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ISN 88900

# **SEMI ANNUAL REPORT**

**USAID/BOLIVIA**

**PERIOD ENDING MARCH 31, 1993**

**Submitted May 12, 1993**

**USAID/BOLIVIA  
SEMI-ANNUAL REPORTS  
(FOR THE PERIOD OCTOBER 1, 1992 - MARCH 31, 1993)  
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## **A. ALTERNATIVE DEVELOPMENT**

1. 511-0589 Private Agricultural Organizations
2. 511-0612 National Rural Household Survey
3. 511-0613 Drug Awareness and Prevention
4. 511-0614 Electrification for Alternative Development
5. 511-0617 Cochabamba Regional Development
6. 511-0602 FY 91 Economic Recovery Program BOP
7. 511-0604 FY 92 Economic Recovery Program BOP
8. PL 480 Title III
9. PL 480 Title II Regular Program & Monetization

**PROJECT STATUS REPORT**  
October 1, 1992 - March 31, 1993

**I. Background Data**

**Rating: B**

Project Title: **Private Agricultural Organizations**  
 Project Number: 511-0589  
 Date of Authorization: original 07/23/86 amendment 01/22/92  
 Date of Obligation: original 07/23/86 amendment 04/22/92  
 PACD: original 12/30/90 amended to 12/31/92  
 Implementing Agencies: Private Agricultural Organizations - Ministry  
 of Campesino Affairs and Agriculture (M.A.C.A.)  
 Major Contractors: Ronco Consulting Corporation  
 AID Project Manager: Jorge Calvo  
 Status of CPS/Covenants: CPS and covenants have been met.

Date of Last Evaluation: 11/18/92 Next Evaluation: N/A  
 Date of Last Audit: None Next Audit: 04/01/93 (For DA & by IG/Wash.D.C.)

Yearly Non-Federal Audit of Recipients  
 Planned: N/A Contracted: N/A Completed: N/A

**II. Financial Data (US\$ 000)**

Amount Authorized: DA/Grant: original \$4,200 amended to \$6,240  
 Amount Obligated: DA/Grant: original \$4,200 amended to \$6,240

Amount Committed: Period: \$174  
 Cumulative: \$6,146

Accrued Expenditures: Period - Actual: \$315  
 Period - Next: 000  
 Cumulative: \$6,003

Pipeline: \$237

% LOP Elapsed: 100%  
 (July 23, 1986)  
 % of Total Auth. Oblig.: 100%  
 % of Total Oblig. Exp.: 96%  
 % of Total Auth. Exp.: 96%

**Local Contribution (GOB and Private Sector)**

Planned LOP: \$13,415  
 Cumulative Planned as of 3/31/93: \$13,415  
 Actual Expenditures as of 12/31/92: \$8,243  
 Accrued Expenditures 1/1/93 to 3/31/93: \$114  
 Total Actual and Accrued Expenditures as of 3/31/93: \$8,357  
 Planned Next Period: 0  
 % of LOP Expended: 62%

**III. Project Goal/Strategic Objective**

The goal of the project is to transform the Bolivian economy through increased income of agricultural and animal husbandry property through increased yearly produce, expansion of produc-

tion and the increase of the marketable surplus, including exports, in activities not related to coca cultivation. This supports the Alternative Development Strategic Objective.

**IV. Project Purpose**

The purpose of the project is to strengthen and expand the capacity of private agricultural producer organizations to provide services and increase incomes to members.

**V. Project Description**

The project will strengthen the administrative, financial, technical, communications and marketing capacity of the beneficiary organizations. The original participating institutions include: ASOBOFLOR (Association of Bolivian Flower Producers), ANAPO (National Association of Oil and Wheat Producers), FEGABENI (Federation of beef cattle producers in the Beni and Pando departments), and CIS-Cochabamba (Cooperative of Integrated Services of Cochabamba). Three new PAOs have been included under the project - FEGASACRUZ (beef cattle producers in Santa Cruz), UNABANA (Banana producers in the Chapare) and AIPA (Small Farmers around the Titicaca Lake). The project provides funds for part of their requirements for short term technical assistance through VOCA (Volunteers in Overseas Cooperative Assistance).

**VI. Project Status**

A. Purpose Indicators/ EOPS	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period (6 mo.)	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
1. Income/Dollar Savings (US\$ 000)							
a. Flowers: Roses and carnations	\$10	-	\$40	-	-	\$35	350%
b. Wheat	\$12,300	-	\$12,300	-	-	\$16,800	137%
c. Soy (grain)	\$8,000	-	\$7,900	-	-	\$7,900	99%
d. Soy (loaf)	\$1,700	-	\$1,000	-	-	\$1,000	59%
e. Soy (oils)	\$3,250	-	\$2,700	-	-	\$2,700	83%
f. Hot pepper	\$40	-	\$40	-	-	\$45	113%
2. Total Sales of Products Local Market (value in US\$ 000)							
a. Black beans	\$10	-	\$12	-	\$1.7	\$12	120%
b. Cumanda	-	-	\$6	-	\$0.3	\$8.20	N/A
c. Soy (grain)	\$60,000	-	-	-	\$2,000	\$59,900	100%
d. Corn	\$177	-	-	-	-	\$185	105%
3. Increase in Income							
a. Corn	5%	-	10%	-	5%	24%	480%

b. Wheat	15%	-	15%	-	-	10%	67%
c. Hot Pepper	5%	-	5%	-	-	4%	80%
d. Soy	5%	-	5%	-	-	3%	60%
<b>4. Sales of Non-Traditional Products (US\$ 000)</b>							
a. Wheat	\$12,300	-	\$12,300	-	\$2,000	\$18,800	153%
b. Carnations	\$250	-	\$250	-	\$50	\$320	128%
c. Cumanda	-	-	\$18	-	\$1	\$19	N/A
<b>5. Cultivates Areas (Has.)</b>							
a. Flowers	12	-	12	-	-	12	100%
b. Wheat (000)	70	-	-	-	-	138	197%
c. Corn (000)	80	-	-	-	15	98	123%
d. Sunflower (000)	-	-	60	-	10	70	N/A
e. Soy (000)	240	-	-	-	180	340	142%
<b>6. Increase on Membership</b>							
a. AIPPA	25%	-	-	-	-	25%	100%
b. ANAPO	25%	-	-	-	-	220%	880%
c. ASOBOFLOR	25%	-	-	-	-	0%	0%
d. CIS-Cochabamba	-	-	-	-	-	N/A	N/A
e. FEDEAGRO	50%	-	-	-	-	100%	200%
f. FEGABENI	-	-	-	-	-	N/A	N/A
g. FEGASACRUZ	-	-	-	-	-	N/A	N/A
h. UNABANA	25%	-	-	-	-	100%	400%
<b>B. Major Output Indicators</b>	<b>PLANNED</b>				<b>ACCOMPLISHED</b>		
	<b>LOP/ Baseline</b>	<b>Period (6 mo.)</b>	<b>Cum</b>	<b>Next Period</b>	<b>Period (6 mo.)</b>	<b>Cum</b>	<b>% of LOP</b>
<b>B. MAJOR OUTPUTS</b>							
1. Increase on the number of non-traditional crops	5	-	-	-	-	6	120%
2. Creation of commercial ization and marketing firm	4	-	-	-	-	5	125%
3. Bulletins Published	53	3	56	-	3	56	100%
4. Institutional studies	6	1	6	-	1	7	117%
5. Policies studies	4	-	-	-	7	14	350%

B. Major Output Indicators	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period (6 mo.)	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
6. Product studies-	5	-	-	-	6	12	240%
7. Individuals Trained	200	20	2,223	-	20	2,223	1,111%

### C. Overall Status

Between October-December, 1992, the project activities were mainly directed to a close-out process. The technical assistance contract terminated on November 30, 1992 and all D.A. funded activities except one, were suspended as planned on December 30, 1992, the project PACD. The VOCA contract was extended until March 31, 1993 for administrative reasons.

During the past two months, the work was concentrated on the technical assistance for managerial strengthening, some training took place; writing the final report; writing the final evaluation; monitoring some activities, such as wheat marketing, the construction of the ANAPO facilities, marketing credit for corn; and finally, the process of closing the offices in Cochabamba, Santa Cruz and Sucre and the transference from the Agriculture Chamber of Chuquisaca to the Bi-National Cultural Center in Sucre (CBA).

Without getting into much detail which are addressed in other SARS, we may say that there is no doubt that most Project objectives were achieved. The technical assistance provided by the Project contributed to increase the yield of flowers (ASOBOFLOR, CIS Cochabamba and Sucre), increased the yield and areas planted with wheat (ANAPO), and increased the yield of Milk (AIPPA) and of bananas in Cochabamba (UNABANA). The installation of a Ranch Monitoring System and the grant to equip the Slaughter House will contribute to significant increases in livestock productivity in the area of Santa Cruz (FEGASACRUZ). The Livestock Development Study for Beni and Pando, will also change in production practices and productivity in the area of influence of FEGABENI.

Increases in producer's incomes due to the Corn Prices and Market Information System designed by the project were substantial for FEDEAGRO in Chuquisaca. The Project's actions were significant in improving the marketing of other products, such as flowers, bananas, chilies, wheat, cumanda, peanuts, etc.

The Wheat Plan designed by the project contributed to increasing the producers net income by making better investments in land and equipment, contributed to the saving of valuable foreign exchange.

The purpose of the project was: "to strengthen and expand the capacity of Private Agricultural Producer Organizations", to provide services and to increase the incomes of its members.

There is no doubt that the purpose was achieved. The bulk of the Project resources and actions were aimed at institutional strengthening. The administrative, financial, technical and marketing capacities

of the associations were substantially strengthened. As a result, the associations are becoming self-sufficient.

Providing the Private Agricultural Producers Associations (PAO's), with technical assistance, training, etc. contributes to creating the capacity to fulfill their role, as well as to create awareness about the roles of the public and private sector motivation. As an example, a strong PAO with a solid lobbying capacity will contribute to a healthy dialogue on public policy affecting the agricultural sector. The best example is a case in which the project contributed to clearly define the different roles, the Wheat Plan for ANAPO. The GOB's role is to support research and to provide a favorable economic environment; ANAPO's role is to provide TA and marketing, and the private sector's role is to provide the inputs, credit and purchasing and marketing the products.

One of the project objectives was to increase the integration between Campesino and non-campesino farmer groups. When the PAO's were strengthened and services improved, the integration between the different groups was also strengthened.

The attached "SUMMARY OF PROJECT ACCOMPLISHMENTS" and the "IMPACT ON PAO's" shows the final achievements of the PAO project.

This is the last PAO Project SAR, which covers October 1992-December 1992.

**D. Problems and Delays**

NONE

**E. Major Activities or Corrective Actions During the Next Six Months**

The Project Completion Report will be submitted to AID/Washington by June 1993, and all aspects of this project will be definitively concluded.

**PROJECT STATUS REPORT**

October 1, 1992 - March 31, 1993

**Rating: B**

**I. Background Data**

Project Title: National Rural Household Survey  
 Project Number: 511-0612  
 Date of Authorization: original 07/03/90  
 Date of Obligation: original 08/20/90 amended 09/30/91  
 PACD: original 09/30/92 amended 09/30/93  
 Implementing Agencies: National Institute of Statistics; BUCEN PASA  
 Major Contractors:  
 AID Project Manager: Kenneth W. Beasley  
 AID Project Coordinator: Oscar Antezana  
 AID Project Advisor: Miguel Cuevas, BUCEN  
 Status of CPs/Covenants: N/A  
 Date of Last Evaluation: 11/09/92 Next Evaluation:  
 Date of Last Audit: none Next Audit:

Yearly Non-Federal Audit of Recipients  
 Planned: Contracted: 0 Completed: 0

**II. Financial Data (\$1,000)**

Amount Authorized: DA Grant: original \$1,000  
 Amount Obligated: DA Grant: original \$ 350 Amended to \$1,000

Amount Committed: Period: 0  
 Cumulative: \$1,000  
 Accrued Expenditures: Period - Projected: \$200  
 Period - Actual: \$19  
 Period - Next: \$31  
 Cumulative: \$653

Pipeline: \$ 347

Counterpart  
 Contribution: Planned LOP: \$717  
 Cumulative Planned as of 3/31/93: \$657  
 Actual Expenditures as of 12/31/93: \$657  
 Accrued Expenditures 1/1/93 to 3/31/93: \$0  
 Total Actual and Accrued Expenditures as of 3/31/93: \$657  
 Planned Next Period: \$0  
 % of LOP Expended: 92%

% LOP Elapsed: 84%  
 % of Total Auth. Oblig.: 100%  
 % of Total Oblig. Exp.: 65%  
 % of Total Auth. Exp.: 65%

A total of \$316 thousand remains obligated with INE and a balance of Bs 207 thousand remains available on the PL-480 account. These amounts may be adequate for updating survey design work

and for carrying out a significant amount of field work for a nation-wide survey in 1994; approximately \$200 thousand additional funding may be necessary to assure timely completion of all field work, contracting an AID Project Coordinator and post-survey analyses.

**III. Project Goal/Strategic Objective**

The goal of the project is to transform the Bolivian economy through increased income, investment and productivity in non-coca activities by providing the means for improving rural sector policy planning, project design and evaluation. This goal supports the Alternative Development Strategic objective.

**IV. Project Purpose**

The purpose of the project is to develop an objective data base on the socioeconomic characteristics of the rural population. This data will be used to track the Mission's progress on accomplishing its strategic objectives, particularly those programs and projects supporting the alternative development objective. The data will also assist the GOB and other non-AID users to plan and monitor rural development projects.

**V. Project Description**

The project was designed as a data collection system to generate objective information on the basic socioeconomic characteristics of the country's rural population. A limited survey in the Department of Cochabamba was implemented by AID in collaboration with the U.S. Bureau of the Census (BUCEN) and the PL-480 Title III Executive Secretariat (ES). Original plans called for BUCEN to work with the National Institute of Statistics (INE) to do a nation-wide survey of rural households, but technical and administrative problems prevented adequate mobilization to meet the July-August window required for reliable survey results. The survey carried out in the Department of Cochabamba was based on design work developed jointly by BUCEN and INE. The survey is designed to analyze such rural household characteristics as farm inputs, income, expenditures, access to markets and credit, etc. The characteristics of coca producing and non-coca producing households are also being compared. BUCEN, GENYSIS, and LAC TECH are collaborating on several in-depth analyses of survey results, including: 1) multivariate assessment of the potential impact of different policy instruments on different types of rural households; 2) disaggregation by gender and other variables of labor use within rural households; 3) examination of non-farm economic activities or rural households and their contribution to net household incomes; and 4) examination of arrangements for marketing farm produce and relationships between market access and net household incomes. INE is updating a proposal for a national survey to be conducted during 1994 that will emphasize rural household data needed by GOB agencies, particularly UDAPSO.

**VI. Project Status**

A. Purpose Indicators/ EOPS	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period (6 mo.)	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
1. Complete fieldwork (%)	100	0	13	0	0	13	13
2. Complete Analyses (%)	100	30	100	0	10	80	80

(1) Purpose level indicator #1 applies to the national level, while #2 applies only to Cochabamba.

B. Major Output Indicators	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period (6 mo.)	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
1. Sampling Methodology Documentation	2	1	2	0	1	2	100
2. Sampling Frame for Country (9 departments)	8	0	1	0	0	1	13
3. Manuals	6	0	6	0	0	6	100
4. Households Interviewed	6,048	0	1,344	0	0	1,344	22
5. Publicity campaigns	3	0	3	0	0	0	0
6. Data Users Seminar	1	1	2	0	1	2	200
7. Publish Survey Results	4	2	2	1	1	2	50
8. ST Training	4	0	4	0	0	2	50
M							
F	1	0	1	0	0	2	200

**C. Overall Status**

Only the department of Cochabamba has been surveyed to date. The results of the Cochabamba survey are highly positive technically, and provide a sound basis for a relatively low cost expansion of the survey at the national level during 1994. Further implementation is pending a formal proposal and justification by the GOB.

**D. Problems and Delays**

Planned activities for the period included completing analyses being undertaken by GENYSIS, LAC TECH and BUCEN. Only BUCEN completed expected outputs. One set of tabulated data was published during the period. Methodological documentation was published in March by the US Superintendent of Documents. It was expected that design work for a nation-wide survey would begin during the first quarter of CY 1993; however, the Project Committee determined that the GOB should make a formal proposal justifying GOB needs for a nation-wide survey, including the usefulness to the GOB of the data expected to be generated. This proposal should be received by the Mission during the month of April, 1993.

**E. Major Activities or Corrective Actions During the Next Six Months**

1. Evaluate formal GOB proposal for going forward with a nation-wide survey. 2. If the GOB proposal is accepted, amend the Project to facilitate implementation. 3. Complete analyses of the Cochabamba Survey. Since the GOB is expected to propose a nation-wide survey for 1994 and the Project PACD is September, 1993, the Mission must decide whether to accept the GOB's proposal and whether this project is the appropriate vehicle for such an activity. If the proposal were to be rejected, or if the activity can be included with the activities of another project, this project could be closed. If this project is accepted as the appropriate vehicle, then a project supplement should be prepared and the PACD should be extended.

**PROJECT STATUS REPORT**  
October 1, 1992 - March 31, 1993

**Rating: B**

**I. Background Data**

Project Title: **Drug Awareness and Prevention (DAP)**  
 Project Number: 511-0613  
 Date of Authorization: original 04/05/91  
 Date of Obligation: original 05/02/91 amended 04/02/92  
 PACD: original 03/31/96 amended 10/31/96  
 Implementing Agencies: Confederacion de Empresarios Privados de Bolivia (CEPB)/Educational System Against Drug Addiction and for Social Mobilization (SEAMOS); Narcotics Education Center (CESE); National Directorate Against Illegal Drug Use and For Treatment, Rehabilitation and Social Reinsertion (DINAPRE-- formerly CONAPRE); Subsecretary for Alternative Development and Coca Crop Substitution (SUBDESAL).  
 Major Contractors: Development Associates, Inc.  
 AID Project Manager: Sigrid Anderson  
 AID Project Adviser: Russell Stout  
 Status of CPs/Covenants: CPs to first disbursement for Public Sector Component met.  
 Date of Last Evaluation: 12/8/92 Next Evaluation: 10/31/96  
 Date of Last Audit: In progress as of March 31, 1993.

Planned: 4 Non-Federal Audit of Recipients  
 Contracted: 2 Completed: 0

**II. Financial Data**

Amount Authorized:	DA Grant: original	\$9,220	
Amount Obligated:	DA Grant: original	\$2,500	Amended to \$5,000
Amount Committed:	Period:	\$0	
	Cumulative:	\$4,851	
Accrued Expenditures:	Period-Projected:	\$2,000	
	Period-Actual:	\$816	
	Period: Next	\$1,000	
	Cumulative:	\$2,500	
Pipeline:		\$2,500 <sup>1</sup>	
LOP Elapsed:	29.5%		
% of Total Auth. Oblig.:	54%		
% of Total Oblig. Exp.:	50%		
% of Total Auth. Exp.:	27%		

Local Contribution GOB and Private Sector:

	Planned LOP:	\$3,380	(of which \$3,380 are ESF)
	Cumulative Planned as of 3/31/93:	\$1,846	
	Actual Expenditures as of 12/31/92:	\$1,343	
	Accrued Expenditures 1/1/93 to 3/31/93:	\$70	
	Planned Next Period:	\$150	
Total Actual and Accrued Expenditures as of 3/31/93:		\$1,413	(of which \$1,413 are ESF)
	% LOP Expended:	42%	

<sup>1</sup> Reflects a fully funded contract

### **III. Project Goal/Strategic Objective**

The goal of the project is to help transform the Bolivian economy from significant dependence on coca/cocaine production, the same as the Mission Strategic Objective for Alternative Development.

### **IV. Project Purpose**

The purpose of the project is to increase public support for effective implementation of the Government of Bolivia's anti-drug programs through enhanced public awareness of the health, social, political, and economic dangers of coca production, consumption, and trafficking in Bolivia.

### **V. Project Description**

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

Project implementation has two components that focus on: (1) the Private Sector, implemented by SEAMOS and CESE; and (2) the Public Sector, implemented by DINAPRE and SUBDESAL. The project receives technical assistance through 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. Coordination among Bolivian public and private institutions is insured by a National Coordinating Unit created specifically for this project.

The project is an extension of the activities of all four organizations. SEAMOS has developed into the leading mass media drug campaign organization in Bolivia. It has been supported (1986-1991) by project 511-0592, Narcotics Awareness and Education, and through sponsorship by the Confederation of Bolivian Private Entrepreneurs (CEPB) - evidence of the commitment of Bolivian private sector institutions in the struggle against drugs in Bolivia. By the PACD of project 511-0592 (31 December 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 has been supported since 1986 by the Narcotics Awareness Section (NAS) of the U.S. Embassy. CESE is now a PVO, supported by this project. DINAPRE and SUBDESAL have, in the past, depended on the Bolivian Treasury and occasional PL-480 supported to carry out anti-drug activities. The project will regularize their operations in coordination with the other Private and Public Sector components.

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## VI. Project Status

A. Purpose Indicators/ EOPS	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period (6 mo.)	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
1. Increased number of people who believe drug production and trafficking constitutes a problem for Bolivia.	45%/32.9%	Baseline set this period	32.9%	National survey will not be repeated until 1994	Baseline 32.9%	32.9%	73

NOTE: The baseline was set by a National Urban Prevalence Survey that was completed in May 1992. Data were not fully analyzed and available until Nov/Dec 1992 because all data had to be reweighted because of errors in original census estimations upon which the survey sample was based. Other indicators have been dropped in the 1994-1995 Action Plan because baseline data indicates that the Bolivian populace is well aware of Bolivian law and supports law enforcement against drug production, processing, trafficking and use.

B. Major Output Indicators	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period (6 mo.)	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
1. SEAMOS - Number of departmental level anti-drug organizations mobilized and assisted.	3	1	2	1	1	2	67
2. SEAMOS - Number of local level anti-drug organizations mobilized and assisted.	15	3	6	3	4	7	47
3. SEAMOS - Number of TV and radio spots produced.	90	5	8	5	5	12	13
4. SEAMOS - Number of promoters trained.	70	10	10	10	25	25	36
5. CESE - Number of parents, school and university students and community institutions trained.	10,000	1,000	2,000	1,000	1,198	4,166	42
6. CESE - Number of hot line calls handled.	13,500	1,350	1,850	600	1,059	3,098	23
7. Number of user visits to CESE office.	3,500	600	1,100	600	951	1,898	54
8. DINAPRE - Number of studies completed.	4	1	2	2	1	2	50

B. Major-Output Indicators	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period (6 mo.)	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
9. SUBDESAL - Number of communications workers trained.	9	4	8	0	5	9	100
10. SUBDESAL - Number of community workers trained.	90	10	20	30	69	79	88
11. SUBDESAL Number of radio spots broadcast in Spanish, Quechua, and Aymara in Chapare.	2,400	20	40	20	20	30	1.25

**C. Overall Status**

1. Six monthly meetings of the Project Coordinating Unit (PCU) took place during the reporting period. As a result of a facilitated workshop that was held in December 1992 to coordinate 1993 Work Plans, the PCU is now used to discuss planned activities and identify areas where each project element can help the other. This has contributed significantly to each element better realizing project activities by maximizing the resources available to each. PCU meetings are regularly attended by UNDCP representatives, USIS, and other interested agencies.

2. DINAPRE/PROINCO completed official action to establish a non-government research organization (NGO) to assure continuity and stability for the research team that has been trained by the project. The NGO, Centro Latinoamericano de Investigacion (CELIN) has been formally granted legal identity under Bolivian law by a resolution signed by the President of Bolivia. They also completed a draft agreement with DINAPRE to enable project funds to be directed to CELIN. The PGA will have to be amended to reflect this new institutional arrangement. This should insure that the research team will stay together through the change in government that will take place in August 1993. All sections of the National Prevalence Survey have now been published. PROINCO also completed and published an ethnographic study of Bolivian street children.

3. SEAMOS completed the design and implementation of new campaign strategies in social mobilization. A new logo was promulgated, and a series of public events, including a "wall-art" competition was sponsored. A "Roundtable Discussion" on Scientific Research on the Properties and Alternative uses of Coca Leaf" received wide press coverage and has elevated the national debate about coca. The President of Bolivia, as a result of the publicity attending the discussion publicly supported the establishment of a "Coca Research Institute" (INICO) in Bolivia. This also has strong support from US Embassy. Public opinion, as reflected in the media, indicates a much higher interest in knowing more about coca's effect on chewers, not just on pasta base or cocaine users. This could result in stronger public support for reduced coca production directed at legitimate pharmaceutical use or "decocainized" consumer products such as tea, chewing gum, etc. SEAMOS has also main-

tained its strong support for youth-oriented leisure time activities to provide an alternative to substance abuse and possible involvement in drug trafficking.

4. CESE continues to sponsor major workshops for young people and school teachers, educating them on the effects of drugs on them and Bolivian society. The expanded telephone hot-line service "A..Ti" continues to be a valuable source of information on drug use patterns, and the need for treatment and rehabilitation centers in Bolivia.

5. SUBDESAL took part in a series of workshops on designing materials to reach coca producers, through radio messages, serials, and face-to-face meetings. For the first time the Directors of Alternative Development Programs in the Ministry of Agriculture met with the communicators of the National Communications Unit to improve coordination and delivery of the alternative development message.

6. In sum, the past six months has seen major progress in identifying specific audiences for anti-drug messages, and improved targeting to these groups. The regularly scheduled training sessions and workshops have increased the professionalism of all project element staff. All project elements are maintaining records to not only track progress toward realizing planned objectives, but to insure that the indicators can be confirmed by objective observers. This was confirmed by the internal project evaluation completed by MACRO in December 1992. The evaluation found significant progress in project accomplishments over the past year. This was further reinforced by an AID/W (LAC/SAM) evaluation carried out in March 1993. The preliminary draft of the report suggested that the success of private/public sector efforts in Bolivia could serve as a model for other drug awareness and prevention efforts throughout the world.

#### **D. Problems and Delays**

1. The major problem continues to be tardy disbursement of funds by the GOB ESF local currency management agency (DIFEM). This has particularly affected SUBDESAL who have been unable to purchase vehicles and put together the rural social mobilization teams that are required for them to fully carry out their responsibilities. Eventually this will also affect PROINCO's ability to complete the research agenda for 1993.

2. The administrative improvements in CESE were delayed because of change in Administrator.

#### **E. Major Activities or Corrective Actions During the Next Six Months**

1. Complete the follow-up National Student Survey.
2. Finish design and begin implementation of the Rural Prevalence Survey.
3. Continue to train PROINCO staff on research methods and analysis.
4. Complete the legal relationship between CELIN and DINAPRE.
5. Amend the PGA and program funds for CELIN's support of INICO.
6. Complete administrative improvements in CESE.
7. Continue the SEAMOS social mobilization program, particularly as it applies to the fight against drug production, processing, and trafficking.

**PROJECT STATUS REPORT**  
October 1, 1992 - March 31, 1993

**I. Background Data**

**Rating: B**

Project Title: **Electrification for Alternative Development**  
 Project Number: 511-0614  
 Date of Authorization: 07/26/91 Amended: 09/24/92  
 Date of Obligation: 07/26/91 Amended: 09/24/92  
 PACD: Original: 09/30/96  
 Implementing Agencies: Ministry of Planning and Coordination; Ministry of Energy and Hydrocarbons; Ministry of Agriculture and Campesino Affairs.  
 Major Contractors: National Rural Electric Cooperative Association (NRECA)  
 AID Project Manager: Lewis Lucke  
 AID Project Coordinator: Matthew Cheney  
 Status of CPs/Covenants: N/A  
 Date of Last Evaluation: N/A Next Evaluation: 12/01/93  
 Date of Last Audit: N/A Next Audit: N/A

Yearly Non-Federal Audit of Recipients:  
 Planned: 0 Contracted: 0 Completed: 0

*Note: Under Federal Audit Program A-133 NRECA/WASH performs yearly audits of project.*

**II. Financial Data (\$000)**

Amount Authorized:	Grant:original	\$ 15,000	Amended to \$	16,700
Amount Obligated:	Grant:original	\$ 1,000	Amended to \$	7,700
Amount Committed:	Period:	\$ 0		
	Cumulative:	\$ 7,700	ESF:	\$ 1,000
Accrued Expenditures:	Period - Projected	\$ 2,500		
	Period - Actual	\$ 1,610		
	Period - Next	\$ 2,940		
	Cumulative:	\$ 2,684		
Pipeline:		\$ 5,016 <sup>(1)</sup>		

% LOP Elapsed (since 07/26/93):	38%
% of Total Auth. Oblig.:	46%
% of Total Oblig. Exp.:	35%
% of Total Auth. Exp.:	16%

Local Contribution (GOB and Private Sector):	DIFEM	Other Counterpart
Planned LOP:	\$ 2,000	\$ 4,974
Cummulative Planned as of 03/31/93	\$ 1,320	\$ 680
Actual Expenditures as of 12/31/92:	\$ 331	\$ 268
Accrued Expenditures from 01/01/93 to 03/31/93	\$ 0	\$ 119
Total Actual and Accrued Expenditures as of 3/31/93:	\$ 331	\$ 387
Planned Next Period:	\$ 1,350	\$ 3,965
% of LOP Expended:	17%	8%

(1) Construction commodities procurement requires this pipeline amount. An estimated \$2,940,000 will be disbursed in the next reporting period.

### III. Project Goal/Strategic Objective

The goal of the project is to transform the Bolivian economy through increased employment, income, investment and productivity in non-coca activities. This goal supports the Mission Alternative Development Strategic Objective.

### IV. Project Purpose

The purpose of the Project is to establish and demonstrate comprehensive implementation mechanisms for national rural electrification (RE) planning, construction and sustainability in support of the Alternative Development Strategy of the Government of Bolivia (GOB), together with direct investment support for selected alternative development projects and sub-strategies.

### V. Project Description

Under a Cooperative Agreement, the NRECA Electrification for Alternative Development Project is aimed at: 1) expanding the use of electricity in target areas and other rural industry activities to provide jobs and economic opportunities; 2) constructing new rural electrification projects to serve approximately 15,000 new customers, serving a beneficiary population of approximately 80,000 (30,000 adults and 50,000 children); 3) improving the operational standards of rural electric distribution entities to help them provide a level of service quality acceptable to productive use customers; 4) establishing a solid institutional basis for support to the rural electric sub-sector to develop a sustained flow of investment capital for rural electrification in Bolivia; and 5) achieving RE policy reforms with the GOB to create a positive environment for the successful implementation sustainable RE sector development activities.

### VI. Project Status

A. Purpose Indicators /EOPS	PLANNED				ACCOMPLISHED		
	LOP /Baseline	Period (6 mo.)	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
1. Incremental growth in rural electric (RE) service connections	15,000	200	200	1000	0	0	0%
2. Growth in annual Bolivian energy sales	3,6 GWH	0	0	0	0	0	0%
3. Growth in Bolivian electricity line capacity	800 Km 5,000 KVA	0 0	0 0	70 850	0 0	0 0	0% 0%

B. Major Outputs (Cont.)	PLANNED				ACCOMPLISHED		
	LOP /Baseline	Period (6 mo.)	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
1. RE expansion sites evaluated outside of Cochabamba	10	2	4	3	5	7	70%
2. RE expansion sites evaluated in Cochabamba region	10	1	7	2	0	6	60%
3. RE pilot projects selected outside of Cochabamba	6	2	3	4	3	4	67%
4. RE pilot projects selected in Cochabamba region	6	0	4	1	0	4	67%
5. New RE customers connected outside of Cochabamba	8,000	0	0	0	0	0	0%
6. New RE customers connected in Cochabamba region	7,000	200	200	800	0	0	0%
7. RE productive users developed outside of Cochabamba	1,200	0	0	0	0	0	0%
8. RE productive users developed in Cochabamba	1,000	200	200	50	17	17	2%
9. Number of RE loans approved outside of Cochabamba (2)	6,200	0	0	0	0	0	0%
10. Number of RE loans approved in Cochabamba region (2)	4,300	100	100	100	17	17	1%
11. Value of RE loans (\$) approved outside Cochabamba (2)	550,000	0	0	0	0	0	0%
12. Value of RE loans (\$) approved in Cochabamba region (2)	650,000	100,000	100,000	0	16,000	16,000	2%
13. Personnel trained outside of Cochabamba	M 380 F 6	0 0	5 0	27 12	51 4	111 6	29% 100%
14. Personnel trained in Cochabamba	M 100 F 14	45 5	95 10	62 5	7 4	84 8	84% 57%
15. PU's (3) of electricity trained outside of Cochabamba	M 400 F 300	40 5	40 5	0 0	42 3	42 3	11% 1%
16. PU's (3) of electricity trained in Cochabamba	M 500 F 300	5 0	5 0	20 4	0 0	(4) 22 (4) 2	4% 1%

(2) RE loans include loans for service connections & PU's

(3) Productive users of electricity

(4) Adjustment for men & women trained in 03/92

### **C. Overall Status**

During this reporting period, ADEP continued with project preparation activities in Cochabamba, Santa Cruz, and the Beni. Staking was completed for the Mizque-Aiquile project and has begun in projects in Capinota and the Valles Cruceños.

A local procurement action was also undertaken to purchase additional materials for projects in the region of Cochabamba. The procurement was published in December and reviewed in January. Due to a delay in receipt of additional funding from DIFEM, the awards were made in late March. Materials for these contracts will be received by the end of June. An additional invitation for bids had to be re-published in February for a substation for the Capinota project; thus the receipt of material for the Capinota substation construction should occur in October or November of 1993.

Several projects were technically and financially reviewed, including projects in San Julian (16 communities), Riberalta, Concepción, Camiri, and several other small hydroelectric projects. Of these projects, Camiri, San Julian, and Riberalta were selected for construction. Additional analysis will be performed on the other projects prior to request for approval to proceed from USAID/Bolivia.

The technical assistance program was initiated with activities undertaken in Chiquitania and Santa Ana. In Chiquitania, a seminar was held to initiate an administrative assistance program with 12 cooperatives in attendance. In Santa Ana, NRECA received a request for emergency assistance through USAID/Bolivia to provide similar technical assistance as is being provided to cooperatives in Santa Cruz. NRECA will use the identical tools and programs being developed for Chiquitania for the technical assistance program in Santa Ana.

The productive uses program, while slightly behind schedule in implementation, was designed and will begin implementation in the next reporting period. The loan program that is being managed in Cochabamba by PRODEM has begun providing loans to small users of electricity and should accelerate activities in this reporting period. The technical assistance portion of this program should begin in earnest as well.

One final accomplishment of this period was that a final Project Design (Project Paper) was approved by the Mission. That approval discontinues the use of the Collaborative Assistance Method for project design per HB 13, App. 6B.

### **D. Problems and Delays**

The biggest problem encountered in this period was the delay in receipt of material. This occurred due to delays in the shipment of material from the United States; the delays in transshipment of sealed containers from Arica to La Paz; and the liberation of the equipment from Customs once it was received in La Paz. By the middle of March, all of these delays had been resolved and material was being shipped to and received in Cochabamba.

Another problem encountered had to do with the cancellation of two of the chapters of the last two invitation for bids (IFB 511-0614-NRECA/ADEP 92/03 and 04). One of the chapters requested material for the construction of a substation for the Capinota project and insufficient proposals were received for the supply of that material. Consequently, a limited solicitation was executed requesting proposals from five companies. Three proposals were received and were evaluated in mid-March. A second chapter for meter reading equipment was canceled from IFB number 511-0614-NRECA/ADEP 92/04. This chapter will also be re-bid in the next reporting period.

A delay is being encountered for the receipt of the second disbursement of funds from DIFEM (local currency funds). The delay was due to funds management and accountability issues that were brought up in a recent DIFEM audit. At the end of the reporting period, all issues were resolved to NRECA, AID, and DIFEM's satisfaction, but valuable time was lost in the interim. A critical second disbursement of local currency funds is required by the project if further delays are avoided.

In summary, some of the activities planned for execution this reporting period were not accomplished due to unavoidable delays, but the project should be able to make up for these delays in the next reporting period. With the procurement, receipt of materials, and funding problems evidently resolved, the project should accelerate implementation activities in the coming months with few problems. Taking all this into consideration, not much time or progress was lost. It is quite possible that the project will be able to make up this lost time in the next six to nine months, given that no additional delays are encountered in construction of the projects in Cochabamba and Santa Cruz.

#### **E. Major Activities or Corrective Actions During the Next Six Months**

The most significant actions during the next six months will include the following:

1. Construction of projects in Mizque-Aiquile, Capinota, and the Valles Cruceños. It is doubtful that construction will be completed, but 80 to 90% of total system construction should occur in this time-frame.
2. Productive use connections in Vinto. All 200 connections should be made by late May or early June.
3. Issue RFP for generation systems in Riberalta and Concepción. These projects will be funded at least in part from the renewable energy funds.
4. Installation of solar photovoltaic systems in Caranavi and San Julian.
5. Testing and installation of solar photovoltaic charging systems for Interactive Radio Learning Project in various areas of Bolivia.
6. Additional pre-feasibility studies performed in Bermejo, San Ramon, and the Chapare.

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**PROJECT STATUS REPORT**  
**October 1, 1992 - March 31, 1993**

**I. Background Data**

**Rating: B**

Project Title: Cochabamba Regional Development.  
 Project Number: 511-0617  
 Date of Authorization: original 07/02/91  
 Date of Obligation: original 07/05/91 Amended 08/25/92  
 PACD: original 09/30/96 Amended 09/30/97  
 Implementing Agencies: Subsecretariat Alternative Development & Coca Crop Substitution (SUBDESAL); Program for Alternative Regional Development (PDAR); National Road Service (SNC); Bolivian Institute of Agricultural Technology of Chapare (IBTA/CHAPARE).  
 Major Contractors: Development Alternatives, Inc. (DAI); A.C.D.I.; Planning Assistance  
 AID Project Manager: Charles T. Hash  
 AID Project Coordinator: David J. Lozano  
 Status of CPs/Covenants: CPs are all met. The GOB is in compliance with all covenants. Among covenants was coca eradication by Chapare farmers to benefit from community social infrastructure works and credit.  
 Date of Last Evaluation: none Next Evaluation:  
 Date of Last Audit: Started in Jan/93 Next Audit: Jan/94

Yearly Non-Federal Audit of Recipients  
 Planned: Contracted: Completed:

**II. Financial Data (\$000)**

Amount Authorized:		\$80,000
Amount Obligated:		\$27,495
Amount Committed:	Period:	\$11,760
	Cumulative:	\$26,130
Accrued Expenditures:	Period - Projected:	\$5,272
	Period - Actual:	\$5,272
	Period - Next:	\$7,000
	Cumulative:	\$11,747
Pipeline:		\$15,748
% LOP Elapsed:	%28	
% of Total Auth. Oblig.:	%34	
% of Total Oblig. Exp.:	%43	
% of Total Auth. Exp.:	%15	

Local Contribution (GOB) Planned LOP:	\$40,000
Cumulative Planned as of 3/31/93:	\$10,500
Actual Expenditures as of 12/31/92:	\$2,374
Accrued expenditures 1/1/93 to 3/31/93:	\$3,242
Total Actual and Accrued Expenditures as of 3/31/93:	\$5,616
Planned Next Period:	\$6,500
% of LOP Expended:	%14

**III. Project Goal/Strategic Objective**

The goal of the project is to help transform the Bolivian economy through increased employment, income, investment and productivity in non-coca activities. This goal supports the Alternative Development strategic objectives which is Bolivian economy transformed from significant dependence on coca/cocaine production and the Trade and Investment strategic objective which is increased non-coca trade.

#### IV. Project Purpose

The purpose of the project is to develop alternative sources of income and employment for people within the Department in Cochabamba and its area of influence.

#### V. Project Description

The project consists of three interrelated components including: 1) Marketing, 2) Capital resources, and 3) Sustainable Agricultural Production. The project will be led by marketing strategies. A Non Government marketing unit will be established to provide assistance to private sector entities in the marketing of new and traditional products and in providing marketing information to the project planning process. Decisions on issues, such as crop research and extension, crop production, and where to construct farm to market roads, will all be based on information provided by this marketing unit. Partial grants for farm inputs will be available to farmers participating in the eradication program and credit will be available for all eradicators.

#### VI. Project Status

A. Purpose Indicators/ EOPS	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period (6 mo.)	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
<b>EXPORTS (TOTAL \$) <sup>1</sup></b>	10,590,250	208,300	22,780	195,000	42,101	64,881	0.6%
1. Processed Tumeric	\$340,000	30,000	8,640	30,000	\$27,900	36,540	10.7%
2. Bananas	6,930,000	170,000	14,140	117,000	14,201	28,341	0.4%
3. Pineapple	3,138,750	- 0 -	- 0 -	- 0 -	- 0 -	- 0 -	- 0 -
4. Ginger	181,500	0	0	48,000	0	0	0.0%
<b>Total Nat. Market Sales <sup>2</sup></b>	<b>8,121,895</b>	<b>78,000</b>	<b>400</b>	<b>50,000</b>	<b>669,000</b>	<b>669,400</b>	<b>8.2%</b>
<b>Agricultural Production (Metric Tons.)</b>							
1. Processed Tumeric	500	0	12	25	- 0 -	12	2.4%
2. Bananas	22,770	850	96	580	150	246	1.0%
3. Pineapple	10,463	2,000	0	0	2,400	2,400	23%
4. Ginger	500	- 0 -	- 0 -	24	- 0 -	- 0 -	- 0 -
<b>Ha. Cultivated with Improved Varieties Chapare</b>	<b>13,000</b>	<b>900</b>	<b>911</b>	<b>350</b>	<b>466</b>	<b>1,377</b>	<b>10.6%</b>

<sup>1</sup> Value to consumer.

<sup>2</sup> Products marketed with support of CORDEP including, Banana & Ginger, plus all Valencia Oranges and Pineapple introduced by IBTA.(PDAR data base=\$178,402). Estimated value of Valencia Oranges and Pineapple marketed without direct assistance by CORDEP=\$490,600.

B. Major Output Indicators	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period (6 mo.)	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
CHAPARE: <sup>3</sup> Product lines Implemented	12	2	2	2	3	5	41%
HIGHLANDS: <sup>4</sup> Product lines Implemented	13	1	2	1	1	3	23%
CHAPARE: <sup>3</sup> No. Farmers Trained	15,000	1,500	2,596	3,000	4,952	7,548	50%
HIGHLANDS: <sup>3</sup> No. Farmers Trained	3,400	900	125	2,500	5,594	5,719	168%
CHAPARE: <sup>5</sup> No. Farmers Receiving T.A.	15,000	1,500	1,481	3,000	6,471	7,952	53%
HIGHLANDS: No. Farmers Receiving T.A.	10,000	1,200	1,038	5,000	5,094	6,132	61%
CHAPARE: Altern. Dev. Profess. Trained	40	1	1	6	2	3	7.5%
Community Projects In Operation							
CHAPARE: Livestock Prod. Centers	130	0	0	5	5	5	3.8%
CHAPARE: Packing Sheds/ Cold Storage	120	0	12	7	11	23	19%
CHAPARE: Community Nurseries	120	10	8	10	10	18	15%
CHAPARE: Rural Roads Upgrading Km.	750	65 Km	0	109	65 Km	65 Km	8.7%
HIGHLANDS: Rural Roads Upgrading Km.	250	40 Km	0	0	40 Km	40 Km	16%
CHAPARE: Bridges	10	1	0	3	1	1	10%
HIGHLANDS: Bridges	11 <sup>6</sup>	7	0	2	7	7	63%

<sup>3</sup> Includ. Pineapple, Banana, Plantaine, Gulneo Banana and, Tumeric.

<sup>4</sup> Garlic, Peach, Fava Beans.

<sup>5</sup> Figures from NGOs included for first time. Also, a farmer is counted as many times as he/she may attend a training event or receive T.A.

<sup>6</sup> This LOP Projection has been adjusted upward from 4 to 11.

B. Major Output Indicators	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period (6 mo.)	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
Non-Govern. <sup>7</sup> Org. Strengthened	8	22	22	0	1	23	287%
<b>Agricultural Credit Indicators</b>							
CHAPARE: No. of Loans	N/A	100	58	100	141	199	N/A
HIGHLANDS: No. of Loans	N/A	200	14	100	207	221	N/A
CHAPARE: Amount Approved	N/A	500,000	354,800	400,000	827,102	1,181,902	N/A
HIGHLANDS: Amount Approved	N/A	300,000	80,800	150,000	336,669	417,469	N/A
CHAPARE: Agribusiness Loans	15	5	0	2	10	10	66%
HIGHLANDS: Agribusiness Loans	5	2	0	2	2	2	40%
CHAPARE: Total area Financed (Hectars)	N/A	1,000	469	500	1,368	1,837	N/A
HIGHLANDS: Total area Financed (Hectars)	N/A	100	7	50	118	125	N/A

### C. Overall Status

#### BANANA

- a) 151,000 Grand Ney and Williams Banana Vitroplants were imported in this semester. To date 115% of the planned 160,000 Vitroplants have arrived in the Chapare.
- b) Of the 10 small packing sheds constructed in San Luis, 5 are functioning on a regular basis.
- c) A Banana disease and pest control expert provided information for a production Manual and instituted a program of preventative measures.
- d) Four IBTA/Chapare Extension Agents, trained in Banana Production and post-harvest techniques in Costa Rica were reincorporated into the IBTA/Chapare Extension force.
- e) An Argentine public health inspection team visited Chapare packing and handling facilities to make recommendations concerning export of UNABANA Bananas to Argentina.

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This report includes NGO's functioning in the Chapare and Valleys.

- f) The first 3 has. of Grand Ney and Williams variety bananas have come into production, producing 30% more fruit per plant, plus providing a world class export quality product.

#### **PINEAPPLE**

- a) The pineapple packing plant at Mariposas is currently 90% completed.
- b) 80,000 Pineapple Vitroplants were imported which will produce 180,000 disease free suckers.
- c) 525,000 Cayena Lisa Pineapple suckers were imported from Colombia and distributed to a 12.5 has. nursery, benefiting 50 farm families.
- d) The Pineapple harvest exceeded expectations with an estimated total of 2,400 tons sold for an estimated \$420,000 to producers.

#### **PALM HEARTS**

- a) The community nurseries in Tacuaral and Isinuta in the Chapare have distributed 30,000 seedling to 30 farm families.
- b) Palm heart, currently in nurseries and in seed beds are expected to provide 390,000 seedling for an additional 112 Has. of commercial Palm Heart plantings.
- c) The discussions between PDAR and SEASA (local agribusiness) concerning a canning enterprise is expected to produce an official agreement during the month of April, 1993.

#### **OTHER CROPS**

Achiote, Citrus and Passion Fruits are receiving expanded effects while Ginger, Papaya, Tumeric, Pepper, Coffee and Cacao continue to receive limited attention.

#### **EXTENSION**

- a) 9 Agriculture Extension Agents from IBTA work full time in support of the Agricultural incentive fund for farmers reducing coca.
- b) 16 IBTA Extension Agents work with an estimated 2,000 families in over 100 Chapare communities.
- c) 93 extensionists with 21 NGO's work with 6,800 families in 220 communities.
- d) 12,065 farmers received technical assistance and/or training during this reporting period in the Chapare and the Valleys from IBTA/Chapare and from NGO's.
- e) The IBTA Extension offices in Ivirgarzama and Isinuta are 80% completed.

#### **CREDIT**

During this reporting period 141 loans were approved for a value of \$827,102 - for production or processing of Chapare products, raising the total credit approved for the Chapare to \$1,181,902 which represents 74% of all funds approved for credit by Agrocapital to date.

## **NGO's**

During the current reporting period a total of 23 NGO's were funded, providing financing for 75 Agricultural production projects and 15 Agricultural support projects, impacting on 5,861 families in 220 communities. One NGO is being terminated for unsatisfactory performance.

## **STATUS OF DATA TRACKING SYSTEM**

The Integrated Management Information System holds financial and implementation data on all construction and credit activities which have been concluded or which are contained in the current CORDEP Work Plan, as well as those coca reduction and socioeconomic development actions carried-out by DIRECO.

Using the DIRECO coding system, project and coca reduction activities are located by Province, Micro Region, Central and Sindicato.

Yet to be included in the IMIS data base are training courses, Ley 1008 seminars, distributions of plants and most IBTA extension activities.

### **D. Problems and Delays**

1. The pineapple disease, Fusarium, was detected in plant material of Santa Cruz (Bolivia) origin. So far, only the Cayena Lisa variety has been affected.
2. The Argentine border has been closed to Bolivian fruit. This is of major consequences to Chapare pineapple and banana export possibilities and could be a threat to the impact which Alternative Development may have on Coca eradication. If the Argentine ban on Chapare bananas and pineapple is not lifted during the next six months, it will be necessary to drastically reduce projections of income to Chapare farmers from export markets.

### **E. Major Activities or Corrective Actions During the Next Six Months**

1. A plant disease specialist already in country will develop a Fusarium Control Program. A specialist from Brazil with extensive experience in Fusarium control will be brought in for further consultation on procedures and expected results.
2. In response to the limitation currently being placed on the export of Chapare fruit to Argentina, the CORDEP marketing team will give additional attention to expanding national market possibilities.

Sanitary conditions at banana and pineapple packing sheds will receive increased scrutiny and efforts are being made to receive additional Argentine public health inspectors, who could recommend raising the ban. However, it is suspected that the resistance to acceptance of Chapare fruit is based more in economic concerns than on Cholera control.



**III. Project Goal/Strategic Objective**

The goal of the project is to transform the Bolivian economy through increased employment, income, investment and productivity in non-coca activities, which is in line with as the Mission strategic objectives for Alternative Development (i.e. transformation of the Bolivian economy from significant dependance on coca & cocaine production) and Trade and Investment (i.e. increased non-coca trade). In addition, the ESF LC programs support the other Mission strategic objectives by providing counterpart funding to various projects under those areas.

**IV. Project Purpose**

The purpose of the project is to provide balance of payments assistance in support of the Government of Bolivia's (GOB) economic recovery program to offset foreign exchange losses from reduction in the cocaine trade, and to help pay for investment in alternative industries.

**V. Project Description**

The dollars provided in the amount of \$59.8 million are being used to finance: the payment of U.S. official bilateral debt or multilateral debt owed by the GOB; payment or repurchase of commercial debt owed by the GOB and/or private sector imports from the U.S. including raw materials, equipment, machinery or spare parts. The local currency proceeds of the program are being used to finance counterpart funds to selected USAID and multilateral development organizations' (MDOs) projects in support of the alternative development program, and the USAID Trust Fund.

**VI. Project Status**

A. Major Output Indicators	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period (6 mo.)	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
1. Counterpart to USAID Projects	11,459	2,500	6,000	3,000	2,954	8,267	72
2. Counterpart to MDO Projects	30,941	5,000	17,000	2,605	5,432	28,336	92
3. USAID/B Trust Fund	7,600	0	7,600	0	0	7,600	100
4. Commercial Debt Buy-back	6,000	6,000	6,000	6,000	0	0	0
5. External Debt Repayment	53,800	17,500	53,800	316	11,184	53,484	89

### **C. Overall Status**

The Central Bank of Bolivia (BCB) has used a total of \$53.4 million for official debt service to the US and MDO's by the end of March 1993 (\$11.1 million in the reporting period) leaving a balance of \$316,000. By early May 1993, we expect the GOB/BCB to have used the \$6.0 million for the GOB's commercial debt buy-back initiative, thereby utilizing all 1991 ESF Program dollars of \$59.8 million.

As previously mentioned, based on AID/W authorization, USAID/Bolivia approved a proportional third tranche disbursement of \$15.8 million totalling \$59.8 million under the FY 91 BOP ESF program. Accordingly, the GOB/DIFEM has proposed to USAID/B a proportional LC generation to the actual total dollar grant which would reduce the LC monetization level from \$50.0 million to \$45.3. This proposal results from the current heavy constraints of the GOB/Treasury for providing counterpart funding. It is anticipated that LC generations will be reduced as requested thereby amending the Grant Agreement accordingly. As a result of this LC reduction, a reprogramming exercise is underway to make the corresponding adjustments among the USAID and MDO projects receiving LC under this program.

In spite of the heavy pressure on the GOB/Treasury for providing counterpart funding, the LC equivalent of \$45.3 million has been generated as of 3/31/93, including a deposit of \$2.3 million during the reporting period. It is noted that current LC deposits of \$45.3 million equal DIFEM's proposed reduction level.

As expected, DIFEM's institutional strengthening proceeded with the approval by USAID and DIFEM of all manuals, guides and operative procedures. The consulting firm Price-Waterhouse is expected to be hired during the next few months to put these manuals and guidelines into operation.

Regarding DIFEM's 1992 audit, the report is in its final stage and is expected to be submitted to DIFEM and USAID by the end of April 1993. Most of DIFEM's 1991 audit recommendations had been closed-out by December 31, 1992. USAID/CONT is closely following-up on carrying out the 1992 and pending 1991 audit recommendations.

### **D. Problems and Delays**

As reported in the prior SAR period, a proportional third tranche disbursement of \$15.8 million was approved by AID/Washington after consultations with the U.S. Congress. The GOB/Treasury is confronting some problems in generating the full \$50.0 million in LC as per the FY 1991 BOP ESF Grant Agreement, and therefore has proposed USAID/B reduce the LC generations to \$45.3 million in proportion to the Dollar Grant. This LC reduction is expected to minimally affect USAID projects.

As a result of delays in the LC disbursement process being experienced by USAID and MDO projects, USAID/CONT carried out an institutional analysis of DIFEM's operation. The results are being conveyed to DIFEM authorities in order to improve the LC disbursement process.

**E. Major Activities or Corrective Actions During the Next Six Months**

<b>ACTIONS</b>	<b>TARGET DATE</b>
1. Submission by PW to DIFEM & USAID of CY 1992 Audit Report	Late April 1993
2. Reprogramming of FY 91 ESF LC generations (i.e. USAID & MDO projects only) to adjust for the expected LC reduction from \$50.0 million to \$45.3 million	Late April 1993
3. Implementation of DIFEM's reorganization by P.W.	April-June 1993
4. Completion of LC Deposits by the GOB/Treasury under this program (i.e. up to \$45.3 millions)	June 1993
5. Completion of LC disbursements from DIFEM to implementing entities	December 1993

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**PROJECT STATUS REPORT**  
**October 1, 1992 - March 31, 1993**

**Rating: C**

**I. Background Data**

**Project Title:** Economic Recovery Program 92  
**Project Number:** 511-0604  
**Date of Authorization:** original 08/14/92  
**Date of Obligation:** original 08/21/92  
**PACD:** original  
**Implementing Agencies:** Ministry of Planning and Coordination/Directorate of External Financing and Monetization (MPC/DIFEM)  
**Major Contractors:** N/A  
**AID Project Managers:** Lewis W. Lucke; Jaime Viscarra C.  
**AID Project Coordinator:** N/A  
**Status of CPs/Covenants:** CPs for 1st tranche met on 8/28/92 as per POL No. 1. CPs for 2nd tranche met on 12/22/92 as per POL No. 8. GOB qualified for a proportional 3rd tranche disbursement of \$2.3 million totalling \$46.3 million under the FY 92 ESF agreement (POI # 10 dated 2/3/93). Awaiting for submission of GOB documentation showing compliance of other CPs for the third disbursement contained in Section 3.6 of the agreement.  
**Date of Last Evaluation:** none **Next Evaluation:** N/A  
**Date of Last Audit:** 12/31/92 **Next Audit:** 12/31/93

**Planned: 0** **Yearly Non-Federal Audit of Recipients**  
**Contracted: 0** **Completed: 0**

**II. Financial Data** (\$000's)

**Amount Authorized:** \$66,000  
**Amount Obligated:** \$46,324  
**Amount Committed:** **Period:** \$22,000  
**Cumulative:** \$44,000  
**Accrued Expenditures:** **Period - Projected:** \$22,000  
**Period - Actual:** \$0  
**Period - Next:** \$2,324  
**Cumulative:** \$44,000

**Pipeline:** \$2,324<sup>(1)</sup>

**% LOP Elapsed:** %58  
**% of Total Auth. Oblig.:** %70  
**% of Total Oblig. Exp.:** %95  
**% of Total Auth. Exp.:** %67

**Local Currency Generations (GOB)**

**Planned LOP:** \$34,743  
**Period - Projected:** \$33,000  
**Period - Actual:** \$27,125  
**Period - Next:** \$7,618  
**Cumulative:** 27,125  
**% of Total Planned Disbursed:** 78%

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<sup>1</sup> Third tranche, awaiting GOB request.

**III. Project Goal/Strategic Objective**

The goal of the project is to transform the Bolivian economy through increased employment, income, investment and productivity in non-coca activities which is the same as the Mission strategic objectives for Alternative Development (i.e. transformation of the Bolivian economy from significant dependence on coca & cocaine production) and Trade and Investment (i.e. increased non-coca trade). In addition, the project supports the other Mission strategic objectives by providing ESF LC funding to various projects under those areas.

**IV. Project Purpose**

The purpose of this project is to provide balance of payment (BOP) assistance in support of the Government of Bolivia's (GOB) economic recovery program to offset foreign exchange losses from reduction in the cocaine trade, and to help pay for investment in alternative industries.

**V. Project Description**

The dollars to be provided in the amount of \$46.3 million will be used to finance payment of U.S. official bilateral debt or multilateral debt owed by the GOB. The local currency proceeds of the program will be used to finance local currency counterpart to selected USAID and multilateral development organizations' (MDOs) projects in support of the alternative development program and the USAID Trust Fund.

**VI. Project Status**

A. Purpose Indicators/ EDPS	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period (6 mo.)	Cum	Next Period	Period (3 mo.)	Cum	% of LOP
1. Inflation Rate (2)	9.60	5.5	5.5	5.22	1.47	10.46	109
2. Fiscal Deficit (deficit as % of GDP) (2)	3.70	1.85	1.85	1.85	1.0	(1) 3.7	100
3. Private Investment (as % of GDP) (1) (2)	5.40	2.7	2.7	3.1	2.15	6.2	115
4. Foreign Exchange Rate (difference between official and parallel rates) (2)	1.00	0.30	0.30	0.30	0.24	0.24	24
(1) Official Preliminary estimates - (2) For CY 1992							

B. Major Output Indicators	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period (6 mo.)	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
1. Counterpart to USAID projects	9,600	1,000	1,005	2,000	679	679	5
2. Counterpart to MDO projects	19,100	2,500	2,500	4,000	4,144	4,144	14
3. USAID/B Trust Fund	6,000	6,000	6,000	0	6,000	6,000	100
4. Coca Eradicated: Number of Hectares (forced and voluntary, from 2/1/92 to 12/31/92)	6,400	2,910	6,400	0	1,170	4,626	72
5. Coca seedbeds in m2 (during CY 92, from 1/1/92 to 12/31/92)	20,000	5,000	20,000	5,221	5,185	24,092	120
6. GOB implementing Law 1008/Counter-narcotics Covenants: No. of labs destroyed (CY 92)	N/A	0	0	0	280 (3 months)	1,411 <sup>1)</sup>	N/A
7. GOB implementing Law 1008: No. of seizures of airplanes (CY 92)	N/A	0	0	0	5	24	N/A
8. GOB implementing Law 1008: No. of seizures of vehicles (CY 92)	N/A	0	0	0	22	64	N/A
9. GOB implementing Law 1008. Seizures of drugs/paste (MTons) CY 92	N/A	0	0	0	8.84 (3 months)	45.61	N/A
10. No. of incarcerated Traffickers (CY 92) (major defendants) - 1 Kingpin arrested	N/A	0	0	0	10	25	N/A
11. Non-monetized Dollars	11,581	11,581	11,581	4,800	6,781	6,781	51
12. External debt repayment - in 000's of Dollars used (US official and multilateral debt)	46,324	25,000	25,000	13,082	33,242	33,242	72

<sup>1</sup> Under previous SAR as of 9/30/92 the cumulative figure was corrected to 1,131 as per Lorenzo De Coete's findings.

**Narrative on Covenants progress -  
Economic Stabilization and Recovery program maintained:**

- USAID's assessment indicates that GOB stabilization program keeps being on track. Data is being received regularly.
- 1 Narrative on Flexible Exchange Rate - Real value of Boliviano maintained:
  - During the reporting period, the GOB has maintained the Boliviano's value in real terms with a 0.24% difference between the official and parallel rate.
- 2 Narrative on Public Reform Covenants:
  - a) At least 5 state-owned enterprises (SOEs) privatized by 12/31/92:
    - During CY 1992, the GOB started an aggressive privatization program having privatized the following SOEs (8): FABOCE (Cbba); Pollos Bebé (Sucre); Fábrica de Aceites Villamontes (Tarija); Criadero de Truchas Plusilla (Cbba.); Fábrica de Cerámica (Sucre); Fábrica de Cerámica (Oruro); La Paz Hotel (La Paz); Hotel Crillón (La Paz).
  - b) No increase in public administration employment:
    - USAID/B's current assessment based on GOB/Ministry of Finance information shows that central public administration employment declined by 8% from December 1991 to December 1992.
  - c) Revised Tax code to minimize tax evasion approved by the GOB Congress:
    - On May 28, 1992, a modified tax code was approved by the GOB Congress, introducing important changes that strengthened the internal revenue service's tax monitoring, auditing and enforcement capacity.
  - d) General Law on the Environment approved by Congress and regulations developed:
    - The General Law on the Environment No. 1333 was approved by the GOB Congress and put into law by the President on April 27, 1992. The GOB technical committee is in the process of developing the regulations with financial support from the PL-480 Secretariat.
  - e) Continued implementation and financing of the SAFCO Program by the GOB:
    - During CY 1992, the GOB/DIFEM has disbursed the equivalent of \$1.8 million as counterpart funds for the World Bank/SAFCO Project.
  - f) Increases of GOB resources to the judicial sector:
    - During CY 1992, the GOB/Treasury has disbursed the equivalent of \$12.8 million to the judicial sector which is higher than the \$11.8 million provided in CY 91 (8% increase).
- 3 Narrative on Alternative Development Covenants:
  - a) Emphasized GOB public investment through projects promoting alternative development:
    - DIFEM has disbursed the equivalent of \$5.3 million to finance the Alternative Development Program during CY 1992 (i.e. FONADAL, SUBDESAL, PDAR, NRECA, AGROCAPITAL, etc.)

b) **GOB study on suspending the prohibition against importation/distribution of ground lime stone in the Chapare region:**

- In process at SUBDESAL (Undersecretary to Alternative Development).

c) **GOB resources assigned for road maintenance:**

- It is estimated by SNC that approximately \$25.8 million has been disbursed by the GOB Treasury and DIFEM for CY 1992 for road maintenance (includes LC counterpart for La Paz - Oruro recapping) which is slightly more than the amount assigned for the previous year (i.e. \$23.0 million).

**4 Narrative on Progress of Anti-terrorism efforts:**

During CY 1992, 4 terrorists were arrested and their sentences are in process at the La Paz Superior District Court. In addition, the sentences for 8 Zarate Wilka Terrorists (reported in 1991), were confirmed by the La Paz Superior District Court.

**5 Narrative on Progress of Extradition Covenants:**

- One extradition executed in July, 1992 (Ms. Asunta Roca Suarez).

**6 Narrative on Progress of No Taxation of the Agreement & Grant Covenant:**

- GOB has complied with the terms of this covenant.

**C. Overall Status**

As a result of meeting all CPs for the second tranche, USAID/Bolivia approved disbursement of \$22.0 million to the GOB's Bolivian Central Bank (BCB) Dollar Separate Account as per POL No. 8 dated 12/22/92. These CPs included eradication of 4,200 HAS of coca starting from February 1st 1992 which were complied with by 12/2/92 (letter GOB/SUBDESAL No. 2200/JS/92 dated 12/1/92). As of 12/31/92, a total of 4,626 HAS were eradicated starting from 2/1/92 or 426 HAS over the target for the second tranche. Therefore, the GOB qualified for a proportional third tranche of \$2,323,830 based on the formula given under section 3.6 (a) (1) of the FY 92 BOP agreement.

A total of \$33.2 million dollars were used by the BCB for official debt service to the U.S. and MDO's by 3/31/93. It is expected that during the next reporting period, they will have used all of the FY 92 ESF dollars. This is based upon the GOB's current plan for completing the deposits corresponding to the total dollar grant through May 1993 (i.e. the equivalent of \$34.7 million) (per the FY 92 ESF agreement, GOB/BCB/Treasury must deposit first the Bolivianos in order to be able to use the dollars).

As a result of the third tranche of only \$2.3 million, the corresponding 75% LC generation for this tranche has been reduced substantially ( i.e. equivalent loss of \$14.7 million). This LC reduction is being distributed between USAID/B and MDO projects through a joint reprogramming exercise based upon an analysis of each project's contribution to the Mission's strategic objectives, spending performance, existing pipeline and LC requirements through the end of CY 1993. In addition, based upon current prospects for future ESF LC availabilities, current LC mortgages per projects are being closely scrutinized.

Please refer to the 1991 ESF LC Program SAR for current status of DIFEM's reorganization/institutional analysis and audit status.

**D. Problems and Delays**

As indicated earlier, actual eradication fell behind target reaching only 4,626 HAS by December 31, 1992 and qualifying for only \$2.3 million of the third tranche of \$22.0 million. Consequently, LC generations will suffer a substantial reduction, impacting significantly all projects being funded with ESF 92 LC funds.

In addition, the GOB is confronting some problems in generating the LC under this program. By January 13, 1993, it was anticipated that the GOB would deposit the equivalent of \$16.5 million into the GOB/BCB's Boliviano Separate Account corresponding to the second tranche. However, the GOB did not comply with this term of the ESF Agreement. According to the GOB/Treasury's current proposed schedule, it is expected that the GOB will fully deposit the amount due of LC by the end of May 1993.

**E. Major Activities or Corrective Actions During the Next Six Months**

ACTIONS	TARGET DATE
1. Submission by PW to DIFEM & USAID of CY 1992 Audit Report	Late April 1993
2. Reprogramming of FY 92 ESF LC generations (i.e. USAID & MDO projects) to adjust for the LC reduction from \$49.5 million to \$34.7 million	Late April 1993
3. Completion of LC Deposits by the GOB/Treasury under this program (i.e. up to \$34.7 millions)	May 1993
4. Completion of LC disbursements from DIFEM to implementing entities	December 1993
5. Implementation of DIFEM's reorganization by P.W.	August- October 1993

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**PROJECT STATUS REPORT**  
**October 1, 1992 - March 31, 1993**

**Rating: A.**

**I. Background Data**

**Project Title:** PL-480 Title II Regular Program and Monetization  
**Project Number:** None  
**PACD:** Ongoing  
**Implementing Agencies:** Cáritas Boliviana, Adventist Development and Relief Agency (ADRA), Food for the Hungry, Inc. (FHI), Project Concern International (PCI)  
**Major Contractors:** Planning Assistance  
**AED Project Managers:** J. Sleeper, S. Pinzino, L.F. Moreno  
**Date of Last Evaluation:** Cáritas: 8/92, ADRA: 8/92, FHI: 8/92, PCI: None, Monet: 8/92  
**Date of Next Evaluation:** Cáritas: 8/93, ADRA: 8/93, FHI: 8/93, PCI: 9/93, Monet: 8/93  
**Date of Last Audit:** Cáritas: 9/93, ADRA: 9/92, FHI: 7/91, PCI: None, Monet: 9/92  
**Date of Next Audit:** Cáritas: 9/93, ADRA: 2/93, FHI: 7/93, PCI: 9/93, Monet: 9/93

**II. Financial Data**

**A. Cáritas Boliviana**

**Date of Obligation:** September 24, 1992  
**Program Quantities (\$000):** Program Inventories (Metric Tons):  

<b>Commodities:</b> 4,775	<b>Prior Balance</b> 8/30/92:	8,671
<b>Ocean Transport:</b> 2,887	<b>Received by</b> 2/28/93:	9,624
<b>Inland Transport:</b> 2,309	<b>Distributed by</b> 8/30/92:	12,850
<b>Total</b> 9,971	<b>Balance on Hand</b> 8/30/92:	5,445

**FY1993 Monet. (\$000)**  
**Previous Balance:** 496  
**Income FY 93:** 267  
**Total:** 763  
**Disbursements:** 306  
**Cash Balance:** 457  
**Estimated Value of Stocks to be sold\*** \$2,501

**B. Adventist Development and Relief Agency**

**Date of Obligation:** October 21, 1992  
**Program Quantities (\$000):** Program Inventories (Metric Tons)  

<b>Commodities:</b> 3,891	<b>Prior Balance:</b> 8/30/93:	2,645
<b>Ocean Transport:</b> 1,982	<b>Received by:</b> 2/28/93:	6,341
<b>Inland Transport:</b> 1,585	<b>Distributed by:</b> 2/28/93:	6,820
<b>Total</b> 7,457	<b>Balance on Hand:</b> 2/28/93:	2,166

**FY 1993 Monetization (\$000):**  
**Previous Balance:** 338  
**Income:** 319  
**Total:** 658  
**Disbursements:** 362  
**Cash Balance:** 296  
**Estimated Value of**  
**Stocks to be sold\*** 1,776

**C. Food for the Hungry, Inc.**

**Date of Obligation:** September 24, 1992  
**Program Quantities (\$000):** **Program Inventories (Metric Tons)**  
**Commodities:** 1,657 **Prior Balance:** 8/30/92: 2,709  
**Ocean Transport:** 1,027 **Received by:** 2/28/90: 2,181  
**Inland Transport:** 822 **Distributed as of:** 2/28/92: 3,808  
**Total** \$3,506 **Balance on Hand:** 2/28/93: 1,082

**FY 1993 Monetization (\$000)**  
**Previous Balance:** 31  
**Income:** 227  
**Total:** 258  
**Disbursements:** 280  
**Cash Balance:** (21)  
**Estimated Value of**  
**Stocks to be sold\*** 1,263

**D. Project Concern Int.**

**Date of Obligation:** September 24, 1992  
**Program Quantities (\$000):** **Program Inventories (Metric Tons)**  
**Commodities:** 792 **Prior Balance:** -0-  
**Ocean Transport:** 508 **Received by:** 1/31/92: 404  
**Inland Transport:** 406 **Distributed as of:** 2/28/93 392  
**Total** 1,706 **Balance on Hand:** 2/28/93 12

**FY 93 Monetization (\$000):**  
**Previous Balance:** 0  
**Income:** 0  
**Total:** 0  
**Disbursements:** 142  
**Cash Balance:** (142)  
**Estimated Value of**  
**Stocks to be sold\*** 661

\* Includes Inventory Stocks and Call Forwards

### **III. Project Goal/Mission Objectives**

The Title II program directly supports three of the mission's strategic objectives: alternative development, democratic initiatives, and family health. A fourth unique objective of the Title II program is food security.

### **IV. Project Purpose**

The purposes of the PL-480 Title II program is to give access to poor neighborhoods to participate in municipal decision making to build needed infrastructure and services and create temporary employment in cities and towns under the food for work program; support health and nutritional status of mothers and pre-school children under the maternal child health program; reduce attrition rates among primary school students under the school feeding program; and, humanitarian and emergency assistance.

### **V. Project Description**

#### **A. Cáritas**

As of October 1, 1992, Cáritas Boliviana took over the Title II Program as a Cooperating Sponsor from Catholic Relief Services. By the end of FY 1992, the maternal child health feeding program was totally phased out. However, child survival services have been continued in 1993 by Cáritas in the northern and eastern part of the country where government health services are scarce. Food rations will continue to be made available to mothers and their pre-school children who suffer severed health and nutrition problems on a case by case basis.

This cooperating sponsor has a highly successful urban food for work program in 5 major cities and 74 rural towns. During the last six months, 479 infrastructure projects were completed and 319 projects are in process of being concluded. An average of 14,772 workers per month have been employed in these cities and rural towns. Based upon an evaluation conducted by the WINS' on the food security consequences of the municipal food for work program in August 1992, Cáritas now supplies tools to workers to improve worker productivity and is shortening the time period a laborer has to work to receive a ration to improve the family food security impact of the program.

With Title II monetization funds, CRS/Cáritas is funding 23 small production and income generation projects in the rural areas. In a recent evaluation by Management and Business

Associates (MBA) of five of these projects, the evaluators concluded that Caritas is working with the poorest farmer groups and is strong in community organization and micro irrigation projects. Yet impact data is minimal, because of the early stages of these projects. They stated that some of the projects are overly ambitious land that Caritas should concentrate more on marketing and micro irrigation projects, where it has a comparative advantage, and put less emphasis on complex production activities. During the next six months projects, where Caritas does not have a comparative advantage will be phased out, and new criteria will be developed for approval of rural development projects receiving monetization funding.

Caritas also sponsors a rural School Feeding Activity which is presently reaching an average of 37,781 primary school children in 472 schools in seven of the nine Departments of Bolivia. This agency has been actively providing emergency food assistance to flood and drought victims in the Departments of Santa Cruz, Cochabamba and Beni and in Oruro, Potosi and La Paz.

#### **E. ADRA**

ADRA continued to carry out its urban food for work program in 3 cities and 11 rural towns executing 159 completed projects and 577 projects to be completed by September, 1993. An average of about 6,649 workers per month are being provided with temporary employment under this program. The total food and counterpart investment in the completed infrastructure projects amounts to approximately \$1 million. ADRA with USAID concurrence, withdrew from Santa Cruz in December, 1992, after transferring program responsibility to Project Concern International for the urban infrastructure program. ADRA has bought tools for the urban infrastructure program to improve worker productivity, reducing beneficiary contributions, and the tasks required to earn a ration to improve the family food security objective of the program, as required by a recent evaluation of the nutritional and food security consequences of food for work.

Under the Monetization program, ADRA carried out rural development projects in the Departments of La Paz and Beni reaching 164 villages and 3,514 families. ADRA provides these communities with health and sanitation services, agriculture and marketing technical assistance, and training in these fields. In addition, ADRA assists the communities in forestation and in constructing homes, schools, latrines, roads, and bridges. The results of a recent evaluation of these agricultural and health projects are being studied by ADRA and the recommendations will be implemented within the next six month period. The evaluation recommended that ADRA put less emphasis on production and concentrate on reducing marketing constraints of the small farmer. The evaluation found that the health and child survival component is basically sound, but needs to be improved by more precisely defining the roles of rural health specialists.

### C. FHI

FHI works in 159 rural communities with an aggregate population of 23,365 persons in eight provinces in the Departments of La Paz, Oruro, and Potosi. Its major emphasis is providing technical assistance and training to approximately 3,600 families in these rural areas to increase subsistence production and improve the health of mothers and their children under five years of age. FHI operates four training and demonstration centers where small farmers participate in practical learning in agriculture production, animal husbandry and the management of water resources. It has a very successful program of constructing potable water wells, micro irrigation systems and greenhouses, which have introduced vegetable production used for household consumption in the highlands. FHI works very closely with the Ministry of Health to provide child survival services, which include oral rehydration, health and nutrition education, and immunization campaigns.

FHI is implementing a School Feeding Program reaching an average of 78,716 primary school students in 1,210 schools located in the Departments of La Paz, Oruro and Potosi.

FHI continues to sponsor Pro Women, a U.S. PVO, in an innovative program, funded with monetization proceeds, which provides 568 women, organized into 18 groups, in the city of El Alto and rural areas of the highlands with funds for community banks to loan small amounts of money for women owned businesses. The program provides training and technical assistance to the women in business administration in order to make their commercial activity more profitable.

During the last six months, FHI concentrated on finishing its wells and greenhouse built in FY 1992, evaluating its program, training small farmers, and planning for the implementation of its infrastructure projects for FY 1993.

### D. Project Concern International

Project Concern International formally took over the food for work municipal infrastructure program in Santa Cruz and Montero in January, 1993. However, with a Start-Up Grant from USAID. PCI began operations in November, 1993 to hire and train personnel, purchase basic equipment, and lease a warehouse for Title II commodities. By January PCI had systems in place to effectively take over the former ADRA program. In addition, to continuing the Municipal Food for Work Program, PCI immediately began a complementary food security and nutrition program for the beneficiaries of the Food for Work program. In the first phase, they conducted a survey of the nutritional status of the beneficiaries of the program and are just recently beginning an educational program to increase the beneficiaries knowledge and practices regarding nutrition through training and nutritional education regarding the adequate use of food. The design of the food security component has been based upon the An Assessment of the Income, Food Security and

Nutrition Consequences of Urban Food for Work Program in bolivia, dated August 5, 1992, by a team of experts from the Women and Infant Nutrition Support Project (WINS).

PCI has showed its ability to operate the Municipal Food for Work Program and Food Security and Complementary Nutrition Project in Santa Cruz. USAID believes that PCI will be successful in reaching its goal of providing temporary employment and nutritional services to 5,301 workers and complete 162 infrastructure projects in the two cities. At present, PCI is carrying out 35 infrastructure project in Santa Cruz and employing 769 workers per month since March of 1993.

#### **E. Inter-Agency Monetization Program**

Since the implementation of the FY 89 Inter-Agency Monetization Program, the Cooperating Sponsors, with USAID guidance have established a monetization oversight committee and management team to sell wheat flour through a competitive bidding process and generate local currency for the Title II program. FHI acts as the lead Agency of this committee and is responsible for all sales and financial management of the program. Under this single point financial system, all revenues from sales, purchases of local products, disbursements to the PVOs, accountability for expenditures, and audits and evaluations are centralized to allow easier USAID oversight. A total of 20,399 tons of wheat flour has been programmed to be sold under the FY 93 Monetization Program. The agencies have received as of March 26, 1993, 5,735 metric tons of wheat flour and have sold 1,762 metric tons generating gross income of the local currency equivalent of \$619,324. The balance of 18,577 metric tons will generate approximately \$6,500,000. Average price per ton obtained through the sales is \$351 per metric ton, a competitive price for the local market. A total of 1,588 metric tons of rice, sugar, iodized salt, and vegetable oil have been purchased from local producers at a cost of \$678,081 for distribution by the PVOs. During this period, the Price Waterhouse affiliate in Bolivia, Moreno Muñoz, is conducting a concurrent audit to ensure that proper accounting of monetization funds is being accomplished.

The technical staff of the Monetization Program reviews project documentation presented by the agencies to determine feasibility of the projects funded. The program carries out periodic visits to project sites to assess accountability and project implementation. The Monetization Program also administers ESF funds for special large projects linked to the Municipal Urban Food for Work Program. From FY 1992 and 1993 ESF local currency funds, the Monetization Program will invest, through Cáritas and ADRA, the equivalent of US\$4 million in four major infrastructure projects in Santa Cruz, Sucre, La Paz and Coroico.

**VI. Project Status**

A. Purpose Indicators /EOPS*	PLANNED				ACCOMPLISHED**		
	LOP **	Period (6 mo)	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
1. Food for Work Program: No. of Beneficiaries receiving services.	383,000	193,250	383,000	224,000	208,750	208,750	54%
Create Temporary Employment (person months equivalent to 10 days of work per month)	457,493	220,815	220,428	236,688	130,835	130,815	29%
2. School Feeding-Reduce school attrition rates (FHI and Cáritas)	20% reduction	20%	20%	20%	(no information available)	20%	0%
B. Major Outputs	PLANNED				ACCOMPLISHED**		
	LOP **	Period (6 mo)	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
1. Material Child Health a. Average No. of Mothers receiving rations per month							
<b>FHI</b>	3,389	3,389	3,389	3,389	2,386	2,386	78%
b. No. of pre-school children receiving rations per month							
<b>FHI</b>	6,779	6,779	6,779	6,779	4,772	4,772	70%

\* The maternal child feeding program is being phased out and, these purpose indicators will no longer be reported.

\*\* LOP and accomplished figures are FY 93 yearly benchmarks.

B. Major Outputs	PLANNED				ACCOMPLISHED**		
	LOP **	Period (6 mo.)	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
c. No. of children vaccinated (Polio, Tetanus, Diphtheria, Measles and Tuberculosis)							
CARITAS	8,476	4,238	8,476	4,238	5,199	5,199	61%
ADRA	1,243	613	1,243	630	613	613	49%
FHI	838	419	838	419	1,101	1,101	133%
d. No. of Mothers vaccinated against Tetanus Toxoid							
CARITAS	1,491	745	1,491	746	848	848	57%
ADRA	1,159	579	1,159	580	481	481	30%
FHI	4,532	2,266	4,532	2,266	5,002	5,002	110%
e. No. of Children Monitored bi-monthly for Growth and Receiving ORT, ART and other Child Survival Services.							
CARITAS	8,476	4,238	8,476	4,238	10,142	10,142	120%
ADRA	2,045	1,022	2,045	1,023	1,602	1,602	78%
FHI	4,268	2,134	4,268	2,134	1,582	1,582	37%
2. Urban Food for Work Program							
a. Workers' person months							
CARITAS	202,428	101,214	202,428	101,214	88,632	88,632	43%
ADRA	207,456	103,728	207,456	103,728	39,894	38,894	19%
PCI	47,619	15,873	47,619	31,746	2,309	2,309	5%
b. No. of Projects							
CARITAS							

B. Major Outputs	PLANNED				ACCOMPLISHED**		
	LOP **	Period (6 mo.)	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
Streets and Roads	136	68	136	68	160	160	118%
Potable Water and Sewerage Systems	87	44	87	44	64	64	79%
Garbage Collection Services	12	6	12	6	7	7	58%
Parks and Plaza	60	30	60	30	44	44	73%
Forestation	83	42	83	42	75	75	90%
Self-Help Housing Construction and Improvement	161	80	161	80	129	129	80%
Latrines Constructed	50	25	50	25	28	28	56%
Other Community Infrastructure	209	105	209	105	148	148	56%
<b>ADRA</b>							
Streets Paved & Roads	359	180	359	179	61	61	16%
Potable Water systems Built & Sewerage Systems	50	25	50	25	19	19	38%
Garbage Collection Services	46	23	46	23	11	11	24%
Storm Drainage Canals	24	12	24	12	10	10	42%
Forestation	76	38	76	38	27	27	36%
Construction of Housing	32	16	32	16	7	7	22%
Parks and Plazas	44	22	44	22	12	12	27%
Other Community Infrastructure	74	37	74	37	18	18	24%
<b>Project Concern International</b>							
Street and Road Improvement	28	0	0	28	0	0	0%

B. Major Outputs	PLANNED				ACCOMPLISHED**		
	LOP **	Period (6 mo.)	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
Latrines	39	0	0	39	0	0	0%
Parks and Plazas	25	12	12	13	22	22	88%
Canal Construction and Maintenance	16	8	8	8	10	10	63%
Sewerage and Water Systems	10	0	0	10	0	0	0%
Other Community Projects	37	0	0	37	2	2	0%
<b>FHI (Monetization Funds)</b>							
Wells	140	0	0	140	0	0	0%
Greenhouses	90	0	0	90	0	0	0%
Latrines	60	0	0	60	0	0	0%
Other Community Infrastructure Projects	55	0	0	55	0	0	0%
Potable Water Systems	9	0	9	9	0	0	0%
Small Irrigation Systems	6	0	6	6	0	0	0%

**C. Overall Status**

Under the new Title II strategy, the municipal urban food for work program is the major activity of CRS, PCI and ADRA. This continues to be an important component of the Mission's alternative development strategy by creating temporary jobs in both the rural and urban areas. The urban municipal infrastructure program presently is reaching 9 major cities and 86 rural towns. The temporary employment provided by this program contributes to reducing migration to coca growing areas and provides a safety net for the GOB's structural adjustment policies. In addition, the program gives poor neighborhoods access to municipal decision making to construct needed infrastructure and obtain social services in their communities, thus supporting the democratic initiative objective of the Mission. Planning Assistance was awarded a grant in June 1992 to strengthen the democratic processes of the program in 3 of the major cities and 7 towns by training citizen leaders, cooperating sponsor representatives, and municipal officials in citizen participation in planning, financing and implementing projects in poor neighborhoods. The municipal food for work program also increases property value in these poor neighborhoods and potentially will improve the tax base of the municipalities and the central government. In several of the cities, the

municipalities are increasing their financial contribution to infrastructure creation in the marginal areas of the city. The food for work program also is improving the basic sanitation conditions of the poorest neighborhood, thus contributing to improving the health of the population. The municipal infrastructure program has received extensive positive reporting in the press and television, reflecting favorably on the U.S. Governments' Title II program in Bolivia.

Under the maternal child health program, FHI continues to provide supplementary rations and child survival services, which are having an impact on the health of mothers and children. However, their evaluation system needs to be improved to specifically measure impact. The Caritas program, with monetization funding, is showing results in the use of oral rehydration salts, control of respiratory diseases, and immunizations in the lowlands, where government services are sparse or non-existent. However, impact measurement is weak. In FY 1992, the Caritas maternal child supplementary feeding program was phased out, but child survival services have been continued to be funded through monetization in the northern and western part of the country where government health services are weak.

The School Feeding Programs of FHI and CRS agencies are reducing the student drop out rates. This program is a top priority of the GOB and is justified on humanitarian grounds. All three Cooperating Sponsors support agricultural production projects with monetization funds. However, they lack adequate systems to measure impact, although they report adequately on outputs.

As stated earlier, the rural development programs of the agencies were evaluated in August by MBA and evaluation recommendations are being incorporated in approving monetization rural development projects in FY 1993. Also, the recommendations of the WINS' assessment of the of the municipal food for work program's impact on food security are gradually being introduced in this program. A seminar in February was conducted by WINS' personnel for 35 representatives of Caritas, FHI, PCI, and ADRA as well as representatives of mayors' offices to agree on the actions to be taken to ensure that food security becomes an integral part of the program. In this seminar, the cooperating sponsors agreed to shorten the days required to earn rations, provide tools and work clothes to the workers, and to experiment in introducing child care sites in the program, where women work.

#### **D. Problems and Delays**

As reported in the last SAR, ADRA is constructing a major feeder road in the Department of La Paz with Title III local currency funding. This road traversed and archeological area which has caused unexpected legal problems with the Ministry of Education and Culture. The Ministry of Education and Culture finally have agreed to permit ADRA to continue the road and simultaneously work with the National Institute of Archeology to mitigate damages to the road.

In FY 93, Cáritas has assumed the role as a Cooperating Sponsor as CRS has withdrawn from the program. This transfer has been in the making since FY 1991, when CRS expressed its intent to terminate its Title II responsibilities in Bolivia. Although Cáritas has shown improvement in its management and administration of funds, it still needs to enhance its institutional capacity to operate the Title II program. A financial and management audit is presently being conducted to assess its capability more thoroughly and USAID will monitor closely the implementation of the audit findings.

The Inter-Agency Monetization committee needs to improve its financial reporting and accounting procedures. USAID has provided considerable direct technical assistance to the Monetization program and an accounting firm has been hired to conduct a concurrent audit so that deficiencies can be identified more rapidly and remedial action taken expeditiously. Based upon these actions, the accounting system of the Monetization Program has considerably improved, but follow-up is still necessary.

The internal revenue service of the GOB recently instituted a procedure which does not permit the Monetization Program to deduct the tax portion for local purchases from the value added tax on the sale of wheat, which reduces income to the program. The Monetization Program and USAID have successfully resolved this issue with the internal revenue service and the Ministry of Finance has issued a resolution permitting the Monetization program to take the standard deductions, with a savings of over \$400,000 per year.

Although the Cooperating Sponsors are in agreement with the recommendations of the WINS' assessment of the food security consequences of the municipal food for work program, there have been delays in the implementations of recommendations. USAID will need to review each city and town to ensure that these recommendations are implemented to the extent possible.

#### **E. Major Activities or Corrective Actions During the Next Six Months**

1. Continue to follow-up on recommendations of WINS' food security assessment of municipal food for work program.
2. Continue to follow-up on MBS's recommendations of rural development projects financed with monetization funds.
3. Continue to follow-up on audit recommendations of all agencies and monitor closely Cáritas FY 93 Title II Program.
4. USAID will continue to monitor closely claims made by CRS for wheat flour damage, as reported in the previous SAR.
5. Design an evaluation of the School Feeding Program and contract firm to assess impact on attrition rates and food security.

**PROJECT STATUS REPORT**  
**October 1, 1992 - March 31, 1993**

**Rating: A**

**I. Background Data**

Project Title: PL-480 Title III  
Implementing Agencies: Executive Secretariat (ES)  
AID Project Manager: J. Sleeper, S. Pinzino, A. Vasquez

**A. 1992 Title III**

Date of Obligation: 03/27/92 \$22,370,000  
Status of Covenants: All those programmed for 1992 have been met.  
Date of Last Evaluation: N/A Next Evaluation: 12/94  
Date of Last Audit: N/A Next Audit: 5/93  
Expenditures to Date: 0 (0%)

**B. 1991 Title III**

Date of Obligation: 07/05/91 \$17,250,000  
Status of Covenants: All have been met. Contracted: Completed:  
Date of Last Evaluation: 7/92 Next Evaluation: 12/93  
Date of Last Audit: (concurrent) Next Audit: 5/93  
Expenditures to Date: 8,260,000 (48%)

**C. 1990 Title III**

Date of Obligation: 05/09/90 \$18,087,000  
Status of Covenants: All have been met  
Date of Last Evaluation: 7/92 Next Evaluation: 12/93  
Date of Last Audit: (concurrent) Next Audit: 5/93  
Expenditures to Date: \$11,463,000 (63%)

Note: Actual generation of local currency from the sale of wheat occurs in the last quarter of the fiscal year following the year of the agreement, i.e. July - Sept.

**II. Project Goal/Mission Strategic Objective**

The PL-480 Title III program directly supports at the macro level four of the mission's strategic objectives: alternative development, environment/natural resources, trade and investment and family health. The program is totally integrated into these four Mission objectives. A fifth objective is the promotion of food security; although not one of the Mission's five strategic objectives, food security is an important cross-cutting issue in the Mission's portfolio. Achievement of broad-based, sustainable economic growth is, in fact, a prerequisite to long-term food security. The percentage of Title III LOP funds under this multi-year agreement which support the four Mission Strategic Objectives have been broken down in the following manner:

	<u>Amount (\$000)</u>	<u>Percentage</u>
<b><u>Strategic Objective</u></b>		
Alternative Development	28,100	47%
Natural Resources/Environment	11,100	19%
Trade and Investment	8,900	15%
Family Health	8,000	13%
(Program Administration)	3,900	6%
<b>Total</b>	<b>60,000</b>	<b>100%</b>

**III. Project Purpose**

The purpose of the PL-480 Title III program is to enhance food security in eligible countries through the use of agricultural commodities and local currencies accruing upon their sale to combat world hunger and malnutrition and their causes; promote broad-based equitable and sustainable development, including agricultural development; expand international trade; develop and expand export markets for United States agricultural commodities; and foster and encourage the development of private enterprise and democratic participation in such countries.

**IV. Project Description**

The PL-480 Title III program provides approximately \$15.0 million/year in local currency from the sale of USDA wheat for joint programming between the GOB and USAID. More than half of this amount is programmed as counterpart funds to DA-funded projects, the largest portion (about \$8.0 million/year) of which is used as counterpart to the Cochabamba Regional Development project (511-0617). Because so much of the Title III program is counterpart funding to our DA project portfolio, reporting on success in meeting program and impact indicators is subsumed under the CORDEP project and is reported in that project's Semi-Annual Report. The remaining Title III funds are used for non-counterpart activities, such as the promotion of wheat production in areas of Bolivia where it is economically feasible, and a wide range of environmental activities, including the national environmental action plan, the new environmental law (and regulations which will accompany it), the national environmental fund and studies on forestry concessions, improved park management and other subjects.

**V. Project Status**

The following are the environmental/natural resources policy benchmarks ("old" self-help measures) under the 1992-94 agreement:

Benchmarks	Target Date	Status
1. Finalize creation of national environmental defense fund	June, 1992	Met Fully
2. Passage of new environmental law	August, 1992	Met Fully
3. Begin studies for new system of forestry concessions	August, 1992	Met fully
4. Begin studies for new land tenure law	August, 1993	To be met
5. Begin studies to implement environmental law	August, 1993	To be met
6. Develop plan to strengthen enforcement Agencies	September, 1993	To be met
7. Develop program to measure results of enforcement of Pausa Ecologica	September, 1993	To be met
8. Begin decentralization of forestry management	December, 1993	To be met
9. Begin implementation of new system of forestry concessions	December, 1994	To be met

## VI. Overall Status

The AID Project Design and Evaluation Course held for the Executive Secretariat (ES) staff over this period went extremely well, with full participation by the ES and very high marks given by the teachers for the level of interest, dedication and expertise demonstrated by ES staff. A draft logo has been developed, but not finalized. Other scheduled actions, including obligation of the FY 93 program, were completed in a timely fashion.

Two evaluations were held over this period, one of the administration of health activities implemented by the ES, and another of the monitoring and evaluation systems used under the Cochabamba Regional Development Project, the Mission's highest-priority and largest DA-funded project which uses Title III funds for its counterpart activities. The former evaluation recommended improvements in length of time the ES takes to approve projects, summarization of selected ES operating manuals for release to implementing entities, and an environmental impact study of the malaria control program. The latter report confirmed that technical and financial monitoring of project activities was successfully being carried out, though more written trip reports should be filed.

The Bolivian millers continue to push their complaints about the quality of wheat under the FY 92 program. They are alleging that independent tests contracted by them in ports of discharge show that about two-thirds of the wheat having a quality inferior to the No. 2 grade. To date they have not filed a formal complaint with the USDA, who does not recognize quality tests performed in ports of discharge. The millers are threatening to deduct the value of the alleged low quality wheat (about \$2.2 million) from their 1992 program payments. USAID is seeking ways to avoid this problem in future agreements.

**A. Policy Benchmarks**

The role of the Executive Secretariat in supporting environmental programs in the country continues to grow. A national commission has been formed to prepare the terms of reference for a new land tenure law, a study which will be funded by the ES. The specific rules and regulations of the new environmental law are 85 per cent completed, while specific regulations for environmental impact studies are about 75 per cent completed. Rules and regulations for environmental quality (maximum permissible limits for toxins, etc.) are 20 per cent completed. The ES currently finances selected Forestry Development Center control posts, including provision of equipment. MACA, the Environmental Trust Fund and the National Environmental Secretariat are developing terms of reference to measure the impact of the Pausa Ecologica. Coordination with other donors has also been good: the World Bank is currently negotiating a major project with the GOB to improve legal and institutional aspects of land tenure. In support of this effort, the Dutch and German governments are mapping the country's diverse ecological zones using satellite imagery. All involved entities agree that a new land tenure law could have as much social, political and economic impact as the Agrarian Reform Law of 1952, and therefore the issue is extremely politically sensitive.

**B. Problems and Delays**

The rate of expenditure has been acceptable, i.e., about 8 per cent per quarter under the 1990 agreement and double that amount per quarter under the 1991 agreement (the difference is due to more rural infrastructure projects in the latter agreement). However, there still remains about \$5.5 million of funds of interest earnings (above currency use off-set) left over from the 1986-89 agreements. The Agriculture and Controller Offices will meet with the ES in an attempt to re-program these monies in order to accelerate disbursements. The problem, however, is that the 1986 agreement falls under the old legislation, which requires USDA approval of substantive amendments of the budget. The last amendment of the 1986 agreement took more than a year to obtain USDA approval. The Regional Legal Advisor will consult with AID/W about whether the procedures under the new legislation permitting USAID to amend agreement budgets can be applied.

**C. Major Activities or Corrective Actions During the Next Six Months**

Actions	Target Date
1. Contract for summarization of ES operating manuals.	April, 1993
2. Re-program old agreement pipeline.	May, 1993
3. GOB releases local call for bids to buy wheat for FY 93 program.	June, 1993
4. USAID and E.S. finalize new PL-480 logo.	June, 1993

## **B. TRADE AND INVESTMENT**

1. 511-0573 Market Town Capital Formation
2. 511-0577 Industrial Transition
3. 511-0580 Management Training
4. 511-0584 Training for Development
5. 511-0585 Export Promotion
6. 511-0596 Micro & Small Enterprises
7. 511-0598 Strengthening Financial Markets

**RATING: A**

**PROJECT STATUS REPORT**  
October 1, 1992 - March 31, 1993

**I. Background Data**

Project Title: **Market Town Capital Formation**  
 Project Number: 511-0573  
 Date of Authorization: original 07/23/86 amended 11/03/89  
 Date of Obligation: original 07/23/86 amended 07/31/90  
 PACD: original 07/22/91 amended 07/22/93  
 Implementing Agencies: Ministry of Planning and Coordination (MPC)/Project Coordination Unit (PCU); Financial Credit Units (FCU) of the Departmental Development Corporations (DDC); Intermediate Credit Institutions (ICIs)  
 Major Contractors: Development Associates, Inc.  
 AID Project Manager: Richard P. Rosenberg  
 AID Project Coordinator: Gabriela de Santa Cruz  
 Status of CPs/Covenants: All CPs have been met.  
 Date of Last Evaluation: 08/01/90  
 Date of Last Audit: 01/05/93 Next Audit: 01/05/94

	Yearly Non-Federal Audit of Recipients	
Planned: 1	Contracted: 1	Completed: 1

**II. Financial Data (\$000)**

Amount Authorized:	Original:	\$18,500
	DA Grant	\$ 3,500
	DA Loan	\$15,000

Amount Obligated:	Original:	\$18,500
	DA Grant	\$ 3,500
	DA Loan	\$15,000

Amount Committed:	Period Projected:	26
	Period Actual:	\$ -5
	Period Next:	5
	Cumulative:	\$18,495

Accrued Expenditures:	Period:	\$ 21
	Cumulative:	\$18,495

Pipeline:	\$ 5
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% LOP Elapsed:	93%
(since 07/23/86)	
% of Total Auth. Oblig.:	100%
% of Total Oblig. Exp.:	100%
% of Total Auth. Exp.:	100%

**Local Contribution (GOB)**

	Planned LOP:	\$6,900
	Cumulative Planned as of 3/31/93:	\$6,900
	Actual Expenditures as of 12/31/92:	\$6,900
	Accrued Expenditures 1/1/93 to 3/31/93:	0
	Total Actual and Accrued Expenditures as of 3/31/93:	\$6,900
	Planned Next Period:	0
	% of LOP Expended:	100%

**II. Project Goal/Strategic Objective**

The Project goal is to achieve a higher standard of living, through increased employment and production in Bolivia's rural and semi-urban areas, in accordance with the Mission strategic objective for Trade and Investment to increase non-coca trade and investment.

**IV. Project Purpose**

The Project Purpose is to increase the level of productive private sector investment in Bolivia's rural and semi-urban areas.

**V. Project Description**

The Project provides loan and grant funds to: a) further develop a decentralized investment financing system, b) support domestic investment promotion activities, and c) improve the capabilities of the institutions involved in the Project.

**VI. Project Status**

A. Purpose Indicators/ EOPS	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period (6 mo.)	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
1. Non-traditional exports sales attributable to USAID assistance (\$000)	60,000	7,000	60,065	2,000	3,779	52,414	87
2. Number of permanent male jobs created by firms/individuals receiving USAID supported services	3,640	346	4,245	400	1,853	5,854	160
3. Number of permanent Female jobs created by firms/individuals receiving USAID supported services	1,560	148	1,820	200	756	2,403	154

B. Major Output Indicators	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period (6 mo.)	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
1. Productive private sector loans approved (Thousands)	21,500	1,500	24,800	3,000	4,229	29,493	137
2. A self-sufficient system of financing and promoting investments	1	0	0	0	0	0	0*
3. FCUs with an improved capability to promote investments	8	0	0	0	0	8	100
4. Training							
Male	700	45	780	0	20	816	117
Female	300	5	260	0	3	246	82

\* FUNDA-PRO started activities in November 1992, but the development bank is not yet operational.

**C. Overall Status**

During this reporting period the MTCF Project has financed 59 subprojects totalling \$4.2 million, which brings the total number of subprojects financed to 478 for \$29.5 million. 2,591 new permanent jobs were created with 756 or 30% being women. The economic impacts attributable to project assistance are \$3.8 million of non-traditional exports, \$5.5 million of local resources used and value added generated for \$4.9 million. 1 short-term course was carried out with 23 participants (20 men and 3 women). No training is planned for the rest of LOP since resources for this item are exhausted.

On October 7, 1992 the Ministry of Planning and Coordination and the MTCF Project Coordination Unit signed a loan document with Fundación para la Producción (FUNDA-PRO) agreeing to transfer the assets and liabilities of the project to FUNDA-PRO, which will be managed by the development bank that will be created.

**D. Problems and Delays**

It has not yet been defined who is the owner of the DDC portfolio and it is very likely that no decisions will be taken by the GOB in the near future due to the upcoming electoral period.

The institutionalization process was slower than projected. FUNDA-PRO started activities in November 1992, but licensing of the development bank has been delayed. A legal dispute over a third of the FOCAS portfolio, and changes in the new banking law, have dictated a redesign of the development bank structure. Therefore, the current PACD of July 23, 1993 will be insufficient to complete the process.

**E. Major Activities or Corrective Action During the Next Six Months**

	<b>Target Date</b>
1. Extend PACD for an additional 6-month period to January 23, 1994	6/30/93
2. Secure Development Bank license	8/30/93

**PROJECT STATUS REPORT**  
October 1, 1992 - March 31, 1993

**RATING: B**

**I. Background Data**

Project Title: Industrial Transition Project  
 Project Number: 511-0577  
 Date of Authorization: original 06/24/87  
 Date of Obligation: original 06/24/87 amended 02/17/93  
 PACD: original 09/30/91 amended 09/30/93  
 Implementing Agencies: Ministry of Planning and Coordination  
 Major Contractors: Price Waterhouse/Chemonics  
 AID Project Manager: Richard P. Rosenberg  
 AID Project Coordinator: Julio Patiño  
 Status of CPs/Covenants: CPs and covenants met.  
 Date of Last Evaluation: none Next Evaluation: 05/17/93  
 Date of Last Audit: 10/01/89 Next Audit: 11/01/93

Yearly Non-Federal Audit of Recipients  
 Planned: 1 Contracted: 0 Completed: 0

**II. Financial Data (\$000)**

Amount Authorized: \$10,000  
 Amount Obligated: \$ 6,569

Amount Committed: Period: \$ 2,034  
 Cumulative: \$ 5,636

Accrued Expenditures: Period Projected: \$ 1,100  
 Period Actual: \$ 1,203  
 Period Next: \$ 1,150  
 Cumulative: \$ 4,296

Pipeline: \$ 2,273

% LOP Elapsed: 93%  
 % of Total Auth. Oblig.: 66%  
 % of Total Oblig. Exp.: 65%  
 % of Total Auth. Exp.: 42%

**Local Contribution (GOB)**

	Planned LOP:	\$2,350
	Cumulative Planned as of 3/31/93:	\$2,350
	Actual Expenditures as of 12/31/92:	\$2,350
	Accrued Expenditures 1/1/93 to 3/31/93:	0
	Total Actual and Accrued Expenditures as of 3/31/93:	\$2,350
	Planned Next Period:	0
	% of LOP Expended:	100%

**Note:** Pipeline does not accurately reflect true level of expenditures to date. This figure should come down substantially in the next couple of months.

### III. Project Goal/Strategic Objective

The project goal is to promote Bolivia's economic recovery and growth through a more rational and efficient allocation of resources in accordance with the Mission strategic objective to increase non-coca trade and investment.

### IV. Project Purpose

The purpose of the Industrial Transition Project (INTRA) is to increase the role of the Bolivian private sector in the country's economy through its enhanced participation and investment in productive enterprises.

### V. Project Description

The project supports the GOB efforts in privatization through technical assistance in the areas of management, valuation of assets, sales negotiations, and public relations. The focus of the efforts under this project will be the transfer of the state-owned enterprises (SOE's) owned by the Regional Development Corporations (RDC's). Furthermore, the Mission is also supporting the GOB plan to reform and privatize the administration of the Social Security System. This latter reform is expected to bring pension benefits up to a level commensurate to payments made into the system, and periodically indexed for inflation. In addition it will generate hundreds of millions of dollars worth of long-term investment funding in Bolivian capital markets.

### VI. Project Status

A. Purpose Indicators/ EOPS	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period (6 mo.)	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
1. Passage of Pension Reform Law	1	0	0	0	0	0	0
2. Passage of Privatization Law	1	1	1	0	0	1	100
B. Major Output Indicators	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period (6 mo.)	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
1. GOB privatization action plan established.	1	0	1	0	0	1	100
2. Privatization plans developed for Regional Development Corporations	5	0	5	0	0	9	180
3. SOE's Privatized	10	5	5	10	12	17	170
4. Public education campaign carried out	1	1	1	0	1	1	100

### **C. Overall Status**

The past 6 months has seen significant progress in the GOB's privatization program. Work on the divestiture of RDC held assets has proceeded as planned, and other initiatives have advanced as well. To date 17 companies have been privatized for a total value of a little over \$us 6 million. Another 5 have been permanently closed, and 4 transferred to regional governments. Of the latter, 3 were transferred due to political considerations, and one, the Telephone Cooperative of Cobija, temporarily ceded to the region until such time as the Telecommunications de-regulation/privatization initiative is resolved.

On another front the GOB is pressuring the Armed Forces to relinquish their productive entities without much result so far. This portfolio represents approximately 26 companies, among which are TAB and TAM, the military's air transportation and freight carriers.

Other assets that have been included under upcoming privatization activities include the Prefectural Hotels (approx. 15), as well as other smaller service entities.

The current Administration decided not to try to push a Pension Reform Law through the pre-election logjam in Congress. However, the incumbent party has included the reform in its electoral platform, and the major opposition party appears favorably disposed partly as a result of a lobbying and information campaign carried out under the project. Because of the reasonable prospects for early action on the reform after a new government arrives in August, the project is continuing to finance technical preparations for the reform. We are informed that the World Bank and IDB both plan to include pension reform in their next structural adjustment credits.

### **D. Problems and Delays**

With general elections only a few months away, politically sensitive transactions have suffered delays.

Transactions such as the sale of the Hilandería de Santa Cruz, and the sugar mills of Guabirá and Bermejo, have each suffered set-backs and delays mostly due to the governments hesitation to confront issues such as union opposition, and the solution to accrued debts, particularly in the case of the Hilandería where RDC loans to the entity surpass \$us 20 million. Though not financed with AID funds, similar delays are being encountered by the IDB privatization program, i.e. the regional PILs (dairy plants).

To complicate matters, recent confrontations with the COB (the workers union) have uncovered a renewed resistance to privatizations in general, with particular emphasis on the part of the mining sectors.

### **E. Major Activities or Corrective Actions during the next 6 Months**

As the GOB heads into a new election period, privatization progress will slow. The Mission suspects that although the pace of divestitures will slow down, given the profile of the potential new political parties (whom are generally in favor of privatization), the program will resume shortly after the new government takes office in August.

Furthermore, the INTRA project PACD expires in September. While the TI office is reasonably optimistic that the new government will push forward on company privatization and/or pension reform, we recommend deferring any definitive decision about the use of \$3.5 million of authorized but unobligated funds until the Mission can get a clear sense of the new government's intentions. Accordingly, TI will prepare a 3 month PACD extension, through December 93' by which time either a concrete plan will be agreed to with the new government for the use of the remaining authorized funds, or the project will be terminated.

In addition to the aforementioned actions, the TI office will evaluate progress to date on activities carried out through the World Bank grant. This agreement is due to expire on June 30, 1993. Based on the status of ongoing studies in late May, a decision will be made regarding a no-cost extension of the grant.

**PROJECT STATUS REPORT**  
October 1, 1992 - March 31, 1993

**RATING: B**

**I. Background Data**

Project Title: **Management Training**  
 Project Number: 511-0580  
 Date of Authorization: original 08/30/85 amended 04/25/90  
 Date of Obligation: original 08/30/85 amended 09/29/92  
 PACD: original 08/30/89 amended 07/31/95  
 Implementing Agencies: Instituto para el Desarrollo de Empresarios y Administradores (IDEA)  
 AID Project Manager: Richard Rosenberg  
 AID Project Coordinator: Joy Lucke  
 Status of CPs/Covenants: All CPs met  
 Date of Last Evaluation: 01/15/92 Next Evaluation: 05/30/95  
 Date of Last Audit: 08/07/92 Next Audit: 06/31/93

Planned: 1                      Yearly Non-Federal Audit of Recipients  
 Contracted: 0                      Completed: 1

**II. Financial Data (\$1,000)**

Amount Authorized: \$6,000  
 Amount Obligated: \$4,790

Amount Committed:      Period: \$279  
                                     Cumulative: \$4,558

Accrued Expenditures:    Projected: \$170  
                                     Actual: \$185  
                                     Next: \$517  
                                     Cumulative: \$4,171

Pipeline: \$618

% LOP Elapsed: 76%  
 % of Total Auth. Oblig.: 80%  
 % of Total Oblig. Exp.: 87%  
 % of Total Auth. Exp.: 70%

**Local Contribution \***

Planned LOP: \$3,883  
 Cumulative Planned as of 3/31/93: \$2,841  
 Actual Expenditures as of 12/31/92: \$2,385  
 Accrued Expenditures 1/1/93 to 3/31/93: \$ 641  
 Total Actual and Accrued Expenditures as of 3/31/93: \$3,026  
 Planned Next Period: \$ 307  
 % of LOP Expended: 78%

\* Counterpart contribution is comprised of GOB (DIFEM) support, Private Sector (INFOCAL) support, and IDEA Training Income. As of Amendment 6 (2/26/93) the total amount planned is \$3,883,000.

**III. Project Goal/Strategic Objective**

The goal of the Management Training Project is to improve the professional capabilities of Bolivian private sector managers through training geared to the needs of their enterprises in accordance with the Mission strategic objective for Trade & Investment to increase non-coca trade and investment.

**IV. Project purpose**

The purpose of this project is to support the development of an independent management training institute which will provide intensive short-term management courses to Bolivian businessmen and women. The longer-term purpose of the project is to make IDEA a self-sustaining center of educational excellence for the modernization of the Bolivian private sector.

**V. Project Description**

The project provides funds for the creation and operation of the Instituto para el Desarrollo de Empresarios y Administradores (IDEA) in three cities of Bolivia. IDEA provides managerial and financial short-term education to a wide range of business personnel, including administrative staff, supervisors, executives and micro-entrepreneurs. It also provides tailored in-house training programs for private companies and the public sector.

**VI. Project Status**

A. Purpose Indicators/ EOPS	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period (6 mo.)	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
1. Cost Recovery (Financial Sustainability)*	.65	.57	N/A	.75	.76	N/A	117%
2. Overhead Rate (Program Efficiency)**	1.95	2.34	N/A	1.61	2.04	N/A	96%
3. Deposits to Trust fund***	1,659,000	110,464	698,000	281,172	111,383	531,000	32%

\* Cost Recovery is the ratio between Fee Income and Total Costs.

\*\* The overhead ratio refers to IDEA's indirect costs over its course costs. (The lower the ratio, the better.)

\*\*\* The Trust Fund is derived from deposits made by IDEA's income from training and contributions from the private sector. Amendment 6 (2/26/93) reprogrammed funds which allowed IDEA to increase its contribution to the Trust Fund. See Section C below for further explanation.

B. Major Output Indicators	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period (6 mo.)	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
1. Number of Training Activities	1,750	155	1,050	180	165	1,084	62%
2. Number of Participants							
Male	24,636	1,859	14,700	2,520	3,293	18,081	73%
Female	12,134	797	7,350	1,260	1,241	8,375	69%
3. Participant Training Hours							
Male	448,900	37,343	264,600	45,360	77,400	306,872	68%
Female	221,100	16,005	132,300	22,680	30,099	139,174	63%

**C. Other Accomplishments and Overall Status**

- 1) During this period it was decided that a linkage with a U.S. University to establish an executive MBA program was not in the best interests of IDEA or Bolivia. A series of studies supported this decision. IDEA's main goals are its continued improvement institutionally as a center for training excellence and the growth of its trust fund, assuring its ability to operate in the future. Amendment 6 to the C.A. reprogrammed \$800,000 to pay for allowable and reimbursable costs (especially course costs) currently financed from its own funds thereby liberating the equivalent amount for investment into the trust fund. As well, a portion will be distributed among technical assistance (ex: improving its relationship with international academic organizations), training (ex: improving the ability of its teaching staff) and commodities (ex: upgrade computer facilities and library).
- 2) The GOB (DIFEM) contributed \$us550,000 for the purchase of permanent office space. In two of the three locales, the purchase has successfully been completed and IDEA will soon occupy their new offices. The additional space will allow IDEA to expand its activities, train more people, and generate more income.
- 3) Written agreement has been reached in two of the three locales regarding the level of continuing private sector support (INFCAL).

- 4) IDEA's new long-term course in Export Policy and Customs Administration is proving successful and a second course will begin in April. Training in this area supports and complements the Mission's other alternative development activities. An educated customs service will facilitate exporting and improve the productivity of the economy.

**D. Problems and Delays**

- 1) The Santa Cruz office continues to struggle with its private sector contributors on their promised support. USAID/Bolivia has conditioned its approval of the purchase of permanent office space on this support. Hopefully this pressure will force a favorable resolution during the next period.
- 2) The long-term course in Tourism has been postponed until the end of the year. Enrollment was insufficient due to problems with schedules and some minor inter-industry conflicts, which are being addressed.

**E. Major Activities or Corrective Actions During the Next Six Months**

- 1) The private sector in Santa Cruz will have to demonstrate its support for that office if they wish to continue receiving assistance. Satisfying their commitments to date, and agreeing, in writing, to future support is required.
- 2) With the GOB, IDEA is designing a program to educate the private sector about the SAFCO (government financial control) law.
- 3) A second long-term course for specialists in insurance will begin. More insurance experts are needed in Bolivia.

RATING: B

**PROJECT STATUS REPORT**  
**October 1, 1992 - March 31, 1993**

**I. Background Data**

Project Title: **Training for Development**  
 Project Number: 511-0584  
 Date of Authorization: original 08/27/85 amended 08/13/90  
 Date of Obligation: original 08/28/85 amended 06/23/92  
 PACD: original 06/30/89 amended 06/30/95  
 Implementing Agencies:  
 Major Contractors: PIET  
 AID Project Manager: Stephen Smith, Beatriz O'Brien  
 AID Project Coordinator: None  
 Status of CPs/Covenants: Evaluation of project completed. Return of participants: 100% Return rate from U.S. training, one non-returnee from Costa Rica.  
 Date of Last Evaluation: 02/01/90 Next Evaluation: 04/30/95  
 Date of Last Audit: none  
 Yearly Non-Federal Audit of Recipients  
 Planned: 0 Contracted: 0 Completed: 0

**II. Financial Data** (\$us 000's)

Amount Authorized:	DA Grant:original	\$2,500	Amended to	\$6,500
			DA Grant	\$4,000
Amount Obligated:	DA Grant:original	\$2,500	Amended to	\$4,769
			DA Grant	\$2,269
Amount Committed:	Period:	\$446		
	Cumulative:	\$3,797		
Accrued Expenditures:	Period - Projected:	\$332		
	Period - Actual:	\$322		
	Period - Next:	\$320		
	Cumulative:	\$3,142		
Pipeline:		\$1,627*		
Counterpart		In Kind	Cash	
Contribution:	Planned LOP:	\$3,863	216	
	Cumulative Planned as of 03/31/93:	\$965	35	
	Actual Expenditures as of 12/31/92:	\$930	35	
	Accrued Expenditures 01/01/93 to 03/31/93:	\$35	0	
Total Actual and Accrued Expenditures as of 03/31/93:		\$965	35	
	Planned Next Period:	68	65	
	% of LOP Expended:	25%	16%	
% LOP Elapsed:	77%			
% of Total Auth. Oblig.:	73%			
% of Total Oblig. Exp.:	65%			
% of Total Auth. Exp.:	48%			

\* Spending on Long-term Master's training is spread over a 24 month period. Thus the pipeline tends to decrease slowly.

**Note:** In-kind Counterpart contribution consisting of payment of airline tickets by participants or sponsors plus paid leave of absence appears to have been over estimated. Given that the project's PACD is 06/30/95 it is unlikely that in kind contribution will exceed 30% of the estimated total for the LOP.

**III. Project Goal/Strategic Objective**

The project's goal is to promote Bolivia's economic recovery and growth and to enhance the development of a democratic system. The project provides cross-cutting support primarily to the Mission objectives of Trade and Investment and Strengthening Democracy.

**IV. Project Purpose**

The purpose of the project is to expand the human resource base of U.S. and third country trained individuals who occupy policy level and leadership positions in the government and in the private sector.

**V. Project Description**

The project provides training to Bolivian professionals in the areas of business administration, finance, marketing, economics, agricultural economics and public administration through three components: A) Master's degree training in the U.S. and third countries. B) Short-term technical training in the U.S. C) In-country seminars.

Beginning FY 1993 the project has unofficially revised its LOP targets to 63 long-term and 160 short-term, as a result of a new project, the Human Resources for Development, which will implement a masters and short-term training program, in-country. A PIL will be prepared to make this new targets official. All left over funds from the TFD will be re-obligated to the Human Resources for Development Project.

**VI. Project Status**

A. Purpose Indicators/ EOPS Returned/Trained Participants	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period (6 mo.)	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
1. Long-Term master's degree male	43	0	0	9	0	23	53%
2. Long-term master's degree female	20	1	0	4	1	7	35%
3. Short-Term Technical male	120	0	0	10	2	100	83%
4. Short-Term Technical female	40	0	0	5	0	26	65%
5. Democracy Awareness Program (Discont 1/89) female	30	0	0	0	0	30	100%
5. Democracy Awareness Program (Discont 1/89) female	30	0	0	0	0	30	100%
6. In-Country Seminar male	80	0	0	35	0	41	51%
7. In-Country Seminar female	80	0	0	35	0	45	56%

B. Major Output Indicators Participants in training NEW STARTS	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period (6 mo.)	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
1. Long-term master's degree (degrees begun)	M 43	0	N/A	8	0	N/A	N/A
	F 20	0	N/A	3	0	N/A	N/A
2. Short-term technical (new starts)	M 120	2	N/A	10	2	N/A	N/A
	F 40	0	N/A	5	0	N/A	N/A
3. Democracy Awareness program (discontinued in January/80)	M 30	0	N/A	0	0	N/A	N/A
	F 30	0	N/A	0	0	N/A	N/A
4. In-country seminar Short-term	M 80	0	N/A	35	0	N/A	N/A
	F 80	0	N/A	35	0	N/A	N/A

**C. Other Accomplishments and Overall Status**

During the reporting period, eleven applicants to the master's program were selected for training in the U.S. in areas such as public administration, business administration, finance and public policy. One participant returned to Bolivia with a Master's Degree in Environmental Sciences. Two professionals participated in short term technical courses in U.S. institutions in statistical analysis and tropical agriculture.

**D. Problems and Delays**

No problems or delays.

**E. Major Activities or Corrective Actions During the Next Six Months**

1. Eleven participants in the master's program will begin training during the next period. This is the last group of long-term participants sponsored under the project. The fields of training to be undertaken are public administration, business administration and finance.
2. A projected 15 to 20 participants will be selected for short-term technical training.
3. Three in-country seminars for private and public sector executives will be held during the next six months.
4. Given that the number of returned master's degree participants will be around 43 by mid-year (or about 68% of all projected long-term training) follow-on activities will begin for this group with an initial workshop scheduled for July 1993.
5. A total of thirteen masters graduates will return during this period.
6. A PIL to amend the in-kind contribution estimated under the LOP financial plan will be processed during this period.

**RATING: B**

**PROJECT STATUS REPORT**  
October 1, 1992 - March 31, 1993

**I. Background Data**

Project Title: **Export Promotion**  
 Project Number: 511-0585  
 Date of Authorization: original 11/15/88 amended 06/27/91  
 Date of Obligation: original 11/18/88 amended 07/19/91  
 PACD: original 11/16/93 amended 09/30/95  
 Implementing Agencies: Ministry of Planning and Coordination; National Export Promotion Institute (INPEX); Bolivian Institute for Foreign Commerce (IBCE); FUNDA-PRO  
 Major Contractors: CARANA Corporation  
 AID Project Manager: Liza Valenzuela  
 AID Project Coordinator: Jerry Harrison-Burns  
 Status of CPs/Covenants: CPs met. Covenant in force  
 Date of Last Evaluation: None Next Evaluation: 06/30/93  
 Date of Last Audit: None Next Audit: 06/30/93

	Yearly Non-Federal Audit of Recipients	
Planned: 2	Contracted: 0	Completed: 0

**II. Financial Data** (\$1,000)

Amount Authorized:	DA/ESF	\$23,500
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Amount Obligated:	DA/ESF	\$13,884
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Amount Committed:	Period:	\$ 32
	Cumulative:	\$13,057

Accrued Expenditures:	Period Projected:	\$3,675
	Period Actual:	\$2,259
	Period Next:	\$3,000
	Cumulative:	\$9,873

Pipeline:	\$ 4,011*
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% LOP Elapsed:	63%
(since )	
% of Total Auth. Oblig.:	59%
% of Total Oblig. Exp.:	71%
% of Total Auth. Exp.:	42%

\* \$1 million of pipeline is for credit program and Project spends approximately \$300,000 per month.

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**Local Contribution (GOB and Private Sector)**

	Planned:	\$9,900
	Cumulative Planned as of 3/31/93:	\$1,341
	Actual Expenditures as of 12/31/92:	\$1,097
	Accrued Expenditures 1/1/93 to 3/31/93:	\$91
	Total Actual and Accrued Expenditures as of 3/31/93:	\$1,188
	Planned Next Period:	\$1,200
	% of LOP Expended:	12%

**III. Project Goal/Strategic Objective**

The goal of the project is to increase trade and investment in non-coca activities (the same as the Mission Strategic Objective for Trade and Investment). This project also supports the Alternative Development Strategic Objective.

**IV. Project Purpose**

The Project Purpose is to increase the dollar volume of non-traditional exports and related employment by Bolivian and foreign companies that receive project assistance.

**V. Project Description**

The project includes technical assistance to exporters, export financing and foreign investment promotion. Technical assistance is directed toward production, quality control, marketing, policy dialogue and export finance. Export finance at market rates is offered to agroindustry that has difficulty securing finance for export operations from conventional sources. Foreign investment promotion targets foreign companies to invest in, and export from Bolivia.

**I. Project Status\***

A. Purpose Indicators/ EOPS	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period (6 mo.)	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
1. Cumulative non-traditional exports (\$000)	100,000	8,600	24,600	11,500	10,000	32,600	33
2. New jobs created **	10,000	1,200	2,880	1,450	262	3,223	32
3. Foreign investor generated export capacity (000s)	50,000	5,200	8,700	6,500	2,115	5,429	11

\* % of LOP EOPS accomplished do not match % LOP elapsed because EOP targets follow asymptotic curve.

\*\* Audit resulted in reduction in jobs reported in 1992.

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B. Major Output Indicators	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period (6 mo.)	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
1. Companies strengthened	250	25	115	30	17	108	43
2. Investor visits	220	25	63	30	42	88	40
3. Loan Portfolio (\$000s)	8,000	1,125	2,225	775	1,100	1,100	14
4. Export reference libraries established	3	0	3	0	0	3	100

**C. Overall Status**

A field audit of contractor reporting for 1992 resulted in discounts for data in this reporting period. Even with the discounts the project is still ahead on all targets except foreign investment. The project (called BOLINVEST) has generated a total of \$32.6 million of non-traditional exports to date; of that amount approximately \$27.3 million is directly attributable\* to project assistance. Bolivian client companies have invested approximately \$21.5 million in their export operations. Foreign investment dropped to \$5.4 million when a mining company broke its \$15 million investment contract. Of the \$5.4 million of investment, \$4.6 million is directly attributable to the Project. The corresponding increase in full time-equivalent jobs for both Bolivian and foreign investment in exports is 3,223. New export markets include sausage to Peru, copper cement to Brazil and Argentina, and coffee to Europe. Additional foreign investors include an American mining company exploring gold and silver deposits; a Canadian mining company exploring for gold, silver and copper; and an Australian mining company exploring for zinc. The three companies each formed joint ventures with Bolivian firms and further investment will depend upon the results of their exploration. A new program (called PROATEC) directs technical assistance to small producers to link them with successful export operations. The program is funded and monitored by PL-480 and managed by the contractor for BOLINVEST. Its purpose is to increase the income of small producers directly. The Ministry of Foreign Relations' project to increase the effectiveness of Bolivian commercial attaches in promoting Bolivian exports and foreign investment is still under review. USAID Bolivia submitted a plan to A.I.D. Washington in response to requirements of Section 599 of the Foreign Assistance Act and is currently implementing that plan. In the U.S. we are targeting sectors such as hydrocarbons and mining whose foreign investment would not result in reduced U.S. production or job loss. We also are targeting other Latin American countries with increased emphasis. If it seems likely that a potential U.S. client might decrease their productive

\* The amount "attributable" to project assistance is gross exports discounted by the probability that the exports may have happened anyway without project assistance.

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capacity in the U.S., the program will not accept him as a client. Clients are also asked to sign certificates in accord with the tenets of Section 599. USAID resumed support for the GOB National Institute for Export Promotion (INPEX) in response to increased GOB support. Local currency counterpart funds continue to support the Ministry of Exports and Commercial Competitiveness (MECE) policy initiatives related to exports and international trade. The Project disbursed the first tranche of funds for LAAD which will provide credit for agribusiness export projects that fall short of commercial bank lending criteria. USAID/Controller finished the financial and administrative assessment of the contractor for BOLINVEST and the final report will be available in April. Recipient contracted audits and the project midterm evaluation were postponed to June of 1993. USAID is considering the Foreign Investment Advisory Service (FIAS) of the World Bank to conduct the midterm evaluation.

**D. Problems and Delays**

Clarifying the procedures for disbursement to FUNDA-PRO under the credit program and for their subsequent disbursement to LAAD delayed the first tranche of funds until March. Disbursement by FUNDA-PRO to LAAD will begin in April. LAAD made several loans with their own funds for which they requested reimbursement. As the purpose of the program is to serve higher risk clients or projects than commercial banks will accept, FUNDA-PRO did a portfolio review of existing LAAD loans to test their "almost bankability". Most were judged as "bankable" and FUNDA-PRO and LAAD are now struggling to achieve an operational definition of "almost bankable".

The Contractor for implementation of BOLINVEST (CARANA Corporation) identified several administrative and financial management problems with the program, which resulted in the Executive Director leaving the project. The President of CARANA is the Acting Executive Director until a new one is appointed.

**E. Major Activities or Corrective Actions During the Next Six Months**

1. LAAD will create an operational definition of "almost bankable" clients and extend USAID funded credit to Bolivian export oriented agribusinesses that fall short of commercial bank lending criteria.
2. CARANA will name a new Executive Director of BOLINVEST.
3. USAID will amend the Project Agreement and the CARANA contract to incorporate the covenants and requirements of our response to Section 599 of the Foreign Assistance Act.
4. TI will conduct the Project midterm evaluation. IBCE and INPEX will each conduct a recipient audit. The USAID Controller will distribute the final copy of its assessment of contractor financial/administrative controls and procedures.

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**PROJECT STATUS REPORT**  
October 1, 1992 - March 31, 1993

**I. Background Data**

Project Title: **Micro and Small Enterprise Development**  
 Project Number: 511-0596  
 Date of Authorization: original 08/15/88  
 Date of Obligation: original 08/31/88  
 PACD: original 08/15/93 amended 09/30/97  
 Implementing Agencies: Foundation for the Promotion and Growth of Micro Enterprise (PRODEM); National Federation of Savings and Loan Cooperatives (FENACRE); Bolivian Federation of Small Industry (FEBOPI)  
 Major Contractors: World Council of Credit Unions (WOCCU); Acción Internacional (AITEC)  
 AID Project Manager: Liza Valenzuela  
 AID Project Coordinator: Ernesto García  
 Status of CPs/Covenants: PRODEM, FEBOPI and FENACRE have complied with the CPs.  
 Date of Last Evaluation: 06/30/92 Next Evaluation: 08/15/93  
 Date of Last Audit: none Next Audit: 03/31/93

Yearly Non-Federal Audit of Recipients

Planned: 3 Contracted: 1 Completed: 0

**II. Financial Data (\$000s)**

Amount Authorized:	\$10,000	amended to \$12,700
Amount Obligated:	\$8,999	
Amount Committed:	Period: \$156	
	Cumulative: \$7,838	
Accrued Expenditures:	Period Projected: \$800	
	Period Actual: \$822	
	Period Next: \$1,963	
	Cumulative: \$5,075	
Pipeline:*	\$3,924	
% LOP Elapsed: (since)	48%	
% of Total Auth. Oblig.:	70%	
% of Total Oblig. Exp.:	56%	
% of Total Auth. Exp.:	40%	

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\* See Problems and Delays.

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Local Contribution (GOB and Private Sector):

	<u>GOB</u>	<u>PS</u>
Planned LOP *:	\$2,850	\$1,575
Cumulative Planned as of 3/31/93:	\$1,343	\$1,375
Actual Expenditures as of 12/31/92:	\$1,650	\$1,375
Accrued Expenditures 1/1/93 to 3/31/93:	0	200
Total Actual and Accrued Expenditures as of 3/31/93:	\$1,650	\$1,575
Planned Next Period:	\$500	0
% of Total Planned Expended:	58	100

\* Amendment No. 9 to the Project Agreement which reformulates the credit union component of the MSED project, has decreased the Private Sector contribution from \$4,225,000 to \$1,575,000.

**III. Project Goal/Strategic Objective**

The goal of the project is to transform the Bolivian economy through increased employment, income, investment and productivity in non-coca activities in accordance with the Mission strategic objective for Trade and Investment.

**IV. Project Purpose**

The purpose of the project is to stimulate the growth and development of the small-scale enterprise sector. The project will achieve this purpose through focusing on institutional development of three local organizations that support this sector.

**V. Project Description**

The project provides credit, training, technical assistance, and policy formulation assistance to FENACRE and its constituent credit unions; PRODEM; and FEBOPI and its constituent Departmental Small Industry Associations (ADEPIs). Project components include: 1) Institutional Strengthening: Acción Internacional/AITEC provides technical assistance to PRODEM. WOCCU provides technical assistance to FENACRE and FEBOPI. 2) Credit: USAID/Bolivia will donate approximately \$1,800,000 to PRODEM and \$100,000 to FENACRE/Credit Unions to capitalize credit funds for micro and small enterprises. Credit resources for PRODEM provide loans primarily to production-oriented, micro enterprises. Credit is also made available to small producers through FENACRE and its affiliated credit unions. 3) Policy Research: This component includes research concerning micro and small-scale enterprise sector issues, impediments to sector growth, and training needs. FEBOPI implements this component. 4) Stabilization Fund: This component provides credit unions with technical assistance and capital support to embark upon an internal reform program.

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**VI. Project Status**

A. Purpose Indicators/ EOPS	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period (6 mo.)	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
1. Employment created thru PRODEM-BancoSol (b)	1,525	450	950	3,500	5,079	15,336	1,005
2. Number of paying affiliates in FEBOPI (c)	3,000	20	1,936	100	882	1,562	52
3. Number active borrowers PRODEM-BancoSol:							
Male (35%)	1,750	700	2,503	1,700	2,964	13,658	780
Female (65%)	3,250	1,300	4,650	3,500	5,509	25,367	780
4. No. of Credit Unions stabilized (or in process)	30	(a)	(a)	1	(a)	(a)	0
5. 75% increase in savings among assisted C.U.'s	75%	(a)	(a)	3%	(a)	(a)	0

(a) Reformulated credit union program is starting in late April 1993.

(b) Over the last year, the Mission has been grappling with the issue of how to calculate job creation at the microenterprise level under the MSEJ project, where there are thousands of active loan clients. We commissioned a study of a large sample of PRODEM clients and calculated the increase in jobs from the time of the first loan. The loans cumulative received by the sample was then divided by the increase in the number of jobs recorded. This provided a job creation factor of \$4,379. That is, for each \$4,379 of loans, a job is created.

We also recently decided to report the number of jobs related to the entire credit program of both PRODEM and its child, BANCOSOL. We had previously been reporting on the productive loans (since only they purportedly produce jobs) of the PRODEM portfolio and on the productive loans of the BancoSol portfolio that (we estimated) derived from the USAID funds. In actuality, it was virtually impossible to distinguish what came from USAID and what didn't. Rather than complicate life for the grantee (by keeping an elaborate and separate monitoring system), we finally reached the conclusion that we would have more accurate data by reporting on the entire PRODEM/BancoSol portfolio. We feel this is justified, since PRODEM was created largely as a result of USAID efforts, and without USAID assistance, PRODEM would not have been able to create BancoSol. Thus, the \$4,379 factor and data from the entire PRODEM/BancoSol loan programs will be used for this and future SARs.

(c) FEBOPI membership increased because the project's contribution for operational costs was decreased resulting in positive efforts of ADEPIs to attract paying affiliates.

B. Major Output Indicators	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period (6 mo.)	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
1. PRODEM/BancoSol loan portfolio (50%) (a)	2,450,000	300,000	800,000	300,000	677,198	5,162,776	210
2. FEBOPI: Number of Training courses	420	30	278	55	66	365	87
3. FEBOPI: Number of Policy studies	6	1	6	1	1	5	83
4. No. of Credit Unions under supervision	30	(b)	(b)	0	0	7	23

(a) We estimate that approximately 50% of PRODEM's and BancoSol's portfolios derive from actual USAID-related funds.

(b) Reformulated credit union program is starting in late April 1993.

### **C. Overall Status**

BancoSol, the pioneering outgrowth of our assistance to PRODEM, is doing well. The number of active loan clients increased by about 6,500 during the reporting period increasing BancoSol's total active loan clients to a phenomenal 37,000. GEMINI consultant Marguerite Robinson, who has advised the Bank Rakyat Indonesia, has been in Bolivia twice to help BancoSol develop its savings program, expected to be highly successful.

PRODEM, now pursuing its new mandate in rural credit, continues with an aggressive expansion of microcredit activities in Achacachi, Montero, Oruro, Quillacollo and Caranavi, and to a more limited extent in Punata, Sacaba, El Torno, Minero, and Yapacaní. DIFEM, the GOB office managing ESF local currency counterpart, approved the reprogramming of loan funds from PRODEM's (now BancoSol's) La Paz, El Alto, Santa Cruz and Cochabamba offices to PRODEM's new rural offices. The PRODEM-BancoSol transition has been finalized. All four offices funded under the project have now been transferred to BancoSol. A new Executive Director (the previous director also managed BancoSol) has been appointed to PRODEM. The Mission has been supportive of PRODEM's new rural activities. At PRODEM's request, the Mission has submitted a preliminary proposal for one year funding under the centrally-funded Anti-Poverty Lending (APPLE) project. The Cooperative Agreement with PRODEM will end in August of 1993.

The Law of Banks and Financial Entities was approved by the Congress on March 30, 1993 and promulgated by the President on April 14. The law gives the Superintendency of Banks the authority to supervise the credit union federation (FENACRE) and credit unions that capture deposits from the public or other external sources. The credit unions component of the project has been reformulated and the GOB, through a Project Agreement Amendment signed on March 31, 1993, has concurred. The Mission will sign a new Cooperative Agreement with the World Council of Credit Unions (WOCCU) to undertake a financial stabilization program with credit unions supervised by the Superintendency of Banks. Under the new program, we expect that there will be substantially more resources available to microenterprises, as well as needed savings services. It is unclear as yet whether or not the project will continue to work with FENACRE. Given indications that the credit unions are not supportive of FENACRE, USAID is now asking the credit unions to express their commitment to capitalize their own federation before it expends any further AID resources on FENACRE. The Cooperative Agreement with FENACRE is in the process of being closed, and remaining resources of over \$3.0 million will be transferred to the new WOCCU Cooperative Agreement. The amended project will run through September of 1997.

FEBOPI has had a complete renovation of its Board of Directors as well as its executives. Little progress was made in the area of self-sufficiency during the previous tenure (despite heavy pressure from USAID) and the new Board is very concerned about FEBOPI's financial future, particularly since other donor funds do not cover operating expenses. Activity-wise, however, FEBOPI will remain active. FEBOPI will continue negotiations with the City of La Paz to establish a permanent fair ground. The small industry department (INBOPIA) of the Ministry of Exports and Economic Competitiveness (MECE) will be transformed into a non-profit foundation controlled by FEBOPI and its associations. The ADEPIs are transforming their structures into Departmental Chambers of Small Industry and Artisanry so that they may accept producers associations in addition

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to individuals. FEBOPI continues to have a good international reputation: the president of FEBOPI has been appointed president of the Latin American Confederation for Medium and Small Industry (CLAMPI). We do not anticipate continued support to FEBOPI after the Cooperative Agreement end date of August 1993.

**D. Problems and Delays**

FEBOPI's prospects for financial independence still appear distant. FEBOPI and the long-term WOCCU advisor, who left in December of 1992, made little progress on this front. It is likely that FEBOPI will have a skeleton staff for the next six to twelve months, until financing from some other donor (most likely the Spanish) comes through. It is unlikely that FEBOPI will complete the final policy study, reach the 420 target for number of persons trained and reach the 3000 target for number of paying affiliates, before the Agreement termination date.

The pipeline on the project is substantial, given that the Mission determined it would be unwise to pursue a microenterprise lending program through FENACRE and the credit unions. With the reformulated project now in place, we expect that the pipeline will drop quickly. The funds that were to have been used for loans to microenterprises will now be used for loans to credit unions under the new Stabilization Program.

**E. Major Activities or Corrective Actions During the Next Six Months**

1. The FENACRE cooperative agreement will be closed down. Any remaining funds will be added to the new WOCCU Cooperative Agreement, which will be signed in April.
2. The new financial stabilization program with credit unions will begin in April 1993.
3. Given that progress in reaching targets has slowed, the Mission will carefully consider the advisability of FEBOPI's final request for funding. The cooperative agreement with FEBOPI will end in August of 1993. A local evaluation will be conducted for this component and the PRODEM component.
4. BancoSol's newly designed savings program will kick-off on a pilot basis in two locations.
5. If approved, the centrally-funded APPLE activity may be incorporated into the PRODEM Cooperative Agreement, thus extending the life of this agreement by about one year.

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RATING: B

**PROJECT STATUS REPORT**  
October 1, 1992 - March 31, 1993

**I. Background Data**

Project Title: **Strengthening Financial Markets**  
 Project Number: 511-0598  
 Date of Authorization: original 12/01/87 amended 06/23/89  
 Date of Obligation: original 05/13/88  
 PACD: original 05/31/91 amended 12/31/96  
 Implementing Agencies: Bolivian Securities Exchange (BBV); National Securities Commission (CNV); Association of Banks & Financial Institutions of Bolivia (ASOBAN); National Chamber of Industry (CNI); Confederation of Private Entrepreneurs of Bolivia (CEPB); Federation of Private Entrepreneurs of Cochabamba (FED/CBBA); Federation of Private Entrepreneurs of Chuquisaca (FED/CHUQ); Association of Bolivian Institutions on Urban Affairs (ASOBUR); Chamber of Industry and Commerce of Santa Cruz (CIC/SCZ)

Major Contractors: Nathan Associates, Inc. (NAI)  
 AID Project Manager: Richard P. Rosenberg  
 AID Project Coordinator: Gabriela de Santa Cruz  
 Status of CPs/Covenants: All CPs have been met.  
 Date of Last Evaluation: 03/15/93  
 Date of Last Audit: None

Planned: 1\*                      Yearly Non-Federal Audit of Recipients  
    Contracted: 0                      Completed: 0

**II. Financial Data (\$000s)**

Amount Authorized:	DA Grant: original	\$6,200
Amount Obligated:	DA Grant: original	\$6,200
Amount Committed:	Period:	\$ -12
	Cumulative:	\$5,621
Accrued Expenditures:	Period Projected:	\$ 442
	Period Actual:	\$ 250
	Period Next:	\$ 70
	Cumulative:	\$5,283
Pipeline:		\$ 917
% LOP Elapsed:	57%	
(since 5/13/88)		
% of Total Auth. Oblig.:	100%	
% of Total Oblig. Exp.:	85%	
% of Total Auth. Exp.:	85%	

\* A Non-federal Audit of Recipient has been planned for PROCAF.

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**Local Contribution (GOB)**

	Planned:	\$1,765
	Cumulative Planned as of 3/31/93:	\$1,705
	Actual Expenditures as of 12/31/92:	\$1,210
	Accrued Expenditures 1/1/93 to 3/31/93:	\$ 20
Total Actual and Accrued Expenditures as of 3/31/93:		\$1,230
	Planned Next Period:	\$ 30
	% of LOP Expended:	70%

**III. Project Goal/Strategic Objective**

The project goal is to improve the contribution of the private sector to Bolivia's development. Given the vital role that the private sector must play in contributing to the trade and investment needs of Bolivia and the growth of jobs, it is essential that efficient financial markets facilitate this development and growth to the maximum extent possible. The project supports the Mission's "increase non-coca trade" objective.

**IV. Project Purpose**

To improve the effectiveness of Bolivia's private sector institutions, especially the financial institutions, and to increase private sector participation in private sector policy formulation.

**V. Project Description**

The project provides technical assistance to Bolivian private sector institutions in the following areas: a) development of a financial training program (PROCAF) to train the staff of financial institutions; b) improvement and expansion of the services provided by ASOBAN to its members; c) development of a securities market; d) analysis and reform of private sector policy issues by public and private sector leaders; and e) strengthening the ability of selected private sector associations to provide services to their members.

**VI. Project Status**

A. Purpose Indicators/ EOPS	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period (6 mo.)	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
1. P/S Assoc's Strengthened	7	0	7	0	0	7	100
2. CNV & BBV operational	2	0	2	0	0	2	100
3. PROCAF operational	1	0	1	0	0	1	100
4. CEPB Economic Analysis unit functional	1	0	1	0	0	1	100

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B. Major Output Indicators	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period (6 mo.)	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
1. Number of Securities issued and traded - Bank	10	0	12	0	0	15	150
2. Number of Securities issued and traded - Non-Bank	6	0	6	0	0	6	100
3. Total amount issued (not inc. BCB C/D's - Bank(000s)	10,000	0	11,500	0	0	21,600	216
4. Total amount issued (not inc. BCB C/Ds) - Non-Bank	5,000	0	6,000	0	0	5,800	116
5. Total amount traded: BCB C/Ds (\$000,000s)	1,000	0	920	0	0	1,079	108
6. Total amount traded: other securities (\$000s)	15,000	0	14,400	0	0	21,512	143
7. PROCAF Training (person/hours)	38,319	12,000	47,630	30,000	8,548	38,712	101
8. CEPB Seminars Held	12	0	12	0	0	12	100
9. Policy Topics Researched	13	0	16	0	0	16	115
10. New Policies Implemented	3	0	6	0	0	6	67

### C. Overall Status

The only component of this project which remains active is PROCAF. Other indicators will be dropped in subsequent SARs.

During the reporting period the Financial Training Program (PROCAF) gave 11 financial courses, with 344 participants for a total of 8,548 person/hours. 28% of the participants have been women. Since inception of the Program under Cooperative Agreement No. 511-0598-A-00-1289 gross income reached \$145,848, or 8% under budgeted target of \$158,370. Net tuition income has covered 50% of total costs (fixed and variable costs) and course costs by a margin of 58%.

The PROCAF's academic and financial plan 1993-1997, which includes the response of the Association of Banks and Financial Institutions of Bolivia (ASOBAN) and 10 member banks to make monthly contributions totalling \$483,000, has been approved by USAID. This support should assure the future self-sustainability of the PROCAF Program after the project's completion date. The Program income in excess of costs will be used to establish a "Trust Fund" with projected balances of US\$630,695 at the end of 1997. Since USAID's participation in the financial plan will extend beyond Project Assistance Completion Date (PACD) a no-cost extension of the PACD, from September 30, 1994 to December 31, 1996, has been approved.

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Nathan Associates' institutional contract ended on November 30, 1992. The equipment, furnishings and fixtures available were granted to the Project Implementing Agencies. Final report was submitted on January 1993.

The final evaluation of the securities exchange component of the SFM Project was performed on March 1993.

**D. Problems and Delays**

Close-out of Nathan Associates' institutional contract has not been started because Nathan did not submit yet the final bill.

**E. Major Activities or Corrective Actions During the Next Six Months**

	<b>Target Date</b>
1. Establishment of PROCAF's Trust Fund	June 30, 1993
2. Final evaluation of the ASOBAN sub-component	June 15, 1993

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### **C. FAMILY HEALTH**

1. 511-0568 Reproductive Health Services
2. 511-0594 Community and Child Health
3. 511-0607 Self Financing Primary Health Care II
4. 511-0608 AIDS/STDS Prevention and Control
5. 511-0618 CARE Community Development
6. 511-0619 Interactive Radio Learning
7. 511-0620 Child Survival PVO Network II
8. 511-0624 Displaced Children (Peace Corps Grant)

**PROJECT STATUS REPORT**  
**October 1, 1992 - March 31, 1993**

**Rating: B**

**I. Background Data**

Project Title: **Reproductive Health Services**  
Project Number: 511-0568  
Date of Authorization: original 06/27/90  
Date of Obligation: original 07/31/90 amended 05/15/92  
PACD: original 09/30/95 amended 12/31/97  
Implementing Agencies: Ministry of Health (MOH); Caja Nacional de Salud (Social Security);  
Unidad de Política Social y Población  
Major Contractors: Pathfinder International; MotherCare/JSI; Johns Hopkins/Population  
Communication Services (PCS); JHPIEGO; MSH/FPMD; Population  
Council; Futures Group (SOMARC, RAPID IV, OPTIONS II); Develop-  
ment Associates, MACRO International  
AID Project Manager: Sigrid Anderson  
AID Project Coordinator: Elba Mercado; Jennifer Macias  
Status of CPs/Covenants: All have been met. Covenants: FAA 104(f) and PD3 listed in PGA  
Date of Last Evaluation: 09/15/92 Next Evaluation: 11/20/94  
Date of Last Audit: None Next Audit: 09/15/93

Yearly Non-Federal Audit of Recipients  
Planned: 3 Contracted: 2 Completed: 0

**II. Financial Data (in thousands)**

Amount Authorized:	DA Grant: original	\$9,300	Amended to \$19,550
Amount Obligated:	DA Grant: original	\$2,275	Amended to \$8,155
Amount Committed:	Period:	\$279	
	Cumulative:	\$6,820	
Accrued Expenditures:	Period: Projected	\$1,000	
	Period: Actual	\$1,793	
	Period: Next	\$1,500	
	Cumulative:	\$4,525	
Pipeline:		\$3,630 <sup>1</sup>	

**Local Contribution (GOB and Private Sector)**

	Planned LOP:	\$2,030	(of which \$560 is ESF)
	Cumulative Planned as of 3/31/93:	\$391	
	Actual Expenditures as of 12/31/92:	\$503	
	Accrued Expenditures 1/1/93 to 3/31/93:	\$76	
<b>Total Actual and Accrued Expenditures as of 3/31/93:</b>		<b>\$579</b>	<b>(of which \$189 is ESF)</b>
	Planned Next Period:	\$85	
	% of LOP Expended	28%	

<sup>1</sup> Pipeline is necessary due to delayed authorization of FY 93 funds and subsequent delays within AID/W in obligating funds to contracted organizations.

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% LOP Elapsed: 36%  
 % of Total Auth. Oblig.: 42%  
 % of Total Oblig. Exp.: 56%  
 % of Total Auth. Exp.: 23%

**III. Project Goal/Strategic Objective**

The project goal is the same as the Family Health Strategic Objective which is to improve family health throughout Bolivia.

**IV. Project Purpose**

To increase access and quality of reproductive health services in Bolivia.

**V. Project Description**

The seven-year \$19.55 million program supports reproductive health services of the GOB, NGOs, and social marketing. \$1.9 million were obligated in the PGA for GOB. Remaining funds for the NGOs and social marketing will be obligated by buy-ins and add-ons to existing AID/W centrally funded Cooperating Agencies (CAs). These organizations will provide family planning services, information and education about reproductive health, training, research, and policy development.

**VI. Project Status**

A. Purpose Indicators/ EOPS	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period (6 mo.)	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
1. Increase modern contraceptive prevalence from 12% to 23% <sup>1</sup>	23	0	12	0	0	12	52
2. Increase number of active users: Total FP acceptors <sup>2</sup>	0	0	0	0	0	0	0
3. Increase number of active users: Modern FP acceptors <sup>3</sup>	0	0	0	0	0	0	0

**INDICATORS NOTES:**

1. Too early in project activities, DHS planned for 1994.
- 2 & 3. Quarterly reports for a full calendar year (1992) received. Baseline data for these two indicators will be established in 4/93. EOPs indicators will be set accordingly.

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B. Major Output Indicators	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period (6 mo.)	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
1. No. of project facilities providing RHS: MOH	12	6	12	6	0	8	67
2. No. of project facilities providing RHS: CNS	15	3	8	5	2	4	27
3. No. of project facilities providing RHS: NGO	166	106	212	23	0	112	72
4. SOMARC - Number of Contraceptive Pills sold <sup>1</sup>	800,000	0	0	70,000	79,918	290,000	36
5. SOMARC - Number of Condoms sold <sup>1</sup>	2,500,000	0	0	200,000	254,376	1,047,567	42
6. No. of national reproductive health clinical training centers established	6	3	5	1	0	3	50

1 Numbers have been increased by amendment.

### C. Overall Status

1. A major management effort went into designing the RHSP Amendment. The LOP is extended by over two years and project funding is increased by \$10.25 million. Mission approval was received March 24, 1993. The required Congressional Notification (CN) is in process.
2. Several trainings were conducted this period: second Logistics Management Workshop with a focus on the public sector (October); Counseling Workshop for public sector nurses (February); second Service Statistics Analysis Workshop (March); and, follow up of TOT for auxiliary service providers (March). In addition, the project supported Bolivian delegations to two international conferences: The Family Planning Symposium in Mexico and the Andean Regional Safe Motherhood Conference in Santa Cruz.
3. IEC activities were quite active during this period. PCS developed, tested and produced a video to be shown in clinic waiting rooms. The MotherCare project completed a packet of prenatal care materials: a video, radio spots, TV messages and print materials. The project also trained providers in the use of these materials. PCS conducted a "Creativity and Reach" workshop in anticipation of a mass media campaign. PROSALUD presented the results of the evaluation of its TV spots at a press conference. The first set of print materials were evaluated, and changes are in process.
4. Plans for the Demographic and Health Survey, to be conducted early in 1994, are underway. During the visit of a MACRO consultant, UNICEF agreed to conduct a joint survey with an over sampling for maternal mortality indicators.

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5. Regular CA coordinating meetings were initiated. Three have been held to date with the following themes: 1) Coordination, 2) PCS activities in Bolivia, and 3) technical contributions to the DHS.

**D. Problems and Delays**

1. The mass media campaign has been postponed until after elections scheduled for June 1993.

**E. Major Activities or Corrective Actions During the Next Six Months**

1. The MotherCare project in Cochabamba will end on July 31. The project needs to plan for continuation of activities and to decide on new administrative mechanisms.
2. The MIS/Quipus evaluation is planned for September 1993.
3. An assessment of the potential for an expanded social marketing program is planned for September 1993.
4. The project plans to expand NGO involvement with reproductive health activities e.g. PROCOSI seminar.
5. Obligate \$1,650,000 via five buy-ins to R&D/POP centrally-funded projects.
6. The project needs to develop agreements and initiate activities in selected rural districts with (under) other donors, PVOS or AID projects, depending on the availability of funds.
7. The IEC Subcommittee will launch reproductive health messages through audio-cassettes via city and provincial transportation buses.
8. A Grant Agreement Amendment will be developed and signed with the GOB.

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**PROJECT STATUS REPORT**  
October 1, 1992 - March 31, 1993

**Rating: B**

**I. Background Data**

Project Title: **Community and Child Health**  
 Project Number: 511-0594  
 Date of Authorization: original 07/28/88      amended 09/30/92  
 Date of Obligation: original 07/28/88      amended 09/30/92  
 PACD: original 07/28/93      amended 09/30/95  
 Implementing Agencies: Ministry of Health (MOH)  
 Major Contractors: Medical Services Corporation International; Centers for Disease Control (CDC)  
 AID Project Manager: Charles Llewellyn  
 AID Project Advisor: Joel Kuritsky, MD (TAACS)  
 Status of CPs/Covenants: All have been met  
 Date of Last Evaluation: 11/15/91      Next Evaluation: 07/01/94  
 Date of Last Audit: 10/13/92      Next Audit: 04/15/93

**Yearly Non-Federal Audit of Recipients**

Planned: 2                      Contracted: 2                      Completed: 1

**II. Financial Data (in thousands)**

Amount Authorized:	DA Grant: original	\$16,500	amended to \$20,000
Amount Obligated:	DA Grant: original	\$2,700	amended to \$12,744
Amount Committed:	Period:	\$1,258	
	Cumulative:	\$12,464	
Accrued Expenditures:	Period - Projected:	\$1,500	
	Period - Actual:	\$839	
	Period - Next:	\$1,500	
	Cumulative:	\$10,774	
Pipeline:		\$1,970	
% LOP Elapsed:	65%		
% of Total Auth. Oblig.:	64%		
% of Total Oblig. Exp.:	86%		
% of Total Auth. Exp.:	54%		

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### Local Contribution (GOB and Private Sector)

	Planned LOP:	\$8,000
	Cumulative Planned as of 3/31/93:	\$3,728
	Actual Expenditures as of 12/31/92:	\$3,348
	Accrued Expenditures 1/1/93 to 3/31/93:	\$39
Total Actual and Accrued Expenditures as of 3/31/93:		\$3,387
	Planned Next Period:	\$1,500
	% of LOP Expended:	42%

### III. Project Goal/Strategic Objective

The goal of the project is the same as the Family Health Strategic Objective which is to improve family health through Bolivia. This project also contributes to the Alternative Development Strategic Objective, which is the Bolivian economy transformed from significant dependence on coca/cocaine production. This project operates in areas where its population has experienced permanent and/or seasonal migration to the Chapare coca-producing region. To the extent that this project creates more favorable living conditions in places of origin, it can contribute to less migration to the Chapare.

### IV. Project Purpose

The purpose of the project is to contribute to the reduction of infant, child and maternal mortality.

### V. Project Description

The project provides an integrated package of child survival interventions, institutional development, and community participation. The project consists of five components: Diarrheal Disease/Cholera Control; Immunization Program Support; District Development; National Chagas' Disease Control; and Water and Sanitation.

### VI. Project Status

A Purpose Indicators/ EOPS	PLANNED				ACCOMPLISHED*		
	LOP/ Baseline	Period (6 mo.)	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
1. Reduction in Infant Mortality (per thousand live births)	80/111	96	96	85	89	89	85
2. Reduction in Child Mortality (per thousand live births)	135/176	142	142	120	126	126	122
3. Reduction in Maternal Mortality (per hundred thousand live births)	300/400	400	400	NA	NA	NA	NA

\* To be validated by the 1994 DHS Survey

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B. Major Output Indicators	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period (6 mo.)	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
1. Diarrhea/Cholera: Number of Community Based UROS	6,000/2,000	2,500	6,000	0	0	6,000	100
2. Diarrhea/Cholera: Number of Diarrheal Studies	5/0	2	2	2	2	4	80
3. Immunizations: One Year Olds Fully Immunized (percent)	65/24	50	50	80	77	77	118
4. District Development Auxiliaries Trained	250/0	60	100	60	14	114	45
5. District Development Management Systems Installed	5/0	2	1	2	2	3	60
6. Chagas' Disease: Operations Research Conducted	10/0	3	6	2	3	6	60
7. Chagas' Disease: Houses Improved	2,000/0	505	1,000	500	375	1,389	69
8. Water and Sanitation: Communities Served	120/0	30	60	32	10	37	43
9. Training - Long-term	M	1/0	1	1	0	1	100
	F	1/0	1	1	0	1	100
10. Training Short-term	M	3,000/0	1,000	2,576	1,000	974	85
	F	3,000/0	1,000	2,602	1,000	940	85

**C. Overall Status**

**I. Advancement Toward Goal and Purposes**

The project is advancing on all fronts and is contributing to the improvement of family health and the reduction of mortalities in Bolivia. The improvement of houses and provision of water and sanitation systems is improving the quality of life for thousands of rural Bolivians, reducing their desire to migrate to coca producing areas.

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## 2. Administration and Data Tracking Systems

The structural changes indicated in last semester report have been operationally established. The Administrative services have been divided into three basic units: a) financial management; b) personnel management; c) contracts and logistic administration, all under the supervision of a general administrator. Administration and management have improved greatly under this new structure with PL-480 funds being received, spent and accounted for in a timely manner.

A Monitoring and Evaluation Unit has been established and is preparing a monitoring system for the whole project.

## 3. Project Technical Advances

a. Diarrheal Disease/Cholera Control - The project hired a physician to coordinate component activities, and at the request of the Minister of Health, is paying the salary of a national Cholera/Diarrheal Disease coordinator and secretary. The project financed a seminar attended by all MOH units involved in diarrheal diseases, and the donor community which produced the first national plan for the control of Diarrheal Diseases and Cholera. This \$8 million two year plan is currently being implemented under the guidance of the Diarrheal Disease/Cholera Interagency Coordinating Committee (ICC). Ringers solution and antibiotics donated by the LAC Cholera Program are being distributed by the project.

b. Immunizations - The second of four Data for Decision Making courses was given in Santa Cruz in collaboration with Nur University, for 42 MOH epidemiologists. Each epidemiologist also worked on a problem under the supervision of the CDC. The training of these professionals is providing the basis for improved health management in the entire country.

The project provided \$322,000 of vaccines and syringes for the national Expanded Program for Immunization (EPI) in conjunction with the Immunization ICC. The project received 48 refrigerators and 17 freezers which will be distributed for the national cold chain. Vaccination coverage for 1993 was the highest ever for Bolivia with the following rates: DPT-3 77.3%; Polio-3 83.5%; Measles 79.8%; and BCG 85.8%. These are higher coverage rates than the United States, and are the result of more vaccines being applied, and a reduction in the estimated denominator of one year olds as reported in the 1992 census.

c. District Development - The sixth and latest district was incorporated into the project. Three management systems - accounting, EPI-info, and the national health statistics system - have been installed in five of the six districts resulting in improved management. Training of district personnel continues, and a large training contract is ready for signing which will improve the quality and quantity of training activities. A Director of one of the project health districts was selected by the MOH to represent Bolivia in an international meeting on decentralization held in Venezuela, showing the respect the District Development component is receiving in Bolivia and beyond.

d. Chagas' Disease Control - The project inaugurated 375 improved houses during this reporting period. Studies on costs and entomology were completed, and a congenital transmission study is underway in Cochabamba. Preliminary results indicate that 45% of mothers delivering in the University Hospital are infected with Chagas' disease and transmission rates to their children are

approximately 10%. More importantly, there seems to be a relationship between mothers infection and low birthweight and birth defects, even for those babies not infected. This could have significant effects on infant and possibly maternal mortality and will be investigated thoroughly.

The application of insecticide on adobe walls has been problematic and the project is continuing to research the most efficient chemical to control vinchucas in community settings.

e. **Water and Sanitation** - The project inaugurated thirty seven rural water systems this semester with fifty six more systems under construction. These systems are in areas with high rates of diarrheal diseases including cholera, and should significantly reduce morbidity and mortality rates.

#### **D. Problems and Delays**

AID child survival funds for FY 1993 had not been released until the end of the reporting period, causing delays in project implementation. Some of the costs programmed for USAID financing were covered by PL-480 counterpart funds, but other activities had to be postponed. USAID received \$2,750,000 on March 31st for the project and will proceed to obligate, earmark, commit and disburse these funds as soon as possible.

The project has not filled the positions of Deputy Director, Chagas' Director or Chief of the Financial Division as of the end of the reporting period. Personnel for these key positions have been recruited and are in the process of being contracted.

The Monitoring and Evaluation Unit has not yet implemented a monitoring plan as required by the midterm evaluation and last audit. A monitoring specialist will be recruited.

A recipient non-federal audit was conducted for the period 1988 through 1991. Observations confirmed problems in project administration and management which were addressed in the project amendment. An audit of 1992 project finances should show significant improvement.

#### **E. Major Activities or Corrective Actions During the Next Six Months**

1. Vacant positions will be filled
2. A monitoring plan will be implemented
3. A 1992 recipient audit will be conducted and a resident auditor installed in the Project Management Unit.

**PROJECT STATUS REPORT**  
**October 1, 1992 - March 31, 1993**

**Rating: A**

**I. Background Data**

Project Title: **Self-Financing Primary Health Care II**  
 Project Number: **511-0607**  
 Date of Authorization: **original 05/08/91**  
 Date of Obligation: **original 05/09/91 amended 12/13/91**  
 PACD: **original 05/08/96**  
 Implementing Agencies: **PROSALUD**  
 Major Contractors: **PROA/PROMUJER/Pamela Putney**  
 AID Project Coordinator: **Rafael Indaburu**  
 Status of Cps/Covenants: **None**  
 Date of Last Evaluation: **None**      Next Evaluation: **06/30/94**  
 Date of Last Audit: **03/30/93**      Next Audit: **03/30/94**

Yearly Non-Federal Audit of Recipients  
 Planned: 2      Contracted: 1      Completed: 1

**II. Financial Data** (in thousands)

Amount Authorized:	DA Grant: original	\$6,500	
Amount Obligated:	DA Grant: original	\$563	Amended to \$2,214
Amount Committed:	Period:	\$0	
	Cumulative:	\$2,084	
Accrued Expenditures:	Period - Projected	\$1,000	
	Period - Actual	\$515	
	Period - Next	\$1,200	
	Cumulative:	\$1,604	
Pipeline:		\$611	

**Local Contribution (GOB and Private Sector)**

	Planned LOP:	\$ 1,850	(of which \$1,600 is ESF)
	Cumulative Planned as of 03/31/93:	\$1,427	
	Actual Expenditures as of 12/31/92:	\$726	
	Accrued Expenditures 1/1/93 to 3/31/93:	\$524	
<b>Total Accrued and Actual Expenditures as of 3/31/93:</b>		<b>\$1,250</b>	<b>(of which \$983 is ESF)</b>
	Planned Next Period2:	\$200	
	% of LOP Expended:	82%	

% LOP Elapsed:	37%
% of Total Auth. Oblig.:	34%
% of Total Oblig. Exp.:	72%
% of Total Auth. Exp.:	25%

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**III. Project Goal/Strategic Objective**

The project goal is to improve the health status of populations within poor urban and peri-urban areas of Bolivia, with particular emphasis placed in reducing maternal and infant (0-1 yrs.) and child (1-5 yrs) mortality rates within the project areas. Besides contributing directly to the Family Health Strategic Objective to improve the health of family members in communities throughout Bolivia with special emphasis on mothers and children under five years, the project will improve health status among employable, but marginal income people which will reinforce the Mission's private sector investment and export promotion strategy, particularly in El Alto.

**IV. Project Purpose**

The project purpose is to improve the access, quality, coverage and sustainability of health care services to underserved populations in the project areas of El Alto, La Paz, and Santa Cruz.

**V. Project Description**

The project is designed to replicate the successful Santa Cruz experience of the 511-0569 Self-Financing PHC in El Alto and La Paz, including a component to install a reference hospital in Santa Cruz. The implementation of project activities will be through: a) Establishment of a Management Support Unit (MSU) in La Paz with technical assistance of the PROSALUD Santa Cruz staff to replicate the model; b) Establishment of a reference hospital will result in greater coverage and total self-financing for the PROSALUD system in Santa Cruz; c) The creation of a network of 8 health centers in El Alto and 11 in La Paz providing primary health care services to low-income populations (180,000 persons); d) The creation of a PROSALUD National Board of Directors to plan and develop the expansion of the model in other Departments of Bolivia through guidelines for franchising the PROSALUD primary health care systems; e) Operational agreements with the Ministry of Health Sanitary Units of La Paz and El Alto and the Municipalities for the building, renovations and/or transfer of primary health care centers for PROSALUD's administration.

**VI. Project Status**

A. Purpose Indicators/ EOPS	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period (6 mo.)	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
1. % Cost recuperation in the provision of health services (La Paz and El Alto)	100/0	10	45	10	17	52	52

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B. Major Output Indicators	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period (6 mo.)	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
1. 19 operational PHC centers (La Paz/El Alto)	19/0	3	10	3	2	9	47
2. 1 Level II center operating in Santa Cruz	1/0	0	1	0	0	1	100
3. 1 MSU operating in La Paz	1/0	0	1	0	0	1	100
4. Guidelines for national replication (franchising), developed and operating	1/0	0	0	0	0	0	0
5. National charter for PROSALUD	1/0	0	0	0	0	0	0

**C. Overall Status**

1. The completion of the purchase of the Santa Cruz reference hospital has been a major achievement for the project during this period. The inauguration of the hospital was planned for mid April 1993, however, due to delays in the remodeling and equipping of this facility it has been postponed to August 21, 1993 (PROSALUD's anniversary).
2. The first results of a recently completed baseline study have been processed. With that information it is possible to anticipate higher income levels and greater possibilities of financial self-sufficiency in El Alto.
3. Based on a comparative study of cost, cost-recovery and quality of health care between PROSALUD and Ministry of Health (Santa Cruz Sanitary Unit) health care centers, a two-day seminar was held in November 1992 with Ministry officials to discuss the feasibility of introducing cost-recovery and quality control systems in MOH facilities. The seminar was very successful, and has led to a policy reform initiative which is currently underway with assistance from the centrally funded Health and Nutrition Sustainability project (LAC/HNS). We anticipate complementary funding from HNS for a policy reform proposal that will be reviewed in early May 1993.
4. After one year of providing health care services in El Alto cost-recovery levels reached 52%, this is one year earlier than the pilot project experience (AID 511-0569) which required almost two years of services before attaining 50% cost-recovery level.

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**D. Problems and Delays**

1. Whereas the establishment of new health care centers in El Alto and La Paz appear to have evolved as planned, the establishment and operation of the reference hospital in Santa Cruz has become more complicated than originally expected. The full model of neighborhood centers and a reference hospital working in tandem in Santa Cruz will be ready in early 1994.
2. Delays in the implementation of reference hospital in Santa Cruz, have in turn led to delays in the hiring of technical assistance in hospital administration (originally scheduled for the first year of the project will be postponed to the third project year.)
3. One of the biggest limitations in the project design is the requirement that communities should find land and/or buildings to be used as local contributions to the project. Whereas the availability of land for urban amenities and social infrastructure is ample in Santa Cruz and El Alto it is almost non-existent in La Paz; and if available its location is sub-optimal. Due to this limitation PROSALUD is considering deviating from the model and purchase, with their own revenues or other funds, some land for the construction of adequately located neighborhood clinics, especially in La Paz.

**E. Major Activities or Corrective Actions During the Next Six Months**

1. Tentative inauguration of reference hospital in Santa Cruz, August 21, 1993.
2. Recruitment of international technical assistance in hospital services and administration by September, 1993.
3. Start construction and/or remodeling for 3 additional health centers in La Paz/El Alto, August 1993.

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**PROJECT STATUS REPORT**  
**October 1, 1992 - March 31, 1993**

**Rating: B**

**I. Background Data**

Project Title: **AIDS/HIV/STDS Prevention and Control**  
 Project Number: 511-0608  
 Date of Authorization: original 07/28/88 amended 07/19/91  
 Date of Obligation: original 07/28/88 amended 08/05/91  
 PACD: original 01/28/92 amended 09/30/95  
 Implementing Agencies: Centers for Disease Control (CDC); Ministry of Health (MOH)  
 Major Contractors: Centers for Disease Control (CDC); Johns Hopkins/Population Communications Service  
 AID Project Manager: Sigrid Anderson  
 AID Project Coordinator: Isabel Stout  
 AID Project Advisor: Joel Kuritsky (TAACS)  
 Status of CPs/Covenants: N/A.  
 Date of Last Evaluation: 06/01/91 Next Evaluation: 10/01/93  
 Date of Last Audit: none Next Audit: 09/30/93

Yearly Non-Federal Audit of Recipients  
 Planned: 1 Contracted: 0 Completed: 0

**II. Financial Data**

Amount Authorized: DA Grant: original \$500 Amended to \$4,000  
 Amount Obligated: DA Grant: original \$500 Amended to \$2,004  
 Amount Committed: Period: \$339  
 Cumulative: \$1,739  
 Accrued Expenditures: Period - Projected \$500  
 Period - Actual \$381  
 Period - Next \$500  
 Cumulative: \$1,298  
 Pipeline: \$706  
 % LOP Elapsed: 67%  
 % of Total Auth. Oblig.: 50%  
 % of Total Oblig. Exp.: 65%  
 % of Total Auth. Exp.: 32%

**Local Contribution (GOB and Private Sector)**

Planned LOP: \$1,676  
 Cumulative Planned as of 3/31/93: \$565  
 Actual Expenditures as of 12/31/92: \$133  
 Accrued Expenditures 1//193 to 3/31/93: \$362  
 Total Actual and Accrued Expenditures as of 3/31/93: \$495  
 Planned Next Period: \$100  
 % of Total LOP Expended: 30%

**III. Project Goal/Strategic Objective**

The goal of this project relates to the Family Health Strategic objective which is to improve family health throughout Bolivia.

**IV. Project Purpose**

To expand access to, and use of, effective AIDS/HIV/STD services and education in La Paz, Santa Cruz and Cochabamba.

**V. Project Description**

Based on lessons learned from the original \$500,000 AIDS Prevention and Control Project, an additional \$3.5 million have been added to support treatment of sexually transmitted diseases, to improve reference laboratories and surveillance research, and to extend the LOP to 9/30/95. The amended project is designed to 1) collect reliable epidemiological data to define and track the extent of the AID/HIV STDs problem, 2) detect, treat and/or counsel AIDS/HIV/STD patients; 3) develop and disseminate information on AIDS/HIV/STDs, 4) target education programs directed at promoting safe sexual behaviors and avoidance of injected drug abuse; 5) make condoms accessible.

**VI. Project Status**

A. Purpose Indicators/ EOPS	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period (6 mo.)	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
1. 1 national and 3 regional advisory committees	4/0	1	2	1	1	2	50
2. 3 AIDS/HIV/STDs Labs strengthened	3/0	0	2	0	0	2	67
3. 3 Model clinics developed and operating	3/0	0	2	1	0	2	67
4. Improved capacity of health centers in diagnosis, testing, treatment and counseling	8	1	5	1	0	4	50
5. Develop sentinel surveillance system	1/0	0	0	0	0	0	0
6. Contracts for social marketing and for free distribution of condoms	6/1	2	3	1	3	3	50
7. 1 national and 12 regional AIDS/STDs Prevention Programs operating within Ministry of Health	13	3	5	2	1	6	46

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B. Major Output Indicators	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period (6 mo.)	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
1. Profile studies of AIDS/HIV/STDs high risk population in 3 target areas developed	M 4	1	2	1	0	1	25
	F 6	1	3	1	3	5	83
2. Protocols of AIDS/HIV/STDs services users developed	M 3	1	2	1	0	1	33
	F 5	1	3	1	1	3	60
3. Laboratory capacity to diagnose AIDS/HIV/STDs in 3 target areas. (Number of labs. equipped)	6	0	4	1	0	4	67
4. Development of AIDS/HIV/STDs management and control strategies in target areas. (Number of training interventions)	24	3	9	3	3	9	38
5. Development of Quality Assurance laboratory networks	3	0	2	0	0	2	67
6. Training of health workers in epidemiological and social research, diagnosis management, risk assessment, education and counseling	M 50	20	24	20	7	11	22
	F 50	20	26	20	24	30	60
7. Social marketing of 2.5 million condoms (Thousands)	2,500	300	1,000	300	400	1,100	44
8. 13 Ministry of Health Prevention Programs utilizing available resources as budgeted	13	3	7	2	2	6	46

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### **C. Overall Status**

1. The National Inter-Agency Coordinating Committee Agreement was signed by the Minister of Health in December of 1992 and USAID/Bolivia/HHR has been designated as Executive Secretariat. Two successful meetings have already been held. A regional coordinating committee is operating in Santa Cruz.

2. IN LA PAZ:

The STDs/HIV/AIDS reference laboratory and model clinic are fully operational. The lab is linked to the Centers for Disease Control (CDC) quality assurance network and the clinic is operating full time.

The study with Commercial Sex Workers (CSWs) is completed. Based on study findings, intervention strategies have been developed -- outreach education, counseling, self-esteem -- to encourage the CSWs to attend the STDs model clinic and to use condoms. Twenty sample brothels have been selected to test the interventions and 20 others to act as control. Teams are on board to collect baseline data, and to undertake and evaluate the interventions.

Now that the main portion of the research is completed, a CDC team is studying the feasibility of integrating the project's model clinic with the STD/HIV/AIDS prevention and control services of the MOH.

3. IN SANTA CRUZ:

A second STD/HIV/AIDS reference laboratory and clinic are now in full operation in Santa Cruz. The reference lab has been linked to the CDC quality assurance network.

A second high risk behavior group study with CSWs is under way. Preliminary data indicates CSWs are much more likely to attend the clinic, thus making interventions easier in Santa Cruz.

A public relations person has been hired to work with gay and bisexual men in Santa Cruz. Based on experience obtained with this population in Cochabamba, research and outreach interventions have been designed to reach this high risk behavior group.

4. In La Paz and Santa Cruz over 40 MOH and NGOs staff have been trained in epidemiological and laboratory techniques, counseling, data base collection, research and evaluation.
5. The Johns Hopkins University/Population Communications Services (PCS) Social Communicator arrived in mid-February for a tour of 18 months. He will direct all IEC activities for the project.
6. Condom distribution continues through PROSALUD in the private sector, and the GOB Supply Distribution Center (CEASS) for the MOH. Three pilot distribution activities have been initiated: a) distribution through informal points in Santa Cruz; b) a KAP and exchange for pencils with medical students at Universidad Mayor de San Andrés; and c) distribution to students in Sucre through the Red Cross.

7. For the first time in the history of the project the MOH received an advance of funds to be distributed to all 12 Sanitary Units. Ability of the MOH to utilize funds in a more effective manner is crucial to attain project objectives.
8. The administration of the project is established with the Community and Child Health Project (CCH). A new administrator has been hired and local operations are now expected to run smoothly.

**D. Problems and Delays**

1. As the bulk of the project is now focused on locally administered interventions, and the CCH is providing all necessary administrative and logistics support, the presence of the CDC resident Public Health Advisor will not be necessary after 1993. A locally hired administrator is now on board to facilitate transition. The PASA with the CDC will be amended to reflect these changes.
2. The third site for the project is under discussion. Initial programming to include Cochabamba and plans to add on Sucre have been halted because of budgetary constraints. At this point, the need to develop services in El Alto appears to be unavoidable in view of the concentration there of lower-class, higher-risk CSWs.
3. The outreach/counseling/information strategy for La Paz has been put on hold by the Municipal decree to close all brothels. If they are not reopened, the project's brothel-based outreach strategy will need significant modification.
4. The MOH continues to operate at a slow pace in the implementation of their portion of the project due to institutional constraints.

**E. Major Activities or Corrective Actions During the Next Six Months**

1. Mid-term project evaluation scheduled for November of 1993 will be moved to October. Potential evaluators to be provided by AID/W's AIDSCAP Project. The evaluation is expected to assist Mission in defining strategy direction, defining additional sites for the project and refining project indicators. Based on the current pace of activities, it is expected the evaluation will identify the need for additional resources and the need to extend the current PACD beyond 9/30/95.
2. The external audit of the MOH portion of the project, scheduled for March of 1993, will be postponed until November 1993 to allow the MOH to spend a larger portion of their funds and to coincide with audit of the CCH portion of project activities.
3. In collaboration with the Reproductive Health Services and the CCH projects, the scope of work will be developed to contract for a national assessment of the situation of supply distribution and logistics in Bolivia.
4. Blood banking activities have been started, albeit on a modest basis: a survey is underway in four hospitals to determine if blood for transfusions is currently screened for HIV and to determine a donor and recipient profile.

5. Surveillance activities have also started with a survey of seven hospitals to determine training needs in STDS/HIV/AIDS detection and control.
6. Interventions with gay and bi-sexual men are scheduled in Santa Cruz as a first step in exploring how to reach this population.
7. Condom distribution is expected to continue at a stable pace, with pilot activities creating the additional demand.
8. The social communicator will assist the MOH in designing a public education campaign with the funds USAID has made available to the Ministry.

**PROJECT STATUS REPORT**  
October 1, 1992 - March 31, 1993

**Rating: B**

**I. Background Data**

**Project Title:** CARE Community Development Project  
**Project Number:** 511-0618  
**Date of Authorization:** original 03/28/91  
**Date of Obligation:** original 03/28/91 amended 12/13/91, 03/09/93  
**PACD:** original 03/28/95  
**Implementing Agencies:** CARE/Bolivia  
**AID Project Manager:** Rafael Indaburu  
**Status of Cps/Covenants:** None  
**Date of Last Evaluation:** March 1993                      **Next Evaluation:** 02/03/94  
**Date of Last Audit:** October 1992                      **Next Audit:** 01/05/94

Yearly Non-Federal Audit of Recipients  
**Planned:** 2                      **Contracted:** 1                      **Completed:** 1

**II. Financial Data (in thousands)**

**Amount Authorized:** DA Grant: original                      \$7,000  
**Amount Obligated:** DA Grant: original                      \$2,000                      Amended to \$3,553

**Amount Committed:** Period                      \$303  
Cumulative                      \$3,553

**Accrued Expenditures:** Period - Projected:                      \$579  
Period - Actual:                      \$628  
Period - Next:                      \$911  
Cumulative:                      \$3,235

**Pipeline:**                      \$318

**% LOP Elapsed:** 50%  
**% of Total Auth. Oblig.:** 51%  
**% of Total Oblig. Exp.:** 98%  
**% of Total Auth. Exp.:** 50%

**Local Contribution (GOB and Private Sector)**

**Planned LOP:** \$2,417 (of which \$1,500 is ESF)  
**Cumulative Planned as of 3/31/93:** \$1,340  
**Actual Expenditures as of 12/31/92:** \$824  
**Accrued Expenditures 1/1/93 to 3/31/93:** \$465  
**Total Actual and Accrued Expenditures as of 3/31/93:** \$1,289 (of which \$149 is ESF)  
**Planned Next Period:** \$600  
**% of LOP Expended:** 53%

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### **III. Project Goal/Strategic Objective**

The project goal is the same as the Family Health Strategic Objective, namely to improve health of family members throughout Bolivia. The project places special emphasis on mothers and children under five years of age. This project also contributes to the Alternative Development Strategic Objective to transform the Bolivian economy through increased employment, income, investment and productivity in non-coca activities. Through enhanced health status and improved quality of life within the project communities, it is hoped that the project will contribute to reduced migration to the coca-producing areas.

### **IV. Project Purpose**

To improve infant and child survival through improved nutritional status and immunization coverage and decreased diarrheal incidence. Through enhanced health status and improved quality of life within the project communities, it is hoped that the project will contribute to reduced migration to coca-producing areas.

### **V. Project Description**

The CARE Community Development Project is aimed at improving the health, well being and self-development capacity of 48,000 people in 160 rural Bolivian villages in the departments of La Paz, Cochabamba and Chuquisaca. The project works with four sub-systems. The first is a primary health care delivery system, providing preventive and curative health services through community health workers. The second is a water and sanitation component providing potable water and excreta disposal in these communities. The third is an agricultural development sub-system providing home gardens. Finally, the fourth sub-system is strengthened community organizations.

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**VI. Project Status**

A. Purpose Indicators/ EOPS	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period (6 mo.)	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
1. Reduction in infant and child diarrheal morbidity by 30% in 160 communities	30	30	30	30	0	20	67
2. Reduction in malnutrition by 20% in 160 communities	20	0	0	10%	0	0	0
3. Increase immunization coverage in children to 80%	80	15	45	20	18	48	60

NOTE: The percentages shown indicate levels of impact among communities where the project is currently operative, which are only a fraction of the total communities planned. 1. In 142 communities health care promoters and water system operators have been trained. In each one of these communities health and sanitation practices are being improved. During this period 1,123 children were rehydrated. In each community a stock of oral rehydration salts is now available as well as information on ORT (specific training of health promoters) and on cholera prevention and treatment. During this period there have been 112 cases of cholera reported in project areas, including seven fatal cases. 2. 1,605 children less than 2 years old are controlled monthly in growth monitoring and nutrition. A baseline data has been established against which CARE will measure the results of its nutrition program, but it is still too soon to talk about reductions of malnutrition due to project interventions. 3. 48% of all children 1 to 24 months old in the current project areas which are among the poorest in Bolivia, have been completely vaccinated (3 doses, etc.).

B. Major Output Indicators	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period (6 mo.)	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
1. Number of communities with operating water systems	160	45	50	45	30	35	21
2. Number of latrines installed	8,000	1,300	2,410	1,000	2,536	3,646	45
3. Percentage of 10-24 month olds with complete vaccinations	80	15	45	12	19	48	60
4. Number of household gardens functioning	4,000	1,500	3,000	1,500	414	1,984	50
5. Training	M 440 F 200	60 0	400 118	60 30	90 26	427 144	97 72
6. Number of functioning community organizations	160	30	142	30	30	142	89

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### **C. Overall Status**

1. The mid-term evaluation (February-March, 1993) confirmed preliminary assessments of the project. The water and sanitation component is progressing well; it requires some operational adjustments but, as a whole, is the best of all four components. The health care component requires more quality controls and stronger linkages with Ministry of Health at the district levels. In general, the health care component is also progressing well. However, continuity and sustainability are poor due to CARE and MOH lack of integration into single -and operative- Rural Health Care Systems (lack of mutually reinforcing activities with a very weak Ministry). This evaluation has been very useful for USAID and for the implementing agency. It is allowing both institutions to make adjustments to improve project implementation.

2. Both, the Nutrition and Community Development components require major adjustments to become fully operational within the project. Such adjustments are expected to take place during CY 1993.

3. Whereas CARE and the evaluation team believe that purpose level objectives will be attained, output indicators are being adjusted and by May 1993 a revised plan and budget will be effective for the project.

### **D. Problems and Delays**

1. The project is undergoing a major adjustment phase. Some components such as Nutrition and Community Organization require re-definition and re-design. Most of the problems are due to inadequate design, others reflect implementation limitations. Following the mid-term evaluation exercise and based on the lessons learned during these first two years, CARE will submit to USAID a second implementation plan which will cover the period from May 1993 through PACD. The greatest concerns are related to under-staffing (quality and quantity) of the project and the material resources available for all project components. No additional financial resources will be needed to complete the project; but, more effective and efficient utilization is required.

2. Delays in funding of DA and ESF resources have afflicted the project during this period. Recent allocation of DA resources and the disbursement of DIFEM monies will alleviate a very tight financial scenario. CARE is currently preparing a contingency plan to better respond to project objectives, even if funding delays continue to occur.

3. The malnutrition levels reported during the last semi-annual report caused intense mobilization within the project to respond to an apparent crisis. Fortunately, the information CARE utilized was proved to be wrong. Such information came from the MOH's epidemiological surveillance system (SVEN) which overcounted the number of severe cases of malnutrition. Before and during the mid-term evaluation, such information has been corrected and now the project is working with a malnourished population but not as critically malnourished as the SVEN reported in September 1992. CARE's main focus for the component continues to be growth monitoring and the adequate utilization of nutritional gardens.

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**E. Major Activities or Corrective Actions During the Next Six Months**

1. The OPG with CARE will be amended in April-May 1993. At that time some additional monitoring responsibilities will be established. The amendment will also include an overall adjustment of project's outputs and budget and the adjustment and integration of the Nutrition component with the Water-Sanitation and Health Care components, based on CARE's implementation plan.

2. During the next period \$1,000,000 will be committed.

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### **III. Project Goal/Strategic Objective**

The project goal is to improve the quality of life for Bolivian children through better maternal and child health care information. This goal relates to the Family Health Strategic Objective which is to improve family health throughout Bolivia.

### **IV. Project Purpose**

The project purpose is to improve the quality of basic education through national dissemination of the interactive-radio mathematics curriculum previously developed under the Radio Learning Project, and through development and validation of a radio-based health-education curriculum. The project will also improve the capabilities of the teachers to teach these critical subjects to children and to other community members. The project will contribute to ongoing policy dialogue/reform through rigorous data collection efforts on specified indicators of education and health.

### **V. Project Description**

Beginning in 1988, the Radio Learning Project (RLP) field-tested the use of interactive-radio to improve the quality of mathematics education in Bolivian primary schools. In addition, a small pilot activity undertaken in 1989 applied this same methodology to the teaching of basic health concepts at the elementary-school level. Based upon the success of this endeavor, IRL is now working to institutionalize the model mathematics and health-education curricula in the Bolivian school system. Major components of the project include: (1) continued evaluation and dissemination of the interactive-radio math curriculum, developed under previous project cycle, in all nine of Bolivia's Departments; (2) development and field testing of a health-education curriculum emphasizing responsible behaviors in personal hygiene, nutrition, sanitation and the prevention of diarrhea and other transmissible diseases for upper-primary school grades three and four in 1993 and for grade five in 1994; (3) development of a teacher-training support model for improved teacher effectiveness in the project; (4) enhancement of the MEC's ability to manage a permanent basic education program using interactive radio; (5) a monitoring, evaluation, and operations research component to track Project implementation and effectiveness; (6) extension of the interactive-radio curriculum to out-of-school children and adults in 1994; (7) training a broad-based professional core in communication strategies for environmental education; (8) achievement of policy objectives for integrating the radio curricula into the national educational reform package.

**VI. Project Status**

A. Purpose Indicators/ EOPS	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period (6 mo.)	Cum	Next Period	Peri- od(6 mo.)	Cum	% of LOP
1. Significantly improved student mastery of primary-school mathematics and health education	25% improvement over traditional methods, all grades	no new testing planned for this period, however testing was conducted by MEC (see accomplished column)	no testing planned	25% average improvement over traditional methods, 3rd grade	50% average improvement over traditional methods, 2nd grade	only 2nd grade tested in 1992 under national expansion	200
2. Demonstrated understanding of health concepts presented in pilot health curriculum	25% improvement over control group (baseline) comprehension	testing criteria were not projected for this period	testing criteria were not projected to this date	25% average improvement in student comprehension of health concepts presented in 3rd and 4th grade curricula	32% average improvement over baseline comprehension of concepts presented in pilot module	only pilot module tested	100
3. Expanded delivery of radio math in 9 Departments under direct supervision of the MEC	9	9	9	9	9	9	100
4. Implementation and validation of the Radio Health pilot curriculum in at least 3 Departments	3	4	4	4	4	4	133
5. National infrastructure of trained school teachers, directors, and supervisors in interactive radio methodology	7,500	2,000	4,780	1,000	2000 estimated, field data not yet into central office	4,780 estimate	64

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B. Major Output Indicators	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period (6 mo.)	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
1. Total students	200,000	10,000	113,000	40,000	100,000	244,445	122
- math	150,000	10,000	113,000	0	100,000	224,746	
- health	50,000	0	0	40,000	0	19,699	
2. Teachers' Guides Developed	7	1	4	1	1	4	57
- math	4	0	3	0	0	3	
- health	3	1	1	1	1	1	
3. Math Lessons Revised (half hour): 135 each for grades 2-5	540	60	540	0	60	540	100
4. Health Lessons Developed (half hour): Grade 3 (30), Grade 4 (40), Grade 5 (50), Bilingual (10), Community (30)	160	25	35	44	16	26	16
5. Bolivian Technicians Trained	20	0	20	0	0	20	100
6. Promotional Video Tapes	1	0	0	1	0	0	0

### C. Overall Status

1. IRL has formally expanded into all nine Bolivian Departments. During this period, the Ministry of Education and Culture (MEC) issued a ministerial resolution authorizing teachers in all nine Departments to participate in Radio Math.
2. A total of 31 radio stations throughout the country will be carrying more than 60 hours of weekly school programming in math.
3. One of the Bolivian curriculum specialists trained by IRL was invited to advise the five portuguese-speaking countries in Africa on adapting the third-grade Bolivian Radio Math programme to the common priorities of the Portuguese curriculum. Since then, Cape Verde has requested a complete set of IRL's fourth-grade materials to study for future adaptation.
4. The World Bank has highlighted IRL's work in pioneering Radio Health in the upcoming World Development Report 1993, which focuses on health and development.
5. IRL has entered into a collaborative pilot project with the National Rural Electrification Cooperative Association to test the appropriateness and cost-effectiveness of solar panels as a source of

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renewable energy for radios in Project schools. During the initial phase of the pilot, solar-powered units will be installed in 50 schools in 15-20 regions in all nine Departments. Daily usage and weather conditions will be monitored by participating teachers in order to assess the potential of this alternative source of energy.

6. Results of the 1992 summative evaluation of Ministry schools that participated in IRL's second-grade math programme for the first time last year, concluded that the impact of the revised second-grade curriculum produced even more powerful results than the original curriculum did in our initial field validation. The effect of IRL's revisions to the previously validated third-grade mathematics curriculum will be tested by the Ministry during the current school year.

7. Evaluation of the 1992 pilot Radio Health module on diarrhea and cholera revealed that overall baseline knowledge about the subject was comparable in all three pilot regions (Santa Cruz, Cochabamba, and La Paz). It also indicated that exposure to mass-media information and other education campaigns has produced an increase in student understanding of basic themes. Radio Health, however, produced a far superior increment in children's comprehension than any other measurable variable.

8. During November/December 1992, IRL conducted an internal assessment of the modular approach that formed the cornerstone of previous Radio Health pilots. (Basically the modular approach blocks lessons around specific themes and is most commonly found in campaigns of from 1-3 month duration.) The conclusion of this review was that although the modular approach is extremely powerful in achieving short-term objectives and producing immediate impact, it may not be the best approach for achieving an integrated broad-based foundation that is need to sustain long-term changes in behaviors. Given these conclusions, IRL will be testing the application of a unique new design which combines the strengths of intensive instruction (module) with those of distributed learning and review (integrated practice) in the hope of better fulfilling both short and long-term objectives.

#### **D. Problems and Delays**

1. Concern with IRL has risen about our ability to interpret data from our formative efforts and operations research activities in a manner which provides timely feedback into our ongoing lesson production. IRL has also expressed concern about the reliability of the collection and analysis of qualitative (subjective) data. Unfortunately, expertise in school-health operations research at the primary-school level is limited, and complications related to altitude adjustment forced IRL's key trainer in qualitative methods to return to the United States prior to completion of the task. At the present time, IRL has identified several experts to continue that training in April.

2. Initiation of the 1993 school year has been plagued by confusion and either rumors of strike, or random closing. As of this writing, schools have been on strike for nearly two weeks, forcing postponement of IRL's plan to initiate training of Radio Health teachers in mid-March, and begin in-school broadcasting on April 1. All math broadcasts have been suspended. Unfortunately, the present situation looks precarious, at best. Teachers are demonstrating in all nine Departments; and a weekend shooting of student in Potosi ended in street-fighting between the Teacher's federation and the military. The teacher's union is now threatening continuation of the strike for an additional month, and the government is responding with the threat of a curfew and ban of all union activities. This stalemate would give arbitrators a month to settle with the teachers and the Ministry. In the

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the project has achieved legitimacy through ministerial resolution, IRL must focus on developing a strategy for achieving ongoing ministerial support, across parties, given the ongoing state of flux. Another challenge will be establishing linkages between IRL and the commission authoring the education reform, in light of the fact that the effort is politically driven, divorced from the Ministry, and subject to a leadership change after the upcoming elections.

**E. Major Activities or Corrective Actions During the Next Six Months**

1. IRL remains poised to resume in-schools broadcasting upon settlement of the teachers' strike. In the meantime, previously contracted airtime is being used to broadcast a series of short stories developed in previous years by Radio Education.
2. IRL will take advantage of the present school strike to gather additional baseline data on the target radio health audience prior to initiation of in-schools broadcasting.
3. IRL will develop a strategy, in coordination with the Mission's Project Manager, for continuing institutionalization activities, given the pending elections.
4. IRL will go forward with the first of three international technical meetings to further refine its operations research objectives and continues coordination with donor agencies and government officials as a means of integrating IRL into the national reform activity.
5. IRL has initiated data collection by gender. All preliminary statistics regarding participants in the 1993 program, will be presented in the next SAR in this fashion.
6. If this project can not use Child Survival account funds, additional monies will have to be found immediately to fund the institutional contractor.

**PROJECT STATUS REPORT**  
October 1, 1992 - March 31, 1993

**Rating: B**

**I. Background Data**

Project Title: **Child Survival PVO Network II**  
 Project Number: 511-0620  
 Date of Authorization: original 06/27/91  
 Date of Obligation: original 06/27/91 amended 03/15/93  
 PACD: original 09/30/96  
 Implementing Agencies: PROCOSI  
 Major Contractors: N/A  
 AID Project Manager: Sigrid Anderson  
 AID Project Coordinator: Isabel Stout  
 Status of Cps/Covenants: None  
 Date of Last Evaluation: None Next Evaluation: 10/01/93  
 Date of Last Audit: 08/01/92 Next Audit: 30/03/94

Planned: 2                      Yearly Non-Federal Audit of Recipients  
    Contracted: 1                      Completed: 1

**II. Financial Data** (in thousands)

Amount Authorized:	DA Grant: original	\$8,000	
Amount Obligated:	DA Grant: original	\$2,600	Amended to \$6,262
Amount Committed:	Period:	\$97	
	Cumulative:	\$6,262	
Accrued Expenditures:	Period: - Projected:	\$500	
	Period: - Actual:	\$314	
	Period: - Next:	\$558	
	Cumulative:	\$770	
Pipeline:		\$5,492 <sup>1</sup>	
% LOP Elapsed:	33%		
% of Total Auth. Oblig.:	78%		
% of Total Oblig. Exp.:	12%		
% of Total Auth. Exp.:	10%		

**Local Contribution (GOB and Private Sector)**

	Planned LOP:	\$2,667
	Cumulative Planned as of 3/31/93:	\$600
	Actual Expenditures as of 12/31/92:	\$60
	Accrued Expenditures 1/1/93 to 3/31/93:	\$69
Total Actual and Accrued Expenditures as of 3/31/93:		\$129
	Planned Next Period:	\$500
	% LOP Expended:	5% <sup>2</sup>

<sup>1</sup> Includes \$5,010,000 for dept swap

<sup>2</sup> Represents cash contributions; in kind contributions will be calculated for next SAR period

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**III. Project Goal/Strategic Objective**

The project goal is the same as the Family Health Strategic Objective, to improve family health throughout Bolivia.

**IV. Project Purpose**

The project has two purposes: 1) to strengthen, through the Executive Secretariat, the technical, management, and service delivery capacity of the network's PVOs in the development of high impact child survival, maternal health and community development programs and projects and 2) to establish PROCOSI as a financially sustainable organization that will be able to continue providing services aimed at institutional strengthening and coordination after the project's PACD.

**V. Project Description**

PROCOSI is an organization founded by nine U.S. and one Bolivian Private Voluntary Organizations (PVOs) directed by a Rotating Executive Committee (REC) formed of the PVOs and staffed by an Executive Secretariat which includes two operative areas: 1) Administrative/Financial and 2) Technical assistance coordination. It provides coordination, technical assistance, and administers sub-grants for the member PVOs.

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VI. Project Status

A. Purpose Indicators/ EOPS	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period (6 mo.)	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
1. The number of member PVO's (affiliates and associates) will have increased from 10 to 32	32	2	15	3	0	13	41
2. The beneficiary population (direct and indirect) will reach 70,000 people, through the projects that receive sub-grants	1) 70,000	15,000	36,650	25,000	140,000	161,650	260
3. PROCOSI will have covered its administrative and support costs with non-USAID sources of income by 50% by July of 1995 and by 98% by September 1997 subject to successful conclusion of the debt-swap	98%	0	0	2%	0	0	0
4. PROCOSI will have been able to provide sub-contracts to PVOs from at least two non-USAID sources of income	2	1	1	1	1	1	50
5. PROCOSI will be able to demonstrate continual demand for services, as measured by the number of organizations who request services from PROCOSI more than once	32	3	11	3	4	12	38

- 1) Revised indicator for next SAR will be 300,000 to better reflect PROCOSI's ability to reach more beneficiaries.

B. Major Output Indicators	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period (6 mo.)	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
1. Major sub-grants (\$60,001-225,000) under execution or concluded	16	3	5	3	4	6	38
2. Medium sub-grants (\$15,001-60,000) under execution or concluded	16	4	4	2	2	2	13
3. Small sub-grants (\$3,001-15,000) under execution or concluded	33	3	9	3	2	8	24
4. Number of times TA provided to PVOs to improve Child Survival	60	10	20	6	12	22	37
5. Collaborative projects between PROCOSI PVOs and/or other organizations	5	1	2	1	2	3	62
6. Interest earned through debt-swap	0	0	0	0	0	0	0
7. Personnel of PVOs trained	M 707 F 1,052	35 45	146 178	73 109	158 166	264 299	37 28

**C. Overall Status**

1. Debt swap purchase with international bank community has been signed. PROCOSI invested \$5,001,405.58 for the purchase of \$31,258,784.91 of debt, and will receive a 50% premium starting o/a February 1994. All projections shown here are based on timely receipt of debt-swap funds.
2. At PROCOSI's General Assembly held November 19-10, members identified the need to change the current structure of PROCOSI to curtail administrative spending and make the organization more responsive to their needs. This resulted in a major reorganization of PROCOSI, completed with external technical assistance at the end of March, 1993. Major changes are 1) technical assistance to be provided by member PVOs themselves through a PROCOSI coordinating unit; 2) a high ranking executive will be hired to raise funds, work with the international community and act as liaison with the GOB, and 3) administrative and support staff will be reduced by half.
3. Approval of sub-grants has taken a more dynamic and effective mode of operations: Four new major sub-grants were approved during this period.

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**D. Problems and Delays**

1. Due to the need to redesign the contracts for all PROCOSI's employees to meet USAID/Bolivia regulations, a significant portion of the staff resigned. This, together with the reorganization of PROCOSI, resulted in administrative constraints and morale problems.
2. Reorganization of PROCOSI may affect most of the present incumbents in PROCOSI's staff. Although incumbents will be allowed to bid on the newly organized positions, the Executive Assembly may elect not to reappoint them. New structure emphasizing member-provided technical assistance may be difficult to coordinate and utilize.
3. The mid-term evaluation, originally scheduled for October 1992 has been postponed until March 1993 to allow PROCOSI's reorganization and the debt swap to be institutionalized before the evaluation.

**E. Major Activities or Corrective Actions During the Next Six Months**

1. PROCOSI needs to contract with a financial analysis institution to program use of debt swap funds (\$7.5) in a realistic and effective manner.
2. PROCOSI members are concerned about the cash counterpart contribution described in the OPG. They are preparing an analysis of their actual capacity and will propose to USAID an amendment to the OPG to reflect more realistically the amount of cash counterpart funds they can contribute. Members' in-kind contribution, which is substantial, is not considered a problem.
3. USAID/Bolivia will present a workshop on "Reproductive Health: the First Step" in response to some of PROCOSI's members interest in starting family planning activities. The position of the GOP/MOH, lessons learned in Reproductive Health and the individual needs of the PVOs will be presented at the workshop. An expected result is a more proactive role on the part of PROCOSI to work in maternal health as well as in child survival.
4. A \$300,000 grant for COTALMA (the Breastfeeding Training Center) is being negotiated through PROCOSI to train health workers in lactation. PROCOSI will administer funds for this project from WELLSTART and PL 480.
5. PROCOSI and USAID/Bolivia will explore possibility of continuing use of VITAL Project funds to provide Vitamin A sub-grants to member PVOs.

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**PROJECT STATUS REPORT**  
**October 1, 1992 - March 31, 1993**

**Rating: A**

**I. Background Data**

Project Title: **Displaced Children Earmark**  
 Project Number: **511-0624**  
 Date of Authorization: **original 09/30/91 Amended 06/30/92**  
 Date of Obligation: **original 09/30/91 Amended 05/03/92**  
 PACD: **original 09/29/92 Amended 06/30/94**  
 Implementing Agencies: **Peace Corps**  
 Major Contractors: **None**  
 AID Project Manager: **Sigrid Anderson**  
 AID Project Coordinator: **Elba Mercado**  
 Status of Cps/Covenants: **N/A**  
 Date of Last Evaluation: **None**  
 Date of Last Audit: **None**

	<b>Yearly Non-Federal Audit of Recipients</b>	
Planned: <b>N/A</b>	<b>Contracted:</b>	<b>Completed:</b>

**II. Financial Data** (in thousands)

Amount Authorized:	DA Grant: Original	\$210	Amended	\$460
Amount Obligated:	DA Grant: Original	\$210	Amended	\$460

Amount Committed:	Period:	\$250
	Cumulative:	\$460

Accrued Expenditures:	Period - Projected:	\$200
	Period - Actual:	\$57
	Period - Next:	\$80
	Cumulative:	\$134

Pipeline:	\$326
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% LOP Elapsed:	% 54
% of Total Auth. Oblig.:	%100
% of Total Oblig. Exp.:	% 29
% of Total Auth. Exp.:	% 29

**Local Contribution (GOB and Private Sector)**

	<b>Planned LOP:</b>	<b>\$300</b>
	<b>Cumulative Planned as of 3/31/93:</b>	<b>\$238</b>
	<b>Actual Expenditures as of 12/31/93:</b>	<b>Data not available</b>
	<b>Accrued Expenditures 1/1/93 to 3/31/93:</b>	<b>Data not available</b>
<b>Total Actual and Accrued Expenditures as of 3/31/93:</b>		<b>\$293</b>
	<b>Next Period:</b>	<b>\$0</b>
	<b>% LOP Expended:</b>	<b>97%</b>

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**III. Project Goal/Strategic Objective**

This project contributes to the Family Health Strategic Objective of improving family health in Bolivia. This project specifically targets the LAC sub-goal: to encourage increased economic opportunities for the disadvantaged.

**IV. Project Purpose**

This project is intended to teach marketable trades to institutionalized and working children to help them achieve gainful employment and to develop the means by which these institutions can generate funds internally, thus becoming less dependent on outside financing.

**V. Project Description**

Through the availability of AID funds (1991 and 1992 Displaced Children Earmarks), Peace Corps and USAID/Bolivia will support Bolivian institutions that work with displaced children to help them implement income-generating vocational workshops or agricultural projects. USAID funds will be used during the first year to build the necessary infrastructure, equip the workshops, and cover the initial costs of starting up and operating these projects. Peace Corps will complement this project by assigning Peace Corps Volunteers from the Small Business Enterprise and Agricultural Extension Programs to provide technical assistance. This assistance will start with the selection of Bolivian institutions with a sensitive approach, evaluating with preference the programs which help to locate children in families or community-based settings, as culturally appropriate, and help them to become more self-sufficient.

**VI. Project Status**

A. Purpose Indicators/ EOPS	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period (6 mo.)	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
1. Displaced children employed by 9/30/93	260	100	210	50	55	165	63
2. Workshops 50% self-financing by 9/30/93	7	4	7	0	1	4	57
3. Institutional maintenance costs lowered by 10%	6	2	4	3	2	4	66

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B. Major Output Indicators	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period (6 mo.)	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
1. Vocational workshops constructed and operating by September 1993	7	2	7	2	2	7	100
2. Children trained in vocational skills by 9/93	430	100	200	150	75	295	68
3. Intern (500) and new (200) children trained in self management and business skills	650	350	350	300	125	425	65
4. Accounting and management skills improved in 8 institutions	8	5	5	3	4	8	100

**C. Overall Status**

One new workshop (Yanapacuna) has been completed and is fully operational. Two more projects (Ciudad del Niño & CETEP) are near completion while a fourth project (ANET) is approximately one half completed.

Two additional institutions have been approved for financing (Amanecer & San Martín) while two other institutions are revising project proposals and should be approved in the next three months. Three additional new project proposals written by Peace Corps Volunteers should be received and evaluated before the end of the fiscal year.

All institutions that are receiving funding have been visited by the Youth Coordinator and several by the Accountant and USAID Project Manager. All these institutions with the exception of ENDA/Trinidad are receiving the technical assistance of a Peace Corps Volunteer. All institutions are conforming to accounting procedures, financial responsibilities and project objectives.

**D. Problems and Delays**

Two of three workshops funded from FY91 funds are completed and operational while a third (ENDA) has been delayed due to heavy rains in the Beni. ENDA is expected to inaugurate the ceramics factory in June 1993.

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**E. Major Activities or Corrective Actions During the Next Six Months**

1. A total of 3 new projects will be inaugurated and fully operational during the next six months while three other projects will be approved for financing and under construction during this period.
2. Arrangements will be made for technical training workshops during this period for approximately 18 people working in Displaced Youth programs. The training will probably take place in September/October 1993.
3. Arrangements will also be made to bring technical experts to Bolivia from the United States or other Latin American countries or to send staff workers to these other countries in order to train Bolivian staff workers in new more advanced methodologies of working with displaced youth.
4. Full time youth program specialist started working October 1992 and has since set up a PC youth office in Cochabamba.

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## **D. STRENGTHENING DEMOCRACY**

1. 511-0578 Support for Title II  
Urban Food for Work Program
2. 511-0603 Andean Peace Scholarships
3. 511-0609 Justice Sector
4. 511-0610 Democratic Institutions
5. 511-0611 Bolivian Peace Scholarships
6. 511-0623 Special Development Activities
7. 511-0626 Administration of Justice
8. 598-0591 Human Rights Initiative
8. HCOLC Urban Development Initiative in El Alto

**PROJECT STATUS REPORT**  
October 1, 1992 - March 31, 1993

Rating: B

**I. Background Data**

Project Title:	Support for the Title II Urban Food for Work Program
Project Number:	511-0578 <sup>1</sup>
Date of Authorization:	June 1, 1992
Date of Obligation:	June 1, 1992
PACD:	September 30, 1993
Implementing Agency:	Planning Assistance (PVO)
Major Contractors:	None
AID Project Manager:	Jonathan Sleeper
AID Project Coordinator:	Salvatore Pinzino
Status of CPs/Covenants:	None
Date of Last Evaluation:	None Next Evaluation: 6/30/93
Date of Last Audit:	None Next Audit: 5/01/93
	Yearly Non-federal Audit of Recipients

Planned:	Contracted:	Completed:
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**II. Financial Data (\$000s)**

Amount Authorized		\$800
Amount Obligated		\$750
Amount Committed:	This Period:	\$350
	Cumulative:	\$750
Accrued Expenditures:	Period - Projected:	\$561
	Period - Actual:	\$158
	Period - Next:	\$250
	Cumulative:	\$308
Pipeline:		442

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<sup>1</sup> The original grant to Planning Assistance entitled PVO Management Support with the same Project Number was terminated successfully as of March 31, 1992 and reported in previous SARS. This is a new grant, which began implementation in June, 1992, to continue supporting Title II Cooperating Sponsors specifically for the Urban Food for Work Program with the major emphasis on strengthening democratic processes at the municipal level as explained in the report.

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**Local Contribution (Private Sector):**

Planned LOP:	335
Cumulative Planned as of 3/31/93:	100
Actual Expenditures as of 12/31/92:	48
Accrued Expenditures 1/1/93 to 3/31/93:	100
<b>Total Actual and Accrued Expenditures as of 3/31/93:</b>	<b>148</b>
Planned Next Period:	187
% of LOP Expended:	44%

**III. Project Goal/Mission Strategic Objective**

The goal of the project is to increase participation in decision-making, access to services, and temporary employment in 12 cities in the Departments of La Paz, Cochabamba, and Santa Cruz which are assisted under the Title II Food for Work Program. Priority for services and temporary employment will be given to residents of poor neighborhoods. This grant will support the Strategic Objective of Strengthening Democracy by empowering citizen's groups, especially the disadvantaged, to influence municipal decision-making and have greater access to sustainable services and infrastructure. The project also support the Alternative Development Strategic Objective by creating temporary employment as a buffer for those people who lose coca-related employment.

**IV. Project Purpose**

The purposes of the project are:

- increase citizen participation in municipal decision-making and create temporary employment opportunities in the 12 cities in relation to the development of services and infrastructure;
- increase the responsiveness of municipal officials and ADRA and Caritas representatives in the 12 cities in providing services and infrastructure; and
- strengthen the capacity of city officials and ADRA and Caritas representatives to support participatory processes and improve the effectiveness of the municipal Food for Work Program through the provision of training and technical assistance.

**V. Project Description**

Planning Assistance, together with ADRA and Caritas representatives, works with city officials and members of neighborhood associations to

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- establish and use organizational structures which permit greater participation in decision-making;
- prepare multi-year and annual operational plans for construction of infrastructure and provision of services;
- select and design public works and services;
- construct, supervise, and maintain public works and services;
- establish land use and zoning plans;
- improve tax collection and municipal financing.

Planning Assistance trains citizen leaders and city officials in making these decisions and in carrying out these activities together. Planning Assistance also provides technical assistance in helping carry out the activities. ADRA and Caritas representatives participate in both the training and technical assistance.

**VI. Project Status**

A. Purpose Indicators/ EOPS	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period (6 mo.)	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
1. No. of Neighborhood Associations participating in Municipal decision-making	500	334	334	166	248	248	49
2. No. of citizens participating in Municipal decision-making	10,000	6,500	6,500	3,500	3,986	4,048	49

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B. Major Outputs	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period (6 mo.)	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
1. Train citizen leaders, to make decisions regarding organizations and processes for decision-making, choosing public works & services, constructing, supervising public works, land use and zoning, property assessment and financing public works.	1,040	600	650	390	1,011	1,073	103
2. No. of neighborhood associations which participate in decisions described in B.1. above.	500	334	334	166	248	248	49
3. Title II projects in which citizens participate in project selection, planning, execution, supervision, evaluation & maintenance.	175	115	115	60	-.	175	-.
4. Train city & PVO to include citizens in decisions regarding those shown in B.1. above.	173	115	115	18	110	157	91

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B. Major Outputs	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period (6 mo.)	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
5. Infrastructure & services constructed in poor neighborhoods <sup>(2)</sup>							
- Water (Kms.)	160	16	16	144	-.-	-.-	-.-
- Sewer (Kms.)	160	16	16	144	-.-	-.-	-.-
- Storm Sewer (Kms.)	50	5	5	45	-.-	-.-	-.-
- Street Paving (Kms.)	210	21	21	189	-.-	-.-	-.-
- Parks, playgrounds	78	8	8	70	-.-	-.-	-.-
- Forestation (thousands of trees)	260	26	26	234	-.-	-.-	-.-
- Other							
6. Short-term jobs created each month for the unemployed (in thousands).	13.8	13.8	13.8	-.-	8.0	8.0	58

### C. Other Accomplishments and Overall Status

Planning Assistance works in more than 12 cities: El Alto, Viacha, Achacachi, and Coroico in the Department of La Paz; Punata, Cliza, and Quillacollo in the Cochabamba Valley; Villa Tunari, 14 de Septiembre, Eteramazama, Puerto San Francisco, Ivirgazama, Chimore, Cesarzama, Senda Tres, y Nueva Canaan in the Chapare; and Santa Cruz. It was impossible to limit the cities in the Chapare to only four, given the demand for this project.

Long-term and 1993 annual operation plans for city infrastructure and services have been produced with widespread citizen participation. They have also been printed in newsprint and distributed to all citizens. Work is now beginning on increasing citizen participation in the implementation of public works and services, and increasing citizen participation in decision-making with regard to municipal finances, land use, and zoning.

<sup>2</sup> Planning Assistance has not yet tabulated Public Infrastructure constructed in the cities where this Democratic Initiatives Project is working. Accomplishment will be included in next SAR.

Several cities have planned city-wide projects in services. One has already begun, that of cleaning up the river which runs through Achacachi, and is used as a public garbage dump and bathroom, and establishing garbage collection and a new town dump.

**D. Problems and Delays**

The project has no major problems or delays.

**E. Major activities during the next six months**

Major activities for the next six months are:

- train citizens in all cities in the planning, design, supervision, and evaluation of public works and services.
- help citizens organize and carry out any city-wide projects
- train citizens in all cities in means for increasing public financing, help include them in decisions for improving city financing, and help implement decisions to improve city financing
- train citizens in all cities in land use planning and zoning, help include them in decisions for land use and zoning, and help implement decisions regarding land use and zoning.
- evaluate project results
- conduct and audit of project expenditures.

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RATING: A

**PROJECT STATUS REPORT**  
October 1, 1992 - March 31, 1993

**I. Background Data**

Project Title: **Andean Peace Scholarship Program (APSP)**  
 Project Number: 511-0603  
 Date of Authorization: original 05/04/88  
 Date of Obligation: original 07/28/88 amended 06/27/91  
 PACD: original 09/30/92 amended 09/30/94  
 Implementing Agencies:  
 Major Contractors: Development Associates Inc.  
 AID Project Managers: Stephen Smith; Beatriz O'Brien  
 AID Project Coordinator: Martha Crespo  
 Status of CPs/Covenants: Evaluations conducted as scheduled. Participant return rate 100%.  
 Date of Last Evaluation: 08/30/92 Next Evaluation: None  
 Date of Last Audit: None Next Audit: None  
 Yearly Non-Federal Audit of Recipients  
 Planned: 0 Contracted: 0 Completed: 0

**II. Financial Data** (\$us 000's)

Amount Authorized:	DA Grant: original	\$3,766	
Amount Obligated:	DA Grant: original	\$1,000	amended to \$3,766
Amount Committed:	Period:	\$-16	
	Cumulative:	\$3,530	

Accrued Expenditures:	Period - Projected:	\$40
	Period - Actual:	\$132
	Period - Next:	\$50
	Cumulative:	\$3,520

Pipeline: \$246

Counterpart Contribution:	In Kind*	Cash*
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	Planned LOP:	\$1,700
	Cumulative Planned as of 03/31/93:	\$ 274
	Actual Expenditures as of 12/31/92:	\$ 274
	Accrued Expenditures 01/01/93 to 03/31/93:	\$ 0
	Total Actual & Accrued Expenditures as of 03/31/93:	\$ 274
	Planned next Period:	\$ 0
	% of LOP Expended:	16%

% LOP Elapsed:	76%
% of Total Auth. Oblig.:	100%
% of Total Oblig. Exp.:	93%
% of Total Auth. Exp.:	93%

\* Note: Counterpart contribution for this project, in the form of payment of international travel, was waived in 1987 and 1989 as a result of the economic situation of Bolivia, which prevented the GOB

or participants to pay for any costs prior to training. In kind contribution for socially and economically disadvantaged participants, many of whom are rural people, is an estimate. There was no other GOB contribution during the LOP training. Activities under this project were completed in September 1991.

**III. Project Goal/Strategic Objective**

The project's goal is to contribute to the development of effective manpower resources that ensure the availability of technically and academically skilled leaders for progressive, balanced and pluralistic development of Bolivia, and to strengthen democratic institutions within a free market economy, while ensuring that permanent ties are developed between the peoples of the United States and Bolivia. The project supports the Democratic Initiatives strategic objective.

**IV. Project Purpose**

The project's purpose is to strengthen ties and understanding between the U.S. and the Andean countries, and to provide technical and leadership training in support of Mission objectives such as strengthening democratic institutions, administration of justice, private sector development and overall socio-economic improvement. This will be achieved by increasing the number of public and private sector leaders trained in the U.S., especially among the socially and economically disadvantaged.

**V. Project Description**

The project trains individuals in fields such as health, administration, journalism, education, economics, and agriculture. The training is mostly short-term, usually tailor-made, conducted in Spanish, and addresses specific identified needs either institutional, geographic or in a determined field. Long-term training for masters degrees and certificates represents approximately 20% of the total number of participants trained.

**VI. Project Status**

A. Purpose Indicators/ EOPS	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period (6 mo.)	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
1. Trained socially and economically disadvantaged leaders (70%)	70%	0	0	0	0	83%	119%
2. Trained women (40%)	40%	0	0	0	0	39%	98%
3. Trained socially and economically disadvantaged at HBCUs (10%)	10%	0	0	0	0	7%	70%

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B. Major Output Indicators	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period (6 mo.)	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
1. Training - Long-term	M 52	0	40	0	0	40	77
	F 34	0	46	0	0	46	138
2. Training - Short-term	M 206	0	228	0	0	228	111
	F 138	0	117	0	0	117	85

### C. Other Accomplishments and Overall Status

No training activity was planned. The project met its training target of 430 participants during 1992. An impact evaluation of returned participants was conducted by Aguirre International to measure the effect of training in long and short-term participants. The evaluation included personal interviews, surveys, case studies and focus groups among 200 participants surveyed. Aguirre's final report was submitted in February, 1993 and concluded that 84% of the trainees feel that training was very useful and had impact on their career advancement; about 77% of all trainees are actively involved in volunteer activities and are acting as multipliers of their training both in the workplace and in the community. Some of the program's strong points identified by Aguirre were the selection of strong leaders; the selection of relevant training themes; geographical clustering of trainees and active participation in the Follow-on program. The report highlights that specific training themes developed in APSP, over the past five years, support at least four of the five strategic objectives recently developed for the Bolivian Mission.

Aguirre's recommendation for future training activities under the BPSP state that the Training Division should ensure: a) that selection of strong leaders continue to be emphasized; b) identification of factors which contributed to the achievements of good programs under APSP; c) establishment of strong affiliations with intermediary organizations; d) geographical clustering of trainees to build core groups to enhance training impact and e) active participation of returnees in follow-on programs.

The Follow-on program continued to successfully implement activities for returned participants to transmit their skills to other community members. During this reporting period, nine seminars were held in various departments of Bolivia. The topics of the seminars were: planning, management leadership and modern teaching techniques. Also on February 5-6, 1993, a regional coordinators meeting was held to plan Follow-on activities for FY 93.

### D. Problems and Delays

None.

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**E. Major Activities or Corrective Actions During the Next Six Months**

The training phase of the APSP has concluded. Accounts have not been reconciled with the U.S. based regional contractor, because AID/W extended the contract expiration date to July 30, 1993. At that time all accounts can be reconciled both in Washington and in the mission.

The Follow-on Program which organizes activities for returned APSP participants will sponsor between 10 to 20 seminars and workshops throughout Bolivia. All activities to be conducted by former APSP participants.

Mission will deobligate an estimated \$ 200,000 and will request that AID/Washington make the full amount available to be reobligated into the BPSP.

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Rating: B

**PROJECT STATUS REPORT**  
October 1, 1992 - March 31, 1993

**I. Background Data**

Project Title: Justice Sector  
 Project Number: 511-0609  
 Date of Authorization: original 08/31/88  
 Date of Obligation: original 09/08/88  
 PACD original 12/31/89 amended 10/31/93  
 Implementing Agencies: Supreme Court; ILANUD; Attorney General's Office; Bolivian Chamber of Commerce  
 Major Contractors: ILANUD  
 AID Project Manager: Lewis W. Lucke  
 AID Project Coordinator: Peter Natiello; Henryk Montygierd-Loyba  
 Status of CPs/Covenants: CPs met by 9/29/88; CONT financial review in May 1988.  
 Date of Last Evaluation: None Next Evaluation: 9/1/93  
 Date of Last Audit: None Next audit: 9/1/93  
 Yearly Non-Federal Audit of Recipients  
 Planned: 0 Contracted: 0 Completed: 0

**II. Financial Data (\$000s)**

Amount Authorized:	2,038
Amount Obligated:	2,038
Amount Committed:	Period: 175
	Cumulative: 1,785
Accrued Expenditures:	Period Projected: 260
	Period Actual: 355
	Period Next: 332
	Cumulative: 1,706
Pipeline:	332
% LQP Elapsed:	89
(since date of authorization)	
% of Total Auth. Oblig.:	100*
% of Total Oblig. Exp.:	84
% of Total Auth. Exp.:	84
Local Contribution (GOB & Private Sector-\$000s)	
	Planned: 1,204
	Cumulative Planned as of 3/31/93: 1,137
	Actual Expenditures as of 12/31/92: 963
	Accrued Expenditures 1/1/93 to 3/31/93: 174
Total Actual & Accrued Expenditures as of 3/31/93:	1,036
	Planned next Period: 67
	% of Total Planned Expended: 86

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\* The project authorization will be amended to include \$250,000 which were transferred to the Department of Justice ICITAP for police training activities in September 1992. This amount was apportioned to the Justice Sector Project but not obligated in the Project Agreement.

### **III. Project Goal/Strategic Objective**

The Justice Sector Project supports the Mission's Strategic Objective "to improve the effectiveness and accessibility of key democratic institutions". The express goal of the project is to improve the independence, accountability, and accessibility of national and local judicial institutions in Bolivia. The project also contributes to U.S. government foreign policy objectives to support counter-narcotics efforts through actions intended to improve the efficiency and effectiveness of prosecution.

### **IV. Project Purpose**

The purpose of the project is to strengthen the administrative and operational capacity of the judicial branch and public prosecution in order to accelerate judicial process, provide for greater transparency, accountability, and public access to the courts, and to achieve more effective and efficient prosecution of narcotics crimes.

### **V. Project Description**

The project is carried out through actions to promote and support institutional reform of the courts and the public prosecution. Policy reform is utilized to streamline and modernize legal process and develop alternative forums for dispute resolution.

USAID project assistance in training, technical assistance, and policy dialogue is provided to the Supreme Court, the Attorney General, and a National Council for Judicial Reform via the Democratic Initiatives Division (DID). The activities managed under the project to achieve the purpose are: (1) development of a modern system of court management based on an analysis of criminal case flow and the implementation of a pilot case tracking and management system; (2) an institutionalized judicial training program for judges and court personnel based on a training and personnel needs assessment<sup>1</sup>; (3) technical assistance to streamline criminal and civil procedure and other operational reforms of the National Council for the Improvement and Modernization of the Judicial Power; (4) procurement of legal libraries and equipment to produce and disseminate judicial decision and other legal reference materials; and (5) promotion of alternative dispute resolution forums, such as commercial arbitration.

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<sup>1</sup> It has not been possible to conduct this activity as the necessary input from the Supreme Court, the Attorney General and other project beneficiaries has not been provided. As a result, this will be undertaken as a major activity under the Administration of Justice (AOJ) project.

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**VI. Project Status**

A. Purpose Indicators/ EOPS (1)	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period (6 mo.)	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
1. A uniform financial management system for the courts is designed & authorized(2)	1	0	1	0	0	.5	50
2. Enhance the technical capacity of judges, court personnel, and lawyers to sustain reforms to judicial system (3)	n/a	n/a	n/a	n/a	n/a	n/a	n/a
3. A legal framework for arbitration is developed and alternative conflict resolution mechanisms are authorized for the courts	1	1	1	0	.5	2	200

(1) Purpose Indicators numbers 1 and 2 from previous SARs have been dropped for this and remaining reporting periods. Former Indicator Number 1 ("increase in number of criminal cases resolved") will be measured under the Administration of Justice (AOJ) project, while former Indicator Number 2 ("a plan to install a judicial personnel system is developed and authorized for implementation") has been dropped because funds for this activity were reprogrammed for other purposes.

(2) This system has been designed. USAID/DID is awaiting the Supreme Court and Ministry of Finance's authorization of the design so that the system can be implemented.

(3) Indicator not subject to meaningful quantitative measurement. Clinical legal training programs conducted this semester by the Mayo Group in Cochabamba, La Paz, Santa Cruz and Tarija directly supported the achievement of the project purpose as described by this indicator.

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B. Major Output Indicators	PLANNED				ACCOMPLISHED			
	LOP/ Baseline	Period (6 mo.)	Cum	Next Period	Period (6 mo.)	Cum	% of LOP	
1. Prosecutor Law Drafted	1	0	1	0	0	1	100	
2. Case Flow Analysis and Pilot Tracking System Completed	2	0	2	0	0	1	50	
3. Installation of legal libraries (*)	12	0	12	12	0	0	0	
4. Judicial Training Needs Assessment Accomplished	1	0	1	0	0	1	100	
5. Operational Management Information Systems	3	0	3	0	0	0	0	
6. Arbitration Seminars Conducted	2	0	2	1	4	6	300	
7. Arbitration law Drafted	1	0	1	0	0	0	0	
8. National Council Project Implementation Offices established	1	0	1	0	0	1	100	
9. Training-In Country M	300	500	800	0	471	1293	431	
F	300	500	800	0	304	596	197	
10. Training-U.S. & Third M	10	0	11	0	0	11	110	
F	10	0	10	0	0	4	40	

(\*)Major Output Number 3 reported in previous SARS ("financial accountability systems designed for the court system") has been dropped for this and remaining reporting periods. It will be carried out as part of court administration improvement efforts under the AOJ project. In lieu of the former Major Output Number 3, The Democratic Initiatives Division has substituted "installation of legal libraries", a principal activity under this project.

### C. Overall Status

This Project has undergone various modifications throughout its near five year history, and although the project purpose has not been fully achieved, the project has successfully served the important function of establishing the groundwork for the recently begun AOJ project. Activities undertaken as well as the corresponding lessons learned and contacts made, have provided the Democratic Initiatives Division with the experience, implementation mechanisms and technical

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Accomplishments during the subject reporting period include: (1) the presentation of specialized clinical legal seminars by the Mayo group in La Paz, Santa Cruz, Tarija and Cochabamba, resulting in the training of approximately 775 Bolivian lawyers and judges on the advantages of the oral process and the utilization of the legal clinic as an alternative method of training; (2) the purchase, delivery and installation of computer and printing equipment at the Supreme Court in Sucre, which will assist the court in printing and disseminating legal documents including laws, books, bibliographies, etc.; (3) the promulgation of the Public Ministry and Judicial Reform laws; (4) the development of a commercial arbitration handbook by the Bolivian Chamber of Commerce; (5) the presentation of seminars and one workshop on commercial arbitration in La Paz, Cochabamba and Santa Cruz; and (6) the application of oral process techniques and the implementation of a public defender program, in Tarija.

#### **D. Problems and Delays**

There were three problems that contributed to implementation delays, the most important being continued lack of progress in the reorganization of the ILANUD Bolivia office. ILANUD closeout problems resulting from the reorganization delays have forced staff to devote an inordinate amount of time to administrative minutiae, and has taken time from more substantive implementation responsibilities. Delays in the formation of a Judicial Training Committee made up of high level Bolivian Justice Sector personnel made impossible the realization of a seminar to develop a plan for the establishment of a continuing education program for judges and prosecutors. This activity will be included under the AOJ project, and will be facilitated with the assistance of the Department of Justice's Office of Professional Development and Training, a key implementing agency under the AOJ project. Finally, the unexpected departure of the Democratic Initiatives Coordinator has created an additional management challenge faced by DID over the course of the reporting period.

In addition to the problems and delays mentioned above, DID believes the following information to be noteworthy: (1) although a uniform financial management system was designed for the Supreme Court, it has not yet been installed because the court has not followed through on implementation of the design, and; (2) although computer equipment for a management information system for the Supreme Court was purchased and delivered, it has recently come to DID's attention that there are problems with proper installation and use of this equipment, which DID is taking steps to resolve. It is for these reasons that Purpose Level Indicator number 1 and Major Output number 5 are recorded as partially achieved (see Project Status tables).

#### **E. Major Activities or Corrective Actions During the Next Six Months**

(1) Twelve legal libraries are to be installed in various bar associations, law schools, the Supreme Court and other entities in Bolivia. (2) Technical assistance for the drafting of implementing regulations for the recently promulgated Public Ministry law will be contracted and implemented. (3) Actions will be taken to ensure that the Supreme Court management information system will be functional in accordance with the original design. (4) A final project evaluation and audit of the Bolivian Chamber of Commerce grant will be initiated.



**III. Project Goal/Strategic Objective**

The goal of the project is to assist Bolivia in the consolidation of its democratic institutions and practices. This goal is in accordance with the Mission Strengthening Democracy strategic objective, to improve the effectiveness and accessibility of key democratic institutions and practices.

**IV. Project Purpose**

The project purpose is to improve the functioning of the electoral system and broaden participation in the electoral process, to improve the administration and bill drafting functions of the Congress, and to support pro-democracy organizations.

**V. Project Description**

The project will: (1) support the electoral system through an automated electoral registry, voter education/motivation campaigns, seminars for electoral authorities, and improvements in electoral administration and infrastructure; (2) assist the legislative process through training of legislators, committee advisors, and support staff, automation of legislative document storage/retrieval, and establishment of bill drafting/fiscal analysis support services; and (3) promote democracy through private organizations.

**VI. Project Status**

A. Purpose Indicators/ EOPS	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period (6 mo.)	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
1. Number of Elections showing improved NEC-/DEC effectiveness and increased citizen participation	5	0	3	1	0	3	60
2. Number of key draft bills improved through new support services	5	4	4	1	4	4	80
3. Number of activated pro-democracy organizations	3	0	3	0	0	3	100

**Notes:**

1. May 1989 general elections; December 1989 municipal elections; December 1991 municipal elections; June 1993 general elections; December 1993 municipal elections. (Previous SAR omitted both 1989 elections, which benefitted from \$658,000 in DI Project assistance, provided through GOB counterpart funds.)
2. Judicial Organization Law; Public Prosecutor Law; Electoral Law Amendments(2); Budget Law, 1993, 1994.
3. Fundacion Libertad, Desarrollo y Democracia de Santa Cruz; Unidad de Analisis y Seguimiento Parlamentario (UASPA); Fundacion de Libertad y Desarrollo Regional (LIDER). UASPA has achieved a high degree of technical competence in fiscal matters. As such, it is cooperating with SUNY/OIP in the establishment of the Congressional Budget Office.

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B. Major Output Indicators	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period (6 mo.)	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
1. Automated voter registry installed	1	0	1	0	0	1	100
2. Citizen jurors trained to man polling tables	100,000	0	25,000	60,000	0	28,000	28
3. Voter registration/education drives conducted	5	0	3	1	0	3	60
4. Electoral management & administration assessment	1	0	1	0	0	1	100
5. Conference on electoral laws/administration	10	1	4	4	1	4	40
6. Buildings for electoral courts acquired	2	0	1	1	0	1	50
7. Congressional research facilities improved	3	1	1	1	1	1	33
8. Congress persons trained in research activities	60	16	20	18	0	20	33
9. Congressional Annex II Building remodelled	1	1	1	1	0	0	0

## Notes:

- ADP equipment installed at main districts; software tests underway; UNIX -- DOS conversion to be installed.
- The DI Project Paper anticipated training only 10,000 electoral jurors over LOP. This target was increased due to the early success of the program. Approximately 60,000 registered voters are chosen by lot to serve as electoral jurors on a given general election day, with about another 50,000 chosen as alternates (figures lower by about 20% for municipal elections). The current target is 100,000 over LOP, with 75,000 trained during CY93. This figure is directly dependent on the availability of GOB counterpart funds provided through DIFEM.
- One media campaign per election: May 7, 1989 (general); December 3, 1989 (municipal); December 1, 1991 (municipal); June 6, 1993 (general); and December 5, 1993 (municipal).
- Survey conducted during March 1992; conclusions presented to NEC on April 27, 1992.
- 1991: V Annual Inter-American Course on Elections (San Jose, October); Latin American Confederation of Electoral Organisms (Caracas, December). 1992: Seminar on Electoral Regulations (La Paz, May); VI Annual Inter-American course on Elections (San Jose, October) -- canceled by IHR/CAPEL; Protocol of Quito (Montevideo, December) -- canceled by Uruguay electoral authority due to December 13 referendum on privatization. 1993: 1 on administrative regulations and procedures (Santa Cruz, Feb 17-18); 4 during next reporting period (2 in Bolivia, 2 abroad).
- National Electoral Court (NEC) building acquisition completed; remodelling pending. La Paz Departmental Electoral Court building acquisition and remodelling postponed by express decision of NEC.
- Bicameral budget and fiscal analysis unit improved; bill drafting service to be established; automated document retrieval system/legislative data base and complementary research support services to be established.
- Non-certificate training through SUNY/OIP seminars: 20 in fiscal analysis this reporting period.
- \$100,000 in local currency GOB counterpart funds destined for this purpose have been disbursed to Congress through a DIFEM CIF agreement in April 1993. Remodeling tasks will be completed next reporting period.

### C. Overall Status

**ELECTORAL:** Electoral achievements during this reporting period have centered on amending electoral legislation and consolidating electoral administration. Congress has approved over 30 specific amendments to the Electoral Law, and the President has promulgated them in time to take effect before the June general elections. These amendments are significant because they: a) consolidate the NEC as the final instance of appeal in all electoral matters and disputes, eliminating politically motivated challenges of electoral results before the Supreme Court, as happened in the 1989 general elections; b) were drafted and pushed through Congress by the NEC on technical grounds, rather than being motivated by political expediency as in the recent past; and c) bring to bear accumulated NEC and IIHR/CAPEL technical experience to clarify articles and eliminate loopholes. To make the amended law operative, IIHR/CAPEL has drafted a series of internal administrative documents which will help the NEC consolidate its administrative control over the Departmental Electoral Courts. To consolidate these actions, experts in organizational structure from the Costa Rica based Instituto Centroamericano de Administración de Empresas (INCAE) have conducted a nation-wide program of seminars and workshops on administrative theory and practice for ranking national and departmental electoral officials. Through these actions, the NEC expects to implement a policy of non-partisan electoral administration and increased professionalism by electoral court staff. Two major political agreements signed by the government with the opposition have paved the way for the above reforms (February 5, 1991 and July 9, 1992). Our assistance has helped the NEC take advantage of these agreements by developing the specific reform proposals in the required technical form in time to become effective in the conduct of the June 6 general elections. In sum, although no elections have taken place during this reporting period, the legislative and institutional development actions reported above amount to a revolution in Bolivian electoral administration.

**LEGISLATIVE:** Two major fiscal consultancies with the Bolivian Congress took place, the first October 19-24 and the second January 18-23, both aimed at assisting the Bolivian Congress design and establish a Budget Office. The first consultancy gained a detailed understanding of the Bolivian budget process and presented alternate fiscal analysis models to top Bolivian executive and legislative authorities for them to consider as they develop their own system. The second consultancy reviewed the October consultancy report with the President of Congress and the chairmen of the Upper and Lower House Finance Committees, the Minister of Finance, and other key sector representatives. The consultants were invited to observe in person a number of key meetings on the budget during its most critical week. They worked with the Bicameral Group on Legislative Modernization to design a non-partisan procedure to select Budget Office staff. A close DI Project relationship with the legislature has resulted in part from the early establishment of the Bicameral Group on Legislative Modernization, chaired by the President of Congress and Vice President of Bolivia, Dr. Luis Ossio, and composed of some of the most influential members of Congress from the whole political spectrum. Based on this solid institutional and political platform, SUNY/OIP has gained the confidence of the congressional leadership.

**LAW PROMULGATION RECORD:** The President promulgated the following laws: Electoral Law Amendments, first set, February 15, 1993; Electoral Law Amendments, second set, April 2, 1993; Judicial Organization Law, February 18, 1993; Public Prosecutor Law, February 19, 1993; Law on the Need to Amend the Constitution, March 31, 1993. According to plans, the primary responsibility for bill drafting assistance has shifted from ILANUD to SUNY/OIP.

**PRO-DEMOCRACY ORGANIZATIONS:** UASPA, affiliated with the Bolivian private business confederation, presently conducts a well-regarded legislative tracking program in La Paz, funded in part through the Center for International Private Enterprise. LIDER in Sucre and FULIDED in Santa Cruz promote private sector interest and participation in democratic development. FULIDED conducted panels on forestry legislation and indigenous forest dwellers (11/27/92 and 01/29/93).

#### **D. Problems and Delays**

**ELECTORAL:** 1) Congress, against the express recommendations of the NEC, decided in its own right to amend the electoral law in order to eliminate several types of citizen identification documents that were formerly allowed for voter registration purposes. The Congressional intention was mainly to reduce the possibility of counterfeit birth certificates being used for fraudulent multiple voter registration. However, the net effect of this particular amendment will be a drastic reduction in the number of registered voters. Almost 1.7 million citizens registered in the December 1991 municipal elections. Latest NEC estimates stand at about 1.6 million citizens expected to register under the amended law in time for the June 1993 general elections. This means that: a) the previous 2.0 million official NEC target will be revised downward (as of March 31, official NEC voter registration figures stand at approximately 1.36 million; it is expected that this figure will top 1.6 million before the closing date on May 1), and b) about 1.0 million additional potentially eligible voters will not qualify to register at all because of lack of the required documentation. 2) In addition, due to reductions in GOB counterpart funds, the NEC has reduced the budget for the voter registration drive from about \$600,000 to \$240,000. This drive was meant to reach mainly citizens in rural areas who did not previously register to vote with the presently allowed documents, so as to motivate them to apply for the required documents and then go out and register to vote.

**LEGISLATIVE:** SUNY/OIP has enjoyed an initial welcome by the Congressional leadership because it is a public academic institution with recognized standing. However, the President of Congress has stressed the advisability of finding a multilateral partner for SUNY/OIP. In consultation with LAC/DI, conversations were started by Project officials and SUNY/OIP with the Organization of American States (OAS) in La Paz and Washington. The GOB has officially requested the OAS to participate in the legislative assistance program with SUNY/OIP. The OAS Democracy Unit in Washington has offered SUNY/OIP to contribute a small amount of additional money to the program. SUNY/OIP has in turn agreed to incorporate the OAS Representative in La Paz in the overall effort. Negotiations have been delayed due to health problems of the OAS Representative in La Paz. The Mission expects them to resume during the next reporting period.

#### **E. Major Activities or Corrective Actions During the Next Six Months**

##### **ELECTORAL:**

1. 60,000 electoral jurors to be trained.
2. Voter registration drive to be completed (aims at 1.6 million).
3. La Paz/Provinces Electoral Court to accept NEC authority.
4. Full roster of registered voters published for the first time.
5. Public opinion surveys show increased trust in electoral system.

##### **LEGISLATIVE:**

1. Permanent professional staff for Congressional Budget Office, Bill Drafting Unit, and Congressional Research Center to be chosen primarily by non-partisan selection procedures.
2. Assistance to be provided to Joint Constitution Committee on constitutional amendments.
3. Presentation of legislative assistance program to new Congressional leadership sworn in next August, ensuring the new leadership buys into the program and guarantees continuity.
4. Final design of orientation seminars for new legislators, including handbook on budget process; elements of legislative procedure, including bill drafting requirements; and presentation of legislative documentation/research services provided through the program.
5. Start of observation visits to U.S. state legislatures and model regional legislatures.

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RATING: B

**PROJECT STATUS REPORT**  
October 1, 1992 - March 31, 1993

**I. Background Data**

Project Title: **Bolivian Peace Scholarship Program (BPSP)**  
 Project Number: 511-0611  
 Date of Authorization: original 02/22/91  
 Date of Obligation: original 08/05/91 amended 09/03/92  
 PACD: original 06/30/96 amended 06/30/97  
 Implementing Agencies:  
 Major Contractors: Development Associates, Inc.  
 AID Project Managers: Stephen Smith; Beatriz O'Brien  
 AID Project Coordinator: Martha Crespo  
 Status of CPs/Covenants: None  
 Date of Last Evaluation: None Next Evaluation: 10/15/94  
 Date of Last Audit: None Next Audit: 02/15/95  
 Yearly Non-Federal Audit of Recipients  
 Planned: 0 Contracted: 0 Completed: 0

**II. Financial Data** (\$us 000s)

Amount Authorized: DA Grant: original \$4,500  
 Amount Obligated: DA Grant: original \$1,000 Amended to \$2,400

Amount Committed: Period: \$793  
 Cumulative: \$2,246  
 Accrued Expenditures: Period - Projected: \$200  
 Period - Actual: - \$69 \*  
 Period - Next: \$650  
 Cumulative: \$139

Pipeline: \$2,261\*\*

Counterpart Contribution:	<u>Cash</u>	<u>In Kind</u>
Planned LOP:	\$1,153	\$347
Cumulative Planned as of 03/31/93:	0	0
Actual Expenditures as of 12/31/92:	0	0
Accrued Expenditures 01/01/93 to 03/31/93:	0	0
Total Actual & Accrued Expenditures as of 03/31/93:	0	0
Planned Next Period:	\$ 170	\$18
% of LOP Expended:	0	0

% LOP Elapsed: 26%  
 % of Total Auth. Oblig.: 53%  
 % of Total Oblig. Exp.: 6%  
 % of Total Auth. Exp.: 3%

\* During the last reporting period the MACS accrued estimated expenditures were inaccurate. This figure represents the adjustment.

\*\* Pipeline still remains at a high level because training activities did not start until April 17, 1993.

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**III. Project Goal/Strategic Objective**

The goal is to contribute to the development of effective manpower resources that ensure the availability of technically and academically skilled leaders for progressive, balanced and pluralistic development of Bolivia, and to strengthen democratic institutions within a free market economy, while ensuring that permanent ties are developed between the peoples of the United States and Bolivia. This goal is in accordance with the Mission strategic objective of Strengthening Democracy to improve the effectiveness of, and accessibility to, key democratic institutions.

**IV. Project Purpose**

The project's purpose is to provide technical and leadership training in support of Mission objectives such as strengthening democratic institutions and improved administration of justice and overall socio-economic development. This will be achieved by increasing the number of public and private sector urban and rural leaders, trained in the U.S., especially among the socially and economically disadvantaged.

**V. Project Description**

The Bolivian Peace Scholarship Program (CLASP II) is a follow-up to the Andean Peace Scholarship Program (CLASP I). The project provides primarily short-term technical and leadership training in fields such as health, administration, journalism, education, economics and agriculture. The training is usually tailor-made, conducted in Spanish, and addresses specific identified needs, whether institutional, geographic or in a determined field. Long-term training represents approximately 20% of the total number of participants trained.

**VI. Project Status**

A. Purpose Indicators/ EOPS	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period (6 mo.)	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
1. Trained socially and economically disadvantaged leaders (70%)	70%	0	0	70	0	0	0
2. Trained women (40%)	40%	0	0	40	0	0	0
3. Training in HBCU's per training months. (10%)	10%	0	0	10	0	0	0

No training activity this period.

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B. Major Output Indicators	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period (6 mo.)	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
1. Training - Short-term	M 144	12	12	48	0	0	0
	F 96	8	8	32	0	0	0
2. Training -Long-term	M 36	0	0	0	0	0	0
	F 24	0	0	0	0	0	0

No training activity this period.

### C. Other Accomplishments and Overall Status

On September 20, 1992, a contract was signed between USAID/Bolivia and Development Associates, the contractor selected for the implementation of training programs under the BPSP. Training was scheduled to begin in February 1993.

### D. Problems and Delays

Training did not start in February 1993, due to delays in the disbursement of local currency required to fund all pre-departure costs.

### E. Major Activities or Corrective Actions During the Next Six Months

Disbursements of local currency have been approved by DIFEM. The four FY 93 groups, a total of 80 participants, will begin training as follows:

The first group of trainees, Labor Leaders is scheduled to depart on April 17. The second group, Health Administrators, is scheduled to depart on June 19. The Journalists group will depart approximately on August 21 and NGO managers on September 25, 1993.

**PROJECT STATUS REPORT**  
**October 1, 1992 - March 31, 1993**

Rating A

**I. Background Data**

Project Title: Special Development Activities  
 Project Number: 511-0623  
 Date of Authorization: original 06/25/91  
 Date of Obligation: original 06/28/91 amended 03/12/92; 02/24/93  
 PACD: original 09/30/95  
 Implementing Agencies: Small Rural Communities; NGOs; PVOs  
 Major Contractors: none  
 AID Project Manager: Sonia Aransbar  
 AID Project Coordinator: Marcos Arce  
 Status of CPs/Covenants: N/A  
 Date of Last Evaluation: none Next Evaluation: 11/93  
 Date of Last Audit: none Next Audit:  
 Yearly Non-Federal Audit of Recipients  
 Planned: Contracted: Completed:

**II. Financial Data (\$1,000)**

Amount Authorized:	DA Grant: original	\$500	
Amount Obligated:	DA Grant: original	\$300	Amend.to \$450/DA Grant 150
			Amend.to \$500/DA Grant 50
Amount Committed:	Period:	\$- 8 <sup>(1)</sup>	
	Cumulative:	\$319	
Accrued Expenditures:	Period - Projected	\$100	
	Period - Actual	\$ 69	
	Period - Next	\$ 80	
	Cumulative:	\$258	
Pipeline:		\$241	
% LOP Elapsed:	41 %		
(since )	6/25/93		
% of Total Auth. Oblig.:	100 %		
% of Total Oblig. Exp.:	52 %		
% of Total Auth. Exp.:	52 %		
<b>Local Contribution (GOB)</b>			
Planned LOP:		\$167	
Cumulative Planned as of 3/31/93:		\$167	
Actual Expenditures as of 12/31/92:		55	
Accrued Expenditures 1/1/93 to 12/31/93:		5	
Total Actual and Accrued Expenditures as of 3/31/93:		60	
Planned Next Period:		20	
% of Total Planned Expended:		36 %	

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<sup>1</sup> Reflects refunds/decommitments from completed projects.

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### **III. Project Goal/Strategic Objective**

The project goal is to contribute to improve socio-economic conditions of rural communities, preferably those in remote areas of Bolivia, where there is no assistance from the Bolivian government.

This project contributes to the improvement of the effectiveness and accessibility of key democratic institutions through enhancing the participation of rural communities in the decision-making process. Specifically, the project helps to improve the socio-economic conditions of small rural communities located preferably in remote areas of Bolivia, where there is no possibility of government assistance.

This goal is in accordance with the Mission strategic objective of Strengthening Democracy which is to improve the effectiveness and accessibility of key democratic institutions.

### **IV. Project Purpose**

The purpose of this project is to assist small rural communities and local organizations to undertake self-help projects which have an immediate impact on the communities' social and economic welfare. These communities are generally outside the reach of assistance services provided by the Government of Bolivia. The SDA provides up to \$10,000 to each approved subproject.

### **V. Project Description**

SDA funds finance not only income generating productive projects but also some selected social projects (e.g. water systems, school construction and remodelling, electrification). Requests are received from communities and local organizations located throughout the country. If the request fits the parameters of the project, a site inspection is made by the Project Coordinator. After the inspection and verification of the community's needs is completed, an application form, a project outline, and a recommendation report are submitted to the joint USAID/Embassy Approval Committee for consideration and final approval.

PVOs or NGOs working locally usually help the community prepare the above documents as well as provide technical support and training during the implementation of the project.

### **VI Project Status**

**A. Planned Eops:** During the life of the project 65 subprojects are expected to be completed under the general description stated above in the following main sectors:

**Group 1 - Water, sanitation and health:** 10 water systems will be improved (1a), 5 new small water supply systems will be completed (1b), 450 latrines will be constructed in 15 communities (1c) and 5 health posts will be remodelled (1f). Total 35 projects.

**Group 2 - Education:** 10 rural schools will be remodelled (1d) and 5 new schools will be completed (1e). Total 15 projects.

**Group 3 - Income generating projects:** 15 small productive projects will be completed (1g). Total 15 projects.

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## VI. Project Status

A. Purpose Indicators/ EOPS	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period (6 mo.)	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
1. Water Sanitation, Health Project	35	6	16	5	5	17	48
2. Remodelling and School Construction project	15	5	6	5	6	8	53
3. Income Generating	15	3	6	4	1	6	40
4.							
5.							
6.							
7.							
B. Major Output Indicators	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period (6 mo.)	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
1. Requests received	500	40	200	30	32	244	49
2. Projects submitted for approval	65	10	50	10	4	44	67
3. Approved projects	65	10	45	10	11	44	67
4. Completed projects	65	14	46	12	12	31	48
5. Inspected projects	300	10	90	15	23	81	27
6. * Counterpart contribution (\$)	167,000	28,000	65,000	20,000	13,830	59,682	36
7.							
8.							
9.							

\* Includes local transportation of donated equipment and materials purchased by USAID and local materials such as gravel, sand, adobe, lumber, etc, as well as skilled and unskilled labor which constitutes the community participation.

**C. Overall Status**

During the reporting period, eleven new projects were approved by the joint Embassy/USAID Project Approval Committee. Of these, five were located in Santa Cruz, three in Oruro, two in La Paz, and one in Cochabamba, including six water systems, one school remodelling, one health post remodelling, two artisanry centers and one museum remodelling.

The total number of projects completed during this period was twelve, benefitting twenty two communities. Of these, two projects were inaugurated, one in Cochabamba (Vinto Chico) and one in Santa Cruz (La Niña).

Also, thirty two applications were received, twenty three inspections completed, and fourteen proposals were rejected.

Attached are tables listing projects by number and type of activity as compared to project log frame and projects accomplished by department (Attachments Nos. 1, 2 and 3).

Considering the project pipeline, we plan to complete about twenty additional projects within the next twelve months at an average cost of \$7,000 per project. This will bring the total number of projects as of March 1994, to 51 or 77% of the planned project outputs. This means that additional funds for SDA activities or approval of a new project will be needed by April 1994, almost 18 months before the scheduled PACD.

During the next reporting period, our data tracking system, cash flow per project summary list of requests, and list of projects approved by department will be incorporated to the LAN system with the assistance of the Mission Management System Division.

**D. Problems and Delays**

The problem in relation to the delay in obtaining approval from the Embassy was solved in November 1992 with the signing of the documents. A new procedure has been established by which approval by the Embassy will be obtained at periodic project committee meetings where groups of projects will be reviewed and approved/rejected.

**E. Major Activities or Corrective Actions During the Next Six Months**

Project tracking incorporated into the LAN system	September 1993
Completion of at least twelve projects	September 1993
Completion of at least ten project inaugurations	September 1993
Preparation of first project paper draft	September 1993
Hold meeting with Embassy/USAID Committee	July 1993

Project Committee to determine if project should be amended or terminated and a new project developed.

**ATTACHMENT NO. 1**

PLANNED EOPS BY TYPE OF PROJECT	ACCOMPLISHED (SARS)					
	NO. PROJ. LOP	PREVIOUS CYCLE	CURRENT CYCLE	TOTAL	Benef.	Total Approved Projects to date
1a. Water System Remodelling	10	-	-	-	-	1
1b. Water System Construction	5	11	5	16	3,050	20
1c. Latrines Construction (450)	15	1	-	1	273	1
1d. School Remodelling	10	-	-	-	-	1
1e. School Construction	5	2	6	8	1,794	9
1f. Health Post Remodelling	5	-	-	-	-	1
1e. Income gen. projects	15	5	1	**6	1,942	11
<b>TOTAL</b>	<b>65</b>	<b>19</b>	<b>12</b>	<b>31</b>	<b>7,059</b>	<b>*44</b>

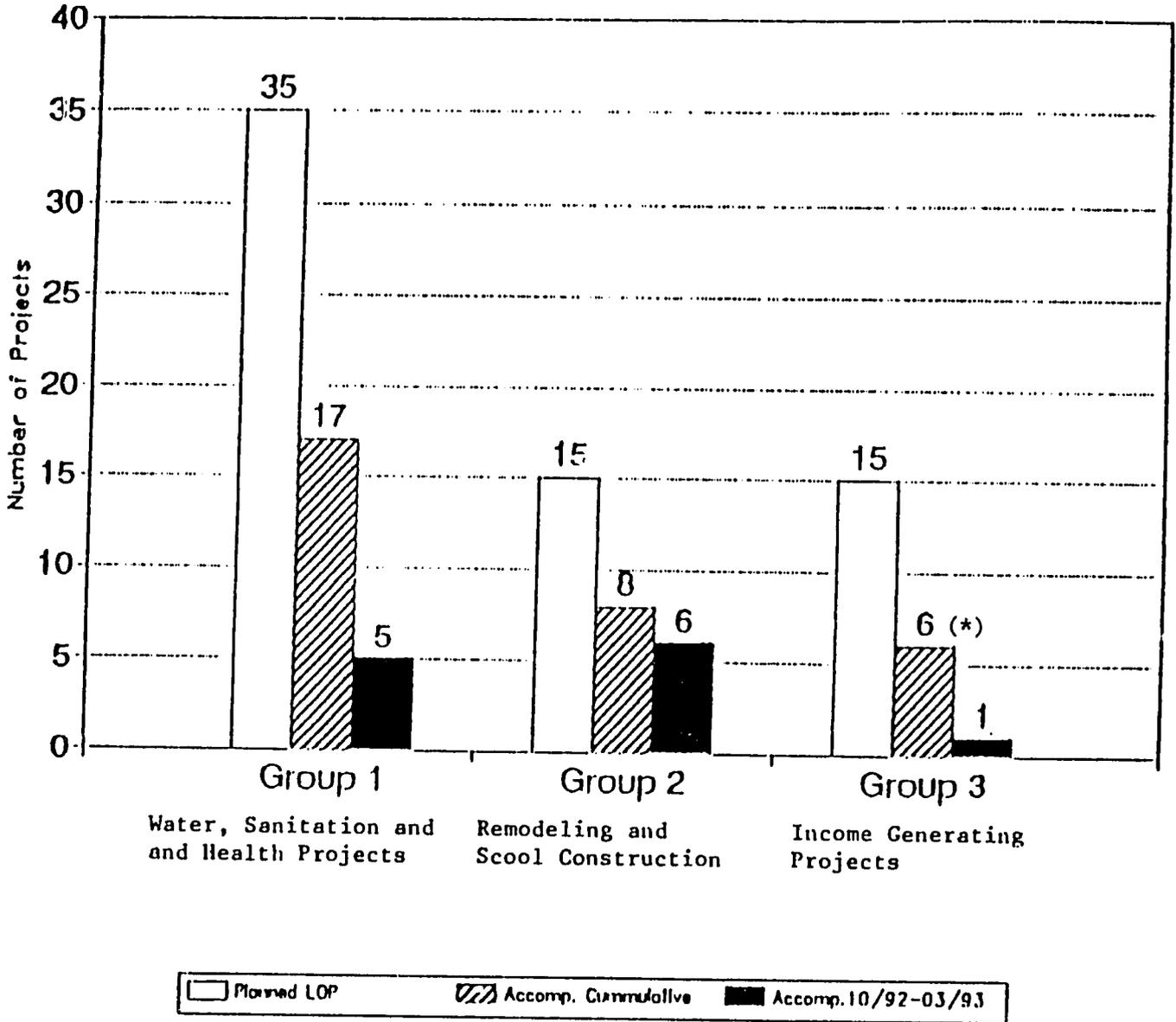
- \* Total approved projects correspond to the same number of communities throughout rural Bolivia.
- \*\* Two income generating projects (agricultural tool projects) benefitted nine communities in Cochabamba and eleven communities in Northern Potosi.

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ATTACHMENT No 2

SAR Report: Period October-March/93  
Planned LOP vs. Accomplished

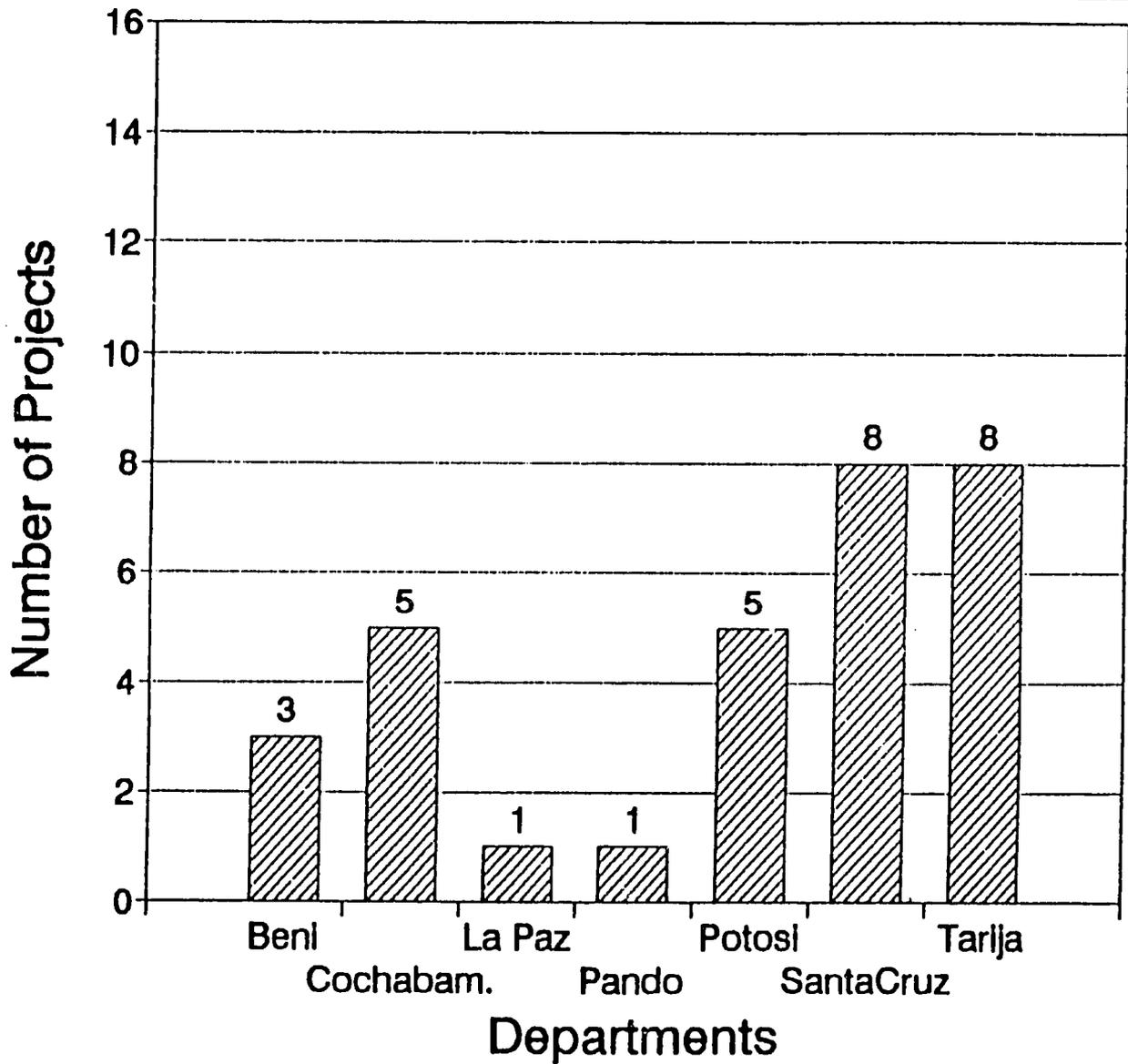


(\*) Represent 24 communities.

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# Completed Projects by Department Up to March 30, 1993



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**PROJECT STATUS REPORT**  
**October 1, 1992 - March 31, 1993**

**Rating: B**

**I. Background Data**

Project Title: **Administration of Justice (AOJ)**  
 Project Number: **511-0626**  
 Date of Authorization: **original 08/28/92**  
 Date of Obligation: **original 09/30/92      Second 03/01/93**  
 PACD: **original 12/31/97**  
 Implementing Agencies: **None to date**  
 Major Contractors: **None to date**  
 AID Project Manager: **Lewis Lucke**  
 AID Project Coordinator: **Peter R. Natiello, Henryk Montygierd-Loyba**  
 Status of CPs/Covenants: **Met through Project Implementation Letter No. 2 dated February 18, 1993**  
 Date of Last Evaluation: **No prior evaluation      Next Evaluation: September 1994<sup>(1)</sup>**  
 Date of Last Audit: **No prior audit      Next Audit:**

**Yearly Non-Federal Audit of Recipients**  
 Planned: **N/A      Contracted: N/A      Completed: N/A**

Note: This section is not applicable as there are no non-U.S. implementing agencies.

**II. Financial Data (\$000s)**

Amount Authorized:		10,000
Amount Obligated:		900
Amount Committed:	Period:	243
	Cumulative	243
Accrued Expenditures:	Period - Projected:	0
	Period - Actual:	18
	Period - Next	1,464
	Cumulative:	18
Pipeline:		882
% LOP Elapsed:		12
(since date of authorization)		
% of Total Auth. Oblig.:		9
% of Total Oblig. Exp.:		2
% of Total Auth. Exp.:		1

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<sup>1</sup> Per the Project Paper, BAOJ evaluations are scheduled for August 1993 and December 1995. As there will be no reliable baseline data available until September 1994, it is considered of no benefit to perform the evaluation planned for August 1993. Therefore, the recommended date for the first evaluation is September 1994.

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Local Contribution (GOB LOP, \$000s)	
Planned LOP:	3,000
Cumulative Planned as of 3/31/93:	0
Actual Expenditures as of 12/31/92:	0
Accrued Expenditures 1/1/93 to 3/31/93:	0
Total Actual and Accrued Expenditures as of 3/31/93:	0
Planned Next Period:	500
% of LOP Expended:	0

**III. Project Goal/Strategic Objective**

The goal of the project is to improve the effectiveness and accessibility of key democratic institutions and practices.

**IV. Project Purpose**

The purpose of the project is to improve the effectiveness of the judicial systems in Tarija and Santa Cruz Departments and the Controlled Substance Courts in La Paz. Actions will be directed to improving judicial training and supporting alternative dispute resolution at the national level. The project's strategy is to achieve manageable improvement in the three pilots, establish a model based on the improvements in the pilots, and encourage the GOB to replicate the model, incrementally, in the remaining departments until it is incorporated nationwide. While it is expected that the model will be tested and refined, it is not planned that the model will be replicated nationally by the PACD.

**V. Project Description**

The project consists of three components 1) Judicial efficiency and accountability through a modern administrative infrastructure and transparent, efficient case processing; 2) Effective criminal prosecution and investigation through improved investigation, preparation and presentation of criminal cases; and 3) Alternative dispute resolution and modern process through judicial reforms aimed at procedural delay reduction.

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**VI. Project Status<sup>(2)</sup>**

A. Purpose Indicators/ EOPS <sup>(3)</sup>	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period (6 mo.)	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
1. Ratio of all pending cases by category to total pending cases reduced.							
2. Ratio of convictions to investigations of narco-trafficking and related crimes increased.							
3. Ratio of prosecutions to investigations of serious crimes (felonies) increased.							
4. Ratio of convictions to investigations of serious crimes (felonies) increased.							
5. Average time of all criminal cases (from investigation to sentence) decreased.							
6. Ratio of cases resolved through conciliation and similar mechanisms to total existing cases, increased.							

<sup>2</sup> As the purpose indicators have not been used in the past to measure performance in the justice sector in Bolivia, they are a preliminary selection and should not be regarded as definitive. When data is actually available, the indicators will be analyzed in terms of their appropriateness. Since in every instance data collection mechanisms in the executing institutions for the pilot areas will have to be developed for the indicators identified, September 1994 seems a realistic expectation for baseline indicator data to measure performance.

<sup>3</sup> Purpose indicators will be measured in the pilot zones of Tarija, Santa Cruz and the Controlled Substances Court of La Paz.

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B. Major Output Indicators	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period (6 mo.)	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
1. Court administration program operating.	2	0	0	0	0	0	0
2. Number of judges trained.	200	0	0	0	3	3	1
3. Number of judicial administrators trained.	27	0	0	0	0	0	0
4. Number of police investigators trained. (ICITAP)	200	0	0	0	0	0	0
5. Number of prosecutors trained.	200	0	0	0	0	0	0
6. Judicial program established.	1	0	0	0	0	0	0
7. Work manuals on criminal case operations and investigative procedures in use.	1	0	0	0	0	0	0
8. National plan for institutionalized forensic ability implemented. (DOJ)	1	0	0	0	0	0	0
9. Local, private organization to manage judicial reform lobbying process operating.	1	0	0	0	0	0	0

**C. Overall Status**

1. Progress towards meeting project goal and purpose.

This reporting period marks the first six months of project implementation. Efforts have mainly focused on contracting project implementation agencies. Contracting actions for United States Department of Justice Office of Professional Development and Training, Management Sciences for Development, and the Inter-American Bar Foundation were near completion at the end of the reporting period. A buy-in arrangement with the National Center for State Courts for technical assistance in court administration training is in progress.

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**2. Analysis of data.**

Baseline data for Purpose Level Indicators is expected to be available for analysis in September 1994.

**3. Status of tracking systems.**

Tracking systems and caseflow management mechanisms will be implemented in the pilot zones. Implementation of tracking systems will not begin until the implementing agencies described in Section E are established and functioning in Bolivia.

**D. Problems and Delays**

- a) The principal implementing office and local currency administrating unit, ILANUD has gone through major administrative and personnel changes during this reporting period. The local resident coordinator's contract was not extended, creating a long period of vacancy in this key position. An anticipated cooperative agreement with ILANUD was not reached. Further problems resulted from delays in the office closeout and final audits which became a primary task of DID and ILANUD staff.
- b) The unexpected departure of the Democratic Initiatives Coordinator has created an additional management challenge which DID is taking steps to address.
- c) A staff vacancy of the Administrative Coordinator position during the reporting period resulted in further implementation delays caused by a slowdown in the processing of documentation.

**E. Major Activities or Corrective Actions During the Next Six Months**

- a) A permanent DID Director has been selected and will arrive in August 1993.
- b) Several implementing agencies are being contracted and are scheduled to arrive at the beginning of the next reporting period. They are:
  - i. Management Sciences for Development which is intended to replace the functions performed by ILANUD.
  - ii. United States Department of Justice, Office of Professional Development and Training will have an on site representative through a three year Participating Agency Service Agreement (P.A.S.A.) effective on April 18, 1993. Primary responsibility will be the implementation of the Judicial and Public Ministry training programs, which will strengthen the role of the prosecutor in the Bolivian Justice System.

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A representative of the International Criminal Investigation Training Program (ICITAP) is also expected to be in-country approximately in June, 1993. The ICITAP representative will have primary responsibility for be Police and criminal investigation training.

- iii. The Inter-American Bar Foundation will also have a long term in country representative whose primary responsibility will be the implementation of the Alternative Dispute Resolution and Modern Process component of the BAOJ Project. It is anticipated that the local representative will be in country by June 1993.
- iv. The National Center for State Courts will provide technical assistance in the implementation of Court Administration and automation component through a buy in to the regional USAID contract. Expected date for commencement of the technical assistance is May 1993.

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Rating: B

**PROJECT STATUS REPORT**  
**October 1, 1992 - March 31, 1993**

**I. Background Data**

Project Title: Human Rights Initiatives  
 Project Number: 598-0591  
 Date of Authorization: original 09/29/89  
 Date of Obligation: original 09/29/89  
 PACD: original 12/31/90 amended 03/31/93  
 Implementing Agencies: National Electoral Court (NEC)  
 Major Grantees: National Democratic Institute (NDI)  
 AID Project Manager: Lewis W. Lucke; Peter Natiello  
 AID Project Coordinator: Walter Guevara; Eduardo Mendiola  
 Status of CPs/Covenants:  
 Date of Last Evaluation:  
 Date of Last Audit: 10/15/92 Next Audit: N.A.

Yearly Non-Federal Audit of Recipients

Planned: N.A. Contracted: N.A. Completed: N.A.

**II. Financial Data (\$000)**

Amount Authorized: 100

Amount Obligated: 100

Amount Committed: Period: 0  
 Cumulative: 100

Accrued Expenditures: Period-Projected: 78  
 Actual: 66  
 Next: 0  
 Cumulative: 98

Cumulative: 32

Pipeline: 2

% LOP Elapsed: 100  
 % of Total Auth. Oblig.: 100  
 % of Total Oblig. Exp.: 98  
 % of Total Auth. Exp.: 98

Local Contribution (GOB):  
 Planned LOP: 0  
 Expenditures 0  
 % of Total Planned Expended 0

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### III. Project Goal/Strategic Objective

The goal of the project is to assist Bolivia in the consolidation of its democratic institutions and practices. This goal is in accordance with the Mission Strengthening Democracy strategic objective, to improve the effectiveness and accessibility of key democratic institutions and practices.

### IV. Project Purpose

The project purpose is to promote electoral reform in Bolivia.

### V. Project Description

NDI will sponsor a conference on "Electoral Systems and the Democratic Process". The conference will provide a forum for fostering a debate on reforming the electoral process in Bolivia.

### VI. Project Status

A. Purpose Indicators/ EOPS	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period (6 mo.)	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
1. Promote Electoral Reform	1	1	1	0	1	1	100

B. Major Output Indicators	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period (6 mo.)	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
1. International Conference	1	1	1	0	1	1	100

### **C. Overall Status**

The grant required NDI to organize an electoral reform conference in La Paz in early 1991. Due to political problems between the ruling coalition and the government, the conference was postponed at the last minute by the GOB. In January 1992, NDI presented a proposal to USAID/B to resume this activity with some proposed changes keeping within the original goal and purpose. On April 28, 1992, the termination date of the NDI grant was extended at no added cost through December 31, 1992. The extension was intended to allow NDI to develop a detailed workplan and calendar for the completion of this grant. To this end, an NDI TA team visited La Paz during March 10-13, 1992, and carried out a series of meetings with political leaders, members of Congress and electoral authorities. As a result, a report on the functioning of Congress was presented to USAID/B by NDI. However, during the March NDI meetings in Bolivia all political parties expressed interest in a political party system conference if it were to be sponsored by the National Electoral Court (NEC). On October 26, 1992, the Bolivian National Electoral Court presented a request to this effect to NDI. The grant was extended through March 31, 1993 for the NEC conference to be adequately organized. This conference was successfully held March 15 - 16, 1993.

### **D. Problems and Delays**

NDI has conducted several fact-finding missions in Bolivia, all aimed at determining the exact scope and nature of the proposed conference. At one point the DI Country Team objected to what appeared like a lack of coordination with Embassy personnel on politically sensitive subjects. These objections were cleared up through an interchange of faxes with USAID/B and a visit by NDI to the DI Country Team in La Paz. Despite the resulting delays, there is general agreement that the international conference held in La Paz last March 15 - 16, aimed at examining political party regulations, legislation, and constitutional prescriptions, was useful and well organized. An added feature of this conference was the cooperation of the German government funded think-tank, the Instituto Latinoamericano de Investigación Social (ILDIS). ILDIS will be in charge of editing and printing conference proceedings, a task at which they have excelled in the past.

### **E. Major Activities or Corrective Actions During the Next Six Months**

1. NDI plans to request a final no cost grant extension to be able to incur expenses related to the printing of the March 15 - 16 conference proceedings.
2. NEC/NDI/ILDIS publication of conference proceedings.
3. Grant close-out.

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**PROJECT STATUS REPORT**  
October 1, 1992 - March 31, 1993

**Rating: B**

**I. Background Data**

Project Title: Urban Development Initiative, II Phase (HCOLC)  
 Project Number: 511-0000  
 Date of Authorization: original 02/24/92  
 Date of Obligation: original 02/24/92  
 PACD: original 12/31/94  
 Implementing Agencies: PROA  
 Major Contractors: N/A  
 AID Project Manager: Rafael Indaburu  
 Status of CPs/Covenants: None  
 Date of Last Evaluation: 12/20/91 Next Evaluation: 10/31/93  
 Date of Last Audit: 08/31/91 Next Audit: 10/31/93

	Yearly Non-Federal Audit of Recipients	
Planned: 2	Contracted: 1	Completed: 1

**II. Financial Data (in thousands)**

Amount Authorized:	ESF Grant: original	\$400
Amount Obligated:	ESF Grant: original	\$400

Amount Committed:	Period:	\$400
	Cumulative:	\$400
Accrued Expenditures:	Period - Projected:	\$150
	Period - Actual:	\$166*
	Period - Next:	\$230
	Cumulative:	\$80

Pipeline:	\$320	
Counterpart Contribution:	Planned LOP:	\$860
	Period - Projected:	\$400
	Period - Actual:	\$600
	Period - Next:	\$400
	Cumulative:	\$600
	% of planned LOP:	69%

% LOP Elapsed:	36%
% of Total Auth. Oblig.:	100%
% of Total Oblig. Exp.:	20%
% of Total Auth. Exp.:	20%

**\*Note:** From April 1st, 1992 to December 1992 PROA has used a balance of \$86,000 from the Pilot Phase. This amount, although it corresponds to a previous phase is reported as expenditures executed during the current period, in addition to \$80,000 disbursed and expended during this period.

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### **III. Project Goal/Strategic Objective**

PROA is an enabling project to the Strengthening Democracy Strategic Objective: to improve the effectiveness and accessibility of key democratic institutions. PROA contributes to this objective by improving living conditions of informal sector groups and increasing their access to public services. PROA's goal is to promote sustainable urban development in El Alto and other selected areas by improving the living conditions for low-income people, by supporting institutional and community initiatives, especially focussing on the organization and strengthening of informal sector businesses and/or institutions.

### **IV. Project Purpose**

PROA has undergone a shift in focus, from an experimental initiative to a private non-profit organization. PROA's purpose in this second phase is to integrate formal sector groups in selected urban areas into the national institutional framework and make them more efficient participants/beneficiaries of the development and urbanization processes.

### **V. Project Description**

Concentrating efforts and resources in selected areas, PROA helps the people in El Alto broaden their views on the role they should play in urban development; to understand and work with the informal sector; and, to form working coalitions and develop joint strategies to expand productive activities and expand the coverage of urban services. PROA identifies areas within El Alto where there are possibilities for supporting, not substituting, local initiatives to develop alternative workable solutions for local problems. This model implies the concentration of efforts from different sectors in certain areas where, through effective community participation, the local organized groups assume the responsibility of improving their own living conditions. The project considers the initiation of cost recovery activities as a first step toward its organization as an NGO-based urban development services institution. The services PROA provides facilitate the interaction between the formal and informal sectors; it "packages" the demand of small micro-entrepreneurs and low-incoming households making the "package" attractive to formal sector banks, local government, etc.

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**VI. Project Status**

A. Purpose Indicators/ EOPS	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period (6 mo.)	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
1. Contribute to change economic base of self-employed workers	12,500	2,000	2,572	2,000	807	1,379	11
2. Improve housing units	10,000	1,000	1,210	1,000	714	924	9
3. Improve health and sanitation infrastructure in selected neighborhoods	20	3	6	3	3	6	30
4. Create and strengthen citizen participation channels in selected neighborhoods	20	3	7	4	16	20	100
5. Percentage of cost recovery	100	35	35	40	20	20	20

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B. Major Output Indicators	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period (6 mo.)	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
1. Solidarity groups constituted	4,000	500	716	500	645	861	21
2. Community centers for urban development established	8	3	7	3	1	5	60
3. One guarantee fund established	1	1	1	0	1	1	100
4. Non refundable technical assistance programs established	2	0	0	0	0	0	0
5. Credit lines established for an amount of \$4,000,000	10	3	6	3	3	6	60
6. One coalition system for increased private sector participation 100% established	100	100	100	40	20	40	40
7. A self-sustained system for the provision of urban development services 100% established and operating	100	40	40	60	35	35	35

### C. Overall Status

1. PROA has completed the construction of two industrial warehouses and currently is undergoing a 90 day period of guaranteed adjustments, repairs and modifications in the construction of the buildings. Two potential leasers are negotiating terms for occupancy. With the lease of the industrial warehouses PROA will obtain funds to cover about 30% of its current total costs.

2. During this period and as part of its cost recovery activities PROA prepared and obtained funding from United Nations, Social Investment Fund and from the National Fund for the Environment. With these 3 new studies PROA expects to increase its self-financing levels up to 80% to 90%

3. As expressed in the previous semi-annual report, PROA completed a period of institutional transition from a pilot project to a self-financing PVO. Such transition included the preparation of a business plan and the transformation of its staffing patterns. Both activities have been successfully completed and PROA started CY 1993 with a new institutional structure.

4. PROA completed the establishment of a guarantee fund as a credit enhancement mechanism for the informal sector with regard to commercial banks and housing financing institutions. Whereas the fund is operational since December 1992, it is too early to determine its impact.

**D. Problems and Delays**

1. The main problem PROA is experiencing since May 1992 is the irregular (sometimes the absence of) disbursement of funds from DIFEM (Dirección de Financiamiento Externo y Monetización, Ministry of Planning). To overcome the holes created in this funding mechanism PROA has postponed a number of activities such as the purchase of its own office facilities and gave increased importance to the preparation of studies and implementation of small projects for United Nations, Foster Parents, etc. It is clear that PROA will continue to be distracted into odd jobs as long as local currency funding continues to be erratic.

**E. Major Activities or Corrective Actions During the Next Six Months**

1. Renting (or joint-venture) of the industrial warehouses recently completed.
2. Test and adjustment of management information system.
3. Start the provision of Urban Development Services in peri-urban areas of La Paz (in addition to El Alto).
4. Increase credit line items with local commercial banks to \$3,000,000.

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**E. ENVIRONMENT**

1.           598-0780           Environmental Support

**PROJECT STATUS REPORT**  
**October 1, 1992 - March 31, 1993**

**I. Background Data**

**Project Title:** Environmental Support  
**Project Number:** 598-0780  
**Date of Obligation:** original: April 1, 1991 (NYBG)  
**PACD:** original: December 30, 1993 (NYBG)  
**Implementing Agencies:** New York Botanical Garden  
The Wilderness Society  
**AID Project Manager:** Michael Yates

**II. Financial Data**

**Amount Authorized:** DA Grant: original  
**Amount Obligated:** \$215,550 (\$74,550 to NYBG; \$141,000 to TWS)  
**Amount Expended:** \$107,893 (\$24,581 by NYBG; \$ 83,312 by TWS)

**III. Project Purpose**

- 1) To enable the New York Botanical Garden to implement a program to determine the biological diversity (plant inventory) within two national parks in Bolivia (Amboro and Noel Kempff Mercado);
- 2) to carry out a biological and economic analysis of sustainable selective logging in Bolivia's lowland tropical forests, with emphasis on mahogany (Bosque Chimanes).

**IV. Project Status**

1) Project field activities (botanical collection, identification, taxonomy) are on schedule, focusing on new areas of Amboro and Noel Kempff Mercado National Parks. NYBG staff continued work on a definitive manuscript on the "Flora del Parque Nacional Amboro," and provided data for the forthcoming Herbario Nacional volume "Guia de Arboles de Bolivia." This information will help the National Environmental Secretariat (SENMA) better plan its new National System of Protected Areas (SNAP). Training of Museo de Historia Natural and Jardin Botanico staff in Santa Cruz continues as a priority, and is on schedule. Project administration at NYBG has improved.

2) Field research continues on schedule. Economic analysis is concentrating on determining how current timber pricing policies may promote wasteful and destructive logging, and on developing alternative policy scenarios to increase government revenues while reducing environmental damage. Ecological research continues to focus on identifying biological parameters (in particular river succession) for the sustainable harvest of mahogany, Bolivia's most important commercial species. Specific research themes include experimental plantings of seedlings in transects across river bends; quantifying light levels along rivers and in undisturbed forest; and enhancing natural regeneration of mahogany in logged stands. This information will be basic to development of sustainable forest management plans, and to implementation of the GOB's "Historic Ecological Pause." Training of project field crews continues on schedule.

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**F. CROSS CUTTING**

1.           511-0571           Policy Reform
2.           511-0576           Technical Support for Policy Reform

**PROJECT STATUS REPORT**  
October 1, 1992 - March 31, 1993

**I. Background Data**

Rating: A

Project Title: Policy Reform  
 Project Number: 511-0571  
 Date of Authorization: original June 24, 1983  
 Date of Obligation: original June 24, 1983 amended March 31, 1992  
 PACD: original June 30, 1986 amended December 31, 1992  
 Implementing Agencies: Ministry of Planning and Coordination; Economic Policy Analysis Unit (UDAPE)  
 Major Contractors: Harvard Institute for International Development (HIID)  
 AID Project Manager: Sonia Aransbar  
 AID Project Coordinator: Eugene J. Szepesy  
 Status of CPs/Covenants: All met  
 Date of Last Evaluation: May 1, 1991  
 Date of Last Audit: August 1, 1991

	Yearly Non-Federal Audit of Recipients	
Planned:	Contracted:	Completed:

**II. Financial Data**

Amount Authorized:	\$4,224,060
Amount Obligated:	\$4,224,060

Amount Committed:	Period:	\$10,941
	Cumulative:	\$3,934,891

Accrued Expenditures:	Period Projected:	\$230,000
	Period - Actual:	\$158,499
	Period Next:	\$0
	Cumulative:	\$3,932,503

Pipeline:	\$291,557 <sup>(1)</sup>
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% LOP Elapsed:	100
(since )	
% of Total Auth. Oblig.:	100
% of Total Oblig. Exp.:	93
% of Total Auth. Exp.:	93

Local Contribution (GOB):

	Planned LOP:	\$4,835,000
	Cumulative Planned as of 3/31/93:	\$5,238,968
	Actual Expenditures as of 12/31/92:	\$5,080,728
	Accrued Expenditures 1/1/93 to 3/31/93:	\$158,240 <sup>(2)</sup>
Total Actual and Accrued Expenditures as of 3/31/93:		\$5,238,968
	Planned Next Period:	\$0
	% of LOP Expended:	108

<sup>1</sup> Of which \$250,000 will be deob-reobed into the follow-on project

<sup>2</sup> Amount disbursed in 1993 to cover costs incurred through December 31, 1992

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### **III. Project Goal/Strategic Objective**

The overall goal of the project is to increase Bolivia's economic stability and growth through an improved policy framework in order to assure sound public investments and encourage new and expanded private productive enterprises.

### **IV. Project Purpose**

The purpose of the project is to identify and help implement GOB macroeconomic and sectoral policy reforms aimed at reactivating productive economic activity.

This project enables the Mission to achieve its strategic objective of increasing trade and investment in non-coca activities through technical assistance to and support for the GOB's Economic Policy Analysis Unit (UDAPE). Reduction of the cocaine trade in Bolivia require active efforts to expand non traditional exports and local private participation in the economy as well as to encourage foreign investment. Toward this end, the Policy Reform Project plays a significant role in accelerating economic growth in Bolivia by providing direct recommendations to the GOB to implement structural reforms that will facilitate alternative development and investment programs.

### **V. Project Description**

The project provides ESF Local Currency funds for the operation of UDAPE and DA funds for technical assistance to help the GOB formulate macroeconomic policies and regulatory changes that contribute to the economic wellbeing of Bolivia. UDAPE conducts analyses and studies used by the GOB to design programs that will accelerate economic growth, diversify the economy and generate employment opportunities in the context of the alternative development and trade and investment programs in which USAID and Bolivia are interested.

**VI. Project Status**

<b>A. Purpose Indicators /EOPS</b>	<b>Progress to Date</b>
<p>1. Significant portion of the government macroeconomic policies will have been directly influenced by the analyses and/or policy options developed by UDAPE or through the other technical assistance of the project.</p>	<p>UDAPE has been actively involved in macroeconomic policy recommendations at the highest levels (e.g. presidential level: alternative development strategy, social strategy; ministerial level: hydrocarbons code, privatization, public investment).</p>
<p>2. Majority of government decisions on the selection of proposed economic development projects will be made on the basis of UDAPE's analyses of the activities.</p>	<p>UDAPE is an active member of the GOB's macroeconomic decision group headed by the Minister of Planning and Coordination and is the technical counterpart to IMF and World Bank for monitoring the economy.</p>
<p>3. Economic production gains will have made as a specific result of policy reforms developed under the project.</p>	<p>UDAPE's interventions and recommendations have greatly contributed to the maintenance of the economic stabilization program. Current efforts are aimed at helping the GOB address structural constraints to facilitate consolidation of economic stability and stimulate economic growth.</p>

<b>B. Major Outputs</b>	<b>PLANNED</b>				<b>ACCOMPLISHED</b>		
	<b>LOP/ Base-line</b>	<b>Period (6 mo.)</b>	<b>Cum</b>	<b>Next Period</b>	<b>Period (6 mo.)</b>	<b>Cum</b>	<b>% of LOP</b>
<p>1. A government agency (UDAPE) capable of conducting sophisticated macroeconomic, sectoral and project analyses and with the capacity to assist in developing relevant economic policy options and economic development selection criteria</p>	1	N/A	1	N/A	N/A	1	100%
<p>2. Completion of macroeconomic and sectoral policy analyses by UDAPE</p>	225	18	344	N/A	N/A		153%
<p>3. A least 60 non-UDAPE produced analyses which lead to macroeconomic and/or sectoral reforms</p>	60	2	15	N/A	N/A		25%

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**C. Overall Status**

This report covers the period October 1 - December 31, 1992 which was the project assistance completion date.

This was a transition period in which several activities were carried out to transfer UDAPE operations to the follow-on project, Technical Support for Policy Reform 511-0616 which was approved on September 28, 1992 and to help the Social Policy Analysis Unit (UDAPSO) establish itself as an independent unit under the MPC.

During the LOP, two institutional contractors provided long and short-term technical assistance to the Project. Robert R. Nathan provided two years of long-term services and a total of 12 short-term consultants from 1984 to 1986. Harvard International Institute for Development provided two long term consultants for a total of 3 years and 168 short-term consultants from 1987 to 1992.

Project goals and objectives of economic stability and growth through the GOB's improved ability to formulate, coordinate and implement economic policy have been achieved during the first phase of the project.

The project has contributed meaningfully to economic stabilization and growth. UDAPE has become a major player in shaping Bolivia's macroeconomic policy framework. During the second phase of the project, the institutionalization of UDAPE will be pursued, as well as the formal establishment of UDAPSO, as the unit to address social policy and equity issues..

**D. Problems and Delays**

None.

**E. Major Activities or Corrective Actions During the Next Six Months**

- Complete deob-reob of unused funds into the follow on project. September 1993
- Complete End of Project Status Report. June 1993

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### **III. Project Goal/Strategic Objective**

The goal of the project is to consolidate Bolivia's economic stability, accelerate economic growth with improved social conditions in Bolivia.

This project supports USAID/Bolivia's strategy, in three ways:

1. It directly supports the Mission's Cross-Cutting concern of Sound Economic Policies through its support for UDAPE which has been shown in three external evaluations to be a pivotal player in the GOB's impressive economic turn-around;
2. It supports Mission strategic objectives in Alternative Development, and the Environment, through the sectoral policy analyses that will be generated by UDAPE and UDAPSO and the activities that will be generated by the PRS Fund in support of those objectives; and
3. It supports the Family Health strategic objective through the health sector analyses that will be produced by UDAPSO and through the health-related activities that will be generated by the PRS Fund.

### **IV. Project Purpose**

The purpose of the project is to improve the GOB's ability to formulate, coordinate and implement economic and social policy through an improved policy reform framework.

### **V. Project Description**

The project provides ESF Local Currency Funds for the operation of UDAPE and UDAPSO funds for technical assistance to help the GOB formulate macroeconomic, sectoral and social policies and regulatory changes that contribute to the socio-economic wellbeing of Bolivia. Specifically, the project provides technical assistance, training and commodities for studies, assessments, administrative and managerial improvements, and other actions required to advance policy reform in Bolivia.

The project has three components:

1. Continuation of USAID/Bolivia's support for the semi-autonomous Economic Policy Analysis Unit (UDAPE);
2. Establishment of a new semi-autonomous social sector policy analysis unit (UDAPSO), and
3. Creation of a Policy Reform Support Fund (PRS Fund), administered by USAID/Bolivia, which provides a flexible mechanism essential for the Mission to respond quickly to opportunities to advance the policy agenda to achieve stability, reactivation and human capital development in the context of alternative development, non-coca trade, family health and the environment.

**VI. Project Status**

<p><b>A. Purpose Indicators /EOPS</b></p>	<p><b>Progress to Date</b></p>
<p>1. Significant portion of the government macroeconomic, sectoral and social policies will have been directly influenced by the analyses and/or policy options developed by UDAPE and UDAPSO or through the other technical assistance of the project.</p>	<p>UDAPE has been actively involved in macroeconomic policy recommendations at the highest levels (e.g. presidential level: alternative development strategy, social strategy; ministerial level: hydrocarbons code, privatization, public investment). UDAPSO has begun to conduct studies and offer policy alternatives to the GOB in areas related to the integration of women into the development process, basic and higher education, and employment</p>
<p>2. Majority of government decisions on the selection of proposed social and economic development projects will be made on the basis of UDAPE's and UDAPSO's analyses of the activities.</p>	<p>UDAPE is an active member of the GOB's macroeconomic decision group headed by the Minister of Planning and Coordination and is the technical counterpart to IMF and World Bank for the monitoring of the economy. UDAPSO is recognized as the official social policy analysis unit, is an active member of the GOB's Council for Social Policy, and is the technical counterpart to all social reforms being developed by the GOB.</p>
<p>3. Economic production gains will have made as a specific result of policy reforms developed under the project.</p>	<p>UDAPE's interventions and recommendations have greatly contributed to the maintenance of the economic stabilization program. Current efforts are aimed at helping the GOB address structural constraints to facilitate consolidation of economic stability and stimulate economic growth.</p>

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B. Major Output Indicators	PLANNED				ACCOMPLISHED		
	LOP/ Baseline	Period (6 mo.)	Cum	Next Period	Period (6 mo.)	Cum	% of LOP
1. Social policy unit established.	1	N/A	1	N/A	N/A	1	100%
2. Policy studies submitted to GOB ministries, in areas of: - stabilization - reactivation - human capital development	UDAPE 90 UDAPSO 25 PRS 15	10 3 0	10 3 0	10 5 0	10 3 0	10 3 0	11 12 0
3. Social sector data base established and maintained	UDAPSO 1			1	0	0	0
4. Institutional reform analyses to enhance policy effectiveness	100	16	16	20	16	16	16
5. Policy seminars and workshops held	12	0	0	1	0	0	0
6. Staff capability to formulate and implement policy improved	40 (15 WOMEN)	5 (0)	5	10	5	5	12.5
7. Dissemination of study findings to public and private sectors	10	1	1	3	1	1	10

### C. Overall Status

The Technical Support for Policy Reform Project agreement was signed with the Ministry of Planning and Coordination on September 28, 1992.

During the first quarter of FY/1993, support under the previous project (Policy Reform 511-0571) was completed, all conditions precedent were met under this project and project implementation commenced January 1993. Two Supreme Decrees were issued by the GOB, one approving the continuation of UDAPE operations as a semi-autonomous unit and the other one approving the creation of UDAPSO as the GOB social policy analysis unit and designating its first Executive Director.

Although UDAPE and UDAPSO are now established as independent units working under the Ministry of Planning and Coordination, special mechanisms have been established to assure coordina-

tion of social and economic aspects of policy analysis and formulation. These include weekly joint meetings with the Minister of Planning & Coordination and the Project Manager, joint planning and implementation of the projects, and shared utilization of library facilities.

UDAPE has continued to provide policy alternatives to the GOB in meeting macroeconomic and sectoral problems. Since January 1993, UDAPE has developed 11 analytical studies and 15 additional documents and aide memoires on topics related to fiscal and monetary assessments, industry and agroindustry market structures, reports on IMF structural reforms, the implications of salary increments and other demands from the Bolivian Workers Federation by the COB, urban poverty indicators, GDP analysis, taxation and exports, gas pricing, trade policy, banking law, interest rates, public sector wage policy, balance of payments and various studies related to the GOB's gas export program with Brazil. UDAPE also represented the GOB at various meetings and attended conferences in areas related to the GATT, foreign investment, trade liberalization, agricultural policy, inflation and pension reform.

UDAPSO began to work as an independent unit during this reporting period and continued to hire and train its analytical staff. The unit's work plan incorporates five areas: education reform, incorporation of women into the development process, the social implications of economic reform, microenterprise and employment policy analysis, and the development of social indicators. UDAPSO also took the lead in the development and presentation of the Bolivian social strategy and action plan at the Consultative Group.

UDAPSO has carried out a series of activities in support of higher education reform in Bolivia. The unit has completed a higher education needs assessment which has been incorporated into the National Education Reform outline. Several seminars have been held in the main regions of Bolivia in an effort to gain consensus from local universities for future reform actions. The most immediate results of these efforts include the approval of agreements with two universities by which budgetary allocations are made based on performance. Other activities included participation of UDAPSO in a regional conference on higher education in Bogota, Colombia and study tours to observe higher education reform in Chile.

One important achievement has been the presentation of Bolivia's Women in Development Policy recommendations to President Paz and approval of a 10 year WID and Family action plan by the World Bank at the Consultative Group meeting in October 1992. The program has been transferred to the President's social program office for implementation with funding from the Netherlands.

UDAPSO is also in the process of completing a poverty map with the participation of UDAPE and the National Statistics Institute (INE) which will provide policymakers with sound data on the most socioeconomically disadvantaged sectors and recommendations for appropriate interventions in an effort to alleviate poverty.

Both UDAPE and UDAPSO participated in two high level international seminars held in Bolivia related to the Role of the State and Structural Adjustments and Social Development.

The PRS Fund initiated activities with the approval, on an ad-hoc basis, of two projects. One is aimed at implementing pilot projects in three regions of Bolivia to test rural banking systems. The other one relates to cost recovery mechanisms for health services. These two activities absorbed about 20% of the total amount planned for this element during the life of the project.

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**III. CENTRALLY FUNDED PROJECTS**

1.           **936-5600**           **Computed Aided Identification of Sandflies Research Study**

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1. Project Title and Number: 936-5600, Computer Aided Identification of Sandflies Research Study
2. Funding Level: \$120,900
3. PACD: 08/30/95
4. Project Purpose: To develop and expert system for computer-aided identification of the phlebotomine sandflies of South and Central America. Sandflies carry parasites which cause leishmaniasis, a polymorphic disease of skin and mucous membranes.
5. Nature and Extent of Mission Management: Managed by USDH project office and one project advisor.
6. Project Rating: B

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