlier U S assistance,

f for urban development, especially small, labor-intensive enterprises, marketing systems for small producers, and financial or other institutions to help urban poor participate in economic and social development

22 **Capital Projects** (Jobs Through Export Act of 1992, Secs 303 and 306(d)) If assistance is being provided for a capital project, is the project developmentally sound and will the project measurably alleviate the worst manifestations of poverty or directly promote environmental safety and sustainability at the community level?

C CRITERIA APPLICABLE TO ECONOMIC SUPPORT FUNDS ONLY

1 **Economic and Political Stability** (FAA Sec 531(a)) Will this assistance promote economic and political stability? To the maximum extent feasible, is this assistance consistent with the policy directions, purposes, and programs of Part I of the FAA? Yes

2 **Military Purposes** (FAA Sec 531(e)) Will this assistance be used for military or paramilitary purposes? No

3 **Commodity Grants/Separate Accounts** (FAA Sec 609) If commodities are to be granted so that sale proceeds will accrue to the recipient country, have Special Account (counterpart) arrangements been made? (For FY 1995, this provision is superseded by the separate account requirements of FY 1995 Appropriations Act Sec 536(a), see Sec 536(a)(5) ) Not applicable

4 **Generation and Use of Local Currencies** (FAA Sec 531(d)) Will ESF funds made available for commodity import programs or other program assistance be used to generate local currencies? If so, will at least 50 percent of such local currencies be Not applicable

available to support activities consistent with the objectives of FAA sections 103 through 106? (For FY 1995, this provision is superseded by the separate account requirements of FY 1995 Appropriations Act Sec 536(a), see Sec 536(a)(5) )

5 **Capital Projects** (Jobs Through Exports Act of 1992, Sec 306) If assistance is being provided for a capital project, will the project be developmentally-sound and sustainable, i e , one that is (a) environmentally sustainable, (b) within the financial capacity of the government or recipient to maintain from its own resources, and (c) responsive to a significant development priority initiated by the country to which assistance is being provided (Please note the definition of "capital project" contained in section 595 of the FY 1993 Appropriations Act Note, as well, that although a comparable provision does not appear in the FY 94 Appropriations Act, the FY 93 provision applies to, among other things, 2-year ESF funds which could be obligated in FY 94 )

Not applicable

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U.S. AGENCY FOR  
INTERNATIONAL  
DEVELOPMENT

ANNEX B

LAC-IEE-95-20

## REQUEST FOR A CATEGORICAL EXCLUSION

Project Location : Bolivia

Project Title : Drug Awareness and Prevention  
(amendment)

Project Number : 511-0613

Funding : \$9,220,000 (original)  
\$11,220,000 (as amended)

Life of Project : FY 96-97 (amendment)

IEE Prepared by : Michael Yates, MEO

Recommended Threshold Decision : Categorical Exclusion

Bureau Threshold Decision : Concur with Recommendation

Comments : None

*Jeffrey J. Brokaw* Date 5/9/95  
Jeffrey J. Brokaw  
Chief Environmental Officer  
Bureau for Latin America  
and the Caribbean

Copy to : Lewis Lucke, Director (Acting)  
USAID/Bolivia

Copy to : Michael Yates, MEO  
USAID/Bolivia

Copy to : Bruce Kernan, REA/SA  
USAID/Ecuador

Copy to : Gordon Bertolin, LAC/SPM/SAM

Copy to : Dan Lesmez, LAC/SAM

Copy to : IEE File